

FDR Orders Government To Seize The Railroads

(Continued from Page One)

agreed to abide by his decision—the brotherhoods of locomotive engineers and trainmen. Five cents an hour shall be paid starting immediately, he said, "as the equivalent of or in lieu of claims for time and a half pay over 40 hours (per week) and for expenses while away from home." He also awarded these workers a week's vacation a year with pay at the basic rates. In addition he affirmed the four cents an hour increase in basic wages previously awarded by an emergency board.

Stimson Is Silent
Secretary of War Stimson made no immediate disclosure of his plans for operating the roads, which were under government supervision from 1917 until Congress restored them to civilian management in 1920.

The Association of American Railroads declined immediate comment.

Congressmen who could be reached for comment on seizure of the railroads showed regret that the President was forced to move.

Senator White (R-Me.) ranking minority member of the Interstate Commerce Committee, said "in the circumstances it seems a necessary thing to do. We can't permit the transportation system of the country to go idle on us at this time."

Thomas Is 'Sorry'
Senator Thomas (D-Utah), ranking Democrat on the Military Affairs Committee, said "I'm very sorry that it has to be done."

Rep. (Ramspeck (D-Ga.), ranking majority member of the House Labor Committee, said, "I'm sorry it is necessary, but it seems the only thing to do under the circumstances. The railroads cannot stop. I think the labor organizations made a mistake in forcing the issue. I believe they have a just claim for wage increases, but all groups in war time should subordinate themselves to the general welfare."

By acting after 17 unions had accepted his arbitration offer, the President isolated three relatively small operating unions who had spurned his proposal.

Long-range Impact
The long-range impact of that may affect the organizational setup of railway labor, acting as a reward to those two brotherhoods—trainmen and engineers—who accepted his proposal, and a blow to the prestige of the other three—conductors, firemen, and switchmen.

Unless these latter three can emerge from the dispute with something more than Roosevelt awarded the trainmen and engineers—and their chances seem none too bright—their prestige among railway labor might suffer, possibly even to the point of losing members to the other two unions.

Membership in the five operating brotherhoods is not confined strictly to class or craft lines. The brotherhood of railroad trainmen, are reputed to have more switchmen than the switchmen's union. Too, there are many instances of overlapping membership because railway employees, working on a seniority basis, change jobs a great deal.

The President said the pay increase he granted the two operating unions would be paid until the war ends.

Roosevelt said he had been advised by War Mobilization Director Vinson that his decisions conform-

ed with the national stabilization program.

Roosevelt, in a formal statement on his determinations, recalled that he had announced last May he believed rail employees should be paid time and a half for overtime above 40 hours, just as are most other employees. He said he thought, however, it should be done by agreement rather than congressional action.

The President said government seizure of the carriers was necessary for the movement of troops, materials of war, necessary passenger traffic, and supplies and food for the armed forces and the civilian population, and is otherwise essential to the successful prosecution of the war.

As President and commander in chief of the armed forces he said in the order that Secretary Stimson assumed possession and control of all common carriers by railroad, express companies, terminal companies and associations, sleeping, parlor and railroad-owned or controlled private car companies located in continental United States. Excluded specifically from the designation of common carriers were interurban railways and local public transit systems, even though any of them might be owned by the lines which government seized.

But if Stimson finds it necessary, the chief executive decreed, he may take over "all or any part of any transportation system, including subways and tunnels."

The objective under government operation, the President asserted, is "to assure to the fullest possible extent continuous and uninterrupted transportation service."

Even though the government is in possession of the carriers, the chief executive said Stimson should let management continue managerial functions to "the maximum degree possible consistent with the purposes of this order."

The present officers and employees of the carriers were directed to continue operating the lines and collection and disbursement of funds is to continue in the usual and ordinary course of the business of the railways.

Roosevelt said that any existing contracts and agreements to which the carriers are parties shall remain in full force. Dividends may be declared and expenditures made for ordinary corporate purposes.

As for railway labor, the President ordered that the secretary of war "shall provide protection for all persons employed or seeking employment."

Stimson is authorized to prescribe the compensation the employees will get, subject to any approval which may be required by applicable laws, orders and regulations pertaining to the economic stabilization program.

The secretary was instructed to recognize the right of workers to continue union membership, to bargain collectively and to engage in concerted activities for collective bargaining or "for other mutual aid or protection."

Termination of the government possession of the carriers will take place as soon as Stimson determines that it is no longer required to prevent interruption of transportation service.

Utilities Commission

Orders Phone Company

To Drop Extra Charge

RALEIGH, Dec. 27.—(AP)—The Concord Telephone Company of Concord and the Norfolk and Carolina Telephone and Telegraph Company of Elizabeth City have been ordered by the Utilities Commission to remove the extra "hand-set charge" levied on the handset type of telephone.

The order, which becomes effective January 1, was announced today by Edgar Womble, utilities commission rate expert.

Womble said the order marks the elimination of the handset charge in all major telephone companies of the state. This elimination he said, has progressed gradually over a period of approximately 10 years.

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AMERICANS PUSH DRIVE IN PACIFIC

(Continued from Page One)

ers made the attacks and 36 enemy bombers and 25 fighters were shot down. Seven Allied planes were lost and others damaged.

(William J. Dunn, CBS correspondent who witnessed the landings, said the first of the air attacks did not come until seven hours after the Marines had swept ashore.)

This additional occupation of New Britain, the second within a fortnight, strengthens our hold on the western end of the island, MacArthur said, and "presages growing command of Bismarck Sea approaches." It also increases the Allied air threat to Rabaul's supply lines "and shortly will bring the enemy-held Kavieng-Admiralty islands area within decisive reach of our land-based air attacks."

Rabaul, once symbol of Japanese power in the South Pacific but virtually neutralized by heavy air attacks since October, is situated at the northeastern tip of New Britain. Kavieng is at the northern end of New Ireland, where a Japanese destroyer and two large freighters were sunk and other ships damaged in a surprise air attack early Christmas Day. The Admiralty islands are in the Bismarck Sea about 200 miles northwest of Cape Gloucester.

The Cape Gloucester landings were made by marines commanded by Maj. Gen. William H. Rupertus of Washington, D. C. When the heavy naval and air bombardment lifted, they stormed ashore under cover of a smoke screen laid down from the air. Within two hours the beachheads were firmly in our hands.

One landing was made just north of Silimati Point on Borgen Bay, east of Cape Gloucester. The other was on the Dampier strait, or western side, of the peninsula. This landing prevents the enemy from escaping down the southern coast line. Occupation of Long Island, to the northwest, places a wedge in the enemy's line of communications to New Guinea coastal points such as Madang and Wewak.

Control of the southwestern end of New Britain was set up when American forces invaded the Arara sector Dec. 15.

The main effort of Sunday's operation was pointed at Target Hill, a 450-foot hump that had been the heart of the enemy defenses in the Gloucester area. It had been pounded so heavily from the air and sea, however, that its guns replied only feebly to the new challenge. C. Yates McDaniel, Associated Press war correspondent, who went in with the second wave, reported he neither saw nor heard of a single landing boat being lost. Nor did he hear of a single Marine even being hurt.

Hot steel from the air and from warships commanded by Vice Admiral Thomas C. Kinkaid was pounding the invasion coast when Dean Scheder, AP war correspondent, flew over the area aboard a Liberator command plane. Some 1000-pound bombs from the Liberators plunked directly on Target Hill and its artillery positions.

By the landings at Arava and Cape Gloucester, Allied forces have severed the supply lines that fed Japanese positions in western and southern New Britain and along the northeast coast of New Guinea. MacArthur's regular Monday communiqué, covering action over the Christmas week-end, reported the surprise attack on Japanese shipping at Kavieng and also strong attacks on Rabaul. The Kavieng assault was by carrier-based planes.

The attacks on Rabaul came from the heavy units based in the Solomons. They cost the enemy 71 planes and probably 19 more.

Patrols pushing eastward from the American positions at Arava were reported to have made contact with the enemy. On the Huon peninsula of New Guinea, Australian forces captured Wandokai, with quantities of munitions, and advanced toward Ago.

U.S. STEEL OUTPUT IS AT LOW LEVEL

(Continued from Page One)

holding up a "back-to-work" order pending formal action by the WLB in putting Roosevelt's suggestions into an order, which apparently steel operators would have to accept or face seizure of their plants by the government as the mine operators did.

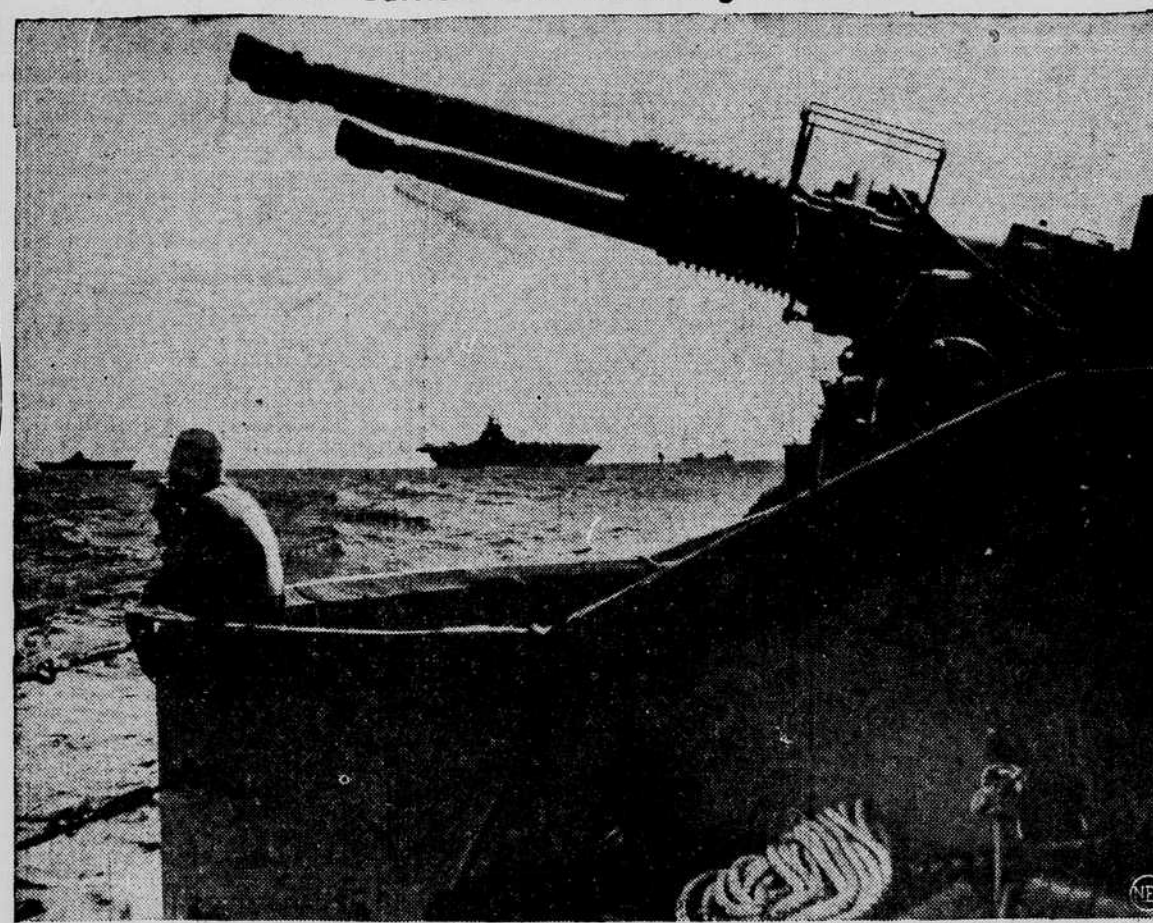
Chairman William H. Davis of the WLB called the board into extraordinary session at 7 p.m., saying he considered it "highly rational" that it would vote to extend the union contracts with the proviso stated by the President.

The operators, generally, remained silent on the matter, after several of them had said before the President made his move, that they could not pay retroactive wages due to inability to raise prices. The National Supply Company in Pittsburgh issued a statement charging the walkout was in violation of the Smith-Connally Act.

Union leaders stressed the fact that the work stoppages did not constitute a strike, which is specifically prohibited under the Smith-Connally Anti-Strike Law unless unions give a 30-day notice before quitting.

But district executives of the union made no secret of the fact that, as Thomas White union local 1331 president at Youngstown, explained "we are not working because we are supporting Phil Mur-

New Carriers Now Attacking Marshalls



Heading for action on a southwest Pacific combat mission, two of the Navy's most modern, hard-hitting aircraft carriers are pictured framed by the dual-purpose guns of another big U. S. warship. They are the 25,000-ton Essex class, which have spearheaded task force attacks on Japan island outposts from Wake to Rabaul and are now engaged in the assaults on the Marshall Islands and Nauru. (U. S. Navy photo.)

Text Of President's Order

WASHINGTON, Dec. 27.—(AP)—Following is the White House announcement of the presidential order for seizure of the railroads, the President's statement on arbitration of the rail disputes; and the text of the executive order for seizure and operation of the roads:

The President today signed an executive order directing the Secretary of War to take over the railroads at seven o'clock tonight to avoid interruption of transportation by threatened strikes.

Mr. R. F. Whitney, on behalf of the Brotherhood of Railroad Trainmen, and Mr. Alvanley Johnston, on behalf of the Brotherhood of Locomotive Engineers, on December 24 rescinded their strike orders and agreed to the arbitration of their pending disputes by the President of the United States. At five o'clock p. m., the representatives of the non-operating employees' organizations informed the President that they had rescinded their strike orders. The carriers and non-operating employees do not however agree upon the scope of the issues to be arbitrated by the President. Strike orders of the Brotherhood of Locomotive Firemen and Engineers, the Order of Railroad Conductors of America and the Switchmen's Union of North America are still in force.

In signing the executive order taking over the railroads, the President said:

"Railroad strikes by three brotherhoods have been ordered for next Thursday. I cannot wait until the last moment to take action to see that the supplies to our fighting men are not interrupted. I am accordingly obliged to take over at once temporary possession and control of the railroads to ensure their continued operation. The government will expect every railroad man to continue at his post of duty. The major military defenses now planned must not be delayed by the interruption of vital transportation facilities. If any employees of the railroads now strike, they will be striking against the government of the United States."

Before signing the executive order taking over the railroads, the President rendered his decision as arbitrator of the disputes affecting the Brotherhood of Locomotive Trainmen and the Brotherhood of Locomotive Engineers. He affirmed the increase of 4 cents per hour which had previously been granted by the Stacy emergency board and had been approved by the economic stabilization director.

In addition, in considering claims not previously presented to the board or the economic stabilization director, he granted a further increase of 5 per cents per hour effective immediately, in lieu of claims for time and a half for overtime in excess of 40 hours a week and for expenses while away from home. He also approved a vacation of one week a year with pay at the basic hourly rate of employment. Such a vacation is now received by the non-operating employees. The President directed that his award be effective for the duration of the war without prejudice to the rights of either party thereafter to request a change in the agreement. The President further stated that he had been advised by the economic stabilization director that his decision was in conformity with the national stabilization program.

After a conference with representatives of the carriers and the brotherhoods, and after hearing the statement of the issues upon which they have been unable to reach a decision, it was agreed by the carriers and the Brotherhood of Locomotive Engineers and the Brotherhood of Railroad Trainmen that the issues should be determined by me in accordance with the law and that they would abide by my decision.

1. By action of the Stacy emergency board, there was awarded to the employees an increase of four cents per hour, which was not disapproved by the stabilization

director and is now being paid the employees.

2. The employees ask for an additional increase in wages based upon claims not presented to or considered by the Stacy board or the stabilization director.

3. They ask for the payment of time and a half for time worked in excess of forty hours per week. The Fair Labor Standards Act contains a provision excluding employees of railroads from the provisions of the act.

Last May I announced that I believed railroad employees should be paid time and a half for time worked in excess of 40 hours per week as practically all other employees are paid. This can be accomplished either by Congress repealing the exemption provision or by agreement of the employers and employees. I think it should be done by agreement.

It has also been represented that as to a large proportion of the operating employees the exigencies of the railroad service and questions in respect of existing rules and practices create practical and administrative difficulties in the application of a strict overtime requirement. It was also represented that payment of time and half to some and not regularly to all would create discriminations.

It also has been represented that by reason of the character of their work, these employees necessarily incur heavier expenses when away from home.

After consideration of these representations, I determine that five cents per hour effective immediately shall be paid as the equivalent of or in lieu of claims for time and half pay for time over 40 hours for expenses while away from home.

4. Among the issues presented to me was the claim for vacation pay.

I determine that employees shall be entitled to a vacation of one week a year with pay at the basic hourly rate of employment.

5. I further determine that the increases in pay above recited shall be paid until proclamation by the President or declaration of hostilities; and that the agreement now arrived at in time of war shall be without prejudice to rights of either party at the expiration of the date above stated to seek a change in the agreement which is now made.

I am advised by the economic stabilization director that the foregoing determinations are in conformity with the national stabilization program.

EXECUTIVE ORDER Possession and Operation of Railroads

Whereas the continuous operation of transportation service in the nation is necessary for the movement of troops, materials of war, necessary passenger traffic, and supplies and food for the armed forces and civilian population, and is otherwise essential to the successful prosecution of the war; and

Whereas the continuous operation of some transportation systems is threatened by strikes called to commence on December 30, 1943;

Now, therefore, by virtue of the authority vested in me by the Constitution and laws of the United States, including the act of August 29, 1916, 39 Stat. 645, and as President of the United States and commander in chief of the Army and Navy, I hereby order:

1. Possession and control of all common carriers by railroad, express companies, terminal companies and associations, sleeping, parlor and railroad-owned or controlled private car companies (all hereinafter referred to as carriers) located in the continental United States, together with any and all appurtenances and facilities used in connection therewith, are hereby taken and assumed, through the secretary of war, as of 7 o'clock p. m., on the twenty-seventh day of December, 1943.

Carriers taken over under this order shall not include, because not now deemed necessary, street electric passenger railways, including railways commonly called interurbans, or local public transit systems whether or not the same be owned or controlled by any of the systems of transportation taken hereunder; but if and when the secretary finds it necessary or appropriate to carry out the purposes of this order he may, by subsequent order, take and assume possession, control and operation of all or any part of any transportation system, including subways and tunnels, and any transportation system so taken shall be deemed a carrier for the purposes of this order.

2. The secretary of war is directed to manage and operate or arrange for the management and operation of the carriers taken under this order in such manner as he deems necessary to assure to the fullest possible extent continuous and uninterrupted transportation service.

ties used in connection therewith, are hereby taken and assumed, through the secretary of war, as of 7 o'clock p. m., on the twenty-seventh day of December, 1943.

Carriers taken over under this order shall not include, because not now deemed necessary, street electric passenger railways, including railways commonly called interurbans, or local public transit systems whether or not the same be owned or controlled by any of the systems of transportation taken hereunder; but if and when the secretary finds it necessary or appropriate to carry out the purposes of this order he may, by subsequent order, take and assume possession, control and operation of all or any part of any transportation system, including subways and tunnels, and any transportation system so taken shall be deemed a carrier for the purposes of this order.

3. In carrying out this order the secretary may act through or with the aid of such public or private instrumentalities or persons as he may designate, and may delegate such of his authority as he may deem necessary or desirable, with power of successive re-delegation. The secretary may issue such general and special orders, rules and regulations as may be necessary or appropriate for carrying out the purpose of this order. All federal agencies shall comply with the directives of the secretary hereunder and shall cooperate to the fullest extent of their authority with the secretary in carrying out the purposes of this order.

4. The secretary shall permit the management of carriers taken under this order to continue their respective managerial functions to the maximum degree possible consistent with the purposes of this order. Except so far as the secretary shall from time to time otherwise provide by appropriate order or regulations, the boards of directors, trustees, receivers, officers, and employees of such carriers shall continue the operation of the carriers, including the collection and disbursement of funds thereof, in the usual and ordinary course of the business of the carriers, in the names of their respective companies and by means of any agencies, associations or other instrumentalities now utilized by the carriers.

5. Except so far as the secretary shall from time to time otherwise determine and provide by appropriate orders or regulations, existing contracts and agreements to which carriers taken hereunder are parties shall remain in full force and effect. Nothing in this order shall have the effect of suspending or releasing any obligation owed to any carrier affected hereby, and all payments shall be made by the persons obligated to the carrier to which they are or may become due. Except as the secretary may otherwise direct, dividends on stock and sinking fund, principal, interest and other distributions upon bonds, debentures and other obligations may

be paid in due course, and expenditures for other ordinary corporate purposes may be made.

6. The secretary shall provide protection for all persons employed or seeking employment. The secretary is authorized to prescribe the compensation to be received by such employees subject to any approval which may be required by applicable statutes, executive orders and regulations relating to economic stabilization. To the extent deemed practical by him, he may maintain the working conditions which are specified in existing contracts between the carriers and their employees.

He shall recognize the right of the workers to continue their membership in labor organizations, to bargain collectively through representatives of their own choosing with the representatives of the owners of the carriers, subject to the provisions of applicable statutes and executive orders, as to matters pertaining to wages to be paid or conditions to prevail after termination of possession, control and operation under this order; and to engage in concerted activities for the purpose of such collective bargaining or for other mutual aid or protection, provided that in his opinion such concerted activities do not interfere with the operation of the carriers.

7. Except as this order otherwise provides and except as the secretary otherwise directs, the operations of carriers hereunder shall be in conformity with the Interstate Commerce Act, as amended, the Railway Labor Act, the Safety Appliance acts, the Employers' Liability acts, and other

applicable federal and state laws, executive orders, local ordinances and rules and regulations issued pursuant to such laws, executive orders and ordinances.

8. Except with the prior written consent of the secretary, no receivership, reorganization or similar proceeding affecting any carrier taken hereunder shall be instituted and no attachment by mesne process, garnishment, execution or otherwise shall be levied on or against any of the real or personal property or other assets of any carrier, provided that nothing herein shall prevent or require approval by the secretary of any action authorized or required by any interlocutory or final decree of any United States court in reorganization proceedings now pending under the bankruptcy act or in any equity receivership cases now pending.

9. From and after 7 o'clock p.m. on the said twenty-seventh day of December, 1943, all properties taken under this order shall be conclusively deemed to be within the possession and control of the United States without further act or notice.

10. Possession, control and operation of any carrier or carriers, or parts thereof, taken under this order shall be terminated by the secretary as soon as he determines that such possession, control and operation are no longer required to prevent interruption of transportation service.

FRANKLIN D. ROOSEVELT

The White House, December 27, 1943, 6 p. m. E.W.T.

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C. R. MORSE, City & County Tax Collector.

NOTICE

The New Hanover County Civil Service Commission will hold an examination in the Grand Jury room, in the Court House, at 3:00 o'clock P. M., Thursday, December 30th, 1943, for position of typist-clerk in the City-County Tax Collector's Office, Back Tax Department. Applications must be submitted in the hand writing of the applicant, no special form required. All applicants are required to appear before the Commission for questioning on the above date.

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