

Wilmington and vicinity: Cloudy, cool and windy with rain today and occasional light rains tonight; Tuesday partly cloudy and warmer.

Tax Cut Plan To Be Pushed

Rep. Knutson Will Proceed Despite Economic Advisers Report

WASHINGTON, Nov. 2.—(AP)—Rep. Knutson (R.—Minn.) said today he will proceed with his bill for a \$4,000,000,000 tax cut, notwithstanding the recommendation by President Truman's economic advisers that taxes be held where they are to help pay the bill for aid to Europe and to curb inflation.

"The tax cutting bill will be ready for introduction when the special session convenes," he told a reporter, adding: "I hope it will be the first major piece of legislation passed at the special session."

Knutson heads the House Ways and Means committee.

The President's economic council reported last night that by continuing present federal tax rates, and a partway return to wartime inflation controls, the United States can safely support the Marshall aid to Europe plan and still reduce the national debt.

Knutson commented: "I'm afraid the President's advisory committee is as badly confused as he is."

"Even a grade school student knows that all the money we advance for relief and rehabilitation will be spent in the American market, in competition with domestic buyers, the net result of which will be further price increases all along the line. The whole thing looks to me like trying to put out a fire with fuel oil."

"The council's recommendations to the contrary notwithstanding, will in no way deter us from going ahead in our fight to give the harassed taxpayer relief."

On the other hand, Rep. Crawford (R.—Mich.) told reporters:

"If we are going to aid Europe, let's pay for it. To the extent we cut tax rates, along with an aid program, there will be more inflation."

"The administration is up against the cold steel of inflation and all this maneuvering is whistling in the dark. They've either got to put the money in the tax box to cover this appropriation to Europe, or finance it through deficits which are strictly inflationary."

Mr. Truman twice used his veto power earlier this year to

See TAX on Page Two

TEXTILE UNIONS THREATEN STRIKE

Thirty Thousand workers May Be Called Out November 6

DANVILLE, Va., Nov. 2.—(AP)—Officials of the CIO Textile Workers Union of America voted today to call strikes Nov. 6 in Southeastern cotton mills unless the textile industry makes "an acceptable offer" to a 15-cent-an-hour wage increase demanded by that time.

A spokesman at the strategy meeting of top TWUA men said that more than 30,000 mill workers in Virginia, the Carolinas, Georgia, Alabama and Tennessee are involved.

The union did not define what it considered "an acceptable offer" and said this and the exact hour of the projected walkouts would be left up to the local unions. It was announced, however, that local negotiations with the mills would be continued this week.

Highest offer to the union's 15-cent demand disclosed thus far has been that of the Lowenstein mills with plants in North Carolina and Alabama which proposed a seven and a half cent hourly increase. The Dan River Mills here offered a five per cent wage increase last week but in neither case did the union indicate acceptance.

Danville CIO Director Lewis Corn said the decisions of today's session would be carried to the membership of the local unions within the next few days.

See THE WEATHER on Page Two

Lovell Turns Down Plea Of Ousted Men

Six Former Employees of State Department Lose Appeal For Reemployment; Group Were Dismissed For Security Reason

WASHINGTON, Nov. 2.—(AP)—Undersecretary of State Lovell today rejected the appeal of six former State Department employees for a hearing on charges for which they were dismissed June 23 "for reasons of national security."

Lovell, in a letter to lawyers representing the six unidentified workers, declared, however, that the Civil Service Commission will consider the cases if requested.

He added that the State Department would supply the commission with the information which was the basis for the ouster proceedings, although it is being withheld from the individuals concerned.

The six were among a group of ten who were released by the State Department following a loyalty test. Congress empowered the Secretary of State to dismiss any workers before June 30, 1947, if he "deemed it necessary or advisable in the interests of the United States."

The Civil Service Commission was designated as a virtual appeals court in such cases, to determine whether workers thus dismissed were eligible for employment in any other government agency.

The petitioning group was represented by three former high administration officials: Thurman Arnold, Abe Fortas and Paul Porter.

See LITTLE on Page Two

Hughes Takes Big Flying Boat Off Water In Tests

Wooden Plane Taxis Down Harbor At Speed Of 90 Miles Per Hour

LONG BEACH, Calif., Nov. 2.—(AP)—Howard Hughes today hurtled his giant flying boat at takeoff speed 30 feet above the wave tops of the Los Angeles-Long Beach harbor in the first of a series of pre-flight tests.

Hughes said he was "thoroughly satisfied" with the performance of the craft which at one time attained a speed of 90 miles an hour.

The \$25,000,000 wooden plane was literally airborne during some of the earlier taxiing runs. Observers in boats alongside the course in the outer harbor said they could see daylight underneath the keel between the choppy waves.

Hughes at the controls throughout the test said he believed he could have taken the craft off if he had been prepared to do so.

The Civil Aeronautics Authority was represented by George W. Haldeman in charge of flight testing on the West coast, who said he was on board at the request of the Reconstruction Finance Corporation.

The RFC handled the government \$18,000,000 contract with Hughes for construction of the plane. Hughes has put more than \$7,000,000 of his own money into the project.

Hughes had not planned to take off today. Today's test was scheduled to be merely taxiing runs.

On the first run he attained a speed of 45 miles an hour, on the second 90 mph. He lifted the plane 30 feet above the water on the third run at a speed of 65 miles an hour.

It had been estimated that takeoff speed would be somewhere in the neighborhood of 95 mph.

See EXPORT on Page Two

See EXPORT on Page Two

Jubilant Conservatives Demand General Election For Britain; Assembly May Dodge Veto Issue

Little Assembly Still On Agenda

Aranha Seeks To Sidetrack Controversy To Allow Early Adjournment

NEW YORK, Nov. 2.—(AP)—The United Nations Assembly may sidetrack debate on the controversial big power veto in efforts to reach adjournment by Nov. 25, an authoritative source said today.

Assembly President Oswaldo Aranha of Brazil called the Assembly's 14-nation Steering committee to meet tomorrow to discuss progress and methods of speeding conclusion of the current session.

The Assembly has been under way seven weeks and only one major item—establishment of a U.N. border commission in the Balkans—has been cleared.

Such proposals as Secretary of State Marshall's suggestion for a year-around Little Assembly and the issue of Korean independence still are under discussion in the Political committee or its subcommittees.

It was understood that proposals would be made to the Steering committee, which determines the Assembly schedule, to put off the veto and several minor items until after the current Assembly session or until the 1948 meeting next fall.

Under this plan the veto could be taken up in the "Little Assembly" on Page Two

LOCAL TEACHERS ON SEDT PROGRAM

Miss Emma Lossen, Others To Lead Group Discussions Friday

Wilmington teachers are slated to play an important part in the Southeastern District Teachers' meeting opening at Fayetteville, Thursday evening, November 7, at 6:30 p. m., with a dinner meeting for local unit NCEA presidents in the cafeteria of Fayetteville high school.

Dr. Ralph McDonald, executive secretary of the National Education association, will address 2,000 teachers, principals, and superintendents expected to gather at the first session in the high school auditorium Friday at 10 a. m.

Departmental meetings in the afternoon will be presided over in several instances by Wilmington teachers. Miss Emma Lossen will preside over the art department meeting, and Mrs. E. P. Brock has charge of the Council for Social Studies.

Mrs. Mary E. Hood will preside over the meeting of Business Education teachers. A feature of this meeting will be the discussion of "What the Employer Expects from the High School Graduate," by three business men.

Other meetings and the Wilmington teachers who are scheduled to preside over them include:

English Teachers, Miss Frances Sutherland; Home Economics, Miss Ruth Blackman; Health, Physical Education, and Recreation, Miss Gertrude Moore; Librarians, Miss Martha Cromartie; and Science, J. W. Batten.

See TOBACCO on Page Two

Along The Cape Fear

BATTLE FOR FREE SCHOOLS

—The early history of education in the Cape Fear valley is the story of the determination of the citizens to extend the advantages of education to the masses. The gradual development of many free public school systems from a few privately controlled institutions extended over a period of generations. In pioneer days public opinion did not call for mass education.

Residents of the lower Cape Fear region led in the campaign for popular education, and the battle extending over a period of several score of years was victorious in uniting public opinion behind the demands and in inaugurating the free public school system.



BEACHES LITTERED WITH DEBRIS—Except for minor damages such as are shown to the houses in the above picture, Wrightsville and Carolina Beaches escaped high tides yesterday without serious effect. The above picture was made yesterday morning at Wrightsville when the morning's high tide had gone out. The disturbance may have been caused by a Peruvian earthquake Saturday, observers believe. (Staff Photo by Roy Cook)

Heavy Seas, Rain Lash Nearby Beaches, Little Damage Done

EVICTED PROFESSOR PLAYS HOST AT "PRE-EVICTION" HOUSE PARTY

LANCASTER, Pa., Nov. 2.—(AP)—An English professor at Franklin and Marshall College today took a philosophical view of his impending house eviction.

The professor, Kenneth D. Longsdorf, was host to 300 college faculty members and students at a "pre-eviction house cooling" party, entertaining the folks with movies, songs, and tricks of magic.

He said he was able to take a philosophical view of the situation since he had already found another place to live at \$30 a month cheaper rent.

He urged only that his guests refrain from damaging the property and that they conduct themselves with decor, saying: "Though we want joy to be unconfined, we do not want unduly loud noise or disorder to disturb Lancaster's Sunday."

TOBACCO MARKETS READY FOR SALES

Warehouses On Eastern, Middle, Old Belts Will Re-Open Today

RALEIGH, Nov. 2.—After a three-day sales holiday caused by decision of the British government to halt the import of American tobacco, auction sales will be resumed tomorrow on markets of three flue-cured tobacco belts.

Prices, which dropped sharply after the British announcement and then recovered somewhat before sales were halted last Tuesday, are expected to be near the levels which have prevailed all season. The prices will be bolstered by a government tobacco buying program under which the Commodity Credit Corporation will enter the market to purchase the tobacco which has been going to British buyers.

Re-opening of the flue-cured tobacco markets will be followed Wednesday by a hearing to be held here by the U. S. Department of Agriculture.

See TOBACCO on Page Two

Labor Government Loses 683 Seats

Churchill Hails Victory In Municipal Elections As "New Day"

LONDON, Nov. 2.—(AP)—Jubilant Conservatives called tonight for a general election to bring the day of "liberation" from the labor government—as the result of a smashing labor defeat in the national election for municipal councillors became more evident.

With results from only two boroughs missing out of 392 the Conservatives had won a net gain of 617 seats in English and Welsh borough councils and the Laborites had lost 683.

The importance of the Conservative victory was increased by the fact that the entire campaign was waged on national issues which would be the basis for a parliamentary election fight.

Winston Churchill said "this splendid victory of Conservative and Liberal minded men and women over the inept and wrong-headed forces which already have led us far along the road to ruin at home and abroad is the best thing that has happened to our country since the electoral disaster of 1945."

Wipes Out Mandate "The result deprives the Socialist government of any mandate it obtained at the general election. Henceforth it will govern without moral support and against the will of the people."

The independents are as a rule affiliated with the Conservatives.

In a statement after long study of the returns, Labor Party Secretary Morgan Phillips admitted the results were "disappointing."

"But this is no political landslide," he said.

See LABOR on Page Two

PERUVIAN QUAKE TAKES 42 LIVES

Satipo In Andes Mountains Hardest Hit With 40 Dead, Many Injured

By The Associated Press ... LIMA, Peru, Nov. 2.—Official dispatches said today the little Andes mountain town of Satipo 165 miles East of Lima, was the worst sufferer in the Peruvian earthquake, with at least 40 killed and many injured.

The deaths at Satipo brought the total from Saturday's tremors to 43. The shocks were severest in the isolated mountainous region East of Lima, but were felt 650 miles Northeast at Iquitos and 200 miles Southeast at Ayacucho.

(The Rev. Joseph J. Lynch, seismologist of Fordham University, said fairly severe earthquake shocks were recorded at 2:08.04 A. M. and 2:14.13 A. M. Sunday. He estimated the distance at 2,700 miles, but was unable to determine the direction.)

Planes Dispatched The Peruvian government dispatched planes with nurses, medicine and food to Satipo and other stricken areas as fresh news of the disaster filtered in to the capital. Poor communications with the isolated mountain area prevented officials and newspapermen from gaining a detailed picture of the disaster.

See PERUVIAN on Page Two

And So To Bed

Three sailors were discussing the weather in a restaurant last night and they decided to bet on who knew when the first hurricane was born.

One of the bellbottoms dated his storm in the catastrophe of 1935. The second sealer went back 70 years in history to tell of a storm that his grandfather had told him.

The third sailor, not to be outdone by the other two, said: "Fellows, let's go back to the beginning of the world."

Remember Adam and Eve's two children, Abel and Cain. The other fellows said yes, and the sailor said well they were watching over their sheep one day and had started home that night for supper. Apparently they were late and so Abel looked back and called, Hury-Caine.

High Tides May Have Been Caused By Peruvian Earthquake

Torrential rain beat down the waves in the vicinity of Wrightsville Beach at high tide Sunday night, reducing damage from the pounding surf to a minimum, but some damage from the high water of Wrightsville sound which flooded several blocks of Lumina avenue hub deep may be revealed this morning.

Occasionally, a big wave would wash over the beach and overflow on the streets to join the water on the sound, but the piers and cottages reached by the surf seemed to withstand the pounding without sustaining noticeable damage.

Marina restaurant and several other business establishments on Wrightsville sound were surrounded by the rising water of the sound. Crews of men who spent Sunday afternoon securing

See HEAVY on Page Two

80 GERMANS DIE IN MINE ACCIDENT

American Controlled Newspaper Reports Disaster At Uranium Mine

BERLIN, Nov. 2.—(AP)—The American-controlled newspaper Neue Zeitung said today 80 German workers were killed Oct. 22 in an accident in the Russian-controlled Uranium mine fields in Southern Saxony.

The accident occurred in a shaft about 250 feet deep, the newspaper said. This shaft near the Saxony-Czechoslovak border was so abrupt, the newspaper continued, that the workers could descend only by ladder.

"Safety measures were inadequate," the Neue Zeitung said, "and details about the accident are impossible to obtain because the authorities are seeking by all measures to keep the secret."

The Russians have been reported working the Uranium mines in the Erz mountains of Southern Saxony at top speed to advance the Soviet Union's atomic research. The city of Aue is near the center of the so-called "forbidden area," where this activity is said to be taking place.

See FIRST on Page Two

FIRST SHIPMENT OF GRAIN READY

SS Julian Poydras To Sail Saturday With 349,000 Bushel Of Wheat

PHILADELPHIA, Nov. 2.—(AP)—One of the first shipments of grain under President Truman's emergency food program will leave Philadelphia this week bound for food-starved Europe.

With members of the Presidential Food Conservation committee expected to look on, workers will begin to pour 349,000 bushels of wheat into the holds of the S. S. Julian Poydras on Thursday morning.

The ship, moored at the Port See FIRST on Page Two

Bloodhound Makes Good Again As Woods Sleuth

HARRISVILLE, N. H., Nov. 2.—(AP)—Queenie did it again today.

A little less than a month ago Sheriff Arthur N. Jennison's three-year-old bloodhound led a posse through a mile and a half of swamps and woodlands at Fitzwilliam to find three-year-old Louis Dunton, missing since the evening before.

Today, in her second test at tracking a human, Queenie piloted another search party to Anthony Leoni, 28-year-old South Boston veteran, found unharmed after a night in the freezing woods.

Leoni, a patient at Aldworth

The Weather

South Carolina—Cloudy and continued cool and windy Monday and Tuesday, occasional light rain Monday and Tuesday, partly cloudy and warmer.

North Carolina—Cloudy, cool and windy Monday and occasional light rain over East Monday night. Tuesday partly cloudy and warmer.

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

TEMPERATURES: High 70; Low 54. Precipitation: .10 inches. Wind: S.W. 10 to 20 mph. Humidity: 75%. TIDES FOR TODAY: From the Tide Tables published by the U. S. Coast and Geodetic Survey.

Doughnut Hole Inventor Honored By Fisher-Folk

—ROCKPORT, Me. Nov. 2.—(AP)—Sea Captain Hanson Gregory, who poked the soggy center out of a fried-cake 100 years ago, was commended today to posterity on a bronze tablet as inventor of the hole in the doughnut.

The joint Camden-Rockport ceremonies opened with the singing of "America" by about 100 Gregory kinfolk and onlookers and ended with doughnuts and cider for all hands.

Charles Gregory, a second cousin of the captain, and First Selectman Arthur Walker placed the 12-by-14-inch plaque

on the seaward wall of the little White Glen Cove house where Gregory said both the mariner and the modern doughnut were born.

The doughnut-hole was inspired, Charles Gregory told the assemblage, by difficulties Captain Gregory's mother met in producing old-style fried-cakes.

Young Hanson Gregory, he said, saw that the cakes weren't cooking in the middle and with one epic thrust of kitchen fork, he created the life-giving pattern of today's "sinker."

See DOUGHNUT on Page Two