

(By the Associated P ess)

The French front, west of the Oise and east of Rheims, has been the scene of considerable local fighting in which prisoners were taken by the Allied forces. The French have re-occupied the village of St. Pieere Aigle, southwest of Soissons, which they lost three weeks ago.

Hurling themselves at the tip of the salient driven into the Allied line by the Germans late in May, the Americans and French have won important ground near Chateau Thierry. The at-tack was local in character, but its success may prove important in the future operations in that part of the battle front nearest Paris.

The assault was aimed at the hamle of Vaux which is situated on the south side of the Chateau Thierry-Paris road. and on the northern slopes of Hill 204. Vaux is about two miles from Chatea Thierry. This was carried by the rush of the French and Americans, who also occupied two small patches of woods in the immediate vicinity. The Germans almost immediately be-

gan counter-attacks in an attempt to regain their lost positions, but their efforts failed in every instance. In the initial attack and in their repeated assaults against the new lines held by the Allies, the Germans have suffered very heavy losses, at least 500 prisoners having been taken by the French and Americans. One entire German regi-ment is officially reported to have been virtually annihilated in the battle. One entire German regi-

A thrilling air battle between nine American planes and an equal number German machines is reported in the Chateau Thierry sector. At least three German planes were destroyed, while two American machines have failed to return from the encounter.

On June 7 the French reported that they had recaptured Hill 204, a height dominating the city of Chateau Thierry. It appears, however, that the Germans have been holding at least part of the height, or that they have by an attack which has not been reported, succeeded in occupying the hill once more. The Allied attack on the north side will tend to make the enemy's position the hill less secure and may force the Germans to re-locate their line from the Marns northward to Torey, where the Americans have been successful in several fights and have won important

British forces northwest of Albert have been forced to fight hard to hold positions they took from the Germans Sunday night. A determined attack by the enemy at that point threatened to lisposed of much important legislation. wrest the captured ground from the but encountered a variety of obstacles British, but heavy counter-attacks flung thefee out of all but one of the trenches he had occupied. in its program to recess this week until-August 10. Hopes to close morrow before the Fourth of July holi-day were abandoned and while most

and German official statement of operations along the front says that Allied attacks at various points were repulsed. It specifically mentions the The resolution authorizing the statement of the resolution authorizing the statement of mitely. Untrue German Propaganda The German official statement of dent to take over telegraph and tele-phone lines, the \$12,000,000,000 army ap-

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squadron, composed of nine machines, had a thrilling half hour fight this morning north of Chateau Thierry with a German Ilight squadron of the same number. At least three of the German planes were driven down, plunging to the earth, and up to six o'clock tonight two of the Americans had not returned.

GERMANY ORDERS FINLAND TO ADOPT MONARCHIAL RULE Washington, July 2.-Diplomatic dispatches today say that, accord-ing to the Swedish press, Germany has addressed a summons to the Finnish Diet commanding it to introduce, without delay, monarchial rule in Finland, failing which Germany herself will establish a military dictatorship.

With the American Army in France, July 2 .- Two successful raids, one of them in broad daylight, have been carried out by the American forces in the Montdidier region. In the daylight raid a corporal and three men entered an enemy post located in a wheat field and took one prisoner, and a machine gun.

MUST DESTROY THE BEAST London, July 2, (Via Ottawa),-Andrew Bonar Law, chancellor of the exchequer, speaking in the House of Commons today, said that ane would have thought that nothing new as regards German bra-ality could have happened, but the sinking of the Canadian hospital ship Llandovery Castle was an unspeakable outrage. Nothing could be gained, he added, by talk-ing about this last example of

frightfulness. "The wild beast is at large," said Mr. Bonar Law. "There is no use arguing or reasoning about it. The only thing to do is to destroy it. That is the duty, and it is up to all the Allies to set their teeth un-til that end is achieved."

(By The Associated Press.)

Washington, July 2 .- Congress today

emergency by the German efforts to achieve victory before America's manpower could exert its full force. How long the present rate of transportation will be maintained depends upon developments in France and the length of time the surplus ship tonnage fur-

Plan of Congress to Recess Today

down to-

te skiel

Upset, May Adjourn Friday For

nished by Great Britain can be employed for this work. In this connection, Secretary Baker said tonight that he disapproved of speculation as to the future records in troop movements, declaring that he did not desire to have "past performances made the basis of speculations for the future." President Wilson's Statement.

The President's statement, with the letter from Secretary Baker and his reply, follow: "I have today received the following

ly thirty

under Major General Liggett, others are

holding trench sectors at important

points along the battle line and still

others have been broken up and bri-

gaded with the French and British

troops. And so when the German

thrust comes, the Americans will be

called upon to play no small part in

Ample Equipment and Supplies

Secretary Baker wrote the President

that the supplies and equipment in

France for the million men who have

gone is shown by latest reports to be

adequate and that "the output of our

war industries in this country is show-

ing marked improvement in practically

all lines of necessary equipment and

The accelerated troop movement

France has been designed to meet the

meeting it.

supply."

letter from the Secretary of War which seems to me to contain information which will be so satisfactory to the country that its publication will be welcomed and will give additional zest

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The photograph shows Captain in France ready to meet whatever move Edythe Cotton, first chief of the women the German staff has in preparation. cops. Police officers are now drilling Some of these divisions already have squads for active police duty. been formed into the first field army



Daniels and Burleson Favor Government Ownership of All Lines

BAKER FOR CONTROL **DURING WAR PERIOD**

Baker and **Daniels** Based Their Position On Military Needs, Not On Threat of Strike

(By The Associated Press.)

Washington, July 2 .- Plans for enacting legislation before the summer recess authorizing President Wilson to take over telegraph, telephone, cable and radio systems went forward in Congress today while three members of the Cabinet emphasized their approval of the proposal before the House Interstate and Foreign Commerce Committee. Leaders in both houses expressed the

opinion that the legislation could be passed without great delay, though some opposition from members opposed to any further grant of power to the ex-

ecutive branch was to be expected. The House committee after hearing the Cabinet officers-Secretaries Baker and Daniels and Postmaster General Burleson-arranged to meet tomorrow to prepare a report on the resolution of

Representative Aswell, of Louisiana, which has been endorsed by Presiden Wilson. The only fight expected is over the question of a time limit for gov All Hail! to Shipbuilders, Says ernment operation. A limit was suggested in the committee today, and was opposed by all three of the witnesses.

For Both Wire and Radio Control. Secretary Daniels and Postmaste Rest, Important Work Being Done General Burleson frankly advocated permanent government ownership of

wire and radio communications. propriation bill, the proposal to in-Baker was not prepared to go that far. crease the government guaranteed price but he joined his colleagues in urging for wheat to \$2.50 per bushel and war government control during the war as a military necessity, to protect gov-erament secrets and facilitate the transmission of government dispatches. The heads of the two war-making branches declared their attitude was not influenced by the strike of Western Union operators called for July 8, and

cisive action on all but the army sup-ply measures until Congress returns in Mr. Burleson, long an advocate of gov-August. To this end the House today ernment operation of communications,

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For Federal and State Co-operation.

Hubert Martin, private secretary to Senator Overman, and Frank Hampton, elerk to the Senate Finance Committee, accompanied M. L. Shipman, Commissioner of Labor of North Carolina, to the Labor Department today to discuss the question of correlation of the federal and state labor agencies. A. C. Hughes has tendered his resig-

cand

nation as postmaster at Apex, Wake county. He will devote his entire time to private interests. Mr. Hughes became postmaster during the early days of the Wilson administration. His successor will be chosen through a cempetitive civil service examination, Apex

is a third class office and the postmaster receives approximately \$1,600.

Page K. Gravely of Rocky Mount, American Representative of Tobacco Company in China has proposed through Senator F. M. Simmons free will offerings to the army and navy of 2,000,000 cigarettes the products of Chinese in dustry. Mr. Gravely desires to move 1,000,000 pounds of tobacco purchased in China before the embargo was placed on this product. His purchase was made in January, February and March. Among the North Carolinians in

Washington today were: H. B. Koonce, of Richland; H. W. Hodges, of Ham-let; Henry L. Guthrie and C. C. Shore, of Rockingham; T. D. Warren, of New Bern; Chairman of the Democratic State Executive Committee, Fred Foxe, of Wadesboro; D. Y. Cooper, of Hender, son; J. H. Vernon, of Barlington; Haywood D. White, of Raleigh; Paul C. Humphrey, of Goldsboro; Mr. and Mrs. W. H. Bagley, of Fort Worth, Texas; ex-Governor and Mrs. W. W ... Kitchin,

who were returning to Raleigh from Battle Creek, Mich. Representative Lee Robinson return-

ed to Washington today from his home Wadesboro. 4n

Mayor Roberson, of Chapel Hill, has appealed to Senator Simmons for a revenue officer to be stationed in the locality of the State University to stamp

(Continued on Page Seven.)

(By The Associated Press.)

Washington, July 2 .- The American Russian Chamber of Commerce of New York today opened offices in the Department of Commerce building, in accord with the program of business intcrests and government officials in preparation for the extension of economic aid to Russin. The Chamber is a commercial organization devoted to further ing closer business relations between the two nations.

barrage, confirmed the earlier at Discussion of the government's in ments that the Americans have I tentions is being discouraged in all quarters and no official today would every point. comment on the situation, or the progprisoners have been sent to the i Others have been located in hosp ress of the American plan.

TWO HUNDRED HOMELESS BY CHARLOTTE FIRE

Charlotte, N. C., July 2 .- It is esti nated that two hundred or more person were rendered homeless today when fire swept four blocks in the negro settle ment in the southeastern part of the city. No fewer than 47 houses, all occupied by negroes, were destroyed by the flames, which, fanned by a strong

wind, consumed the wooden structures Marne, July 2 .-- (By The Asso like tinder. The loss is estimated at ap-Press.)-In a brilliant operation a proximately \$30,000. hard fighting, American troops on

C. C. Hook, local chairman of the front last night captured the villa Red Cross, tonight issued a call for a meeting of all the forces of that organization in the city to be held tomorrow morning to take steps to avert suffer-

ing.

TILLMAN'S CONDITION EVEN LESS FAVORABLE

Washington, July 2 .- Although n marked change was reported tonight in the condition of Senator Tillman, of South Carolina, who suffered another stroke of paralysis last week, members of his family stated that if anything, his condition is less favorable. - The paralysis was said to be progressive and leavig the Senator, who has remained unconscious since Sunday, less responsive. His heart remains strong.

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Vaux, together with a large slice the Paris highway west of Chate Thierry and two patches of we land. The Americana took 275 German oners, including five officers, and tured a quantity of machine guns. other equipment.

> Paris, July 2 .- In an operation the Marne front carried out last m west of Chateau Thierry by French American troops in co-operation, Allied line was improved, the war announced today. The village of Vaux, west of C

hy the Ame

had captured.

wounded.

was annihiliated.

west of Chateau Thierry, was a

pletely broken up. The Americana

of Hill 204, which is in the has

the Germans. At 5 o'clock this er

ing the American artillery was engage

in heavily shelling the position. Reports from the advanced fr

brought back through a heavy en

ed their every objective and are hol

Seven officers and many groups

where they were taken after

The German counter-attack, w

was fiercely conducted, was laun

against the American positions al

clock this morning. It resulted in

number of prisoners. Virtually the

mainder of the enemy attacking for

With the American Forces on

Americana further increasing

not give up a foot of ground which the

There was hot fighting today in fr

can for

teau Thierry, and the heights to west of Vaux were captured last ni by American troops in an operat on the Mfirne front, carried out in e junction with the French, the war of announced today.

CONFERENCE FOR EXCHANGE OF PRISONERS DELAY

(By The Associated Press.) Washington, July 2 .-- The Germ government has informed the Uni States through Spanish diploms channels that it will be unable to he its delegates at Berne, Switzerland, time for the conference planned August 5 to discuss the treatment exchange of prisoners of war. 'United States now has asked that conference be arranged for'at earliest possible date.

. It is assumed here that German gotiators now holding conferences wi meet American delegates at Berne that the delay is occasioned by fact

merchant ships July 4. To Launch 100 Ships 4th July. news there has come to us," General

can fighting men in France that the shipbuilders at home would launch 100

Pershing said. "All ranks of the army

(By The Associated Press.) answer could be given to the enemy's challenge, said a telegram received to-

in France send their congratulations and Washington, July 2.- No more defiant heartfelt thanks to their patriotic brothers in the shipyards at home. No more defiant answer could be given to the enemy's challenge. With such backone sent by Chairman Hurley of the ing we cannot fail to win. All hail Shipping Board, informing the American shipbuilders." Chairman Hurley's message to the

Gen. Pershing, "No More Defiant

Answer Could Be Given the Enemy"

army said: "Not by delaying a single ship but by speeding to the utmost, the American shipyards will launch nearly one hun-

"The launching of 100 ships on the Fourth of July is the most inspiring dred ships of July 4. On this one day,

time prohibition were among the is-sues in the complex legislative situation delaying a recess. Bureaus Without Funds Leaders' plans for beginning the congressional vacation late this week were based on a program of postponing de-

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