Henderson Daily Dispatch

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Nazis May Be Leaving Bulge

Legislature Opens, With Richardson Speaker

Killed Near Front

RED CROSS Staff Assistant Anne Kathleen Cullen, 26, Larchmont, N. Y., was killed in Belgium when a hospital in which she was serving was bombed by the Nazis. She had been overseas since August, 1943, and on the continent since the early days of invasion. *(International)*

Bill Fixes Lt. Gov. Pay At $2,800

G. O. P. Candidate Supports Democrat For Speakership

Raleigh, Jan. 3—(AP)—Representative O. L. Richardson, of Union, with Republican support, unanimously was elected speaker of the House of Representatives today, while in the Senate, Senator Archie Gay of Northampton introduced a bill to pay the lieutenant governor $2,800 a year plus traveling expenses.

Representative T. E. Story, of Wilkes, nominated by the fourteen House Republicans for speaker, threw his support to Richardson with this declaration:

"This is a time for our heads to be together. We may differ in politics and we do not stand together on everything, but we, the minority group, will trust in the leadership of Richardson."

Richardson was nominated for the Democrats by Representative Stone, of Rockingham, and the seconding speech was by Representative Barker, of Durham.

Story was nominated by Hutchins, of Madison, and the nomination was seconded by Representative Dodson of Surry, a Democrat, who said he was speaking as a friend and not as a party member.

Richardson was elected 112 to 0.

The Senate moved rapidly through its organization, elected officials nominated in last night' caucus and adopted the 1943 rules.

Senator Gay's bill to increase the lieutenant governor's salary was in conformity with a constitutional amendment adopted in November. Heretofore the presiding officer of the Senate has been paid $709 per session.

The bill read that the officer would be paid $2,100 a year in addition to his pay as presiding officer of the Senate. In reality, therefore, he will be paid $2,800 the year the Senate is in session, and $2,100 the year it is not.

The Senate, in executive session, confirmed some 120 appointments made by the governor since 1943.

Named to its rules committee were Senators Gay, chairman; and Price, Smithol Stanley; Blythe, of Mecklenburg; Clarke, of Edgecomb; Isenburg; Weathers, of Cleveland; Hodges, of Buncombe; Carlyle of Forsyth; Eagles, Wilson; O'Berry, of Wayne; Ward, of Craven; Rowe, of Pender; McBride, of Hoke; Long, of Person; Pittman, of Lee; Pate, of Scotland; Corey, of Pitt; and Aiken, of Catawba.

Named on the House rules committee were representatives Gas, of Forsyth, chairman, and Bost, of Cabarrus; Hatch, of Wake; Gantt, of Durham; Bridgers, of Bladen; Uzzell, of Rowan; Loftin, of Buncombe; LeGrand, of New Hanover; Grimes, of Beaufort; Griffin, of Martin; Burns, of Person; Pearsall, of Nash; Currie, of Moore; Pritchett, of Caldwell; Stone, of Rockingham; Stoney, of Burke; Taylor, of Wayne; Clark, of Halifax; Wallace, of Lenoir; Honeycutt, of Sampson; Caveness, of Guilford; Barber, of Chatham; and Shuford, of Catawba.

U.S. PACIFIC SEA CARAVAN MOVES AGAINST JAPS

AMERICAN SEAMEN aboard a Coast Guard patrol frigate look across a vast expanse of the Pacific and count 32 ships, part of a mighty caravan of reinforcements and supplies for forces under General MacArthur. The patrol vessel is one of many covering the flanks of the huge convoy as it moves westward with men and material against the Japanese. This is an official U. S. Coast Guard photo. *(International)*

U. S. Tanks Beyond Line Of Bastogne

Two-Mile Gain Made By Nazis in Area of Rhine-Saarbrucken

Paris, Jan. 3—(AP)—Third army tanks reached a point four miles northeast of Bastogne today on the diagonal railroad toward St. Vith amid reports of heavy eastward traffic within the wedge, suggesting a possible withdrawal.

The Germans lashed out at other third and seventh army units along the 70-mile sector from Saarbrucken to the Rhine, and at one place, southeast of Bitche, gained up to two miles. Enemy artillery and air activity increased in this area, although there still was no sign of a general offensive.

Behind the Siegfried line, in the Saarland and Palatinate, however, a considerable increase was noted in enemy activity and supreme headquarters, in its communique, said that "German units are across the Blies river," in the sector east of Sarreguemines.

The inclination still was to treat the German jabs along the Saar and to the Rhine as local attacks.

The third army had captured 7,825 prisoners since December 22, when it launched its counter thrust against the German offensive.

(The German communique said more than 24,000 Americans had been taken, and that total United States casualties since December 15 far exceeded 50,000. The enemy said eight third army divisions were making a supreme effort to encircle German positions on three sides of Bastogne.)

Patrols penetrated St. Hubert, but were pushed out of the Belgian traffic center, which was increasingly menaced by the approach of General Patton's main forces closing up from the south.

German movements inside the wedge were the greatest since the Nazi westward tide was stemmed, and these were mostly eastward.

There was no positive indication whether this represented an outright withdrawal of armor, which Von Rundstedt was unwilling to risk losing, or whether it was a troop shift from the badly battered southern flank to meet a possible menace elsewhere.

Patton's troops swarmed forward in gains averaging at least a mile along the whole front from west of Bastogne to St. Hubert.

By last night the thrust to the northeast through bitter German opposition had reached Arloncourt, less than a mile from Michamp, which is five miles northeast of Bastogne.

A third army dispatch filed at 11:13 p. m. today, however, said "fierce German resistance on both sides of the Bastogne salient had brought an overnight halt to the advance in the neck of the bulge."

Congress Is Divided Over Home Front

Washington, Jan. 3—(AP)—The 79th Congress comes to life officially today, grimly agreed that the war is far from won, but divided over ways to reinforce the home front.

Most business will be postponed until after President Roosevelt's fourth wartime message on the state of the Union is read to members in a joint session Saturday. But controversy already had begun to develop around an issue as old as the fighting itself—proposals for universal service legislation.

The President gave a sort of approval to talk about work of right legislation at yesterday's White House news conference. When a reporter asked if he was for that kind of a law, Mr. Roosevelt said he thought so. He added it was up to the Congress to write the ticket.

The President said he was in substantial accord with the recommendations of War Mobilizer James F. Byrnes. These included an appeal for broadened government control over men rejected by the army as physically unfit.

This found some support in Congress, mixed with strong dissent.

B-29 General Is Moving Onto Guam As Headquarters

Guam, Jan. 13.—(AP)—Brigadier General H. H. Hansell, commander of the 21st bomber command, has moved his B-29 headquarters to this island from Saipan.

The general said today's B-29 strike against Japan was the first directed from American territory. Guam was recaptured from the Japanese in July, 1944. There are still Japanese snipers on the island.

The control building is built so that Hansell can maintain the closest kind of communication with each B-29 unit on other islands in the Marianas and with Washington, D. C.

FDR Fears Differences Of Allies Will Continue

Washington, Jan. 3—(AP)—Diplomats here settled down today for a continuous give and take among the major Allies on postwar Europe, to last long after the shooting has stopped.

President Roosevelt set the stage for numerous compromises when he offered little hope that Allied differences can be reconciled at his forthcoming meeting with Prime Minister Churchill and Premier Stalin.

Mr. Roosevelt not only agreed with reporters that differences exist, but emphasized he expected them to continue in one form or another.

Earlier, British Ambassador Lord Halifax had pointed up the many questions on which the Allies still have stormy sailing by stating that he and Secretary of State Stettinius are seeking better means of exchanging information between Britain, the United States and Russia.

Mr. Roosevelt did not mention European boundary settlements, although this is expected to figure prominently among points discussed. Secretary Stettinius said earlier in the day that the United States had made several studies on the future map of Europe. He emphasized that none are final.

Other sources disclosed that Washington experts have made recommendations to the American government on some European boundaries but that these have not been approved by top United States officials or presented to the Allies.

To Draft 18-25 Farm Workers

President Directs Action of Byrnes With Draft Office

Washington, Jan. 3—(AP)—The White House today directed Selective Service to press to the full extent permitted by law the drafting of deferred farm workers in the 18-25 age class.

Acting with the President's authorization, War Mobilization Director James F. Byrnes called on Selective Service Director Lewis B. Hershey to draw as much as possible on the largest remaining reservoir of potential fighting men.

Byrnes said there are 554,000 men in this age range now holding agricultural deferments.

"The army and navy believe it is essential to the effective prosecution of the war," Byrnes said, "to induct more men in this age group."

"The President feels, in view of existing conditions," Byrnes told Hershey, agriculture like our other war industries, can, with few exceptions, be carried on by those in the older age groups.

Byrnes noted that Hershey had told him that if men were not available for the farms he would have to call upon men in the next highest age groups, most of whom are fathers.

Richardson New Speaker In The House

Raleigh, Jan. 3—(AP)—With Democrats holding the majority all the way, the 1945 General Assembly squared away and swung into action today for what was expected to be a momentous wartime session.

Perfecting their organization, both branches of the General Assembly met briefly today and tackled the task of handling, among other major matters of legislation, an unprecedented surplus expected to reach $70,000,000 by the end of the current fiscal year.

Topping the pre-assembly calendar of events, both Democrats and Republicans caucused last night, and after a floor scrap, which saw but two candidates in the running, the Democrats nominated Representative Oscar L. Richardson, of Union, as speaker of the House over Representative George Uzell, of Rowan, the vote being 70 to 31.

The Republicans—all 14 of them—nominated Representative T. E. Story of Wilkes. Story automatically became the minority leader.

AT LEAST THREE DIE AS TANKER EXPLODES

Leonardo, N. J., Jan. 3.—(AP)—An explosion and five aboard the Sun Oil Company tanker "Sunoco" in Sandy Hook Bay off the Jersey coast yesterday took the lives of at least three men.

W. W. Weston, assistant director of public relations of the Sun Oil Company at Philadelphia, said seven others are missing.

90 Superforts Bomb Jap Industry Areas

Damage Is Admitted By Nippon Radio, But Washington Cautious

Washington, Jan. 3—(AP)—Superfortresses, 90 strong by enemy account, struck again today at industrial targets on Japan's teeming home island of Honshu.

A War Department announcement of the raid was silent on the number and the exact objective of the giant B-29s, but a Japanese communique said the aircraft center of Nagoya, as well as Osaka and Hamamatsu, were hit.

Acknowledging some damage from incendiaries at Nagoya and Hamamatsu, the communique added, "there were almost no damages inflicted upon vital facilities and factories."

The enemy announced number of ninety was the largest to appear in a Nipponese war bulletin. It claimed that 13 of the Superforts were shot down, four probably downed and 25 damaged. Two interceptors failed to return to their home bases, the Japanese admitted.

The attack occurred by daylight, and Tokyo broadcasts said the bombardiers enjoyed almost perfect visibility.

Two big Mitsubishi aircraft plants at Nagoya have been hit previously by the Superforts. Osaka is 75 miles southwest and Hamamatsu the same distance southeast. Both are large manufacturing centers.

Today's was the first blow against the Japanese homeland since December 27.

Honshu is the principal island of the Japanese archipelago. It is the site of such vital manufacturing, shipping and administrative centers as Tokyo, Yokohama, Nagoya, Kyoto, Kobe and Osaka.

The monster bombers spanned a round trip of more than 3,000 miles to hit the Nipponese homeland from bases in the Mariana islands. The raid was carried out by the 21st bomber command headed by Brigadier General H. S. Hansell, Jr.

The Honshu raid followed an announcement last night by General MacArthur of a blazing New Year's Day assault in Manila's Clark field by fifth air force planes. For the first time MacArthur brought Formosa into his communique, announcing that patrol planes set five coastal ships afire and destroyed four planes at this island bastion, 225 miles north of the Philippines. Admiral Nimitz announced at Pearl Harbor that the Superfortress nesting ground on Saipan was the target of an ineffectual raid Monday by a lone twin-engine Japanese bomber. Nimitz reported another bombing of Iwo Jima, a springboard for Nipponese raids on the Marianas.

WEATHER

FOR NORTH CAROLINA

Increasing cloudiness and somewhat warmer tonight; Thursday cloudy and rather cool.

Becomes Senator

CLYDE R. HOEY

Steels Lead Stock Gains

New York, Jan. 3—(AP)—Steels led the stock market into generally higher ground today, with top gains running to a point or so. Pacing the rise were U. S. Steel and Bethlehem. Modestly higher were Chrysler, U. S. Rubber and American Telephone.

Germany Is Hit By 1,100 U. S. Bombers

London, Jan. 3—(AP)—Eleven hundred Flying Fortresses and Liberators smashed rail and road centers in western Germany for the twelfth consecutive day today for a new record for sustained bombing.

Only a solitary German fighter, which made an ineffectual pass at one bomber formation, was sighted by the 600 escorting Thunderbolts and Mustangs.

The bombers spread from 3,000 to 4,000 tons of explosives over highway intersections, ripe for traffic jams, northwest of Karlsruhe, and along the Belgian-German border, and over rail yards jammed with frustrated freight at Cologne, Aschaffenburg and Fulda, near Frankfurt.

They followed RAF raids last night on Nurnberg, Ludwigshafen and Berlin.

Calls Issued For Reports of Banks At Close Dec. 30

Washington, Jan. 3.—(AP)—The comptroller of the currency today issued a call for a statement of the condition of all national banks at the close of business Saturday, December 30.

Simultaneously the Federal Deposit Insurance Corporation issued a call for the condition of all insured banks as of the same date.

STATE BANK CALL.

Raleigh, Jan. 3—(AP)—State Banking Commissioner Gurney P. Hood today issued a call to all State banks for reports of condition as of December 30, 1944.

Russian Hordes Smashing On Across Budapest Area

Moscow, Jan. 3—(AP)—Russian storm forces were smashing on through Budapest today in probably the fiercest house-to-house fighting since Stalingrad.

Red army troops yesterday captured 232 blocks in Pest, the part of the city east of the Danube, and 53 blocks in Buda, on the opposite bank.

On the basis of preliminary reports it is believed in Moscow that the enemy garrison already has lost 10,000 dead and possibly 30,000 wounded.

Although the Red army has not officially estimated the strength of the trapped garrison, Col. Gen. Voros, minister of defense of the provisional Hungarian government recently set up in Russian-held territory, said last night the total may run as high as 75,000 to 100,000 Germans, plus 30,000 Hungarians.

With yesterday's advance, which brought in approximately 1,000 prisoners, the Russians now hold nearly 1,000 blocks of the battered city.

How 2,000,000 civilians, estimated to be cowering inside the city, are surviving the struggle could only be imagined.

It now appears likely that the Russian armies would not resume offensive operations in great force in the direction of the Austrian frontier until Budapest is largely overwhelmed.

Forty-two miles northwest of Budapest and ten miles southeast of the Danube communication center of Komarom, fresh German armored forces, drawn from Austria, stuck out yesterday at the tip of Marshal Tolbukhin's salient on the main road to Vienna. It was announced officially the attack was repulsed.

Although this counter attack was too far distant to affect the fate of the Germans cut off in Budapest, a force of the latter tried and failed to break out of the western part of the Hungarian capital.

Cotton Opens Up 5-15 Cts.

New York, Jan. 3.—(AP)—Cotton futures opened five to 15 cents a bale higher.

	Pv. Close	Open
March	22.08	22.10
May	21.99	22.04
July	21.71	21.73
October	20.73	20.76
December	20.67	20.65

Turkey To Break Relationship With Japan on Saturday

London, Jan. 3.—(AP)—The Ankara radio announced tonight the Turkish grand national assembly had voted unanimously to break off diplomatic and economic relations with Japan, effective next Saturday.

Turkey broke relations with Germany last August 2. The broadcast gave no details.

CLASHES REPORTED.

Paris, Jan. 3.—(AP)—The Spanish National Union said today clashes between guerrillas and Franco police raged through Christmas week at Tarragona, 50 miles below Barcelona. Many arrests were reported also at Madrid, Barcelona and Zaragorza.