

COUNCIL VOTES \$1.29 TAX RATE FOR CIVIL CITY

**\$10,399 Cut Off Requests of
Administration for
\$8,030,292 Total.**

The 1940 Civil City budget of \$8,030,292.48, bearing a \$1.29 tax rate, was being prepared today for submission to the County Adjustment Board following its formal approval by City Council last night.

The \$1.29 rate is 1 cent less than the \$1.30 rate proposed by the Administration, which was the same as the current rate.

In addition to the \$10,399 cut pared from Administration requests, Council made a last minute slash of \$1650 for a junior track elevation engineer. Since this amount was taken from the track elevation bond proceeds account, which was not figured in the original tax rate estimate, it affects neither the rate nor the total budget figure.

County Meeting Opens
The County Council, meantime, read 1940 County budget ordinances today at the opening of a two-day annual budget session.

Council is to meet again at 10 a. m. tomorrow to approve officially budget reductions previously agreed upon. Proposed slashes are expected to amount to a 13-cent reduction from the 64-cent total County tax rate which would have been required by original requests.

The 13-cent cut would set the rate at 51 cents or 3 cents above the current rate.

The rate cuts expected to be made include 8 cents in the Welfare Department and 5 cents in the County general fund levy.

No Dissent on Vote
The City budget was passed on a roll call with no dissent.

The minority group decided to concur when Harmon A. Campbell, Republican, asserted he would vote for budget, but would not "waive my right to criticize expenditures later."

"I do approve the appropriations asked by most of the departments," he said. "Most of them made an honest effort to prune their costs where they could. But it is apparent others did not. I don't want to vote against those departments which tried to be economical, so I'll vote for the budget."

Light Contract Saves \$40,628

Meanwhile, Council President Joseph G. Wood said he would ask Mayor Reginald H. Sullivan to send a letter to the Adjustment Board pointing out that \$40,628 would be saved next year through the operation of a new public lighting contract. The actual pruning of this amount is to be made by the board. Using this estimated saving as the base for a 1-cent tax rate cut, Council methodically pruned the \$10,399.03 additional which would bring the total budget reduction to \$51,027—approximately equal to a 1-cent rate reduction.

The \$1650 from track elevation bond proceeds was made at the suggestion of James E. Deery, City Controller, and City Engineer M. C. Johnson. The elevation engineer will be transferred to the flood control board and his expenses are to be paid by the County.

Elevation Report Awaited

Although the transfer appeared to indicate that the Works Board's extensive track elevation plans for the South Side have been deferred, officials indicated the vacancy probably would be filled by another member of the engineering department in the event the City goes ahead with elevation.

At present, Mr. Johnson is awaiting the result of an engineering survey by State Highway engineers on elevation plans.

The budget cuts approved by Council which affect the tax rate included:

Works Board Administration—\$1820 for a full time mechanic to service 30 new trucks.

Municipal Garage—\$535 from maintenance and gasoline expenses.

Street Commission—\$100 for power and light for the Shelby St. barns.

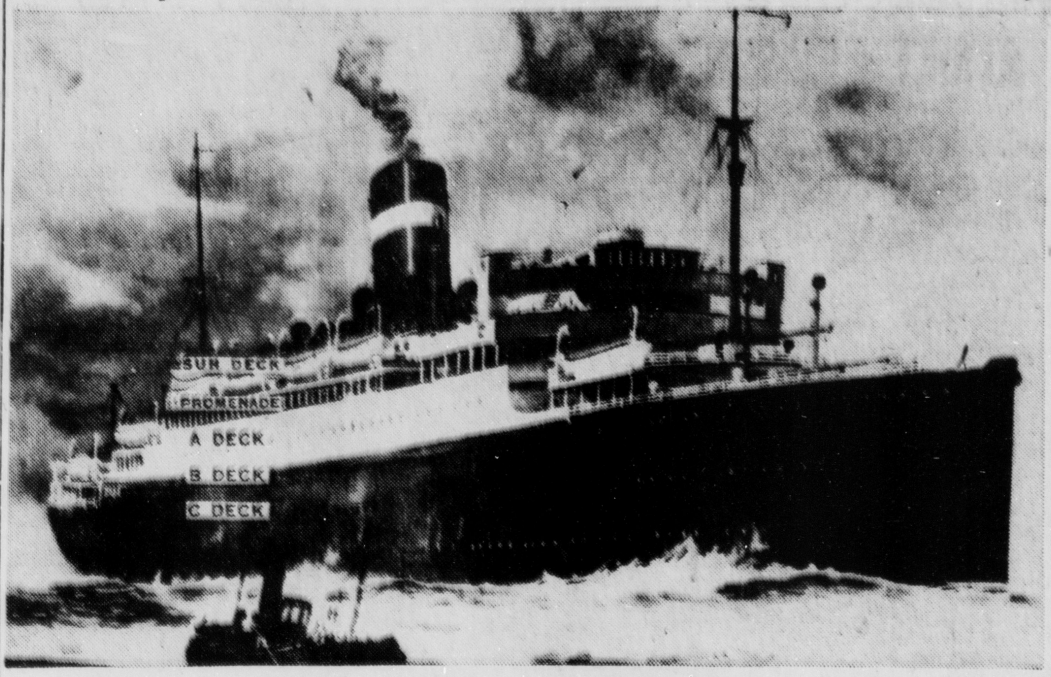
Health Department—\$1384.03 for a rat elimination expert and \$1000 from Child Hygiene funds, for equipment, printing and advertising.

City Hospital—\$5000 for maintenance and equipment of smallpox barracks.

Safety Board—\$950 from the Dog Pound's request for a new truck.

Collection Dept.—\$510 for repair parts to trucks and general supplies.

Ninety Believed Dead on Torpedoed Ship



The Athenia . . . Britain blames Germany; Berlin blames London.

First Survivors Reach Irish and Scottish Coasts

**Eyewitnesses Tell Stories
Of Heroism Amidst
Terrorism.**

(Continued from Page One)

400 who arrived at Greenock and about 150 at Glasgow. This included about 300 of the 311 Americans aboard.

Their accounts of what happened varied on some details, but this is the broad outline of their story:

The Athenia, carrying a heavy passenger list of persons fleeing from the European war, was steaming along off the Hebrides Islands Sunday evening. It was still daylight, but the dinner gong had sounded and many were having their evening meal.

At 7:30 p. m. ship's time there was a loud roar under the decks.

Apparently the torpedo made a direct hit on the Athenia's boilers or struck close enough to burst them. Some were killed by the force of the explosion.

The mighty jar sent others sprawling over the rail into the sea where they were drowned.

There was a dash for lifeboats and during that dash Thomas McDonald, a Hartford, Conn., insurance agent, looked out across the rail and said he saw "a gray submarine surrounded by smoke."

"There was no other vessel in sight," he added.

Other passengers also reported seeing the submarine. Some said it was only 100 yards from the Athenia; others said it was a quarter of a mile away.

The submarine had done only part of its damage.

A shell crashed into the boat deck of the Athenia where men, women and children were climbing into lifeboats. A large hole was blown through one lifeboat.

Moon Aids Rescue

Some passengers said the submarine then fired another shell at the listing ship and one man described it as "a gas shell."

Capt. James Cook, the Athenia's master, said one of the shells was aimed at destroying the ship's wireless.

Night had fallen by this time, but fortunately for the passengers, the moon came up strong and bright. That illumination enabled the passengers and crew members to work effectively in getting away from the listing ship.

But the terror that had struck them from beneath the seas still lurked near its prey.

John McEwan, storekeeper on the Athenia, told about that.

"Several times during the night when we were in the lifeboats," he said, "we heard the submarine passing below us. She remained on the spot several hours after sinking us."

Ship Sinks Slowly

A large, ragged hole sapced on the port side of the Athenia. The liner listed heavily when she was first struck, but then came back to a level position. Then, she began sinking slowly.

The wireless operator of the Athenia cracked out an SOS, and nearby ships raced for the scene. A dispatch was sent to the United Press from the yacht, Southern Cross, one of the rescue ships, describing the scene.

The sea was rough and the moon was brilliant. Lifeboats were dotted over the waves and the Norwegian merchant vessel, Knute Nelson, stood by taking aboard all she could. Flares were burning from the lifeboats and cries for help were coming from all sides. Most of the lifeboats and cries for help were coming from the bow of the Southern Cross, but seamen from the yacht saved the occupants. A man stood on the keel of the overturned lifeboat, hauling people out of the sea.

One of those he rescued was a young woman. She sat quietly in the rescue boat for a moment and then screamed:

"My baby."

Then she leaped into the sea. British destroyers arrived and be-

FAIR LEGALIZES HOOKEY FOR DAY

**Pupils Allowed to Skip
School for Educational
Program.**

(Continued from Page One)

penalty were needed. Fair officials will admit free all children under 12, and all Boy and Girl Scouts and Camp Fire Girls.

It was announced that yesterday's paid attendance totaled 102,082, bringing total attendance since the fair started Friday to 189,952. Yesterday's figure failed to break the all-time Labor Day record, set in 1937, by 11,891, but Fair officials said this was accounted for by the fact that the fair has been extended to eight days this year in order to spread the crowd.

Also, they pointed out, some of the former attendance was reduced yesterday by the fact that Thursday will be observed as Farm and Farm Organization Day. The program will include a parade of floats and livestock.

Today was observed as Governor's and Assistant Gov. Harry F. Caldwell, Board of Agriculture president, was in charge of the annual program in the new Youth Building. The food was prepared and served by members of the State Fair Girls' School, Governor Townsend and Lieut. Gov. Henry F. Schrieker were presented prize winning cakes by Mrs. Guy Collins, culinary department head.

One of the chief attractions at tomorrow's Educational and Children's Day event will be a parade of 35 high school bands in front of the grandstand at 10:30 a. m. Prof. Frederick R. Green, head of the Hoosier Music Festival band, will be parade marshal. Governor Townsend, Lieut. Gov. Henry F. Schrieker and Mr. McMurray are to attend.

In the Educational Building there will be band concerts, radio broadcasts and other programs throughout the day.

Japan, Spain Decide To Remain Neutral

TOKYO, Sept. 5 (U. P.).—The Japanese Foreign Office today formally notified the American, British, French, Polish, German and Italian envoys that Japan will remain neutral in the European war.

Formal notification of Japan's position was communicated by Renzo Sawada, Vice Foreign Affairs Minister, to American charge d'affaires Eugene Dooman, British Ambassador Sir Robert Craigie, French Ambassador Arsene Hendry, German Ambassador Gen. Eugene Ott, Polish Ambassador Thaddeus Deromer and Italian Ambassador Giacinto Auriti.

The envoys were received separately by Vice Minister Sawada, who acted for Premier Gen. Nobuyuki Abe, who also is Foreign Minister but who has not yet received the foreign diplomats.

surged through the streets and set fire to two German motor trucks and a German automobile. Windows in the office of a German shipping line were smashed.

BURGOS, Spain, Sept. 5 (U. P.).—General Francisco Franco decreed Spanish neutrality today.

CAPE TOWN, Sept. 5 (U. P.).—The South African Parliament today voted 80 to 67 to sever diplomatic relations with Germany.

AMSTERDAM, Sept. 5 (U. P.).—Netherlands anti-aircraft batteries opened fire at a "few" airplanes of unknown nationality which flew near Amsterdam, it was announced officially today. It was not known whether any were shot down.