



EMBLEM OF INDEPENDENCE

Proudly flying above the deck of a U. C. aircraft carrier is the flag that is a symbol of the independence for which a band of courageous men pledged their lives, their fortunes and their sacred honor 167 years ago, and of the freedom for which Americans fight today. (OWI Photo.)

City Notes Fourth Of July Holiday; War Workers To Continue Production

TRAVEL RESTRICTED Retail Stores, City And County Governments Take Holiday Monday

Devers Lauds Power Of United Nations

F.R. FORGETS HOLIDAY Senate And House Arrange To Get Back On Same Jobs Monday

Celebration of Fourth of July week-end, which will be extended to a holiday on Monday for most Wilmingtonians, will be modified as visitors are not expected in large numbers because of already overcrowded living accommodations and at nearby beach resorts and gasoline restrictions preventing most residents from leaving the city.

LONDON, July 3.—(AP)—Lieut. Gen. Jacob L. Devers declared in a July Fourth message to his troops tonight that "we are looking forward to a world in which there will be a lasting freedom guaranteed to the world in the Atlantic Charter by our great leaders."

(By The Associated Press) The peacetime practice of taking an extra day off when the Fourth of July comes on Sunday will be lost this year in the dust of America's highspeed war production.

Officials of the New Hanover War Price and Rationing board reported Saturday that "too many people have made all sorts of excuses this morning to get gasoline for traveling this week-end. In most cases, gasoline ration coupons were refused."

The commander of U. S. forces in the European theater of operations added: "I do not believe that in all history can be found a stronger confederation of nations than now united in a common effort against the axis and this union will continue, I am sure, beyond eventual victory and be an instrument for moulding the peace."

Full-time working schedules over the July 3-4 week-end are in order for Joe the war plant worker although banks, many stores and other establishments will be closed tomorrow.

All housing facilities in the city and at the beaches are believed to be filled this week-end, as many reservations for the holiday season were made far in advance.

CATHOLIC WOMEN WILL MEET TODAY

CHENNAULT SEES BRIGHTER FUTURE Head Of U. S. Air Force In China Looks Forward To Raids On Japan

The shipyard will be closed today with the exception of the work of maintenance crews, but will operate as usual on Monday.

Bishop McGuinness Will Celebrate Mass At C. D. Of A. Conference

HEADQUARTERS U. S. 14TH AIR FORCE, China, July 3.—(AP)—Major General Claire L. Chennault said today in an address commemorating the first anniversary of the United States Air Force in China: "I sincerely hope that during the next year you men will fly over Japan itself many times before the first firecracker explodes July 4, 1944."

Among others to observe a holiday Monday are the Alcoholic Beverage Control stores, the city's banks and the Carolina Motor club.

Delegates from five North Carolina cities will attend the seventh annual State conference of the Catholic Daughters of America today at St. Mary's Catholic church, Fifth and Ann streets.

Chennault declared, "Things will be different before it ends." He recalled that on July 4, 1942, the American Volunteer group completed a "remarkable and outstanding chapter in American aerial history."

at the last regular meeting of the City council which voted the ban of beer and wine sales on Sundays, quoted a commissioned officer as saying that nearly all service men who come to town during the week-ends return to camp with "hangovers," and that Mondays in camp are "blue Mondays"—rapidly becoming "black Mondays" because of the inability of the soldiers to work efficiently.

Solemn mass will be celebrated at 11:30 o'clock with the Most Rev. Eugene J. McGuinness, bishop of Raleigh, in charge. The sermon will be delivered by the Rev. Eugene Livelsberger, of Burlington, state chaplain of the Catholic Daughters of America.

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Luncheon will be served at the Tavern at 1:30 o'clock, followed by a business session. The Rev. J. H. Evelyn, assistant pastor of St. Mary's church, will deliver the address of welcome.

The SEC said it was the biggest case it had ever handled. In a statement, E. E. Crabb, head of the three firms, said, "because of the nature of these charges, which we firmly deny, this action does not question the solvency of these companies and no certificate holder needs to be disturbed as to the soundness of his investment."

The one-day meeting will be presided over by Miss Elizabeth Bullard, territorial deputy. Mrs. C. D. Maffitt is grand regent of the Wilmington court.

Hearing, scheduled today, on the SEC motion for a temporary restraining order, was postponed until 10 a. m. Friday by Federal District Judge Gunnar H. Norbye at the request of syndicate attorneys. Business of the firm is "frozen" pending the hearing.

Among others to observe a holiday Monday are the Alcoholic Beverage Control stores, the city's banks and the Carolina Motor club.

Named in the 16-count complaint, filed Friday, were Investors Syndicate and Investors Syndicate of America, Inc., both Minnesota corporations.

Nothing could be further from the truth than the statement attributed to a Lutheran minister in Wilmington to the effect that Monday at Camp Davis had gotten to be "Black Monday" due to week-end dissipations of our soldiers caused by drinking beer and wine, and that the camp is unable to operate until Tuesday.

This statement was immediately questioned and Mayor Cameron told the assemblage of city councilmen and citizens that he intended to bring the matter to the attention of the City council which voted the ban of beer and wine sales on Sundays, quoted a commissioned officer as saying that nearly all service men who come to town during the week-ends return to camp with "hangovers," and that Mondays in camp are "blue Mondays"—rapidly becoming "black Mondays" because of the inability of the soldiers to work efficiently.

Today's announcement followed one two weeks ago saying that British naval and air units had destroyed, and "others may have been damaged."

Railroad Pay Raise Dispute Given To F. R.

Sharfman Refuses Vinson's Request That Board Reconsider Increases

OFFICIALS CLASH

President May Appoint New Group Or Order Old One To Re-Convene

WASHINGTON, July 3.—(AP)—A new administrative dispute was dumped on the White House doorstep today when I. L. Sharfman, chairman of the Railroad Emergency board, turned down flatly Stabilization Director Fred M. Vinson's request that the board reconsider its recommendation for an 8 cents an hour wage increase for non-operating railway employees.

Sharfman told Vinson in a letter that he was without authority to reconvene the board. At a press conference, he added that the stabilization director "is trying to tell us how to settle the dispute and we are the only ones having that authority."

The board, Sharfman said, had recommended to the President what it deemed to be a fair and reasonable settlement, and there was no point in reconsidering it.

Opposed Award Vinson set aside the award on the grounds that it violated wage stabilization policies. In a memorandum opinion, he suggested that the board might use a test as to whether wages are "substandard" in reconsidering the matter.

Sharfman, professor of economics at the University of Michigan, (Continued on Page Five; Col. 1)

AMERICANS DRIVE OFF JAPS TRYING TO SHELL RENDOVA; ALLIES BLAST SICILY, ITALY

REACH NEW PEAK

Planes Pour Tons Of Explosives On Palermo, Catania, Cagliari

USE MANY CRAFT

Nearly 100 Liberators Take Part In Raid On 'Heel' Of Italy

ALLIED HEADQUARTERS IN NORTH AFRICA, July 3.—(AP)—The allied assault on Italy's military airfields rose to a new peak of fury yesterday when heavy and medium American bombers from North Africa and the Middle East swung across by daylight to pulverize four important bases on Sicily and the Italian mainland.

Only a few hours earlier heavy British night bombers had poured scores of tons of high explosives and fire bombs on the battered cities of Palermo and Catania, Sicily, and Cagliari, on Sardinia.

The attack on Palermo was termed "heavy and successful," with two-ton blockbusters heading the destruction.

In what a U. S. communique described as "a sudden intensification of the attack," nearly 100 four-engine Liberators of the middle east command swarmed over the "heel" of Italy to drop more than 400,000 pounds of bombs on Axis airdromes at Lecce, Grottaglie and San Pancrazio — all within the aerial defense zone protecting the bit Italian naval base at Taranto.

It was the biggest offensive action yet staged by Liberators of the Cairo command. Three were lost as clouds of German and Italian fighters rose to defend their home fields, but 12 Axis planes (Continued on Page Two; Col. 1)

Allies Down Eleven More Jap Planes Over Rendova

ALLIED HEADQUARTERS IN AUSTRALIA, Sunday, July 4.—(AP)—By sea and air the Allied invaders of the central Solomons have thrown back Japanese attempts to interfere with the Pacific offensive, having increased to 134 the total of enemy planes downed and driven off enemy ships bent on shelling Rendova, it was announced today.

Eleven more enemy planes were downed on Friday and Saturday over Rendova where the Americans landed on Wednesday within five miles of the Japanese air base at Munda which quickly underwent shelling from Allied shore batteries.

Today's communique also told of continued Allied efforts to conquer the New Georgia area. Allied ships poured shells into enemy positions on Vangunu, an island off the southeastern tip of New Georgia.

On the western arm of the Pacific drive, four Japanese Zeros and a bomber were destroyed (Continued on Page Five; Col. 3)

INITIAL CLASH

May Culminate In Major Sea Battle If Nipponese Enlarge Forces

ALLIES ADVANCING

Soldiers And Marines Are Driving Toward Enemy's Air Base At Munda

WASHINGTON, July 3.—(AP)—American warships lying in wait pounced on a Japanese force which tried to shell Rendova island last night, the Navy disclosed today, drove off the attackers with heavy gunfire.

This fight, started by three enemy light cruisers and four destroyers, probably is but the first of a series of brushes between American and Japanese sea squadrons which may culminate in a major sea battle if the Japanese throw more and more units into their efforts to stem the allied South Pacific offensive.

Air and land fighting continued, meantime, with Army and Marine forces on the Solomons front driving steadily toward the enemy's Munda air base, and American and Australian forces in north-west New Guinea tightening their ring of positions around the strategic air base at Salamaua.

Double Threat Like Salamaua, Munda is subject to attack from at least two sides — by army groups in Rendova island and by Marines pressing up from the south of New Georgia island where they already have captured Viru harbor. The attack by warships seemingly was an attempt on the enemy's part to harass and delay the Rendova phase of the operation.

The Japanese thus were trying to accomplish with naval vessels under the cover of darkness what they had failed entirely to do by heavy air attack on the day the army landed on Rendova. At that time they lost 101 planes of a force estimated at more 110. What damage they may have suffered in the sea skirmishes was not reported here.

All the communique said was: "On July 3 (Saturday) Solomons (Continued on Page Nine; Col. 5)

Senators Accept House Demand To Abolish NYA

VOTE IS 39 TO 33

Argument Of Senator Truman Fails To Save 8-Year-Old Agency

WASHINGTON, July 3.—(AP)—Congress agreed today to kill the National Youth Administration.

The decision to end the agency which was created eight years ago as a work relief organization came when the senate accepted by a 39 to 33 vote a house demand that NYA be given only \$3,000,000 to finance its liquidation at the end of 1943. Originally, the senate had voted the agency \$48,800,000 to continue operation for the fiscal year ending next June 30.

The argument of Senator Truman (D-Mo) of the senate's war investigating committee that NYA's program of training youths for war industry work is "absolutely essential" failed to save the agency. Opponents of NYA, including Rep. Short (R-Mo.), had contended NYA was inducing youths to leave farms for work in shipyards and was engaged in "silly, crazy, cock-eyed" activities.

Nearing Accord The provision abolishing NYA was written into a \$1,136,000,000 appropriation bill for labor-security programs. Agreement of the house and senate on the NYA amendment brought the two houses a long step nearer final accord on the appropriation measure, one of a group of big money bills to supply funds for the fiscal year started three days ago and over which congress has been in dispute.

The senate postponed final action on an \$850,000,000 farm appropriations bill after Senator Reed (R-Kans) protested against surrendering to house demands for abandonment of federal insurance.

(Continued on Page Two; Col. 2)

Rome Admits Palermo Has 'Ceased To Exist'

NEW YORK, July 3.—(AP)—Rome radio admitted tonight that the Sicilian air and naval base of Palermo has "ceased to exist" because of the pounding of Allied air attacks.

The broadcast, recorded by NBC, said Palermo had been struck by "many times more bombs than can be counted" and is now useless.

Another Rome radio broadcast complained that the Allies were not "playing fair." The American and British in their bombing attacks, the radio said, are using the formula: "When your opponent is down and out — kick him in the teeth."

TIGHTER MID-WEST GAS CURBS URGED

Senate Committee Also Asks Wider Authority For Secretary Ickes

WASHINGTON, July 3.—(AP)—Tightened restrictions on gasoline use in the midwest — so that some of its motor fuel may be sent to the east — were recommended today by a senate committee which also urged broader authority over all oil problems for Secretary Ickes.

The committee, headed by Senator Maloney (D-Conn) and appointed to investigate gasoline and fuel oil shortages, said the outlook for relief was not good.

"We must plan for the worst and hope for the best," it said.

Oil and gasoline shortages along this seaboard and in other parts of the United States must be regarded as chronic wartime condition, its report asserted, adding that military demands are increasing so greatly that they are likely to absorb completely any additional oil brought to the east by new and old facilities.

"Setbacks with respect to any of the new means of transportation might create a serious shortage," the committee said. "This is bad news for the entire country as well as for the east coast."

"The middle west will undoubtedly have to suffer more severe rationing in order to share its supply with the states which are giving up theirs to the armed forces. The far west, with demand and supply now precariously in balance, could overnight be placed in a situation equivalent to that of the eastern seaboard as a result of intensified operations in the Pacific."

"The northwest is even more isolated than New England and could (Continued on Page Nine; Col. 3)

ALLIES CONTINUE RAIDS ON EUROPE

Attack Trains, Barges, Oil Tanks In Nazi-Occupied Europe

LONDON, Sunday, July 4.—(AP)—A strong force of planes—presumably Royal Air Force bombers—flew out over the southeast coast early this morning bound for some place in occupied Europe.

The last time RAF bombers were out in strength was the night of June 28 when they attacked Cologne and Hamburg.

The bomber movement followed widespread sweeps over France, Holland and Belgium yesterday by RAF light bombers and fighter planes which struck at enemy objectives by daylight for the third consecutive day.

The air ministry said Boston, Typhoons, Mustangs and Spitfires attacked locomotives, railway switches, barges, oil tanks, factories, gun positions and a plane (Continued on Page Two; Col. 3)

CHENNAULT SEES BRIGHTER FUTURE

Head Of U. S. Air Force In China Looks Forward To Raids On Japan

HEADQUARTERS U. S. 14TH AIR FORCE, China, July 3.—(AP)—Major General Claire L. Chennault said today in an address commemorating the first anniversary of the United States Air Force in China: "I sincerely hope that during the next year you men will fly over Japan itself many times before the first firecracker explodes July 4, 1944."

"We are starting a new year," Chennault declared. "Things will be different before it ends." He recalled that on July 4, 1942, the American Volunteer group completed a "remarkable and outstanding chapter in American aerial history."

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"For that work, the first of its kind since American planes came to China, you have received not the thanks of the Chinese leaders but also those of the Chinese soldiers on the ground who no longer fear the sound of motors overhead—they know they're American or Chinese."

"You have earned the gratitude of these men who have fought six (Continued on Page Two; Col. 3)

Three U. S. Agencies Consider Plan To Overcome Labor Shortage

WASHINGTON, July 3.—(AP)—A proposal to provide a guaranteed weekly wage to lumber workers, partly through a federal subsidy, to overcome an acute manpower shortage, is under study by three government agencies.

D. C. Speaker, the mythical District of Columbia figure who represents the nation, (Continued on Page Two; Col. 4)

WEATHER

FORECAST NORTH CAROLINA: Little change in temperature Sunday except slightly warmer west portion.

(Eastern Standard Time) (By U. S. Weather Bureau) Meteorological data for the 24 hours ending 7:30 p. m. yesterday. Temperature 1:30 a. m. 70; 7:30 a. m. 71; 1:30 p. m. 81; 7:30 p. m. 87. Maximum 82; minimum 69; mean 75; normal 79. Humidity 1:30 a. m. 95; 7:30 a. m. 90; 1:30 p. m. 65; 7:30 p. m. 69. Precipitation Total for the 24 hours ending 7:30 p. m. .00 inches. Total since the first of the month. 2.00 inches. Tides For Today (From the Tide Tables published by U. S. Coast and Geodetic Survey) Wilmington High 11:06A Low 11:24P Masonboro Inlet 8:50A 2:49A 9:02P 2:58P Sunrise 5:05 a. m.; sunset 7:27 p. m.; moonrise 6:54 a. m.; moonset 9:00 p. m. Cape Fear River stage at Fayetteville on July 3, at 8 a. m., 13.6 feet. (Continued on Page Nine; Col. 6)

THREE INVESTMENT FIRMS HIT BY SEC

'Fraudulent Practices' Charged To Investors Syndicate, Others

MINNEAPOLIS, July 3.—(AP)—The Securities and Exchange Commission moved today in Federal district court here for a restraining order to halt what it termed "fraudulent practices" on the part of Investors Syndicate of Minneapolis and two associated firms having assets of more than \$200,000,000.

The SEC said it was the biggest case it had ever handled.

In a statement, E. E. Crabb, head of the three firms, said, "because of the nature of these charges, which we firmly deny, this action does not question the solvency of these companies and no certificate holder needs to be disturbed as to the soundness of his investment."

Hearing, scheduled today, on the SEC motion for a temporary restraining order, was postponed until 10 a. m. Friday by Federal District Judge Gunnar H. Norbye at the request of syndicate attorneys. Business of the firm is "frozen" pending the hearing.

Named in the 16-count complaint, filed Friday, were Investors Syndicate and Investors Syndicate of America, Inc., both Minnesota corporations. (Continued on Page Nine; Col. 7)

REDS FRUSTRATE NEW NAZI THRUST

Drive On Central Front Positions Halted By Artillery, Infantry

LONDON, Sunday, July 4.—(AP)—A German thrust toward Russian positions, on the central front before Smolensk was frustrated yesterday by Soviet artillery and infantry units, Moscow announced early today in the regular midnight communique.

The bulletin, broadcast by the Moscow radio and recorded here by the Soviet monitor, reported exchanges of artillery, mortar, machine gun and rifle fire in that area, where a German withdrawal was admitted yesterday by Berlin after the renewed skirmishes of recent days.

Russian troops were said to have wiped out about a company of Germans, silenced several artillery and mortar batteries and destroyed half a dozen machineguns.

One German unit which attempted to penetrate Soviet positions ran into a mine field, the communique said. Many enemy troops were blown up and the rest were killed by machinegun and rifle fire before reaching the Russian lines.

Moscow also reported a combined sea and air attack in the Black Sea in which Russian warships and planes were said to have sunk a German transport and a motor barge.

Today's announcement followed one two weeks ago saying that British naval and air units had destroyed, and "others may have been damaged."

Giraud En Route To U. S. To Talk With Roosevelt

RIO DE JANEIRO, July 3.—(AP)—General Henri Giraud has passed through Natal enroute to the United States, an O Globo dispatch from there said tonight.

The co-president of the French committee of national liberation is on his way to visit Washington in response to an invitation from President Roosevelt.

Natal is an air base on the South Atlantic route between the United States and Africa. In a statement for release on July 4, Gen. Henri Giraud said (Continued on Page Nine; Col. 3)

that "in the work which the Americans have taken upon themselves to maintain, the French people, traditionally devoted to the same aspirations, associate themselves with all their means and all the strength of their soul and heart."

"At the moment of my departure for Washington I send my most ardent and sincere greetings to the President of the great republic of the United States of America on this American national holiday. I hope to renew them to him by word of mouth soon."