TWENTY-SIXTH YEAR

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HENDERSON, N. C., FRIDAY AFTERNOON, MAY 12, 1939

PUBLISHED EVERY AFTERNOON EXCEPT SUNDAY.

for Coming Year; Ap-

proves Roosevelt Sec-

Intyre in Asheville

announced by Senator Hatch, Dem-cerat, New Mexico, presiding, as 61 to 14. Earlier the Senate defeated 42

to 28 the motion to send the bill

back to its appropriations committee for reduction.

for consideration of more than \$338,-

addition to \$500,000,000 for soil con-

servation checks. It also added \$113,-000,000 for removal of farm sur-

Other developments:

the same amount of revenue.

The President said he had select-

end of 60 days.

pluses.

The Senate failed to decrease a

FIVE CENTS COPY

New Coal Contract Agreed On Hoey Thinks Including Union Shop Clause

Whole Group Must Pledge Its Support

Afternoon Session of All Negotiators Expected To Reach Terms That Will End Soft Coal Strike, Long in Progress

New York, May 12.—(AP)—W. L. Robison, of Cleveland, chairman of the joint bituminous negotiations committee, announced shortly before noon today the conferees had agreed on a new contract between the United Mine Workers of America (CIO) and the operators of the Appalachian eight-state area. It includes the union shop.'

Robison's announcement as he emerged from the meeting of the sub-committee which reached the agreement included no mention of the "union shop". As he was talk-ing to reporters, however, Dr. John Steelman, conciliator of the Federal Labor Department, broke in to say the chief of the demands made by John Lewis, CIO chieftain and president of the United Mine Workers of America, had been agreed to.

It was not indicated immediately how many operators in the Appalachian conference, which covers eight states, would go along with the agreement.

The union shop means that all new employees must join the union within a specified time, although old employees who are not union are not required to become union members. This differs from the "closed shops' d by the United Mine Workres, in that all employees must join the union under a "closed shop"

agreement. Robison made no comment when Steelman asserted the "union shop" clause was agreed upon.

The text of Robison's statement

"The joint sub-committee has completed its consideration of the subject matter to go into a new Appalachian contract, and has appoint ed a drafting committee to edit such a new document. This drafting committee will promptly complete its work and report back to the joint The general Appalachian conference s called to meet at 2.30, at which ime the report of this joint sub-comnittee will be made to it for such action as it may care to take thereon.'

Nicaragua's Chief Knots Traffic Line

By CHARLES P. STEWART Central Press Columnist Washington, May 12.—Draw a of any busy city, with a population



President Somoza

Washington had the taxes.

To be sure, Washington, if any farm prices. I said that eggs would ce, is accustomed to tie-ups of just | sell at \$2 per dozen, milk at 60 cents | e sor' referred to. Every four years per quart, and beefsteak at \$3 per has a presidential inaugural pa- pound if farm labor were paid as year, W. H. Rhodes, chief of the derade through its business midst, much as building tradesmen receive. Which gume up its works marvel- My critics say that it is not just the lously. However, the citizenry is pre- high price of non-farm labor that pared, long in advance, for these periodic sieges. It knows what's coming. Business virtually suspends itself. Commercially the place is as the commercial that it expects to be a commercially the place is a commercially the place is as the commercially the place is a commercial that th be. Moreover, the capital's inaugural tion's income of \$65,000,000,000 last

(Continued on Page Three)

Pershing Visits the Capital



General John J. Pershing (center), war-time commander of the American Expeditionary Force in France, arrives in Washington for a visit, after wintering at Tucson, Ariz. With him are his physician, Dr. Roland Davison (left) and his secretary, Colonel G. E. Adams. The general still shows the ravages of the illness that almost claimed his life last year.

America's 'Softness' Menace To Her Freedom

Babson Asks Will God or Fascism Win in United States; Says Investor Is Forgotten Man of 1939; Stockholders Squeezed All Around

By ROGER W. BABSON Bureau, Inc.

Who is the "forgotten man" of 1939? New York Stock Exchange, only We heard a lot about the "forgotten about a third are paying any divicar campaign of 1932, he was the aver try's railroad mileage is not even age little fellow. But who is he today? The wage worker is getting better Banks are paying two per cent on hourly pay now than in 1929. The executive is still getting a high salary. The labor leader is sitting prettier than ever. The politician is having a hey-day. Even the former is getting his benefit payments. Who, then, is the "forgotten man"? He is the stockholder, who is the heal em-

Stockholder Squeezed In the hundreds of new laws that have been passed since 1932, in the leadline right through the middle thousands of speeches that have as large as about crowded the air-waves, in the millions of editorial that have been writhalf a, million abolish all traffic ten, and in the billions of dollars of along that main taxpayers' money that have been street for two or spent, the stockholder has been forstreet for two or spent, the stockholder has been for-three hours and gotten. (The S. E. C. was put in 19 percent and left an indicated permit nobody to primarily to protect new investors crop of 41 percent of normal, the cross it for the rather than existing stockholders.) State Department of Agriculture resame length of For five years the investor has been time-and, believe squeezed by a powerful combiname, automobileism tion of high-salaried executives, and pedestrianism power-mad labor leaders, and voteand everything are crazy politicians. Everybody has bound to be a sight been paid off except the man who to behold when invested the money to give the jobs, to create the positions, and to pay

washington had such an experience such an experience the other day.

Some readers have severely critiz- low estimates were made by peach low estimates were made by peach growers throughout the Piedmont sitations have their recompenses. last year, about \$15,000,000,000,000 They bring in crowds of visitors, who went for the cost and losses due to

are a pest to local house folk, tour- crime. Stockholders Take the Licking 1st agencies, taxicabmen and various High evecutive salaries are un-Between inaugurations the town doubtedly justified. It takes brains, courage and training to run a big enterprise. But what I object to is

that many executives do not take the b-committee at 12:30 p. m. today. Copyright 1939, Publishers Financial, licking with their stockholders. The whole brunt of the blow falls on the investors when the dividend is pas-Babson Park, Mass., May 12.— sed. Out of 1,237 stocks listed on the man" a few years back. In the politi- dends, while 35 per cent of the counmeeting the interest on its mortgages.

(Continued on Page Three)

Cold Damage State Crops

Raleigh, May 12.—(AP)—Frost and hail last month reduced North

ported today.
"The late winter freeze did heavy damages, but fortunately left the remaining fruit well distributed on trees," a federal-state crop survey said. "Freezes, hail storms and low temperatures since April 1 also dam aged the fruit appreciably.'

Mountain counties reported almost a complete failure and spotted and eastern sections of the State. Crop conditions generally, in the State are not so favorable as last partment's statistics division, said. Other crops reported included: Early potatoes, the condition was 80

percent of normal on May 1, which was an improvement of ten percent over April 1, but six percent below May, 1938

The total North Carolina peach production this year is estimated at 1,395,000 bushels, compared with 2,232,000 last year.

Weather FOR NORTH CAROLINA Mostly cloudy tonight and Saturday; slightly cooler tonight.

State Taxes High Enough

Tells Bankers Spending Should Not Be Increased Except As Present Tax Structure Yields More Money; System Sound

By Staff Correspondent. Pinehurst, May 12. — Governor Clyde R. Hoey this morning told North Carolina bankers that the public is being taxed enough and it would not be advisable for the State to increase its appropriations beyond the amount to be realized under present revenue laws.

"I took the definite position before the recent General Assembly that taxes should not be increased," he said. "I still adhere to that view" Provision has been made for a tax research division in the Revenue Department with a view to studying the tax structure of different states and our own, with a view to removing any discriminations, revising any schedules found necessary in a just administration of our tax laws, and ascertaining if any legitimate sources of taxation have not been reached. The whole idea underlying this work is to perfect our tax system and do justice to every class and interest."

The governor lauded the 1939 legislature for reducing some taxes and making helpful adjustments in others. He praised, particularly, the departure from precedent made when the Assembly adopted a permanent revenue bill. This, he said, "will stabilize our whole tax structure."

Throughout his entire speech the governor showed that he is satisfied

with North Carolina's present system of taxation and does not favor any radical changes or departures, only

better business should be sufficient to provide for a healthy growth in schools, health, institutions and public welfare.

Comptroller Office Upheld By Delano

Pinehurst, May 12.—(AP)—Preston Delano, comptroller of the currency, said here today a proposal to abolish his office and devolve its duty on other agencies would accomplish no economy or simplification of administration.

He spoke before the 43rd annual convention of the North Carolina Bankers Association. Delano, pointing out that the

comptroller's office was the oldest supervising agency in the federal government, said its extinction "would be a distinct blow to the prestige of the national banks and might even imperil the existence of our dual banking system."

"In my judgment, it would be a backward step for this office and its staff not to be preserved in its present form," he added. Turning to the banking situation,

Delano said he thought the "assertion that the banks are refusing legitimate credit to industry are the result of confusion of mind as to the true nature of the banking function." Meanwhile, expressing unqualified opposition to any increase in State taxes, Governor Hoey told the bankers existing levies "should be sufficient to provide for a healthy growth in schools, health institutions

and public welfare." The governor said revenues from present taxes would increase as the State grows and develops.

W. W. Woolard, of Greenville, will be installed today as the new president. By custom, R. P. Holding, of Smithfield, will enter the line of succession as third vice-president after Ben R. Roberts, of Durham, and R. C. Llewellyn, of Mount Airy, each advance a notch in the vice-presidential list.

Fresident Woolard announced appointment of the following standing committeemen, among others: Agriculture, Jasper L. Cummings, Rocky Mount; finance, B. R. Roberts, Durham; legislative, Woolars; publications, C. A. Kramer, Kinston.

W. B. KIKER NAMED ROTARY GOVERNOR

High Point, May 12.—(AP)—W. B. Kiker, of Reidsville, was nominated for district governor of district 189 of Rotary International at the annual conference of the district here today. Kiker will succeed Irvin Morgan, Jr., of Farmyille.

R. S. V. P.—for Lucky 1,300



The British Ambassador

has received Their Britannic Majesties commands Anna John Doc

> la a Gurden Firdy at the Embasy on Thursday the & the June 19:29

Here is a photographic reproduction of the formal invitation sent to 1,300 persons "by command of their majesties" to attend the garden party that will be held at the British Embassy in Washington for King George and Queen Elizabeth of England. (Central Press)

Record Farm Bill Passes Senate By Heavy Margin

Lindbergh Ends Charlotte Visit

Charlotte, May 12. — (AP)— Colonel Charles A. Lindbergh took off at daylight today in an army pursuit plane for an un-

announced destination.
Colonel Lindbergh, who has been inspecting army air facilities on the west coast spent the night here. He arrived here from Maxwell Field, Alabama.

36 Survivors Rescued From minor adjustments, at the most. He expressed the opinion that under a policy of this sort the natural increase in revenue resulting from better business should be the solution of the soluti

Yarmouth, Nova Scotia, May 12.—(Canadian Press)—All 48 men aboard the New England fishing schooners Isabelle Parker and Edith C. Rose, which foundered early Wednesday after colliding in a dense fog, were believed accounted for at noon today. One of the number was

Yarmouth, Nova Scotia, May 12.-(Canadian Press) — Twenty-seven fishermen from the schooners Edith a score of government agencies and C. Rose and Isabelle Parker, were abolishes the Bituminous Coal Comlanded near here today, bringing to mission, placing its functions under 36 the number of known survivors the Interior Department. The proof the collision between the two ves- gram now will go into effect at the

Eleven seamen still were missing as a result of the collision of the New England fishing vessels early Wednesday morning in a heavy fog 100 miles at sea, midway between Yarmouth and Boston. One man was wealthy. In a long discussion of taxes ber of Deputies tonight voted conknown dead.

lages of Westport and Freeport said in place of any corporation levies ficial count was 375 to 230. The 27 had been landed there after repealed, there would have to be three fishermen found them in open found substitute taxes to bring in a dramatic speech, insisted that dories early today.
Whitney Derby, Wallace Titus and

Herman Cann found the new group of survivors 20 miles west of Briar island. Details were not given in the ture have failed to point out how brief messages reporting that the 27 had landed and were starting imme- lost. diately on the 30-mile trip to Yar-

A gasoline boat previously had picked up nine fishermen near exhaustion after rowing 80 miles in (Continued on Page Five) dories.

The survivors were found as a fleet of rescue boats and planes searched the chill waters off the Nova Scotia coast. Both the Isabelle Parker, a Boston schooner, and the Edith C. Rose, of Gloucester, sank quickly when they collided in the dense fog.

TWO ESCAPES AND TWO CAPTURES MADE

Raleigh, May 12.—(AP) — The State broke even today in its ledger of escapes and recaptures of prison-Oscar Pitts, penal superintendent,

reported two escapes and two recapures, the latter including: Rudolph May, 30, who escaped from the Nash camp last August, was returned her from Baltimore, He was sentenced in Edgecombe to 90 days for assault with deadly weapon

HOEY NAMES MAYOR

Bracy as mayor of the town of Pembroke for a term expiring May 1, ers of the town. They are: B. F. Cole, E. B. Daniel, Ira Pate Lowry and Lacy Maynor.

Aid Pledged Each Other In Sea Area

Aggression Leading to War in Mediterranean Region Would Bring Both Into Action; Chamberlain Advises Commons of New Accord

London, May 12.—(AP)— Great Britain added strategic Turkey to her European security line-up today as the two governments pledged aid to each other, "in event of an act of aggression leading to war in the Mediterranean area."

The pledges were announced \$1,218,000,000 Voted in the House of Commons by Prime Minister Chamberlain pending conclusion of a "definite long-term agreement of ond Reorganization reciprocal character in the in-Bill; FDR To Visit Mc- terest of their national secur-

Asked whether an "act of aggression leading to war in the Mediter-ranean" meant an act of aggression Washington, May 12.—(AP)— A record of \$1,218,000,000 farm appropriation bill passed the Senate toped with the answer: day. The vote on final passage was ped with the answer:

"It means an act of aggression which leads to war in the Mediterranean area.'

Pending completion of the definite agreement, the prime minister said, "the British government and the Turkish government declare that The bulky annual agriculture in the event of an act of aggression leading to war in the Mediterranean leading to war in the Mediterranean area, they would be prepared to cooperate effectively and lend each other all aid and assistance in their

single item previously inserted by the House, but inserted or increased more than 100 items. Most of the Chamberlain made it clear that ids will be used to improve farm clude the "definite, long-term agreeincome and prices, either through direct benefit payments to farmers not been fully worked out. The anment," but, indicated its details had or government programs to remove nouncement meant that Britain had forged another link in her chain of The Senate approved \$225,000,000 for parity payments to farmers in the Turkish agreement supplementing British-French pledges of support already given to Poland, Rou-

(Continued on Page Three)

The Senate approved President Roosevelt's second government reorganization plan. The plan regroups Daladier Is Given Vote the Interior Department. The pro-Of Confidence President Roosevelt said he would

Paris, May 12.—(AP)—The Chamat a press conference, the President fidence in the foreign and domestic Telephone messages from the vil- emphasized again his contention that policies of Premier Daladier. The of-

France's present strong foreign pol-Mr. Roosevelt said those who have icy of opposition to the authoritarbeen clamoring for removal of deterian states would have been imposrents to business in the tax struc- sible without his domestic policy of "putting France back to work." to raise the revenue that would be Daladier's victory ended a two-day

foreign affairs debate set off yesterday when the premier declared ed Admiral William Leahy, retir- France would continue building alliances and increasing her armed forces as long as her neighbors maintained "massive mobilizations."

Japanese Seize Foreign Settlement Around Amoy; Shanghai Is Threatened

Shanghai, May 12.—(AP)—Jap- the vicinity. The Japanese asserted at Amoy, and a Japanese spokesman warned that "similar action" might icans on Kulangsu, one of whom is a be necessary respecting the interna- member of the council. tional areas at Shanghai.

Kulangsu is an island in the har- anese naval commander in the Amoy

Japanese naval commander was in the assailant.

anese forces occupied today the international settlement of Kulangsu titling them to exercise the right of self-defense. At present there are seven Amer-

Domei asserted that while the Jap-

bor of Amoy, a province port 600 area was in the Kulangsu settlement miles southwest of Shanghai which yesterday, unidentified persons shot IN TOWN PEMBROKE the Japanese occupied several and wounded Hung Li-Hui, president months ago. The international set- of the Amoy Chamber of Commerce. Bracy as mayor of the town of Pemwith a normal foreign population of bours later, without warning to the soroke for a term expiring May 1, 1940. As authorized by law, the governor also named four commissioners of the town. They are: B. F. Cole, said the occupation followed the settlement on the grounds that the council had failwounding of a Chinese while the ed to take active steps to capture