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' a dvisory 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.

nounced Arinir vander Sys of Seattle, homes use division of the national housing agency, would be at the chamber of commerce Thursday and Fri-day. Vander Sys will discuss and investigate utilization of existing housing facilities in this area.

area.

Directors approved a plan whereby men who have "gradiated" 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.

The Argentine government as sent instructions to its representative and the pan-American union's decision Monday to postpone consideration of Argentine of a consulative meeting to discuss her relations with the other American union's decision Monday to postpone consideration of Argentian or account in the policy of a consulative meeting to discuss her relations with the other American union's decision Monday to postpone consideration of Argentine's request to discuss her relations with the other American union's decision Monday to postpone consideration of Argentine's request to discuss her relations with the other American union's decision Monday to postpone consideration of Argentine's request to discuss her relations with the other American union's decision Monday to postpone consideration of Argentine's request to discuss her relations with the other American union's decision Monday to postpone consideration of Argentine for a consulative meeting to discuss her relations with the other American union's decision Monday to postpone consideration of Argentine of a consulative meeting to discuss her relations with the other American union's decision Monday to postpone consideration of Argentine of a consulative meeting to discuss her relations with the other American union's decision Monday to postpone consideration of Argentine of a consulative meeting to discuss her relations with the other American union's decision Monday to postpone consideration of Argentine's request.

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 Heilbronner presided at the Wednesday noon session.

SALARY INCREASES

(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 appropriative funds.

Passes Bills

The house bassed and sent to

Passes Bills

The house passed and sent to the senate its first hills 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

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.

ATTEND MEETINGS

BUENOS AIRES, Jan. 10 (#) The Argentine government an-nounced today it would not par-ticipate in future Pan-American union meetings.

The announcement followed the Pan-American union's deci-

"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 honer to inform your everlien.

"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 consulative procedure persists, as represented by the resolution taken by the board at its session January 8, the Argentine republic has decided to refrain to participate in the meetings of the Pan-American union."

Only Link

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. Edelmiro J. Farrell failed to obtain recognition obtain recognition.

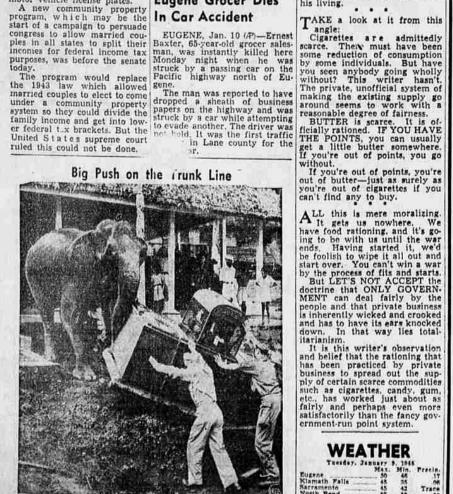
Obtain recognition.

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 the content of t

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 ap-parently considered that its rights had been ignored by the long delay.

Eugene Grocer Dies In Car Accident



(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.

TANK BATTLE WON BY 1ST:

(Continued From Page One)
making little or no attempt to fight."

Pyr. Acce J. Warner from Ft. Lewis, Wash. Here until January 20.
The above service people are (Continued From Page One)

All along a 16-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. Vanguards were less than three miles from the last German escape route from Houffalize to St. Vith.

The Germans in diversionary.

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

FLYNN APPOINTED

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—some-times two or three packs at a time and sometimes in carton

his living.

ALL this is mere moralizing.

Alt 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 GOVERN-MENT 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 total-itarianism.

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
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Sacramento 45 42 Trace
North Bend 57 50 50
Portland 52 44 33
Reno 44 31
Reno 44 31
Reno 5an Francisco 51 48 30
Sattle 50 48 10
OREGON: Light showers today becoming partly cloudy tomight and Thursday. Light rain west of Cascades
Thursday, Slightly celder tonight.

Service Men and Women Home on Leave

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

days.
Pvt. Reece J. Warner from Ft.
Lewis, Wash, Here until Janu-

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

Near Escape Route

All along a 16-mile front on the north side of the house the control of the provision of the provisio

(Continued From Page One) will be election of officers and

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. chores.
McMullen stated Wednesday

that this session is expected to be the largest in point of at-tendance of any held in the his-tory of the local association.

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.

(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 as 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 RE-PEAT customers—people whoe go no buying at the same place to 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.

WASHINGTON, Jan 10 (P)— Rep. Sabath (D-III.) declared to-day that Washington cocktail rooms "are crowded with army officers" and that it is "a damn-able outrage."

officers" and that it is "a dami-able outrage."

He proposed a congressional investigation of the armed serv-ices' use of manpower, asserting:

"The cocktail rooms and clubs are jammed with service people without any foreign service stripes. I believe we have 30,000 more officers in the army than we need."

we need."

Chairman of the house rules committee and a staunch admin-istration supporter, Sabath pro-posed "a thorough house clean-ing" to reassign officers and men in Washington who he contended could be replaced "by girls and messenger boys."

JURY INSTRUCTED IN DAMAGE SUIT

riding his bicycle down Monciaire 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 (Continued from Page One)

The bicycle operated

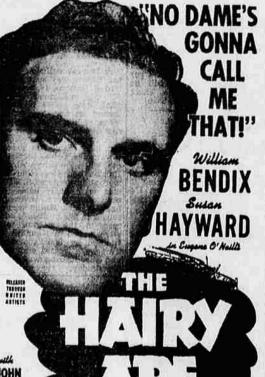
by Davis was produced in court.

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.

Members of the jury include Louie M. Lyons, W. L. Frain, Leonard Oberg, Fred E. French, Keva E. Hutchinson, Rufus A. Quillen, Harry Obenchain, E. N. Eagle, Orville Wood, Antone Steyskai, 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.

= STARTS -**TODAY**



MHOL LODER

* 2ND ACE HIT *



Coup de Grace Looms To Budapest

(Continued From Page One) and a quarter of Komarom, hig Czechoslovak communications base which has been serving as a springboard for the German counterattacks below the Dan-ube northwest of Budapest.

CONGRESS TOLD

"Under the committee is considering such a bill.

"WASHINGTON, Jan 10 (P)—
Rep. Sabath (D-111.) declared to day that Washington cocktail rooms "are crowded with army officers" and that it is "a damn."

"Under the mides of three miles of more, Marshall Rodion Y. Malinovsky's troops yesterday captured the riverbank town of Izsa, little more than three and one-half miles cast of Komarom, and half a dozen other communication to the property of the communication of the committee of the communication of the communicatio

Strong Reinforcements

The Russian communique said the Germans were throwing in strong reinforcements to stem this westward soviet tide, but it declared the red army still was

declared the red army still was advancing.

Fresh troops also were brought up by the Germans west and northwest of Budapest to fill holes in the battered ranks of their relief columns. New German tank and infantry attacks failed, the official announcement said.

Maintain Attacks

The German counterattacks, which began January 2—four days after the start of the Russian annihilation offensive staid.

More than 500 tanks now have

been lost by the German com-mand in beating against Marshal Feodor I. Tolbukhin's flank, based on Bicske 18 miles west of Budapest, and Dorog, approxi-mately the same distance on the northwest.

Classified Ads Bring Results.

Box Office Opens 1:30-6:45

-- Ends Tonight --



★ Thursday ★



STREET" ASTHER WALKER

Phone 4567 * Open 1:30-6:45 -- Ends Tonight --

★ Next Attraction ★



LOSSES LIGHT LINGAYEN

(Continued From Page One) can losses to "this strategic sur-

can losses to "this strategic surprise."
Fully 3000 small amphibious craft, loaded with triops, nestled near the transports until the fearsone curtain of naval guifire 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 convoy under observation from 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. Durn, 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

Yank Planes Hi **Behind Bulge**

LONDON, Jan. 10 (P)-R hundred U. S. Liberaton Flying Fortresses bomb bridges, airfields, and road tions behind the Reigian is and along the Rinne too a daring daylight raid supp by only 300 fighter excep-

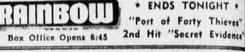
by only 300 lighter except the U. S. eighth air is heavy bombers braved by ways and flew through a storms in delivering their ical attack with 4000 kg

SERVICE MEN

(Continued from Page 0 was between the Lockhed terminal and the airge Palmdale, Caut, after over the Burbank field, strom said in a statement

The pilot had reported radio over Burbank that he of low ceiling and visible that field he would land a Palmdale field where the mer was clear. No further was heard from the airplaster that until the wreckage found and the cause of he dent is not known. dent is not known

Hans Norland Auto h



STARTS THURSDAY 2nd Big Hit!



"THE





Errol PAUL LUKAS JEAN SULLIVAN LUCILE WATSON FAYE EMERSON

Another Thrill Hit On the Same Progra

SAVAGE - GILBERT - HUNTER

