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RAIL PENSION PLAN ADOPTED

Railroads and
Unions Agree
On Payroll Tax

Retirement Pension System Calls for Five Per Cent Payroll Tax

MILLION AND HALF WORKERS AFFECTED

Washington — The railroads and the major rail labor unions this week agreed upon a 5 per cent pay roll tax to finance a retirement pension system for approximately 1,500,000 workers. Half the tax bill will be paid by the railroads; half by the employees.

It will replace a similarly divided 7 per cent tax provided by the present railway tax act, which the railroads blocked by a court test of its constitutionality.

George M. Harrison, chairman of the Railway Labor Executives' association, and J. J. Pelley, president of the Association of American Railroads, joined in announcing complete agreement upon the retirement system.

The announcement came as a climax to long negotiations which resulted from an appeal from President Roosevelt, suggesting that the railway labor unions and managements confer in an effort to develop a mutually satisfactory pension arrangement.

Harrison said that, since the new plan represents an agreement there is little likelihood of a court challenge of its constitutionality.

Action by Congress will be necessary to put the system into effect. The announcement said the present railroad retirement act would have to be amended and the new tax substituted for the present one.

Provisions of the plan, in addition to the tax provisions, were outlined as follows in the joint announcement:

"1. All annuities are to be paid out of the United States Treasury.

"2. Plan is to be administered to the railway retirement board as now provided.

"3. Method of computing amount of annuity to be paid retired employees is the same under the plan as now incorporated in the railroad retirement act.

"4. An employee is eligible to retire voluntarily upon attaining the age of 65 years, but may retire at 60 years of age after completing 30 years of service with a reduction in the annuity at the rate of one-fifteenth for each year he is under 65.

"5. An employee can continue to work after attaining 65 years of age but must continue to pay the tax, although he will not be credited with any service earned by such employment after July 1, 1937.

"6. Plan permits retirement of employees because of physical or mental disability after 30 years of service with full annuity privileges.

"7. Present pension rolls of the railroads are taken over under the plan.

"8. No annuity will be paid to any employee who retires and engages in "regular gainful employment" in some other line of work.

"9. Provides for death benefits for a deceased employee's estate.

"10. The plan effects approximately 1,500,000 employees of railroads, express companies, and their subsidiaries. Employees of railroad associations and of railroad labor organizations, are also included.

Harrison and Pelley emphasized that the agreement provides for voluntary retirement at 65 at the election of the employee.

"Persons who are totally disabled are eligible to retire if they

(Continued on page 8)

Resigns Air Post



Million Heir



WASHINGTON . . . Refusing to resign for more than a year, Eugene L. Vidal (above), has now vacated the post of Director of the Bureau of Air Commerce because of criticism heaped upon the Bureau as result of recent airline crashes.

Under The Dome

Washington—The dark cloud which hovers over Washington is a program for Federal public works which has been put to the continuing problem of unemployment. It is the most difficult of all Governmental problems because it presents so who say that 125 others have already assented to it. It is really capable of solution by itself. Unemployment has to be tackled as tended to govern future legislation. This money, Mr. Roberts said, "represents the Carolinas' share of \$200,000,000 that is being made available by the Federal government to the States, the District of Columbia, Puerto Rico, and Hawaii for highway purposes.

"Of the total \$125,000,000 is to be appropriated as regular Federal-aid, 25,000,000 for construction of secondary or feeder roads and for elimination of railroad hazards.

"All of the funds made available to the Carolinas will be expended in accordance with the general plan used in previous Federal-aid highway work. Projects for improvement will be selected

by our State highway departments, which also will prepare plans, let contracts and supervise construction—all subject to Federal approval.

"Improvement of secondary roads and elimination of rail hazards with Federal funds were

The apportionments of funds for first initiated as an emergency measure to relieve unemployment

these purposes during the next fiscal year are the first to be made as a part of the regular Federal program. Regulations under which the two new funds will be administered are now being prepared by the Bureau of Public Roads.

"Each State is required to match the funds for improvement of the Federal-aid system

and for secondary roads, but it is not required to match the grants-in-aid.

"Facts about the amount of unemployment and the opportunities for employment in private industry to be collected, and the government work program to be enlarged when private industry lays people off and to be cut down when private industry hires them back.

"5. No waste, no made-work, but every project to be planned so it will create a dollar's worth of wealth and permanent social value for every dollar spent. This requires that there must be enough money appropriated to allow a reasonable expenditure for materials and equipment, as well as for wages.

"6. Government work to be planned so it will enable the people it employs to develop and maintain the kinds of skill and ability which are most likely to be in demand in private industry.

"7. Government projects to be definitely planned to stimulate all industry and open new opportunities for Americans. Conserving soils and developing new fertile lands will do this. Low-cost housing will do it. Cheaper power will do it. So will other projects.

"8. The recreation, theatre,

States to Get Over 7 Million

Movement of Finished Goods at High for Year; Unfinished Cloth Sales Large

The sum of \$7,662,261 of Federal highway funds has been apportioned North Carolina and South Carolina for the fiscal year beginning July 1, C. W. Roberts, president of the Carolina Motor club, announces.

This total is made up of regular Federal-aid funds plus apportionments for secondary or feeder roads and for elimination of railroad hazards on highways.

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"Of the total \$125,000,000 is to be appropriated as regular Federal-aid, 25,000,000 for construction of secondary or feeder roads, and \$50,000,000 for elimination of rail hazards.

"All of the funds made available to the Carolinas will be expended in accordance with the general plan used in previous Federal-aid highway work. Projects for improvement will be selected by our State highway departments, which also will prepare plans, let contracts and supervise construction—all subject to Federal approval.

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Editorial Staff of Scarsdale Eagle News



SCARSDALE, N. Y. . . . Carl Limbacher, Jr., 12 years old, is editor and publisher of the Scarsdale Eagle News, published monthly and on a paying basis for the last year. Peter Conese (standing left) is the compositor; James Duff, right, handles sports and writes a column. The plant's headquarters takes up most of the basement of the Limbacher home.

Two Historical Churches

Two of the oldest churches in February 1774, in Piedmont North Carolina are

The present church is built Lowerstone, or Grace Church, of rough stones which were pro-

which is a Reform church and bably quarried from some vein Organ Church which is Lutheran or ridge nearby. The church it

The two churches are located self is 40 by 50 feet, with walls about a mile apart near Rock- twenty-seven feet high and twel-

well and from the beginning ve foot gables. Almost twenty-

their history has been, if not in-years were required for its com-

terwed at least parallel.

Tradition states that in the revolutionary War occurred during

early days the Lutheran and Re-

form congregations originally dicated in November 1811 and

worshiped in union church and the sermon on that occasion was

that a quarrel arose resulting in preached by Rev. Andrew Lore,

the construction of Lowerstone tz.

Church large enough to receive The architectural style is cha-

Organ Church. However, this racteristic of that period. The

story has been discredited al-

original floor of smooth stones

though the fact remains that the remained in place until 1871.

former was built so that the lat-

There are galleries on three

truth sides of the building. The pulpit

seems to be that both congre-

gations did worship in the same with an overhead sounding board,

church but only because there

Later this was replaced by one

were, in the beginning, so few of modern design. A belfery and

Lutherans in the community and bell were added at a still later

they had no pastor. Later, when date,

their number increased they de-

cided to build a church of their

Over each o f the doors is en-

own and when it was begun scribed a verse in German that

their Reform neighbors determi-

nated to do likewise, but it was

Ovr the South door.

only a spirit of friendly rivalry To the glory of God has been

which prompted them to erect built,

their church large enough to The church which you here

contain that of the other congrega-

tion. Of course, the fact that By a people who God confess,

the Lutherans boasted the only And name themselves after

organ in North Carolina, built by John Steigerwalt who had

learned his art as a boy in Ger-

many, may have had something to do with the desire to erect

the larger edifice.

Lowerstone dates back to 17-

60. Th present building occupied

by the Grace Congregation was

built in 1795 but for forty years

preceding its erection a log

church had been used. This first

church was built in 1834 or 17-

55 and was called Hickory

Church.

As time went on and the Who thy word pure with profit

congregation increased in size teach,

plans were made for a larger and And the world to thee convert.

more substantial building. A Grace Church."

sixteen acre tract of land was

Over the north door.

G. Allen, Knute Hill, Walter M.

for the sum of five pounds, pro-

"We go into our house of God

With heartfelt joy in dny dml

of North Carolina. This land With heartfelt joy, in and out,

R. Murdoch, Clyde Garrett, was a part of a large tract gran-

God permits us still to find

Charles J. Golden, Mrs. Caroline led to Lingle by the Earl of The precious treasure, the Word

O'Day, Charles R. Eckert. Granville. The deed was made

(Continued on page 8)

Rushing to Fill Great Demand

C. W. Roberts Announces Total to Be Given for Fiscal Year Beginning July 1

Washington—Cotton mills in the Carolinas and other centers turned on full steam this week to meet increasing demands in retail and wholesale channels for unfinished and finished goods.

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