

JAPAN FORMALLY SCRAPS NAVAL TREATY

All Defendants In Smithfield Case Convicted And Given Long Terms

TOKYO AGAIN ASKS NEW PACT TO GIVE HER NAVAL PARITY

Would Be Willing To Scrap Half Her Navy Along With Others To Get Equality

NOT MUCH ALARMED ABOUT NAVAL RACE

Peoples Concerned Are All Intelligent and Their Governments Rational, Japanese Ambassador Says on Presenting His Government's Decision to Hull

Washington, Dec. 29.—(AP)—Japan scrapped the Washington naval treaty today, calling once more for a new pact which would give her equality and wipe out all offensive weapons of war.

The historic moment the world has been awaiting came when Ambassador Hiroshi Saito stepped into the State Department and handed Secretary Hull the formal notice that after December 31, 1936, Japan will not be bound by the treaty which gives her the "3" in the famous 5-5-3 ratio.

The Oriental diplomat, who was present twelve years ago when the treaty limiting fighting navies was born, thus sounded its death knell. In a statement he expressed hope a new treaty could be agreed upon with

(Continued on Page Eight)

Air Liner Missing In the Adirondaks Is Reported Safe

Albany, N. Y., Dec. 29.—(AP)—From an unknown location a copilot on a Boston-Cleveland air liner, missing since last night, flashed word by radio today that the plane was down and its four occupants "all O. K."

We are on a mountain somewhere between Albany and Utica," radioed Co-Pilot F. H. Brown. "I don't know just where, but we are north of our course."

Brown's voice came through a loud speaker at the airway's radio station a few minutes after searching parties on snow shoes started in the Adirondak foothills, fearful the plane and its passengers were in dire distress.

Radio static often blotted out Brown's voice after his message came through.

Big Strike Threatened By Gorman

Charlotte, Dec. 29.—(AP)—Francis J. Gorman, first vice-president of the United Textile Workers today said a proposal for joint action by textile, steel and automobile manufacturing workers to compel corporations in these industries to recognize collective bargaining would be discussed by the executive council of the American Federation of Labor in January at Washington.

(Continued on Page Eight)

"Get Mad, Motorists; Stop Highway Fund Diversions"

George Ross Pou Putting Out Literature Acquainting Public With Uses to Which Motorist's Money Is Being Put at His Own Increasing Expense

Daily Dispatch Bureau, In the Str. Walter Hotel, By J. C. Baskerville.

Raleigh, Dec. 29.—"Get mad, motorists, get mad—stop diversion of highway funds" is printed in bold lettering on the front page of a folder now being sent out by the thousands by George Ross Pou, who is leading the fight against highway fund diversion for the Highway Protective League of North Carolina, for which he is general counsel. Pou and the Highway Protective League are becoming

Legislature Won't Increase Expenses Over Six Millions

Wins Treasury Post



Thurman Hill

Appointed special counsel in charge of corporate reorganization of the United States treasury, Thurman Hill, above, Wichita, Kas., attorney, becomes chief of a department created to bring about a new deal in the bankruptcy laws, and permit adjustments of credit-paralyzed business concerns without changes in management. It will be the counsel's job to investigate financing and to protect creditors.

Waynick Is Given Post Of Jeffress

Highway Head Resigns Formally and Waynick Placed In Full Charge Now

Raleigh, Dec. 29.—(AP)—Capus M. Waynick today was named chairman of the State Highway and Public Works Commission.

Ed B. Jeffress, chairman of the commission for some three years, personally gave his resignation to Governor Ehringhaus yesterday in Greensboro.

Mr. Jeffress has been seriously ill since late in August and the chief executive called on him at his home. This morning the governor announced the resignation and the naming of Waynick, who has been serving as assistant chairman for a month with all of the executive powers of the chairman vested in him.

WEATHER FOR NORTH CAROLINA. Cloudy, probably occasional rain tonight and Sunday; slightly colder on the coast tonight.

increasingly active and the opinion in most circles here is that this league of motorists and others opposed to diversion are preparing to put up a tremendous battle in the forthcoming General Assembly against any move to divert any more of the highway fund to other than State purposes. This pamphlet, which is being distributed to motorists by mail and being placed in parked cars, goes on

(Continued on Page Four)

Sharp Figures Believe That Much Additional Revenue Can Be Obtained In State

REMOVE EXEMPTIONS FOR THE SALES TAX

Improved Business Expected To Increase Income Tax Payments and Franchise Tax Revenues; Would Restore Part of 1933 Salary Slashes

Daily Dispatch Bureau, In the Str. Walter Hotel, By J. C. Baskerville.

Raleigh, Dec. 29.—The forthcoming General Assembly will probably increase the present appropriations for the public schools, State institutions of higher learning and all other State departments and institutions between \$5,000,000 and \$6,000,000 a year, but not more than that, according to those here who have been studying the situation for the past two years and looking ahead to the next two. Despite the fact that the various State departments and institutions have already appeared before the Advisory Budget Commission and put in request which would increase the State general fund budget more than \$10,000,000 a year in excess of the present budget, and with the school forces alone asking that the school appropriation be increased \$9,000,000 a year above the present figure, opinion in informed circles here is that the forthcoming General Assembly will do well if it can find a maximum of \$6,000,000 a year of additional revenue for the next two years. This estimate is not based on mere guesswork, but upon a careful and thorough study of the State's revenue receipts the past two years and the prospects for getting additional revenue during the coming two years. It is also predicated upon the retention of the present three per cent

(Continued on Page Four)

SIX CONVICTS FREE VETERINARY DOCTOR

Abducted by Fugitives from Georgia Chaingang During Day Friday

Augusta, Ga., Dec. 29.—(AP)—The Richmond county sheriff's office was notified today that Dr. T. M. White, veterinarian, abducted by six convicts who escaped from a Middle Georgia chaingang had been released in Kathwood, S. C., 16 miles from here.

Deputy Sheriff J. L. Watkins said Dr. White called by telephone and notified local officers that he had been released by the convicts, who took his automobile and exchanged his civilian clothes for a suit of prison garb, one of the prisoners overpowered the guard.

Dr. White was forced to accompany the convicts, who ejected the veterinarian's wife and two children from their automobile 13 miles from Macon yesterday after the prisoners overpowered the guard.

The convicts, two white men and four Negroes, were members of a crew of nine working on a road project. One of the prisoners, a Negro, was captured several hours later with the aid of track dogs.

Phone Hearing By Utilities Board Is Again Postponed

Raleigh, Dec. 29.—(AP)—A scheduled hearing here today before the State Utilities Commission, at which some 18 of the major "independent" telephone companies were cited to show cause, if any, why their rates on "French type" telephones should not be set at 25 cents per month for a not yet set period of 18 months has been postponed indefinitely. Stanley Winborne, chairman of the Utilities Commission, is ill at his home with influenza, and also a number of the companies cited to appear before the commission they had not notified the commission they had not had enough time in which properly to prepare their case.

Attacked in Saar



Occupation of Saar Valley by League of Nations army for plebiscite period is making Britain feel easier, following incident created by beating of Capt. Harry Justice, English officer of Saar international police. He was beaten in riot following auto accident in which another British figured.

TO ASK JOBS FOR ALL EMPLOYABLES ON RELIEF ROLLS

Roosevelt Administration Is Shaping Its Plans To Be Laid Before New Congress

ELASTIC PROGRAM BELIEVED IN MIND

Washington, Dec. 29.—(AP)—The Roosevelt administration, some high officials said today, will ask Congress to "put all employables" on the relief rolls to work. At present their number is estimated to be 3,500,000 to 4,000,000.

It was believed, however, that an elastic program would be sought with the government leaving to private business as much of this job-creating task as it can assume.

Though there were indications that

Auto Tag Sales Heavier In State As Year Ebbs Out

Raleigh, Dec. 29 (AP)—With only one more shopping day left for 1935 automobile license tags before motorists must park any machine bearing 1934 license, sales were brisk at most license plate offices over the State today.

L. S. Harris, director of the motor vehicle bureau, said he had reports that long lines were in front of the license windows at Charlotte, Durham, Greensboro, Rocky Mount and other places. Though the tags have been on sale since December 1, only 90,336 pairs have been sold. More than 470,000 cars were licensed in 1934. After sunrise Tuesday it will be unlawful to operate a car on the highways if it bears a 1934 North Carolina license.

Expect \$750,000 From Sales Taxes

Daily Dispatch Bureau, In the Str. Walter Hotel, By J. C. Baskerville.

Raleigh, Dec. 29.—Officials of the Department of Revenue are still hoping that sales tax collections this month will amount to at least \$750,000, although they admit that for the past few days the receipts from the sales tax have not been as large as they had hoped. They declined to state today how much the collections are to date, but indicated they were already in excess of \$700,000.

Sales tax collections in November amounted to \$739,553, as compared with only \$595,391 in November, 1933.

Departmental officials have estimated that the department would collect at least \$750,000 from the sales tax in December and \$1,000,000 from it in January.

Roosevelt Facing Sure Defeat With Bonus Opposition

Presidential Veto Likely To Be Overridden if Attached to Veterans' Measure

ADMINISTRATION HAS HANDS FULL ALREADY

Committed to Social Experiments That Will Cost Plenty Without Bonus; Opponents of Bonus Will Vote For It To Tie Roosevelt's Hands Elsewhere

By CHARLES P. STEWART Central Press Staff Writer

Washington, Dec. 29.—The soldiers' bonus will be a tremendous issue on Capitol Hill, beginning very soon after the first meeting of the new congress on Jan. 3, and continuing until the controversy is settled, one way or another.

It will be a big issue "per se"—intrinsically. It will be still bigger, counting it plus the collateral issue it promises to involve.

F. D. R. FACES DEFEAT? It is the one issue on which, as most folk doubtless know, the White House is mighty likely to be beaten, and to have the presidential veto overridden, too, notwithstanding the administration's overwhelming party majorities in both congressional chambers.

The strong probability that it will end in an administration defeat makes the impending fight highly interesting to contemplate, regardless of its additional implications.

WHY THEIR OBJECTION? The administration's objection to immediate bonus settlement is understandable.

It already is committed (as is no secret, either) to a considerable number of extremely expensive social and economic experiments, and is loath to

(Continued on Page Eight)

Lindberghs Will Again Live Over Terrible Ordeal

Flemington, N. J., Dec. 29.—(AP)—Colonel and Mrs. Charles A. Lindbergh are destined to re-live as witnesses in Bruno Richard Hauptmann's trial the ordeal of their first son's kidnaping and death, but John Hughes Curtis, of Norfolk, Va., will probably be denied a part in the drama.

Curtis, the shipbuilder who once was convicted of obstructing justice by posing as a "Lindbergh intermeddler," offered to testify against Hauptmann. Prosecutors, apparently intent on other aspects of their case against the Lindbergh kidnap suspect, were cool to his suggestion.

Had Plan To Set Up Dictators

Washington, Dec. 29.—(AP)—An army captain's testimony that Jackson Martindell, New York counsel, had described plans to enlist 50,000 young men in an organization designed to take over the United States government and set up a dictatorship was made public today by the House committee investigating un-American activities.

The officer, Captain Samuel Glazier, of Baltimore, said Martindell told him he controlled \$700,000,000 in funds that would back the move. The testimony was given at a closed meeting of the committee in New York last month.

Glazier said he had met Martindell when the latter visited a set up a dictatorship was made public today by the House committee investigating un-American activities.

Later, Glazier testified, he visited Martindell's estate in New Jersey, and learned there of the proposal to set up an organization of 500,000 persons as "American Vigilantes."

Dry Warrior



H. L. Anderson, Birmingham, Ala., is leading newly reorganized prohibition forces aiming to keep Alabama in dry column when state legislature takes up repeal measure, January 8. Dries won victory in Mississippi and intend carrying new prohibition fight into other southern states.

(Central Press)

GRANGE AND LABOR BOTH ARE AGAINST OLD AGE PENSIONS

Burden Would be too Heavy Under Townsend \$200-a-Month Proposal, They Claim

ITS COST WOULD BE 19 BILLIONS A YEAR

Buyers' Strike In Revolt Against Necessary Sales Tax To Carry the Load Foreseen if Such a Venture Is Imposed on the Nation In Excises

By LESLIE EICHEL Central Press Staff Writer

New York, Dec. 29.—Both the National Grange and the American Federation of Labor have turned their guns on the Townsend revolving old-age pension plan (payment of \$200 a month to persons 60 or over, provided each cent is spent during the month).

The Washington representative of the Grange, Fred Brenckman, tells why his own organization opposes the plan:

"Assuming that approximately 8,000,000 people would make application and receive \$200 a month, it is only necessary to invoke the aid of multiplication to find that the total

(Continued on Page Four)

Tobacco Exchange Will Discontinue Activities

New York, Dec. 29.—(AP)—The board of governors of the New York Tobacco Exchange voted today to discontinue trading at once and dissolve the exchange as soon as the necessary papers can be prepared.

While official comment was withheld immediately following the action of the board, it was understood in well informed quarters that the decision to close the exchange, which has been in operation since September 19, was due to the lack of sufficient business to continue operations profitably.

TWO TO 20 YEARS GIVEN THREE MEN AND FIVE WOMEN

Bonds For Appeal Range from \$5,000 to \$15,000 Each as Fixed by Judge Daniels

THREE WHITE GIRLS DECLARED KIDNAPED

Alleged To Have Been Taken to New York and Forced into Life of Immorality; State Charged Nine Persons at Outset But One Was Ordered Freed

Smithfield, Dec. 29.—(AP)—Eight Johnston county and New York men and women were convicted here today of kidnaping three young girls and taking them to New York for immoral purposes, and Judge Frank A. Daniels immediately imposed long prison sentences on each defendant.

Four charged with the kidnaping of Camelia Price were given terms ranging from ten years to as high as 20 years, while five, who were involved in the kidnaping of Josephine Smith and Ogolia Barbour, were given terms ranging from as low as two to four years to as high as 15 to 20 years. Where two sentences were imposed on a single defendant, they will run concurrently.

Defense counsel immediately served notice of appeal to the State Supreme Court.

Convicted of kidnaping Camelia Price and the sentences imposed on them were: Clinton Beasley, 22, given 12 to 15 years; Sarah Beasley Krane,

(Continued on Page Four.)

Relief Cases In This State Show 9.8 Percent Gain

Washington, Dec. 29.—(AP)—The Federal Emergency Relief Administration announced today families on relief in North Carolina increased from 54,481 in October to 59,836 in November, a gain of 9.8 percent.

Obligations incurred for relief totaled \$1,683,967 in November, compared with \$1,212,819 in October an increase of 38.8 percent.

American Girl Held In Germany

Waldmohr, Germany, Dec. 29 (AP)—Miss Elsa Sittell, of New York, was under arrest here today as a result of derogatory remarks the young woman is alleged to have directed at the Hitlerite storm troopers and picked Nazi guards.

Miss Sittell disappeared while traveling in Germany near the French border. It was learned she stopped at Schoenberg en route to Gango, and entered a restaurant, where she had the conversation which apparently resulted in her arrest.

While she was waiting for her train at the Schoenberg station, police placed her under arrest. They accused her of uttering slanderous remarks.

The woman is held awaiting possible transfer to the "Sondergericht" a special court at Frankenthal, police said. The date for her hearing has not been fixed.

Tobacco Exchange Will Discontinue Activities

New York, Dec. 29.—(AP)—The board of governors of the New York Tobacco Exchange voted today to discontinue trading at once and dissolve the exchange as soon as the necessary papers can be prepared.

While official comment was withheld immediately following the action of the board, it was understood in well informed quarters that the decision to close the exchange, which has been in operation since September 19, was due to the lack of sufficient business to continue operations profitably.