

JUNE 30 CEILING SEEN FOR PRICES

No Rigid Level Contemplated in Proposed Fixing Legislation

WASHINGTON, July 31.—(AP)—A well-informed member of Congress reported today that forthcoming price legislation would take the fiscal year ended last June 30 as an average period on which to base price "ceilings."

This spokesman declared that prices would not be rigidly frozen to the levels of that period, however, saying that the President would be granted authority to make adjustments in the price averages for the period to compensate for market fluctuations and speculations.

The legislation also would set up a special three-man appeals court to be appointed by the chief justice from among the nation's district and circuit court justices. Persons affected by price fixing regulations could appeal to the court within a designated period after the regulations had been issued.

Fines and jail sentences would be provided for those convicted of violating price fixing rules, it was said.

Under the measure, it was reported, the President would report to Congress every 90 days on operation of the price control system. The system would remain in operation until suspended by either the President or Congress.

JAPAN'S APOLOGY FOR BOMBING IS ACCEPTED

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had no time this morning to leave to make the American protest before Vice Foreign Minister Kumachi Yamamoto appeared at the embassy with a request for an interview for his chief, Foreign Minister Vice Admiral Teijiro Toyoda.

Subsequently, Grew was asked to call at the foreign office. There, in a 20-minute conversation, he was assured by Toyoda of Japan's regret at the Tutulla incident and informed that the Japanese armed forces everywhere had been instructed to take the utmost care that American property not be damaged.

Meanwhile, the chief aide of the Japanese ministry of navy called upon the American naval attaché, Commander Henri Smith-Hutton, to express the regrets of that branch of the service.

The Tutulla was superficially damaged yesterday by a bomb which fell near her during a Japanese air raid on the Chinese capital of Chungking. None of her people was injured.

During the day, however, Ambassador Grew delivered three protests against a telephone and cable censorship which had prevented news of the Tutulla incident from leaving the country until this morning's diplomatic meeting.

The National City bank, which had been closed since Japan's order freezing U. S. assets went into effect Saturday in retaliation for similar action in the United States against Japanese funds, was reopened on a limited basis to permit British, American and Dutch residents to withdraw money to pay Japanese employes or government taxes.

The Sumatran Butaks measure time by intervals between small-pox epidemics.



ON RUSSIAN-GERMAN BATTLEFRONT—Smoke rises from buildings in the background as German troops enter a town near Peipus Lake in the drive on the Russian city of Leningrad, according to the Nazi caption. According to Soviet communiques, the drive has been stopped.

REYNOLDS DEMANDS IMMEDIATE HEARING ON AIRLINE SERVICE

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serted, was "made over nine years ago."

"Over a period of years," Senator Reynolds continued, "delegation after delegation from these cities have called upon air carriers and tried to interest them in this service with no success."

"The committee appointed by these cities to carry this proposed route to completion finally contacted Canadian Colonial Airways, and found they were a small, adequately financed, efficiently operated airline, and that with an operation of only 330 route miles, needed very badly an expansion in their mileage in order to more economically operate the system."

The Senator further charged that "at no time was any other airline interested in our problems until Canadian Colonial Airways filed their application. National air lines," he said, "was specifically questioned upon this subject by responsible citizens, and they denied any interest in serving the coastal section."

Eastern Airline became immediately enthusiastic after nine years of indifference, although at that very moment it was generally known and admitted by that company, itself, that it did not have sufficient equipment to fly its present extensive operation."

Senator Reynolds referred to the proposed Seaboard Airlines as a "carrier which did not and does not exist, except on paper, and does not have an airplane, had not and has not ever flown an airplane, and, as far as can be learned, has no organization, even a skeleton one."

Calling attention to a request by National Airlines for a postponement of the scheduled September 15 hearing, Senator Reynolds warned the acting CAB chairman of the possibility that a similar request might be received from Eastern Airlines, "which will be predicated, in my judgment, not upon the fact that they are not now ready to try this case, although they have had 12 years to survey the territory, but upon the fact that they would not be able to fly it because of lack of equipment and personnel, even though they acquired the permit."

"I have been reliably informed," he said, "by my Atlantic Coastal Cities Air Service association and the officials of Canadian Colonial Airways that they are now, at this moment, ready to try this case and ready to fly the line. If the other carriers are not now ready, after having had over a year to prepare their case, you should not allow them to retard progress, especially where the taxpayers are so vitally concerned and where your department and the airline must naturally depend upon congress for the necessary appropriations to function."

Police Locate Auto Before Theft Known!

Richard Murphy, 910 North Fifth street, was agreeably surprised yesterday morning when he reported to city police that his automobile had been stolen and was informed that it had already been recovered.

The car was noticed abandoned at 3:30 a. m. by E. J. Hale and E. A. Sanders, officers near the Smith creek bridge on highway 421 one mile north of Wilmington.

Mr. Murphy said the car was stolen Wednesday night. The machine was undamaged, but a wheel and tire valued at \$15 had been removed from a rear compartment.

SUPER ECONOMIC BOARD SELECTED

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Where the committee will find authority to enforce its judgments was not made clear. But the board includes the heads of the departments which would be involved and presumably they would simply order their subordinates to carry out the activities agreed upon by the board.

Wallace has long been a principal administration advisor on economic questions. His status in that respect going back to his service as secretary of agriculture. During his tenure in that office he instituted a series of meetings attended by government economists for the discussion of economic problems. These seminars have continued since he became vice president.

He has been deeply interested, too, in the inter-related economic problems of the United States and South America. Last winter he was dispatched as President Roosevelt's representative at the inauguration of President Avila Comacho of Mexico.

In establishing the board, Mr. Roosevelt gave it these functions:

"Advise the President as to economic defense measures to be taken or functions to be performed which are essential to the effective defense of the nation.

"Coordinate the policies and actions of the several departments and agencies carrying on activities relating to economic defense in order to assure unity and balance in the application of such measures.

"Develop integrated economic defense plans and programs for coordinated action by the departments and agencies concerned and use all appropriate means to assure that such plans and programs are carried into effect by such departments and agencies.

"Make investigations and advise the President on the relationship of economic reconstruction and on war economic reconstruction and on the steps to be taken to protect the trade position of the United States and to expedite the establishment of sound peace time international economic relationships.

"Review proposed or existing legislation relating to or affecting economic defense and, with the approval of the President, recommend such additional legislation as may be necessary or desirable."

weakened the Germans in the west.

This consideration is one of many which appear to make the Russians expect Britain to open a second front in Western Europe.

The distance around the equator has shrunk 112 miles in the last 100 years, according to scientists.

Hitler how his methods can be turned against him."

Meanwhile, as to Britain, there is a plain feeling in Soviet circles that aid to the Soviet should be reinforced with something more than the bombing of Germany and France.

The British explanation that short nights do not permit long range raids and pleas that the army is not prepared for large scale operations in Europe are met withou r looks.

For Soviet sources say with some bitterness that in 1914 Imperial Russia, although unprepared, answered the pleas of the British and French commands and launched the offensive into East Prussia.

True, these sources add, Russia lost two army corps in the resultant battle of Tannenberg, but they say this sacrifice materially

Durham Site Selected For Future Army Camp

WASHINGTON, July 31.—(AP)—The War department announced today award of a contract for architect and engineering services in connection with the construction of a triangular division camp at Durham, N. C., in the event of future army expansion.

The contract covered the design of a camp of an ultimate maximum capacity of 30,000 troops. "If and when" built, the camp was estimated to cost \$22,800,000.

William A. Platt and W. S. Lee engineering corp., Charlotte, N. C. received the award. The amount was not disclosed, but such contracts usually are a small percentage of the total cost.

Obituaries

MRS. EMMA CAROLINE PENNY
Mrs. Emma Caroline Penny, 82, died in a local hospital at 6 o'clock yesterday afternoon after a long period of illness.

Mrs. Penny was the widow of George W. Penny, who operated a retail establishment on Front street for many years. She resided at 23 South Ninth street, and was a member of Calvary Baptist church.

Funeral services will be conducted this morning at 11 o'clock from the Yopp funeral home by the Rev. J. O. Walton and interment will follow in the Johnson cemetery. Active pallbearers will be Fred G. Rose, W. Albert Brown, E. E. Hollis, David D. Sloan, J. R. Hollis and E. Reid Toms.

She is survived by a sister-in-law, Mrs. J. H. Ottoway; four nieces, Mrs. C. J. Kelloway, Mrs. B. E. Hollis, Mrs. C. B. Lewis, and Mrs. Frank Hollis, all of Wilmington; and two nephews, N. R. Ottoway of Boston, Mass., and H. J. Ottoway of Detroit, Mich.

MRS. PAULINE LOCKS
Mrs. Pauline Locks, 72, a native of New York, died suddenly at 8:30 o'clock at 221 South Sixth street.

Mrs. Locks had stopped in the city while on a tour.

Funeral arrangements will be announced upon receipt of instructions from relatives.

MRS. CATHERINE QUIGLEY
BOSTON, Mass., July 31.—The funeral of Mrs. Catherine Flanagan Quigley of 51 Fernwood Road, Roxbury, a native of Louisville, Kentucky, a former resident of Fall River, and mother of Mrs. George Patterson of Wilmington, N. C., took place this morning from her home with a high mass of requiem being celebrated in the Mission church in Roxbury. Interment followed in St. Patrick's cemetery in Fall River.

Mrs. Quigley, widow of Richard B. Quigley who was employed as a carpenter here for many years, died at her home Monday. A former communicant of St. Louis church in this city, she was a member of the Mission church parish in Roxbury.

Surviving her in addition to her daughter in Wilmington are three sons, Bernard H. Quigley of Tiverton, R. I., Captain Thomas J. Quigley who is with the United States Army, M. C., at Camp Edwards, on Cape Cod, and Richard L. Quigley of Boston; three other daughters, Mrs. John L. Junkin of Everglades, Fla., and the Misses Anna and Helen Quigley of this city; three grandchildren, a brother, Hugh L. Flanagan of Fall River; three sisters, Mrs. Margaret Slattery of Fall River and the Misses Agnes and Mary Flanagan of Tiverton; and several nieces and nephews.



SOVIET COMMANDER—Marshal Semyon Budenny, commander of the Russian armies operating on the southwestern front, is leading Red counterattacks in the Smolensk area, according to Moscow. His forces are reported driving the Germans from entrenched positions into which they were forced by stalling of their blitz.

CITY'S MANAGER TO ARRIVE SOON

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aid of the mayor, into an insight into the complexities in the management of a city which is growing rapidly and undergoing changes almost daily.

Mr. Wallace served as city manager of Bangor from January, 1932, until January 1 this year. Mrs. Wallace, now in Bangor, will join her husband in Wilmington in the fall. The couple have no children.

Study Harris Successor
Mr. Wallace will arrive in Wilmington as members of the council are pondering the selection of a successor to David S. Harris, who resigned several weeks ago following induction into the United States Navy.

Commissioners have stated that other pressing business has prevented so far the naming of a successor to Mr. Harris.

"We simply had not had time to go into the matter of a successor,"

Edgar L. Yow, council member, declared yesterday.

"We cannot say now with any reasonable degree of accuracy when the appointment will be made. It would be possible for us to continue functioning with only four members of the council, but I doubt if this will be done."

BAN ON GAS SALES IN EAST EFFECTIVE BEGINNING SUNDAY

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normally still was indefinite, and must be determined later by the industry on the basis of whether the gasoline supply is shipped into a city or area from any point east of such area.

Closing of the retail outlets was necessary, Iokes said, due to the inadequacy of ship tanker transportation of oil from gulf ports to the Atlantic coast. One-fifth the coastwise tanker fleet hauling petroleum to the east has been transferred to British service.

High School Teacher Is Injured in Fall

Attendants at James Walker Memorial hospital reported as "good" last night, the condition of Miss Heather Struthers, who suffered severe spinal injuries in a fall at her home recently.

Miss Struthers has been mathematics teacher and assistant principal of New Hanover High school for many years, and is well-known in educational circles in the state.

"Tin Pan Alley," once a derisive name, now means the business of publishing and publicizing popular music of the day.

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SMILE QUEEN—Selected as 1941 "smile girl" of the Arkansas-Missouri Ozark festival at Hot Springs, Ark. Miss Jimmie Dell Tillman displays the winning smile that brought her the title.

REDS PREPARING COUNTER-OFFENSIVE AGAINST GERMANS

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