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## 'Feeling Out' Battle In Solomons

### FDR CONFERS WITH ALLIED CHIEFS



PRESIDENT ROOSEVELT while en route home from historic ten-day Casablanca conference with Prime Minister Churchill, visited Lend-Lease and President Edwin Barclay of Liberia and Roosevelt discuss wartime problems of the strategic Republic at a luncheon at Bobo's Field near Monrovia (top). President Getulio Vargas of Brazil confers with Roosevelt at a conference aboard a U. S. destroyer in the Potomac River harbor at Natal, Brazil (bottom). These are off of U. S. Army Air Corps photos from the Office of War Information.

## Cost Of Fighting War Comes Home To Americans

### Treasury Official Predicts Doubling Of Taxes; Rationing Of Food Starts Soon

Washington, Feb. 3.—(AP)—The cost of fighting a total war was brought home to the public today with a Treasury official's prediction that individual taxes might be doubled and the announcement that rationing of canned foods will start March 1.

Eden Says French Help

Giraud Collaborates In North Africa, Foreign Secretary Tells Commons

London, Feb. 2.—(AP)—Foreign Secretary Eden, replying to a question in the house of commons on the political situation in north Africa said today that "the prime responsibility rests upon Frenchmen and the first interest off the United States and British governments is to see that everything possible is done by the French administration to promote the allied war effort."

Stocks Settle To Lower Level

New York, Feb. 3.—(AP)—Stocks settled to lower price levels today. Bond prices moved. Commodity prices were mixed.

WEATHER FOR NORTH CAROLINA Considerably warmer this afternoon and tonight.

Salisbury Hospital Is Damaged By Fire

Salisbury, Feb. 3.—(AP)—Fire caused damage estimated at \$10,000 yesterday to Salisbury Hospital, a two-story structure in the heart of the city. The 22 or more patients were removed promptly and without harm.

No Price Ceiling On Floral Items

Raleigh, Feb. 3.—All natural flowers and floral products—whether fresh or dried—are exempt from price control, pending a study as to whether a special regulation should be issued for the floral business, the state office of price administration announced today.

## Stalingrad Defeat Is Top Nazi Loss

### 503,650 Men Killed Or Captured

### Reds Announce End Of German Resistance At Volga City; RAF Raids Rhineland

(By The Associated Press) The battle of Stalingrad took its place today as a possible turning point in the war as the Russians announced the collapse of the last resistance there, with 503,650 killed and captured in the greatest single military disaster in the history of German arms.

That fell since the start of the Red Army's counter offensive in mid-November heavily outweighed the 330,000 total German casualties of Verdun, blood pool of the first World War.

As the shock of the loss came home to Germany, the Rhineland thundered with a rumbling 20-minute attack in which the RAF loosed 100 tons of "black bushers" and incendiaries by the thousands on Cologne, laid waste last May in one of the heaviest 1,000-plane attacks.

The pace of the battle in Tunisia continued to quicken with German attacks repulsed and the allies turning more strongly to the offensive.

Allied bombers battered anew yesterday at the axis supply port of Sfax, while little change developed in the land fighting, an allied communique announced.

The French had reported the repulse of German troops in the hills east of Oued-el-Djiss, 52 miles west of Sousse, and said the Germans had abandoned their attacks beyond Faid Pass after suffering heavy losses.

The German radio said British troops broke into axis positions in the central sector of the Tunisian front, but reported that the gap had been closed by a counter attack.

Huge fires were left blazing in the heart of Cologne, where the British said the Germans had worked feverishly to restore war production, particularly for U-boat parts and equipment. Probably 100 of the RAF's heaviest bombers made the concentrated raid, and five were listed as lost.

The Russian high command announced the end of the 162-day siege of Stalingrad in a triumphant special communique which said the last of the Germans surrendered at 4 p. m. yesterday. It reported 91,000 prisoners taken since January 10 when the Germans rejected an ultimatum to surrender.

The Russian mid-day communique announced the capture of 16 more towns in the tightening area around Rostov and five more west of Voronezh.

In the Caucasus, Russian columns were within 37 miles of Krasnodar while others battled within 40 miles southeast of Rostov.

Caught between these offensives, a German force of perhaps a quarter of a million men withdrew in what the Germans admitted was a steady retreat—either toward the dwindling corridor of land escape at Rostov or toward the narrow strait of Kerch for escape to the Crimea.

### Destroyer Sinks Three Jap Vessels

San Francisco, Feb. 3.—(AP)—An American destroyer caught unexpectedly in a ring of Japanese warships, sank an enemy destroyer and a cruiser and destroyed the cargo steamer in a battleship off the Kanto coast, it became known today.

The almost incredible exploit of the tiny craft was learned by the Exameter and confirmed by the twelfth naval district, which did not, however, make any official announcement.

The scene and time of the action and the name of the destroyer were withheld for reasons of security.

The destroyer, given the pet name of "Baby" by her crew, sailed inadvertently into the range of the three Japanese when an order to change course failed to reach her.

The shipper looked over the situation and said: "Well, we're in here, so let's keep going, keep going and keep hitting until they can't or we shoot our way the hell out of here."

The Japs destroyer was first engaged and left flaming as "Baby" turned her attention to the cruiser. The cruiser exploded shortly.

The battleship then got the tiny American vessel's range, but too late to avoid taking torpedo hits which sank her.

The American destroyer, damaged, sailed away.

Treasury Studies Tax

Pay-As-You-Go Plans Proposed, But No Conclusion Reached; Ruml Plan Opposed

Washington, Feb. 3.—(AP)—The Treasury disclosed today it had given serious consideration, without reaching a definite conclusion, to revising 1942 income taxes to 1941 rates and exemptions as a possible expedient to taxpayers on a pay-as-you-go basis.

Such a plan, if adopted, would relieve taxpayers with incomes of less than \$10,000 and those are many millions of them—from something like half of the tax liability they now face March 15 on 1942 incomes, at rates increased last year.

Randolph Paul, general counsel of the Treasury, told of the study under questioning by Chairman Doughton, North Carolina Democrat. He emphasized that no conclusion had been reached.

Earlier, Paul had asserted that outright forgiveness of 1942 income taxes, as proposed by the Ruml pay-as-you-go plan, would set off an inflation spiral that might bring wide-spread demands for wage increases. He expressed favor for the Treasury proposal for a withholding tax of 19 per cent on income at the source. The Treasury plan, he said, would provide a safeguard against inflation and would contribute to stabilization of wartime wages.

Potato Trial Is Resumed

Wilson, Feb. 3.—(AP)—Resumption of the trial of 24 corporations and 16 individuals charged with violating the Sherman anti-trust law in connection with potato trading was docketed for today in U. S. district court here.

Judge C. C. Wayne recessed the hearing two weeks ago to allow the government to examine a report submitted by one of the defendants, the Atlantic Commission Co., in which company attorneys admitted there were inaccuracies when they attributed to faculty clerical work in the New York office.

### BATTLE FOR TUNISIA CONTINUES



THIS MAP SHOWS THE LATEST DEVELOPMENTS IN THE BATTLE FOR TUNISIA. Allied planes bombed Ferryville (1) near Bizerte. Nazis gained the mountain pass at Faid (2). U. S. planes blasted an enemy column on the Sfax-Maknassy road (3). The railroad north of Gabes (4), Lampedusa Island (5), Messina (6), British troops entered Tunisia (7).

## Nine-Month School Term Bill Reported Favorably

### Petroleum Situation Is Critical

Charlotte, Feb. 3.—(AP)—L. W. Driscoll, OPA district manager here, said today the gasoline and fuel oil situation in North Carolina was critical.

Not a single tank car of gasoline now is being shipped into either North or South Carolina, he reported.

Some sections of North Carolina, which depend on kerosene for cooking, he added, are entirely out of supplies.

What gasoline being received is from the Plantation pipeline, he explained by petroleum products dealers here. "You can't get around it, it is a definite fact that our gasoline supply is not being replenished," Driscoll added.

## Court Measure Introduced

Raleigh, Feb. 3.—(AP)—A senate bill introduced today would give the supreme court authority to govern the practice and procedure in lower civil courts, a matter that has been endorsed widely by the legal profession.

Submitted by Senators Carle of Forsyth, Sanders of Alamance, Hodges of Buncombe and Bogans of Guilford, the measure would allow the supreme court to govern the forms of process, writs, pleadings, practice and procedure in all civil proceedings in all courts below the supreme court. It would create an advisory commission to be composed of the attorney general and ten members appointed jointly by the governor, lieutenant governor and speaker for four-year terms.

Carrying out a promise of Governor Broughton, Representatives Turner of Guilford and Galloway of Transylvania introduced a bill to provide increases in benefits payable to employees under the workmen's compensation act. The benefits would be based on a mutual agreement between representatives of employers and employees and supported by labor and the industrial commission.

The benefits would provide a \$1 and one-half per cent over all increase in the number of weeks payable under the specific schedule for the loss of such members as the hand, arm, foot, leg, fingers, toes and eye. The maximum weekly payment would be increased from \$18 to \$21.

## Controversial Move Wins in House Group; Solicitorial District Deferred Until 1945

Raleigh, Feb. 3.—(AP)—The house education committee voted 39 to 11 today to report favorably a bill providing for a nine-month optional school term while the joint committee on courts and judicial districts decided to leave the solicitorial redistricting matter until the 1945 legislature.

The school bill, adopted on motion of Representative Vandewalker of Orange, a coalition, and sponsored by Representative Arch Allen of Wake, would appropriate \$2,000,000 for the extended term during the next biennium. Schools could be suspended in an emergency on the basis of agriculture, and could be held on legal holidays if necessary.

The measure was opposed by Representative Taylor of Wayne, Richardson of Union, Edwards of Greene, and supported by Representatives Horner of Lee, Lumpkin of Franklin, Askew of Pamlico, Kernon of New Hanover, Umstead, and Moore of Wilson.

Taylor contended adoption of the bill by the assembly would result in a deficit of \$2,000,000 or \$3,000,000 during the next biennium. The courts and judicial district committee voted to submit a legislative resolution continuing the commission until the 1945 legislature, when it would present a measure to create 16 or more solicitorial districts, but less than the 21 now in existence.

On the commission, which submitted its report to the assembly January 15, were Wilkins P. Iverson, chairman, and E. T. Sanders, John D. Perkins, Jr., Willie Smith and Fred Hutchins.

In a separate report the commission, which recommended that the assembly reduce the number of solicitorial districts by January 1, 1945, from the present 21 to 16, proposed the creation of a new judicial district consisting of Mecklenburg county alone.

## SALISBURY HOSPITAL IS DAMAGED BY FIRE

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No Price Ceiling On Floral Items

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## Knox Denies Major Fight In Progress

### 'No Really Pitched Battle as Yet,' Knox Tells Press; Losses Suffered by Both

Washington, Feb. 3.—(AP)—Secretary of the Navy Knox described a sea battle in progress off the Solomon Islands today as "a process of feeling out on both sides," but said there is "no really pitched battle as yet."

Knox knows yet what the immediate future holds, but any assumption in a Navy communique last night that there is a major battle under way, Knox told a press conference, is incorrect.

"The communique reported that 'increased activity on the part of the Japanese indicates a major effort to regain control of the entire Solomons area.' It also asserted that both United States and Japanese forces had suffered losses."

"It is not true," Knox said, "that a great big fight is going on. There are a lot of preliminary dispositions and preliminary moves. But there is no really pitched battle as yet."

He asserted that the Japanese, in making reports of a sea battle in the Solomons area, were "in a fighting expedition," and, replying to inquiries about the extent of the fighting, cited the communique and declared: "You'll have to be satisfied with that."

Knox added that in the Solomons area generally, "there is a long, tough, hard fight ahead of us."

Of Guadalcanal itself, with its all-important Henderson Airfield, Knox said that "we're in complete possession and control. We completely dominate the Guadalcanal area."

He displayed on a map the battle area on Guadalcanal, saying that United States forces hold two per cent of the island's area and the Japanese one half of one per cent—the only parts of the island involved in the present fighting.

"I feel that some disappointment had been expressed in Australia that we did not extend the line of the Pacific to include a visit there, Knox said, "I was away long enough as it was." He was away from Washington for approximately three weeks, two weeks of which time was spent touring American posts in the South Pacific.

Replying to comments in Australia that he might have been too optimistic, the secretary said he felt that after personally viewing conditions here and in a better position to judge the situation than "non-combat possession" in Australia.

## MORE STILLS FOUND IN TWO CAROLINAS

Washington, Feb. 3.—(AP)—North and South Carolina were two of ten states which showed an increase in the number of stills seized by federal internal revenue agents in 1942 as compared with captures in the preceding year.

In the North State, still seizures totaled 1,235 in 1942, an increase of 40 over 1941. South Carolina's gain was greater, 1942 seizures numbering 998, or 377 more than in the previous year.

Copper Scrap Salvage Next

Charlotte, Feb. 3.—(AP)—Collection of copper-bearing scrap will be the nation's No. 1 salvage problem for this year, Paul C. Cabot of Washington, director of the war production board's salvage division, said today.

He told a conference of Carolinas voluntary salvage leaders that the scrap collection drive promoted by newspapers had satisfactorily solved the scrap from shortage, the main problem last year.

Salvage of tin cans will rank high on the 1943 program, he said, adding that the present monthly collection of about 17,000 tons might be increased to 40,000 tons a month.