FDR Offers To Arbitrate Rail Issue

Offers His Services With Understnading Both Sides Accept

Washington, Dec. 23—(AP)

—President Roosevelt today
offered to arbitrate the wage dispute between the railroads and the operating brotherhoods if they would agree to abide by his decisoin. They promised to give their answer later to-day, by 3 p. m. (Eastern War Tme) if possible.

Washington, Dec. 23—(AP)—
A joint committee of railroad
management and representatives of the operating brotherhoods—with a strike deadline
a week away—reported to Presidnet Roosevelt today they had
been unable to reach an agreement on the workers' wage demands.

mands.
A joint conference before noon was continued little more than a half bear.
A spokesman on one side remarked "the conference has

A spokesman on one side remarked "the conference has terminated." A member from the other side of the table said the conferes were reporting "failure" to the President.

Both management and brother-hood committees afterward went to the White House, where President Roosevelt has been attempting t-mediate the difficulties. It was presumed they sought new guidance. The government meanwhile pursued a wait and see policy toward the denands of the 1.100,000 not-operating workers, who also have the denands of the 1.100,000 notion of the conference of the time that the denands of the time to the willing to concede something under the heading of vacations but it fall short of the brotherhoods demands. The carriers first offer was four cents an hour in addition to the four cents recommended by an emergency board, but the second four cents would be labeled either as overtime or away from home expenses. The brotherhoods are unwilling to sacrifice their claims to these concessions at that pice and want the second four cents as a flat, basic rate increase, and the overtime, expxense and vacations as well. ertime, expxense and vacations as

The carriers contend the stabili-zation policy limits basic rate in-creases to the four cents recommen-ded by the emergency board.

Many Fliers Of Forts Are War Prisoners

Washington, Dec. 23.—(AP)—The War Department announced today that of 381 air crew members re-ported missing when 60 Flying For-

ported missing when 60 Flying For-tresses were lost in the heavy bomb-ing of industrial plants at Schwin-furt, Germany, 346 are alive as prisoners of war.

Eighteen crew members, at first listed as missing, toware reported officially to have been killed. Their names were not disclosed pending notification of next to kin.

Unaccounted for as yet are 217 men. The War Department said, how-ever, that reports still are being re-recived and that it is expected more of them may be listed as war prison-ers.

The loss of 60 Flying Fortresses set a record for losses by United States air forces in any one mission.

New York, Dec. 23.—(AP)—Air-trait and chemicals moved up in today's stock market.

Except for American Distilling

HAYWOOD WOMAN IS DOING HER PORTION

WEATHER

Partly cloudy and colder to-night with temperatures 12 to 17 north and west portion, and 17 to 22 southeast portions. Partcloudy and continued cold

YANKS CHRISTMAS IN ITALY



AMERICAN Geld artillerymen, grouped around a tiny artificial Christmas tree somewhere it. Haly, open their holiday presents from home. They are (l. to r., front): Sgt. J. F. Suchanek, N. Y. C.; Pvt. J. G. Pierro, Jersey City, N. J. Back row: Sgt. C. N. Myrick, Centerville, Cal.; Sgt. L. L. Oben, Bemidji, Minn. Signal Corps radiophots. (International)

Senate Body Influenced By Budget Bureau Slash

Finance Committee Unwilling to Levy Sum Treasury Asked

Washington, Dec. 23—(AP)—
The Senate Finance Committee said today its decision to seek less than one-fourth of the additional revenue demanded by the Treasury in the new tax bill was "influenced" by the budget bureau's action in cutting \$11,000,000,000 off estimates of the current year's deficit. of the current year's deficit.

Formally reporting the \$2,275,-500,000 measure daring Congress' holiday recess, the committee as-sert that the widely discussed "in-lationary gap" is likely to be re-duced by a tapering off in war materiel orders and increased pro-luction for civilian use.

Discussing the Treasury's request be a bill that would bring in \$10,-500,000,000 additional, the report de-

"Your committee was not con-vinced that a sum as great as pro-ossed by the Treasury could equit-ably be raised at this time in the manner suggested by the Treasury —that is, in the main, by higher rates of individual income taxes. In his testionary hefore your commitrates of individual income taxes. In his testimony before your commit-tee, Secretary Morgenthau indicated that the Treasury Department pre-ferred a bill raising only two to three billion dollars to one which would include more by resort to a general retail sales tax.

"Aside from its merit, about which there was some difference of opin-ions the Treasury's position in this matter weighed heavily in the minds of the committee."

Stocks Headed By Aircraft

which dipped about four points, price

which dipped about four points, price changes either way were in small fractions near the fourth hour, Deal-ings were slow from the start. Modest improvement was recorded for Douglas Aircraft, U. S. Steel and Sears Roebuck. In arrears were Uni-ted States Rubber, Belliehem, Ame-rican Control of Chrysler. rican C: n and Chryster

Bonds and commodities were as listless as stocks.

War Veterans May Choose Work, Declares McNutt Washington, Oec. 23.—(AP)—Manbower Chairman Paul V. McNut, clearing the true recording the returning electrons made it clear today that a made it clear today that some of the September of the New Y-12 LYNT AT LYNC TO TAKE FIVE DAYS. OFF Chapel Hill. Dec. 23.—The Navy Indianate description of the New Y-12 LYNT AT LYNC TO TAKE FIVE DAYS. OFF Chapel Hill. Dec. 23.—The Navy Indianate description of the New Y-12 LYNT AT LYNC TO TAKE FIVE DAYS. OFF Chapel Hill. Dec. 23.—The Navy Indianate of the September of

Pact Possible With Poland,

Russh "is a question of the near future".

He added, however, that a recon-ciliation of the two, which have broken relations, would be an "ex-tremely delicate job".

Cotton Rises At Noon Hour

New York, Dec. 23.—(AP)—Cotton fatures opened five to twenty cents a bate lower. Noon values were ten to 20 cents a bate higher, March 19,53, May 19,29, and July 19,06.

Previous cluse. Open. Trying To Lure Jap Navy;

19.46
19.23
18.99
More Warnings To Balkans

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DOING HER PORTION Washingt

College Station, Raleigh, Dec. 23'
—"Mrs. Frank L. Leopard of the
Rateliffe Cove section of Haywood
county, has done her part in providing the boys in the South Pacific
and those in the snow-capped mountains of Italy with food for Christmas," says County Agent Howard
R. Clapp of the State College Extension Service.
With the older boys in the Nays

With the older boys in the Navy and her husband in a war plant, Mrs. Leopard, with the aid of the younger children, is milking twe've

Fighting In Ortona Continues

Bitter Figl ting in Adriatic Port for Third Straight Day

Allied Headquarters, Algiers, Dec. 23—(AP)—Eighth Army tanks and infantry fought bitterly in the streets of Ortona for the third straight day with German forces who were turn-ing the tiny Adriatic port into a miniature Stalingrad, an Al-lied headquarters announce-ment such today. ment said today.

On the Fifth Army front to the west, American troops cap-tured snow-covered 3,000-foot Mt. Cavallo, three and a half miles northwest of Venafro and French forces advanced in a mountain pass where a strugtle had raged for several days.

had raged for several days.

The systematic cleanup of pili-boxes around San Vittore, a heavily fortified village six miles south of Casino, continued, but there was no indication that a full scale attack had yet been launched on the streng positions guarding the road 1-flome.

The heaviest fighting surged back and forth in Ortona where Canadians have been lighting the Germans in the streets for three days.

The German Tenth army The German Tenth army threw new parachute troops into the battle in a desperate effort to retain its hold of the main road leading north to Pescara, the Germans' main supply line to troops inland as well as along the coast.

Benes Asserts

Moscoy, Dec. 23.—(AP)— Russia and Czechoslovakia, linked in a 20-year friendship pact, "sincerely believe" they can "come to a settlement and an assurable peace also with Poland". President Edouard Benes of the Ezechoslovakia government in exile declared last night. He described the new agreement as part of "a general system of security" and said "the intentions of the Soviet Union toward Poland are the vame as they were to us—to see an independent country strong and democratic, and in full cooperation". A protocol of this pact, leaving it open to any neighbor nation, was "an invitation to Poland". Benes said, and a reapproachment of Poland and Russia "is a question of the near future".

Mew Delhi, Dec. 23.—(AP)— In widespread land and ar fighting. Americanand British forces have successfully attacked Japanese rail and

German Tank Drive **Balked By The Soviets**

CHIANGS VISIT SON IN INDIA



THE SON of Generalissimo Chiang Kai-shek, Chiang Wei-ha gun emplacements to his father at a Chinese training India. Madame Chiang, wearing a sunbounet, his Lord Louis Mountbatten. This is one of the tew time

Japanese Losses Total 16 Planes In Arawe Bombing

King Peter Is Denounced By Tito's Council

New Delhi, Dec. 23. —(AP)— In widespread land and air fighting. Americanand British forces have successfully attacked Japanese rail and communications centers in Burma, a communications centers in Burma, a communication for the Allied Southeast Asia command announced today. Action ranged from the Sumprabum area in northern Burma down through the middle Chin hills and the Arakan front to Prome and alongwa in central and southern Burma. In four days of extensive air operations, from December 19 to December 22. American and British planes inflicted heavy damage to Japanese installations without the loss of a single allied plane.

Japanese ground forces launched a surprise dawn attack against a famous British regiment but the attack was repulsed.

Only Slight Damage Is Inflicted in One Of Heaviest Raids

Advanced Allied Headquar-ters, New Guinea, Dec. 23-(AP)—The Japanese have less 16 more planes in their heaviest attacks so far on advancing American forces at Arawe. New Britain.

New Britain.

Field commander of troops, which General Douglas MacArthur said today were extending and consoldiating positions past the beachbead seized December 15, reported nearly 100 enemy dive bombers and lighters in three attacks Tuesday caused only slight damage.

It was the first return in force

hays of the Sixth Army invision in which 28 planes were destroyed. The United States Fifth Air Force returned the Japanese Arawe visit with another pounding to the enemy's Cape Gloucester airdrome and supply base on New Britain 69 miles northeast of Arawe. Nearly 100 heavy and medium bombers, over hombers and righter planes, dropped 205 tons of explosives and strated the area, starting many fires and damaging two coastal vessels.

Ascentant destroyers demolished

Nazi Push Is One Of Worst Yet

Heaviest Assaults By Germans Is Made In Kiev Bulge Area

Moscow, Dec. 23-(AP)-Massed Russian heavy artiflery and big mobile field guns blaz-ed away today against a gigantic new German tank offensive, described as one of the war's heaviest armored assaults.

The large scale enemy attack was sprung yesterday on a 400was sprung vesternay on mile from stretching from White Russia to the Dnieper than from reports said bend, but front reports said &cd Army forces were holding

The Germais massed their heaviest assaults in the Koresten sector of the Kiev bulge, where for weeks Marshal Von Manustein has been trying to break Russian detenses before the Ukraintan capital city. Despite the tury of the Nazi onskaught, troops of the first Ukrainta ramy held firm and actually improved their positions, dispatches said.

In the Zhlobin sector of White Russin, 115 miles south of Vitelesa and 50 miles northwest of Gottel, a tank drive of equal terocity was launched by the enemy. Here, too the Soviet lines retused to yield.

In the drive toward Latvian in In the drive toward Latvian her-der Bagramian's veterans closed at an Gorodok, an important strong soint in Vitebsk's northern detenses. The Russians forced their way across a strongly defenses water parrier, killing several thousand Germans and overrunning 20 more villages despite reinforced energy resistance.

The Germans launched 16 com-terattacks in one sector alone in vain efforts to stop the Russians, who succeded in bringing their big-pig gurs within range of Vitebel, less than 16 miles away.

German tank attacks of lesser in-tensity south of Kipovograd in the Dnieper bend area were besten off by the second Ukraine army which has already partly encircled that la-dustrial city, the communique re-



By Central Press Washington, Dec. 23.—The atollto-atoll offensive of the United States in the Far Pacific is considerably more than the rather costly seizure of strategic bases. What the Navy hopes to accomplish is to lure the Japanese grand fleet into an open showdown battle for mastery of the sea. It is a safe bet that if the Nipponese fleet ventures forth to slug it out with the American sea forces, it will be knocked out, at perhaps great cost to the United States ships and men. But then, military experts agree, Japan would be powerless to ever wage again an offensive way and the road to Tokyo—particularly by air— would be shorter. Naval authorities are inclined to believe that the Japanese will not Tarm leaders expressed for it its Anticipation destroyers demolished buildings and set these in the Tinpair in the tallers surge for the transpart to the united states in the considerable to their distance in the ward for the approaching Russian army and the tris-power declaration of invasion plans from the "cast, west and south" that brought on the Badgant in crisis and set the leaders of Axis-related nations on their confused program to scramible the government in an eifort to create an impression that Ballated with Hitlerism and the Nazis. Farm leaders expressed for it its Farm leaders expressed for its Ball the interval and destrores in the Tinpaid into a feet on the Tinpaid into a feet on the Tinpaid in the tinpaid peditical development distancy in the Santa and destrores in the Tinpaid in the the Tinpaid peditical development distancy in the Santa and the tine and the transpillation are an on the national expression and set thres bin the Tinpaid peditical development distancy in the Laganis and set the England in the Cartifuctor of the Tinpa