

GARNER URGES DRASTIC INCOME TAX HIKE

Chamberlain Asserts Britain Will Submit To No Dictation

Prime Minister Says Japs Cannot Decide British Foreign Policy; Tension Increases at Tientsin; Temporary Martial Law Is Ordered

Cardiff, Wales, June 24.—(AP)—Prime Minister Chamberlain characterized today Japanese actions in Tientsin as "high-handed and intolerably insulting" in a speech advising Tokyo "no British government could submit to dictation from another power as to its foreign policy."

The prime minister made a brief reference to the international situation in an address at an open air conservative party rally in Cardiff, which attracted thousands of his political supporters.

Chamberlain again expressed hope for a local adjustment of the trouble in Tientsin, where the Japanese were blockading the British and French concessions.

"A local dispute between ourselves and the Japanese over the alleged complicity of certain Chinese in a murder," he said, "has been followed by a blockade of the British and French concessions in Tientsin, and by high-handed and intolerably insulting treatment of British subjects by Japanese soldiers."

"The matter is further complicated by public statements on the part of local Japanese officials making the incident a pretext for far-reaching and quite inadmissible claims for an alteration of the policy which we and other governments hitherto followed in these regions.

"It ought to be possible to settle it (the incident) by negotiations. But I am bound to add that no British government could submit to dictation from another power as to its foreign policy, and I trust, therefore, that we are right in supposing no such intention is in the mind of the Japanese government."

TENSION IS INCREASING IN TIENTSIN STRIFE ZONE

Tientsin, China, June 24.—(AP)—Tension between the Japanese and British communities in Tientsin mounted today with a general tightening of the restrictions by which the Japanese have isolated the British and French concessions. Japanese officers declared "temporary martial law" in the Japanese concession

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Vanguard Of Legion Now At Raleigh

Raleigh, June 24.—(AP)—The vanguard of an expected 5,000 persons began arriving here today for the 21st annual convention of the North Carolina Department of the American Legion. The convention program will get under way tomorrow with meetings of Legion and Auxiliary executive committees, entertainment and a memorial service, at which Dr. Ben Lacy, of Richmond, Va., will speak.

UCC Office To Install Large Fans

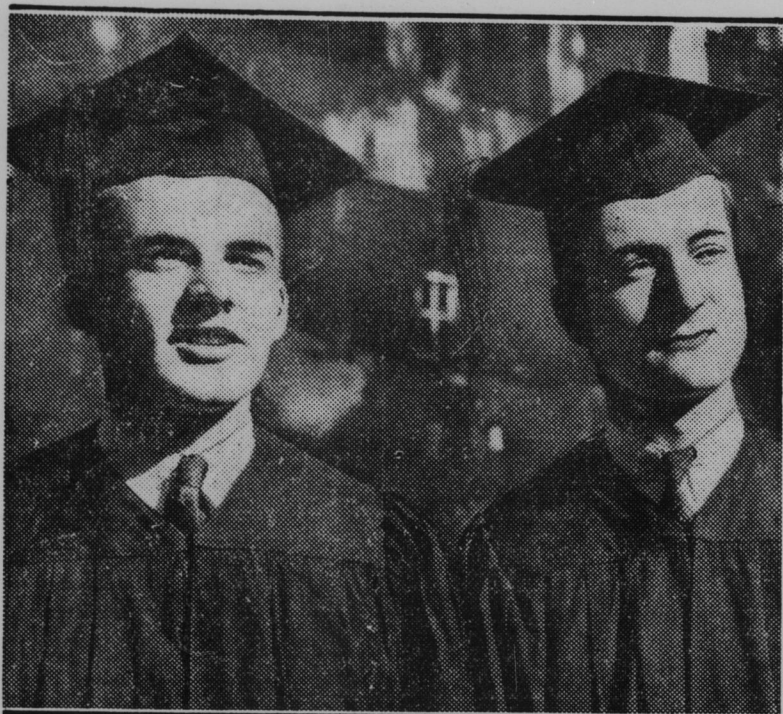
Raleigh, June 24.—(AP)—The Social Security Board has turned down two proposed methods of lowering the temperature in the Unemployed Compensation Commission offices here, but another plan has been submitted to the board, Governor Hoyer said today. The new proposal would provide installation of eight suction fans at a cost of about \$1,968, Hoyer said. The Social Security Board will meet Tuesday to consider this plan, he added.

Engineers who worked out the proposal, Hoyer said, told officials that the fans would improve the efficiency of the employees in a month sufficiently to pay for the cost of the units and the installation.

The governor said the eight fans would be installed on the third floor and would not constitute permanent improvement to the building, as they could be moved to the new quarters now under construction here.

Numerous other propositions have occurred in the over-crowded State headquarters here.

Grant and Lee at Dartmouth



Two of the 492 graduating students at Dartmouth College were Charles Grant (left) and Bill Lee, descendants of the Northern and Southern army leaders respectively in the Civil War. The boys were roommates through their four years at the Hanover, N. H., school and claim they never had an argument. Both are from Washington, D. C.

(Central Press)

Powell Is Goat When He Could Have Been A Hero

Daily Dispatch Bureau, In the Sir Walter Hotel.

Raleigh, June 24.—Charles G. Powell, chairman of the North Carolina Unemployment Compensation Commission, is again the "goat" in another sensational incident.

This time he is having more heat turned on him than was turned on the score of gals in his department who have fainted during the current hot spell.

Raleigh's morning newspaper, which delights in "getting on" somebody and staying there, is calling for Mr. Powell's resignation and generally raising all the row it can over the situation.

Yet if the thing is given calm, clear consideration, it is difficult to pin any real fault on Mr. Powell's coat tail; though it is abundantly clear that he, as well as his commission partner, Mrs. J. B. Spillman, has missed a golden opportunity to become Public Hero No. 1 instead of

the villain of the piece.

What has followed is that the ing this hot weather, there have been approximately 20 heat prostrations among the female hired help who toil in the superheated quarters occupied by the U. C. C. over a garage on Fayetteville street.

Three things have caused this, heat, humidity and hysteria and the third cause has undoubtedly been as potent as either of the others, perhaps as both of them combined.

What has followed is that the News and Observer has made a tremendous sensation out of the matter, with pictures, front page stories and editorial outbursts of wrath and indignation, laying most of the blame squarely upon Mr. Powell.

A careful analysis of undisputed facts shows that the U. C. C. chairman hasn't sprouted either hoofs or

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Vanderbilt Kidnap Note Discounted

Newland, June 24.—(AP)—Sheriff W. H. Hughes said today he believed a "kidnap" note reported thrown from a passing car at Elk Park was a prank. He said G. B. Hendry, a filling station operator, reported yesterday this missive was tossed from a vehicle near his station.

"Have been kidnaped by John Barrow gang and believe we are heading toward Knoxville. Please notify police."

The note was signed "Gloria Vanderbilt," the sheriff was told.

"I don't see how she could have written that note if she had really been kidnaped," Hughes said. He added that he had ordered neighboring officers notified.

Hughes view was supported in New York by Thomas Gilchrist, custodian of the heiress, who said she was in Los Angeles, and characterized the note as "stupid."

GUARD ON HIGHWAY OUT OF KNOXVILLE WITHDRAWN Knoxville, Tenn., June 24.—(AP)—Authorities withdrew late last night from the Johnson City highway a force which had been sent out to intercept an automobile following report of a kidnap note signed, "Gloria Vanderbilt," thrown from a car at Elk Park, N. C.

ROOSEVELTS RETURN TO HYDE PARK HOME

Highland, N. Y., June 24.—(AP)—President Roosevelt arrived here at 7:53 a. m. today after an overnight train trip from Washington. He stepped into a White House car and drove at once to his family home at nearby Hyde Park, across the Hudson river.

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Senate Will Vote Monday Upon Silver

Price for Domestic Metal Would Be Nearly Double Under Administration Bill; Quorum Lacking at Outset of Saturday Session

Washington, June 24.—(AP)—Western senators agreed today to end their lengthy speech-making on the administration monetary bill by voting Monday on a silver price-fixing amendment.

Majority Leader Barkley, Democrat, Kentucky, obtained the agreement for a vote on the amendment, sponsored by Senator Pittman, Democrat, Nevada, after the Senate had to send its sergeant-at-arms out to round up enough members to conduct business at the unusual Saturday session.

The amendment would require the secretary of the treasury to pay \$1.27 an ounce for domestic silver, compared with the present price of 64.64 cents under the silver purchase program, continuation of which beyond the June 30 expiration date is provided in the monetary bill.

The agreement to vote was obtained after Majority Leader Barkley reprimanded the Senate for the half-hour delay in obtaining a quorum of 49 members.

The fight over monetary legislation, which extends for two years the \$2,000,000,000 stabilization fund and presidential powers for further gold devaluation, has threatened to hold up other important legislation that the administration wants passed before July 1, including the \$1,700,000,000 relief bill.

Little Solace On Relief From Heat Held Out as Yet

(By The Associated Press.) The weather man offered little solace to sweating Carolinians today. With Old Sol continuing to bear down, the forecast read: "No decided change in temperature, and fair to partly cloudy tomorrow."

The heat moderated yesterday, however, after the mercury had been in the upper 90's all week. Reports showed temperatures generally were two to three degrees cooler yesterday.

Columbia, with a 98-degree reading, led both states. Asheville reported the lowest of cities listed by the Weather Bureau, at 92.

Only Caller Upon FDR at Hyde Park Is Church Bishop

Hyde Park, N. Y., June 24.—(AP)—President Roosevelt returned today to his family home on a hilltop high above the Hudson river for five days of work and recreation. Only one caller dropped in today, the Rt. Rev. G. A. Oldham, the Episcopal bishop of Albany, and a personal friend of long-standing. The bishop motored down from Albany and talked with Mr. Roosevelt while the President was waiting to attend a reception following the wedding of his second cousin, Margaret Delano to Drexel Paul.

Cotton Price Shade Lower

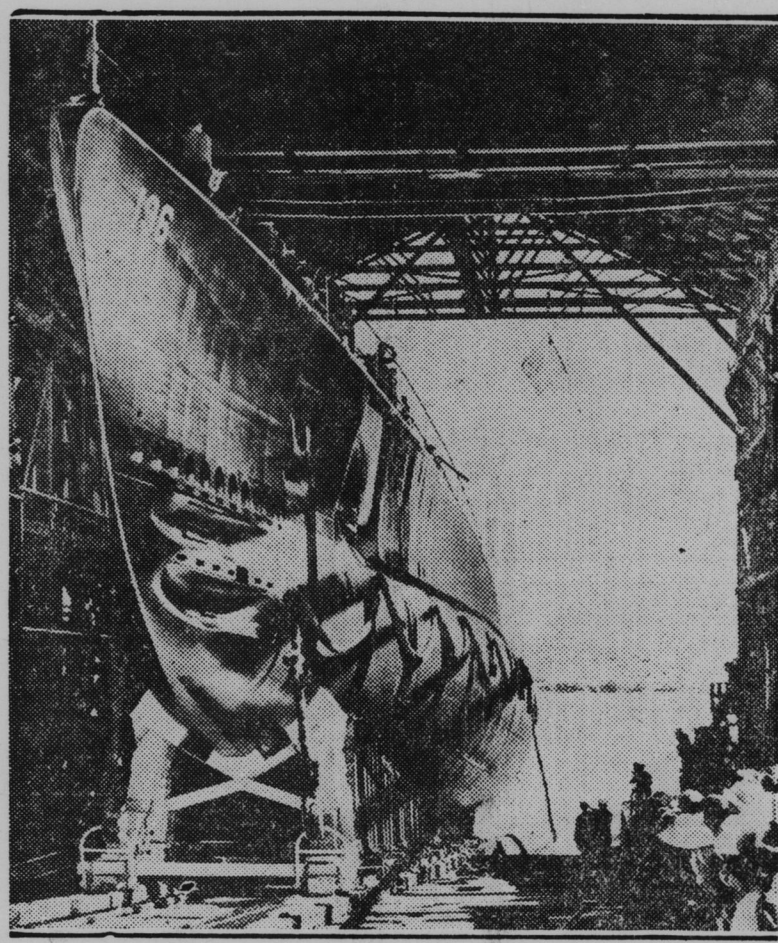
New York, June 24.—(AP)—Cotton futures opened unchanged to five points lower under hedge selling and Bombay liquidation in near months. During the second hour, futures were one to four off in an active market. Futures closed three points lower to one higher. Spot nominal; middling, 9.91.

Table with 3 columns: Month, Open, Close. Rows for July, October, December, January, March, May.

Weather For North Carolina Fair tonight; Sunday partly cloudy, not much change in temperature.

WEEKLY WEATHER South Atlantic States: Generally fair and warm except for occasional scattered afternoon thundershowers.

New Sub For U. S.



Uncle Sam's newest undersea fighter, Sea Raven, is shown on the ways at Portsmouth, N. H., Navy Yard, before being christened by Mrs. Cyrus W. Cole, wife of the commander of the base. Although the Sea Raven is not a sister-ship of the ill-fated Squalus, it is of the same general dimensions, 299 feet long and about 1,500 tons.

Yankee Clipper On Trip On Great Circle Route

Ordered U. S. Out



Admiral Koshiro Oikawa (above), commander of Japan's Third Fleet in Chinese waters, issued the orders transmitted to Admiral Harry E. Yarnell, of the United States Asiatic Fleet, that all Americans and United States ships must leave Swatow Harbor at once, Yarnell flatly rejected the demand, and told Oikawa that American lives and property would be protected by United States arms.

Northern Ship Lane to Europe Being Traversed for Possible Switch from Southern Route by Azores and Portugal-France

Eastport, Maine, June 24.—(AP)—Residents of nearby Robbinston reported a plane believed to be the Yankee Clipper, enroute to Europe on the northern circle route, passed over that town at 11:35 a. m. today. The plane was flying at a low altitude in a general northeasterly direction.

New York, June 24.—(AP)—The Yankee Clipper thundered away from Pan-American Airways' Long Island base today on the first "preview" flight along the northern great circle route to Europe.

Thirty-three persons, including 21 government and air line officials, were aboard. The big four-motored seaplane took off from Port Washington at 8:27 a. m., and headed up the New England coast. Captain Harold Gray, commander, planned brief stops at Shediac, N. B., and Bottwood, Newfoundland, before setting his course for Foynes, Ireland. He was due at Southampton tomorrow afternoon.

The 40-ton ship was scheduled to follow the North Atlantic trail blazed twelve years ago by Charles A. Lindbergh on his solo flight to Paris. The Yankee Clipper's flight came one week from the start of the first preview flight by the Atlantic Clipper, which followed the southern route. Newspaper people and radio observers were carried on that trip. Regular trans-Atlantic passenger service is to begin next Wednesday. As the plane left the waters of Long Island Sound, almost an hour behind the schedule because of ceremonies incident to her departure, her sister ship, the Atlantic Clipper, was enroute home from Lisbon, Portugal, by the southern route.

Borah Fights Huge Loan To So. Americans

Washington, June 24.—(AP)—Senator Borah, Republican, Idaho, contended today that the United States should demand that South American nations meet present obligations outstanding in this country before extending any new credits.

Addressing the Senate in opposition to a provision of President Roosevelt's new lending program, calling for \$500,000,000 in loans to foreign countries, Borah said, "This may be turning over vast sums of tax-payers money for South American politicians to play with. That's what has been happening in the past."

Wants More People To Feel Burden

Vice-President Leads Fight for Cut in Exemptions at Next Congress; Admiral Yarnell, Asiatic Fleet Chief, Coming Home

Washington, June 24.—(AP)—Vice-President Garner is suggesting that Congress make drastic reductions in income tax exemptions at the next session, it was reliably reported today. Garner contends, it was said, that the present \$2,500 exemption for married couples should be slashed to \$1,200 and that the \$1,000 exemption for single persons should be reduced to \$500.

In most cases, this would increase the existing tax on married couples with incomes above \$2,500 by \$52 a year, and the tax on single individuals with incomes above \$1,000 by \$20 a year. The proposal would bring more than 2,000,000 "little fellows" under the federal income tax structure.

Informed persons said the vice-president thinks a broadening of the income tax base would have two distinct benefits, that it would help narrow the federal operating deficit and would make a new group of citizens conscious of the effects of deficit spending.

This consciousness, Garner was said to believe, ultimately would result in pressure on Congress to reduce spending and balance the budget.

Yarnell Returning Meanwhile, a slight feeling of relief tinged the real regret of the State Department over the return next month of Admiral Harry Yarnell from the troubled Far East. The Asiatic fleet commander has been saying "No" to the Japanese in China so firmly for nearly three years that the diplomats at times have winced.

Secretary Hull backed him up quickly last Thursday when he evacuated a Japanese warning to evacuate "third power" vessels from the harbor at Swatow, and instead sent more American warships to the scene.

More River Dredging Also, Major General Julian Schley

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Missouri Governor Likely to Run for Senate Next Year

Jefferson City, Mo., June 24.—(AP)—Governor Lloyd Stark, who gained the national spotlight with his successful Democratic intra-party war on Kansas City's now imprisoned "Boss" Tom Pendergast, said today he would feel it was "my duty" to run for the United States Senate "if the people of this State want me."

Stark long has been discussed as a potential senatorial candidate. Should he run in 1940, he would be pitted in the primaries against Senator Harry Truman, elected in 1934 with Pendergast backing. Truman has announced he will seek re-election.

Revolt Fear In Townsend Pension Rank

Indianapolis, Ind., June 24.—(AP) The Townsend old age convention was thrown into an uproar here today by mention of a threatened revolt against the leadership of Dr. Francis E. Townsend.

Waving flags, programs and hats, every one of the delegates in the packed 10,000-seat hall, stood to cheer their 72-year-old leader and shout, "We're with you," and "Down with Smith; he's not one of us."

The reference was to Harvey J. Smith, of Covington, Ky., who has said he will lead a revolt against the organization's national officers. Smith was not present.

The demonstration came when John Weir, of Los Angeles, Cal., the convention chairman, asked the delegates their reaction to Smith's announced plan. Threats of an "insurgent" convention, "possibly within a month," stirred the heat-harassed delegates.

Baxter G. Rankine, convention manager, said the Covington, Ky., club of which Smith is president, had its charter suspended because of "protests of its own members over local administration of its activities."