

THE WEATHER
Partly cloudy Thursday with thunder-
showers in east portion, slightly warmer
in west and central portions; Friday
and Saturday cloudy.

THE DAILY INDEPENDENT

1908

COMBINED WITH THE INDEPENDENT, A WEEKLY ESTABLISHED BY W. O. SAUNDERS IN 1908

1936

MARITIME FORECAST
Sandy Hook to Hatters: Gentle to
moderate winds, mostly northerly; ov-
ercast weather, with scattered showers
Thursday.

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American Shipping Aided In Race With Nations Of World By A New Subsidy

System Replaces Ex-
pired Ocean Mail
Contracts

Six Months Trial

Replacement Building
Program Is Also Part
of Rehabilitation

Washington, June 30.—(U.P.)—The Roosevelt administration to-
day took its second step in an
attempt to improve the delin-
quent American Merchant Marine
by announcing completion of a
newly operating subsidy structure
designed to place American ship-
ping lines on an equal competi-
tive basis with foreign vessels.
Chairman Joseph P. Kennedy
of the U. S. Maritime commission
announced that 16 subsidy agree-
ments covering a six month ex-
perimental period, had been ef-
fected as the old ocean-mail con-
tract system expired.

Difference in Costs
Kennedy said 151 American
ships would begin operating
tomorrow under these new
contracts which pay to ship owners
the difference in operating
costs between foreign line work-
ing expenses and those of American
vessels.

Replacement Program
Mr. Roosevelt sent a special mes-
sage to Congress last month re-
questing approval of expenditures
up to \$160,000,000 for 96 new
merchant vessels. Simultaneous-
ly Kennedy announced plans for

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**State Revenue
Collection Is
Up This Year**
Shows Increase of 21.87
Per Cent Over 1936
Fiscal Year
Raleigh, June 30.—(U.P.)—Re-
venues of the state of North Car-
olina increased \$12,234,015.33 or
21.87 per cent during the 1937 fiscal
year as compared to figures for
the 1936 fiscal year. A. J.
Maxwell, state revenue commis-
sioner, reported today.

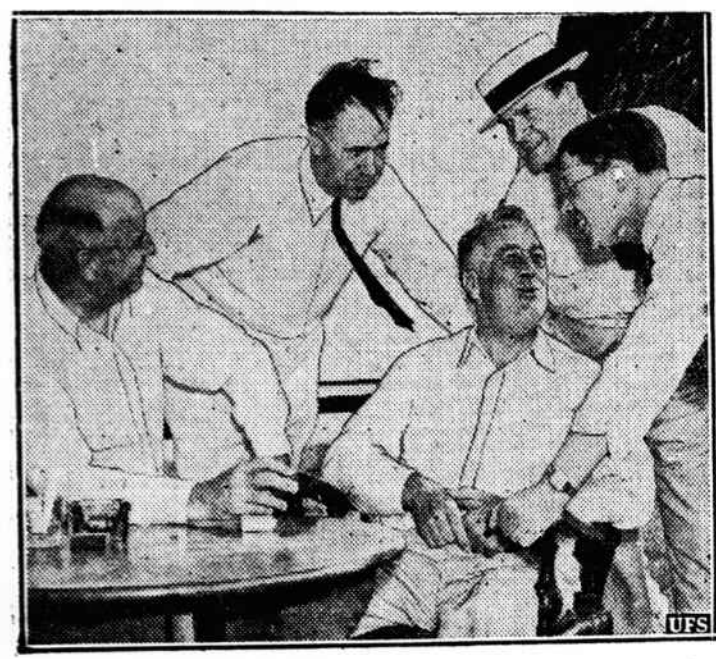
**Vivid Screen Drama
At The Carolina
Fri. and Sat.**
One of the most dynamic and
most vivid dramas ever seen on
the silver screen will be shown at
the Carolina Theatre Friday and
Saturday of this week when the
management, in conjunction with
local stock insurance firms, will
present Richard Dix in "The Devil
Dwains."

**Salvation Army
Obtains New
Quarters**
Former 'Nip Joint' Is
New Army Head-
quarters Here
It was an ironical sort of a co-
incidence when the Pasquotank
County ABC store moved into its
new quarters previously occupied by
a troop of Boy Scouts, but almost
as ironical will be the Salvation
Army's occupancy today of quar-
ters which in recent years were
occupied by a notorious "nip
joint."

**Fire Loss Is Held Down To
89c Per Capita**
Loss for Year \$10-
650; Large Risk; a
Busy Year for Dept.
Elizabeth City's highly efficient
semi-volunteer fire department
held the local fire loss for the
1936-37 fiscal year down to \$10-
650, or approximately 89 cents per
capita, despite the fact that prop-
erty at risk during the year was
valued at upwards of \$500,000.
The annual report, prepared by
Assistant Fire Chief Ken Davis
and released last night contains
many interesting facts.
For instance, during the year
the department answered a total
of 191 calls, consisting of 70 bell
alarms, 82 still alarms, nine first
aid calls in the city, six first aid
calls outside the city, 20 fires out-
side the city, two false alarms and
two courtesy calls (removing cats
from trees).
The department was in service
75 hours and 36 minutes during
the year and 27 hours and 28 min-
utes of this time was spent on
calls outside the city.
The pumper worked for four
hours, all of which was out of
town. The department used 3,950
pounds of oxygen and 584 1/2 gal-
lons of chemicals. A total of 13-
750 feet of hose was laid, and
1,274 feet of ladders raised.
Causes of the alarms answered

(Continued on Page Three)

At Island Love Feast



THAT picnic planned by President Roosevelt on Jefferson Island, in Chesapeake Bay, was a "good time had by all" affair, without much of the intended seriousness. Here is the president as the center of an informal group. Postmaster General James A. Farley is at left, with Representative Edward L. O'Neill of New Jersey at right.

Memorial Day Riot Aired In Committee

Another Snake Story Gone Wrong

**Seagoing Reptile Tak-
en Off Oregon Inlet
Was Not a Rattler**
Here's another good snake story
or fisherman's yarn discredited.
The versatile Frank Stick, who
among other things is a natural-
ist and an authority on reptile
life, was in town yesterday ex-
hibiting the "rattle snake" which
Leamon Melson of Williamsburg,
Va., caught swimming several
miles out at sea off Oregon Inlet,
Sunday afternoon.
The snake, while resembling
somewhat a rattler or a water
moccasin, was not a rattler at all,
but the most harmless and play-
ful of all snakes, the hog-nose
snake, mistakenly called the "puff
adder."
The hog-nose snake makes a
frightful hissing noise when at-
tacked, its head swelling to an
enormous size.

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(Continued on Page Three)

TODAY'S LOCAL
CALENDAR
A. M.
8:30 Mens Christian Federation
P. M.
8:00 Eastern Star; Red Men;
Troop 152 BSA; Choir
practices
Library Hours: 10-12, 2-6.

Ford Sees A Plot Of Bankers

Dearborn, Mich., June 30.—(U.P.)
Financiers are attempting to
force Henry Ford to "accept an
outside party as a wage dictator"
so that they may slash the pay
of their employees throughout the
country, the Ford Almanac, com-
pany publication, charged tonight.
Homer Martin, president of the
United Automobile Workers of
America, described the article as
"some more typical Ford Motor
Company's ballyhoo."

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(Continued on Page Three)

Russia And Japan Clash In Border River Battle

More Steel Plants Are Reopened Amid Violence

Leaders Of New Deal And Old Fraternize For A Day

Indianapolis, Ind., June 30.—(U.P.)—Inland Steel company and
the steel workers organizing
committee tonight signed a
"memorandum of understand-
ing" ending a month-old walk-
out of steel workers at the com-
pany's Indiana Harbor plant.

Canton, O., June 30.—(U.P.)—
Violence and threat of a general
strike here and mobilization of
the national guard in northern
Indiana featured developments in
the steel strike tonight.

The C. I. O. pickets crashed au-
tomobile windows and injured
several non-strikers leaving
plants of Republic Steel Corp.,
when shifts were changed tonight.
It was the second outbreak of the
day here.

Gov. M. Clifford Townsend of
Indiana ordered 3,900 national
guardsmen in northern Indiana
to mobilize and await further or-
ders in view of possible violence
at Indiana harbor at 8 p. m. to-
morrow when Inland Steel Corp.,
and Youngstown Sheet and Tube
are scheduled to reopen strike-
bound plants.

Republic opened its plants here
this morning, when fifteen work-
ers were injured by stones.

When the shifts changed to-
night workers drove out of the
gates in some 250 automobiles
guarded by national guardsmen.
After the troops left them three
blocks from the gates, strikers be-
gan stoning the non-striking.

The returning army of work-
men tonight was estimated at 900

ABC Business Up 65 Per Cent

Bldg. Permits Show 45% Gain

Sales in the Pasquotank County
ABC store during the 1936-37
fiscal year reached the grand
total of \$164,514.10, which repre-
sents an increase of 65 per cent
over the store's first fiscal year's
business and an increase of 32 per
cent over the last calendar
year's receipts.

The store's receipts for the last
six months of 1936 totaled \$79-
036.25, while those of the first six
months of 1937 totaled \$85,477.95.

Receipts for the calendar year
1936 totaled approximately \$128-
000, while those for the 1935-36
fiscal year, first year of the store's
operation, totaled only \$100,042-
70.

The 1936-37 receipts by quar-
ters were as follows: September
quarter, \$34,349.75; December

Finding Bones May Solve Pender County Mystery

Burgaw, June 30.—(U.P.)—The
14-month-old mystery of the dis-
appearance of Paul Krochmalny,
Polish farmer of the St. Helena
section of Pender county, may be
solved today at a preliminary
hearing for three men, one of
them his brother, whom the state
charges killed Krochmalny and
cremated his body.

The three accused men who
faced a preliminary hearing in
recorder's court here today are
Pete Krochmalny, brother of the
missing man; Paul Krochmalny,
son of Pete; and Ervin Williams,
step-son of Pete.

The two Krochmalnys have
been held in New Hanover county
jail in Wilmington and Will-
iams has been held in Pender
county jail here since their arrest
June 18, nearly six weeks after
the St. Helena farmer disap-
peared.

All have steadfastly maintained
their innocence of the state's al-
legation that they killed Paul
Krochmalny because he discov-
ered they had defrauded him out
of \$1,000 in money orders.

The state charges that the
younger Paul Krochmalny, neph-
ew of the missing man, obtained
the money orders through the
similarity of their names, and
that when their rightful owner
discovered the three had taken
his money, they killed him and
burned his body to conceal the
act.

The money orders have been
recovered and are expected to play
an important part in the state's
case against the three men.

Solicitor John J. Burney and
others in charge of prosecution of
the case have remained secretive
but it was learned that private
detectives working in Wilmington
have found bones alleged to be
those of the missing farmer.

Defense attorneys, however,
have hinted that Paul Krochmal-
ny is still alive and that if the
case goes to trial they may be able
to produce him.

The Polish farmer disappeared
April 4, 1936. According to Pete,
his brother, he was last seen as
he crossed a ditch a short distance
from his Pender county farmhouse
and entered a thicket. No one has
been found who saw him emerge
on the other side.

(Continued on Page Three)

Japanese Gunboat Is Captured, Moscow Reports

Dead and Wounded

Moscow, Thursday, July 1.—
(U.P.)—Soviet dispatches from Bla-
govestchensk said today that a
Japanese-Manchukuo gunboat was
captured by Soviet forces during a
Russo-Japanese fight on the Man-
chukuo Siberian border Tuesday.

Two Russians were killed and
three wounded when Japanese ar-
tillery opened fire on a Soviet
gunboat, the reports said. The
Japanese-Manchukuo gunboat was
reported seized and towed to the
Russian shore on the Amur river.

The Blagovestchensk reports
read:
"On June 29 a Japanese Man-
chukuoan cutter fired at a Soviet
frontier guard post in the vicinity
of the island of Sychevsky (Sen-
nufu) on the Amur river."
"Following return fire by the
Soviet forces the Japanese-Man-
chukuoan troops opened fire with
cannon from the Manchukuoan
shore on a Soviet gunboat which
was cruising near the Russian
shore. The gunboat was damaged.
Two of its crew were killed and
three wounded."

"The Japanese-Manchukuoan
gunboat which had started the
fighting was seized by our forces
and towed to the Russian shore by
our gunboats."

Soviet far east military head-
quarters in Khabarovsk confirm-
ed report of the clash, which fol-
lowed diplomatic exchanges here
regarding a dispute of ownership
of the Sennufu and Bolshoi Island
groups in the Amur.

Japanese Ambassador Mamoru
Shigemitsu said today that Rus-
sia has concentrated 30 gunboats
on the Amur river near the dis-

Col. Luke Lea Is Pardoned By Governor

Wallaée B. Davis, Convict- ed at Same Time, Is Also Favored

Raleigh, June 30.—(U.P.)—A "full
pardon" for Col. Luke Lea, Ten-
nessee war hero and publisher
who was paroled from North Car-
olina state prison after serving for
nearly two years in connection
with a bank failure, was announ-
ced tonight by Gov. Clyde R. Hoey.

Lea was convicted in 1931 of
misappropriation of funds in con-
nection with collapse of the \$17-
000,000 Central Bank & Trust Co.,
of Asheville. It was May 19, 1934,
however, before Lea entered pris-
on. He was paroled April 2, 1936.

Wallace B. Davis of Asheville,
convicted with Lea and paroled
after serving part of his term, also
was granted "full pardon" tonight.

The case of Luke Lea, Jr., pa-
roled after serving 79 days im-
prisonment in connection with the
bank failure, "did not come up
for review" in regard to pardon,
Hoey said.

The governor's only explanation
of the pardons was that they were
granted on "merits of the case."

Turtle Eight Feet Across Is Captured

Seaside Heights, N. J., June 30.
—(U.P.)—Capt. Otto Peterson re-
ported today that he had caught
the grandfather of all turtles—a
monster with a shell eight feet in
diameter and standing three feet
high on his bony legs.

It took six men four hours to
land the beast and 20 men to drag
him into a pool at the Seaside
Heights Casino.

The turtle was estimated to
weigh nearly a ton.