

WAR SECRETARY INVOLVES MAY

Day's News
By FRANK JENKINS

The Herald and News

WEATHER NEWS
July 9, 1946
Max. (July 9) — 79 Min. — 49
Precipitation last 24 hours — Trace
Stream year to date — 13.97
Normal — 12.80 Last year — 12.25
Forecast: Mostly clear tomorrow.

PRICE FIVE CENTS KLAMATH FALLS, OREGON, TUESDAY, JULY 9, 1946 (Telephone 8111) Number 10886

Big 4 Ministers Focus Attention On Reich Issue

PARIS, July 9 (AP)—The foreign ministers council, turning to the German question after finally breaking a four-day deadlock on the calling of a 21-nation peace conference, anxiously awaited today a promised "important declaration" of Russia's policy toward the Reich.

The log-jam ended last night with the adoption of a French compromise providing that only a few suggested rules of procedure be sent out with invitations to the peace conference, scheduled to open July 29 in Luxembourg palace.

This was considered a victory for the United States and Britain, which had opposed Russian demands that the invitations be accompanied by mandatory rules of procedure.

France To Invite
Under the compromise, France was authorized to send out invitations today to the nations which will draft peace treaties with Italy, Hungary, Romania, Bulgaria and Finland.

The suggested rules of procedure will be drafted this morning by the deputy ministers and are slated to be ratified by the ministers this afternoon. The ministers then are scheduled to ratify their final agreements on Italian reparations, thus clearing the slate for discussion of the German question.

Speculation on the nature of the "important declaration" on Russia's policy toward Germany ran from one extreme to another. Some sources said Russia planned to offer to join Britain, France and the United States in establishing a central administrative organization within a federalized Germany. Others said the Russians would denounce Britain and the United States for conducting "secret negotiations behind the Soviet Union's back."

Western Allies Accused
Tass, the official Russian news agency, has accused two western allies of engaging in private conversations on Germany to which Foreign Minister V. M. Molotov "for some reason" was not invited.

American delegation sources denied that tri-power "secret talks" on Germany were going on in Paris "to the exclusion of Russia." French, British and American coal technicians are negotiating to increase Germany's coal output, they said, but U. S. Ambassador Jefferson Caffery has kept the Russian ambassador, Alexandre Bogomolov, advised on the progress of these talks.

Diplomats speculating on the reason for the change in the Russian demand for prearranged mandatory rule of procedure for the peace conference said Molotov might have received new instructions from Moscow or that the other foreign ministers might have brought such pressure to bear on him to agree to presentation of the rules as only recommendations that he was forced to yield.

Hughes Fights Back After Bad Injuries
LOS ANGELES, July 9 (AP)—Howard Hughes' fabulous luck held good today.

Fighting the effects of critical injuries suffered in the crash and explosion of his experimental airplane Sunday night, the millionaire aircraft and movie maker was reported by physicians at Good Samaritan hospital today to be "holding his own."

The degree of shock and the extent of injury to Hughes' left lung, severely battered when his chest was crushed in the crash, were the physicians' main concern.

Soviets Reassure Austria On German Property Grab
VIENNA, July 9 (AP)—Maj. Gen. Ivan Zinjev of the Russian high command in Austria said today a Russian order transferring German-owned properties in Austria to the Soviet Union would not injure Austrian interests, and warned that any efforts to frustrate the order would "lead to a deterioration of the Austrian economic system."

In an interview distributed by the Russian news agency Tass, Zinjev said transfer of the properties was in accordance with an agreement reached at Potsdam and would only partially compensate Russia for damage inflicted on her economy by the Germans.

He estimated this damage at 679,000,000 rubles. (The official ruble rate is 5.2 to the dollar. Diplomatics are permitted to buy rubles at 12 to the dollar.)

Russia announced last Saturday that she had taken over \$22,000,000 worth of industrial property in eastern Austria and all other "German external assets" there.

Zinjev defined as "German property" all property in Austria which belonged to the Germans before 1938, all property which the Germans brought to Austria after the Anschluss, installations erected with German capital, and properties which were purchased by the Germans for fair prices after 1938.

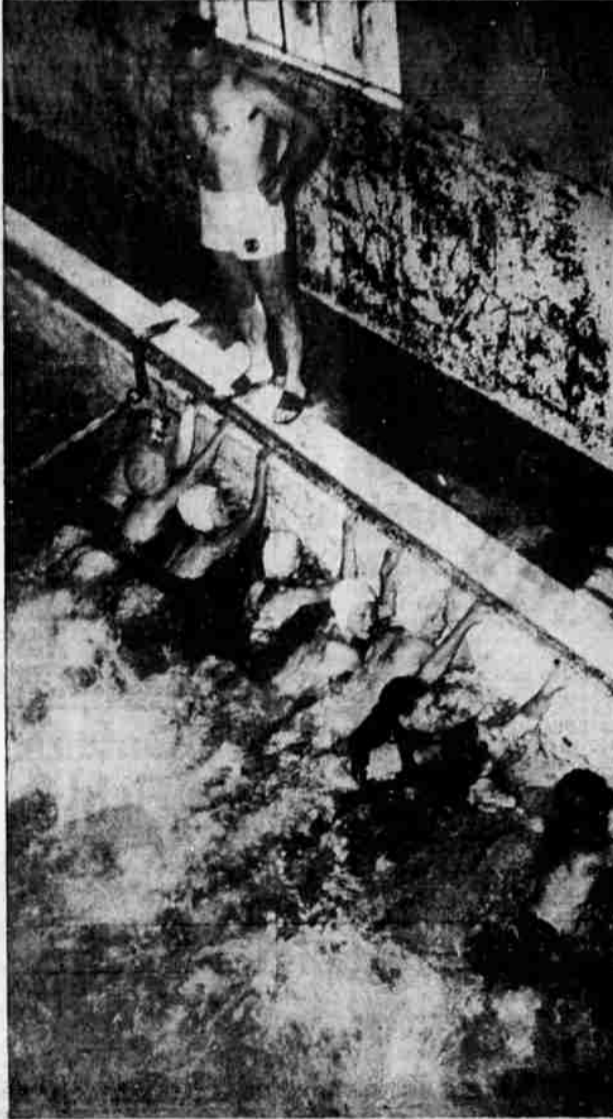
The United States has maintained that property taken forcibly by the Germans after the Anschluss is not "German property" as defined by the Potsdam agreement.

Zinjev said Russia would consider cases in which the property relationships were not clear, and would satisfy Austrian demands if they were well founded.

He estimated that the industrial properties acquired by Russia were only 10 per cent of the industrial capacity of Austria, Austrian government officials, however, have estimated the properties at 75 per cent of the nation's industrial capacity.

The general said factories taken over would remain in Austria, would function on the same legal basis of other concerns here, and would pay regular taxes to Austria.

Splash-Splash-Flutter-Flutter!



Joe Peak directs a splashing class of 9 and 10-year-olds, beginning swimmers, one of 14 such classes being conducted as part of the summer recreation program at the KUHS plunge. This particular class is held from 10 to 11 o'clock every other morning and some 28 children are participating in the learn-to-swim program. There are 12 in this shot, going through their kicking exercises in the shallow end of the pool. Peak is director of the summer swimming program. See story on page 7.

Two Tenants Face Eviction

Two Klamath Falls renters, one an ex-GI, late Monday said they had been served with notice to vacate or after a 30-day period, to pay rental of \$9 per day in one case, and \$12 a day in the other.

The notices were issued by the owner of the Wall street property, Mrs. Victoria McBeth, 1805 Sargent, who said she was acting on advice of her attorney and agent.

Occupants of the two houses at 1711 and 1714 Wall, are L. J. Bridge, and C. D. Peck. The Bridge family has lived in the five-room house for four years, the Pecks since January 1, 1946.

Mrs. McBeth told The Herald and News Monday night that she served the notices because she wanted the property vacated in order to renovate and improve the two houses and that she stipulated the \$9 and \$12 a day rental because she knew the renters could not pay the exorbitant sum and did not intend that they should.

Acted on Advice
"The point is to get eviction and I was advised by my attorney and agent to stipulate such an amount. I bought the property in May from Mrs. C. A. Reeder of Dorris and I had filed notice with the OPA of intention."

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Bulletin

A 1934 Ford four-door sedan, believed to have been stolen from Lakeview last night or early today, was involved in an accident on Commercial street about 2 p. m. today. City police are searching for two persons who abandoned the car after the crash.

The car is owned by Donald E. Gilles of Lakeview. Police said that two persons were in the stolen car but jumped out and left after the accident.

Police Sold Out

The housing shortage hit the state police department here today and three of the boys were threatening to pitch tents in Sgt. E. W. Tichenor's yard.

Officer Dalford Reed, who has a wife and three children, had his house sold out from under him as did Officer Lawrence Bergmann, and Officer Mark Sullivan. Bergmann's household includes a wife, three children and his mother.

Burro And Bison Stage Zoo Battle

PORTLAND, July 9 (AP)—A Mexican burro and an American bison have tied scores at the Portland zoo—but it seems a draw.

Zoo Superintendent Arthur M. Greenhall reported the burro was cornered and gouged, but the buffalo had distinct hoofprints on the left flank.

Girl Injured In Gun Accident

An 18-year-old girl, who told state police she was hawk hunting near her Keno home late Monday afternoon, is in Klamath Valley hospital with a 22 bullet wound in her right shoulder received when the rifle accidentally discharged as she was running through the brush to shoot at it.

Injured is Betty LeFever, daughter of Joe LeFever, Keno farmer. Miss LeFever was admitted to the hospital at 4 p. m. Monday, brought to Klamath Falls by John Wallace, firewelder for KPFA. She told officers she had been hunting squirrels when she saw a hawk circling overhead and ran through the brush to shoot at it.

The rifle, a 22 calibre Winchester bolt action, had been shot and then a single shell placed in the chamber. The gun was over her shoulder, Miss LeFever said, and when it caught she attempted to release it and it accidentally discharged, the hollow point bullet striking the boy in the upper arm and disintegrating. Her condition was reported fair this morning.

Belgian Cabinet Quits After Row

BRUSSELS, July 9 (AP)—The Belgian government of Premier Achille Van Acker resigned today after a stormy debate in the senate on the attitude of the ministry of justice toward economic collaborators.

The government quit after the senate voted no confidence 79 to 78. Three socialists abstained. The senate had debated for two weeks a letter which Minister of Justice Adalphe Van Glabbeke, a liberal, had sent to a military court giving advice on the procedure in cases charging economic connivance with the Germans.

Sen. Henri Rollin, socialist and former minister of justice, charged Van Glabbeke with "meddling" in several cases now on trial.

Steak Thief Gets 90 Days

Caught with a package of \$4.12 worth of unpaid-for T-bone steaks concealed beneath her skirt late Saturday afternoon, Mrs. Frances McNeil, 43, of Kinzua, Ore., yesterday pleaded guilty to three counts of petty larceny in justice court and was sentenced to 90 days in the county jail.

She was detected in the attempted theft of the meat at a Safeway store, and investigating police found a quantity of sugar, acquired without stamps, and canned goods in the rear seat of a car owned by Mrs. McNeil and her husband, Brinton W. McNeil.

The husband yesterday pleaded guilty to one charge of petty larceny and was given a 30-day jail jail. Previously Mrs. McNeil had denied that her husband knew anything about her shoplifting.

Both were charged with the theft of six 10-pound sacks of sugar, five 5-pound boxes of sugar and five 5-pound boxes of sugar from the Safeway store at 8th and Pine, the merchandise valued at \$7.74.

Big Take at Emil's
Mrs. McNeil alone pleaded guilty to pilfering three jars of (Continued on Page 3, Column 2)

U.S. And Australia Raise Legations To Embassies

WASHINGTON, July 9 (AP)—The United States and Australia today raised their legations to embassies in line with the "added importance of the Pacific area in the eyes of both governments."

President Truman nominated Robert Butler, St. Paul shipbuilder and banker, as the first American ambassador to Canberra.

A joint announcement issued simultaneously here and in Canberra said the first Australian ambassador to Washington will be Norman Makin, minister of state for the navy.

Butler, who will be 49 on July 16, is president of the Builders Trust company, rated among the first six construction companies in the United States. This will be his first diplomatic assignment.

Nelson T. Johnson, last American minister to Australia, was appointed secretary-general of the Far Eastern commission, the 11-nation allied policy-making body for Japan.

The White House said elevation of the diplomatic stations

Patterson Tells Of Phone Call On Arms Deal

WASHINGTON, July 9 (AP)—Secretary of War Patterson testified today that Rep. May (D-Ky.) had complained directly to him by telephone over the war department's stopping of production at an Illinois munitions factory in May, 1945.

Patterson began his testimony before the senate war investigating committee by saying he will furnish all details in his knowledge concerning the activities of the Batavia and Erie Basin Metal Products companies. These are two of a chain of closely-linked corporations which handled more than \$78,000,000 in government contracts during the war years.

Chairman Mead (D-N.Y.) and Senator Ferguson (R-Mich.) broke into Patterson's testimony near the outset to inquire into the practice of the war department of recording telephone conversations between Capitol Hill and the department.

Not Recorded
Patterson said that he, himself, had no such recording device and did not make a practice of recording conversations. May, chairman of the house military committee, has protested against this practice, as have other members of congress.

Before Patterson took the stand, a former army officer testified that the Erie company included \$19,213 of "liquor and miscellaneous gifts" in costs charged against government war contracts in 1944.

The gifts, he told the senate war investigating committee, included six pen and pencil sets costing \$120 each and two \$138 cigarette lighters.

Asked who received the gifts, ex-Captain Carl Moline testified that "information was requested" on this point "but never obtained" from officials of the company.

George H. Knutson, a member of the war department price adjustment board, told the committee that the amount claimed by the company for the gifts was disallowed.

Knutson said he could remember of no other case in which liquor had been charged as a cost of war contracts.

Russians Mum On Lost Yanks

BERLIN, July 9 (AP)—The U. S. army provost marshal's office announced today that it had thus far been unable to obtain from the Russians any information concerning the whereabouts of four Americans who disappeared into the Soviet occupation zone last week.

American officials earlier had expressed a belief they were "getting the run-around" from the Russians, who were thought to have arrested the four for illegal entry into the Soviet zone.

The missing quartet was identified this morning as: Warrant Officer Samuel L. Harrison, San Antonio, Texas, and his wife, Helen.

Capt. Harold Cobin, Newark, N. J. He is connected with the office of the American military government in Berlin.

The 252nd Lt. George E. Wyatt of the 252nd combat engineer battalion, Oklahoma City, Okla.

The Harrisons were last heard from on July 1 when, together with a German woman, they departed on an American jeep, supposedly to visit a pet shop in the Russian zone to buy a pet.

Wyatt and Cobin were reported to have boarded a train July 4 for a destination somewhere north of Berlin. Cobin's wife, Mary, is scheduled to arrive in Bremerhaven from the United States today and is expected here tomorrow.

Slip Of The Tongue?
WASHINGTON, July 9 (AP) Rep. Andrew J. May (D Ky) addressed Speaker Sam Rayburn in the house today as "Your Honor," instead of "Mr. Speaker."

The chairman of the house military committee joined his colleagues in the laughter that followed the mistake.

City Fire Chief Wed In Pasadena

Mrs. Roxa Moyer of San Diego, formerly of Klamath Falls, and Keith K. Ambrose, city fire chief, were married in the Pasadena wedding chapel in the California city on June 30.

They came from Pasadena up the Redwood highway and on to Ashland. They are residing here in the Alpha apartments.

Ambrose has been on a leave of absence from duties as fire chief.

The new Mrs. Ambrose is a sister of Oscar Shive of this city.

Whitney Forecasts Truman Self-Defeat

WASHINGTON, July 9 (AP)—President A. F. Whitney said today the Railway Trainees have \$2,500,000 "to go out after President Truman" but that "we won't have to spend any money to defeat President Truman if he becomes a candidate."

Whitney testified before a house labor subcommittee which is studying possible revision of labor laws so as to remove the causes of labor-management disputes.

The head of the Trainmen Brotherhood has been a bitter foe of Mr. Truman since the president asked emergency legislation to halt the railroad strike last spring.