

CONGRESS DEBATES OPA REVIVAL

In The Day's News

By FRANK JENKINS
THERE are two big stories in the news today—the OPA blow-up and the Bikini bomb test.
BOTH are in utter confusion this morning.
THIS much, however, is crystal clear:
The atom bomb test is a long way off. Its results will concern the next generation even more than this. The OPA blow-up comes close to all of us NOW.
It dominates the news.

IT is too early to draw any definite conclusions as to what the sudden end of OPA will mean. About all we can do this morning is to examine certain SIGNIFICANT developments.
Let's start with the New York stock market. It boomed at the opening, but most of the gains ran into profit cashing and FAILED TO HOLD.
Buyers were CAUTIOUS.

COMMODITY markets (cattle, hogs, cotton, wheat, corn, eggs, etc.) boomed everywhere. Price increases this morning were sharp.
Keep this fact in mind, for it is fundamental: Stock and bond and commodity exchanges are AUCTION markets, with prices established by bid and take.
Bidding is influenced by the EXCITEMENT of the moment.

REMEMBER that on these AUCTION markets, prices can fall as rapidly as they can rise. So let's jump to no conclusions on that score today. It is too soon.

ALL over the country, the SOUNDER elements of business recognize that a sharp, SUSTAINED rise of prices will be bad. National associations of business men are urging their members to HOLD PRICES DOWN.
Sound business knows it has EVERYTHING TO LOSE and in the long pull nothing to gain by runaway prices.

THIS thought is put forcibly this morning by a clothing merchant in Milwaukie (Oregon), near Portland, who announces:
"I'm changing my prices right now—a straight 5% REDUCTION. I'll not be losing money, and if every merchant would reduce prices instead of raising them (now that costly OPA restrictions are off) we wouldn't EVER have price control."

MOST significant of all are statements by Stanley Earl, executive secretary of the Oregon state CIO council, and James E. Fadling, president of the CIO International Woodworkers of America who issue statements condemning the end of OPA and warning that labor will seek wage increases to meet rising costs.
That is natural enough and REASONABLE enough. If prices are to soar, wages will soar. Labor has the POWER to insure that.
If both wages and prices soar, NOBODY will be any better off.

THIS fact faces ALL business men:
Prices can drop OVER NIGHT.
Wages, because of the pressures that can be and will be exerted, will FALL MUCH MORE SLOWLY.
In that direction lies bankruptcy for employers.

EVERYWHERE this morning there is recognition that EXCEPT IN THE CASE OF HOUSING buyers can go on strike if prices go too high. But we can't DO WITHOUT HOUSES.
The National Apartment House Owners' association sends telegrams to 50,000 apartment house owners in 50 principal cities urging them to hold rent increases to 15 per cent above present rates.
In the house of representatives, Republican members draft a bill to reimpose OPA ceilings on rents. The bill is so worded as to OUTLAW rent increases already announced.

HOUSING is the hot spot. Something will HAVE TO BE DONE about that. Otherwise there can be revolution.

AS to leadership in Washington, this is still perfectly plain:
There has been no sincerity in this OPA mess. ALL the politicians and all the pressure groups are merely using it to PUT EACH OTHER IN THE HOLE.
All of these cattle are merely looking forward to the next election.

WHATEVER help we may get in this situation that confronts the country will have to come from the forbearance and the common sense of the general run of the plain people of the United States.
About the best we can hope at the moment is that the situation (Continued on Page 3, Column 4)

Herald & News

PRICE FIVE CENTS

KLAMATH FALLS, OREGON, MONDAY, JULY 1, 1946

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Number 10860

WEATHER NEWS

July 1, 1946
Max. (June 30) — 83 Min. — 59
Precipitation last 24 hours — .00
Stream year to date — 13.04
Normal — 11.95 Last year — 13.75
Forecast: Clear today and Tuesday.

Atom Bomb Sinks Three Vessels

U. S. Troops Fight Mobs In Trieste

TRISTE, July 1 (AP)—American troops armed with rifles and carbines broke up tonight a mob attacking communist party headquarters as rioting raged through this disputed Adriatic port city for the second successive day. There was no sign that the violence was subsiding.
At least five American soldiers had been wounded in disturbances yesterday.
Six men and a woman were shot today in riots between pro-Slav and anti-Slav groups in this city, claimed both by Italy and Yugoslavia. Two of the wounded were hurt seriously. All were members of labor organizations which struck in protest to what they claimed were riotous attacks on communist, labor and Slav establishments yesterday. Some 200,000 workers were reported out.
The tight strike continued in Trieste and the mood of the Italian and Yugoslav sympathizers appeared to be growing uglier.
The Americans were called out along with their British allies to help the hard pressed civil police of Venezia-Giulia. They fired several volleys into the air before the attackers, flinging stones and bottles, were dispersed from the communist headquarters.

Jews Threaten To Strike Back

JERUSALEM, July 1 (AP)—Threats of retaliation came from the Jewish underground as British troops held 2,000 persons for investigation today following sweeping weekend security operations during which four persons were killed and a number injured.
The secret radio of the Jewish resistance movement, "The Voice of Israel," trumpeted that "Britain has declared war on the Jewish community" and added ominously:
"We will return it."
In Tel Aviv, leaflet bombs were exploded by the Jewish extremist organization, Irgun Zvai Leumi, spreading pamphlets which charged that Palestine Jews had had their "Pearl Harbor" because they had been "attacked by the British at the moment of mutual negotiations."

Woman Dies, Four Injured In Smash-Up

Mrs. Aini Kautto Ware, 35, 1408 Nimitz, was killed instantly early Sunday morning when the car in which she was riding crashed into an automobile containing four young people, a quarter of a mile south of the Weed-Ashland junction on highway 97.
Driver of the car, Mrs. Alice L. Scheisel, and the four persons in the other vehicle, Homer Orin DePuy, 20, of Lenox addition; his sister, Flora Dale DePuy, 18; Frank Robinson, 25, of 128 Lincoln, and Madeline Schreiner, 20, 533 N. 9th, were all injured and taken to local hospitals.
Mrs. Scheisel is still in Hillside hospital and was being X-rayed today to determine the extent of her injuries. The others were taken to Klamath Valley hospital but were released Sunday night.
The fatal accident occurred at three minutes to 1 a. m. Sunday morning, state police believe. A watch on the arm of (Continued on Page 2, Column 3)

Bomb Broadcast Causes Suicide

LOS ANGELES, July 1 (AP)—Depressed by the radio broadcast of the Bikini atom bomb test, police said, Susana Gregory, 23, nurse, plunged to death from the roof of a 13-story apartment building.
Detective W. A. Cummings quoted Mrs. R. L. Garlich, aunt, whom the nurse was visiting, as saying Miss Gregory expressed fear for the future of the world and then ran to the edge of the roof, on which several persons were sunbathing yesterday.

Big Damage Suffered By Eight More

ABOARD USS APPALACHIAN OFF BIKINI, July 1 (AP)—Three of the 73 old target warships were sunk and eight others badly damaged in today's spectacular test of the fourth atomic bomb, Vice Adm. W. H. P. Blandy reported tonight as vessels of his task force moved into Bikini lagoon to survey damage.
This was based on a cursory inspection. Many ships are burning. The total may be higher.
Whether the atomic bomb will force navies of the world into new construction and battle tactics remained the day's big question.
The bomb wrought a great deal of damage to ships anchored in the lagoon but the blast did not sink a capital ship, even (Continued on Page 2, Column 3)

Heating Plant Drive Still On

The June 30 deadline for raising money to buy out the Klamath Heating company plant came and went with not enough money promised the newly-formed Consumers Heating company to swing the deal, but L. Orth Sisemore, representing the new concern, has arranged with D. O. Hood for a 10-day extension of the option to buy.
E. B. Hall, member of the committee trying to buy the central heating utility, said today that the plant still could be purchased if the necessary money is subscribed by central heat users in the next few days, but time that could be used for reconditioning the plant is running out.
A minimum of \$100,000 is needed to buy the plant and put it into shape for operation next winter, but the committee is trying to raise \$125,000 in order to make further repairs and lay up a fuel stockpile.
Purchase price of the physical plant is \$55,000, and it is understood that the Klamath Heating company plans to shut down entirely within a few weeks unless the sale is made. Only one boiler is in operation now, and Hall said today that it may have to be closed down.
The Consumers Heating company wants to take over the operation of the plant as soon as possible to work on the boilers and also work on the underground steam pipes where much of the heat has been lost.
That work must be done in the summer months, Hall said. "This is July 1, and if the work is not done by September the same loss of heat will occur next winter."
By an agreement with Hood, president of the Klamath Heating company, the company's trucks are hauling fuel for a stockpile now and Hall hopes to have a three-month supply on hand by the start of winter if the purchase is finally made.
Solicitors are out today contacting central heat users for subscriptions. At the last count Friday, about \$70,000 had been raised, and another count will be made tomorrow to see how the drive for funds stands.

Market Prices Spiral Upward

NEW YORK, July 1 (AP)—Prices of commodities for future delivery advanced the limit allowed in a day's trade in many markets today, in a tempestuous response to the suspension of price controls.
Cotton at New York shot up more than \$4 a bale to the highest in 23 years before heavy profit taking cut the advance to around \$2 in late trade. Trading was active. Similar gains were posted in the New Orleans market.
Cottonseed oil jumped the allowed limit of 1 cent a pound with the March and May deliveries priced at 15.31 cents a pound.
Wool tops for delivery in July climbed the limit of 10 cents a pound to \$1.43 a pound. Cocoa opened up 1 cent a pound, also the limit.
Trade for immediate delivery in wholesale food, textile and metals markets came to a halt with dealers in complete confusion over the problem of prices.

Indian Budget Funds Slashed

A conference committee of senators and congressmen in Washington has trimmed the 1946-47 budget for the Klamath Indian reservation to \$118,000, from the \$224,000 originally set by the senate, Senator Guy Corden has informed the local county court by telegram.
The house of representatives had originally placed the budget figure at \$106,000, and the conference committee was called to iron out the difference between that figure and the one designated by the senate.
Since this money comes from tribal funds, the Klamath Indians collectively are over \$100,000 richer for the reduction. Forrest Cooper, Lakeview attorney, pointed out today. Cooper is the attorney for all western states in federal land matters.
He gives Wade Crawford, Klamath Indian delegate to Washington, credit for the saving, saying that this was the first time anyone objected to the Indian service's spending of the Indians' money.
The Klamath county court also aided in the spending reduction, Cooper said, by distributing copies of the county budget among congressmen at Washington, pointing out that Klamath county with 40,000 people was being run for around \$600,000, and therefore \$224,000 was not necessary to operate the Indian reservation.
Also \$800,000 was sliced from the Indian service budget for land acquisition. That money would have come from the taxpayers. Senator Corden's telegram said that the limitation on the appropriation was included in the bill "provided further that no part of this appropriation shall be used for the acquisition of land or water rights within the states of Nevada or Oregon either inside or outside the boundaries of existing Indian reservations."

Strike Snarls Frisco Traffic

SAN FRANCISCO, July 1 (AP)—With streetcars, buses and cable cars at a standstill due to the municipal transportation strike, thousands of automobiles were funneled into the downtown section today as San Franciscoans went to their jobs this morning in anything that would run.
Many streets, such as Mission, quickly became tied up in traffic jams that defied unsnarling. The hub at South Van Ness and Mission was jammed with cars, fender to fender and bumper to bumper.
Market street, with its four sets of vacant street car tracks, was the main artery of traffic that rolled in an orderly but steady stream.

Pageant Group Adopts Slogan

"Wagon Road to Sky Road" is the slogan chosen by the Klamath Centennial committee for the anniversary celebration scheduled for August 22, 23 and 24. This slogan will be used on stickers, posters, and bulletins advertising centennial events. It was submitted by a member of the committee and has been donated to the organization.
The search is now under way for oxen, and anyone knowing where oxen can be obtained should telephone the temporary headquarters of the centennial located in the chamber of commerce. Permanent headquarters will be set up somewhere in Klamath Falls next week.
The committee is also asking people to enter songs on the subject of the centennial so that one may be selected for the general theme song. Songs should be copyrighted before they are submitted.

Parade Changes Starting Time

Time for the mile-long Fourth of July parade has been moved up to 10 o'clock rather than 10:30 due to the length of the parade and the necessity of getting participants back to the fairgrounds.
Bill Spangler and Eugene Hooker, in charge of the industrial section, announced today that there will be six entries in their sections. Chet Barton, in charge of the harness section, promises that his section will be well worth while with several entries. He will announce plans over KFLW in tonight's broadcast.
Music is still indefinite as yet, but one band, a local group, and two drum corps have been promised for the show. Drum corps will be from Hillah temple and the Eagles lodge.

House May Take Prompt Action; Senators Block

WASHINGTON, July 1 (AP)—The house began debate on a 20-day stop-gap revival of OPA today with a declaration by Rep. Sabath (D-Ill.) that some "un-American" merchants already are "gouging" the consumer.
The house appeared ready to act quickly on the proposal to restore price controls, but the outlook in the senate was dark. Sabath told the house that reports were coming in that food and rents are being increased in some areas as much as 35 to 50 per cent.
"This is un-American," he declared, "for these people to take advantage of this unfortunate situation to try to make a killing. I resent this unjustified gouging of the American people."
But, he said, "if these greedy people think they can make a killing, they are mistaken, for the consumers of this country, too, can call a strike."

Data Redin Sought Held Top Secret

SEATTLE, July 1 (AP)—Supporting the government's espionage-conspiracy charge against Russian Navy Lieutenant Nikolai Redin, Cmdr. John H. McQuilkin of Washington, D. C., testified in federal court today that the radar and fire control data Redin is charged with attempting to procure "far exceeded that on any ship we turned over to the Soviet union."
Commander McQuilkin, handsome young supervisor of hull design for the U. S. navy's bureau of ships and formerly in charge of material for the commander of destroyers in the Pacific, testified over a running fire of defense objections.

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WASHINGTON, July 1 (AP)—President Truman made July pay call sound \$50,000,000 sweeter today for officers and men of the armed forces.
But he kept the fighting services pretty much in suspense on the subject almost to the last minute.
The chief executive waited until late Saturday before he signed into law the bill which provides a higher wage scale for those in uniform, starting with 50 per cent boosts for privates and apprentice seamen and tapering down to 10 per cent for top generals and admirals.
The suspense arose from the fact that if Mr. Truman had delayed until today, the new pay rates representing an estimated monthly increase of some \$50,000,000, would not have gone into effect until August. The bill specified the raises were to be effective on the first day of the month after it was signed into law, so June 29 was uncomfortably close to the deadline.
Lawmakers estimate the pay increases will cost about \$632,000,000 annually, or roughly \$50,000,000 monthly.
Another measure to get the president's signature was the "GI sweetheart bill" permitting foreign girls engaged to American war veterans to enter this country to be married to their redeployed fiancés.

Services Get Raise In Pay

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Oregon Staff Told To Stay

PORTLAND, July 1 (AP)—Oregon's OPA staff was told today by McDannell Brown, district director, to continue on the job, register price increase complaints and not worry about salary, as the rest of the state wondered whether prices would go up in the first OPA-less day.
State Senator Thomas R. Mahoney appealed to Governor Snel to call a special legislative session to pass an Oregon OPA law and "prevent rapacious landlords raising rents."
The Portland retail trade bureau declared its opposition to price increases, and called an executive committee meeting today to draft plans. "We want to be certain that consumers are protected against inflation," said President George Halling.
"Despite many business groups' appeal to hold the price line, and several retail stores' advertisements that they would control prices, civic and business leaders agreed that many Oregon prices would rise. But they differed on the extent and speed of the change."

Klamath Rodeo Queen And Court



JUANITA STEVENSON Princess



PAT McMILLAN Princess



BEVERLY WAMPLER Princess



JILL GIVAN Queen



JOAN McQUISTON Princess



LAURA LOU HILL Princess



HELEN GOWEN Princess