

Big Armament Job May Delay Reconversion

\$500,000,000 Worth of New Plants Planned To Boost Shell Output

KRUG GIVES VIEWS

Advance Against The Japs Causes Revision Of V-E Day Cutback Plans

By STERLING F. GREEN WASHINGTON, Dec. 2.—(P)—The armament task now in sight may retard reconversion for some time after Germany collapses, War Production Board Chairman J. A. Krug said today.

He made that observation in disclosing that \$500,000,000 worth of new plant construction is planned to boost production of shells for infantry mortars.

The drive meanwhile to get lagging production programs of other war implements up to the pace needed to meet the demands of all-out war on two major fronts is showing "excellent progress," Krug told a news conference.

New Workers, he said, are entering war plants in "encouraging" numbers.

The unexpectedly rapid advance against Japan, piling new Pacific demands atop the heavy requirements of Europe, has caused the Army to revise its V-E day cutback plans, Krug said.

Temporarily, the War Department has submitted estimates of anticipated contract cancellations appreciably lower than the 48 percent estimated last summer, Krug explained. The estimate is bound to change again from time to time with the Nazis actually quit, he said.

But if the Army's present estimate holds good, the WPB chief continued, these modifications will have to take place in WPB's authorized program to give industry virtually a free hand after victory in Europe day.

Instead of entering unlimited production, the automobile industry and some other large lines of civilian production must be placed on a controlled basis.

WAR BOND MOVIE PLAN ADVANCED

High School R.O.T.C. Will Give Concert Before Program Tuesday

As New Hanover swelled its War Bond accomplishments yesterday to \$2,900,000, leaders announced that preparations for the local premier showing of "Frenchman's Creek" in connection with the campaign, were nearing completion.

The motion picture will be shown at the Bailey theater at 8 o'clock Tuesday night to stimulate the sale of U. S. Treasury securities here. Admission to the preview and only showing of the movie, featuring Jean Fontaine and Antonio de Cordova, will be by purchase of a bond of any denomination.

Listed Eugene Laycock's R. O. T. C. band from New Hanover High school will give a concert before the theater for 15 minutes prior to the showing of the movie.

Only 1,200 seats are available at the Bailey, bond leaders pointed out that the purchase of bonds Monday morning will ensure an opportunity to attend the preview.

Bonds may be bought from any banking agent in the city and exhibition of them at the Bailey, Carolina Royal or Bijou theaters.

N. C. Shipyard To Note Launching Anniversary

The third anniversary of the first launching of a ship by the North Carolina Shipbuilding company will be observed Dec. 6 with Mrs. Rogers Williams, wife of the president of the company, christening the U. S. S. Trenton at 4:15 o'clock in the afternoon, officials of the yard announced yesterday.

Mrs. Williams' attendants will be Mrs. P. F. Halsey and Mrs. L. K. Brown, both of Wilmington.

Jap Stamp Act



The four Philippine stamps shown above, smuggled out of the islands by an exchange prisoner, show how the Japanese appropriated Philippine postage for their own use, obliterating all references to the U. S., and in one instance (top stamp) employing a surcharge reading: "Congratulations—Fall of Bataan and Corregidor—1942."

NINE PERSONS DIE IN AUTO ACCIDENT

Five Others Injured When Vehicles Collide West Of Morganton

MORGANTON, Dec. 2.—(P)—Nine persons were killed and five injured, three of them critically, when two automobiles collided head-on early today eight miles west of Morganton in one of the worst highway accidents in North Carolina history.

Dois Jean Shook, 16, daughter of Mrs. Ada Long of Morganton, who made her home in Glen Alpine with her grandmother, Mrs. Ida Shook.

Harold Moran Hull, 25, of Morganton, and his brother, Richard Mull, 18, of Glen Alpine, sons of Mr. and Mrs. Baxter M. Mull of Glen Alpine.

Pfc. John Thomas Shuping, 24, home on furlough after three overseas trips with an army hospital ship, son of Mrs. Alice Shuping of Rt. 1, Morganton.

Warren B. Merrill, 21, son of Mr. and Mrs. Virgil Merrill of Rt. 1, Nebo, who was recently discharged from the army after a year overseas.

Charles Benefield, Jr., 16, son of Mr. and Mrs. Charles Benefield of Glen Alpine.

Pvt. Raymond A. Shouppe, 20, home on furlough from Camp Shelburne.

ELKS WILL HOLD MEMORIAL RITES

Departed Members Of Lodge Will Be Honored At Program Today

Deceased members of Wilmington lodge No. 532, Benevolent and Protective Order of Elks, will be honored at Memorial services this afternoon at 3 o'clock. The principal speaker will be the Rev. J. F. Herbert, pastor of Grace Methodist church.

Exercises, similar to the one to be held at the local lodge's temple on South Front street, will be conducted at the more than 1,400 Elks lodges throughout the country, according to H. N. Hayden, exalted ruler.

This afternoon's program will be for prayer by Chaplain E. W. Hallock, followed by the singing of the national anthem.

WEATHER

FORECAST North Carolina: Fair and not quite so cold Sunday and Sunday night. Monday increasing cloudiness with little change in temperature except warmer on coast. Occasional rain in west. (Eastern Standard Time) (By U. S. Weather Bureau)

Meteorological data for the 24 hours ending 7:30 p.m., yesterday.

Red Within 74 Miles Of Austrian Line

Stage Great Breakthrough On 110-Mile Front In West Hungary

SEVER RAILROAD

Speed Up Bank Of Danube To Within 47 Miles Of Budapest

By RICHARD KASISCHKE LONDON, Sunday, Dec. 3.—(P)—Russian motorized troops, in a great break-through on a 110-mile front in western Hungary, yesterday raced to within 74 miles of the ore-rich Austrian province of Styria, and also sped 30 miles up the right bank of the Danube to within 47 miles south of imperilled Budapest.

Over-running 300 localities south and southwest of Budapest, Marshal Feodor I. Tolbukhin's Third Ukraine army also cut the Budapest-Zagreb-Trieste trunk railway and hurled the enemy back onto the flat plains 28 miles from strategic Lake Balaton guarding the southern approaches to Austria.

Attack Dunafoldvar Berlin, describing the breakthrough as "tragic," said Soviet spearheads moving up the Danube's west bank already were attacking Dunafoldvar, 43 miles from the Hungarian capital.

In Czechoslovakia Col. Gen. Ivan Petro's Fourth Ukraine Army stabbed to within two miles of the big northeastern Hungarian rail city of Satoraljaihely, cutting that city's railway link with Kassa (Kosice) in eastern Slovakia, and also severed the Satoraljaihely-Cemerne highway as it moved.

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YULE SEAL SALES AMOUNT TO \$1,787

Result Of First Week Of Campaign Is Termed 'Very Gratifying'

The New Hanover tuberculosis Christmas seal sale netted \$1,787.35 during the first week of the campaign, Dr. John C. Wessell, chairman of the drive, announced yesterday.

"The results of the drive thus far are very gratifying," Dr. Wessell said. "The return of 1,312 of the 10,000 letters dispatched to New Hanover homes, with almost \$2,000 contents, is a good indication that the people recognize the seriousness of tuberculosis and intend to give their money to fight the scourge."

"Because of the enthusiastic start of the drive, Dr. Wessell predicted that citizens of New Hanover county "will see us through to complete accomplishment of our \$8,000 goal."

In New Hanover white schools last week a total of \$203.26 was realized from the sale of double-barred tuberculosis crosses, and this report is not complete as two schools have not yet reported.

Neegro school students are selling Christmas seals and the returns are expected to be good.

Under the sponsorship of the Sorosis, a seal booth will be opened December 6 in the postoffice and operated daily thereafter, until Christmas.

As further efforts to inform the public about tuberculosis, book-marks on this subject have distributed to the City Public Library and to all school libraries.

Tuberculosis educational inserts are being distributed by the Bell Telephone and Telegraph company and the city's laundries.

78th Congress Pointing To Final Bout With F. R.

WASHINGTON, Dec. 2.—(P)—A divided House Ways and Means committee report laid the groundwork today for what probably will be the 78th congress' final fight with the White House.

It pointed up the disagreement in the committee itself over the administration-opposed proposal to block a scheduled doubling of social security taxes. The levy will rise automatically to two percent January 1 unless congress, as it has done three before, freezes them.

Patton's Army Fights Way Into Saarlautern, Saar Basin Fort; Air War Boosted In Philippines

RAIN HALTS FIGHT FOR ORMOC ROUTE

Bombers Attack Enemy Air Bases In Central Part Of Islands

By JAMES HUTCHESON GENERAL M'ARTHUR'S HEADQUARTERS, PHILIPPINES, Sunday, Dec. 3.—(P)—Aircraft traded vicious blows throughout the central Philippines, headquarters reported today, as blinding rains again halted the bitter ground battle for Leyte island's Ormoc corridor.

Japanese planes in force attacked American positions along Carigara bay, on Leyte's northwest coast. Other Nipponese bombers raided American-held Morotal island, in the Moluccas, a springboard for the Philippines.

American bombers meanwhile heavily attacked imperial air bases throughout the central Philippines in new assaults to minimize the Nipponese aerial flank threat to Leyte.

Crater Runways The strikes included another blow at Legapsi airdrome on Luzon island, where 27 tons of explosives cratered runways during a raid Wednesday.

A tanker and a small freighter were damaged in the other Visayan islands, and airfields at Davao, Mindanao, were hit.

Torrential rains again stalled ground troops in the prolonged battle for Leyte's Ormoc corridor. The desperation of the Japanese defense and these uncompromising rains have squelched American hopes for an early end to the Leyte campaign.

Yank columns to the north and south of Ormoc inched ahead in their drive to take that enemy-held port, the main door for the entrance of Japanese reinforcements.

(A Japanese communique recorded by the Federal Communications Commission bragged that their air-borne assault troops had landed on the eastern or American-held side of Leyte a week ago.

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FAENZA POSITIONS SEIZED BY ALLIES

Nazis Continue Withdrawal Through Mountains Toward Po Plain

ROME, Dec. 2.—(P)—Two positions north and south of Faenza have fallen to Allied armies, headquarters announced today, as the German withdrawal through the mountains toward the Po plain continued in the face of threats against the enemy's eastern flank.

Indian troops of the British Eighth army seized strongly-defended Albereto, a village five miles northeast of Faenza, capturing 100 prisoners.

The U. S. Fifth army, swinging across the Lamone river which blocks the approaches to Faenza, occupied Monte Giornetto, 11 miles west, southwest of the city.

This appeared to be a dividend of the German withdrawal from the Apennines' bulge between Faenza and Bologna to prevent entrapment should the British break across the Lamone river on the east.

Gen. DeGaulle Confers With Stalin At Kremlin

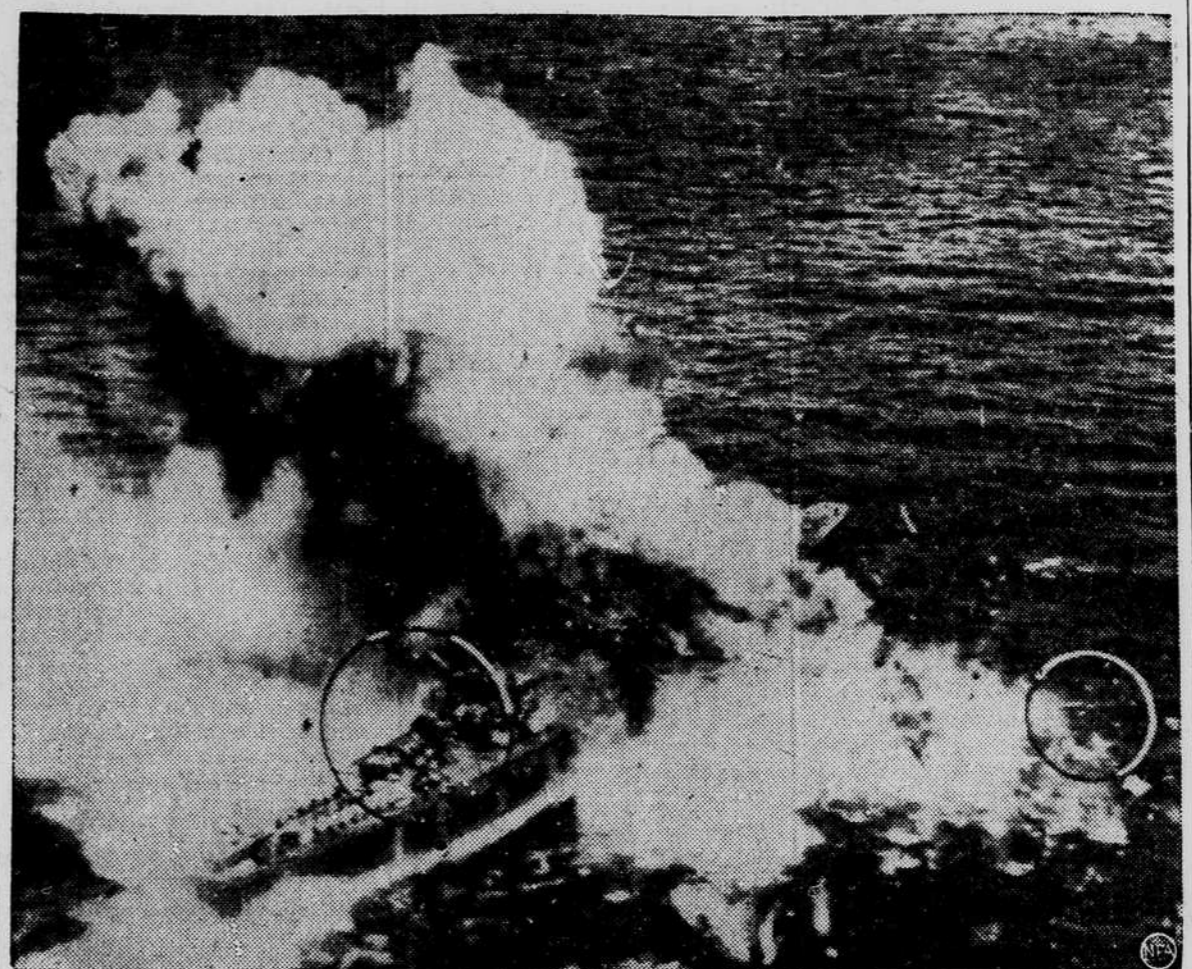
IS FIRST VISIT French Foreign Minister Talks With Molotov Prior To The Call

MOSCOW, Dec. 2.—(P)—Gen. De Gaulle, who arrived in Moscow by train today, was received by Premier Stalin tonight in his quarters at the Kremlin.

The French leader was accompanied on his first visit to Stalin by Roger Garreau, chief of the French diplomatic mission to Moscow.

It was reported that De Gaulle, after a visit of about four days here, may visit a volunteer French flying squadron on the east Prussian front. His aides said such a trip had been discussed but that arrangements were incomplete.

Finish Of A Jap Destroyer-Escort Off The Philippines



This dramatic photograph shows the terrific effect of a modern aerial bomb dropped at mast-head level by a B-25 bomber on a Japanese destroyer-escort off Ormoc Bay, Leyte. A second bomb (circle, left) is about to land on the after deck. Body of a Jap seaman (circle, right), blown from forward deck, hurtles through space.

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French Foreign Minister Georges Bidault conferred today for 50 minutes with Foreign Commissar Molotov before De Gaulle's visit to the Kremlin.

French sources here said that De Gaulle's exchange of letters with President Benes, restoring pre-Munich relations between France and Czechoslovakia, was evidence of his determination to build French foreign policy toward Russia on lines which likewise would wipe out memories of the Munich agreement.

The presence of Gen. Alphonse Juin, chief of the French general staff, he said, was not an indication that the French leader's Moscow conferences would dwell primarily on military affairs. Political objectives were declared to be uppermost in his mind.

De Gaulle arrived in the middle of a snowstorm. But his reception (Continued on Page Three; Col. 1)

POWERFUL FORCES ADVANCE IN ROER

Basin Gorged Deeply By Advances But River Is Still Great Barrier

By EDWARD KENNEDY PARIS, Dec. 2.—(P)—Lt. Gen. George S. Patton's Third army troops fought their way deeply into burning Saarlautern, Saar basin fortress and industrial city, today and to the north the U. S. first and ninth armies pressed ahead to the Roer river against the heaviest opposition of the winter offensive.

U. S. Seventh Army troops wiped out the last remnants of the German bridgehead at the approaches to the now demolished Rhine bridges in Strasbourg.

Following attacks by nearly 40 medium and light U. S. Ninth Air Force bombers which left Saarlautern in flames and tore open nearby Siegfried Line defenses, Third Army doughboys entered the Saar city at two points. The Americans then fanned out over most of that part of the city which lies west of the Saar river.

Hold 14-Mile Front The 90th and 95th divisions, with elements of the tenth armored division screening them to the north, now hold a 14-mile stretch along the Saar between Merzig and Saarlautern. The vital Saar basin has been gouged deeply by Third Army advances, but the river still is a barrier to the greater part of this heavily industrial region. The Germans apparently hope to make a strong stand along this natural line.

The penetration into Saarlautern was made by the Ninth division in a three-mile drive which put advance units deeply into the city. Other divisional elements pushed beyond Alterweiler, three miles to the southwest, and entered the town of Bisten in the same area.

Troops of the 26th infantry division teamed up with Fourth armored division tanks and were fighting inside of Saare Union, 12 miles south of the Saar border, where the Yanks are moving up the east bank of the Saar river in a potential outflanking threat to Saarbrücken.

In this area the Germans launched two of the fiercest counterattacks yet made in the current offensive, using 40 to 50 tanks. Fighter bombers came to the aid of the doughboys, knocking out a least six tanks and the attacks were repulsed.

These attacks, however, did permit the Germans to reenter Mackwiller, according to field dispatches.

Costly Gains To the north, at the edge of the Cologne plain, gains of yards were bought at a high cost of American blood in the giant battle of attrition that was entering its 16th day.

(The U. S. Ninth Army occupied Linnich up to the river Roer tonight and has captured Liefarth between Beek and Lindern, a late field dispatch said tonight.)

Thus, virtually the entire Ninth Army stood on the west bank of the Roer after recapturing two towns lost yesterday. Fighting continued in Beek, to the west, and before Lindern, now in American hands.

The U. S. First Army tried to break across the Inde river after subjecting all but one pocket in that part of Inden lying on the west bank of the river.

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AMERICANS DOWN 28 NAZI PLANES

Force Of 500 RAF Heavy Bombers Hit Benzol Plant At Dortmund

LONDON, Dec. 2.—(P)—American fighter pilots escorting bombers raiding Coblenz shot down 28 Nazi planes today while a force of more than 500 RAF Lancaster heavy bombers hit a Benzol plant at Dortmund.

The German planes were knocked out of the air by a force of almost 500 Thunderbolts and Mustangs of the U. S. Eighth Air Force which encountered several formations of enemy aircraft over the Bingen area, 25 miles southeast of Coblenz.

Eight American fighters and 11 bombers were reported missing, but six of the fighters were believed to have landed in friendly territory.

The destruction of 28 German planes in a single operation maintained the pace of aerial warfare which cost the Nazis 636 aircraft in November.

Target for the 250 American bombers was equipment massed in the Coblenz railroad yards ready for shipment to German forces on the western front. One thousand tons of bombs were aimed by instrument through heavy clouds. Anti-aircraft fire was meager.

The Dortmund Benzol plant on which the British dropped a tremendous 3,000-ton bomb load, had been producing fuel for Nazi armor opposing the British Second army in the Venlo sector.

British Spitfires raked a V-2 storage site in Holland with cannon and machinegun fire today and destroyed a large motor truck and trailer in the rocket-launching area, the RAF reported. One plane was missing from this attack.

SWPB APPOINTEES APPROVAL IS SEEN

Hill Forecasts Confirmation Despite Republicans' Objections

WASHINGTON, Dec. 2.—(P)—A flat assertion that the Senate will confirm President Roosevelt's Surplus War Property Board appointees came today from acting majority leader Hill (Ala.) as Republicans raised new objections.

Hill told a reporter there is no doubt the military committee, of which he is a member, will approve next week the nominations of former Gov. Robert A. Hurley of Connecticut and Lt. Col. Edward H. Heller, former San Francisco business man. He added that Senate confirmation is "assured."

But Senator Vandenberg of Michigan, chairman of the Republican conference, said the minority is prepared to fight on the grounds that neither Hurley, who was defeated in the Connecticut governorship race Nov. 7, nor Heller, is qualified. Previously the Republican steering committee headed by Senator Taft of Ohio had agreed to oppose the appointments.

Crisis In Greek Cabinet Headed By Resignations

ATHENS, Dec. 2.—(P)—A Greek crisis over a British army proclamation disbanding guerrillas came to a head today with the resignation of all six ministers belonging to the left wing EAM party.

Premier George Papandreu, expressing regret at the resignations, reiterated his determination to stick to his task and called the cabinet into another session tonight.

John Savgos, Communist minister of agriculture, stepped down, protesting what he styled "unilateral decisions" of Major Gen. Ronald Mackenzie Scobie, British commander of Allied troops in Greece.

A spokesman for Scobie's headquarters said British troops would take no action in the Greek political situation "other than to maintain order and assist in the distribution of relief."

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