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In Corset Workers' Strike



Striking employees of the American Lady Corset Company in Detroit made spectators gasp and shiver as they appeared for picket duty outside the plant, some of them wearing nothing but corsets, despite freezing weather. The strike was called by the International Ladies Garment Workers Union after negotiations failed. Leading the picket line are Estelle Thomas and Georgia Ray, models.

FDR Asks Congress For \$17,485,528,049

Salaries Raised By Legislature Near Eleven Billions For Defense

Four State Officers Get Higher Pay

First Bill Passing Assembly Raises Salaries of Secretary of State, Treasurer, Auditor and Superintendent of Public Instruction.

Raleigh, Jan. 8.—(AP)—The 1941 legislature quickly raised the pay of four constitutional State officers to \$6,600 a year today.

The Senate passed the measure without opposition, but it caused House debate before being approved under suspended rules. A House vote of 68 to 33 rejected a motion by Representative Pickens of Guilford to send the measure to committee for study, and passage followed.

Organization of the legislature set the stage for the inauguration tomorrow shortly after noon of Governor-Elect J. Melville Broughton.

As soon as the Senate had elected the nominees of the Democratic caucus, including Senator John D. Lankins of Jones as president pro tem, it got the salary raising bill.

Senator Gold of Guilford introduced it and urged immediate action so the pay increases would be effective for the secretary of state, state treasurer, state auditor and state superintendent of public instruction who start four-year terms tomorrow. He pointed out that their pay could not be increased after they took office.

The House took nearly an hour to elect Odus M. Mull of Cleveland county as its speaker and to approve other nominees of its caucus.

Representative Pickens said the salary raising measure was "wise and judicious." He argued that the officers affected knew what the salary was when they sought the post. Representative Bryant of Durham led the fight for the bill and was joined by Representative Ward of Craven, Worthington of Pitt rallied to Pickens' support.

FSA Hosiery Mill Will Be Expanded

Washington, Jan. 8.—(AP)—The Farm Security Administration reports that a silk hosiery mill in operation at its Penderlee Homestead project in North Carolina probably will have a capacity installation of 402 machines within the next few months.

The mill, which began operation in August 1939 under private auspices, had 272 machines at the time of the latest report to the FSA and employed 81 people at an aggregate monthly wage of about \$6,000.

Establishment of the plant at Penderlee followed an agreement worked out with the Desdale Hosiery Mills of Lenoire, Pa., operator of the mill.

Boy Scouts Founder Dies

Nairobi, Kenya Colony, Jan. 8.—(AP)—Lord Baden-Powell, a veteran soldier who spent the last 30 years of his life working for peace as the founder of the Boy Scout movement, died today at his home in Nyeri, Kenya Colony.

He had been in precarious health since last November, when he suffered a series of severe heart attacks.

Lord Baden-Powell founded the Boy Scouts in 1910, following his retirement from the British army to "promote good citizenship in the rising generation" and to further peace through international understanding and good will.

Red Cross To Send Aid

Shipload of Condensed Milk and Other Relief Supplies to France and Spain.

Washington, Jan. 8.—(AP)—The American Red Cross announced today that it was planned to dispatch an American ship late this month loaded with relief supplies for France and a consignment of flour and milk for Spain.

In addition, Chairman Norman H. Davis said that the Red Cross offered to the Spanish government on certain conditions a cargo of wheat or flour, apparently a separate shipload.

Little Chance Of Change In Liquor Laws Indicated By Pre-Session Sentiment

Daily Dispatch Bureau. In the Sir Walter Hotel. By LYNN NISBET.

Raleigh, Jan. 8.—While most of the gossip among arriving legislators has to do with events at the party caucuses held last night, probable committee assignments, and plans for the inaugural ceremonies Thursday, here and there a member confesses very keen interest in some special piece of legislation.

The announcement by Cale Burgess, head of the United Dry Forces, that his outfit would make every effort possible to get a state referendum on legal liquor was timed to coincide with early legislative affairs. This announcement injected a

little life into the otherwise dull talks about things that might happen weeks from now, and so liquor—conversational liquor rather than the beverage kind—assumed more importance in hotel lobbies than had been expected.

There are those who feel strongly on the subject as a moral issue, and who will be found voting at every opportunity, in legislative halls and at ballot boxes, against any compromise with liquor. There are a few who frankly admit that they think liquor is a commodity and should be handled simply as such. But there are small minority groups. A great majority of the members of both

(Continued on Page Three.)

SPEAKER



Odus M. Mull of Cleveland County, nominated last night by the House Democratic caucus, today was elected speaker of the North Carolina House of Representatives.

Navy To Be Reorganized

Three Main Fleets Will Be Formed Under Orders Today of Secretary Knox.

Washington, Jan. 8.—(AP)—Reorganization of the United States Navy into three main fleets—the Atlantic, Pacific and Asiatic—was ordered today by Secretary Knox, who announced at the same time that President Roosevelt had announced an increase of 42,000 in naval manpower.

The reorganization, which Knox said "really fits the pots," will be effective February 1 and a new set of command posts headed by Rear Admiral Hubert E. Kimmel as commander in chief of all fleets will assume authority on that day.

Kimmel, present commander of battle force cruises, also becomes chief of the Pacific fleet, succeeding Admiral James O. Richardson, who will go on undesignated duty.

The changes will raise the status of the present Atlantic patrol force and the Asiatic squadron to that of fleets. Knox described the future Atlantic fleet as consisting of the approximately 125 ships now in the patrol force, the Asiatic fleet as the squadron now based at Asiatic waters and the Pacific fleet as the fleet now based at Hawaii.

Knox indicated the presidential action and his own plans at a press conference.

(Continued on Page Three.)

STATE REA PASSES ON LINE EXTENSION

Raleigh, Jan. 8.—(AP)—The State Rural Electrification Authority approved a \$50,000 extension of the Edgecombe-Martin Electric Membership corporation today.

Tentative approval was given a plan for a Pamlico-Beaufort Electric Membership Corporation to be formed to build about \$110,000 worth of lines in Pamlico, Beaufort and Craven counties to serve 391 customers.

Watkins Named On Rules Group

Raleigh, Jan. 8.—(AP)—R. L. Harris, lieutenant governor-elect named the first legislative committee today when he appointed members of the Senate rules group.

Senator Larkins of Jones, president pro tem, headed the group and included Clark of Edgecombe and O'Berry of Wayne.

Speaker Mull announced the House rules group with Representative Bridger of Bladen as chairman. Members included Crawford of Wayne, Edwards of Beaufort, Hornor of Granville, Kerr of Warren, Pitman of Robeson, Quinn of Duplin and Watkins of Vance.

30,000 Italians Reported Cut Off At Tobruk, Libya

Sea Blockade and Tank Encirclement Said to Bar Effectively Any Large Reinforcements; Nazi Munitions Train Explodes.

(By the Associated Press) Italy's last major defense base in northern Libya, the port of Tobruk, was reported cut off from reinforcements today—"another Bardia"—with its garrison of 30,000 fascist troops caught in the tightening trap of the British army of the Nile.

Sea blockade and tank encirclement of Tobruk, 89 miles west of the Egyptian border, were said to bar effectively any large reinforcements.

In the aerial siege of Britain, the Germans reported a Nazi plane sank an 8,000-ton merchant ship 300 miles west of Ireland this morning, and the Germans also reported that a lone German speed boat boldly raiding the English east coast near the mouth of the Thames river attacked a British convoy strongly protected by destroyers and sank a 2,500-ton mercantile.

Germany's mass troop movement into the Balkans was partly disrupted when a Nazi munitions train exploded after crashing into another train on one of the three main lines from Hungary to Rumania.

The shattering blast damaged a large part of the town of Berettyo Ufalu, Hungary, inflicting an undisclosed number of casualties.

On the Greek-Italian war front, the royal air force reported British bombers flying through snow, sleet and rain delivered an attack on the port of Elbasani.

More than 14,000 Italians taken prisoner.

(Continued on Page Three.)

Tar Heel Tells Of Sea Robbery

Miami, Jan. 8.—(AP)—Police investigated today the story of a man who claimed he swam twelve miles to shore after he was robbed and thrown from a small boat in the gulf stream.

The man, who said he is Richard Bell, 56, of Fayetteville, N. C., was treated at a hospital for exposure.

Residents of an apartment house north of Miami Beach heard cries early last night and, investigating, found the man in shallow water.

He told police that he met two strangers late Monday night and showed a fishing trip after talking to them for several hours.

When the boat was about twelve miles from shore, he related, the men snatched his money. He resisted and during a scuffle, was thrown from the craft. He said the men took \$60.

President Roosevelt's Budget Requests In A Nutshell

Washington, Jan. 8.—(AP)—President Roosevelt took 1,671 closely printed pages to give Congress all the details of his "total defense" budget, but here are its essentials in a nutshell.

Spending—\$17,485,528,049 in fiscal year beginning July 1; \$13,202,376,970 in current fiscal year.

Defense—\$10,811,314,500 next year; \$6,463,925,000 this year.

Aid to Britain and other democracies—All extra amount, undetermined.

Revenues—\$8,275,435,000 next year; \$7,012,920,000 this year.

Deficit—\$9,210,093,049 next year; \$6,189,400,000 this year.

Public debt—Now \$45,000,000,000; on June 30, 1941, \$49,136,972,007; on June 30, 1942, \$58,367,065,056.

Defense summary—Appropriations, authorizations and recommendations since June, 1940, and including today's request, \$28,480,909,000, including \$13,704,000,000 for the Army, \$11,587,000,000 for the Navy, \$1,962,000,000 for expansion of industrial plants and \$1,287,000,000 for anti-submarine and other defense activities.

Non-defense costs—\$6,674,000,000 next fiscal year reduced from \$7,078,000,000 this year. Increases for debt interest, social security and National Youth Administration; decreases for relief, agricultural aid, public works, CCC.

Taxes—President Roosevelt asked more taxes but left types and amounts to Congress. Said rise in national income to highest levels in history expected next fiscal year, also would produce more revenue from existing rates.

Yank Aids RAF



H. Thomson Brundidge
Only American who took part in the aerial bombardment which preceded British capture of Bardia, important Italian base in Libya, was Sergeant H. Thomson Brundidge, 23, of St. Louis, Mo., an RAF gunner. Brundidge holds a civilian pilot's license and has been recommended for a commission in the Royal Air Force.

Powerful Office Made

FDR Names Knudsen, Hillman, Knox and Stimson to New Defense Group.

Washington, Jan. 8.—(AP)—Four men chosen by President Roosevelt as an industrial general staff with sweeping powers to complete the armament of the nation called today on all Americans to subordinate everything to "the necessity of defense."

President Roosevelt set up the new and powerful defense group when he signed an executive order late yesterday establishing an "office of production management" and named William S. Knudsen director general, Sidney Hillman associate director general and Navy Secretary Knox and War Secretary Stimson as members.

Stripped of detail, their task is to put the full drive of industrial America behind the defense program, which has been lagging in several important phases.

Even before the announcement of their appointment, the new board

(Continued on Page Three.)

Near Eleven Billions For Defense

Deficit Estimated at \$9,210,093,089, with Public Debt Pushed to Record \$58,367,065,056 by June 30, 1942.

Washington, Jan. 8.—(AP)—President Roosevelt asked Congress today for \$17,485,528,049 in an unprecedented peacetime budget reflecting "a world at war" and the huge cost of preparing "for total defense."

Mr. Roosevelt allotted \$10,811,314,500 of his 1942 budget exclusively to national defense, estimated the deficit for the 1942 fiscal year at \$9,210,093,049 and forecast a public debt pushed by that deficit to a record \$58,367,065,056 by June 30, 1942.

The budget made no provisions for the cost of aid to Britain, Greece and China—an extensive program to be covered in subsequent appropriations requests. Congressional leaders said that the overall cost of this alone might eventually total ten billion dollars, but were uncertain on how great the actual cash outlay would have to be for the first year.

Nothing in Treasury history compared with the huge figures presented to the Senate and House since the last year of the World War, when spending reached \$18,522,895,000 and the deficit \$13,370,633,000.

"A very turn of fate places this burden of defense on the backs of a peace-loving people," the President said of the budget.

But, Mr. Roosevelt continued, even these big sums—82 percent of them earmarked for defense—were only "a forecast of things to come, x x x. No one can predict the ultimate cost of a program that is still in development."

The sole guiding "marker" down the road, he added, was "a command to defend our democratic way of life."

Counting today's recommendation, the President estimated that since June 1940, defense appropriations, authorizations and requests aggregated \$29,480,000,000.

The only reason today's request was not higher, he told reporters, was industry's apparent inability to produce any more weapons than had been budgeted.

Tax revenues, he said, would reach the highest point in American history at \$8,275,435,000 in the 1942 fiscal period, but Congress

(Continued on Page Three.)

Progress Made In Plans For Aid To Britain

Washington, Jan. 8.—(AP)—Speaker Rayburn reported after a conference with Secretaries Hill and Magenthau today, that "progress is being made" in forming a plan for expanded aid to Britain and hinted that legislation involved might be considered by House and Senate at the same time.

Other sources, including Senator Wheeler, Democrat, Montana, said an extra ten billion dollar armament program was under study.

"There's going to be just as little time lost as possible," Rayburn said. "The House is going to consider it with all expedition because it is vitally essential that we aid the democracies, speed is of the essence."

The Senate foreign relations committee voted unanimously to invite Secretary Hill and other heads of executive departments to give committee confidential reports of world conditions as they effect American foreign policy.

Senator Wheeler, a leading critic of Roosevelt foreign policy, was among the legislators who said that a ten billion dollar total was under consideration. He predicted that the administration would ask for a

(Continued on Page Three.)

High Court Decides Cases

Raleigh, Jan. 8.—(AP)—The State Supreme court upheld today the conviction in Alamance county of Leroy Wagstaff, youthful Negro who was sentenced to death for rape.

There were 14 cases decided. The court found error in an order entered upon the motion of D. C. Patterson to require the Southern Railway and seven other railroads to produce correspondence relative to the establishment of rates upon petroleum products from Wilmington and river terminal to points in North Carolina.

The opinion said the order was rested on allegation that the railroads had conspired "to lower the rates and thereby destroy the plaintiff's business of transporting such products by motor trucks with the intent and purpose of raising such rates."

Weather
FOR NORTH CAROLINA
Partly cloudy, slightly warmer in interior tonight; Thursday increasing cloudiness and warmer.