

Henderson Daily Dispatch

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HENDERSON, N. C. THURSDAY AFTERNOON, MARCH 1, 1934

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HOUSE BLOCKS WAR VETERANS MEASURE

Doumergue Given Dictator Powers To Govern France

Gives Him Supreme Power To Negotiate Tariff Treaties and Regulate Economies

BUDGET BALANCED BY SMALL MARGIN

Heavy Majorities In Senate and Chamber Given Premier's Plans for Operating Government for 1934; Doumergue Now Turns To Stavisky Scandal

Paris, March 1.—(AP)—The Parliament of France, red-eyed from a long struggle, balanced the budget today, and, bowing to the insistence of the venerable determined Premier Gaston Doumergue, made him a tariff dictator.

The 1934 budget, as voted by Parliament today, gives a surplus of 9,000,000 francs revenue over estimated expenditures. The latter are fixed at \$3,147,707,000 francs, or \$3,147,707,000.

The vote on the budget in the Chamber of Deputies was 458 to 132, and in the Senate 284 to 15.

Just before acting on the budget, the Parliament granted Premier Doumergue dictatorial powers to effect governmental economies, and to manipulate tariffs in negotiating trade treaties.

With the country's finances thus assured for the year, the premier's hand were freed today to press the investigation of the Stavisky banking scandal, in which investors lost \$40,000,000 when the Municipal Pawn Shop failed at Bayonne; to ally unrest in and out of Parliament, and to tackle urgent problems of foreign policy firmly and resolutely.

Heavyweight Bout At Miami Is Ready For Hour Tonight

Miami, Fla., March 1.—(AP)—With the fight apparently assured by a favorable turn in the weather, Tommy Loughlin, American challenger, stepped on the scales this afternoon and registered at 181 pounds for his 15-round heavyweight championship. Due to a misunderstanding, Carnera failed to appear on time for the weighing in.

Liquor Is Now Legal In Capital

Washington, March 1.—(AP)—Police dashed through the capital like modern Paul Revere early today to spread word of "legal liquor" after 17 years of prohibition.

Citizens by thousands cheered as police cars, sirens open, rushed to deliver retail liquor permits to 20,000 clubs, restaurants, hotels and night clubs.

The dash started on the dot of midnight. Just as Washington was, at least allegedly, dried up by the Sheppard act long before prohibition, so it was late in returning lawfully wet.

Smoot Promised Results To Western Air Express

Washington, March 1.—(AP)—Harris M. Hanshue, president of Western Air Express, told Senate air mail investigators today that Ernest W. Smoot, son of the former Utah senator had "sold" the company on the idea that Smoot could expedite a comptroller-general's decision the company wanted.

Government payments to the company were being held up at the time pending the comptroller's decision. Smoot was hired and after the decision was made billed the company for \$15,000 "for services rendered."

Cabinet of Spain Resigns Suddenly

Madrid, Spain, March 1.—(AP)—The entire government of Premier Alejandro Lerroux resigned suddenly today.

Reorganization of the ministry had been considered last night by Premier Lerroux after it was announced that two ministers—Diego Martinez Barrios of the department of the interior, and Minister of the Treasury Gomez Lara—planned to resign.

However, the resignation of the entire cabinet, reorganized on January 23, came as a surprise move.

FURTHER TESTING FOR MONEY PLANS TO BE PERMITTED

Administration's Desire Is To Go Through Fiscal Year June 30 on Present System

DEFINITE POLICY WILL FOLLOW THEN

Secretary Morgenthau Testifies Before House Committee Considering Central Federal Authority With Currency Issuing Powers For Nation

Washington, March 1.—(AP)—The administration's desire to try present monetary plans for at least the remainder of this fiscal year before a fixed policy is determined upon was conveyed to Congress today by Secretary Morgenthau.

Testifying to a House Banking subcommittee on a bill to establish a central Federal authority with currency issuing powers, Morgenthau said:

"I think this study the committee is making is very worthwhile and important. The country has just come through one of the most difficult fi-

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Insurance Head Reveals Further Money Jugglings

Nashville, Tenn., March 1.—(AP)—J. I. Reece, former State insurance commissioner, testified in State criminal court today that there was no money in the "unadjusted back tax account" when he undertook to tender it to his successor, Joseph P. Tobin, and that the latter declined to accept "my trusteeship in the matter."

Reece said the account, which he declared had aggregated about \$22,000, was held by him individually and not as commissioner.

He had testified previously that it was used in the 1932 general election campaign of Governor Hill McAlister whose appointee, Tobin, was sworn in to succeed Reece January 19, 1933.

COMMITTEE SOLID AGAINST DIVERSION OF HIGHWAY FUNDS

Some Difference of Opinion as to Possibility of Cut In License Plate Prices

JEFFRESS EXPLAINS HIGHWAY FINANCES

Says State Will Be On Its Own Again Soon As To New Construction, Without U. S. Help, With Roads Needed and no Funds Ready for Purpose

Daily Dispatch Bureau, In the Sir Walter Hotel, BY J. C. BASKERVILLE.

Raleigh, March 1.—Diversion of highway money, collected from automobile and gasoline taxes, was solidly opposed by the committees that met here today and yesterday studying motor taxation and road construction and conditions. There was some difference of opinion as to whether any reduction in the cost of automobile license plates could be made under existing present conditions. But most of the committee members agreed that if the next and succeeding general assemblies will insist that highway money be used for highway purposes and nothing else, that some reduction in license plate costs can be made in 1935, with further additional reduction later on and still leave enough money to meet road bond and interest payments and have some left over for new road construction.

There are so many different angles to the situation with regard to highway revenues and needs which must be considered that the committees decided to await additional information and analyze it before making any definite recommendations with regard to any reduction in the cost of automobile licenses. The committees that met here Wednesday were the committee on motor vehicle taxation and diversion, of which E. C. Brooks, of Durham, is chairman, and the committee on road construction and conditions, of which Joseph P. Rawley, of High Point, is chairman. Mr. Rawley could not be present, so that the committees met jointly, with Mr. Brooks presiding. The committees were appointed and the meeting called by the Carolina Motor Club to assist it in formulating its next legislative program.

A resume of the present highway situation in the State was given before the joint committee by Chairman E. B. Jeffress, of the State Highway and Public Works Commission. He told the committee that prior to the 1933 General Assembly not a single cent of highway fund revenue had ever been diverted to any other use, but that the 1933 General Assembly provided that if there was as much as \$1,000,000 remaining in the highway fund at the end of the next fiscal year—which is June 30, 1934—that \$1,000,000 may be diverted from it to the general fund. It was also pointed out that the entire cost of maintaining the State's prison system, containing some 85 different camps and units and more than 7,000 prisoners, is now being paid from the highway fund. The cost of this is not

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FINAL ARGUMENTS IN KENNEDY CASE

Mississippi Woman Doctor Charged With Poisoning Doctor Friend

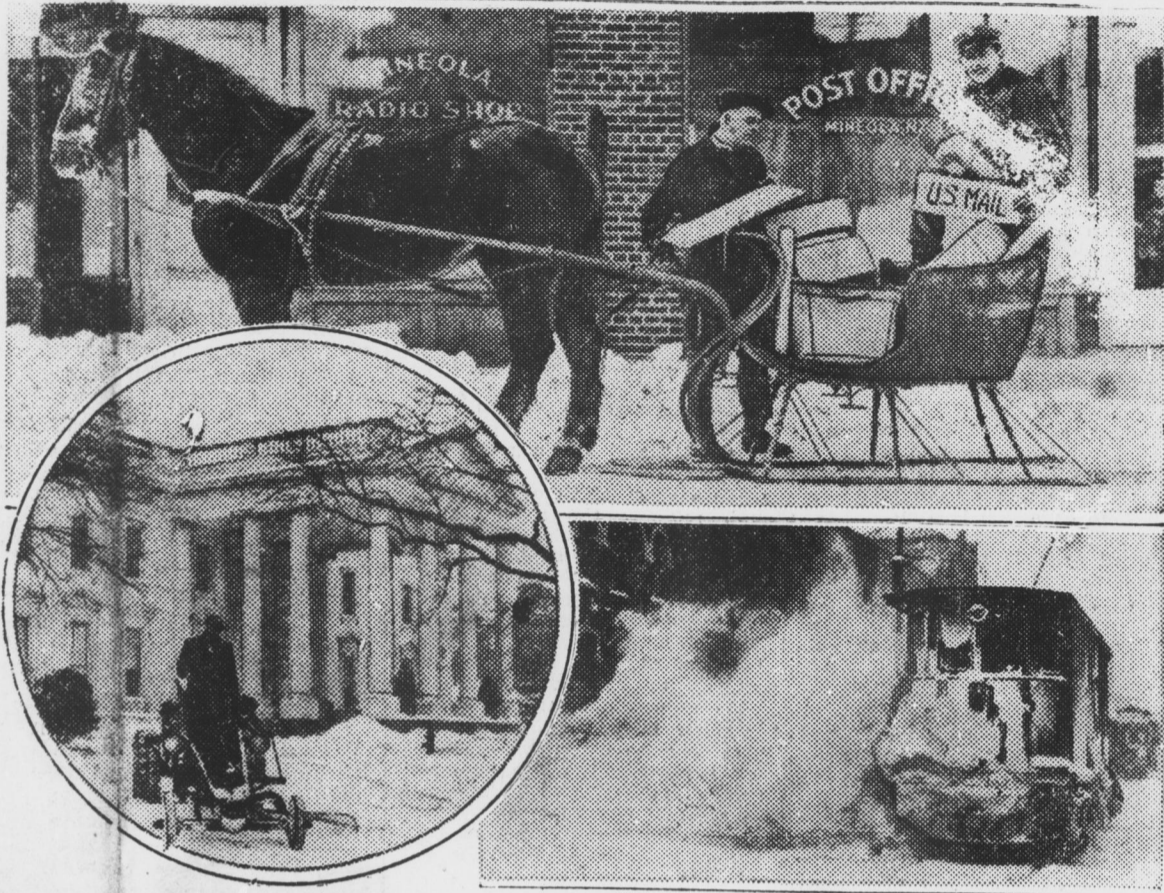
Greenwood, Miss., March 1.—(AP)—Final arguments unlimited under Mississippi law—were started at mid-morning today in the murder trial of Dr. Sarah Ruth Dean, charged with poisoning Dr. John Preston Kennedy last July.

"You can take the bride off and hang it on the gatepost," Presiding Judge F. F. Davis told opposing counsel. "There's no limit on your speeches."

As the jury was brought into the court room at 10:30 a. m., after the early morning had been consumed in attorneys' conferences over the preparation of instructions, Judge Davis had a word for the jam of spectators, mostly women, crowded into his court.

"If you get tickled and want to laugh moderately, you can," he said. "But we won't have any applauding or hurrahing here. You must not show what side your sympathies are in this law suit."

Business As Usual in Teeth of Blizzards



Not only did the blizzard that swept Eastern seaboard cover New York area to a depth of 9 inches, but it also blew the March of Progress into reverse. While mail planes were grounded, Old Dobbin with an old-fashioned cutter (top) carried the mail at Mineola, L. I. Left, keeping open house at the White House with a snowplow; and at right, a plow stirs things up on New York's Broadway to keep traffic moving. (Central Press)

War Department Resisting House's Huge Airplane Buy

Washington, March 1.—(AP)—Secretary Dern snatched "beyond any sane estimate" label today across any congressional plans for a wide expansion of army aviation.

The War Department and its one-time traditional ally, the House Military Affairs Committee, thereupon broke off friendly relations. The committee promptly prepared a comeback of its own.

Dern singled out for attack two bills introduced by Chairman McSwain, one of which would give the army 4,384 new planes. In a statement to the committee, he termed them "one-sided," "partisan," and "even prompted by self-interest."

"The first of these two bills," he said, "would provide an air force so far beyond any sane estimate of our defensive needs, and so costly that its passage could be construed by the world only an evidence either of ardent militarism or immediate war."

McSwain forthwith invited the war secretary to come up and tell his committee about it. He added:

"The committee has several times requested Secretary Dern to appear before it and explain his attitude, but he has never come. We are still ready to have him appear at his convenience."

McSwain said he would apply all possible pressure to have the House adopt today a resolution to authorize a committee investigation of all army procurement methods.

The committee would hire special investigators.

The atmosphere between the War Department and the House group has been strained for weeks. Committee members stated publicly that the department was violating the bill of Congress by purchasing airplanes without competitive bidding.

Washington, March 1.—(AP)—A mother and three children were burned to death and a fourth child critically burned when fire swept the top floor of a five-story tenement house early today.

The fire was discovered about 4 a. m. Firemen, with the aid of ladders, reached the top floor and found the bodies scattered about though the occupants had tried to escape. The head of the family, a street sweeper, was not at home and police could not reach him immediately.

Four Lose Lives When Home Burns

Brooklyn, N. Y., March 1.—(AP)—A mother and three children were burned to death and a fourth child critically burned when fire swept the top floor of a five-story tenement house early today.

See Bailey Men Kidding Mr. Fountain

Senator Prefers Rocky Mount Man Over Ehringhaus as 1936 Opponent

NO SALES TAX FOR MOVIE ADMISSIONS

Revenue Department Officials Point Out Difference In Levies

Daily Dispatch Bureau, In the Sir Walter Hotel, BY J. C. BASKERVILLE.

Raleigh, March 1.—Moving picture theatre admissions are not subject to the State three per cent retail sales tax it was pointed out by officials of the State Department of Revenue today, although reports have been received here to the effect that some theatre operators have posted signs in their ticket windows, as for instance "Admission 35 cents, tax 1 cent, total 36 cents."

There is nothing illegal with this, however, or even misleading, provided the words "sales tax" are not used, it was pointed out. For the General Assembly of 1933 did levy a privilege tax of three per cent on the gross income of theatres, whenever the gross income exceeds the base tax which is paid in advance, once a year, and based upon the population of the city or town in which the theatre is located.

So if a theatre operator can "get away with it" and the public will stand for it and he can charge 36 cents admission instead of 35 cents, he is passing virtually his entire tax

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New Ruler Crowned In Manchukuo

Henry Pu - Yi Becomes Emperor As His Own and Jap Troops Protect Him

(Copyright, By the Associated Press.) Hsinking (Changchun), Manchukuo, March 1.—(AP) A new dynasty was born today under the protecting guns of more than 50,000 soldiers when Henry Pu-Yi became Kang Teh, emperor of the "great Manchu empire."

A bullet-proof limousine made in America carried him to and from the imperial palace. Barbed wire stockades kept back the throngs. Everywhere were the soldiers—Manchukuan and Japanese.

They formed human walls along the five-mile route from the palace to the "altar of heaven." For every three Manchukuan soldiers, there was one Japanese trooper in the lines. Thus did Japan, which sponsored the new empire, and Manchukuo itself seek to protect the young emperor from any attempt upon his life.

Roosevelt Will Outline On Monday NRA's Future

Washington, March 1.—(AP)—President Roosevelt will disclose his plans for NRA in a personal appearance Monday before the group meeting called by Administrator Hugh S. Johnson to hear complaints.

This was made known today as criticism was received from a large number of persons who came here at the invitation of Johnson to air their views.

SPEAKER HOLDS UP CONSIDERATION OF SENATE PROPOSAL

Rainey Assumes Some Days Will Go By Before Veterans Issue Comes To Showdown

BANKHEAD CONTROL MEASURE ENLARGED

Would Run Two Years, With President Empowered To Make It Third If He Desires; Wagner Offers Bill To Ban Labor Minority Representation

Washington, March 1.—(AP)—House supporters of the Senate "largesse" for veterans were foiled, for the time at least, today when Speaker Rainey prevented early consideration of the bill there.

By a parliamentary maneuver during renewal of debate on the \$62,000,000 agriculture department appropriation, he practically assumed that some days would go by before a House decision would be necessary on enlarging these regular veterans payments.

The Senate, meanwhile, faced filibustering tactics against the naval construction measure. One vehicle of opposition talk was Philippine independence, as viewed by King, Democrat, Utah.

A House committee extended the proposed Bankhead compulsory cotton control bill to two years, with a third year possible should the President desire. Neither branch has acted on this measure.

Senator Wagner, Democrat, New York, chairman of the NRA National Labor Board, put forth a bill to ban company unions, make the labor board permanent and deny the right of direct representation to labor minorities.

Almost simultaneously, the labor board decided unanimously to defer the case of the Weirton Steel Company, Weirton, W. Va., to the Department of Justice for immediate action. The company challenges the NRA position on unionization.

With these varied aspects of the administration program at the front, more planning was going ahead to spur business. It appeared that the President soon would hear from his financial advisors on the proposed intermediate industrial bank to make capital loans.

Execution At Prison Is Halted

Raleigh, March 1.—(AP)—The law that would take his life moved today to halt the electrocution of Theodore Cooper, Durham Negro, convicted of murder, at State's Prison tomorrow.

Cooper, whose attorney has announced abandonment of an appeal to the Supreme Court of the United States, was granted a short stay of execution today by Governor Ehringhaus delaying the Negro's scheduled execution until March 16. The stay was granted upon advice of the State attorney general's office, which pointed out that Cooper's counsel should give the Supreme Court notice of withdrawal of the appeal.

Clyde Ferrell, Durham white man, who also had been scheduled to die tomorrow for murder, was saved from the chair by a last minute appeal to the State Supreme Court yesterday.

WEATHER FOR NORTH CAROLINA.

Cloudy and warmer tonight and Friday; rain Friday and beginning late tonight or Friday in southwest portion.

FOR HENDERSON.

For 24-hour period ending in forenoon today: Highest temperature, 26; lowest, 22; no rain; north-east wind; cloudy.