

### DRY ENFORCEMENT REGULATIONS GET MUCH ATTENTION

Both Dry and Wet Forces Watching Moves of Administration in Washington

#### SENATE EXPECTED TO ADOPT PENROSE PLANS

Anti-Saloon League Can Muster Considerable Strength in House and Warm Fight Expected There; Another Plan Proposed For Consolidating Secret Service Forces

The News and Observer Bureau, 603 District National Bank Bldg. By EDWARD E. BRITTON (By Special Leased Wire)

Washington, May 31.—Developments this week as to the matter of what is to be done in the matter of prohibition regulations are being watched closely by both the dry and wet forces. That John F. Kramer is to receive orders to "move along" from his post as prohibition commissioner is accepted generally and that Newton Fairbanks, of Ohio, is to be his successor appears now equally assured.

It is also the opinion that the Boies Penrose-Harry Daugherty plan of transferring the prohibition enforcement section of the Bureau of Internal Revenue to the Department of Justice will go through, though there is to be opposition to this change of base. The Senate is expected to approve the transfer, but in the House there will be a fight against it by the Anti-Saloon League forces.

Wayne B. Wheeler, general counsel of the Anti-Saloon League, is stoutly opposed to the change, and will have plenty of backing on the floor of the House, though in the Senate it is said he will have but little support. With Senator Penrose leading the fight for the transfer, having with him the understood endorsement of the plan by President Harding, Secretary of the Treasury Mellon, and Attorney General Daugherty there is little doubt that the Senate will vote for the transfer.

Senators Penrose and Watson were over the matter last week with Commissioner Blair and former Acting Commissioner, Millard F. West. It is said that West is in favor of the change, but that Blair has not yet announced his views. However, it is understood that he is going to favor it as the President and the Secretary of the Treasury are both for it. The change is one that was favored also by former Secretary of the Treasury Henry C. Graves, and that will be ready to carry over the Senate.

Another plan proposed is a more extensive plan of bringing together all the investigating and secret service forces of the government under one bureau chief in the Department of Justice, this a part of a general reorganization scheme said to have been suggested by Senator Penrose. The name of the new bureau has been selected, this to be the United States secret service, with its chief reporting directly to the Attorney General in the general matter of the detection of crime.

Most prominently mentioned for the new post is Frank Burke, former assistant Chief of the Bureau of Investigation, now holding a position with the shipping board, Burke having heretofore had secret service work. The only rub as to this is that the cabinet members of the cabinet are not wishing to give up such investigation activities as have heretofore been attached to their departments, the State Department, the Postoffice Department, and the Treasury Department being instances cited. That this particular switching of forces should be made prior to the general "shake-up" reorganization scheme which has been credited as the province of the Harding administration is the plan that is now being backed. Commissioner Blair is to have his own conference with the newspaper men at 10 o'clock tomorrow morning and something may be learned then.

#### Pay Money and Take Choice

"You pay your money and you take your choice" is the conflicting opinions as to what is going to happen to the nomination of Frank A. Linnay, Republican State chairman, for District Attorney of the Western District of North Carolina. From some sources there comes the declaration that Linnay will be confirmed, from others that he will get it in the neck, that Republican Senators from the States in which the new vote is the thing needed for Republican success will see to it that he is not confirmed, that men like Senator Borah will hold that he has planned to violate the law, that the Senator Johnson is following that Linnay violated the North Carolina law, and that the Senate will be falling to vote for Johnson at Chicago. And there are some who say that President Harding and Attorney General Daugherty are taking cold feet on the nomination and will withdraw it, that Republican Senators and Representatives have told them that to force the Linnay nomination across would mean the loss of seats in both the Senate and the House, that the negroes will fight the Republican ticket in many places, Linnay with his policy to eliminate the negro from registration and the ballot box was confirmed.

As I see the case after talking with Senators on both sides of the fence the only thing that will keep Linnay from being confirmed is from President Harding and Attorney General Daugherty to desert him, and for the President to withdraw the nomination, as certain Senators are urging him to do. There is an idea that he is withdrawing, if he does so, and bows in submission to the voice of the negro opponents of Linnay the hopes of the Republicans for progress in securing the vote of white men in the South has gone "skiddoo." I have been doing some calculating, and talking with several

### NEW PRESIDENT OF TAR HEEL BANKERS

A. M. Dumay, president of the First National Bank, of Washington, N. C., who was elected president of the North Carolina Bankers' Association at Greensboro last week, is one of the most enterprising bankers in North Carolina. He has served as vice-president of the State Association and has been an active member of the organization for a number of years.

Lexington, May 31.—Upon motion of the State that a jury be secured from another county to try Dr. John W. Peacock, Thomasville physician, for the killing of Chief of Police James E. Taylor, of the same town, a venire of one hundred was ordered this afternoon by Judge T. B. Finley to be drawn from Rowan county to report here Monday morning when the trial will begin.

### TO BORROW MONEY FROM STATE BANKS

#### New Program Will Be Financed By Loan To Be Made Thursday

Definite action toward the financing of the State's program of improvement, including roads and institutions, will be undertaken at the meeting of the Council of State Thursday, it became known yesterday and it is understood that a large loan will be secured from State banks.

A number of bankers of the State, it was learned yesterday, will make the State a tangible proposition on approximately \$10,000,000 at 6 per cent. It is likely that this will entail a condition that a part of this money be left on deposit. A similar loan from the Page Trust Company carried the stipulation that money on deposit should draw 3 per cent interest.

"There never has been any difficulty about getting money for the State of North Carolina to finance its projects," said Governor Morrison yesterday as he left for Hanes where he spoke last night.

Whether the State will borrow \$10,000,000, more or less, is a matter which the Council of State alone knows and the council, according to Governor Morrison, is expected to meet today with the group of Senators who have definite action. Those who discussed the matter yesterday, it seems, were in accord. Newspaper men who interviewed the Governor and others were given to understand that definite action will be taken Thursday.

### CONTINUE DEBATE ON NAVAL BILL IN SENATE

#### Economy Forces Continue Drive To Pare Down Appropriation Further

Washington, May 31.—The third week of Senate debate on the \$495,000,000 Naval Appropriation bill opened today with the group of Senators who have definite action. Those who discussed the matter yesterday, it seems, were in accord. Newspaper men who interviewed the Governor and others were given to understand that definite action will be taken Thursday.

### HEADS I WIN—TAILS YOU LOSE.

New tobacco growers have been leading money under the "action system" of selling is brought out in the following tale told by a prominent warehouseman to one of the leaders of the Tobacco Growers' Co-operative Marketing Association. Things like this won't happen under co-operative marketing.

### JURY FROM ROWAN TO HEAR EVIDENCE IN PEACOCK CASE

Trial of Thomasville Physician for Murder Will Begin in Lexington Monday

#### STATE'S FIRST MOVE SURPRISES DEFENSE

After Extended Argument and Presentation of Affidavit From Solicitor Bower, Judge Finley Orders Special Venire Of 100 Men To Be Drawn From Rowan Jury Box

Lexington, May 31.—Upon motion of the State that a jury be secured from another county to try Dr. John W. Peacock, Thomasville physician, for the killing of Chief of Police James E. Taylor, of the same town, a venire of one hundred was ordered this afternoon by Judge T. B. Finley to be drawn from Rowan county to report here Monday morning when the trial will begin.

The State sprang somewhat of a surprise this morning when Clyde R. Hoey offered an affidavit, signed by Solicitor John C. Bower, asking that the case be removed or a jury drawn from another county on the grounds that the State could not be assured of a fair trial by a Davidson county jury. This affidavit set out that the doctor was widely known through 15 years of practice, by being coroner for a number of years and through having been chairman of the road board for several years, and further that the prisoner had a telephone in his cell and had been able to communicate with friends, many of whom have also visited him.

#### Defense Makes Objection.

Counsel for the defense asked for time to answer and were granted until 2:30 this afternoon when they presented counter affidavits tending to show no prejudice against the State, by quoting newspaper accounts published here as impartial and by explaining that four telephones were on the same line, including the sheriff and the jailer and showing illness in the jailer's family as cause for installing the telephones. J. J. Parker, E. E. Raper and J. R. McCraw argued against removal, taking also the ground that unless a jury from this county was used that the case should be removed entirely to another county. Solicitor Bower and Clyde R. Hoey argued in behalf of the motion and contended for an outside jury instead of removal. Nearly two hours was consumed by argument at the end of which time Judge Finley ruled that a jury should be brought here from an adjoining county.

#### Formerly Lived in Rowan.

Objections were made to Randolph by the State, while Judge Finley ruled out Guilford and Forsyth for stated reasons. Davis was then eliminated after statement by counsel for the defense that the State had anticipated a removal of the hearing of venire from outside Davidson and had employed a leading lawyer of Davis. This left only Rowan as eligible. Rowan is the former home of both Dr. Peacock and his wife, although the family has not lived there for about twenty years.

Superior Court will finish the remainder of the criminal docket probably by Thursday or Friday, but on account of impossibility of finishing the case before the week-end it was decided to begin the trial Monday. Dr. Peacock was brought to the court room this morning and formally arraigned. In calm even tone he answered "not guilty" to the indictment as returned yesterday by the grand jury. Both sides announced readiness for trial. During the afternoon argument, the prisoner's family sat with him. He evinced keen interest in the legal battle over removal and maintained a splendid composure. It is considered likely that several noted alienists will be brought here by the defense counsel who have not announced that a plea of temporary insanity would be offered.

### INSPECTOR GENERAL TO INVESTIGATE DISASTER

#### Every Angle Of Fatal Airplane Crash To Be Taken Into Consideration

Washington, May 31.—Thorough investigation of the army ambulance airplane crash Saturday at Morganton, Maryland, in which seven men were killed, will be made by the Inspector General of the army under orders issued today by Secretary of War Weeks. The investigation will be independent of that made by a special board of inquiry of the Air Service and will cover every angle of the disaster, particularly in reference to design and control of the type of machine wrecked.

In this connection, it was indicated that cognizance would be taken of the statement of Captain De Leverage, air attaché of the French embassy, who made the trip to Langley Field in the machine, but who declined to make the return flight in it. Captain De Leverage stated that on the trip down that he noticed lack of balance of the plane and that at times it appeared out of control of the pilot.

### COTTON INTERESTS URGE GOVERNMENT TO HELP INDUSTRY

More Liberal Farm Credits and Lower Reserve Rediscount Rate Desired

#### HARDING THANKED FOR INTEREST IN SITUATION

Also Request All Possible Aid In Opening Up Export Channels For Cotton and Other American Products; Many Delegate To Attend World Conference in England

New York, May 31.—American cotton growers, manufacturers and affiliated interests, at their national conference today, called upon the Federal government to aid in the rehabilitation of the cotton industry.

The government was urged in resolutions to authorize and grant a more liberal expansion of credits on farm loans. To lower the Federal Reserve bank rediscount rate without delay to a figure not in excess of five per cent on the rediscounts of farm products and all commercial paper.

To instruct the War Finance Corporation and a Department of Commerce to render all possible aid in opening up exports for cotton and other American raw products, so as to stimulate the movement and consumption of such commodities as rapidly as possible.

Restrictions of credits and higher rate of re-discount charged on farm loans, the resolutions said, had rendered it impossible for farmers to plant and cultivate a normal cotton crop in 1921, and indications were that the cotton acreage would be the smallest planted in the last 25 years.

#### Unpleasant Losses.

"The cotton-growing industry and the entire agricultural of the nation," the resolutions added, "are suffering from unpayable losses in price values and stagnated markets in America and restricted exports. Deflation in farm values, which was so unexpectedly precipitated upon the country in August, 1920, found the cotton growers with their crops ready for harvest and without power to protect themselves from the debacle of constantly lowering prices."

"The crop was produced at the peak of high cost and the growers found themselves facing bankruptcy values. From an expectancy of \$5,500,000 for the cotton crop in July, 1920, when cultivation ceased, the growers of that crop sustained a loss of \$1,500,000,000, no part of which was profit, but represented a net loss deducted from the actual cost of production."

#### Thank President.

"President Harding's message to the convention pledging the co-operation of the administration in improving conditions in the cotton industry was declared to be one of statesmanship and true Americanism and the delegates to the World Cotton Conference in England were urged to present it at that gathering. A message was sent to the President thanking him for his interest in the industry.

### FOUR HUNDRED MILLIONS TO BE SLASHED FROM NATION'S RAILROAD WAGE BILL JULY 1

### ORDER WHOLESALE WAGE REDUCTIONS

#### Railroad Labor Board Completes Its Sifting Out Of Evidence

Chicago, Ill., May 31.—Wage reductions ordered by the Railroad Labor Board today resulted from a combined hearing involving railroads which filed petitions to cut the wages of one or more classes of employees. The hearing began on April 18 and the labor and railroad representatives were each granted one week to present their cases. The final date for submitting evidence was set for May 16, and the Board has been at work on the case constantly since that date.

Reduction in the wages of laborers in other industries and the declining cost of living were set forth by the railroads as the basis of their plea for lower wage scales. The winter slump in business materially hastened action in the endeavor to cut down the country's railroad payroll and many railroad officials declared before the board that their roads would be in the hands of receivers unless immediate relief was provided.

Started in February, the campaign for lower wages was begun in February when Brigadier General W. W. Atterbury, vice president of the Pennsylvania Lines, first demanded the right to hire unskilled labor at the rate prevailing in each road's territory. General Atterbury brought his demand to the board during the hearings on rules and working conditions, which the board has not yet disposed of. At the same time, the board demanded immediate abrogation of the national ship crafts agreements which, he declared, would further reduce the railroads' labor bill by \$300,000,000.

The board however, took no action on the demands at that time and it was not until the following month that distinct wage cases came to the board's attention. The Erie Railroad and the New York Central Lines then took steps toward a reduction by presenting the matter to their employees. No agreement was reached, however, and the disputes finally reached the labor board.

Provisions of the Transportation act of 1920 require that before any dispute is referred to the labor board, both employer and employee shall have made a sincere effort to effect a settlement. In case no agreement can be reached, the case may be referred to the board by one or both parties. The board then summons the disputants and holds a hearing at which both sides are given opportunity to present their arguments.

Following their hearings, the Erie, which had already put a reduction in force, was ordered by the board to restore the former rates and the New York Central was denied permission to make an immediate reduction pending a hearing of the efforts of both roads to cut wages was then the signal for a deluge of cases which began to pour into the board's office. Realizing the futility of attempting a separate hearing on each dispute, the board combined all the cases for the hearing which resulted in today's decision.

After only one day's deliberation, the board made public a resolution on May 17 stating that prevailing conditions justified a readjustment downward and that a new wage schedule would be in effect on about June 1, to be effective July 1. The decision, however, is not as comprehensive as that which granted the \$60,000,000 wage increase to railway workers on July 20, 1920. Reductions under today's decision will be effective only for the classes of employees named by the railroads which filed disputes prior to April 18 and which appeared in the hearing beginning on that date. The increase last year affected all so-called Class I roads, including nearly 300 of the larger rail systems of the country. A new hearing will be begun June 6 to include all disputes filed with the board between April 18 and June 6 and a speedy decision is anticipated in the new case, members of the board stating that today's decision would set a precedent for subsequent decisions.

### RAILWAY EXECUTIVES ARE DISAPPOINTED: DECLARE REDUCTION INADEQUATE

Chicago, Ill., May 31.—Railway executives tonight expressed disappointment at what they declare to be the inadequate wage decreases announced by the United States Railroad Labor Board.

B. M. Jewell, president of the Railroad Department of the American Federation of Labor, refused to make any comment, but declared the decision would be taken up at a meeting of the executive committee, probably in Chicago within the next few days.

"The reduction in wages granted is not, in my opinion, sufficient to meet the demands of the situation," said H. E. Bryson, president of the Chicago, Milwaukee and St. Paul. "The railroads in a proper faith asked for and expected that the labor board would make a reduction of wages equivalent to the advance which it granted on July 20, 1920. That advance proved to run at the rate of almost \$90,000,000 a year when the railroads were handling a normal business, and averaged about 22 per cent."

"The reduction authorized by the labor board to be made on July 1 is just about one-half of this sum."

S. M. Felton, president of the Chicago, Great Western Railroad declares the "railways believed that the reductions in the cost of living and in wages in other industries would justify an even larger reduction of railway wages than the advance granted last summer and that the financial condition of the railroads and the condition of general business demanded it."

### EVANGELISM AIM OF STATE BAPTISTS

#### New Department of Board Of Missions Established Yesterday

Establishing a department of Evangelism with two whole-time evangelists and two whole-time evangelistic singers the Baptist Board of Missions in session here yesterday, cleared the way for an intensive evangelistic campaign on the part of the denomination in the State beginning up in the "Everyman Wins One Month," September 10-October 10.

This campaign is a definite part of the 75-Million Campaign in which one of the principal objectives of the five year period was the salvation of two and a half million souls in the South.

During the month when the movement will reach its peak, all the churches of the denomination in the State are expected to hold evangelistic campaigns of a week's length.

### Wage Reductions Of Twelve Per Cent To Affect Members Of Thirty-one Labor Unions On 104 Railroads

#### RAILROAD LABOR BOARD WILL HAND DOWN ORDER CUTTING WAGES TODAY

#### Attitude Of Railway Unions Toward Decreases Ordered Remains To Be Determined; Big Brotherhoods Expected To Meet At Chicago July 1 To Consider Board's Decision, Which Is Effective On That Date; Percentage Of Reductions For Different Classes Of Workers; Decrease In Cost Of Living and In Scale Of Wages For Similar Kinds Of Work In Other Industries Cited By The Board

Chicago, May 31.—(By the Associated Press.)—An estimated four hundred million dollars will be slashed from the nation's railway wage bill when an order cutting wages an average of twelve per cent, to be handed down tomorrow by the United States Railroad Labor Board, becomes effective July 1. The order affects members of 31 labor organizations employed on 104 railroads.

While the decrease is specifically applied only to the roads whose cases have been heard by the board, the decision says it may later be applied to any other road asking a hearing under the provisions of the Esch-Cummins Transportation Act.

Average 12 Per Cent

Percentages of reductions computed by members of the board gave the average of twelve per cent, and the same source estimated the annual reduction in wages at approximately \$400,000,000.

The Railroad Labor Board recently re-classified the various employes in connection with railway operations, and this, it was pointed out, may have some effect on labor costs.

The board also, a few weeks ago, ordered abrogation of the national working agreements, to become effective July 1. At the hearing on the petition for abrogation of these agreements, railroad witnesses estimated savings in labor cost as high as \$300,000,000 annually. This would be in addition to the saving possible through the current wage reduction decision.

The decision also reduces wages from 5 to 10 cents an hour, or from 10 to 15 cents an hour, and in the case of section laborers, completely wipes out the increase granted that class of employes by the \$60,000,000 wage award of July 20, 1920. For section men the reduction was approximately 18 per cent. Switchmen and shop crafts were given a 9-per-cent reduction, while the train service men were cut approximately 7 per cent. Car repairers were cut about 10 per cent.

#### Common Labor Pay

Common labor pay, over which the railroads made their hardest fight, is to be reduced 6 to 8 1/2 cents an hour, cutting freight truckers' average monthly wages to \$97.10 and track laborers to \$77.11. This new schedule gives section men an average daily wage of \$3.76, five men are reduced 10 cents an hour, particularly in the South, showed common labor wages as low as \$1.50 for a ten-hour day.

Shop crafts employees and train and engine service men, except those in passenger service, are reduced 8 cents an hour. Construction and section foremen are reduced 10 cents an hour. Passenger and freight engineers, who

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### Salisbury Banker Kills Wife, Then With Gun Kills Himself

Salisbury, May 31.—This city was shocked this afternoon as it has not been shocked in years by the discovery of a double tragedy in the home of John Wright Davis, a local bank official. Mr. Davis and his wife were found dead in bed and a pistol still gripped in Mr. Davis' hand, together with the orderly condition of the home made an inquest unnecessary. Mr. and Mrs. Davis have been married about eight years during most of which time Mrs. Davis has been in poor health, being an invalid in recent months. Mr. Davis' loving devotion to her has been a thing of common knowledge and comment among his neighbors and friends. Just when and how the tragedy occurred will probably never be known. Mr. Davis went home from the Davis & Wiley Bank, where he was employed as bookkeeper, Monday about noon.

Solicitor Hayden Clement who is a neighbor of the Davises and who with the coroner, the sheriff and the chief of police made a thorough investigation and decided that no inquest was necessary, is of the opinion that the tragedy took place between 1 and 3 o'clock Monday. Friends failed to get response over the phone from the Davis home during the afternoon and evening. This morning the cook prepared breakfast and left without seeing the Davises. Mr. Davis did not go to the bank, relatives went this afternoon to see what the matter was. Upon entering the bed room on the second floor they found Mr. Davis and his wife both on the bed. She had been unable to leave her bed for some days and wore only a gown. Mr. Davis was dressed except for a coat.

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### June Wants

At this time of the year, when Spring is merging into Summer, there are any number of things that are badly needed, either by the man or woman who is fortunate enough to spend the hot months in the country, or by the seashore, or by the one that is obliged to remain in the city or town during the Summer.

So many people lose a vast amount of pleasure simply because they have never learned the value of a simple little appeal in the Want Ad Columns. Don't let this bright month of June go by without satisfying those little extra Summer wants through the Want Ads.