

Congress Is Split Over Service Act

Bitter Fight Over President's Request Foreshadowed Today

Washington, Jan. 11—(AP)—President Roosevelt's request for enactment of national service legislation...

A cross section of sentiment in both Senate and House indicated it would be touch and go whether the executive's request would be granted or denied...

Labor leaders renewed their oppositions, with CIO President Philip Murray denouncing national service legislation as "quack medicine"...

Briefly, the measure provides that when voluntary recruitment of necessary workers fails, labor may be conscripted through local selective service boards...

Workers assigned to industry certifying a need would receive the prevailing wage rates, would have their transportation furnished, would be guaranteed adequate housing...

Stocks Have Mixed Trends

New York, Jan. 12.—(AP)—Heaviness of certain key issues and lack of leadership generally handicapped the stock market today.

Trends were mixed from the start with fractional declines more numerous than advances near the fourth hour.

Bonds were irregular and commodities steady.

Values Rise For Cotton

New York, Jan. 12.—(AP)—Cotton futures opened ten cents a bale higher to five cents lower. Noon values were 25 to 40 cents a bale higher, March 19.90, May 19.61, and July 19.41.

Table with columns: Month, Prev. Close, Open. Rows: March, May, July, October (new), December (new).

Compromise Food Subsidy Bill Possible

Washington, Jan. 12.—(AP)—Belief that President Roosevelt left the door open for a compromise of the food subsidy bill was expressed in Congress today...

While he called for continuation of government controls over living costs, Mr. Roosevelt talked in terms which found ready acceptance among congressional leaders.

One of the principal Senate foes of consumer food subsidies, Senator Aiken, Vt. R., said "no one could disagree" with the President's recommendation for a cost of foods law...

Senate Democratic Leader Barkley, expressing the view that additional legislation to authorize price supports would be needed, said, "As I see it the President is most concerned about holding in check the cost of the basic food items and if the prices of luxuries go up, all right."

Dies in Ohio Fire



ANTANAS SMETONA, 69, President-in-exile of Lithuania since the Russians invaded it in 1919, died in a fire which swept the home of his son, in Cleveland, O., where he had resided since 1942.

34,000 Mile Road System Is Proposed

National Network of Highways Would Cost \$750 Million Yearly

Washington, Jan. 12.—(AP)—President Roosevelt submitted to Congress today a proposal for development of a national highway system of approximately 34,000 miles to provide a network of modern roads...

The chief executive transmitted to the legislators a report by a national inter-regional highway committee which he appointed in April, 1941, to look into the need for a limited system of national highways...

The report recommends, "the designation and improvement to high standards of a national system of rural and urban highways totalling approximately 34,200 miles and inter-connecting the principal geographic regions of the country."

Mr. Roosevelt did not say how much of the 34,000 miles represented new construction and how much represented improvements of existing roads.

Nor did the President say whether both Federal and state governments would be expected to share the costs of the highway system, but he said the expenditures would be divided about equally between urban and rural roads.

Fear Rush To Jobs To Avoid Service Draft

Washington, Jan. 12.—(AP)—A stampede of women, who comprise the chief reserve labor pool, to take any jobs which they think might save them from arbitrary work assignments was predicted today in the wake of President Roosevelt's request for a national service act.

Measures authorities said they feared that such a reaction, coupled with the fierce laws that would occur before any national service legislation could be put into effect, would upset present orderly employment recruiting.

In addition, they foresaw possible abandonment of plans for a combined military-civilian drive to recruit womanpower.

EASTERN GROWERS MODIFYING PLANS

College Station, Raleigh, Jan. 12.—The present farm labor shortage is causing growers of Washington county to make many changes in their farming plans, reports County Agent W. V. Hays of Plymouth to the State College Extension Service here.

Tobacco farmers are making arrangements with their neighbors to swap work on that crop. Owners of large farms are consolidating their operations as much as possible. Some growers are rushing the completion of tenant houses on their farms so that they will have a better chance of holding good tenants. Land owners are buying as much labor saving machinery as they can find in the market.

Reds Capture Rail Junction Of Sarny Allied Bombers Strike Athens Port

Fifth Army Seizes More High Ground

German Communique Says Nazis Evacuate Village of Cervaro

Allied Headquarters, Algiers, Jan. 12.—(AP)—Allied bombers, striking another day and night double-header blow into the Balkans, battered Piraeus, the port of Athens in Greece, in heavy force yesterday, while around the Fifth Army seized more high ground in Italy. Allied headquarters announced today.

The German communique said the Nazis had been thrown out of Cervaro, fortified village four miles southeast of Cassino on the Rome road, "after hard fighting" and also lost a mountain top to the northeast. (Cervaro was the last village outpost guarding Cassino, the powerful Nazi stronghold blocking the road to Rome. Allied troops had closed in on the village from the south and the northeast.)

The ground communique said the Fifth Army advance continued "and some further high ground was seized. Enemy pockets of resistance were cleared and our front line straightened out."

One German patrol crossed the Garigliano river southeast of Castel Forte, headquarters said, taking up positions in farm houses. But an Allied counter attack dislodged the Nazis and forced them back over the river.

Artillery duels and patrol activity marked both the Fifth and Eighth Army fronts.

The British destroyers Troubridge and Tamulit crawling the Adriatic coast Sunday night damaged railway trains by gunfire, had hit a schooner, driving it aground. Their guns also bombarded San Benedetto.

Eleven enemy planes were destroyed during widespread operations, and seven Allied aircraft were missing.

Mitchell bombers hit the railroad at Falconara northeast of Rome, and Fabriano in northcentral Italy, halting traffic in the Falconara yards at least temporarily, and blasting concentrations of rolling stock at Fabriano.

Hannegan Is Probably New Democrat Head

Chicago, Jan. 12.—(AP)—Robert E. Hannegan, of St. Louis, now United States Commissioner of Internal Revenue in Washington, is expected to succeed Postmaster General Frank C. Walker as chairman of the Democratic National Committee when that committee meets in Washington January 22 to pick a national convention site.

Walker would not discuss his impending resignation, but it was learned authoritatively that he intends to step out of the political job and that Hannegan has the inside track as his successor.

Others who have been mentioned for Democratic chairman are David Kelly, national committeeman from Fargo, N. D., and George E. Allen, of Mississippi and Washington, D. C., now secretary of the committee.

Late Tickets Will Retard Soldier Vote

In the Sir Walter Hotel, Daily Dispatch Bureau. BY LYNN NISBET

Raleigh, Jan. 12.—Commenting on Washington dispatches saying that Democratic leaders had about given up hope of fixing a late date for the nation convention and thus having a short campaign, Thad Eure, secretary of state and ex-officio administrator of the Federal soldier-voting act, said he favored an early convention. His experience with the soldier

WOUNDED ARRIVE IN THE UNITED STATES



AMERICAN SOLDIERS wounded in Africa and Italy happily hail the "good old U.S.A." as the Army hospital ship Aegle docks at an East Coast port. Standing by to greet them were two military bands playing swing tunes. The 776 casualties were taken to nearby hospitals. Later, in line with the government's policy to have them recuperate near home, they will be taken to hospitals in their home states.

60 U. S. Bombers May Be Lost

FDR Demand For Tax Boost Is Ignored

Washington, Jan. 11.—(AP)—President Roosevelt's implied demand for sharply increased taxes was all but shrugged off today by a Congress which had heard—and rejected—a series of similar suggestions from the Treasury.

The first move is up to the Senate, which began work on the \$2,275,000,000 tax increase bill, which the President regards as inadequate, by voting to freeze the social security payroll tax throughout 1944 at the current rate.

A "realistic tax law" led off the President's legislative recommendations in his annual message yesterday on the state of the union. He contended the pending bill "does not begin to meet" the test of taxing all unreasonable profits and reducing the ultimate cost of the war.

Congressmen generally interpreted that phrase as meaning that the chief executive wants all or most of the \$10,500,000,000 additional revenue repeatedly sought by Treasury Secretary Morgenthau.

Absentee Vote Issue Still Is Unsettled

Washington, Jan. 12.—(AP)—Despite a presidential request for a Federal ballot to simplify soldier voting in the armed services through the civil relief act it has equal power to adopt a Federal ballot system, irrespective of any claims that it would be unconstitutional.

Meanwhile, in a report to Chairman Worley, Secretary of War Stimson emphasized the difficulties which he said would ensue in attempting to handle absentee ballots from the 48 states, instead of one single Federal ballot.

WEATHER FOR NORTH CAROLINA

Increasing cloudiness with little change in temperature tonight and Thursday. Slightly higher temperatures in northeastern portion tonight. Rain in eastern portion by Thursday afternoon.

Officia Report Not Yet Made on Great German Air Battle

London, Jan. 12.—(AP)—London press speculated today that the United States Air Force had lost three score bombers in yesterday's attack on Germany. Today's German broadcast communique claimed 136 American planes, including 124 four-engine bombers, were shot down, and German censored reports reaching Sweden estimated the United States Air Force lost 25 percent of the planes sent over western Germany.

All these figures were without official confirmation—the Eighth Air Force was still compiling its reports almost 24 hours after the bombers' return from the assault, which turned into a three-hour running battle.

The Scandinavian telegraph bureau's Berlin correspondent, estimating losses at 25 percent, said there was speculation that Nazi planes were equipped with a new secret device which improved their effectiveness in combating the heavy bombers.

A preliminary United States announcement on the attack, unquestionably one of the greatest aerial battles of the war, said the bombers' escort included Thunderbolts, Lightnings and a new type of long-range fighter.

A Stockholm correspondent said part of yesterday's attack, at least, was directed against Mandeberg, important arms and railroad center about 100 miles west of Berlin, and Halberstadt, in the same vicinity. The correspondent added that Fortress flew across the outskirts of Berlin for the first time in attacking these places.

He said the American fliers feinted toward Berlin, and an alarm sounded there just before noon yesterday—the second time since the war's start that a real daylight warning has been given in Berlin. An "important part" of the bombers swept over the outskirts of Berlin, and was met by anti-aircraft fire, while most of the planes turned south toward the main objectives, it added.

The Germans admitted the loss of only nine planes.

1943 CORN HYBRID TESTS ARE SHOWN

College Station, Raleigh, Jan. 12.—Results of official tests on corn hybrids for 1943 in North Carolina have been published as Agronomy Information Circular No. 134 and are now available for distribution to growers, officials of the Agricultural Experiment Station at State College announced here today.

The State Seed Law requires the official testing of corn hybrids before they may become eligible for sale within the state. A free copy of this information may be obtained by writing the North Carolina Crop Improvement Association, State College, Raleigh.

Court Rules On Leave For Yelton

Raleigh, Jan. 12.—(AP)—The State Supreme Court ruled today in an advisory opinion that Nathan Yelton, controller of the State Board of Education, now in the army, may be granted a leave of absence as a constitutional officer of the State.

The opinion requested by Governor Broughton and signed collectively by the seven-member court, authorized the Governor to grant Yelton's leave and to appoint an acting controller for the duration of the leave.

Terminating the opinion one that is of considerable importance and interest, the court did not specify the length of the leave may involve, but authorized the Governor to proceed with the task of filling the office.

POINTS TO FACTORS IN COTTON PROGRAM

College Station, Raleigh, Jan. 12.—One of the most important factors in the one-variety cotton improvement program is a continuous supply of high-grade seed for planting each succeeding crop, reports County Agent W. O. Davis, of Halifax county, to the State College Extension Service here.

Halifax won first place in the cotton improvement contest for 1942 and has placed considerable emphasis on full supplies of good cotton seed for better staple and quality.

Huon Peninsula Control Is In Sight For Allies

Advanced Allied Headquarters, New Guinea, Jan. 12.—(AP)—Complete control of the Huon peninsula on northeast New Guinea was in sight for the Allies today. Australians defeated the Japanese in a tank and artillery action there which ended with the victors crossing the Buri river on the coast.

The Japanese, finding their position more and more untenable as the Australians forced them up the coast toward American invasion troops at Sidor, staunchly resisted the Australians but finally gave way before tank tanks, leaving their dead on the field.

General Douglas MacArthur's communique reporting the Australian victory also told of Allied air action against enemy barges and supply points along the New Guinea coast. Many barges, some of them bearing troops which the Japanese may be attempting to evacuate from the Allied nutcracker, have been destroyed in recent days.

Supply Route Of Germans Is Broken

Red Troops Plunge West Beyond Sarny In Drive to Railway

London, Jan. 12.—(AP)—Russian troops of the first Ukraine army have captured Sarny, Premier Stalin announced today, seizing the fortified railway junction 35 miles within old Poland after an assault over the Sluch river.

The key railway center, astride a north-south line and also on a line west to Warsaw, had virtually been encircled, and Soviet advance units already were pushing beyond Sarny. Towns on the railway north and south were taken yesterday, effectively breaking the Nazi supply route, and forcing the Germans to rely on the railway running through Brest-Litovsk 135 miles farther west.

Moscow, Jan. 12.—(AP)—Red army troops smashed heavy German counterattacks yesterday as they plunged westward beyond Sarny toward Brest-Litovsk and increased their threat to the Odessa-Warsaw trunk railway in the lower Ukraine, dispatches to the army newspaper Red Star said today.

The Nazis were mustering all available tanks and infantry reserves in an effort to stem the Russian advance. Red Star dispatches said, and fighting all along the front was violent. At no point, the dispatches said, was the enemy able to stop the Soviet drive.

Furious tank charges against troops of General Nikolai Vatutin approaching the Odessa-Warsaw railway were beaten back, Red Star said, with guerrilla detachments lending valuable aid. The Germans were also reported launching fierce counter-assaults, but these were smashed, Red Star added.

From inside the Dnieper bend where huge concentrations of German troops faced encirclement by the forces led by Vatutin and General Ivan Konev, enemy resistance also was increasing, Red Star said.

These German counterattacks were not surprising, it was pointed out, as there have been recurring reports of heavy German reinforcements being pushed to the front as the situation became more and more dangerous.

The Nazis, it was said, must continue their resistance, no matter what the cost, in order to avoid a major calamity not only in the Dnieper bend but as far west as Odessa. The war is already being brought closer to Rumania as Vatutin's troops continue their march to throw the Germans back on the resources of that satellite nation.

The Nazis, dispatches said, have been able to bring in reserves in divisional strength, despite their reverses of the past two weeks and these fresh units have taken up the fight under commanders who have been rushed to the front to try to halt the Red army offensive.

United States Marines smashed back to Japanese counterattacks south of Borong Bay in northwestern New Britain, and advanced slightly in their fight for Hill 660, important height in the Cape Gloucester area. Allied heavy bombers helped the leathernecks with smashing attacks on enemy defense positions.

Rabaul, big enemy base on the northeastern tip of New Britain, was raided by heavy bombers, torpedo and dive bombers from Allied Solomon's bases. The attack Sunday was continuation of daily hammerings here for more than two weeks.

First reports said the raiders and their escorting fighters blasted 16 enemy interceptors from the skies at a cost of four planes. Later advices from South Pacific headquarters boosted the Japanese losses to 21 planes for certain and five probables. A total of 78 Nipponese aircraft have been downed over Rabaul since January 1 on the basis of the revised figure.