

NEW DEAL MOVES TO END LABOR QUARREL

U. S. Will Have World's Most Mobile Defense

BUDGET PLANS DEFERRED BY NEW DEFENSE

Estimates Cannot Be Made Pending Major Survey of Needs

NEW EQUIPMENT, NOT MORE MEN, IS GOAL

WASHINGTON, Oct. 15. (UP)—President Roosevelt and his military and naval aides today planned a rearmament program that will give the United States, through latest type equipment, the most mobile national defense in the world.

The president and his advisors are aware of the expense but no serious opposition to it in the next congress is expected.

The program would not add materially to the number of men in fighting forces as emphasis would be placed upon the acquisition of large numbers of latest type war weapons.

The president made no secret of the fact that the decision to spend additional millions for war equipment has been influenced by development from abroad, particularly by temporary eclipse of Britain and France and the ascendancy of more adequately armed Germany and Italy.

By GERRY ROBICHAUD United Press Staff Correspondent WASHINGTON, Oct. 15. (UP)—President Roosevelt indicated yesterday that estimates of national defense costs in next year's budget will be increased substantially under an expanded armament program designed to meet new world conditions.

He said that pending completion of a major survey of defense needs arising from international developments, it would be necessary for him to delay discussion of the outlook for the fiscal 1940 budget.

Mr. Roosevelt's press conference remarks came amid improving business conditions which many observers believed would enable him to forecast a definite return in the downward path which the national debt has been following for several years.

Although he offered no estimate of the probable cost of the defense program, it is understood that the figure would reach at least \$1,125,000,000. Three days ago he announced that the navy budget alone would be increased \$150,000,000 because of fleet expansion.

Indicating that the defense study is concentrating on problems of standardizing strategic weapons, such as airplanes, to facilitate mass production in event of a war emergency, he emphasized that the study embraces the broadest base possible following information reaching the United States from abroad.

In this connection it was learned that Mr. Roosevelt and William Bullitt, U. S. ambassador to France, conferred late into Thursday night regarding the European situation.

Previously Mr. Roosevelt had discussed European events with Bernard M. Baruch, international financier and chairman of the exact World War industries board. Baruch informed the president that Chancellor Adolf Hitler had (Continued on page four.)

O. S. Dillard New Dist. President W.N.C. Teachers ASHEVILLE, Oct. 15.—O. S. Dillard, principal of the Candler high school, was elected president of the Western District Teachers' association at the 16th annual convention opened here yesterday.

Ernest L. Justice, principal of Flat Rock high school, was elected vice-president, Robert L. Patton, superintendent of Burke county, director, and Miss Jennie Creasman of the Vance elementary school, secretary.

The new officers were to be installed at the concluding session of the convention this morning.

A Mussolini and One-to-be



The young woman above is Signorina Gina Roberti, but soon she will be Signora Mussolini. She is engaged to Captain Bruno Mussolini, second son of Il Duce, who is shown with her in this recent picture taken in Rome. Captain Mussolini, 21, has been serving as an aviator in Spain. His fiancee, 22, is the daughter of the head of the Contemporary Art Bureau of the Italian Educational Ministry.

ARREST NEGRO FOR ROBBERY

Dan Clay Being Brought From Lexington, Ky., to Face Charges

Dan Clay, colored, was expected to be returned here today from Lexington, Ky., where he was arrested yesterday, to face a charge of robbing Carl Drake's filling station, two miles south of Hendersonville, on the Greenville highway, on Thursday night, and sheriff's department reported this morning.

The station was robbed, the department reported, about 9 o'clock Thursday night. Leander Drake, aged about 14 or 15, brother of the owner and son of Otis Drake, was the only attendant at the time.

Deputy W. A. Garren said that the negro, who was known to Drake, entered the station and asked for change for a dollar, according to his information.

When young Drake turned to the cash register the negro, according to information, held him up with a knife and robbed the drawer of \$26.

Deputy Garren said that the negro forced the boy to accompany him a distance of about a mile in the country between High-Lake and the road between Flat Rock and East Flat Rock. According to the information obtained by officers, the negro then told him to "beat it" and threatened to kill the boy if he didn't tell that a white man had robbed him.

Young Drake notified officers, who went to the scene with a blood hound.

Mr. Garren said that the dofollowed a trail to the home of Johnnie Simons, colored. Yesterday morning, Mr. Garren said, J. W. Williams, colored, reported that he had taken Clay to Asheville to the bus station.

On this information Clay was arrested at Lexington and two officers went for him this morning.

Mr. Garren stated that Simons and Williams were being held under \$100 bond each on charges of aiding and abetting Clay to escape.

TECHNICAL STRIKE AFFECTS TUG MEN

NEW YORK, Oct. 15. (UP)—A conference between President Joseph Ryan of the American Federation of Labor International Longshoremen's association and representatives of tugboat owners broke up at 10:30 o'clock last night leaving more than 2000 men technically on strike.

DIRECT PARLEY BY CZECHS IS HITLER ADVICE

Tells Them and Hungary They Can Best Settle Differences

WOULD NOT FURTHER WEAKEN THE CZECHS

BERLIN, Oct. 15. (UP)—Adolf Hitler has advised both Hungary and Czechoslovakia to make another effort to negotiate their minority dispute directly, it was reported in reliable quarters.

It was said Hitler felt that direct negotiations were the best way to find a quick solution to the deadlock which threatened new trouble for Europe.

Diplomatic quarters held that the advice may be in line with Hitler's desire to keep Czechoslovakia as strong as possible, now that the Sudetenland dispute has been settled.

300,000 CALLED TO HUNGARIAN COLORS

BUDAPEST, Oct. 15. (UP)—Hungary last night ordered the mobilization of five military classes, bringing about 300,000 reservists under arms, as heavy fighting and bloodshed spread just across the Czechoslovak frontier.

The mobilization order, calling about 120,000 reservists to the colors Monday and the others in successive stages, was issued after the government was said to have informed Europe's big powers of possible "extreme measures" to bring the Czechs to terms.

Simultaneously, Czech army units and gendarmes using tanks and fighting planes fought with Hungarian terrorists in Ruthenia province in the east, part of which is claimed by Hungary, and were reported to have captured 304 of them.

Both nations had large military forces along the border, as result of the collapse of territorial negotiations in the frontier town of Komarom on the Danube.

Czechoslovakia asserted that the Magyar terrorists were directed by officers of the Hungarian general staff, seeking an excuse for invasion by the Hungarian army or for a plebiscite in Ruthenia.

SIGNS CONFESSION OF ASSAULT, MURDER

FORT WAYNE, Ind., Oct. 15. (UP)—Adrian Miller, 31, Indiana Technical college special student, last night led investigators back over his trail of early Thursday morning that ended in the slaying of pretty 18-year-old Alice May Girton.

Miller allegedly admitted to police yesterday that he killed the girl after criminally assaulting her in her room at the home of Mrs. Lillian Kelly, proprietor of a rooming house where they both lived.

He signed a full statement of the crime.

GERMAN NEWSPAPERS WAGE BITTER ATTACK ON BARUCH, ADVISER TO ROOSEVELT

N. Y. Correspondent Links American Hatred Campaign Against Germany With U. S. Defense Program

BERLIN, Oct. 15. (UP)—The newspaper Berlin's Lokalanzeiger today devoted half its front page to an attack on Bernard Baruch, New York financier of German-Jewish extraction who has been an adviser to every American president since Taft and who was chairman of the war industries board during the World war.

The attack was contained in a dispatch bearing the signature of the newspaper's New York correspondent, August Halford, and was directed in general against American rearmament as supported by Baruch and President Roosevelt.

Pointing to the coincidence of Baruch's statement urging military preparedness, made after he had been an overnight guest at the White House, and President Roosevelt's press conference remarks Thursday on rearmament, the dispatch said

Weather section with a graphic of a sun and clouds and the word 'Weather' in a stylized font.

Czechs To Make New Hungarian Offer, Rome Told

ROME, Oct. 15. (UP)—Czechoslovakia has agreed to make a new offer to Hungary in an effort to solve their dangerous territorial dispute, it was reported today in a most reliable diplomatic quarter.

It was asserted that the decision to make the offer was reached at a conference at Munich between Fuehrer Adolf Hitler of Germany and Foreign Minister Frantisek Chvalkovsky of Czechoslovakia.

This important change in the course of the dispute came at a time when it was believed in some well informed quarters here that Premier Benito Mussolini would take the initiative, on Hungary's behalf, of proposing a British-French-German-Italian conference to consider the claims of Hungary to Czechoslovak territory in which there is a substantial Hungarian minority.

Mandamus Asked In Congressional Election Dispute

State Board Would Have Court Order Certification of Deane

RALEIGH, Oct. 15.—The state board of elections yesterday filed a request with the supreme court for a mandamus directing Judge W. C. Harris, in Wake superior court, to permit the board to certify C. B. Deane of Rockingham, as Democratic congressional nominee in the eighth district.

The motion requests that Judge Harris be required to permit Deane's certification in accordance with an opinion of the supreme court, which remanded the case to superior court to await final returns of a second primary in two counties.

The motion points out that Judge Harris has made no judgment or order from which the board can appeal, and that even in the event of an appeal the case could not be disposed of in time to prepare for the November election.

Judge Harris announced that he probably would order a jury trial on account of allegations that the board acted arbitrarily in naming a new board in Davidson county.

Action of the board yesterday is an effort to settle the contest between Deane and W. O. Burgin of Lexington.

JAP SHELL REVEALS RICH GOLD VEIN

SHANGHAI, Oct. 15. (UP)—Japanese military dispatches reported today that a Chinese shell in the Yangsin sector tore a hole in a hillside and "uncovered a rich vein of gold ore" which the Japanese army plans to work.

Old 6th Company Committees For Reunion Named

Arrangements for the annual reunion of the Old Sixth Company, North Carolina National Guard, mobilized here for World War duty, were discussed and committees appointed at a meeting yesterday. Joe Hollingsworth, former sergeant, is president of the association.

The reunion, held each year on the Sunday before Armistice day, will be held this year on Nov. 6.

Committees named yesterday were as follows: Arrangements, H. H. Allison, Claude English, and Walter Stepp; program, Wiltshire Griffith, R. L. Whitmir, and Yap Case; memorial, A. V. Edwards, J. D. Suggins, Charles Mace and Roy C. Bennett.

Hollowell Class Arranges Picnic

The Hollowell Bible class of the First Baptist Sunday school will stage its annual picnic Monday afternoon at Mills River recreation center.

Cars will leave the church at 5 o'clock Monday afternoon, providing transportation to members and visitors. All members and their wives have been urged to attend.

Forrest Gardner, manufacturer and active worker of the First Presbyterian church, will be the guest speaker. A feature of the gathering will be a picnic supper prepared under the supervision of Dr. J. G. Bennett, president of the class.

CANTON FORCE TEMPORARILY HALTING JAPS

Ferocious Fighting Staged by Advance Cantonese Troops

JAPANESE LOSSES REPORTED HEAVY

HONG KONG, Oct. 15. (UP)—Advance forces of the Cantonese army clashed today with the Japanese South China army which is advancing on Canton. Ferocious fighting was reported at Tamshui, Pingshan and the key city of Waichow on the Swatow-Canton highway, the immediate Japanese objective.

Early reports told of important Chinese successes and heavy Japanese losses. Canton celebrated jubilantly—but somewhat prematurely. The Japanese reformed after suffering reverses at Tamshui and Pingshan and latest reports indicated that they were advancing slowly.

Two Japanese columns, which marched from the coast, joined at the town of Maonang, five miles away. They met the main Chinese defense force of the area in the suburbs of Waichow and there in a temperature of 100 degrees, the Chinese and Japanese fought their first important battle of the southern campaign, amid the smoking ruins and shattered bodies which told a grim story of yesterday's air raid.

The Japanese plan of campaign became clearer. The attack on Waichow indicated that, when and if the city were taken, they intended to make their main drive along the Swatow highway to Canton, 80 miles to the west.

But one column, skirting Haichow to the east, was advancing northward along the Tung river, apparently to strike westward eventually toward the Canton-Hankow railroad. A second column struck directly westward toward the Hong Kong-Canton railroad and was reported to have reached Sintang, 12-1.2 miles east of the railroad. A new force landed at the west side of the Kowloon peninsula at Nantow, to drive 12-1.2 miles eastward to the railroad and thus cut China's life line of supply between Hong Kong and Canton.

There seemed no doubt, from reports, that in early clashes south of Waichow the Chinese had stopped the Japanese for a time. It was asserted that at one point, unspecified, the Chinese ambushed a big Japanese force which was marching unsuspectingly in column formation, and killed 5,000 men.

Brazil Requested To Call Home Its Envoy To Berlin

BERLIN, Oct. 15. (UP)—The government has requested Brazil to recall its ambassador to Berlin, it was announced today. It was disclosed officially that the reason for the government's request was that it had received notification from the Brazilian government that the return to Rio de Janeiro of Dr. Karl Ritter, German ambassador to Brazil, was not desired.

TRIAL OF 3 IN SPY CASE IS BEGUN IN N. Y.

Bungling U. S. Army Man Turns State's Evidence in Notable Case

By MARTIN KANE United Press Staff Correspondent NEW YORK, Oct. 15. (UP)—A defendant in the unprecedented Nazi espionage trial became the government's star witness yesterday less than two minutes after the case was opened before Federal Judge John C. Knox.

Guenter Gustave Rummich, 36, stood with military erectness before the bench and pleaded guilty to a bungling, naive attempt to obtain blank passports while posing as an undersecretary of state. A former sergeant in the U. S. Army and a deserter, the boyish appearing Rummich had been expected to offer such a plea. He will testify for the government.

Some two hours later the jury box had been filled to the satisfaction of the prosecution and lawyers for the other three defendants—Johanna Hofmann, 26, a gay red-haired beauty from the German liner Europa, who allegedly acted as messenger for spy ring, bringing them their pay from Germany and taking their information back; Otto Herrmann Voss, 39, mechanic of the Seversky Aircraft corporation at Farmingdale, L. I., a naturalized American, charged with stealing plans for an army pursuit plane; and Erich Glaser, 28, U. S. Army private attached to the Mitchell Field, L. I. air corps, said to have stolen a military aviation code, with Rummich's assistance.

These, the government says, are the "small fry" of the 18 named in the blunt indictment, which is the first, according to legal authorities, to upset the international tradition against naming "friendly powers" in the trial of spies. Germany is declared to be the sponsor of the espionage ring (Continued on page four)

V.F.W. To Hold Dinner Tuesday

Veterans of Foreign Wars, post No. 1061, has announced the supper under the auspices of the post to be held on the evening of Tuesday, October 18, at 8 o'clock at the city hall in East Flat Rock. All veterans and the public are invited to attend.

St. James Church Canvass Sunday

St. James Episcopal parish will hold its annual every member canvass on Sunday afternoon, preparatory to financing the work of the church year, beginning January 1, 1939. At a recent meeting of the designated canvassers, the names of the several members whom they are to call on were assigned and reports will be made to the general chairman of the canvass, H. H. Ewbank, at the home of Mr. and Mrs. F. A. Ewbank, following the work on Sunday afternoon.

Senior Girls Of Troop 1 To Meet

Mrs. R. S. Gibbs, Jr., today announced that the senior girls of Scout troop 1 will hold their next meeting at the Scout cabin Tuesday evening at 7:30 o'clock. This day evening of the troop is now held in its regular meetings at night.

NEGOTIATION PLAN GIVEN BY MISS PERKINS

Chamber of Commerce Outlines Aims for Next Congress

WOULD CUT OUTLAY; AMEND FOUR LAWS

COLUMBUS, Ohio, Oct. 15.—(UP)—The Roosevelt administration today made its first definite move to end the dispute between the American Federation of Labor and the Committee for Industrial Organization by suggesting that both sides assign representatives to a mediation committee which would begin work at once.

In an address at a celebration of an unaffiliated railroad union, Secretary of Labor Perkins proposed that the American Federation of Labor and the Committee for Industrial Organization each appoint five trustees and experienced representatives to the committee and give them authority to bind their respective organizations to any agreement they may reach.

She suggested these 10 select three impartial persons as additional committee members and that the chairman be one of the neutrals.

If the Committee for Industrial Organization and the American Federation of Labor can not agree on the neutral members, choice should be left to an outside trusted person.

She said that if the plan is accepted some sources believed President Roosevelt ultimately might be asked to pick the neutral committeemen.

WOULD AVOID NEW PAYROLL TAXES

WASHINGTON, Oct. 15. (UP)—The United States Chamber of Commerce today outlined a five-point business recovery program for submission to the next congress as follows:

- 1. Pruning down government expenditures;
2. Revisiting the National Labor Relations act;
3. Easing restrictions governing the flow of investment capital;
4. Changing the Social Security act to eliminate the next scheduled increase in payroll taxes;
5. Reconsider the wage and hour act to end the present confusion over the extent of its application.

RAILS SEE BOON IN PROPOSED CUT

WASHINGTON, Oct. 15. (UP)—The railroad industry, in its concluding testimony before President Roosevelt's fact finding board, pictured its proposed 15 per cent wage cut as a possible boon to recovery. It said the cut would enable railroads to enlarge the building programs, increase maintenance forces, and to permit the recall of furloughed employees.

Tree Bears Five 2nd Crop Apples

Mrs. Willie Milholen on the Chimney Rock highway has a June apple tree that bears not the new hour and wage regulations and even runs contrary to the seasons provided by nature for such things.

The Times-News' freak agricultural department and window contains a June apple twig that bore five apples as its second crop for the year. The largest apple is about as large as hen fruit appears to be when it costs about 50 cents a dozen.

CORBIN MT. FOREST STATION HAS PHONE

Walter Watzl, watchman at the Corbin Mountain forest station, announced today that telephone communication with Hendersonville, the number of the station phone is 3905.

Mrs. Watzl stated that many people would like to visit the spot, famed for its scenic beauty, and that weather conditions or other information could be obtained from him by phone.

The view from Corbin Mountain, he said, is almost at its best for the fall season at this time.