

RIVER WATER DIVERSION EYED BY BOARD

Directors of the Klamath county chamber of commerce in session Wednesday noon, discussed at length the proposed diversion of water from the upper reaches of Oregon's Klamath river to California's Shasta dam, and members of the land use committee were urged to get to work immediately preparing data which will be presented at a future date.

Members were advised of a story which came out of Washington over The Associated Press Wednesday, in which the interior department informed Rep. Clair Engle, (D-Calif.), that the proposed diversion was but "a nebulous idea."

Directors also went into the feasibility of establishing a veterans' advisory committee, especially as it pertained to loans sought by returning service men. The matter was held over for further consideration.

A meeting of the post-war planning committee with Dean Paul Dunn of the school of forestry, Oregon State college, was announced for the evening of January 23. Lumbermen, members of the industrial committee and others interested will be asked to sit in on the session.

Secretary Charles Stark announced Arthur Vander Sys of Seattle, homes use division of the national housing agency, would be at the chamber of commerce Thursday and Friday. Vander Sys will discuss and investigate utilization of existing housing facilities in this area.

Directors approved a plan whereby men who have "graduated" from the junior chamber be given a one year membership in the chamber of commerce, and also be asked to assist on committees. Members of the junior chamber are within the age limit of 21 to 35, inclusive, and on reaching the age of 36, may continue as inactive members of the younger group.

A letter from Representative Henry Semon was read to the group, in which Semon advised he was forwarding legislative literature to the chamber for use of that organization.

In the absence of President Malcolm Epley, Fred Heilbroner presided at the Wednesday noon session.

SALARY INCREASES EYED BY LAWMAKERS

(Continued From Page One) \$8500; attorney general, \$5000 to \$7500; supreme court justices, \$7500 to \$8500; superintendent of public instruction, \$4000 to \$6000; labor commissioner, \$4000 to \$6000.

The amounts probably will be revised, and they would have to be approved by the ways and means committee, which said today it is extremely short of appropriate funds.

Passes Bills
The house passed and sent to the senate its first bills today. One appropriates \$100,000 for legislative expenses, and the other legalizes the action of the state department in issuing windshield stickers in place of motor vehicle license plates.

A new community property program, which may be the start of a campaign to persuade congress to allow married couples in all states to split their incomes for federal income tax purposes, was before the senate today.

The program would replace the 1943 law which allowed married couples to elect to come under a community property system so they could divide the family income and get into lower federal tax brackets. But the United States supreme court ruled this could not be done.

New Superintendent



Above is T. A. Jerrow, recently appointed superintendent of the Klamath division of the Great Northern railroad. He was formerly trainmaster at Spokane, Wash., and succeeds W. R. Minton here. Minton is now superintendent of the Kalispell division at Whitefish, Mont.

ARGENTINA NOT TO ATTEND MEETINGS

BUENOS AIRES, Jan. 10 (AP)—The Argentine government announced today it would not participate in future Pan-American union meetings.

The announcement followed the Pan-American union's decision Monday to postpone consideration of Argentina's request for a consultative meeting with the other American unions.

The undersecretary of foreign affairs, Oscar Ibarra Garcia, said:

Instructions Sent
"The Argentine government has sent instructions to its representative on the Pan-American union's board to present the following note:

"Mr. President: I have the honor to inform your excellency that while, in the judgment of my government, Argentine rights continue to be disregarded and alteration of the consultative procedure persists, as represented by the resolution taken by the board at its session January 8, the Argentine republic has decided to refrain from participating in the meetings of the Pan-American union."

Only Link
The Pan-American union has been Argentina's only diplomatic link with most of the other nations of the western hemisphere since the present military government of President Gen. Edelmir J. Farrell failed to obtain recognition.

It has been this government's contention, supported unofficially by some of the other nations, that the Pan-American union's consultative procedure gave Argentina the right to be heard at a conference of American ministers.

Although the Pan-American union has not rejected Argentina's petition for such a conference, the foreign office apparently considered that its rights had been ignored by the long delay.

Eugene Grocer Dies In Car Accident

EUGENE, Jan. 10 (AP)—Ernest Baxter, 65-year-old grocer salesman, was instantly killed here Monday night when he was struck by a passing car on the Pacific highway north of Eugene.

The man was reported to have dropped a sheath of business papers on the highway and was struck by a car while attempting to evade another. The driver was not held. It was the first traffic fatality in Lane county for the year.

TANK BATTLE WON BY 1ST; SAMBREE TAKEN

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making little or no attempt to fight."

British advances ranged up to three and a half miles and overran numerous Belgian towns including Ambly, four miles east of Rochefort.

Win Towns
The British took five towns in the west and moved to within a half mile of Laroche which seemed doomed by the fall of Sambree, three miles to the northeast.

Laroche itself was bypassed. The Germans left only a small holding force in that town of about 2000.

Near Escape Route
All along a 18-mile front on the north side of the bulge, the first army drove ahead in snow for gains ranging from a half mile to more than a mile. Van-guards were less than three miles from the last German escape route from Houffalize to St. Vith.

To Germans in diversionary attacks in Alsace moved to within 10 miles south of Strasbourg. Bitter fighting progressed nine miles north of that provincial capital.

Principal speaker at the session will be Ernest E. Henry, Spokane, president of the Production Credit corporation of Spokane, Wash. The meeting is streamlined and registration will start at 11 a. m., a complimentary buffet luncheon will be served at noon, and the business meeting will close at 3 p. m. to enable farmers to return home in time for evening chores.

McMullen stated Wednesday that this session is expected to be the largest in point of attendance of any held in the history of the local association.

FLYNN APPOINTED AIDE TO MANAGER

Howard A. Flynn, northwest district manager for California Conserving company during the past several years, has been appointed assistant general sales manager, and will assume his new duties at the main office in San Francisco immediately.

J. S. Womack, who for 12 years has had charge of the Arizona, New Mexico and west Texas territory, will succeed Flynn as northwest district manager, with headquarters in Portland.

EDITORIALS ON NEWS

(Continued from Page One)

is admittedly a lot of dealing from under the counter—sometimes two or three packs at a time and sometimes in carton lots.

What the retailer is doing is TAKING CARE OF HIS CUSTOMER. After all, what is sounder or more fundamental in American business than taking care of your customer? If you are training your son to be a salesman, and want him to be a successful one, what do you teach him?

Why, you teach him to take care of his customers so fairly and so well that they will buy from him with confidence. And GO ON buying from him. American business is founded on REPEAT customers—people who go on buying at the same place because they feel that they are well taken care of there.

The retailer who deals cigarettes from under the counter at the regular, established price (no black marketing, no bootlegging) is merely taking care of his regular, established customers who provide the bulk of his living.

TAKE a look at it from this angle:
Cigarettes are admittedly scarce. There must have been some reduction of consumption by some individuals. But have you seen anybody going wholly without? This writer hasn't.

The private, unofficial system of making the existing supply go around seems to work with a reasonable degree of fairness.

BUTTER is scarce. It is officially rationed. IF YOU HAVE THE POINTS, you can usually get a little butter somewhere. If you're out of points, you go without.

If you're out of points, you're out of butter—just as surely as you're out of cigarettes if you can't find any to buy.

ALL this is mere moralizing. It gets us nowhere. We have food rationing, and it's going to be with us until the war ends. Having started it, we'd be foolish to wipe it all out and start over. You can't win a war by the process of fits and starts.

BUT LET'S NOT ACCEPT the doctrine that ONLY GOVERNMENT can deal fairly by the people and that private business is inherently wicked and crooked and has to have its ears knocked down. In that way lies totalitarianism.

It is this writer's observation and belief that the rationing that has been practiced by private business to spread out the supply of certain scarce commodities such as cigarettes, candy, gum, etc., has worked just about as fairly and perhaps even more satisfactorily than the fancy government-run point system.

WEATHER

Forecast, January 9, 1945

Locality	Max.	Min.	Precip.
Eugene	50	48	.17
Klamath Falls	45	35	.06
Salem	45	42	Trace
North Bend	37	30	.50
Portland	52	44	.33
Medford	47	42	.18
Reno	44	42	.00
San Francisco	51	48	.00
Seattle	50	48	.19

OREGON: Light showers today, becoming partly cloudy tonight and Thursday. Light rain west of Cascades Thursday. Slightly colder tonight.

Service Men and Women Home on Leave

Victor C. Lundy, PhM 1/c, from South Pacific. Here for 30 days.

Pvt. Reese J. Warner from Ft. Lewis, Wash. Here until January 20.

The above service people are entitled to free passes to the local theatres and free fountain service at Lo's River dairy by courtesy of Lloyd Lamb of the theatres and R C Woodruff of the dairy. Please call at The Herald and News office (ask for Paul Haines) for your courtesy tickets.

ANNUAL KPCA MEET SET FOR JAN. 20

(Continued From Page One)

will be election of officers and two directors are to be named. The terms of E. A. Geary and Lee Holliday, directors, expire at this time.

Principal speaker at the session will be Ernest E. Henry, Spokane, president of the Production Credit corporation of Spokane, Wash. The meeting is streamlined and registration will start at 11 a. m., a complimentary buffet luncheon will be served at noon, and the business meeting will close at 3 p. m. to enable farmers to return home in time for evening chores.

STREETCAR STRIKE ENTERS SECOND DAY

(Continued From Page One)

street railwaymen's case was not settled in the near future. No confirmation could be obtained for these reports.

Stores in the downtown areas of the three cities reported a falling off in numbers of shoppers while smaller businesses in the suburbs noted a corresponding increase in sales.

Shutdown Possible
Possibility that the Alaska Pine company in New Westminster might suffer a partial shutdown appeared when it was noted that the plant loads 12 freight cars daily which are moved by electric locomotives now strikebound. Limited storage space at the plant may cause curtailment of production until the strike is settled.

The night shift of Western Canada cordage plant of New Westminster was canceled and night workers joined the day shift for the strike's duration.

JURY INSTRUCTED IN DAMAGE SUIT

(Continued from Page One)

riding his bicycle down Montclair en route to work at Montgomery Ward store and Lavenik was driving his car on Alameda. Lavenik testified that he was driving "between 15 and 20 miles an hour on the right side of Alameda when all of a sudden he saw the boy strike his windshield."

Lavenik said he stopped the car at the edge of the intersection and asked for someone to call an ambulance.

Young Davis was called to the stand at which time he testified that he saw Lavenik's car when he, Davis, was some 10 feet from the intersection and that "was about the last he remembered."

Davis charged that Lavenik was driving on the wrong side of the street at the time of the accident. The bicycle operated by Davis was produced in court.

William A. Crumline, reclamation employe, testified as a witness for the defense. He said he witnessed the accident from the reclamation office window. Jerry Watson, a witness for Davis, is now in the armed forces and his deposition was read in court.

Jurors
Members of the jury include Louie M. Lyons, W. L. Frain, Leonard Oberg, Fred E. French, Keava E. Hutchinson, Rufus A. Quillen, Harry Obenchain, E. N. Eagle, Orville Wood, Antone Steyskal, Carl O. Murphy, and Raymond S. Loosley.

Arthur I. Moulton, member of the Portland firm of Moulton and Davis, and U. S. Balentine, Klamath Falls, represented Davis. Lavenik was represented by R. B. Maxwell of this city.

'45 INDUCTION RATE DOUBLED, CONGRESS TOLD

(Continued From Page One)

The committee is considering such a bill.

WASHINGTON, Jan. 10 (AP)—Rep. Sabath (D-Ill.) declared today that Washington cocktail rooms "are crowded with army officers" and that it is "a damnable outrage."

He proposed a congressional investigation of the house rules committee and a staunch administration supporter, Sabath proposed "a thorough house cleaning" to reassign officers and men in Washington who he contended could be replaced "by girls and messenger boys."

Coup de Grace Looms To Budapest

(Continued From Page One)

and a quarter of Komarom, big Czechoslovak communications base which has been serving as a springboard for the German counterattacks below the Danube northwest of Budapest.

In advances of three miles or more, Marshall Rodion Y. Malinovsky's troops yesterday captured the riverbank town of Iza, little more than three and one-half miles east of Komarom, and half a dozen other communities to the northeast in a wheeling movement that could carry around the big German base and on toward Bratislava, the Austrian border and eventually to Vienna, 87 miles away.

LOSSES LIGHT IN LINGAYEN GULF LANDING

(Continued From Page One)

can losses to "this strategic surprise."

Fully 3000 small amphibious craft, loaded with troops, nestled near the transports until the fearsome curtain of naval gunfire and rockets lifted. Then the landing waves headed toward beaches well churned up by American metal.

Before the landing, the huge invasion armada weathered the most deadly air attack the Japanese could mount harking back to January 5. The enemy had the time it started, but waited until it approached Luzon past enemy-held islands before attacking with the fury of desperation.

Progress Reported On Pumping Plants

Clifford A. Dunn, Klamath contractor for pumping plants A, B and C in the Tulelake area on the Klamath project, has begun excavation on plant A and plant B is 50 per cent completed.

No work has been started as yet on plant C.

Yank Planes Hit Behind Bulge

LONDON, Jan. 10 (AP)—A hundred U. S. Liberator Flying Fortresses bombed bridges, airfields, and road stations behind the Belgian bulge and along the Rhine today in a daring daylight raid supported by only 300 fighter escorts.

The U. S. eighth air force heavy bombers braved icy ways and flew through storms in delivering their first attack with 4000 tons of bombs.

21 SERVICE MEN KILLED IN CRASH

(Continued from Page One)

was between the Lockheed terminal and the airport. Palmdale, Calif., after an over the Burbank field, the storm said in a statement.

"The pilot had reported radio over Burbank that he was of low ceiling and visibility that field he would land at Palmdale field where the tower was clear. No further word was heard from the airplane until the wreckage was found and the cause of the accident is not known."

Hans Norland Auto Insurance, Phone 8080.

RAINBOW

Box Office Opens 6:45

Starts Thursday

My Best Gal

WITHERS LYDON

THE MAN IN HALF MOON STREET

ASTHER WALKER

ESQUIRE

Ends Tonight

Uncertain Glory

FLYNN

PAUL LUKAS JEAN SULLIVAN LUCILE WATSON FAYE EMERSON

Another Thrill Hit

On the Same Program

IT'S AS CUCKOO AS A CLOCK!

Ever Since Venus

INA RAY HUTTON

HUGH HERBERT

Ann Billy Rose SAVAGE - GILBERT - HUNTER

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(Signal Corps Photo from NEA) Using his head in a big way, Karunavathi, Indian work elephant, helps G. I.'s move a 2800-pound electric refrigerator into the Post Exchange of the Southeast Asia Command headquarters. Karunavathi's pay for the job was a quarter stalk of bananas and bread.

★ 2ND ACE HIT ★
MYSTERY! SUSPENSE!
THE UNINVITED
RAY MILLAND RUTH HUSSEY GAIL RUSSELL

Cherry COOPER and MERLE OBERON in THE COWBOY AND THE LADY

Ever Since VENUS
INA RAY HUTTON and Merle Oberon HUGH HERBERT
Ann Billy Rose SAVAGE - GILBERT - HUNTER