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DANIELS SAYS U. S. MUST JOIN LEAGUE OR INCREASE NAVY

The Secretary Favors Another HERBERT HOOVER gram If Nation Stays Out of the League

STRESSES NEED OF BIG FLEET FOR PROTECTION OF THE PACIFIC COAST

Declares If United States Enters World Organization to Fleet of a Thousand Vessels, Ships; Urges Amalgamation ing of minds." der the Navy Department; "and we solved none of them." Refers To Haitian Matter

Washington, Dec. 12.-Approval of another three-year naval building program, involving the construction of 88 enter the League of Nations or a similar world organization, is given by today to President Wilson.

"If the United States is not to enter into any agreement with the other powers of the earth, which are now bound together in the League of Nasays the Naval Secretary, "I feel compelled to approve the recommendation of the General Board that Congress authorize another three-year program to be begun as soon as the capital ships now under construction are launched."

The three-year program recommended by the General Board the be under way by 1924 includes the construction of three battleships, one battle cruiser, 30 light cruisers, eight gunboats, 18 destroyer leaders, 12 mine laying sub-marines, 6 cruiser submarines, 4 air-plane carriers, 3 destroyer tenders and submarine tenders.

"If the United States takes its stand with other countries in an organization

with other countries in an organization to prevent war and promote peace."

Mr. Daniels says, "our present navy, with the addition of some special types, will be adequate for our defense and the prevention of aggression."

No specific recommendations for appropriations for new construction during the next fiscal year are included in the secretary's report, but his estimate of the cost of maintaining the naval establishment for the coming year is \$479,515,731 exclusive of any sums Con-679,515,731 exclusive of any sums gress may add for new building. This is \$240,000,000 more than was approinted for the present fiscal year, but Mr. Daniels says the sum "ia not really an increase," but is "necessary to carry on the construction of ships already of paymen authorized and the completion of shore American tablishments already begun by direction of Congress."

The most pressing problem confronting the nation with regard to the natimues is the immediate necessity for increasing the naval shore establishment facilities on the Pacific coast.

"The day will never come," Mr. Daniels says, "when a powerful fleet will not be based in the Pacific and it is essential that ample provision be made not only for the Pacific fleet, but for the whole American fleet in its stated perjods of tactical exercises on the

Among the new Pacific coast projects now under consideration for which Congress has been or will be asked to provide funds are a deepwater decking and repair base, a submarine base and other developments at San Francisco; an aviation base at Sand Point, King county, Washington; a submarine, destroyer and aviation base at Port Ange-Washington: a submarine base at les. Washington; a submarine base at Los Angeles; a submarine and destroyer base at Astoria, Oregon, and a very extensive development of barbor and repair facilities at Hawaii. In all, the ort declared, projects that ultimately will reach a cost of about \$160,000,000 are argently needed for the Pacific coast

Needs In Hawaii. Characterizing Hawaii as the "cross-roads and key to the Pacific," Mr. Dan-iels recommends the creation there of a fleet-operating base capable of accommodating the entire American navy with all surillaries. Facilities for a fleet of a thousand vessels could be developed at Hawaii, the report asserts, adding that the strategic location of Hawaii is realized, its possibilities have been carefully studied and set forth by naval

carefully studied and set forth by navel experts and its development on a broad scale as a fiest operating base cannot be too strongly recommended."

Despite "aporadic criticism" in this country and abread of the completion of capital ships authorized before the war, the battleship remains the "backbone" of the fiest, Secretary Daniels declares. The war proved that the time has not come for the abandondeclares. The war proved that the time has not come for the abandonment of expital ships, he says, and in support of his declaration he points out that recent British building programs have included funds for dread-anguls and battle cruisers and that Japan "has layed down five empital ships since the armistice and it is understood that eight others are projected for the near future."

A strong plea that all marine activities of the government be consolidated in the Navy in the interests of economy and efficiency is made by the Naval Boantary. He declares that "America should have but our navy," and that at present there are various little nations under various government little nations activities could be far more ad-

VISITING HARDING CRITICIZES WAR BONUS

Former Food Administrator Gives First Hand Information About League

Marion, O., Dec. 12.-The League of Prevent War Present Naval Nations deadlock and other problems Establishment is Adequate; to be faced by the next administration Asks Facilities in Hawaii for were talked over between President elect Harding today and Herber. Hoover, a conspicuous advocate of the Pointing Out Strategic Ad- Lengue, who came to Marion as one vantages; Time Not Come of the first men to be summored by for Abandonment of Capital Mr. Harding in his promised "meet-

about the whole of All Marine Activities Un. gamut of world and National trubbles," said Mr. Hoover after the conference,

Beside the league, international conditions and European relations were the particular subjects on which the President-elect sought the advice of his visitor, and there also were references in their talk to appointments Mr. vessels, if the United States does not Harding is to make in constructing his administration.

Mr. Hoover frequently has been mentioned for possible membership in the Secretary Daniels in his annual report cabinet, but he said today's discussion of appointments was casual and not conclusive,

Will See Root Today. Tomorrow, Mr. Harding will see Elihu Root, a former Secretary of State, and recently an adviser in the formatino of a world court under the Versailles league covenant. Their conference, generally accounted one of the deficit which inevitably followed the inmost important of the long series defensible action. to be held here, is expected primarily to concern the league and related subjects.

In giving his advice on an international peace concert, Mr. Hoover is understood to have urged strongly that portices of the Varsailles covenant be used in whatever world association the incoming administration may attempt to build. He said material changes must be made in the treaty, but took the position that the frame-work em-bodied in it should be utilized as far

The former food administrator was an adviser to the American peace dele-gation at Versailles and was understood to have furnished. Mr. Harding with much first hand information about the attitude of European statesmen. Many of the President-elect's questions relat-ed to economic conditions abroad with which Mr., Hoover, is familiar through his recent relief work.

Would Fix German Indemnity. Among other things, Mr. Hosver de clared the amount of indemnity to be paid by Germany, left indefinite by the ponce treaty, should be fixed at an early date so that German industries could gauge ita activities to fix the tax of payment. Advising in regard to economic relations Europe he told Mr. Harding that one civily and further of the surest way to prevent the un- tract service inaugurated. dermining of American industry was to encourage investment of American

capital in enterprises abroad. was discussed at length Mr. Hoover making several suggestions for the stab-dization of American markets. On the question of farm relief he advocated a general polley of extending credits tended, the established service in all lines of the stable of the business of carning and saving money by means of thrift and war saving tended, the established service in all to purchasers rather than to producers, end would permit farm prices to find

their proper level.

Mr. Harding took a keen interest in his caller's description of the relief work now in progress under the super-vision, and during the conference arrangements were made for Mr. Harding to become personal sponsor for 250 of the children in Europe who are to be aided by American contribution until next harvest time. The contribution for which that number at \$10 each, was made by Mr. Harding sometime ago.

ONE OFFICER KILLED AND ANOTHER MORTALLY HURT

Bristof, Tenn. Va., Dec. 12 .- Chief of Bristol, Tenn. Va., Dec. 12.—Chief of Police Ban Littrell, of Big Stone Gap, is dead, Deputy Sheriff J. M. Blessing, also of Big Stone Gap, is mortally wounded, and Davy Green Walden, of Appalachia, is slightly wounded as the result of a pistol battle that took place about 8 o'clock this morning when the officers stopped a car in which Walden, two men named Snodgrass and a woman were ridding near Appalachia, Va. Long distance telephone messages received in Bristol my the officers stopped the car to search for liquor and in the argument that followed Chief Littrell drew his platol and fired. The occudrew his pistol and fired. The occu-pants of the car are said to have re-turned the fire and then made their

JAP STUDENTS HOLD INDIGNATION MEETING

Tokio, Dec. 12.—A large mass meeting of students, members of the Students League of Japan, was held here today. A resolution protesting to the world in the name of "justice and humanity" against the anti-Japanese law in California was adopted. The resolution called on the American people to "reflect on their course."

The speakers, who were chiefly stu-

The speakers, who were chiefly stu-dents and journalists, declared that, while the world recognized Japan as a great power, America treated the Japa-ness as an inferior race. The object of the meeting, it was stated, was to arouse public opinion.

Armentieres, France, Dec. 12.— Twelve persons have been killed and thirty injured in a head-on collision be-tween a freight and a passenger train entails the station here.

BURLESON REPORTS EXPECT RALEIGH POSTAL OPERATION

gress Responsible for De-

PLAN NOW IN OPERATION

Says Present Postal Administration Has Been One of Comtinuous and Permanent Progress and Tells of Improvements; Opposed To Em. ployes' Organizations

Washington, Dec. 12. - Operation of ie United States postal service for the scal year 1920 resulted in a deficit of \$17,270,482 the second largest in the history of the service-Postmaster Genral Burleson shows in his annual report today to the President, in which expenditures of the postoffice department are placed at \$454,322,609 and revenues bility for the deficit, explaining that the expenditures included appreximately \$33,202,600 paid as a war bonus to postal employees and stating that but for this there would have been a surplus of ful start in 1919. Instruction in the \$18,427,917. Mr. Burleson says he declined to approve the bonus action of class rooms into savings clubs the legislative department, adding that he had offered suggestions of another plan for compensating the employees which would have served the purpose without at the same time giving a blanket increase in pay to "thousands who were already amply compensated.

For reasons that can be readily understood," he continues, "the legis lative department rejected these sugges tions made by the postmaster general and hence is directly responsible for the

Must Change Policy

"The postmaster general feels con-strained to point out that if a prompt halt is not called and such a policy is persisted in, there will be a deficiency for the next fiscal year of approximately \$36,000,000 and the postal establishment will cease to be self-supporting, as it should be, and will become a constantly increasing burden upon the general treasury.

Reference also is made to the decision of the Interstate Commerce Commission, grafting the railways additional pay aggregating \$8,103,889 for carrying the This served likewise to offset increases in postal receipts, Mr. Burleson

In his discussion of his administra-tion of the postal service, the Post-master General says:

"The present postal administration has been one of continuous and perma-nent progress and improvement. Nota-ing has been left undone that was within the sufficiency of the Postmanter. within the authority of the Postmaster General to do to effect readjustment in the interests of the people as a whole and not in that of any special class. The Air Mail Service, which has been operated successfully since its inauguration, May 15, 1918, has been extended across the continent collat-

Parcel Post Extended. "The Percel Post Service, both doapital in enterprises abroad. mestic and international, has been The financial situation at home also greatly extended and facilities for handling parcels improved, 260 foreign

the larger cities materially improved, the theory that such a plan in the and the government owned motor vehicle service, inaugurated in 1914, has been established in 163 cities.

"The Railway Mail Service has been operated with increased efficiency under the space system, facilities for handling of mail improved, and the service firmly established upon a scien-

tific basis. "War conditions have been overcom in the Foreign Mail Service, which has been brought back to normal and is

"The Money Order Service and the Postal Savings System have rapidly re-covered from war conditions and are in most satisfactory operation.

"The Rural Mail Service was ex-terded during the fiscal year to more

than 600,000 additional persons and the facilities of the service systematized and improved.
"There has been still further improvement in the registry and insured parcel post gratems and the methods of handling dead letters.

"A large number of important immail-equipment shop, facilitating the work, adding to the compensation and the comforts of the employees, and at the same time, lowering, by efficient methods, the unit cost of production.

"Balaries of employees in all grades have been increased and working conditions and conveniences improved wherever possible."

ditions and conveniences improved wherever possible."

Employees Organize.

Attention is again directed by the Postmaster General to the growth of organizations among the postal employees and he urges that steps be taken to "curb the malicious and pernicious influence" of these organizations upon the postal personnel. He says they have operated to "interfere to a considerable extent with the efficient conduct" of the service, adding that "much of the so-called 'demoralized postal service' and 'disatisfaction' exists only in the minds and imaginations of paid agitators of these organizations, who instill and hammer these dectrines into the minds of the employees through the medium of their publications.

"The avowed purpose of these organi-

"The avowed purpose of these organizations," continues Mr. Burleson, "is not solely to advance the social and conomic wolfare of their members, but to exercise a coercive influence upon the department to compel submission to their demands." The postal service head declares the

(Continued on Page Two)

HEAVY DEFICIT IN SCHOOL CHILDREN TO MAINTAIN LEAD

tic Over Thriftiness of Tar Heel Children

ASHEVILLE GIRL.WRITES ABOUT THRIFTY SUSIE

Granville Young Woman Deals in Duroc Pigs To Secure Money With Which She Will Secure College Education: Richard Peaceck Helps His Father Run His Dairy

The News and Observer Bureau, 603 District National Bank Bldg. By R. E. POWELL.

(By Special Leased Wire.) Washington, Dec. 12.-Raleigh school hildren are expected to maintain their gress. reputation won last year for activity in the school savings movement, acfeatures of the movement which are unnecessary and uscless. rousing widespread attention among educators and economists, to say nothng of the boys and girls themselves.

Raleigh and North Carolina children, eports in Miss Shotwell's hands show, have been meeting this thrift program with an eager response. They have converted their pennies into thrift stamps and bartered bright hopes of the succulent "lickerish" rope for more enduring investments, substituting the pleasures of earning and saving for those of the old time chewing and lick-ing. All sorts of ways have been devised by them for earning money, and the children sometimes burst into rhyme when they relate their experiences in the new and fascinating game of getting ahead.

Youthful Dorothy Writes Rhyme, Youthful and enthusiastic Derothy Kindler, of Asheville, who bids fair to rival the famous "pansy poet" of the Old North State, has this to say in describing the activities of one of the members of an Asheville savings so ciety:

saved her dimes and nickels! And did not buy cream puffs or pickles Buy candy! No. I should say not Oh, Susie was a thrifty tot."

Another young lady who helps North Carolina maintain her lead as a banner State where school savings sclubs are concerned, desis in Duroc pigs. She pregured a mother pig from the Bank of Granville last Spring, with the promise to give two little pigs in payment. Now she has nine pigs of her own, unless she has already sold them, of the wartime laws will have the right as she proposed to do, for \$10 each, of way in the House after disposition intention of investing the prowith the

of stinginess, or look upon saving as an end in itself, children are encouraged to save for some definite worth while object such as a college educa-

Find It Great Fun.

Right across the long gap from June as swimming holes, picnics, baseball and dell babies. And now that the savings clubs are being reorganized for the winter upon the foundation hid last year when the government plan was first put into operation in the schools, reports and letters show that in many cases the youthful club members have been carrying on the idea by them-selves during the summer months. Richard ePaccek's account of his sum-

mer's adventures in thriff is typical of a collection of essays just received by the educational division of the government savings organization for this dis trict, from boys and girls who have written of their experiences. Richard,

who is in the sixth grade, says: 'I earn money through the summer to buy Thrift Stamps. My father is a dairyman and I help him deliver the milk. We dug our early potatoes. I helped pick them up. I got 50 cents for helping. I picked raspberries and made 10 cents per quart. My brother and I had a patch of pointoes. I took them to market and got fifteen dollars for them. I have carned about twentyfive dollars during my vacations on th farm.

Want Colleges To Help. Plans have been hid also to intro-duce the savings movement in colleges. Institutions in North Carolina, as in other states of the Fifth Federal reserve district, will be encouraged to make a practical study of the principles of wise spending and the relationship of expenditures to income.

Mrs. Josephus Daniels left for Ra-leigh tonight to spend some time.

Herbert W. Jackson, of Richmond,

Va., who has been the guest of Secre-tary and Mrs. Daniels for the last few days, returned to Richmond today, Mrs. Bickett, who has been in Washington as the guest of Mrs. W. K. Carr, returned to Raleigh tonight, Miss Bickett has been the guest of honor several functions.

Isidare Gluckstein Dies.

London, Dec. 12.—(Jewish Telegraphie Agency.)—Isidare Gluckstein, founder of the firm of Salmon and Gluckstein, tobacconists, died last night. Mr. Gluckstein also was a member of the firm of restaurat..urs, which was the first in England to promulgate the rule that no tips should be given to waiters.

HOUSE AND SENATE TO VOTE TODAY ON IMPORTANT BILLS

Postmaster General Says Con- Miss Mary Shotwell Enthusias- Resolution to Revive War Finance Corporation To Be Acted on in Senate

> IMMIGRATION BILL TO COME UP BEFORE HOUSE

Leaders of Both Houses Hope. ful of Passage of First Major Legislation at Today's Session; Other Important Legis-lative Matters on Program NO SOVIETISM IN for Consideration

Washington, Dec. 12.- The Senate nd House will convene tomorrow with leaders hopeful of passage before ad-journment of the first major legislation to be voted on at this session of Con-

The Senate will resume its considera tion of the agriculture committee resolu cording to Miss Mary 6. Shotwell, di- tion directing revival of the War Fi at \$437,150,212. The postmaster general rector of the educational division of nance Corporation and the extension charges Congress with direct responsithis district. Nation wide plans are eral credits to farmers. An informal now being carried out for making the understanding has been reached to bring savings movement a permanent part of the resolution to a vote before 3 p. m. the school system, following a success tomorrow. The roll-call on the measure is expected to be preceded by an at tempt to strike out the provision relatfrom the first term in the fir

Immigration Bill. The House under arrangements completed today, is expected to proceed rapidly to a final vote on the Johnson bill to prohibit immigration. The measure as amended by the House in the committee of the whole would stop immigration for one year instead of for two years as originally drafted. Advocates will be given to the thousands of of the longer prohibition period organized at conferences held today to climinate the one-year amendment when the bill is regarded as assured.

from the last session. A long period of debate is considered in prospect on this measure. Several Senators were enid today to be preparing formal speeches on other subjects, including international affairs, which may cause the Senate debate between now and the with its annual output of \$200,000,000 Christmas recess to be turned into channels other than that relating to regula-

tion of the packers. The Volstead resolution to repeal most of the wartime laws will have the right of the immigration bill. General deceeds in War Savings Stamps for her bate on the Volstead resolution by de-education. eision of the rules committee is to be For, in order that they may not gain limited to two hours, and House leaders a false conception of thrift as a form expect the resolution to be added to of stinginess, or look upon saving as the list of adopted fegislation before the end of the week.

Continue Farmers' Relief.

Disposition of the resolution designed to grant financial relief to farmers will not end consideration by the Senate of means of helping farmers confronted by falling prices. The Senate agriculture union and to proceed to put into ef-committee will continue its hearings with a view to recommending further worker would be paid for what he prorelief measures.

Several other Senate committees will begin work this week, the finance com-secure business in competition with the mittee having announced it would hear other clothing markets where the wages representatives of the American Legion are very substantially lower." Wednesday on bonus legislation. A subcommittee of the Interstate Commerce ommittee headed by Senator Kellogg, of Minnesota, will begin Wednesday an inquiry into cable landings, which is subject of controversy between several government departments and the West

ern Union Telegraph Company.

Tax Revision.

Chairman Fordney, of the House
Ways and Means committee, announced today, that his committee was prepared to begin hearings tomorrow on tax revision legislation. These hearings will continue until the Christmas recess and continue until the Christmas recess and mobile at a landing field at Myer's carly in January the hearings on tariff Park, injuring M.1 Copsas and der revision will be started. Neither tariff four old daughter, Grace Jackson. The child's skull was fractured and is late session, leaders have agreed, but the hearings are designed to permit prompt action at the extra session to be called by President-elect Harding soon after his inauguration.

HEAVY PRODUCTION OF HARD AND SOFT COAL

Washington, Dec. 12.-Production of both bituminous and anthracite coa reached a new high mark for the year during the week of December 4, according to a statement tenight by the Geological Survey showing the output for the week to have been 12,757,000 tons of bituminous and 2,051,000 tons of anthracite.

The week's soft coal production has

been exceeded only four times since the Geological Survey has been recording the weekly output, three of which weeks were in 1918 and one last year. The record production of bituminous coal was attributable, the survey, said to the ability of the railroads to supply cars. Figures obtained by the survey showed that 232,340 cars had been delivered to the mines and this, it explained; was done in the face of with-drawal by the Interstate Comperce

Commission a few days previously of all priorities on open top cars.

The soft coal production for the first 287 working days of this year, however, still lags behind 1917 and 1918, al-

BUSINESS SECTION OF CORK SWEPT BY DISASTROUS BLAZE

FIVE KILLED WHEN ONE-MAN CAR GETS BEYOND CONTROL

Kansas City, Mo., Dec. 12,-Five persons are known to have been killed and 28 injured, six or more perhaps fatally here tonight when a one-man operated street car got beyoud control of the motorman, dashed down one of the longest, steepest grades in the city, struck a switch and was demolished.

CLOTHING TRADES

Head of Manufacturers' Association Replies to Charges Made By Union

New York, Dec. 12.-Manufacturers in the clothing trade do not intend to "lend themselves to the establishment of Sovietism in their industry." declared William Bandler, president of the Clothing Manufacturers' Association, in a statement issued here tonight the manufacturers have inaugurated a "lock out" and plan to return to "sweat shop conditions"

"This will be evidenced," the statement added, "by the fact that the emworkers who for a long time have been idle, because of the inability of the manufacturers to compete and secure measure comes before the House sitting business. And the workers will be inin regular session. Representative vited to work, but it is feared that Baker, Democrat, Califoria, assisting they will be prevented from so doing the union's direction that they committee, in urging anactment of the strike. Sweat shop conditions today are bill, said tonight that he was confident a matter of the remote past and are the measure's supporters would have inconceivable and impossible through sufficient strength to vote down the safeguards and protection afforded amendment. Ultimate passage of the workers by our present labor laws."

Mr. Bandler asserted a complete Ground Packing Bill.

The Senate, after disposing of the farmer relief legislation, will take up the Ground bill to regulate the packing industry, one of the measures left over evil practices in which "the industry is steeped and the perils which threaten

This is necessary, he declared, in order to meet the public's demand for a reduction of clothing prices, to save to New York City the clothing market and give employment to about 60,000 workers.

Mr. Bandler cites numerous conferences with the union, which, he said led to nothing and the union's posttion that "irrespective of merit and of existing economic conditions," it would not recede from what it had secured during war time. After the union rejected the proposal that workers be held individually responsible for a daily

"There remained no other course open to the manufacturers than to publicly announce the severance of re-lations between the association and the duces and on a basis which would per-mit the New York manufacturers to

AIRPLANE HITS AUTO INJURING TWO PERSONS Child's Skull Fractured in Acci. dent at Charlotte; Mother

Also Hurt

Charlotte, Dec. 12 .- Rising from the ground, but failing to attain proper altitude, an airplane driven by Pilot Clark, this afternoon struck an autotonight unconcious in a local hospital. The airplane is one that has been flying with "Dare Devil" performers, pulling hair raising stunts on the wings. The car was parked on a road near the field and was some distance from the standing point of the plane. The top was hit by the wheels of the machine The child was struck at the base of the skull by pieces of the top. The mother of the child is an American woman, widowed and who married a

PREVENT BREAK IN CABLE CONFERENCE

Greck here.

Washington, Dec 12-(By the Associated Press.) - Differences over disposi-tion of the former German cables, which have threatened to break up the International Communications Conference, in session here were temporarily smoothheld at the State Department. Negoassociated powers represented in the conference will be continued.

BOLLING SUCCEEDS MEPLIN AS ALABAMA CONGRESSMAN.

AS ALABAMA CONGRESSMAN,
Montgomery, Ala., Dec. 12.—In a special election, which will be held Tuesday, December 14, electors of the Fifth
Congressional district will elect Wm. B.
Bolling to succeed Senator J. Thomas
Heftin, in the House of Representatives
for the unexpired term ending March 4,
1921. Mr. Bolling was elected to the
office for the regular term, over a Rethat no tips should be given to waiters.

Earth Shocks Felt.

San Junu del Sar, Nieuragun, Dec. 11.

Earth tremors have occurred at Cholutees, Honduras, simultaneously war was 427,991,000 tons, for 1917, 516,172, with tremors felt at Zeon, Nieuragua.

No serious injury was reported.

Conflagration Follows an Ambush of the Military, in Which Four Persons Were Killed

BOMB EXPLOSIONS AND FIRING HEARD IN CITY THROUGHOUT THE NIGHT

Early Estimates of Property Damage Place Loss at Three Million Pounds Sterling; Many Lives Believed To Have Been Lost in Major Blaze; Number of Fires Break Out in Other Parts of City; New Contingents of the Military Show Unusual Activity; Proclamation Calls for State of War

Dublin, Dec. 12. Several large seetions of Cork were devastated by fire Saturday night and today. The confiagration followed the shooting from ambush of a military party Saturday.

On the south bank of the River Lee the Carnegie library, the Corn Exchange and other buildings were razed by the fire while in the territory between the northern and southern branches of the river much havoe was wrought by flames in the business section.

Late this evening it was reported that the fire was under control, but it was said that the damage don't by the flames was estimated at between \$2,000,000 and 3,000,000 pounds sterling. The conflagration followed an ambush

of the military at Phlons Cross Saturday night, in which four person were killed and many wounded Three civilians were taken from their houses and shot dead after the ambush of the military. Then the fires started. There were bomb explosions and firing also was heard. The populace is panic stricken. The municipal buildings, the Carnegie Library and the Corn Ex-

change, which cover a large area, have change, which cover a large area, have been consumed by the flames, which are so hot at places that passing tram ears have been set on fire.

Several blocks of buildings in the heart of the business district of Cork were destroyed by fire during the night, constituting the costlicat destruction of

property since the reprisals began in Ireland. A group of public buildings on Albert Quay, including the City Hall, Carnegie Library and a portion of the Corn Exchange also were burned, as well as private residences in various

parts of the city. Damage 3,000,000 Pounds. Early estimates place the damage at between 2,000,000 and 3,000,000 pounds

sterling. The fires extended to St. Patrick's Street from Cook Street to Maylor street and swept entire rows of buildings on both sides of Winthrop street. was reported fr standard or production, to be agreed upon, and manufacturers be permitted to discharge incompetent help, Mr. Bandler said:

Afternoon that newly arrived partles of auxiliary cadets marched through the streets holding up and searching pedestrians and firing into the air fol-lowing the ambush of auxiliaries with in half a mile of the barracks, twelve of them being wounded by a bomb thrown from a lorry.

Trouble Starts.

Between seven and eight o'clock a period of intense quiet fell on the city, but near nine o'clock uniformed men began to display great activity in va-rious parts of Cork. At some points tram cars were held up and pessengers taken out. It was reported that a number were beaten and others placed against the wall and closely questioned but were finally, allowed to proceed.

In the Summer Hill district, the scene of the ambush, shortly after cur-few two brothers named Delaney are reported to have been taken from their homes and shot, one fatally. During the hour before curfew terrorism held sway and when the streets were emp tied of civilians loud explosions and rifle and revolver shots kept up until early morning. The explosions appeared to come from incendiary bombs, as persons who ventured to look from their windows saw fires break out in St. Patrick's Street and daylight revealed the full extent of the damage.

Many Lives Lost.
It is not improbable that lives have seen lost in the fires. Already several persons connected with the destroyed houses and business premises are re-

ported missing.
At 4 o'clock this afternoon people were just beginning to venture again into the streets; the whole city was then in control of the military and it is understood that the officer in com mand assured the populace that the mil itary would remain on duty indefinite-ly to prevent further destruction. The troops are in full fighting order, pick ets with machine guns being posted at all vantage points. Only one large drapery establishment is less intact is

PROCLAMATION DECLARES

STATE OF WAR EXISTS Dublin, Dec. 12,—A proclamation de-claring that "the public must at once realize that Ireland is in a state of war with forces of the British crown," has been issued over the signature of the officer commanding troops of the Irish Republican army at County Monaghan. The proclamation, which sets forth that armed gangs in County Monoghan have been attacking and murdering in-offensive citizens, says that "while we extend the hand of friendship to all Irishmen, murder gangs and their guides and informers shall be summar-

ily dealt with." FIRE HOSE AT CORK CUT. Belfast, Dec. 12.—(By The Associated

(Continued on Page Two!

(Centleped on Pare Pour.)