

Washington, May 24. (AS)—Whether there will be a revision of the tax laws to eliminate levies which are hampering business expansion seems somewhat more doubtful now than it did a short time ago.

The reason for this doubt is the refusal of the President to give his indorsement to the tax-revision program prepared by the Secretary of the Treasury and his staff, working in cooperation with the chairman of the Congressional committees having to do with tax matters.

There is a strong inclination on the part of Congressional leaders to go ahead regardless of whether the President approves or disapproves. Secretary Morgenthau may present his program to Congress without Presidential indorsement.

The President has not said that he will not approve a tax revision bill if passed, but he has let it be known that he will not let any program which would reduce or repeal existing taxes be put forward as an Administration measure.

Washington observers are somewhat puzzled by Mr. Roosevelt's attitude. Early in the year the announced policy of the Administration was "appeasement" of business.

Resolutions Offered

At the meeting held here of the Chamber of Commerce of the United States, remarks were made by business leaders and resolutions offered which were extremely critical of the Administration's policies. Some of the President's intimates seized the opportunity which such criticism afforded, to point out to Mr. Roosevelt that the business interests of the nation did not seem to be grateful to him, but were decidedly non-cooperative. That, in the belief of many Washington observers, accounts for the change in the Presidential attitude toward tax-relief.

The second part of the President's departmental reorganization program, like the first part, has met with general approval. It provides for consolidations and shifts of bureaus from departments where they don't belong to places where they fit, which every President for years has been trying to get Congress to approve.

The President's estimate of money savings by reason of these changes is \$1,250,000 a year. There is no doubt of Congressional approval, even though Congress is in a spending mood.

Last year, when Congress added \$212,000,000 to the Agricultural budget for farm relief, the President warned them that they must find enough additional revenue to cover the increase. Congress promised to do that, but didn't. Now it is adding nearly \$400,000,000 to this year's Agricultural budget, and making no move to impose additional taxes sufficient to cover the increase.

Vote-Catching Scheme

It is the unanimous opinion in Washington that this is a pure vote-catching scheme and nothing else, and there is great criticism of the refusal of the Senate to go on record as to how they voted on this appropriation. It was passed by a voice vote.

All the talk about economy which was heard on Capitol Hill early in the session has dropped to a whisper. The slogan of "recovery instead of more reforms" is no longer heard. There is no such thing as a concrete recovery program in Washington, either in the Executive Offices or in Congress.

The national income is disappointingly low, and shows no signs of early increase.

The one bright spot in the economic situation, as most careful observers here see it, is the home-building boom. That is growing rapidly in every part of the nation. The system of insuring building loans set up by the F. H. A. is considered by many to be the most useful of all the New Deal's achievements. Under it private capital is more and more freely getting to work and hundreds of thousands of new homes are being built.

Much of the confusion of minds which everybody can observe in Washington can be attributed to the war scare. There is no doubt that all the war talk has had the effect of diverting the attention of many men in high office from internal affairs.

There is a considerable faction who believe that "big business" would like to see a war, even if it involved the United States. That feeling is at the back of much of the neutrality talk, especially the proposals for preventing Americans from doing business with any nation at war.

(turn to page 5, please)

Queen Mary, of Britain, had a narrow escape

—from serious injury or death Tuesday when her automobile overturned in a collision with a two-ton truck in a London suburb. The accident occurred three days before the Queen Mother's 72nd birthday anniversary.

The widow of George V and mother of Reigning George VI, Queen Mary was found to be suffering from "bruising and shock" at her home at Marlborough House, but the royal physicians pronounced her condition "satisfactory."

Reports of her condition were rushed to George VI and his consort, Elizabeth, who are touring Canada, to her exiled eldest son, the Duke of Windsor, and to other close relatives. This bulletin was issued Tuesday night at Marlborough House.

"Her Majesty Queen Mary is suffering from bruising and shock as the result of an accident this afternoon in which her majesty's car was overturned.

"Though the bruising is considerable and will need some days' complete rest, her majesty's general condition is this evening satisfactory.

"Signed, Stanley HeWett and Dawson of Penn."

The signatures were those of Sir Stanley HeWett and Lord Dawson of Penn. The latter attended King George V and is probably England's most noted physician.

News of the accident was given to King George and Queen Elizabeth as their train pulled out of the tiny coaling station of Jack-fish, Ont., on the north shore of Lake Superior.

The royal car, which was returning Queen Mary from Wisley, Surrey, to Marlborough House, was badly damaged when the front of the truck crashed into a rear wheel. No one in the truck was injured.

Roosevelt said the administration will not abandon

—any of its social and economic reforms, and vigorously defended New Deal spending in a speech delivered Monday night in Washington, D. C., at the first forum of the American Retail Federation. He said that widespread efforts to aid the nation's submerged classes would continue unabated.

The president assailed critics who shed "crocodile tears" over the size of the national debt, and accused Republicans of "merchandising horror" about it by holding a "national debt week" this week.

He criticized the Chamber of Commerce of the United States, whose recent convention he refused to address, for demanding federal economies and endorsing public works spending in the own home towns of individual members.

He riddled the economic theories of "highbrow columnists" and some "high-gear economists"; reaffirmed his opposition to substitution of the dole for work relief and demanded that the present proportion of tax payments by consumers and big and little business be maintained.

Optimistically he said that the nation today is in an excellent position to move forward into a period of greater production and greater employment.

The President said he believed that the retailers are sympathetic toward the objectives of the new deal and he invited all business leaders who feel the same way to co-operate with the government. One of the functions of government, he said, is to see to it that the making of profits through certain processes will not destroy our fellow men who are our neighbors.

"That is why I come to you not in the spirit of criticism, not with a big stick, but with a simple plea for your assistance as American citizens in working out our common problems with goodwill and with the maintenance of the ideals of peace," he said.

The Young Women's Circle met at the Methodist Church

—on Thursday night, May 18, with Mrs. Robert Andrews and Mrs. Mexa Phipps as hostesses.

In the absence of the president, Miss Wilma Crouse, vice-president, presided, and Miss Eula Parsons was leader of the program. Mrs. L. F. Strader read the scripture lesson, and Rev. L. F. Strader led in prayer. The following members discussed divisions of the topic for the month, "Our Own Community": Misses Majorie Halsey, Maxine Reeves, Wanda Choate and Wilma Crouse.

The hostesses served refreshments during the social period. The June meeting will be held at the home of Miss Maxine Reeves, and Miss Wanda Choate will be leader.

National And World NEWS At A Glance

CROWDS WELCOME ROYALTY

Quebec, May 17.—Canada acclaimed King George and Queen Elizabeth today upon their arrival for an unprecedented royal tour and then pledged a new loyalty and homage to the British throne and its occupants.

Hour after hour, from early morning until nearly midnight, the king and queen went through the ritual of state functions, presentations, audiences, addresses and drives through the city.

MAY "DRAFT" VANDENBERG

Lansing, Mich., May 18.—Governor Luren D. Dickinson and all other Republican elective state officials released a statement today announcing that they were "drafting" United States Senator Arthur H. Vandenberg (R., Mich.) as a candidate for the Republican nomination for president in 1940.

OPPOSES FUND CHANGES

Washington, May 19.—President Roosevelt put his foot down today on any plan to use money from the \$2,000,000,000 stabilization fund in a new lending-spending program.

Without committing himself as to the desirability of additional spending, the Chief Executive said at his press conference that he was opposed to monkeying with the stabilization fund.

FARLEY SEES 1940 VICTORY

San Francisco, May 20.—James A. Farley, Democratic national chairman, asserted tonight another victory for the party in the 1940 elections is "within our grasp if we seize the opportunity and march forward, shoulder to shoulder" under the principles of President Roosevelt.

PANAY OFFICER GETS MEDAL

San Pedro, Calif., May 21.—Lieut. Arthur F. Anders, executive officer of the United States gunboat Panay when she was bombed in the Yangtze River December 12, 1937, received the distinguished service medal and the thanks of his nation yesterday.

The medal and a citation signed by Navy Secretary Swanson were presented by Vice Admiral John Willis Greenslade on the quarterdeck of the battleship Mississippi in the presence of the ship's company.

DETROIT WORKERS STRIKE

Detroit, May 22.—A strike of C. I. O.-affiliated United Automobile Workers left upwards of 24,000 men idle tonight and a government conciliator was reported hastening here to offer his services toward a settlement.

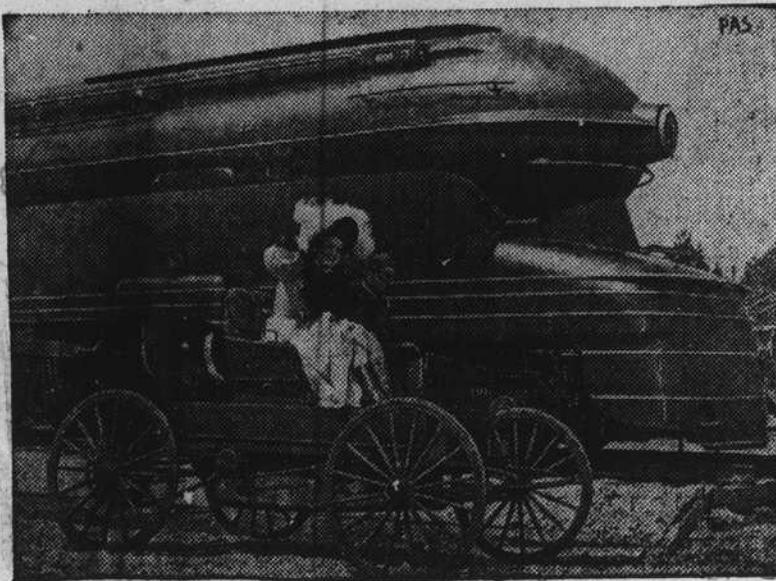
AGREEMENT THOUGHT NEAR

London, May 23.—Lengthy British-Russian negotiations were believed near a showdown tonight with informed Paris and Geneva sources reporting that an agreement "in principle" already had been reached for a Soviet-British-French mutual air accord.

A COMMUNION SERVICE WILL BE HELD SUNDAY MORNING

—May 28, at eleven o'clock, in the Sparta Presbyterian Church. The pastor, Rev. R. L. Berry, will be assisted in this service by Rev. Wayne Thompson. Everyone is cordially invited to attend.

Race Against Time—With Time the Loser



NEW YORK, N. Y. . . A generation of travel progress is commemorated in this symbolic race between a "horseless carriage" and a modern streamliner which took place at the New York World's Fair. The ceremony marked the 40th anniversary of the invention of roller bearings. The "horseless carriage," which dates from 1899, still rolls on the first successful roller bearing installation ever made.

Alben W. Barkley, of Kentucky, spoke in Winston-Salem

—Tuesday night and, in a bristling, defiant attack on New Deal opponents, asserted that the 1940 presidential contest would be "fought out on the record of the Roosevelt administration."

Addressing over 1,000 cheering delegates to an eleven-state woman's Democratic regional conference, the ruddy-faced Kentuckian was thunderously applauded as he defended the record of the party he leads on the Senate floor.

His speech, delivered in the brilliantly-lighted, flag-draped ballroom of the Robert E. Lee Hotel, was broadcast over a coast-to-coast hook-up.

Barkley arose to speak after Governor Clyde R. Hoey, of North Carolina, had sounded the conference keynote of unity.

North Carolina's Chief Executive pleaded with his listeners to weld conservative and progressive (turn to page five, please)

A defense of WPA was made in Washington

—D. C., a few days ago by Colonel F. C. Harrington, WPA administrator, who defended his agency's program as the least expensive of federal relief activities.

A few hours earlier Secretary Ickes, PWA administrator, had said that public works constituted the better form of relief.

"Experience has shown quite conclusively," Harrington told reporters, "that the costs of a federally administered program such as WPA are considerably lower, both in personnel requirements and total expenditures, than many local programs receiving grants-in-aid from the federal government."

Harrington said a survey of all WPA administrative employees earning more than \$100 a month showed the average salary to be \$158.1.

This, he said, was \$290 less than the average for all federal employees.

Setting a precedent in history—King George VI, of England, presided at a session of Canadian Parliament

—Friday, May 19. In order to see King George and Queen Elizabeth upon the throne of Canada, America's northern neighbor dug out of discard regal ritual dead nearly 100 years. For the first time in history, a British sovereign sat in the Senate of the Canadian parliament as he sits in Westminster. In

The Elk Creek School Honor Roll for April

—was as follows:

First Grade—Edna Rose Hines and Emma Jean Warden.

Second Grade—Betty Jean Fender.

Third Grade—Tom Cook and R. S. Warden.

Fifth Grade—Nora Lee Caudill, Lyle Cox, Henry Sturgill and Rufus Musgrave, Jr.

Sixth Grade—Rose Maye Joines, Irene Richardson, Bruce Richardson, Charles Warden and Clarabell Fender.

Seventh Grade—Marie Sturgill, Rhuba Lee Hines, Walter Estep and Fannie Hendrix.

Perfect Attendance certificates and silver dollars went to Clara-bell Fender, Betty Jean Fender, Tom Cook, Dorothy Joines, Marie Sturgill and Henry Sturgill.

Seventh Grade diplomas and Reading Certificates were presented Marie Sturgill, Rhuba Lee Hines, Fannie Hendrix and Walter Estep.

RAYMOND FRANCIS HAS PURCHASED THE INTEREST

—of State Patrolman W. C. Thomas in the Duncan Motor Company, at West Jefferson, and has been made the company's inside manager.

Mr. Francis was formerly principal of Virginia-Carolina High School, Grassy Creek, and for the past two years has been a member of the faculty of Piney Creek High School.

A Daily Vacation Bible School is now being held

—at Glade Valley High School, in the boys' dormitory, under the auspices of the Glade Valley Presbyterian Church. The school opened Monday, and will continue through this week and next.

Miss Edna Higgins, of Clemmons, and Miss Clarice Thompson, Glade Valley, are teachers in the school.

All children between the ages of five to fifteen years are urged to attend, and sessions will be held from 9:00 to 12:30 a. m. each morning, except Saturday and Sunday.

Members of all denominations are invited to attend.

The English royal couple reached Ontario

—Canada, Tuesday and, assured by advices from Buckingham Palace, in London, that Queen Mother Mary

was not injured seriously in her automobile accident, the king and queen stepped smilingly from their streamlined "rolling palace," late in the day after a 22-hour journey from Toronto.

News of Queen Mary's accident reached their Britanic majesties by radio in their railroad coach. Their anxiety was calmed, however, when a cablegram from Buckingham Palace reached them at Schreiber, Ont., and advised that the queen mother was injured only slightly.

The king and queen immediately cabled a reply in which they expressed their sympathy and hopes for a speedy recovery.

Authorities familiar with Buckingham Palace conduct expressed the opinion that in the event the accident had fatal consequences the royal tour would be terminated immediately and their majesties return to London.

Arrival of the king and queen at the industrial twin cities of Port Arthur and Fort William temporarily interrupted their first day and night of continuous travel since they docketed at Quebec seven days ago.

A 21-gun salute greeted the royal couple as they stepped from their train at Port Arthur. A guard of honor was mounted at the railroad station and inspected by the king. The mayor, city officials and their wives were presented to their majesties after which the royal entourage motored to Fort William.

Circle No. 1 of the Baptist W. M. U. held a meeting Thursday

—May 18, with Mrs. G. P. Crutchfield and Mrs. Tom Smith as hostesses, at the home of Mrs. Crutchfield.

The guests were met at the door by the hostesses and invited into the living room, which was decorated with spring flowers.

After devotionals, conducted by Mrs. Crutchfield, Mrs. W. B. Reeves read the secretary's report. Tributes were paid by various members to Mrs. Edna R. Harris, general secretary of the State W. M. U., who died suddenly in Raleigh a short time ago, and a moment of silence and prayer was observed in honor of her memory.

The Associational Superintendent, Mrs. A. O. Joines, urged that the financial goals set for the W. M. U. by Mrs. Harris be met, and that the organization foster young people's organizations.

Mrs. C. A. Reeves, the program leader, was assisted by the following in carrying out a particularly fine program: Mrs. Bert Edwards, Mrs. Clinton Halsey, Mrs. Amos Wagoner, Mrs. Marshall, and others.

It was announced that the Associational meeting would be held at Laurel Springs Church, on June 20.

At the conclusion of the meeting, the hostesses served refreshments.

Mrs. Louise Howell and Mrs. J. T. Inskip were visitors and Mrs. Marshall was welcomed as a new member.

Mrs. Clinton Halsey was appointed chairman of Heck Memorial Fund for the circle.

Fifty-nine men were trapped in the Squalus

—\$5,000,000 U. S. submarine, which wallowed in cold blue mud on the Atlantic's floor early yesterday (Wednesday) awaiting rescue operations. The distressed undersea craft sank off the coast of New Hampshire.

The navy's newest submersible craft, which took on an overload of water and sank helplessly during routine diving tests Tuesday morning was under 240 feet of water.

According to a radio dispatch yesterday (Wednesday) afternoon, seven members of the Squalus's crew were safely rescued. However, the condition of those remaining in the sunken craft was not given.

Latest word from the sunken ship, as picked up in code by its sister submarine, the Sculpin, was that all aboard were alive but "cold."

Waiting to begin rescue operations at dawn were Lieut. Commander C. B. Momsen, inventor of the Momsen lung used in submarine rescues, and five divers who went out Tuesday night with salvage gear. They were aboard the navy tug Wandank from Boston and were preparing the equipment under floor lights.

Another detachment of 13 divers and three officers, who flew from Washington to the Newport, R. I., naval base and proceeded to Portsmouth from there by automobile, was to go out at 3:30 a. m. to await the submarine salvage tug Falcon, expected from New London, Conn., an hour later.

Weather conditions were less than favorable for rescue work. Two thunderstorms occurred during the night. One which began at 7:30 p. m., roughened the sea but another, coming after midnight, was accompanied by a shift in the wind to the northeast which had a calming effect on the water.

The Squalus went down 15 miles due east of Hampton Beach, New Hampshire summer resort, and five miles south of White Island light on the Isles of Shoals. Its disappearance was discovered by the Sculpin, which sighted the burst of a red smoke bomb over the water, submarine disaster signal, and proceeded to the scene to pick up a communication buoy which the Squalus sent up as soon as it sank.

While their stricken vessel wallowed in the ocean bed, the U. S. Navy put into operation all its facilities for the rescue of submersible craft and anticipated that all the men would be saved and the submarine raised without further mishap.

Spending theories of the president were challenged

—Tuesday night in Washington, D. C., by Senator Harry Flood Byrd (D., Va.), who said that "to minimize the evils of debt—to make debt popular—is a dangerous doctrine to preach."

Mr. Roosevelt suggested in an address to the American Retail Federation that the debt be considered in relation to the nation's assets. He asked his listeners to remember that the federal debt is an internal one and added that "a reasonable internal debt will not impoverish our children."

Byrd, a member of the Senate "economy block," said in a statement that the president's speech demonstrated that he had accepted "hook, line and sinker" the theory "of spending and lending to purchase prosperity." The Virginia senator credited this theory to Chairman Marriner S. Eccles of the Federal Reserve board.

The government, Byrd added, not only has offered federal grants to communities "but actually federal agents have visited communities and urged acceptance of public funds as a patriotic contribution to recovery.