

HOUSE SENDS REVENUE MEASURE BACK TO COMMITTEE

Sales Tax Plan Exempting Foods Is Now Proposed

Unprecedented Step Taken In Seeking To Find Way Out From General Sales Tax

BILL TO PUT STATE IN POWER BUSINESS

Measure In Senate Would Authorize Issue of Bonds and Condemning Sites for Hydro-Electric Projects; Semi-Holiday Over Easter Is Ordered

Raleigh, April 14.—(AP)—North Carolina's House today placed its tax-raising problem in the hands of a special sub-committee and voted to allow the Senate in enjoying an Easter holiday, adjourning for only preliminary sessions Saturday and Easter Monday.

Having rejected two sales tax proposals, thereby reducing the biennial revenue bill's money raising capacity by an estimated \$20,000,000, the House considering the measure on second reading took an unprecedented step and voted to re-refer it.

Speaker Harris named a sub-committee of seven instructed by the House to attempt to draft an acceptable sales tax proposal.

The new proposal levied is expected to follow the principle of the rejected three percent general sales tax, with the "necessities of life" stricken from its provisions.

Meanwhile, the Senate meeting for consideration of local bills only, received a proposal to put the State into

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ELI SPRINGS DIES IN NEW YORK CITY

New York, April 14 (AP)—Eli Springs, retired capitalist and former mayor of Charlotte, N. C., died in the New York hospital early today after a operation for gallstones. He was 81 years old. His sister, Gladys, 72, at his bedside when he died. The body will be taken to Charlotte today for funeral services and burial tomorrow.

STATE INSURANCE EXPECTED TO PASS

Measure Expected To Be Revived In Senate Tuesday of Next Week

Raleigh, April 14.—Although the Senate this week defeated the Dungan bill setting up a monopolistic State-operated workman's compensation insurance fund by a margin of one vote, the fight is not over by any means, and the proponents of a State fund are confident that the bill will be finally passed by both Houses of the General Assembly.

The Senate passed the bill on second reading by a vote of 21 to 20, but

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Salaries Represent Less Than Half State's Costs

All Salaries \$19,959,000; All Debt Service, \$12,993,275; for All Supplies, \$8,547,725, or Total of \$41,500,000 for the Coming Biennium

Raleigh, April 14.—The cost of salaries is less than half the cost of maintaining the State government and the public schools by the State of North Carolina despite the fact that a great many people continue to think that salaries represent the largest item of expense for the State. For out of the proposed expenditure of \$41,500,000 a year for the next two years, as provided for in the appropriations bill already adopted, only \$19,959,000 will go for salaries, including the salaries of school teachers of an eight months school term. The re-

Envoy to Holland?



William Gorham Rice, Civil Service Commissioner of New York, who is regarded as the choice of President Roosevelt as United States Minister to Holland. Rice has held many important posts in State and Federal government, and is the author of several books.

REVENUE BILL IS \$8,000,000 SHORT OF BUDGET NEEDS

Lack That Much of Providing Money for Appropriations Already Voted Into Law

SENATE WILL ADOPT 3 PERCENT SALES TAX

Also Expected To Repeal Kilowatt Tax and Corporate Excess Levy; If It Does All These Things, House Will Refuse, and Sitting Contest Will Be On

Raleigh, April 14.—Short of all sales tax provisions the House is sending a revenue bill to the Senate that lacks between \$8,000,000 and \$9,000,000 of yielding as much revenue as is called for in the appropriations bill which both the House and Senate have adopted and which is now law. As passed by the House the revenue bill will barely yield enough to pay for the eight months school term appropriation of \$16,000,000 a year, and provides nothing for general fund debt service or for the maintenance of the various State departments and institutions, including the University of North Carolina and other educa-

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Huge Public Works Program Planned By Roosevelt

SWANSON HOPEFUL OF PASSING NAVY BUILDING PROGRAM

If It Is Accepted by Congress, There Will Be No Need for Cutting Navy Yards

COMMANDERS ASKED FOR ECONOMY VIEWS

No Decision on Economies Will Be Made Until Amounts Available for Operating Navy Are Learned, Secretary of the Navy Declares

Washington, April 14.—(AP)—Secretary Swanson said today he was "hopeful" that the navy building program suggested by Representative Vinson, Democrat, Georgia, chairman of the House Naval Committee, would be acceptable to Congress, and, if so, cuts in navy yard personnel would not be necessary.

The navy has asked all station commanders to submit prospective economies, and if the construction program is not approved, "every navy yard will have to stand its share of economies," the secretary said.

As expressed by Swanson to reporters, until the amounts available to operate the navy is determined, no decision will be reached as to economies to be effected.

"If the construction bill goes through, there will be plenty of work for the yards," he said.

"If not, there is no use in keeping people for whom you have no work."

POSTPONE HEARING ON REYNOLDS' WILL

Troy, April 14.—(AP)—A hearing on efforts of guardians to obtain for two-year-old Anne Cannon Reynolds a share of the estate of her father, Smith Reynolds, scheduled to have been held here today, was postponed until the week of June 24, and will be held in Concord.

State's Refusal Of Rail Charges Will Be Probed

Washington, April 14 (AP)—Investigation into refusal of North Carolina, Georgia, Alabama and South Carolina to permit railroads to continue surcharges of freight bills was ordered today by the Interstate Commerce Commission.

The commission set the investigation for hearing on May 1 to May 4, inclusive, with North Carolina appearing May 1.

The four State railroad commissions refused to go along with the Interstate Commerce Commission when it recently authorized the railroads to continue surcharges for six months from March 31. They directed that the surcharges, which had been in effect for 15 months, be discontinued on freight hauled within the states.

The railroads operating in these states appealed to the commission and the investigation was ordered.

Moscow, April 14 (AP)—A specific charge of bribery was flung today from the witness stand in the trial of six British engineers and eleven of their Russian associates on charges of espionage against the Soviet Union.

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WEATHER FOR NORTH CAROLINA

Cloudy, rain Saturday and in south and west portions tonight; cooler Saturday afternoon in extreme west portion.

HIS JOB IS TO EXPEDITE OPENING OF CLOSED BANKS



Walter J. Cummings, former business associate of Secretary of the Treasury William H. Woodin, has been named his executive assistant in the treasury department to expedite the release of resources now tied up in closed state banks.

Magnitude of Cummings' job is apparent upon a glance at these figures: Only 12,700 of the nation's 18,000 banks are open. Of this number, approximately 3,000 are members of Federal Reserve, 7,700 are non-members. On deposit in banks at time of bank holiday, \$40,000,000,000. Deposits still inaccessible or partially or wholly lost, approximate \$4,000,000,000. Of money tied up, \$70,000,000 is in Washington itself. Liquidations in Detroit affect approximately \$400,000,000 in deposits; in Cleveland, \$300,000,000.

Notes Of State Renewed In New York By Governor

Raleigh, April 14 (AP)—Governor J. C. B. Ehringhaus announced today upon his return from New York that he had been successful in renewing for 60 days at six percent interest, the \$6,670,000 in North Carolina short term notes maturing there April 17.

The renewal was negotiated, the

governor said, without reducing the notes by \$1,000,000, as New York bankers had sought, suggesting this amount be taken from the State's sinking fund.

Ehringhaus said the notes, holders were "convinced" North Carolina's record of reducing its cost of government was "better than the country."

THINKS BLIMP J-3 WAS SAFE CRAFT

Acting Commandant At Lakehurst Talks of Lost Rescue Dirigible

HE WAS READY TO GO

Would Gladly Have Taken Aid On Little Craft; Two Men Lost Their Lives When It Crashed At Sea April 4

Lakehurst, N. J., April 14.—(AP)—Lieutenant Commander Jesse L. Kenworthy, Jr., who became acting commandant of the navy air station when the commandant, Commander Frederick T. Berry went down with the Akron, told the court of inquiry today that, although the weather was bad when the blimp J-3 took off on her disastrous rescue mission, he believed she could be operated safely.

"I would gladly have gone myself," he declared.

Lieutenant Commander David E. Cummins, commander of the non-rigid dirigible J-3 and one of her crew, Pasquale Bettio, chief machinist mate lost their lives when she went into the sea while out searching for wreckage and possible survivors of the Akron April 4.

Before he testified, Commander Kenworthy at his own request, was designated "an interested party" as the navy's investigation board turned from the story of the Akron to that of the ill-fated J-3.

Half a company of Federal soldiers were reported riding in the armored car as a train escort.

Armored cars were removed from Mexican trains several years ago. Ordinary trains today carry from 10 to 16 soldiers as day coach passengers.

A dozen Mexican detectives were assigned to accompany the train from the border to Mexico City.

Columbia, S. C., April 14 (AP)—Governor Blackwood today signed the beer and wine sale of 3.2 percent wine and beer in South Carolina for the first time in 16 years.

The stroke of the chief executive's pen was a signal for dispensers in all parts of the state to get ready to pass out the foamy liquid to the thirsty of the Palmetto state.

The measure was ratified by the legislature last night. It authorizes immediate sales anywhere at any time, placing no restrictions except payment of a 15 cents a gallon tax, or two cents on 12 ounce bottles, with one cent for each additional six ounces.

Roanoke, Va., April 14.—(AP)—A family of five lost their lives and two firemen were overcome by smoke when W. E. Garland's general store at Buchanan burned early this morning.

The dead were Mr. and Mrs. Roy Layman; their son, about 16 years old; a daughter, about 14, and a baby. The baby was suffocated, according to fire reports.

A volunteer fireman, Jack Fitch, son of the town's mayor, was brought to the Jefferson hospital here. Fitch signaled the presence of the bodies when he climbed from a ladder into the apartment.

The family and Fitch were carried down ladders.

GOVERNMENT, STATE AND LOCAL GROUPS WOULD COOPERATE

Two to Three Billion Dollars Contemplated in Huge Employment Project Shortly

PLAN ABOUT READY SECRETARY STATES

Mrs. Perkins Has Program Nearly Completed; Waterworks, Grade Crossing Elimination, Road Building, Slum Clearing and New Homes Included

Washington, April 14.—(AP)—The administration rounded into shape plans for a far-reaching employment program designed to bring Federal, State and local agencies behind an enormous public works drive today, at the same time that opposition was arising in the House to the Roosevelt-approved \$500,000,000 relief bill.

Secretary Francis Perkins, who has been working on the employment program for President Roosevelt said that a two or three billion dollar program would be put under way within four or five months.

At a press conference, she revealed that such a program should embrace Federal, State, county and municipal projects, such as waterworks, grade crossing elimination, road building, slum clearing and building low cost

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Louisianans Call On U. S. Senate To Expel Huey Long

Washington, April 14.—(AP)—A petition filed by a score of citizens of his State asking removal from the Senate of Huey P. Long, self-styled Louisiana "kingfish" on charges of personal dishonesty and corruption, was before the elections committee today.

Chairman George of that committee, said that if the petition contained anything that "goes to the rights" of Long to hold his seat, a "proper investigation" would be made.

Long said: "I don't know anything about it, and I don't care."

Roosevelt Vacation Sea Trip

Washington, April 14.—(AP)—President Roosevelt is planning to take to the open sea again this summer on a cruise up the New England coast. James Roosevelt, his eldest son is arranging for the use of a 45-foot boat owned by Paul D. Rust, Jr., of Massachusetts.

As in last summer, when he guided a 40-foot yawl around the capes, Mr. Roosevelt intends to have only his three boys with him, together with George K. Briggs, a Marblehead yachting enthusiast.

It is the hope of the President to begin his sea trip from Marblehead, Mass., the latter part of June depending on the adjournment of Congress by that time. The cruise will end at his Campo Bello, Maine, summer home.

Beer Is Legalized In South Carolina As Bill Is Signed

More Relief Money Mailed To Counties

Family of Five Burns to Death At Buchanan, Va.

Crucifixion Is Re-Enacted By Strange Cult In West

Albuquerque, N. M., (AP)—Hidden away in the mountain fastnesses of New Mexico, Loss Hermanos de Penitente (the brothers of the Penitents) today enacted with earnest realism the drama of Christ's crucifixion.

While most of the Christian world observed Good Friday with prayer and fasting, this strange offshoot of Christianity re-enacted the Crucifixion in secret and under heavy guard.

In Paos and Rio Arriba counties, in the northern part of the state, in small mountain village saloing the Rio Grande, and even in the nearby Sandia mountains, the Penitente processions moved to their appointed places to worship and do penance in their own way.

WILL ROGERS SAYS:

Beverly Hills, Calif., April 14.—Say, my beer offer the other day to buy the Senators or Congressmen a nip in return for their unlooked-for public good, has brought me a lot of bills. Here is one from a man in New Hampshire:

"You didn't say anything about ex-Senators, but knowing your personal regard for ex-Senator Moses, thought it would be O. K. So I bought him one. The beer didn't suit him; said he couldn't get back onto it. So, had to give him something better; so enclosed bill, to one drink for Senator Moses, fifty cents. Discount 40 cents, which I took care of myself which leaves balance due 10 cents Moses seemed mighty satisfied with this arrangement."

That's O. K. with me. An ex-Republican Senator is worth a dime anywhere. Will do the same for Jim Wilson, of Indiana. Yours, WILL.

BRIBERY CHARGED IN SOVIET TRIAL

Britisher Says \$1,500 Given Russian Was Not Bribe But Loan

Moscow, April 14 (AP)—A specific charge of bribery was flung today from the witness stand in the trial of six British engineers and eleven of their Russian associates on charges of espionage against the Soviet Union.

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