

Senate May Block New NRA Bill

POLITICS WARMING EARLY AND FAST IN STATE CAMPAIGNS

Mike Dunnagan's Entry Into Secretary of State Race Promises Added Interest

NEWSPAPER MAN IS FITTED FOR OFFICE

Has Had Very Close Political Contacts; Hoey and Graham Leaders for Governor; Free-for-All for Lieutenant-Governor Appears To Be In Prospect

In the St. Walter Hotel, Daily Dispatch Bureau, BY J. C. BASKERVILLE.
Raleigh, June 8.—The political pot is beginning to boil and bubble more actively as additional candidates get into the various races for the election. There are now four candidates for the Democratic nomination for lieutenant governor and two for secretary of state, with half a dozen more prospective candidates balanced on the brink of the political pond waiting to dive in at the slightest encouragement.

The most recent candidate to get into the running is Macon Rush Dunnagan, better known as "Mike," for the past eight years a free-lance newspaper correspondent here, who today announced that he would be a candidate for the Democratic nomination for secretary of state in the primary next June, opposing the present secretary of state, Stacey W. Wade, for re-nomination. It is expected that within a few days Thad A. Eure, of Raleigh and Winton, who has been principal clerk of the House in the last three sessions of the General Assembly, will also announce as a candidate for secretary of state.

Dunnagan Is Surprise.
Dunnagan's announcement today came as something of a surprise, although it has been known for a year or more that he has been thinking of becoming a candidate. It is agreed here that he has an unusually large acquaintance over the State both as a result of his long experience in

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Child Strangely Missing At Home In New York City

New York, June 8 (AP)—The mother of five-year-old John Kaul, who has been missing since Thursday night, said today she had received a mysterious telephone call that her boy was safe.

"Mis Kaul, your baby is safe," the caller told her. "God bless you. Good-bye."

Mrs. Kaul said the person called her at her home about 10 o'clock last night, speaking in a low voice like that of a "crystal gazer such as you hear over the radio and in the movies."

Police and telephone company officials were unable to trace the call, and both authorities and the distraught mother were inclined to doubt its authenticity.

Expressing fears that the message might have been the work of a crank, Mrs. Kaul said:

"It may have been a peculiar person who didn't know a thing about the case."

Insurance Men Name Officials

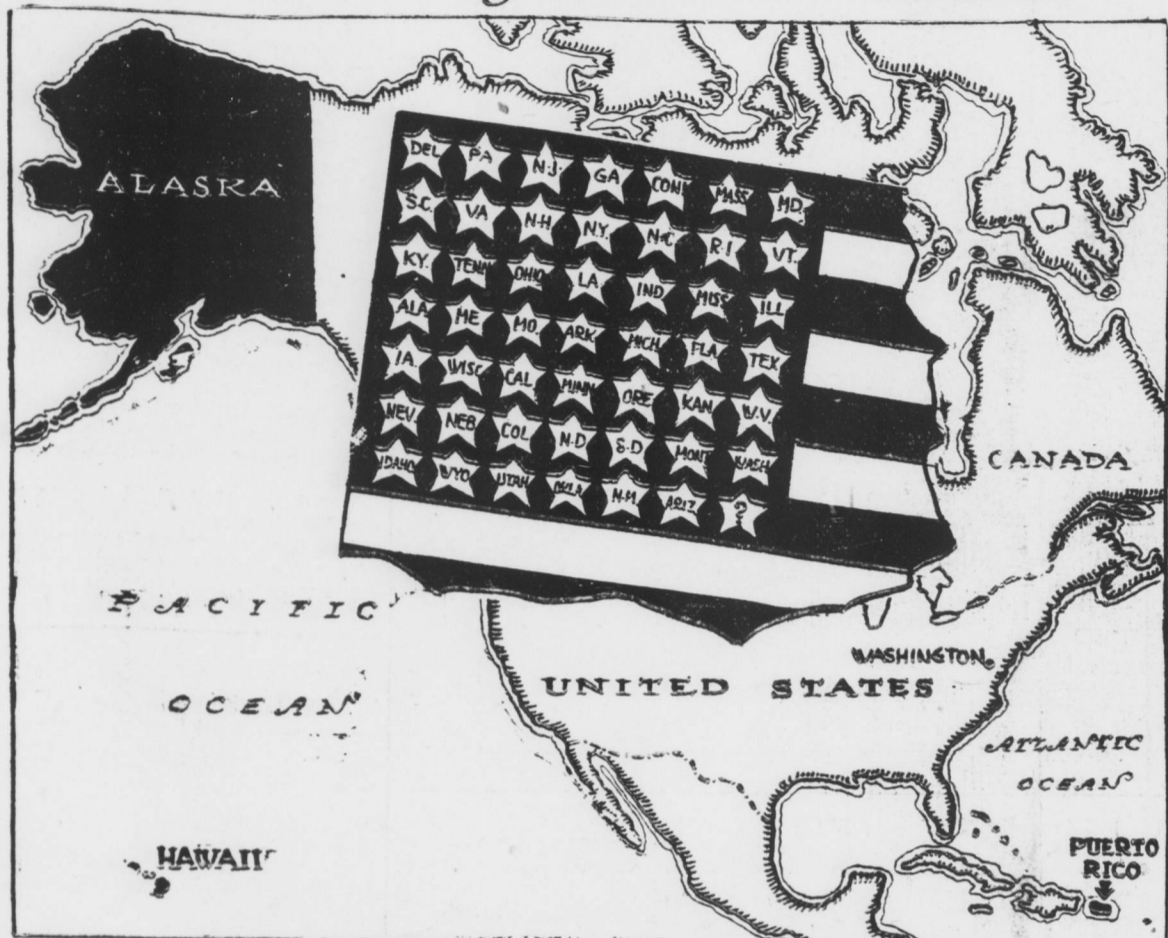
Raleigh, June 8 (AP)—William DeR Scott of Graham, today was elected president of the North Carolina Association of Insurance Agents here as the 38th annual convention of the organization ended.

Scott was advanced from the vice-presidency to succeed McAllister Carson, of Charlotte.

Dan C. Boney, State insurance commissioner, discussed new laws affecting the insurance business, as the final session ended. He said that in the ten years he had followed insurance he had never seen a General Assembly that cooperated quite so thoroughly with the agents association as that of 1935.

Boney was introduced by President Carson as "the greatest insurance commissioner in the world."

Three Bids Being Made to Be 49th State



Hawaii Territory and Puerto Rico now have bills before Congress providing for their elevation to the rank of statehood, and new interest of federal government in settlement of Alaska has given rise to hopes in that territory of becoming the 49th state. A new state will not give flagmakers an artistic problem in arranging the stars symmetrically while preserving ranking positions of the states as above sketch indicates (Central Press)

Japan Preparing For Fresh Invasion Into North China

Tokyo, June 8 (AP)—Japan's war machine in Manchuria was reported in press dispatches today to have been ordered today to prepare for an invasion of China unless the Chinese government submitted to Tokyo's ultimatum.

Tuesday was reported to be the day by which China must act.
A Rengo dispatch from Hsinking, Manchukuo, said that orders to place Japan's war machine in Manchuria is in readiness to roll southward across the Great Wall if China fails to submit to the ultimatum were issued today from the general headquarters of General Jiro Minami, Japanese military chief of Manchukuo.
The dispatch said a midnight council meeting of Minami's staff was held

and that afterwards Lieutenant General Jugo Minishi, after consulting with War Minister Hata, now in Hsinking, issued "important orders."
The military authorities agreed, the dispatch said, that these orders concerned preparations to "assume the initiative in the unfortunate event that the Chinese fail to display good faith," as the Japanese phrase goes.

**CHINESE 32ND ARMY WILL
MOVE UP TOWARD TIENTSIN**
Shanghai, China, June 8 (Sunday)—China's 32nd army, considered among China's best troops, today began moving toward Tientsin, where Sino-Japanese relations apparently are approaching some sort of crisis.

**FINAL WARNING IS GIVEN
TO CHINESE TO WITHDRAW**
Tientsin, China, June 8 (AP)—The "zero hour" in the latest Sino-Japanese crisis was brought nearer tonight when a group of high Japanese military officers left for Peiping to serve a "final warning" upon certain Chinese troops to withdraw.

The move was announced by Japanese military headquarters here.
Among those who went to Peiping were General Isogai, Japanese military attaché at Shanghai; Colonel Sakai, chief of staff of the Japanese garrison in North China; Major Ohki, a staff officer, and Captain Ohhran, an officer attached at Nanking.

Sign Contract At Once For Morehead Port Fund

**Attorney General Seawell,
Back from Washington,
Urges Quick Action
By State**

Raleigh, June 8 (AP)—Upon the recommendation of Attorney General A. F. Seawell that the contract with the Federal PWA for funds for Morehead City port developments be signed at once, Governor Ehringhaus this afternoon laid plans for an early special meeting of the directors of the State-owned Atlantic and North Carolina railroad to consider the question.

The property and receipts of the railroad will be pledged as collateral for the loan. The board of directors of the railroad will be called to meet in special session just as soon as a suitable date can be decided upon, Governor Ehringhaus said.

**TWO DROWNED FROM
EXCURSION STEAMER**
Vinal Haven, Maine, June 8 (AP)—Two persons drowned and scores of others were thrown into the sea, narrowly escaping death, today as the Belfast excursion steamer Castine struck a ledge in a thick fog and listed heavily.

POWER TO PROTECT FRANC GIVEN LAVAL BY 233 TO 15 VOTE

French Senate Supports New Premier by Even Larger Majority Than Chamber

BIG DEFICIT FACES TREASURY AT ONCE

Where To Get \$415,000,000 Is Problem of Laval; Propose Investigation of "Organized Panic" Directed Against Franc in Recent Weeks

Paris, June 8.—(AP)—The Senate approved Premier Pierre Laval's decree powers to protect the franc by the overwhelming vote of 233 to 15 today after the emergency measure had been grudgingly passed by the Chamber of Deputies.

Previously the Senate Finance Committee had approved the decree bill after disclosing a budget deficit of 6,500,000,000 francs (approximately \$415,000,000) and the Treasury faces the difficult task of finding this huge sum.

The deficit, because of railroad obligations, was estimated in the Chamber yesterday at 19,000,000,000 francs. The Senate committee concluded the emergency powers were urgently needed to avoid devaluation.

The powers, withheld from others, were granted within 24 hours after Laval took the helm of the government.

Parliamentary investigation of the recent "organized panic" against the franc was proposed by the Chamber Finance Committee, and the prosecution of speculators was started with the first indictment.

The new premier succeeded where Pierre Etain-Flandin and Fernand Bouisson failed by limiting his demands and promising to use his decree powers sparingly.

Widen Hunt For Tacoma Kidnap Gang

Tacoma, Wash., June 8.—(AP)—Searching by air and on the ground for the hide-away haunt used in the George Weyerhaeuser kidnaping widened today as strong indications were given that the identities of the abductors were unknown both to Federal agents and to police.

A report that 20 Federal reserve notes from the \$200,000 ransom were found yesterday in bank receipts at Salt Lake City was followed by another that E. F. Connelly, Federal agent in charge of officers here, was missing from his office today.

Indications that names of the abductors of the nine-year-old boy, who was released a week ago, still were unknown to officers, came when authorities revealed the "two-gabled" hide-out house holds the key to their identities through fingerprints. The house was believed abandoned by the gangsters.

Authoritative sources disclosed the young kidnap victim has told especially what part of the home he saw his captors touch with unglued hands. The child said the house was gray, with two gables, and "near water and a railroad curve."

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Forces For And Against President Are Lining Up

By LESLIE EICHEL
Writer of "The World at a Glance" column for Central Press
(This is the second part of a two-part article.)

There are two factions fighting President Roosevelt. The conservatives of both parties (termed as "reactionaries" by their opponents) are hailing with delight the Supreme Court decision. If the federal government cannot restrict corporations or individual employers, cannot say how many hours a man may be worked or what he should be paid, then there once more is "freedom of action." No employer can be forced, under present statutes, to bargain collectively or to

Allots President Too Many Powers, Some Critics Say

String-Puller



New photo of Gen. Kiro Minami, Japanese commander in Manchukuo, who pulls the strings of the puppet state. He is reported to be preparing to carve another rich province from China, including the old capital at Peiping, and seeking to oust Chiang Kai-shek as generalissimo of the Chinese. (Central Press)

Judge Hayes Will Rule On Tobacco Act

Winston, Salem, June 8.—(AP)—Decision by Federal Judge Johnson J. Hayes in the case involving constitutionality of the Kerr-Smith tobacco control act is expected by early June, according to persons here interested in the case.

On penalties of more than \$1,000,000 paid by North Carolina farmers alone are involved in the decision and a larger amount will be involved next year as the penalty tax now is 33 1-3 percent, instead of 25 percent last year.

The case was initiated at the instance of the Piedmont Tobacco Non-Tax Association to prevent collection of penalties on tobacco sales in excess of AAA contract allotments, to prevent indictment of farmers failing to pay these penalties and to establish that these transactions were not subjected to interstate commerce legislation.

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8 Players Bunched In Golf Play

Oakmont Country Club, Pittsburgh, Pa., June 8.—(AP)—Eight players, paced by Jimmy Thomson, of California, and Sam Parks, Jr., hometown favorite, were bunched within four strokes of each other today at the conclusion of the third round of the United States open golf championship thereby assuring a great struggle for the title, already led by Ben Dutra, Thomson and Parks and who were tied at 54 holes. Parks was faulted at the outset of the fourth round because he did not have enough balls to play the hole.

May Allow Roosevelt Great Authority To Relax Anti-Trust Laws, Senators Feel

RESIGNATION FROM RICHBURG PLEAS

His Retirement Tends To Soften Opposition Somewhat; New Measure Assailed by Republicans As Federal Regulation

Washington, June 8.—(AP)—Senatorial critics of NRA began a minute study today of the Roosevelt administration's "stop-gap" plan which sped through the House late yesterday by a vote of 264 to 121.

These senators feared that the resolutions extending a midyear NRA agency for nine and a half months entailed more authority to relax the anti-trust laws than understood at first.

On the other hand, critics were somewhat softened in their opposition to the recovery administration by the announcement that Chairman Donald Richburg had resigned, effective June 16, and that the President has accepted the resignation.

While Richburg has had many supporters on Capitol Hill, critics of the recovery law have centered their fire on him and his policies.

However, they scrutinized closely the provisions for exemptions from the anti-trust law. Though President Roosevelt said yesterday that any voluntary code of fair practices which business may erect must conform to the anti-trust laws, the House a few hours later insisted on continuing bill

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TO DECIDE POLICY ABOUT PWA LOANS

Local Government Commission Monday to Formulate Its Procedure

Daily Dispatch Bureau, St. Walter Hotel, BY J. C. BASKERVILLE.
Raleigh, June 8.—A meeting of the Local Government Commission has been called for Monday at which time it is expected to formulate its policy with regard to Federal public works loans, State Treasurer Charles M. Johnson, who is also director of local government, said today. During the past two years the Local Government Commission has held to a rather strict policy with regard to these government loans and has refused to permit counties, cities and towns to borrow from the government for public projects unless there was a real and definite need for the improvements they desired to make with these loans.

"I have no way of knowing yet what kind of an attitude the full commission will take towards these public works loans in the future," Director Johnson said today. "But if it still has the same views it has had the past two years, I am inclined to believe that it will adopt about the

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FIND MORE CASES INFANT PARALYSIS

Health Officials Renew Warnings; Raleigh Sunday Schools Halt

Raleigh, June 8.—(AP)—Health officials today renewed their warnings against congregation of children as five more infantile paralysis cases were reported to Dr. A. C. Bulla, county health officer.

As a result of the continued outbreak, Raleigh church schools which were not open the last two Sundays will be closed again tomorrow. No classes below the intermediate departments will be held. The paralysis victims reported to the State Health Department today, who live in Beaufort, Edgemont, Franklin, Wake and Harnett counties, bring to 63 the official number of cases arising since May 1.

Electric Line In Kansas Dynamited As Troops Arrive

Columbus, Kansas, June 8.—(AP)—Two lines of the Empire District Electric Company were dynamited today as a battalion of Kansas National Guardsmen arrived here after a reported outbreak between union and non-union mine members.

The court house here was converted into a temporary barracks for the troops who were ordered into the field late yesterday by Governor Alf M. Landon.

Troops on duty included an infantry company from Kansas City, Kans., and two cavalry troops.

WEATHER

Cloudy, probably occasional rains tonight and Sunday; slightly cooler in east and central portions tonight.

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