

STATE TAX ACTION COMMISSION

In The Day's News

By FRANK JENKINS
THE rumor of a wage settlement in the steel industry which turned the stock market from pessimistic bear to an optimistic bull session Saturday morning, turned out to be a fact.

There is an agreement. It upped wages a dollar a day for U. S. Steel Corporation's 140,000 workers. The agreement is for a year. The contract hasn't been signed, but is expected to be. It is hoped that it will set a new pattern for the entire steel industry.

PRESIDENT FAIRLESS of U. S. Steel issues a statement this morning in which he says he HOPES the cost of the wage increases can be taken care of WITHIN the present price structure (that is, without raising prices.) He asks employees' cooperation in absorbing the costs by increasing efficiency.

In other words, it is hoped that the wage increase just agreed upon can be regarded as offsetting living costs that have ALREADY TAKEN PLACE and may not result in still higher steel prices which in turn would hike the cost of living again.

THE agreement, even though not yet embodied in a contract, even though the pattern it sets has not yet been adopted by the entire steel industry, even though there has been no move as yet toward spreading the pattern to industries other than steel, touches off another rally in the stock market.

There was heavy buying of securities as soon as the market opened. This buying wave, the early financial dispatches say, was based on the hope that progress in the right direction may be in the offing. There is an immediate reaction of optimism.

IN congress, the house appropriations committee recommends a 47% increase in the federal budget for the department of the interior, which, among other things, handles reclamation.

THE rapidly growing West is acutely interested in reclamation. If we are to sustain the great growth that is already coming to us, we must reclaim more land. All of our hopes are bound up in such progress.

SO the West, with its hopes bound up in reclamation, will serve its own best interests by going along with the program to substitute economy for reckless spending.

THE discovery recalled broadcast threats by Irgun Zva Leumi, Jewish underground organization, to retaliate in kind for the hanging of four of its members by British authorities last week following their conviction for anti-British violence.

Klamath Falls News

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"Lockout" Halts Food Shipments

AFL-CIO Eye Possibility Of Merger

WASHINGTON, April 21 (AP)—The AFL executive council today invited the CIO peace committee to confer here Thursday on merger of the two big labor organizations.

AFL President William Green announced the invitation after a meeting of the council to discuss general problems, including the prospect that congress will enact sharp restrictions on labor union activities.

Green said a telegram was dispatched to CIO President Philip Murray suggesting the meeting.

The groups have made frequent gestures toward union, but no real progress in that direction.

The councils decision to bring up the matter again at this time appeared to be traceable to the crisis building up for labor unions in the form of legislation in congress.

The CIO has insisted that before "organized unity" can be discussed, both organizations—with a total of more than 12,500,000 members—must cooperate in fighting restrictive legislation on Capitol Hill and in state legislatures.

Up to now, in the exchange of communications between the two groups, the AFL has contended that effective cooperation in that field can be achieved by actual merger of the two groups.

The federation's policy-making group will be on hand for most, if not all, of the senate's debate on a committee-softened labor bill which some members have pledged to try to toughen up on the floor.

Debate on the measure is scheduled to open Wednesday.

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Streamliner Derailed



At least one and possibly two persons were killed and 21 injured when the Illinois Central's City of Miami, seven-car, all-steel streamliner bound from Chicago to Miami, was derailed near Champaign, Ill. —AP wirephoto.

1200 Drivers Off Jobs In Wage Fight

PORTLAND, Ore., April 21 (AP)—Movement of incoming goods—including food supplies for this city—today as the result of a wage dispute between AFL Teamsters and 66 companies.

Union officials termed the work stoppage a "lockout" while employers called it a "strike." About 1200 drivers were affected.

Canned foods, tobacco, soap and other incoming goods began piling up at docks and warehouses this morning. Railroad and shipping officials said all available storage space probably would be filled by Wednesday, after which railroad cars would be shunted to side lines and ships would sit idle waiting for unloading.

Meanwhile Earl B. White, manager of the Portland Draymen's and Warehousemen's association, said the teamsters had rejected the latest proposal to settle the dispute.

It came from the U. S. conciliation service. Under its terms employers would have added 20 cents to their original offer of a 60-cent daily increase for teamsters. The union was asking a \$1.20 boost and a 40-hour week.

Began Saturday Jack Schlaht, teamsters' business agent, said the work stoppage began Saturday when the union called a "strategy strike" against seven firms because the employers refused to make further offers.

White said the strike against the seven firms invalidated the contract teamsters had with all the companies, and that there would be no more work until an agreement was reached.

Food handlers said there would be little immediate effect on the public. Meat, vegetables and milk largely were unaffected. Serious shortages in other items would develop only if the strike continued three weeks or more, they said.

Some wholesalers have their own trucks, and they said they could arrange new shipments to get foodstuffs to city stores if the stoppage continues long.

SEATTLE, April 21 (AP)—A demonstration by locked-arm pickets, blocking entrances to the main telephone company building here, broke up shortly after 9 a. m. today as the pickets dwindled to about 20 and four policemen ordered the sidewalk cleared.

C. R. Garvin, member of the CIO American Communications association, said his own union and other non-striking unions staged the demonstration in sympathy with the striking workers. It was the first such mass picketing during the two-week strike there.

A telephone company official said the picket line for a time prevented anyone from entering or leaving the building.

Frederick IX Mounts Throne

COPENHAGEN, April 21 (AP)—Frederick IX was proclaimed king of Denmark today from the balcony of historic Christiansborg castle.

The 45-year-old lover of music, seafaring and speed mounted the throne as successor to his father, Christian X, whose death at 76 last night ended a reign of 39 years, extending through two world wars.

The proclamation was read by Premier Knud Kristensen, who shouted three times, "King Christian X has died. Long live His Majesty King Frederick IX."

The Howard Olson will move on a 21-day schedule between Columbia river, Los Angeles and return.

The Karen Olson will operate be-tween Coos Bay and San Francisco on a 14-day turnaround. The Oliver Olson, on a 16-to-18 day schedule, will call at Bandon, Coos Bay and Los Angeles. The Barbara Olson will serve as a standby, where needed.

SAFECRACKERS Saturday night punched aside the tumbler in a safe at the Sycan store, and took \$627.04 in cash, according to Sheriff Lloyd L. Low, about 150 cartons of cigarettes and three 25-pound sacks of sugar were also stolen.

The thieves entered the store by prying up a back window and unbolting the back door to leave. The burglary was discovered by Roy Carier, owner of the store, when he opened for business yesterday morning.

An attempt had been made to drill out the lock of the safe but it was opened by knocking off the combination handle and punching the tumbler. Sheriff Low said. He, along with Deputy Marlon Barnes and Chester Leitchy, federal officer, investigated the crime.

Also Saturday night, Bill's place in Bonanza, operated by Mr. and Mrs. Alva Maxwell, was burglarized and three wrist watches taken.

Peace Pact In Steel Spurs Hope For Phone Settlement

WASHINGTON, April 21 (AP)—Spurred by new peace pacts in steel and other industries, labor department conciliators indicated today they may be ready to spring a new formula for settling the nationwide telephone strike.

Although these ace government trouble shooters declined to outline their next step publicly at this time, they told a reporter they feel the strike has reached a "crucial stage."

No Seizure Seen Apparently there was no prospect of government seizure of the industry. At least, Presidential Assistant John R. Steelman said he knew of no plans for such a move.

The White House labor adviser talked to reporters before leaving for New York with President Truman to attend the Associated Press luncheon.

Entering its third week, the 340,000-worker phone tieup stood as the only major blot on an otherwise placid U. S. labor relations picture.

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Tax Discussion Set Tuesday

The proposed state sales tax will be the subject of a pro and con discussion to be held at a public forum meeting at the Fremont school auditorium tomorrow (Tuesday) night at 8 o'clock, under sponsorship of the economics welfare division of the Oregon Educational Association.

State Representative Henry Seimon will introduce the discussion with an explanation of the bill and its legislative background. His part of the program will be impartial, and will be followed by speakers on either side of the issue.

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Navigation Aid Invented

A navigating instrument working on slide-rule principles to take pencil-and-paper mathematics out of navigation has been invented by Jack Tilman, local police radio-man and flier, and the device is scheduled for early production at the Pade and Little machine shop on S. 11th.

The model built by the shop has been okayed by a number of flying officials and was used successfully in one plane of the aerial caravan to Redmond and back yesterday.

A corporation known as Tilman Navigator, Inc., has been formed by Tilman and the owners of the machine shop, and application for patents made.

Tilman says his device is so simple anyone can learn to navigate by it in a few minutes, and it reduces the time required to work out navigational problems to a few seconds.

The working model is 23 inches square, but in production the size will be cut to 15 inches for easier use inside small planes.

Weyerhaeuser Man In Accident

Ole Risten, 52-year-old Weyerhaeuser camp 6 employe, was struck late Sunday night on the Ivory Pine mill road near Bly by an automobile operated by Ann Morgan of Bly and at 2 a. m. was admitted to Hill-side hospital here for treatment of a broken left leg and severe gash on the top of the head.

Risten was en route to work at the time of the accident. He was moved to a service station in Bly where the Klamath Ambulance service picked him up. The woman advised state police this morning that she did not see Risten on the road. The accident occurred around 10:30 p. m.

Today Last Day For Chamber Drive

At noon today was the deadline for turning in ballots in the annual "primary election" in the Klamath County chamber of commerce.

Fourteen members will be nominated for director in this vote count, and from these, seven directors will be chosen at a balloting to follow.

The election committee planned to count the ballots late this afternoon.

Two other British military vehicles were blown up today in continuation of a new reign of violence in which 12 persons—including 10 British soldiers—were injured yesterday.

Six soldiers were injured when a bomb was thrown into a motion picture theatre at a leave camp near Nathanya. Four other soldiers were wounded—one seriously—when two military trucks were blown up by road mines while en route to investigate the theatre bombing.

Two Arab Legion soldiers were wounded earlier when their truck hit a road mine north of Haifa.

Rumors that the British planned to execute two other condemned members of the underground today were denied by political authorities.

WEATHER
Max. (Apr. 20) 53 Min. 31
Precipitation last 24 hours .71
Stream year to date 7.15
Last year 11.35 Normal 5.82
Forecast: Fair today and Tuesday.

Butter Price On Skids Here Now

The only bright spot in the panorama of advancing food prices loomed today when butter got on the skids for a three-cent Monday morning drop and is now wholesaling 67 cents, lowest price since the death of OPA.

Local creamery officials said butter went down "natchery," due to the seasonal advance of dairy products.

The picture was slightly on the crazy side, however, and that team in a tight market and with production off 30 per cent under last year, the egg was forecast as bringing an extremely high price in the advancing fall market. Little if any eggs are going into storage at the present time. Klamath scores are advised. Grade A eggs are selling at 57 cents wholesale. It was a repeat story, egg men said today, of the high price of feed, etc., etc., etc.

Black Market Losses Huge

WASHINGTON, April 21 (AP)—Losses to the United States government through money operations connected with GI black marketing overseas may exceed \$500,000,000, a government official estimated today. He emphasized "that this is an estimate and referred reporters to the war department. There the official stated answer said only: "Some United States military and civilian personnel overseas did sales in Germany of personal, governmental or other dollar-acquired supplies during and after the war. These are commonly referred to as black market transactions."

Today, the U. S. army has a "long" position in German marks which under present policy it is disposing of by normal process. The present holdings do not, however, exceed future contemplated expenditures. A complete report on the acquisition and disposal of these holdings is presently being prepared for the information of the appropriate committees of congress.

Millworkers Settle Strike

ROSEBURG, Ore., April 21 (AP)—Accepting the promise of the NLRB to process the dispute, CIO-IWA millworkers today called off their strike at the Rock Island Lumber company at Sutherlin.

The strike, called six weeks ago, occurred when the company discharged eight women workers hired during the war in the emergency and carried on the union roster as regular members. The union said the discharge of the women had not been "negotiated" in compliance with its labor contract. The company explained it had discontinued its policy of hiring women and that their jobs were given to male applicants.

The company is installing new machinery that will preclude re-employment of all the strikers. However, a number of them have accepted other employment.

Fire Department Answers Two Calls

Firemen were called out on two alarms Saturday night, the first at 8:37 p. m. when an overheated oil stove caused a fire in the John Gardner residence, 1037 1/2 High. There was no damage from fire.

The second alarm was received at 8:30 p. m. when an electric motor burned out, causing considerable smoke damage to the Mayfield grocery building, 1201 Division.

Milk Price Ruling Is Delayed

PORTLAND, April 21 (AP)—A ruling on possible new milk prices on the basis of testimony at the Oregon department of agriculture public hearing here will be delayed by study of new surveys.

Agriculture Director E. L. Peterson reported attorneys for producers, distributors, retailers and consumer groups agreed at closing sessions Saturday to admit to the record any higher labor costs occurring within the next 30 days.

Battle Looms Over Setting Work Date

WASHINGTON, April 21 (AP)—The senate raises the curtain tomorrow on the first act of its tax-cutting performance with the cash customers waiting to see: Whether they will get a refund on part of the taxes they've already paid this year, or whether the new lower rates will be delayed until July 1.

The third possibility — that no cut will come this year—appears remote despite these two week-end developments.

President Truman's declaration that higher prices already have "inflated the entire economic structure" and that lower taxes now would only promote further inflation.

The chief executive couped this prediction with a forecast that the government's budget for the current fiscal year ending June 30 will show a \$1,200,000,000 surplus—the first since 1859.

A bill by democratic Senator Lucas of Illinois to cut taxes next January 1 on a somewhat different basis than the 28-26 per cent retroactive to last January 1 already voted by the house.

Lucas' bill presumably will be considered along with the house measure when the senate finance committee opens its tax hearings tomorrow.

But with republicans firmly committed to a cut this year, most senators agree that the main test will come among those who favor the house date and those like Senator Taft of Ohio, chairman of the senate GOP policy committee, who prefer to wait until July 1.

Quarrel Leads To Shooting

TACOMA, April 21 (AP)—Charges of assault with intent to commit murder were filed here today in a federal court against Mrs. Shirley C. Watson, wife of a master sergeant who was shot and seriously wounded at Fort Lewis Saturday night.

Assistant U. S. District Attorney Barney Sager said the charges were filed after preliminary investigation by the federal bureau of inquiry showed that Mrs. Watson, 29, of Red Springs, N. C., was shot in the chest and abdomen at the family home on the spot.

Neighbors said the couple had quarreled early in the evening at the non-commissioned officers club. No statement has been made by Mrs. Watson or the sergeant. The soldier was reported "out of danger" this morning.

Couple Killed In Car Wreck

EUGENE, April 21 (AP)—Mr. and Mrs. L. Murphy, 7828 N. Willis-Wilamette boulevard, Portland, died instantly early today when their speeding automobile crashed into a slow-moving Oregon Electric trolley train at a Harrisburg crossing.

W. H. Dunham, Portland, conductor on the train, said he saw the automobile coming about a block away and that it was traveling at an excessive rate of speed. The train, he said, was traveling about 10 to 12 miles per hour.

The car crashed into the train, derailing on the right. The car was dragged down the track 130 yards, completely demolished. The Murphys were apparently on their way to Myrtle Creek from Portland, where he is engaged in the trucking business.

Prisoner Dies In Oregon Penitentiary

SALEM, April 21 (AP)—Elmer Riley Lane, 34, serving a 15-year sentence for a Grande Ronde bank robbery, died in the state penitentiary last Friday night, Warden George Alexander reported today.

The warden said the convict died of a glandular disease. He began his sentence November 2, 1944.

Air Search Unit Flies To Redmond For Joint Meeting

By JOY BIGGS
H. L. McPherson, Klamath Falls pilot, was the first to arrive in Redmond Sunday morning on the breakfast hop, putting down his big red Cessna on Roberts field at 9 o'clock. He was quickly followed by 22 more private pilots from Klamath Falls and Chiloquin.

The purpose of the hop was to discuss air search and rescue work with the Redmond group. Maurice F. Roberts, commander of Group 3, Oregon Wing of CAP, explained the work of the wing, the three-day "fireball search" plan, and the necessity of all rescue pilots filing flight plans.

Roberts said all equipment for rescue work is available in Portland and will be loaned by the army when needed. Radio communication between the Redmond and Klamath Falls units was discussed.

Ray Royce, president of the Klamath Air Search and Rescue unit, explained that this unit is independent of the CAP at present and told of plans to cooperate with the Klamath Saddle club and Sheriff's posse in making searches for missing planes through rugged terrain. Rescue squad leaders are Hugh Tolley and Allen McCoabe, and must be contacted by pilots going out on independent searches. Royce said. He emphasized that safety of searchers is essential.

Boundaries for searching parties were discussed with decision pending contact with Eugene and Medford units.

Royce introduced the Redmond committee which included Cal Butler, Dick Ballantine, Maurice Rob-

Marshall OK's Greek Move

WASHINGTON, April 21 (AP)—Secretary of State Marshall today called the proposed Greek-Turkish aid program "indispensable" and told congress he is in "complete accord" with its aims.

Senator Vandenberg (R-Mich.), presiding officer of the senate, called the Marshall endorsement to his colleagues as the senate debated the program calling for \$400,000,000 in economic and limited military assistance to Greece and Turkey.

Marshall outlined his views in a communication from Moscow to Vandenberg, chairman of the senate foreign relations committee.

The program, proposed by President Truman to bulwark the Mediterranean countries against communism, will come to a vote in the senate at 4 p. m. (1 p. m. PST) tomorrow.

Colbert Refuses Juvenile Post

State Patrolman William Colbert, who has had the inside track for appointment as Klamath county juvenile officer, has turned down the job, according to Circuit Judge David R. Vandenberg. The juvenile department remains under the direction of Faye Blackmer, assistant juvenile officer.

Colbert, a state police veteran, is planning to move to Portland some time this year.

Judge Vandenberg, who appoints the personnel of the juvenile office, said that he had a few other candidates for the \$310-a-month position which has been vacant for four months.

MB Re-inventory Starts Tuesday

Re-inventory of the Marine Baracks plant prior to its being converted into a technical school operated by the State of Oregon, will get under way early Tuesday morning with the arrival here late today of a crew from Salem.

Heading the group which will conduct the new inventory is Winston Purvine, state supervisor of trades and industries education, Oregon state vocational department.

Phone Cable Said Sawn Through

PORTLAND, April 21 (AP)—Damage to dial phone cables which interrupted service in Fort Stevens' west hills was being investigated today by city detectives.

Chief of Police A. V. Jenkins reported detectives found the heavy protective covering of seven cables sawn through. Moisture caused a short circuit on the lines over the week-end.



"Simple Simon, Met a Pie Man" as the old jingle runs, but this morning the 9 o'clock special features Art Holst, laden with all sorts of bakery goods as he delivers his wares to an early customer.