

U. S., BRITAIN, FRANCE SIGN NAVAL TREATY

Tobacco Compact Bill In Congress Hits Snag As Sign-Up Waits

COMMITTEE HOLDS SECRET SESSION IN GOVERNOR'S OFFICE

In Mid-Afternoon No Announcement Had Been Made as to Steps Planned in State
HOUSE COMMITTEE STRIKES BIG SNAG

Unwilling To Write Into Compacts Measure Provision Prohibiting Shipment of Leaf from Non-Compact State to Compact State; Objection Raised

Raleigh, March 25 (AP)—The Tobacco State Advisory Committee met in executive session here today with Governor Ehringhaus to discuss developments in the weed control situation.

The meeting was private, and after members had been considering matters more than an hour, Governor Ehringhaus said there could be no announcement until the session adjourned if then.

The committee had been expected to take action today on the measure, introduced by Representative Kerr, Democrat, North Carolina, but Jones said a vote was deferred until tomorrow.

Elimination of the Federal prohibition against interstate shipments, the chairman said, also would mean removal from the bill of Federal penal-

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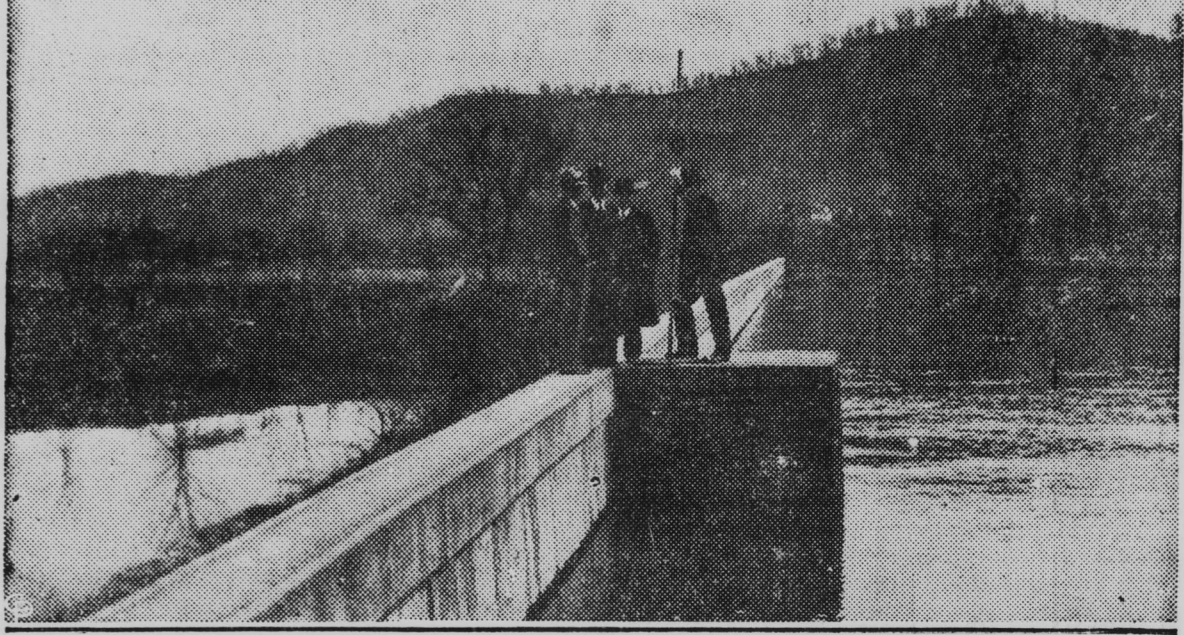
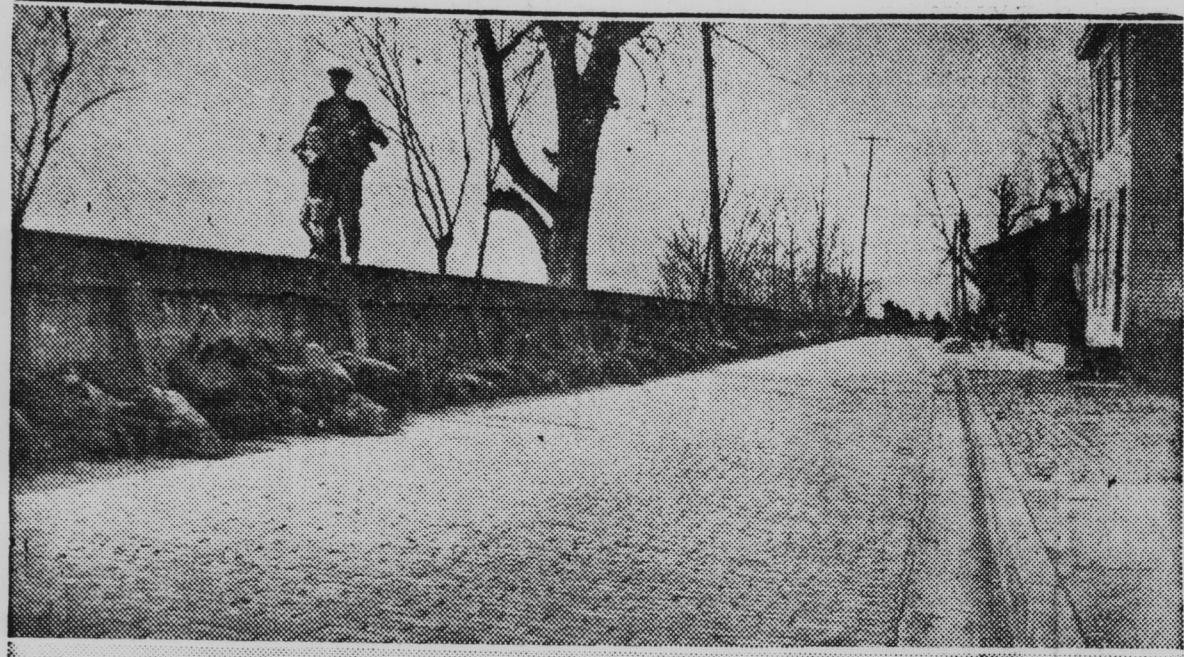
FLOODS AND DUST TO AID NEW DEAL

Favorable Advertising To Soil Conservation and River Control

By CHARLES P. STEWART
Central Press Staff Writer
Washington, March 25.—More dust storms in the west and devastating floods elsewhere, were mightily tough on their victims, but nature timed them very conveniently to give favorable advertising to New Deal plans for soil conservation and river control.

The dust storms proved conclusively enough to convince anyone that the present surface of considerable areas of the country really needs fastening down somehow to keep it from being blown away, down to hard-pan, upon other areas which don't require it.

City Tense as Flood Laps River Wall



Flood wall at Portsmouth, O., keeps out Ohio river as city waits tensely behind the dike. Note guards measuring the rising water, and sand bags behind the three-mile-long wall, to strengthen it.

Peace Or War May Hang Upon Hitler's Attitude

European Crisis Arising from German Rhineland Occupation Intensified by Reply

NOW UP TO EDEN TO FIND NEW SOLUTION

Long, Difficult Series of Negotiations Foreseen as Hitler Promises New Proposals of His Own Next Tuesday After the Reichstag Elections

London, March 24 (AP)—Adolf Hitler's rejection of the Locarno powers' proposals, heightening the European crisis over German occupation of the Rhineland, was deliberated by Prime Minister Stanley Baldwin's cabinet today at its regular weekly meeting.

Hitler's refusal to withdraw his forces from the Rhineland or to accept a judgment by the World Court in Germany's argument against the

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Candidate Again



BAXTER DURHAM

BAXTER DURHAM IN RACE FOR AUDITOR

Incumbent, With Stiff Opposition, Makes His Formal Announcement

Daily Dispatch Bureau, In The Sir Walter Hotel, By J. C. BASKERVILLE

Raleigh, March 25.—Baxter Durham today announced that he is a candidate for renomination as the Democratic candidate for State auditor, which post he has held continuously since 1920. In the two sentence announcement he issued today, Durham said:

"I am asking the Democracy of North Carolina to renominate me as State auditor in the primary to be held June 6. I am sincerely grateful for the expression of confidence and faith the people of the State have given me in years past. I have tried to live and serve in such a way as to merit the continuation of this confidence."

State Auditor Durham is 58 years old, having been born in Durham (Continued on Page Two.)

GRISSOM VICTORY RATED AS TRIUMPH FOR "INSURGENTS"

He Never Stood Very High With Dominant Group in Republican Party In State

PLATFORM SIMILAR TO DR. McDONALD'S

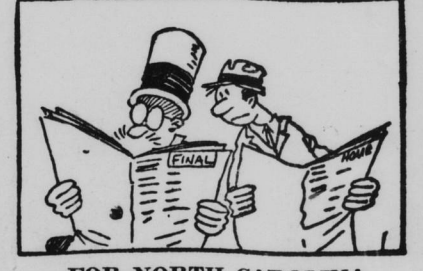
Very Brief Plank on Platform Called "Pussyfooting" Stand; Carefully Worded To Entice Dry Democrats, Still Allows Nearly Any Course Desired

Daily Dispatch Bureau, In The Sir Walter Hotel, By J. C. BASKERVILLE

Raleigh, March 25.—The Republicans of the State, in convention assembled, endorsed the platform of Dr. Ralph W. McDonald, of Winston-Salem, one of the four candidates for the Democratic nomination for governor, named Gilliam Grissom as the Republican candidate for governor by a vote of 694 1-2 to 393 1-2 for Irvin B. Tucker, who had been regarded as certain to get this nomination and much to the dismay of the Tucker backers, rallied at President Roosevelt and the "New Deal," adopted a pussyfooting plank favoring the retention of State prohibition and assailing county liquor control, named the rest of its State ticket, adjourned and went home late Tuesday afternoon.

Victory for Insurgents
The nomination of Grissom over Tucker was regarded as a distinct victory for the Republican "insurgents" in the State who for some time now

OUR WEATHER MAN



FOR NORTH CAROLINA.
Cloudy tonight and Thursday; occasional rains probable; not much change in temperature.

PROCESSING TAXES WILL BE KEPT OUT OF NEW MEASURE

House Ways and Means Sub-Committee Suddenly Reverses Stand to Throw Them Out

NEVER WAS STRONG FOR THAT TYPE TAX

Levy on Non-Resident Aliens Owning American Stocks Cut from 32 1-2 to 22 1-2 Percent; Huge Gobs of Money To Be Realized From Rates

Washington, March 25.—(AP)—A House Ways and Means sub-committee reversed itself suddenly today and agreed to keep processing and all other excise taxes out of a report on which the full committee will open hearings Monday on the new revenue program.

Chairman Samuel E. Hill, Democrat Washington, told reporters: "We have eliminated entirely the subject of processing taxes and all excise taxes from the report as a basis for hearings, because we weren't very keen for it at any time, and felt we would get pretty close to the amount of money we need from other sources."

The sub-committee agreed, too, he said, to reduce from 33 1-2 to 22 1-2 percent the tax rate on dividends to non-resident alien owners of stock in American corporations. He said it was felt the rate was too high, and the lower rate might even produce more money.

Hill said it was expected that \$591,005,556 of additional revenue would be produced from a new corporation tax based on amounts of net income held back for reserves; \$83,000,000 from temporary continuation of existing capital stock and excess profits levies; \$100,000,000 from a "windfall"

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LIBERALS TURNING TO ROOSEVELT NOW

Small Shopkeeper Also Seen Lining Up With Workers and Farmers

By LESLIE EICHEL
Central Press Staff Writer

One of the peculiarities of the presidential situation is manifesting itself stronger than ever. That is, the apparently increasing support of President Roosevelt by Progressive Republicans, Socialists—and small shopkeepers.

Conservatives may ask, ironically, "What else could you expect?" But conservatives overlook the fact that progressives and Republicans consider President Roosevelt's administration now as "thoroughly reactionary."

Yet polls of voters, letters to newspapers and private opinions of political "experts" indicate that President Roosevelt has all but absorbed the votes of the Progressive Republicans and Socialists in the midwest, in the

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Arms Parity Will Be Maintained By U. S. With Britain

Council President



S. M. Bruce

S. M. Bruce, the Australian High Commissioner in London and president of the League of Nations Council, is presiding officer at the daily hearings at London where the nations of Europe are seeking amicable settlement of Germany's violation of the Locarno Pact. (Central Press)

Washington Sees Foundation Laid for New Structure for World Fleet Limitations

SIZE OF WARSHIPS LIMITED BY PACT

Exchange of Information on New Building Programs Provided in Agreement; American Delegates Disappointed That No Quantity Limits Are Imposed

London, March 25 (AP)—The United States, Great Britain and France signed a new international naval treaty today.

The pact removes restrictions on the size of navies, but the United States and Great Britain possessors of the world's mightiest fleets, agreed separately to maintain their navies at the same level.

The chief American delegate, Norman H. Davis, and British Foreign secretary Anthony Eden exchanged letters, each declaring the principle of parity contained in existing treaties with regard to their two fleets would continue to hold good after the old treaties expire and the new ones go into effect.

The new pacts, replacing the Washington accord and the London treaty of 1930, limited neither the number nor the tonnage of the fleets of the three participating powers, but introduced a new scheme for advanced notification of naval building programs.

Delegates to the international conference, which shaped the new treaty, expressed hope that the program for exchanges of information would curb any sea armaments race for at least six years.

The new treaty also limited the size of the individual types of warships, and inaugurated a building holiday for the larger type of cruisers in place of the battleships building holiday, which endured for 14 years under the expiring Washington treaty.

The treaty was left open for the signatures later of Italy, which participated in the conference to the end but declined to sign the pact while sanctions were in effect, and Japan which withdrew in the controversy over its equality demands.

SAYS FOUNDATION LAID FOR NEW FLEET LIMITS

Washington, March 25 (AP)—The new naval treaty signed today by the United States, Great Britain and

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MORE TESTIMONY IN STRETZ TRIAL GIVEN

New York, March 25.—(AP)—A second cousin of the slain Dr. Fritz Gebhardt testified today that Vera Stretz, on trial for the shooting of her lover-employer, visited his home with Gebhardt on two occasions, and that he treated her cordially.

Oscar Rohrig, of Chatham, N. J., was called as a prosecution witness—second in the trial—to establish the identity of Dr. Gebhardt's body.

"Big Navy" Of America Unchanged

Washington, March 25.—(AP)—America's policy of maintaining a navy "second to none" is not likely to be affected by the new naval treaty signed today in London.

Officials say that once the pact becomes effective, future building programs will be adjusted to conform to the reduction it imposed in the sizes of cruisers and aircraft carriers. It must be ratified by the Senate before becoming operative, so far as the United States is concerned.

The new treaty will not apply to cruisers and aircraft carriers now being constructed by the navy and those which might be laid down before January 1, 1937, even though they represent heavier tonnage than the limit set in the new limitations agreement.

Desperate Appeal For Hauptmann Is Made By Attorney

Trenton, N. J., March 25.—(AP)—With death in the electric chair facing Bruno Richard Hauptmann in six days, his counsel, C. Lloyd Fisher, was expected to make a desperate plea for mercy late today to the State Court of Pardons.

At State Prison preparations went forward for the dual execution next Tuesday night of Hauptmann, convicted Lindbergh baby killer, and Charles Zied, Philadelphia gangster, who slew a Camden, N. J., detective in a hold-up.

Governor Harold G. Hoffman said he would do nothing about answering the invitation of Dr. John F. Gordon, Lindbergh ransom negotiator, to meet him in his Bronx home until he could confer tomorrow with Attorney General David T. Wilentz.

"I'm not going to submit any questions in writing," Governor Hoffman said. "This is not going to be a social visit."

Friends of Mrs. Anna Hauptmann, wife of the condemned man, expressed fear today that she might take her life in the event her husband was executed.

Governor Hoffman had no comment on published reports that she had written him threatening to kill herself and her son if her husband dies.