

U. S., BRITAIN PROTEST INSULTS BY JAPS

France Fetes First Clipper Tourists



Central Press Radiophoto

Newspaper reporters who were passengers on the "press preview" flight of the Atlantic Clipper answer the noisy welcome of 3,000 Parisians at Le Bourget flying field in France...

New Securities To Be Taxable

FDR Desires No Exemption Upon Loans

Congress Leaders Study Vast New \$3,860,000,000 Lending Proposal; Project May Not Be Enacted So Near Session's End

Washington, June 23.—(AP)—President Roosevelt expressed the hope today that government securities issued to finance his proposed new \$3,860,000,000 spending program would not be tax exempt.

As administration leaders at the Capitol studied the vast lending proposal to determine what new legislation may be necessary, the President answered many new questions about it at a press conference.

Asked whether the securities which would be issued by various federal agencies to raise funds to lend on a wide variety of self-liquidating projects would be exempt from taxes, the President said he did not know the law on that point, but hoped there would not.

Replying to a question as to the interest rate to be charged local governments for the loans, the President said this should be as low as possible, and he expected both the principal and interest to be paid.

Much of the lending would be done by the new Federal Works Agency, which, under the recently-approved government reorganization plan, goes into operation July 1.

The President said he expected to send to the Senate during the day the nomination to head that agency, and one of the other two new agencies under the reorganization.

Because Congress already is rushed with pre-adjournment legislation, there were some expressions of doubt that it could enact at this session the six-point, seven-year plan involving projects classified as self-liquidating.

WELDON NEGRO HELD IN ATTEMPTED RAPE

Weldon, June 23.—(AP)—Albert Bowser, 19-year-old Negro, was arrested near here today on a charge of attempting to ravish a white woman of the Anderson's Cross Roads community late yesterday.

Murphy, June 23.—(AP)—Miss Bill McClure, 26, died in a hospital here today of burns she received Wednesday night in a scalding hot shower bath at a laundry where she was employed.

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Protests to Nippon



John K. Caldwell

John K. Caldwell, United States consul general in Tientsin, brought the United States formally into the Far Eastern situation by delivering complaints of American business men there to Japanese Consul General Shigenori Tashiro.

U. S., Britain Sign Barter For Cotton

Each Seeking War-time Reserves and United States Will Get Rubber Stocks In Exchange for Cotton

London, June 23.—(AP)—Oliver Stanley, president of the board of trade, told the House of Commons today he and United States Ambassador Joseph Kennedy would sign during the day a barter agreement by which United States cotton would come to Great Britain for use in war time, with British rubber going to the United States.

Negotiations for the large scale transaction involving the exchange of certain raw materials required as strategic reserves in both countries were opened more than a month ago.

Assurances were given at a special committee meeting of the Liverpool Cotton Association that the cotton stocks in question would not come on the market for at least five years.

Futures jumped 17 to 18 points at the close of yesterday's dealings on the Liverpool cotton market.

The Canadian government had protested against the agreement.

Not only will it do that, he said, but it will go above the mark without any diversion of gasoline tax money from the highway funds.

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Japs' Envoy Is Summoned At London

Britain Aroused By Treatment of Nationals at Tientsin; Representations by U. S. Consul Made in Half of Americans There

London, June 23.—(AP)—Japanese Ambassador Shigenori Tashiro was called to the British Foreign Office today for consultation on what Prime Minister Chamberlain termed "intolerable insults" to British by Japanese at Tientsin.

The prime minister told the House of Commons that Foreign Secretary Lord Halifax had asked the Japanese ambassador to see him, and that Halifax would "make it very clear" what he thought of the new incidents reported last night.

Asked if the British government would put retaliatory measures into operation at once, Chamberlain said: "I do not think we have got to that stage yet."

Chamberlain made his statement in response to numerous questions similar to the barrage directed at him yesterday urging "strong action" against Japan.

"The honorable members will no doubt have seen reports of further indignities to which the British nationals have been subjected," Chamberlain said.

"My noble friend (Lord Halifax) has requested the Japanese ambassador to see him in connection with these incidents today."

Cheers greeted his statement. (Tientsin reports over night had told how the British consul general in Tientsin issued a statement saying eight British subjects had been forced to submit to indignities, including stripping, and lengthy examination in full view of Chinese coolies.)

REPRESENTATIONS MADE BY U. S. CONSUL AT TIENTSIN

Tientsin, China, June 23.—(AP)—United States Consul Frederick W. Hinke, made representations at the Japanese consulate today against inconveniences suffered by Americans at barricades Japanese put up ten

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FRANCE AND TURKEY SIGN AN AGREEMENT

Ankara, Turkey, June 23.—(AP)—France and Turkey signed today a formal agreement ceding the strategic republic of Haxtai to Turkey.

The agreement is a corollary of British-Turkish-French mutual assistance pact to be completed later today in Paris.

SURRENDERS AFTER ESCAPE YEAR AGO

Raleigh, June 23.—(AP)—Oscar Pitts, penal superintendent, reported today that Otto Brown, who escaped from the Sampson county camp August 1, 1938, returned to camp yesterday and told officials he wanted to complete his sentence.

Records showed Brown was sent up from Duplin to serve a year for larceny and receiving.

Commissioner Maxwell made it perfectly plain that from the point of view of receipts alone there will be no reason whatever for diversion of any sort.

Not only will it do that, he said, but it will go above the mark without any diversion of gasoline tax money from the highway funds.

To Be Governor



Earl K. Long

Lieutenant Governor Earl K. Long, brother of the colorful Huey, Louisiana senator who was assassinated, will succeed Richard Leche as Governor of Louisiana. Leche resigned because of ill health.

Hoey to Act In Cases Of 6 Condemned

Won't Interfere With Execution of Alleged Negro for Slaying; Hearings Planned For Others of Six Set To Die July 7

Raleigh, June 23.—(AP)—Governor Hoey announced today that he would not intervene in behalf of Glenn Maxwell, Alleghany county Negro scheduled to die with five other men in Central Prison gas chamber July 7.

The governor said that attorneys had requested a reprieve for James Godwin, convicted in Guilford of killing a textile worker after escaping from the Lexington jail with the help of the jailor's daughter.

Godwin also is scheduled to die July 7. Studies are being made of the cases of the other men, Alfred Capor, of Robeson, and James Cureton, of Forsyth.

Couple of Fliers Up Over 41 Hours Seeking a Record

Springfield, Ill., June 23.—(AP)—Two Decatur, Ill., aviators, trying for a new world flight record for light planes, passed the 41-hour mark today.

Their second night in the air was without incident.

The fliers, Hunter Moody, 25, and Wilbur Parrish, 36, circled over the municipal airport shortly after daybreak and took on a fresh supply of gasoline by means of a rope contact with a speeding truck.

They also successfully received their breakfast by similar contacts.

UCC Workers Feel Better Despite Heat

Raleigh, June 23.—(AP)—Charles G. Powell, chairman of the Unemployment Compensation Commission said today that the agency's employees felt much better today and that there had been no further prostrations as the result of the heat.

Workers went to their posts at 7 a. m. today and were to quite at 2 p. m. This was expected to provide some relief from the heat.

Regular hours are from 8:30 to 4:30. Officials here still had not heard from Washington on two plans to lessen the heat in the offices, where numerous prostrations have been reported.

Tax Revision Bill Is Enacted

Solution Of Lost Colony May Be Near

Second Stone Found on Chowan River Indicates Slaying of Raleigh's Pioneers by Savage Indians

Gainesville, Ga., June 23.—(AP)—The roughly carved lettering of a granite slab that may prove to be the gravestone of Virginia Dare, first white child born in America, was disclosed today by Dr. H. J. Pearce, president of Brenau College.

In addition to Virginia Dare, the stone bears the names of her father, Ananias Dare, and of 15 others, presumably murdered by Indians in 1591, four years after they set foot on the New World.

It is signed with the name of Eleanor Dare, mother of Virginia.

Dr. Pearce said that if the authenticity of this and a companion stone now in the Brenau College museum can be established, the mystery of Sir Walter Raleigh's fame "Lost Colony" will be near solution.

One stone was found on the bank of Chowan river near Edenton, N. C., in 1937 by a tourist. Its inscription purports to be a message from Eleanor Dare to her father, Governor John White, says savages had slain all but seven of the colonists.

It tells of the burial of 17 on a hill and refers to a stone at the burial site listing the dead.

Governor White had gone back to England for supplies soon after

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House Accepts Minor Senate Amendments to Bill Fixing Flat 18 Percent Levy on Big Corporations; To Enlarge Wilmington Channel

Washington, June 23.—(AP)—The House concurred today in minor Senate amendments to the business tax revision bill, and sent the measure to President Roosevelt for his signature.

The legislation, rushed through both houses of Congress in less than a week, wipes out the undivided profits tax, which many business men denounced, and fixes a flat 18 percent levy for large corporations.

Haste in pushing the bill through Congress was motivated by expiration a week from today of excise levies which the measure re-enacts.

Congressional leaders, meanwhile, called for a post-adjournment study looking toward a top-to-bottom overhaul of the revenue structure next year.

The bill, carrying levies designed to put \$1,600,000,000 in the federal till for 1939, swept to Senate Passage late yesterday.

Major General Julian Schley, chief of army engineers, recommended to Congress navigation improvements in the Cape Fear river between Wilmington, N. C., and the sea, estimated to cost \$790,000 beyond present approved expenditures.

The engineers proposed modifying existing plans to provide for lengthening the southerly approach to the anchorage basin from 1,500 to 4,500 feet, and for a depth of 32 feet in the channel between the outer end of the ocean bar channel and Wilmington, and in the turning basin.

Promotion of Brigadier-General H. B. Ferguson, a native North Carolinian, president of the Mississippi River Commission, to the rank of major general, was proposed by Senator Bailey, Democrat, North

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Jesse Jones To Head New Credit Body

RFC Chief Named for Lending Agency Not Yet Even Created by Congress; John Carmody To Head Federal Works Agency

Washington, June 23.—(AP)—President Roosevelt chose Jesse Jones, head of the Reconstruction Finance Corporation, and John Carmody, chief of the Rural Electrification Authority, today to fill the two key positions in his proposed \$3,860,000,000 lending program.

He named Jones to administer the Federal loan agency, which will come into being July 1, and Carmody to run the Federal works agency to be created at the same time.

For the time being, he left vacant the position of administrator of the new Federal securities agency, third of the trio of \$12,000,000-a-year jobs established by a re-grouping of bureaus under the terms of the government reorganization bill.

The appointments of Jones and Carmody must be confirmed by the Senate to which Mr. Roosevelt submitted their nominations.

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Bank Depositors To Get Another Kick In Pants

Savings Accounts No Longer Worth Much; Bankers Not To Blame, But Government Has Initiated Vicious Circle Downhill

BY ROGER W. BABSON, Copyright 1939, Publishers Financial Bureau, Inc.

Babson Park, Mass., June 23.—Savings depositors are soon to get another kick in the pants. In certain states, interest on these accounts is to be slashed again to as low as one per cent in many cases.

In some banks, depositors, whose accounts are below a certain minimum, will receive no interest. Cost of these reductions to bank depositors may run into hundreds of millions of dollars.

This is a far cry from ten years ago, when banks begged people to deposit their money at four per cent interest.

All of the 45,000,000 owners of bank accounts realize that the return on their money has been drastically cut. I doubt, however, if many

recognize the far-reaching social and economic effects of this decline in interest rates. One of the biggest contributions to our present standard of living was the thrift of our fathers and grandfathers. Up to 1925-1930 thrift and initiative were encouraged, while indolence and carelessness were penalized.

Today, the trend is in the opposite direction.

Penalizing Thrift. This trend, rather than the dollars and cents in interest lost to depositors, is the really significant point about the drop in interest rates on savings accounts.

Let me explain the importance of this trend by following the situation step-by-step. Why is it that banks must cut

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Lawyers on Trip On the Cape Fear On Board Cutter

Wrightsville Beach, June 23.—(AP)—Around 300 lawyers attending the North Carolina Bar Association's annual convention here, prepared today to take a cruise down the Cape Fear river aboard the coast guard cutter Mendota.

The committee on memorials reported that 14 members had died since the last meeting, and that "appropriate sketches" of each had been prepared.

New Method To Balk Japs Is Proposed

By CHARLES P. STEWART, Central Press Columnist

Washington, June 23.—Hints are audible in Washington of a possible method by which maybe the democratic nations can checkmate Japan's obvious scheme to grab all their trade with the Chinese—and do it without going to actual war with the mikado.

Britain, France and the United States are working on the plan.

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Weather FOR NORTH CAROLINA. Generally fair tonight and Saturday; not quite so warm in extreme east portion tonight.

State General Fund Will Exceed Early Estimates

Daily Dispatch Bureau, In the Sir Walter Hotel. Raleigh, June 23.—North Carolina's general fund revenues for the fiscal year which ends in a week will exceed the thirty-four and a half million dollars upon which the 1939-41 biennial budget was based, Commissioner of Revenue A. J. Maxwell said today.

Not only will it do that, he said, but it will go above the mark without any diversion of gasoline tax money from the highway funds.

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now being made by Assistant Director of the Budget Robert Denton should show that there will be more expenditures to charge against the current budget than have been anticipated.

Commissioner Maxwell made it perfectly plain that from the point of view of receipts alone there will be no reason whatever for diversion of any sort.

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