

MANUFACTURERS ASK 40 PERCENT TOBACCO TAX CUT

New Air Mail Contracts To Be Let In Three Weeks, Farley Says

RESTRICTIONS ARE FIXED FOR BIDDERS ON NEW CONTRACT

No Company Whose Contract Was Annulled For Fraud and Collusion May Get Jobs

OTHER GROUPS ARE ALSO BEING BARRED

No Company Whose Officers or Directors Have Kept Other Bidders Out of the Field Can Participate; Bids Are To Be Submitted In 15 Days

Washington, March 28.—(AP)—New contracts with commercial air lines to transport air mail for three months will be let in the next three weeks. Postmaster General Farley made the announcement today following conferences yesterday with President Roosevelt.

Farley said "no air mail company whose contract has been annulled for fraud and collusion may bid for a temporary contract."

He also barred any company which has as any of its officers or directors any person who has entered into or proposed to enter into any combination to prevent the making of competitive bids for carrying the mail or has made any agreement or given or performed, or promised to give or perform any consideration whatever to induce any other person not to bid for any other mail contracts.

Advertisements for bids will be sent out within the next day or two. The bids to be submitted within 15 days. Successful bidders will be required to start operation within 30 days after obtaining contracts.

McGrath Is Held In California On Bank Charge East

Los Angeles, Cal., March 28.—(AP)—Vincent G. McGrath, 28, who Federal agents said is wanted in Rutherford, N. J., for embezzlement from the Rutherford National Bank, was held today by police, who apprehended him under the alias of John A. Harman.

Detectives said McGrath formerly was a bookkeeper in the bank, and was sought for thefts which were expected to total about \$25,000. They said he also was wanted in Charlotte, N. C., as a witness in a mail robbery case and questioning concerning the disposition of \$10,000 by one of the robbers.

He arrived in Los Angeles yesterday, officers said.

State Board Of Elections Is Attacked

Accused by Solicitor Candidate in West of Perpetuating Office Holder

Hendersonville, March 23 (AP)—R. L. Whitnair, former State senator now opposing Solicitor J. Will Pless, Jr., of Marion, in the Democratic senatorial primary in the eighteenth judicial district, charged today that the State Election Board is "manipulating election machinery in an effort to perpetuate a man in office."

Whitnair referred to the refusal of the board to confirm members of the election board in Polk county recommended by the Polk county chairman, and the naming of two other men not named by the county chairman.

"I shall contend to the last ditch against the chairman of the Democratic State Executive Committee and the governor in attempting to manipulate the election machinery of the State and district in the interest of a favored candidate," he said.

They Shake as Europe Shakes



Chancellor Engelbert Dollfuss, Austria's Napoleonic premier, seals his understanding with Premier Benito Mussolini of Italy with a handshake at a cavalry show near Rome, after signing of new three-cornered peace pact in which Hungary also plays a part. In consequence, European peace now rests largely in these two men's hands. (Central Press)

Roumania Watches For Insull's Coming There

His Little Greek Ship Enters Sea of Marmora and Signals Turkish Officials at Dardanelles It Is Enroute To Roumania With One Passenger

Bucharest, Roumania, March 28.—(AP)—All Roumanian ports were watched closely today to prevent any landing by Samuel Insull, whose chartered Greek freighter Maiotis entered the Sea of Marmora, en route to Roumania today.

ENTERS SEA OF MARMORA ON WAY TO ROUMANIA Istanbul, Turkey, March 28.—(AP)—Samuel Insull's refuge ship Maiotis steamed into the Sea of Marmora today after signalling Turkish officials on the Dardanelles heights that she

was bound for Roumania with one passenger aboard.

Whether Insull himself was aboard the battered craft he chartered more than a week ago, or had transferred to another ship in the Aegean Sea, was not learned. It had been understood that Insull was the only passenger aboard the Maiotis.

Watchers looked forward, however, to possibly learning for sure whether Insull is following the route of Jason's Argosy in search of the Golden Fleece when the Maiotis entered the narrow Bosphorus Straits en route to the Black Sea.

OLD FEUD FOUGHT OVER SECOND TIME

Fountain-Ehringhaus Opposition Fired Again At Teachers' Meeting

Daily Dispatch Bureau, In the St. Walter Hotel, BY J. C. BASKERVILLE. Raleigh, March 28.—The now almost two years old Fountain-Ehringhaus primary fight was fought all over again here last week when the North Carolina Education Association was meeting here, with former Lieutenant Governor R. T. Fountain, of Rocky Mount, and his friends seeking to get the committee on resolutions not to endorse either the administration of Governor Ehringhaus or the sales tax, it was learned from reliable sources today. T member of

Paraguayan Army Claims Victories Over Bolivians

Asuncion, Paraguay, March 28.—(AP)—The government reported today that the Paraguayan army had won its greatest victory since December in the war with Bolivia, seizing great numbers of prisoners and large quantities of supplies.

SEEK DEPORTATION OF MARTIN INSULL

Groundwork Laid as Extradited Man Is Headed for Chicago Trial

Detroit, Mich., March 28.—(AP)—The United States Immigration Service laid the ground work today for deportation proceedings against Martin J. Insull, and then permitted Chicago officers to proceed with him to Illinois, where he faces charges growing out of the collapse of the Insull utilities "empire."

Walter R. Brooks, chief immigration inspector here, explained that Insull, who had declared himself a British subject, was paroled to the Chicago police under an excluding order. The order required that the former utilities magnate, brother of Samuel Insull, be turned over to immigration authorities for deportation to Canada as soon as disposition is made of charges against him in Chicago.

No bond was required and Lieutenant Frank K. Johnson, of the Chicago police expected to leave before noon with the prisoner he had brought from Toronto. There Insull had fought to the last ditch against an extradition warrant signed by President Roosevelt.

Cotton Bill Gets More Hard Blows

Washington, March 28.—(AP)—With a vote imminent in the Senate on the Bankhead cotton bill, Senator Patterson, Republican, Missouri called the measure today "destructive of the principles of human liberty we have known in this country for 145 years."

"Dictatorial powers as great as those of Stalin" would be given the secretary of agriculture over cotton, the Missourian asserted in a statement.

"And if they can do that in reference to cotton, they can do it in reference to corn, wheat, hogs and cattle."

BAILEY'S ATTACK ON BANKHEAD BILL SURPRISING MOVE

State Capital Wonders Whether He Was Sincere or Merely Playing Politics

MIGHT THINK SWING AGAINST ROOSEVELT

If He Feels Tide of President's Popularity is Ebbing, He May Wish To Lead the Revolt; But May Be Sincere in Defense of the Constitution.

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

Raleigh, March 28.—What was behind Senator Josiah W. Bailey's bitter attack upon the Bankhead cotton production control bill? Is Bailey really sincere in his opposition to the bill and in his devotion to the Constitution, or is he merely playing politics in the belief that the reaction to the Roosevelt administration has set in and that from now on the smart thing to do is to differ with the President?

These questions have been much heard here since Senator Bailey made his powerful and almost dramatic

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Republic Steel To Raise Pay, But Big Ones Silent

Youngstown, Ohio, March 28.—(AP)—The Republic Steel Corporation, third largest in the industry, today added its name to the list announcing ten percent wage increases for employees effective April 1.

U. S. AD BETHLEHEM BOTH SILENT ON WAGE QUESTION New York, March 28.—(AP)—The United States Steel Corporation and Bethlehem Steel Corporation gave no indication today whether they would follow the action of several companies in raising wages.

Chinese Boat Boy Federal Witness In Ocean Slaying

New York, March 28.—(AP)—A Chinese cabin boy unversed in English took the stand today for the government in the sea murder trial of Andrew Donaldson Kirwan.

The witness was Wong Rah Mat. He gave testimony through an interpreter.

He testified he was in charge of cabins 211 and 215 on the S. S. President Garfield as it sailed from Marseilles to New York. Kirwan occupied cabin 215.

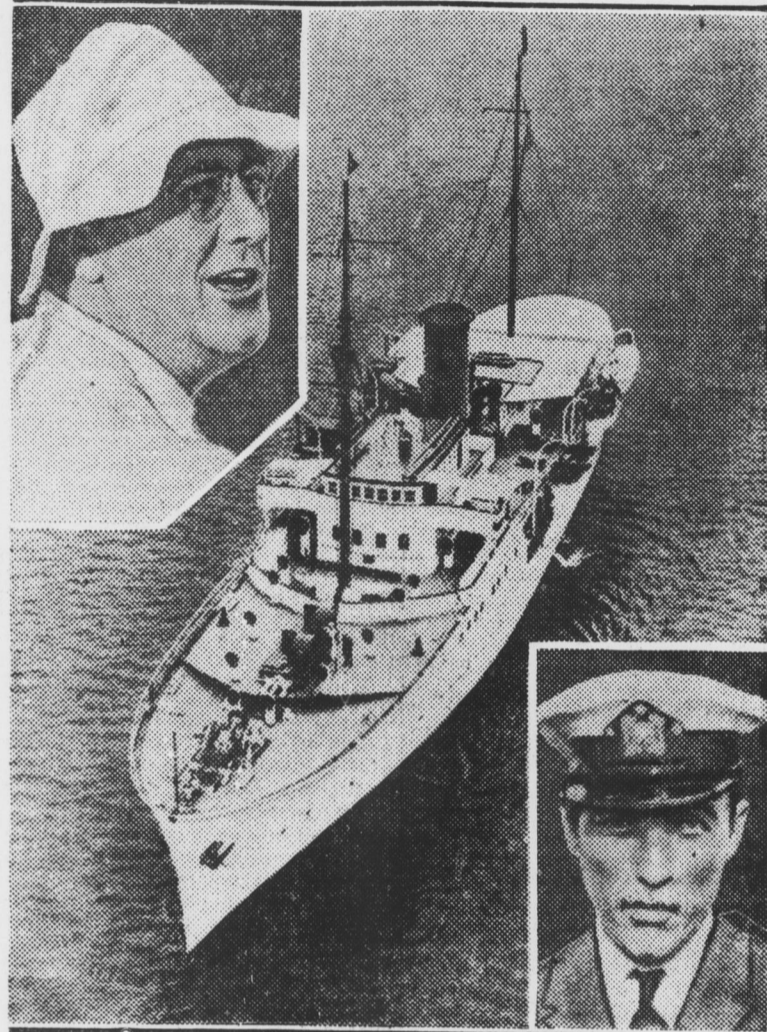
Gilliam Sessions, the victim of a fatal stabbing, of which Kirwan, is accused occupied No. 211.

Kirwan stood up in court and Wong identified him as the occupant of 215 on the trip from Marseilles.

WEATHER FOR NORTH CAROLINA

Fair, colder in east and central portions tonight; light to heavy frost in the interior and light frost near the coast; Thursday fair, slowly rising temperature in the interior.

Presidential Vacation Yacht



President Roosevelt and his friend, Vincent Astor, are shown in yachting costume which they prefer when cruising. Latter's yacht Nourmahal, chosen by President for vacation trip, is shown as it appears from air. (Central Press)

Roosevelt Boards Yacht For Ten Days Vacation

President Puts Behind Him Cares of Office and House Overriding of His Veto on Veterans Payments; Maintains Silence on the Question

Washington, March 28 (AP)—Senator Robinson, the Democratic leader, attempted to rally administration forces in the Senate today to uphold President Roosevelt's veto of veterans' appropriations with an assertion that the government should not discriminate against a citizen because he did not wear a uniform.

In a tense atmosphere, the Senate debated the President's veto, with factional leaders predicting a close vote on a motion to override.

Jacksonville, Fla., March 28.—(AP)—Bearing President Roosevelt and his party on a fishing trip to Southern waters, Vincent Astor's yacht, the

Nourmahal, cleared port here at 10:20 a. m.

PRESIDENT SILENT ABOUT OVERRIDING OF HIS VETO

En Route with President Roosevelt Jacksonville, Fla., March 28.—(AP)—President Roosevelt heading for a rendezvous with salt water fish, preserved a determined silence today about the House defeat of his veto on veterans and Federal pay.

Apparently all his thoughts were on vacation.

Before he pulled out of Washington last night for his long-planned fishing trip, he had a short talk with Senator Byrns, of South Carolina who

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EHRINGHAUS WANTS TOBACCO TAX CUT

Governor Thinks Slash Ought To Be Horizontal All Along Line

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

Raleigh, March 28.—While he is in favor of reducing the Federal tax on cigarettes as much as possible, he believes that if any reduction is made it should apply to all manufacturers and not only to the makers of 10 cent cigarettes, Governor J. C. Ehringhaus said today. He is following closely the hearings now being held in Washington on the proposal made by Secretary of the Treasury Henry Morgenthau to reduce the tax on makers of 10 cent cigarettes 30 cents per thousand, or from \$3 per thousand to \$2.70 per thousand. The governor pointed out that this government tax on tobacco and tobacco products is an excise tax and not an ad valorem tax, and hence should be uniform regardless of whether a company makes 10-cent, 15-cent or 20-cent cigarettes.

"I do not think any reduction in the tax should be made, however, unless the law putting the reduction into effect requires that the resultant saving shall be reflected in increased prices paid to the growers of the tobacco and in cheaper prices to the consumer," Governor Ehringhaus said "Otherwise I would be afraid that the

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FOUR OF CABINET TO REVAMP NRA

Roper Says Key to Employment Situation Is Capital Goods Industry

Washington, March 28.—(AP)—Revamping of NIRA code price control devices under administration impetus will be considered by a special cabinet committee of four newly-named by President Roosevelt.

In the absence of the President from the city, officials were reticent concerning developments, other than to acknowledge that such a group had been set up. It consists of Attorney General Cummings, and Secretaries Wallace, Roper and Perkins.

It was pointed out that methods of price control permitted under NRA have been characterized by opponents as monopolistic and as likely to result in higher prices. The extent to which such contentions are justified is to be a subject for the inquiry.

Meanwhile, in the general pursuance of the administration goal, Roper told reporters today the key to the employment situation is in the capital goods industry.

Commenting upon the necessity of absorbing CWA workers, the secretary said reports indicate a large potential demand for capital goods. The secretary said that it was necessary to end such emergency organizations as CWA as soon as possible.

WITNESS DECLARES UNIFORM PRICE NOT MADE BY COMBINES

Very Fact of Competition Drives Them To Same Level, Junius Parker Asserts

DROP ALL AROUND IS HELD POSSIBLE

With Reduction Sought, 15-Cent Cigarettes Would Drop to Ten and 10-Cent Brands Probably to Eight Cents; Consumer Would Be Beneficiary

Washington, March 28.—(AP)—Manufacturers today asked a ways and means sub-committee to recommend a horizontal reduction of 40 percent in Federal tobacco taxes.

The manufacturers' views were presented by Junius Parker, New York attorney, who said such a reduction would cut the tax on cigarettes from \$3 to \$1.80 a thousand. The poundage tax on manufactured tobacco and snuff would be reduced from eight to ten cents a pound.

Parker appeared before the House group headed by Representative Vinson, Democrat, Kentucky, which yesterday heard farmers plead for a reduction in the \$3 a thousand tax on cigarettes.

Farmers, while unanimous in seeking a tax reduction, disagreed sharply over whether it should be horizontal or graduated on a basis of retail selling price.

UNIFORM PRICE RESULT OF COMPETITION, PARKER SAYS Washington, March 28.—(AP)—A detailed examination of a representative of cigarette manufacturers on why the most prominent brands at

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SYNDICALISTS ON A STRIKE IN SPAIN

Zaragoza, Spain, March 28.—(AP)—Socialists threw their strength behind syndicalists in a revolutionary general strike here today.

NRA Begins Overhauling Of Set-Ups

Speedier Action On Complaints And Rulings Is Aim Of General Johnson

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Washington, March 23 (AP)—A complete check-up of NRA, transforming it finally into a machine to administer the nearly 400 coded industries, has been started by Hugh S. Johnson.

New orders to Johnson's staff of 1,900 have placed the process of transformation in charge of W. Averell Harriman, the railroad builder, and is himself an industrialist of wider responsibility. He is one of the newcomers of NRA.

The biggest change ordered was the creation of a litigation division to handle all court cases in the name of the Department of Justice. This was aimed at more speedy disposition of cases.

All the other alterations likewise were drafted for greater speed to cut off the protests from industrial groups which cannot get policies settled and complaints quickly attended to.

The reorganization made all deputy administrators responsible for quick disposal of all non-enforcement complaints on codes under their jurisdiction.

It will be up to them, each equipped with a legal, economic, labor, industrial and consumer advisor, to get action out of the compliance and litigation divisions.