# ROOSEVELT FLAYS CRITICS OF AID-TO-BRITAIN P

Wilmington Morning Star

163 Millions **Budget Sent** To Assembly

Governor Calls on Solons To Lengthen List of Sales Tax Exemptions

RECORD EXPENDITURE

Retirement Program Of \$3,408,152 for All Employes Proposed

RALEIGH, Jan. 14 .- (A)-Transmitting a proposed budget calling for the expenditure of \$163,635,382 in state money in the next biennium, Governor Broughton today urged the general assembly to balanced budget, lengthen the list of sales tax exemptions, and increase no taxes.

The record expenditure, contained in the unanimous report of the advisory budget commission and former Governor Hoey, goes as far "as prudence would dic-Governor Broughton s. id. The budget would be balanced and practically every state agency and institution would receive increased

Go Before Committees The two measures went before their respective joint committes. Representative Bryant of Durham, a member of the advisory budget mission, told the opening session of the joint finance committee that it would be "unwise" to increase taxes "in the face of certain increase in taxes by the

Federal government.' Bryant, who is chairman of the house finance committee, defended as necessary a provision for a con-"The only alternative," he said, additional revenue, or both."

Representative Kerr of Warren, chairman of the house appropriations committee, announced that the joint appropriations committee

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# TODAY'S PROBLEMS but will prove to be a development

#### Program of International Exchange of Goods

"Unless the fundamental problem of food and raw materials is solved it doesn't make the slightest difference who wins this war,' George E. Sokolsky, noted journalist and economist, declared at New Hanover high school last night before a large audience attending the Community Forum program.

"If England was completely victorious and Germany completely conquered it would not solve a single problem," he said after a review of the alternatives facing the United States and consequentafter he had ruled out each alernative of (1) war (2) isolationsm (3) a system of barter, as conformity with the democratic way of living.

raw materials and consequently Europe would still have these

(Continued on Page Five; Col. 1)

Young Bandits Kill Two Men In Attempted Holdup

young payroll bandits—brothers—

coldly shot to death a protesting victim today in an elevator of a midtown building, then raced onto crowded Fifth Avenue, terrorized throngs of noon - day shoppers, killed a patrolmen and sent a bullet into the throat of a taxi driver. The chase, which led through a block-long department store at Fifth Avenue and 34th Street, end-

Rosenblum told this story of the Wilmington \_\_\_\_\_ 11:14a holdup and killings: Alfred Klausman, general man-

ager of Kemp and Beatty, Inc., a ed with one of the bandits lying in the street, wounded by the slain patrolman, and the capture of the second gunman in a nearby 10-cent street.



The scene is a Libyan port—once Italian, now held by Britain's hard-fighting Army of the Nile. Australian soldiers are helping British sailors hustle supplies ashore.

# Broughton Favors Port Terminal Loan; Application To RFC Is Given New Life lona, only major port in southern Albania still in Italian hands, was

R. B. Page To Attend

WRITES JESSE JONES

Governor Urges Favorable Consideration of Wilmington's Application

Urging favorable consideration is to cut appropriations or find of the application by the City of Wilmington to the Reconstruction Finance corporation for a loan of \$635,000 to construct public port terminals here, Governor J. M. Broughton declared in a letter to Jesse Jones, RFC chairman, or January 11, "I have the conviction SOKOLSKY REVIEWS January 11, "I have the conviction that the development of this port not only will serve North Carolina of national importance."

A copy of the letter to Chairman Jones was forwarded by Governor Forum Speaker Calls For Broughton to R. B. Page, pub lisher of the Star-News, yesterday Prior To Conference

The letter was sent to the RFC chairman prior to the conference held by a delegation from Wilming-(Continued on Page Five; Col. 4)

#### **6-DAY WORK WEEK** ASKED BY MARTIN

Airplane Builder Says Congress Should Delegate Power to Draft Board

WASHINGTON, Jan. 14.-(P)-Glenn L. Martin, pioneer airplane builder, told congress today it should keep in mind a "bigger Europe is living in an area in show" than the current arms prowhich there is an inadequate food gram and delegate emergency ausupply and an inadequate access thority to draft labor as well as industry for defense production.

(Continued on Page Five; Col. 4)

WEATHER Testifying before the house na-

(By U. S. Weather Bureau)
(Meteorological data for the 24 hours ending 7:30 p. m. yesterday.)
Temperature
1:30 a. m. 44; 7:30 s. m. 38; 1:30 p. m. 54; 7:30 p. m. 46; maximum 55; minimum 37; mean, 46; normal 46.
Humidity

Masonboro Inlet \_\_\_\_\_\_ 8:52a 2:45a 8:50a 9:17p 3:18p 8:06p; moonset 8:35a.

Cape Fear river stage at Fayette-ville on Jan. 14, at 8 a. m., 10.30

(Continued on Page Ten; Col. 4)

CONFERENCE IS HELD told of bomb attack yesterday on

mington to the Reconstruction FI- struction of several buildings innance Corporation for a loan of cluding a cathedral and a girls' \$635,000 for the erection of municipal port terminals here has been given new life, it was learned yesterday manders in the Albanian campaign Italian destroyers. One of the Italfrom J. T. Hiers, manager of the

The application rejected last the RFC, was reopened by the RFC Monday after Hiers, C. D. Hogue, chairman of the Wilmington Port of the self-liquidating division of the

IN LOTTERY CASE additional sustaining data to show the project will be self-liquidating Also Receives Six Months

pea of nolo contendere to charges of conspiracy to violate the lottery At the time the application was ejected the applicants and sponsors of the proposed project said the rejection, as similar proposed projects which have since been and the most picturesque of all, built with RFC funds, had been General Annibale "electric whiskrejected and later reopened just as

Port Commission Asked To File Additional Data on \$635.000 Project

Wilmington Port Commission.

week by the board of directors of two replaced generals, Ubaldo Sod-Commission, and J. E. L. Wade, city commissioner of public works, conferred with Morton Macartney, head

Hiers said that with the reopen ing of the application the Port commission was requested to file the project will be self-liquidating Italian Blackshirt General and able to pay off the indebtedness in a period of 25 years.

The RFC last week wrote Mayor

Thomas E. Cooper that the application had been declined on the grounds sufficient data to show the loan could be repaid had not been given the RFC.

Additional proof of the ability of received a suspended six months ing of the application and will be RFC. Hiers said.

# Greek Troops **Are Advancing Toward Berati**

RAF and Italian Bombers Trade Blows on Targets In Albania, Greece

PREVEZA BASE RAIDED

Athens Elated Over Removal of 2 Italian Commanders from War

By MAX HARRELSON

ATHENS, Jan. 14.-(A)-Greek infantrymen were reported driving toward Berati, in south central Albania, today while communiques told of a trading of blows by the British RAF and Italian bombers on targets in Albania and Greece Although conceding sturdy Italian resistance at some points, Greek spokesmen aserted the fighting north of Klisura, whose

fall opened the way for an advance on Berati, "continued to develop satisfactorily." Under Bombardment

Berati, south of Tirana, Albania's capital, and northeast of Vareported under British air bom-bardment. An RAF communique communications and military objectives there. Rising columns of smoke after the attack led to belief, it was said, that direct hits terranean area. were scored.

An Italian air raid on Preveza, Greek west coast naval base, was ships, which were convoying merdescribed by the Greek ministry of chant vessels to Greece with "mahome security. It announced a terial assistance" for the Albanian small number of casualties and de- campaign.

was demonstrated in a newspaper cartoon portraying a Greek Evzone fighter in a ring crying, "Bring on another one," after he had left the du and Sebastiano Prasca, on the

Soddu, who replaced Prasca at the head of the Fascist armies in (Continued on Page Ten; Col. 3)

### **BRITISH GUNBOAT** TAKES ARGENTINO

Snatched from Hiding Place in Africa

CAIRO, EGYPT, Jan. 14.—(R)— The crew of a British motorboat, directed by patrolling aircraft, has

snatched the Italian blackshirt the terminals to be self-liquidating General Francesco Argentino from \$2,000, taxed with the costs, and has been worked up since the fil- a hiding place by "the water's edge" in North Africa near Tobruk submitted in the near future to the Libya, British middle eastern headquarters announced today. The number of Italian generals declared to have been seized in

the fighting in Egypt and the Britthey were not unduly alarmed by ish counter-offensive in Libya thus was increased to eleven. A twelfth (Continued on Page Ten; Col. 3)

## Holly Ridge Wage Rates Released By Contractors

ervice by the contractors, Maurice H. Moore, manager of the Wilmington office, announced last night. Such scales were applicable to jobs

beginning with the new payroll as of 4 p. m., Sunday, January 12, Moore said, and are listed as follows: Asbestos workers, \$1; asbestos workers apprentices, first year, 40

cents; second year, 50 cents; third year, 60 cents; and fourth year, 75 cents; blacksmiths, \$1; boilermakers, \$1.25; boilermaker helpers, \$1; brick Journeymen carpenters, 90 cents cement finishers, \$1.10; electricians,

Approved wage classifications in | \$1; electrician helpers, 60 cents; firehourly rates for the Camp Davis men portable boilers, 75 cents; project were given yesterday to the glaziers, 90 cents; jackhammer men, North Carolina State Employment 50 cents; unskilled laborers, 46 cents. and increasingly taking the offen-Lathers, metal, \$1.10; machinists. sive.

tenders, 50 cents; mortar mixers, 60 bombing raids along and deep becents; oilers, 75 cents; operators of hind the "invasion coasts" of the admiralty's announcement of one ting through are being attacked of the smallest week's shipping los- with some success." power equipment, air compressors, France and the low countries. Sim- ses of the war bolstered hopes of \$1; stone spreaders, 60 cents; blade graders, 75 cents; cranes, derricks, East and North Africa, in Albania ually the two chief menaces to their and drag lines, \$1.25; distributors and in both Northern and Southern bituminous surfaces, 75 cents; fin- Italy further illustrate the point. ishing machines, common concrete pavement, 75 cents.

(Continued on Page Ten; Col. 1)

# Broughton Opposes Post In Taxes Government Considering Chief Refers Of Arms Plants In N. C.

WASHINGTON, Jan. 14.—49.
—Senator Bailey (D-N.C.) dis-closed today consideration was being given by the government to the possible location of munitions plants in North Caro-

The senator, pointing out the state had ample supplies of labor and power, said he could not reveal locations under consideration and that he was interested primarily in seeing that the state as a whole shared in the industrial expansion under the defense program

There were eports the mountainous sections in Western North Carolina were being studied more seriously as greater protection would be afforded munitions plants.

A power expansion program already is underway in that area and part of the section is served by the Tennessee Valley Authority. A number of in-dustries have located there in

recent years, including rayon and paper mills.

Bailey said the shipyard program for the state was pro-

gressing nicely and pointed to

the move of the Newport News Shipbuilding and Dry Dock company to locate facilities at Wilmington, N. C. He intimated there would be other shipyard developments, pointing out there were many areas along the state's coast

suitable for building vessels. Bailey said North Carolina's lumber industry also would benefit from the defense pro-"There are black walnut

trees all over the state," he declared. "Black walnut wood is is good for making gun stocks." The senator said plans of Governor J. M. Broughton to continue a state office in Wash-

ington would be a great help in coordinating activities to obtain defense industries and business for North Carolina.

'Enemy' Vessels Were

Sunk or Damaged

All told, official and unofficial

(The British admiralty acknow-

dged today that three warships

convoying "important material as

sistance for Greece" had been

damaged. It said, however, that

an Italian destroyer was sunk and

The Fascist high command it

self has placed the score at 10

British warships hit, of which a

submarine and a cruiser were re-

ported sunk. Today's war bulletin

Previous communiques since las

(Continued on Page Five; Col. 5)

S. Lease Will Not Con-

tain Option to Buy

Southern railroad will probably be

leased in the near future to three

Charleston men who will form the

tion company, M. J. Corbett, receiver

Previously Corbett had said he had

(Continued on Page Ten; Col. 4)

for the road said last night.

tract is in effect.

12 Axis planes were shot down in

Gayda reported today.

or damaged.

the actions.)

#### British Airplane Carrier Other Warcraft Damaged **CONVOYS BATTERED**

**DESTROYER HIT** 

Germans Reported Using Italian Sources Claim 15 Dive Bombers in the Mediterranean Section

LONDON, Jan. 14.-(AP)-Britain's 23,000-ton aircraft carrier Il- line of British convoys loaded with lustrous and the 9,100-ton cruiser troops and supplies to replace loss-Southampton were damaged Jan. es in North Africa and Greece has 10, the admiralty announced to- been battered by a 5-day Axis night, in the first reported use of sea and air offensive in the Medi-German dive bombers in the Medi-

Italian and German planes cooperated in the attack on the war-

Destroyer Damaged The 1,335-ton destroyer Gallant was damaged earlier by a mine or In Athens, Greek elation over a torpedo, the admiralty said, the removal of two Italian comian ships, a vessel of the Spica class (638 tons), was reported sunk; the other escaped. The Gallant reached port safely, it said.

The surface encounter and the latter aerial attack, which the admiralty said cost the Nazi-Fascist forces 12 planes and damage to "a further number," occurred in the Sicilian channel, between Sicily and the North African mainland. Informed sources in London said tonight the attack might be an indication that Germany's air force would make a new challenge to

(Continued on Page Five; Col. 4)

## **CHANGES PLANNED** AT NEARBY CAMP M. J. Corbett Says W. B. &

Minor Shifts in Location of Buildings Slated at Firing Center

Minor changes in the location of buildings at Camp Davis were made yesterday when a re-allocation of men among the units to be st 'ioned at the camp, approval of which has been requested of the War department by the Coast Artillery, along with a request for additional

(Continued on Page Ten; Col. 6)

# War

By KIRKE L. SIMPSON It is now a demonstrated fact that British Air power is catching up on German-Italian superiority

ultaneous British air offensives in Britons tonight of overcoming event-Despite incessant Nazi bombing raid on the southwest port of Ply-

of England's war workshops for One drum hoists, \$1; hoist two months, it is clear that Britain has diaries and "many tons" of high exdrums or more, \$1.25; mixers, \$1; been able to muster a formidable plosives, showed, however, that Britmotor graders, \$1; pile drivers, \$1.25; increase in her air power for use ain has far to go in coping with the

(Continued on Page Three, Col. 4) admitted as much.

# Wheeler's **Recent Speech**

Displays Anger as He Says Critics Are Guilty of 'Rottenest' Untruths

SENATOR SHOOTS BACK

Moves Made to Compromise Some of Controversial Points of Legislation

By JACK BELL

WASHINGTON, Jan. 15 .- (A)-Displaying more anger than he has shown in many a day, President Roosevelt today declared that critics of his aid-to-Britain plan were guilty of the "rottenest" and "most lastardly" untruths when they charged that the plan would result in "plowing under every fourth American child."

The President named no names at a press conference, but it was mmediately recalled that Senator Wheeler (D.-Mont.), embattled op ponent of the Roosevelt plan, had said in a speech Sunday night that 'the lend-lease-give program is the New Deal's triple A foreign policy-plow under every fourth American boy."

Wheeler Shoots Back As soon as he heard of the President's remarks today, Wheeler shot back with a statement that "ap parently the President lost his temper." He expressed the hope that his "plow under" statement ROME, Jan. 14.-(R)-A double would prove to be untrue, but added that every speech of the President leads the country a step "closer to war."

> introduced bill giving him broad powers to supply war materials, and otherwise assist, countries bat tling the Axis powers. A reporter noted that the bill had been called a blank check,

The President's remarks grew

out of a discussion of the recently

Italian sources say that 15 "enemy" vessels have been sunk and asked for the President's comment on that.

the best way to put it was to suggest that some one write him an-(Continued on Page Five; Col. 6)

### PNEUMONIA, FLU SPREAD IN N. C.

said the "enemy" submarine was Three Persons Die in 24 sent to the bottom Jan. 9 by Italian Hours: Additional Public planes and motor torpedo boats. Schools Closed Friday have listed hits on a battleship of Britain's 31,000-ton Malaya

RALEIGH, Jan. 14.-(A)-Pneumonia and influenza, harbingers of death for three North Carolinians LEASE OF RAILWAY in the last 24 hours, sent more people to bed today and caused the IS EXPECTED SOON closing of additional public schools. At Hamlet, 19 - year - old Billy Smith died of pneumonia, the same malady that caused the death yestedy of Locky Virginia Huskins, seventh grade pupil of near Marion. Eight-year-old Donald Gene Suits died at Hamlet of intestinal influenza.

Thousands of persons i nthe state were under the care of physicians The Wilmington Brunswick and as health authorities sounded a general plea that all persons stay away from public gatherings. Dr. Carl V. Reynolds, state Southport Railroad and Transporta health officer, expressed the opinion that the near-epidemic of influenza was "just on its way in He said, however, that if and when this state." He said that most of the lease is signed it will be without the cases were mild, much more an option to buy all the holdings so as a whole than the type that

Charlotte city schools closed on refused to sign a lease which con- the heels of a report that 24 per tained such a provision, because he cent of the white children and 13 (Continued on Page Ten; Col. 4)

### Interpretive RAF Is Showing Results **Against Nocturnal Raids**

of the railroad at any time the con- claimed many lives in World war

LONDON, Jan. 14.-(P)-An air | Telling of efforts to fend off night embattled island.

Last night's massive fire-bomb mouth, the target of 10,000 incennight raiders-and the air ministry

ministry statement that RAF night raids, the air ministry news service fighters are "beginning to show re- said "more and more Nazi bomber" This is shown by the daylight suits" against nocturnal raiders and are being intercepted and those get-The number of night fighter squad-

rons "is steadily increasing," it said, but added that progress necessarily was slow because the pilots have to be taught an entirely new technique. Up to a late hour tonight there were no reports of German air activity over any part of Britain and it was believed that bad weather on the continent coupled with recent

(Continued on Page Ten; Col. 3)

#### NEW YORK, Jan. 14.- P-Two | aid in the capture also was shot and wounded. Assistant District Attorney Jacob 58; 7:30 p. m. 66. young payroll bandits-brothers- and wounded.

A bank guard who attempted to (Continued on Page Five; Col. 3)

U. S. Defense Meeting R. B. Page, member of the North Carolina Defense Council appointed by the Governor and chairman of the Wilmington De-

fense Council, a local group

named by Mayor Thomas E.

Cooper, has been invited to at-

tend a three-day conference of

state chairmen of similar organi-

zations of the nation, beginning

in Washington, D. C., next Mon-

The invitation came from Col.

J. W. Harrelson, dean of N. C.

State College, who is chairman

of the North Carolina Defense

Council. It also included an in-

vitation to Mrs. Page to attend

the tea to be given at the White

House Tuesday afternoon by Mrs.

mington publisher was taken as

new evidence of the important

part Wilmington will play in

Suspended Term After

Nolo Contendere Plea

Gerge (Crip) Smith was fined

term on the roads after entering a

laws yesterday afternoon before

(Continued on Page Ten; Col. 2)

the National Defense picture.

The invitation to the Wil-

Roosevelt.