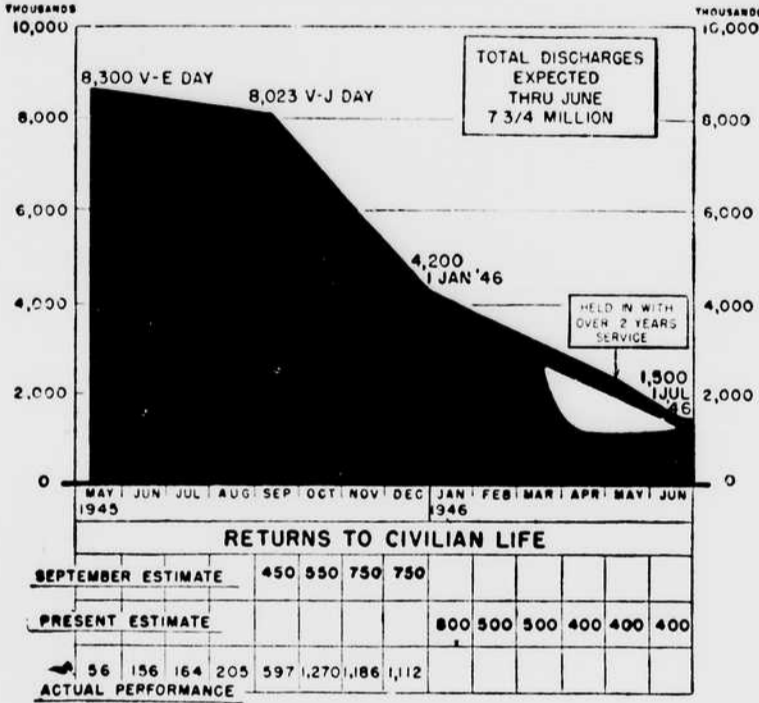


STEEL FIRM REJECTS TRUMAN PAY PLAN

Gromyko Says Peace Depends On Accord Within Big Five

FIGURED IN GEN. IKE'S TESTIMONY
PROGRESS OF DEMOBILIZATION
(ALL FIGURES IN THOUSANDS)



ONE OF SEVERAL GRAPHIC EXHIBITS presented to the Joint Congressional Committee by General Eisenhower in outlining the perplexed demobilization problems, this chart shows the actual and the planned decline in Army strength from V-E Day until July 1, 1946. Black area shows how, since May, the Army has been steadily reduced. An estimated total of 700,000 troops will be required for final occupation. (International)

Selective Service Chief Asks Extension Of Draft

Blames Heavy Enlistments For Lag In Quotas; Hearings End Over Protests

Washington, Jan. 18.—(AP)—Over protests a special Senate committee ended its public hearings on army demobilization today after hearing Selective Service Director Lewis Hershey blame heavy enlistments for a lag in draft quotas.

Chairman Edwin Johnson (D-Colo.) announced the end and promptly drew from Senator Briggs (D-Mo.) a complaint that only one side of the case has been presented. Senator Revere (R-W.Va.), third member of the group also protested he had received many letters from soldiers and wanted the committee to look them over.

Hershey recommended to the committee the immediate extension of the draft law scheduled to expire automatically May 15.

Hershey told the group that selective service had been unable to produce its monthly

quota of 50,000 men for the armed forces as so many young men were volunteering.

Hershey included among the volunteers the 18 to 25 year olds, who are eligible for the draft, but it was explained at headquarters that such volunteers are counted in the quotas.

Hershey also made these recommendations:

1.—Amend the selective service law to provide a definite period of service. He said that because Congress had authorized voluntary enlistments for 18 months, "this would seem an appropriate period for the draft."

2.—The army and navy should lower their physical standards and apply them so as to produce the required number of men.

3.—Persons with substantially less than 18 months service should be submitted for re-induction.

General Takeji Wachi, former chief of staff of Japanese general headquarters and a half dozen other generals, as well as prison camp officers and guards from the Solomons to Honsu to Truk.

The surprise arrest of Dr. Maw, Burmese puppet whose whereabouts since the end of the war have been a mystery, was confirmed by Brig. Gen. E. R. Thorpe, head of Allied counter-intelligence. He declined to say where Maw was being held.

"He will be placed incommunicado, like other top prisoners," he said.

Big Power Pledge

London, Jan. 18.—(AP)—Secretary of State James F. Byrnes today announced assurances by the United States, Russia, and Britain that the proposals of the smaller European nations would receive the fullest consideration by the great powers in drafting European peace treaties.

Byrnes released the text of exchange of letters between the American and French governments. His answer was on behalf of the three great powers which agreed at Moscow, that, in effect, the United States, Russia and Britain would write the treaties for Italy, Romania, Bulgaria, Hungary and Finland.

Stock Mart Slips At The Beginning

New York, Jan. 18.—(AP)—The stock market slumped at the opening today, the wake of the boost in margin to 100 per cent but steel soon led a recovery on expanding volume.

Better performance included United States Steel, Youngstown Sheet, Southern Pacific, United Aircraft and Montgomery Ward. Hesitant were General Motors, American Telephone, DuPont, and Chrysler.

Outlook For Meat Strike Ending Dim

Washington, Jan. 18.—(AP)—The meat situation looked bleaker today. There was no sign Government efforts would bring a quick settlement of the three day old strike of 263,000 meat packing workers.

A Federal fact finding board opened a study on the strike wage issue but its report is not due until February 16—29 days hence.

The fact finders promised, however, to act promptly on any agreement possibility that would bring a settlement in the walkout before that date.

Secretary of Labor Lewis Schwellenbach who invited all sides to Washington in connection with a futile effort to avert the walkout, ended four hours of conference last night.

But the talks with AFL and CIO packers and affiliated union representatives were exploratory, Schwellenbach told reporters, with each presenting his position.

Edwin Witte, chairman of the fact finding panel named, took up conferences today. Witte indicated they would be concerned largely with procedure to be followed when formal hearings begin.

His associates on the panel, Clark Kerr, chairman of the War Labor Board meat packing commission, and Chief Justice Raymond W. Starr of the Michigan supreme court, are not due in Washington until tomorrow, Witte said.

The fact finders are under Schwellenbach's orders to study the dispute and report by February 16.

Lucky Betty

Washington, Jan. 18.—(AP)—The Pearl Harbor committee today voted 6 to 2 against calling former Prime Minister Winston Churchill as a witness in its investigation of the 1941 disaster.

The vote came on a motion of Senator Homer Ferguson (R-Mich.) to invite the former British premier now vacationing in Miami Beach to appear at a time that suited his convenience and that of the committee.

Ferguson previously had told the committee he wanted Churchill to tell what he knows about any agreement which might have existed with the late President Franklin Roosevelt for parallel action on the part of Britain and the United States before the Japanese attacked Pearl Harbor.

Six Democratic members of the committee voted against the motion.

Sixteen Die As Airliner Catches Fire

Cheshire, Conn., Jan. 18.—(AP)—A big transport reported to be carrying 13 passengers and a three man crew crashed in flames here today, carrying all aboard to their deaths.

The army flight service at Boston identified the plane as flight 16-B of the Eastern Airlines, en route from New York to Boston.

Representatives of EAL at New York said that radio contact had been lost with one of its New York to Boston transports at about the time the accident was reported.

The big ship, first seen with flames and smoke spouting from its engines and came to earth not far from the State Reformatory here.

TRAIN DERAILED NEAR MERRY OAKS

Norfolk, Va., Jan. 18.—(AP)—Headquarters of the Seaboard Airline railway reported Thursday a northbound freight train, transporting perishable goods to Washington, was derailed at Merry Oaks, N. C., at 2:45 a. m. yesterday. No one was injured.

Railroad officials said six cars of the train were derailed at a point 25 miles south of Raleigh, N. C., and "some passenger cars were derailed but all operations are now normal."

The accident was caused by a broken journal box on the first car that was derailed, the spokesman said.

The 46-car freight train originated in Florida and was en route to the Potomac freight yards at the capitol.

NO PLACE FOR THEM AT HOME



THERE'S NO PLACE LIKE—OR AT—HOME for Mrs. June Thuleen, her sailor husband Donald and their 10-week-old baby, all of Los Angeles. According to her story, they had been sharing a two-bedroom house among seven people, and her own parents have ordered their eviction because of the intolerably crowded living conditions. (International Soundphoto)

Wage Boost Accepted By CIO Union

Washington, Jan. 18.—(AP)—The United States Steel Corporation today rejected President Harry Truman's terms for settling its wage dispute with the CIO United Steel Workers.

A nation-wide steel strike is set for Monday at 12:01 a. m.

White House Press Secretary Charles G. Ross said, however, that the union had accepted the President's compromise increase of 18 1-2 cents an hour for 300,000 union steel workers poised to walk out of the nation's steel mills.

No Seizure Plans. Ross said the President had no plans for seizing the industry and no further steps were under consideration for averting the strike.

CIO President Philip Murray, who sent a letter accepting the proposal which was to have been retroactive to January 1, scheduled a news conference for late this afternoon.

In a letter to the President, Benjamin Fairless, president of United States Steel, wrote that the "proposal is almost equivalent to granting in full the union's revised demand for a wage increase of 19 1-2 cents an hour."

"In our opinion, there is no just basis from any point of view for a wage increase to our steel workers of the large size you have proposed," Fairless wrote.

Great Financial Harm. Fairless said that such an increase, "if put into effect is certain to result in great financial harm not only to this corporation but also to users of steel in general."

Fairless wrote Mr. Truman he had tried to make clear "to you and other Government officials there is a limit to the extent to which union wage demands can be met by us."

"We reached the limit," the letter said, "when we raised our offer to the union last Friday from a wage increase of 12 1-2 cents an hour to 15 cents an hour."

This indicated that Fairless had made no further wage concessions in three White House conferences with Murray.

Mr. Truman made no immediate comment either personally or through Ross on the strike outlook. Fairless' letter was delivered to the White House about 1 p. m., an hour after the noon deadline set yesterday by Mr. Truman for a response. The letter was delivered by John Munhall of the Washington office of the steel firm.

Fairless in New York. Fairless was in New York where he had gone last night with the President's compromise offer to confer with his board of directors and officials of other steel companies.

Murray's acceptance was delivered by David McDonald, secretary-treasurer of the CIO Steel Workers Union. Last night and this morning after receiving Mr. Truman's proposal, Murray conferred with his fellow workers and with the CIO's overall strike strategy committee.

In the earlier negotiations, the United States Steel Corporation had offered 15 cents an hour increase as compared with the union's original demands of \$2 a day or 25 cents an hour. Murray earlier had lowered his demands to 19 1-2 cents an hour.

While it was learned that steel prices were not discussed at the White House conferences, the steel corporation was said to be aware that Government approval of increases of at least \$2.50 a ton—and possible \$4—is in the offing for February 1.

City-Wide Transit Strike In Gotham Being Threatened

New York, Jan. 18.—(AP)—A city-wide strike of 32,000 transit workers who operate all of New York city's municipally owned subways, buses, street cars and elevated trains may be called within two weeks, Michael J. Kuill, president of the Transport Workers Union (CIO) said today.

If such a strike is called, it would be in protest against a proposal now under consideration by the board of transportation to sell city owned power plants to the Consolidated Edison Company, major power utility in this area.

The union also is seeking a \$2 a day wage increase for all transit workers, but Kuill said that would not figure in the proposed strike.

Churchill Appearance Voted Down

Los Alamos, N. Mex., Jan. 13.—(AP)—New Mexico sand fused by the first atomic bomb explosion and a picture of devastated Nagasaki, Japan, were delivered today to mayors of 42 large cities for public exhibition as a reminder of what the next war may hold.

The Association of Los Alamos Scientists, who sent the matter is advocating control of atomic weapons by a world organization.

It urged city officials to testify at hearings of the McMahon committee now underway in Washington.

Southerners Threaten To Filibuster

Washington, Jan. 18.—(AP)—The worst filibuster since Huey Long's time threatened on Capitol Hill today as the Senate plunged into a knock-down, drag-out fight on the dynamite-laden FEPC bill.

The advance billing had Capitol Hill harking back to the time when Long a senator from Louisiana, went a filibuster marathon during which he discoursed on a myriad of subjects, including the merits of southern pot liquor.

A solid phalanx of southern senators all pledged to talk plenty, lined up against the Fair Employment Practice bill which would establish a permanent committee to eliminate racial and religious discrimination in industrial and governmental employment.

1,000 Amendments. "I'm going to talk against it as long as God gives me breath," Senator Ellender (D-La.) told a reporter. Senator Eastland (D-Miss.) promised that he and Senator McClellan (D-La.) would offer 1,000 amendments to the FEPC legislation.

Eastland said he would talk years if necessary.

Senator Bilbo (D-Miss.) who knows a filibuster when he is in one, informed newsmen he intended to speak twice—"30 days at a time"—against the measure which has been endorsed many times by President Harry Truman.

ARMY IS PLANNING TO KEEP GI JANE

Washington, Jan. 18.—(AP)—The army wants to keep GI Jane.

Present plans call for a permanent force of women as part of the post-war regular army, it would be known as the Women's Corps and include nurses as well as WACs.

Arrest Of More Japs Is Ordered

Tokyo, Jan. 18.—(AP)—General Douglas MacArthur today ordered the arrest of 110 more Japanese war criminal suspects, including seven generals, and counter-intelligence officers arrested the long missing Dr. Bai Maw, puppet premier of Burma.

In Peiping, Chinese arrested Maj. Gen. Eugen Ott, Nazi ambassador to Tokyo at the time Pearl Harbor was attacked and announced he would be brought to Japan for questioning.

Guards Included. The 110 additional war crimes suspects listed for arrest included

Stock Trading On Cash Basis

Washington, Jan. 18.—Effective Monday margin requirements for stock exchange trading will be 100 per cent, the Federal Reserve Board disclosed today. In an attempt to check speculation and curb inflation, buying of all securities will be on a cash basis, thus eliminating credit or "bargain" buying.

The previous requirement was 75 per cent, which went into effect last July 5.

Marriner S. Eccles, chairman of the Federal Reserve Board described raising of margin requirements as a step "to prevent the further flow of borrowed money into stock market operations."

Iran Delegation Seek Means Of Airing Disputes

London, Jan. 18.—(AP)—The Iranian delegation to the United Nations General Assembly took the first concrete step to bring the explosive Iranian-Russian dispute before the world security council today as Soviet delegates maintained silence on the issue.

Andrei Gromyko, acting chief of the Russian delegation, making the first major Russian speech before the assembly ignored the Iranian question, which is causing serious concern among United Nations leaders.

Shortly before Gromyko took the floor, Feyd Hessin Taqizadeh, head of the Iranian delegation, conferred with the executive secretary of the assembly on what Taqizadeh called "technical arrangements" for placing Iran's complaint before the security council.

Leaders Uncertain. Some of the Iranian leaders' associates had indicated earlier that the case might be filed today or tomorrow, but they said they were uncertain over where or how to file it.

Presumably this was the question taken up with Secretary Gladwin Jebb by Taqizadeh.

Gromyko, meanwhile, told the assembly that the future peace of the world depends on the unity of the big powers and warned against any effort to cut down their authority by revising the charter of the UNO.

Supports Power Plans. He also strongly supported big power plans to give the security council control of atomic energy problems.

Defending the big nations' position in the UNO, Gromyko, said "all nations, big and small, are interested in securing a stable peace and in preventing a repetition of new aggression. In this their interests completely coincide. Endeavors to counterpose the big states with the small ones can not be regarded with sympathy in the United Nations Organization is a body to protect all peace loving states, big and small."

Politcina Given High Navy Post

Washington, Jan. 18.—(AP)—Edwin W. Pauley was nominated today to be undersecretary of the navy replacing Artemus Gates who resigned.

President Harry Truman also sent to the Senate the nomination of W. S. Symington, now surplus property administrator, to be assistant war secretary and three new appointments to the Reconstruction Finance Corporation board of directors.

Pauley had been President Truman's representative on reparations and previously was treasurer of the Democratic national committee.

George Allen, a Mississippian and close associate of the President was named to the RFC board along with Harvey J. Gunderson of South Dakota and Henry Bodman of Michigan.

HAIR OIL. Helena, Mont., Jan. 18.—(AP)—Sen. Burton K. Wheeler (D-Mont.) told Montana dairymen today that much scarce American butter had been sent to foreign consumers, been sent to foreign consumers, "some of whom didn't know what it was and never would have missed it—in some cases the people used it for hair oil."

War Looms In Washington On Planned Lint Ceilings

Washington, Jan. 18.—(AP)—Cotton conscious statesmen from Texas to the Atlantic seaboard prepared today to defend their crop from 1946 price ceilings under threat to withdraw their support from OPA.

Dixie legislators, aroused by telegrams of protest from over the cotton belt, called a special caucus in the House office building to present a united opposition to the proposed ceilings.

OPA Chief Chester Bowles has announced a scale of ceilings which he says may be imposed on 1946 cotton if threats of speculation and inflation continue.

At today's meeting southerners are expected to demand a final decision soon by OPA, using the argument that farmers must know 1946 crop conditions before opening of the planting season February 1.

protest meeting, passed a resolution of opposition to any further action on cotton ceilings.

3.—Addressing the House, Rep. Cox (D-Ga.) said the ceilings would represent an absolute starvation wage for workers in the cotton fields.

1.—Members of the North Carolina delegation, in a special

WEATHER FOR NORTH CAROLINA

Fair, slightly warmer, this afternoon, rather cold tonight; Saturday fair and mild.