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HENDERSON, N. C., FRIDAY AFTERNOON, DECEMBER 27, 1940

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Fierce Fighting

Defense Spending Estimated At Ten Billion

A Queen Goes for a Ride



Irene Casault, Michigan's winter sports queen, prepares for a run down the toboggan slide at the Silver Valley winter sports area in the heart of the 800,000-acre Huron National Forest near East Tawah. And it's easy to see why she was made a queen.

Demand For Peace Moves Increases

Toll For State

Charlotte, Dec. 27.—(AP)— Automobile accidents killed at

least 20 persons in North Caro-

lina over the Christmas holidays,

and three persons were killed by

the accidental discharge of fire-

arms. In addition, there was a

murder and suicide at Asheville,

giving North Carolina a Christ-mas violent death toll of 25.

Petain Writes

The contents of the letter were

not leorned, but they were under-

stood to convey both reassurance of

Petain's desire to continue French-

German collaboration and explana-

tion of his refusal to take the ousted

Pierre Laval back into the cabinet.

Laval had been foreign minister, vice

premier and negotiator in chief with

To Hitler

Raised To 25

Efforts Being Made Violent Death to Organize Congressional Opposition to President Roosevelt's Aid to Britain Policy.

Washington, Dec. 27.—(AP)— Increasing senatorial demands that the administration seek to bring peace to rope coincided today with efforts organize congressional opposition President Roosevelt's aid to Bri-

Senator McCarran, Democrat, Nev-ada, declared that "there will be a decided move in the senate for re-

stitution of real neutrality."
"Real neutrality does not resultion furnishing the implements of he told reporters. "It will be possible to organize a sufficient group which, working independently support a positive policy against

Both McCarran and Senator John-son, Democrat, California, comment-ic the With Minister Gean Darlan ed that if the warring nations could of the Vichy French government tease hostilities on Christmas "they was reported today in dipiomatic ought to be able to stop for all time." advices to have delivered personally Talk of peace proposals came at a time when 169 men and women, many of them prominent in various a letter from Chief of State Petain. fields, telegraphed President Roose-

(Continued on Page Eight.)

Plan To Send Food To Spain Still Pending

Washington, Dec. 27.—(AP)— The State department initiated today what authoritative spokesmen decribed as final efforts to achieve an agreement under which American food supplies may be sent to Spain. The answer, it was disclosed, is up to the British and Spanish govern-

Early yes or no action is expected in view of the urgency of the food situation and the casting of unhappy after the General Assembly convenes so much speculation here now over Spain in a strategic and perhaps de next month, the bienniel "budget whether the budget recommendations cisive role in European developments.

If an agreement is reached, well informed sources said, the United chart by which the legislators will those of his successor. J. Melville States is ready to carry on "its traditional policy of extending relief to meet urgent human needs" by hising the American Red Cross rush a shipload of food to Spain immediately and by arranging monthly ship-

both the British and Spanish govern- mission's recommendations have alment that specific conditions be met, ways been so closely guarded that

Still Busy On Budget

Roosevelt

Non - Defense Spending May Be Held to Six Billion Dollars; Revenue Estimated at Eight Billions, Leaving Huge Deficit.

Washington, Dec. 27—(AP)—President Roosevelt's estimates of defense spending for the coming fiscal year were said by authoritative officials today to be about ten bil-lion dollars, or double the anticipat-ed expenditures of the present year. The President was reported to be still busy on details of the budget message which he will send Congress early in January and no over all figures have been worked out

Mr. Roosevelt has announced, however, that he wants to cut non-de-fense "to the bone." On this basis, many officials assumed that such spending might be held under six billion dollars, giving a budget total of nearly sixteen billion dollars.

This would make the budget the largest in American history except for the last year of the World War. when \$18,522,895.000 was spent.

On the 1941 revenue side, officials hinted at an eight billion uollar estimate, which would mean a deficit of equal size unless more taxes were authorized. Secretary Morgenthau has suggested more levies and other treasury sources indicated that a new tax bill to raise at least one billion dollars, was being drafted.

The ten billion dollar defense estimate for the year beginning July 1 1941, was said by officials to be based on the acceleration of the current preparedness program. Last July expenditures were 177,000,000, in August \$199,000,000, in September \$218,000,000, in October \$283,000.000, and in November \$365,000,000.

Ford Orders In Effect

Contract Criticized by Labor Representatives "In Effect", War Department Says.

Washington, Dec. 27.—(AP)—War department contracts with the Ford Motor Company totaling more than \$2,000,000 and criticised by labor representatives were said today by department officials to be now in

The contracts, for midget scout cars and passenger vehicles, were announced as awarded on November 27. There arose an immediate outcry from labor leaders and Sidney Hillof defense production, challenged the war and America's defense pro-

the award. Hillman protested that there had been a labor board finding of unfair

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Raleigh Speculates As To Whether New Budget Will Reflect Broughton's Ideas

Daily Dispatch Bureau. By HENRY AVERILL.

Raleigh, Dec. 21.-A night or two message" will be delivered to its this time are going to be Governor members. This will, in effect, be the Clyde R. Hoey's, in the main, or

tical capitals, there are advance Broughton sat in all the commission's "leaks" which permit premature in- meetings, and took rather an active ments in the future.

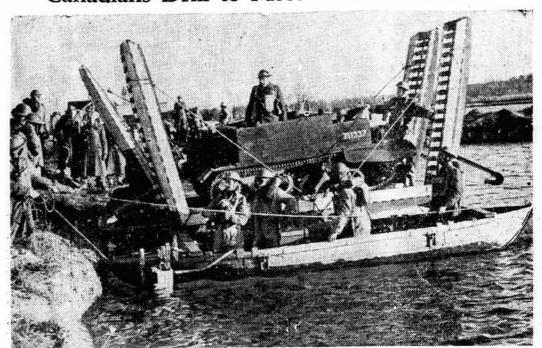
In view of the dynamite-laden formation about important matters part in discussing matters brought formation about important matters part in discussing matters brought formation about important matters part in discussing matters brought formation about important matters part in discussing matters brought formation about important matters part in discussing matters brought formation about important matters part in discussing matters brought formation about important matters part in discussing matters brought formation about important matters part in discussing matters brought formation about important matters part in discussing matters brought formation about important matters part in discussing matters brought formation about important matters part in discussing matters brought formation about important matters part in discussing matters brought formation about important matters part in discussing matters brought formation about important matters part in discussing matters brought formation about important matters part in discussing matters brought formation about important matters part in discussing matters brought formation about important matters part in discussing matters become about the part of problems involved, the United States to become known before they are before it, there is good reason to reported seeking assurances from supposed to be; but the budget com- believe that recommendations will

there never has been a really serious thing of this sort.

That's one reason why there is steer their financial course—or at Broughton, who will have to take any least it will be the Advisory Budget rap that grows out of financial back-Commission's idea of such a chart, firing during the next four years. Often in Raleigh, as in other poli- In view of the fact that Mr.

(Continued on Page Eight.)

Canadians Drill to Meet German Invasion



British guards on the Channel coast have been doubled as reports persist that Germany plans a lightning invasion attempt sometime within the next few weeks. Britain has been training constantly to meet the threat. Pictured are Canadian reinforcements recently arrived in England, engaged in transporting a gun tractor across a river as part of their anti-invasion training. (Central Press) gun tractor across a river as part of their anti-invasion training.

Army Camps Cost More

CIO Plan Is Studied

Roosevelt Says Airplane Production Plan Offered by Murray Is

Washington, Dec. 27—(AP)—President Roosevelt told a press conference today that the CIO propusal, designed eventually to produce 500 purenity planes a day by pooling the entire facilities of the auto industry, was being seriously considered by the administration.

The plan was submitted to the White House by CIO President Philip Murray, several days ago. It was drawn by Walter P. Reuther, director of the General Motors giviion of the United Auto Workers. Asked about it today, the President said it was being studied by the new defense production office directed by William S. Knudsen, former head of General Motors, Mr. Roose-

ness and with fine purpose. He said it was a question of in-dustrial production that no one in the administration would have any opinion about until it was theroughly studied, but he declared if such a plan could be worken out it would be very helpful and constitute a real contribution to the decense program. Reuther's plan envisioned a 500 a day output of all-metal pursuit

velt added that the plan had been

unlertaken with the utmost serious-

planes within six months. Mr. Rossevelt declined comment man, labor member of the new office on a barrage of questions concerning

duction. Asked about a statement by spokesman for the German foreign office that seizure by the United States of for in ships interned in her ports would be considered a warlike act, Mr. Roosevelt replied this country had no official spokes-

ROBBERY PROBED

Raleigh, Dec. 27 .- (AP)-Director Frederick C. Handy said today he had assigned a State Bureau of Investigation agent to assist in the investigation of the robbery of the Aurora ABC store Thursday night. night. Beaufort county officers said the store was robbed of about \$360 worth of liquor.

RAF RAIDS

British bombers attacked the Ger- joying its Christmas holiday, the air. But the people who live and man submarine base at Lorient, legislative branch of our govern-work in this city are very much Beaufort county officers said ment is not functioning. However, alive to our present situation. More

Weather

FOR NORTH CAROLINA. Occasional rain tonight and Saturday; slightly warmer in central portions tonight, cooler in the mountains Saturday.

Miami, Dec. 27—(AP)—One death, three injuries, residential property damage in three communities and enestimated crop damage were caused last night and early today by wind and rainstorms sweeping across the Florida peninsula from the west.

U. S. Troops

Initial Army Garrison Will Be Sent to Newfoundland Early in

Panama canal and the new hemisphere defense line in the Atlantic. The recent announcement that the Newfoundland base vanguard would depart early in January was accepted in military quarters today as evi-dence of intent to man with a minimum of delay the string of offshore bases acquired from Great Britain. The force will be the first sent to

eny of those bases. In Puerto Rico and Guantanamo, Cuba, however and at the Panama Canal itself garrisons have been built up steadily by

triangular line, between Newfound- ton, N. C., said that his family will American continent and Panama, til next September 1. His children possibly 100.000 soldiers, sailors and are attending school, he said, and marines soon will be stationed on the next summer "could not be pried basis of available estimates.

WIND AND RAIN SWEEP FLORIDA Wore Time Also Needed

Expert Says There Is "No Bogging" Down Rich in war-vital intraces, and lies south of the Japanese-mandated Marshall islands, 2,200 miles south-

said today that new Army camps now being built east of the Mississippi river would exceed their estimates of original cost "by millions of dollars.

Moreover, he said, it would be necessary to add "a month or six weeks" to the estimated construction time of the various units.

Returning from a three-months Washington, Dec. 27.—(AP)—The dispatch of an initial army garrison was no "bogging down" of the con-Newfoundland shortly will swell struction program and declared that to 50,000 or more men the forces al-ready in place to safeguard the what has been accomplished is noth-ing short of a marvelous achievement.

Four factors were responsible for the increases in cost and construction time, Carey said:

1. Heavy expansion of the facilities after estimates were made. 2. Original estimates were made

too low, anyhow.' 3. Adverse weather-cold in the

(Continued on Page Three.)

WARRENS NOT MOVING

New Bern, Dec. 27.-Forme the Army and Marine Corps and are Congressman Lindsay C. Warren. scheduled soon to be further rein- new comptroller general, who spent a five-day Christmas holiday with Along the 4,000-mile irregular his family at their home in Washing land and British Guiana on the South not move to the national capital unaway from the Carolina coast."

Babson Urges Confident View Of Future, Realizing Crucial Days Are Ahead

By ROGER W. BABSON, Bureau, Inc.

the city is very much alive. It throbs year. with defense talk and I have never heard so many rumors in all my life. Most of this talk is related to war credits, priorities, aid to Britain, in-

dustry, strikes, taxes, the farm pro-Copyright 1949, Publishers Financial gram, peace plans, and reconstruction. I sense in Washington a new Washington, Dec. 27.-I address and greatly accelerated tempo. Much my readers this week from the na- remains of the post-Christmas holi-London, Dec. 27.—(AP)—The air tion's capital, where I am spending day spirit. Celebration plans for the ministry announced late today that a few days. With Congress still en- New Year are also already in the President Roosevelt is on the job, so than the people of most other as are the heads of most of the gov- cities throughout the country, they ernment departments and commis- realize what we find ourselves up sions. In spite of an absent Congress, against in this closing week of the

Hail and Farewell. I venture to say that two days ago

(Continued on Page Three.)

In Albania Reinforced

Greeks Launch Strong Offensive, Italians Suffer Heavy Losses; Sea Raider Flying Japanese Flag Shells British Island.

(By The Associated Press.) The Italian command was reported to have thrown huge re-inforcements into the Albanian conflict today as Greek dis-patches told of one of the fiercest battles of the war raging in a heavy snowstorm in the Klisura sector, gateway to the north.

Advices from the front said the fighting was developing on a broad scale both at Klisura Pass itself and farther north, with the Greeks launching a strong offensive and the Italians suffering "heavy losses" attempting "to defend his ground inch by inch."

Despite furious Italian resistance, these advices said, the Greeks were seizing new positions along with Italian prisoners and war materials. Numerous artillery duels were re-ported.

Nauru Shelled. On the other side of the world a sea raider flying the Japanese flag violently shelled the Britishmandated island of Nauru in the south Pacific at daybreak, it was officially announced in Mel-

bourne, Australia.

British sources in London left unexplained the reported display of the Japanese flag, but said a German raider was known to have been operating in that part of the Pacific in recent months.

Australian Prime Minister Robert G. Menzies said the raider, also bear Defense Commission | Ing a Japanese name, specific and Nauru shortly after dawn, inflicting considerable damage but no casual-

west of Hawaii. The island was own-New York, Dec. 27.—(AP)—William F. Carey, defense commission.

Air War Resumed.

Both royal air force and nazi was planes returned to action after the three-day Christmas truce, with British bombers pounding at the German-held "invasion" port of Bor-

(Continued on Page Eight)

FINAL RITES HELD FOR HAL KEMP TODAY

Charlotte, Dec. 27.—(AP)—Hal Kemp, 36-year-old orchestra leader, was buried here today. He died Saturday in a Medera, Cal., hospital of automobile accident injuries. Among the famous figures of the music world who attended the simple rites were Kay Kyser, Saxie Dowell,

Skinnay Ennis and Leibert Lom-

pardo.

SHIP TORPEDOED

New York, Dec. 27 .- (AP)-Mackay Radio picked up a distress call from the British steamer Ardenbhan which reported she had been torpedoed at 1:02 p. m., EST., today. The steamer gave her position as

approximately 600 miles west of

Moves To Aid British Fleet Expected

Washington, Dec. 27.—(AP)— Administration action to bolster Britain's hard pressed merchant fleet was reported imminent today.

An authoritative source predicted that President Roosevelt would recommend shortly that the United States speedily build a large number of merchant ships in a program com-

parable to the record breaking construction of World War days.

This informant said that the pro ject would be "extensive" and fit into the plan which Mr. Roosevelt has discussed for leasing or lending equipment and supplies to the Brit-

It was not disclosed whether the proposed ships themselves would be made available to Britain or would Speculation continued in the capi-

be used to replace other tonnage which might be leased immediately. tal, meanwhile, that the administration soon might take another step to strengthen the British convoys now striving to protect shipments of food and war materials from nazi submarine and plane attacks.