

CONTEMPT ACTION ON TOWNSEND ASKED

Senators Fail Of Agreement Despite Roosevelt Appeal

Secret Midday Caucus Unable To Work Out Problem of Revising New Tax Measure

PRESIDENT'S PLAN STATED BY SENATOR

Flat 15 Percent Tax Would Come First, With Superstructure of Graduated Levies To Follow; Senate Has Full Calendar for Day Rushing Toward End

Washington, May 27 (AP)—An hour's discussion of new tax suggestions received last night at the White House failed to produce an agreement today among Senate Finance Committee Democrats on any plan for revising the revenue bill.

The committee had been called to a secret midday caucus to consider the latest presidential tax suggestions, received in a two-hour White House conference last night.

One senatorial source outlined the latest suggestions of President Roosevelt to bring the yield of the drastically altered tax plan up to the amount the chief executive desires, as follows:

A 15 percent flat tax on all corporations income, a super structure of graduated levies on undistributed corporate earnings, and a \$15,000 exemption for all corporations from the latter.

The surtaxes on undistributed profits would be 25 percent on undistributed adjusted net income not in excess of 25 percent, 35 percent on that and in excess of 25, but not greater than 40 percent, and 45 percent on that in excess of 40 percent.

SOMETHING GOES WRONG ON EVERY MOVE TAKEN

Washington, May 27.—(AP)—Every time senators on the Senate Finance Committee think they have the question of corporation taxes settled, it bobs up again.

Emerging from a White House conference at which President Roosevelt is believed to have indicated dissatisfaction with the revenue yield of the tax bill in its present form, Democratic committee members began a quest today for additional revenue.

There were indications today an effort might be made to boost the seven percent levy which the committee had tentatively decided to place on undistributed corporate profits.

As the committee proceeded with its study, the Senate proper was up to its ears with work, with leaders pressing for action in the drive to adjourn next week.

First on the calendar for the day was a wind-up in the debate on the bill to tighten Federal supervision of commodity markets.

After the vote on that measure, leaders planned to call up a compromise bill to replace the present ocean mail contracts with a system of outright subsidies for the merchant marine.

Tomorrow the chamber may begin debate on the \$2,364,000,000 relief-deficiency bill.

BORAH DISGRUNTLED AS POLITICAN NOW

He Can't Very Well "Take Walk" At Cleveland and Seek Senate Seat

By CHARLES P. STEWART
Central Press Staff Writer

Washington, May 29.—Probably the most thoroughly disgruntled individual in American politics is Senator William E. Borah. At least he is the worst disgruntled of any on the Republican side of the fence. On the Democratic side Al Smith's disgruntlement may equal the Idaho statesman's.

Whether or not Borah "takes a walk" at the Cleveland convention must depend on the character of the ticket nominated and the platform adopted there.

Maybe he will swallow the G. O. P's candidatorial selections and statement of its policy anyway. He always has, except once. It is not quite true that he never bolted in campaign time. He was "off the reservation" the first time William J. Bryan ran, but even then he was not a very conspicuous Republican outlaw.

HIS INTERESTS COMPLICATED
Borah's senatorial interests complicate the situation for him.

He is up for renomination and re-

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An Alger Story



James T. Wilson

James T. Wilson of Kenosha, Wis., who rose from an automobile mechanic to vice presidency of the Nash Motors company, is the new national Republican committeeman from Wisconsin. Wilson retired from business affairs two years ago to give his full time to civic and philanthropic affairs.

—Central Press

15 STATES TRYING TO RESTORE ORDER ON MANY STRIKES

Vast, Swiftly Growing Army of Workers Joining Movement Throughout Country

CLAIMS OF UNIONS DISPUTED, HOWEVER

Deny Assertions as to Effectiveness; Seamen Prevented from Picketing Mayor Laguardia's Home In New York; Peace Negotiations Are Deadlocked

(By The Associated Press.)

Fifteen states sought today to quell labor disorders that spawned a vast, swiftly growing army of strikers.

Peace negotiations were generally deadlocked after 24 hours, marked by a tightening of lines by both employers and strikers and claims of union leaders that the roll of strikers already out or called out had mounted from 30,000 to 45,000.

Hundreds of farms and factories were affected from coast to coast.

Employers generally challenged the union claims of the effectiveness of the strike. Settlements were reached in only isolated cases affecting a negligible number of workers.

At New York police intervened early today to prevent six striking seamen from picketing the home of Mayor F. H. Laguardia.

This followed an unsuccessful at-

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QUEEN MARY SAILS FOR UNITED STATES

Southampton, England, May 27 (AP)—The steamship Queen Mary, Great Britain's mightiest ship, sailed at 4:34 p. m., today for New York.

MOB FAILS TO GET NEGRO GIRL KILLER

Altus, Okla., May 27.—(AP)—A 19-year-old Negro girl, arrested after the fatal shooting of a white man, was held in a neighboring town today after officers twice repulsed a crowd of 200 that had advanced on the local jail, with the victim's widow in the lead.

No charges have been filed against the girl, booked as Olivia Gardner. Deputy Sheriff E. O. Rollins said she confessed shooting S. E. Harlan, 32-year-old WPA truck driver, in self-defense after a fight.

MORE ARRESTS OF BLACK LEGION MEN NEAR AT DETROIT

Examination of Dozen Already Held Adjourned To Tuesday To Await Developments

DEEP CONNECTIONS OF SOCIETY TALKED

May Have International Aspect and Be Linked With "Black Shirts" Abroad; Woman's Auxiliary Members Are Pledged to Follow Superiors

Detroit, Mich., May 27.—(AP)—The examination of 12 members of the black legion on charges of kidnaping and slaying Charles Poole was adjourned today until next Tuesday after Prosecutor Duncan C. McCrea had predicted additional arrests.

Three witnesses had told of identifying Poole's bullet-pierced body before adjournment was taken.

McCrea said much of the evidence would be long and that all of it would have to be duplicated if additional arrests were made.

FAR REACHING CONNECTION OF ORGANIZATION HINTED

Detroit, Mich., May 27.—(AP)—Twelve manacled men accused of the "black legion execution" of Charles A. Poole, were brought into common pleas court for examination on kidnaping and murder charges shortly after Representative Dickstein, Democrat, New York, had demanded that Congress investigate terroristic activities of the masked band.

The court room was crowded as the group was led in from the jail where they have been held since their arrest last Friday brought to light the existence of the secret Vigilante society, with a claimed national membership of 6,000,000.

Dickstein, who proposes that a congressional investigation be set in motion along with those now being directed by Michigan state and county officers, told newsmen in Washington that he sought to learn if the black legion has "international connections." He said he had been informed that the black legion is identical with the "black shirts," an organization investigated last year by a House committee.

Declaring that it is apparent that many members of the black legion joined through fear, Attorney General David T. Crowley, left Lansing for Detroit today to make plans for calling a grand jury here to investigate the numerous crimes and misdemeanors attributed by detectives to the black legion.

One phase of the inquiry here concerned a woman's auxiliary of the organization, whose members may be pledged to vote in any way required by their superiors.

Four Dead From Guano Plant Fumes

V. C. C. Plant At Selma Scene of Frightful Tragedy; Inquiries Begun

Selma, May 27 (AP)—A fourth man died today from breathing poisonous gas fumes at the Virginia-Carolina Chemical Company plant here Monday as three investigations of the cause of the accident got under way.

Officials of the company came here last night and started their own inquiry. Forrest H. Shuford, head of the division of inspections and standards of the State Department of Labor, started an inquiry this morning, and Coroner E. N. Booker, of Johnston county, said he would investigate the deaths this afternoon, though he believed they resulted "purely from an industrial accident."

Lem Terry, 52-year-old Selma man, formerly of Charleston, S. C., died shortly after noon at the Johnston county hospital at Smithfield. Other dead were Charles Runham, Alfred Cooper and Julius Austin, all of Selma.

Hospital nurses said four others breathed the poison fumes while cleaning a vat were "doing all right."

G. W. Missell, of Charleston, S. C., ninth man injured, was reported at Rex hospital in Raleigh this afternoon to be "getting along fine."

BEAT TO DEATH BY SECRET "ARMY"?



Ray Ernest



Paul Every

Continuing their investigation into activities of the Black Legion, secret vigilante society, Michigan authorities held Ray Ernest, left, a guard at the Southern Michigan prison at Jackson for arraignment on a charge of carrying concealed weapons. Ernest denied any connection with the reported flogging of Paul Every, right, also a prison guard who died April 14 of what physicians pronounced heart disease and diabetes. Every's wife previously had told Prosecutor Owen Dudley of Jackson county that her husband was flogged because he tried to withdraw from a secret organization headed by Ernest. Meanwhile, in Detroit, Prosecutor Duncan C. McCrea said murder warrants would be issued for seven men present at the "execution" of Charles A. Poole, WPA worker, who reportedly was shot to death by members of the Black Legion on reports Poole had beat his wife. The wife denied her husband had ever beat her.

—Central Press

County Voting Strength Shown In Ballot Figures To Be Printed Tomorrow

New Column Is Herewith Presented Showing County's Percentage of Total State Vote in 1932 and Probable Vote to Be Cast in Primary Next Week

By C. A. PAUL

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The relative voting strength of each of the State's 100 counties is a factor which will play a prominent part in tomorrow's statewide tabulation, the fourth, in the newspaper poll on the Democratic governorship race being conducted by The Daily Dispatch and 24 cooperating newspapers.

In the table accompanying this article the 100 counties and their voting strength, as related to the whole state and based on the vote for governor, in the first primary, 1932, are listed. The percentages are based on the primary and appear in the first column opposite the counties. The figures appearing in the second column and un-

der the heading, "Number of Votes," are estimates of the number of votes to be cast in the first primary this year, to be held Saturday, June 6, and are based upon the percentages in the first column, after election officials and others had estimated the total vote to be cast in the first primary to be 400,000 for the State as a whole.

The County's Vote
The figures opposite your county, then, give the relative importance of it in the voting. In tomorrow's statewide tabulation these figures will be used to "weigh" the vote, so that counties returning heavy percentages of straw votes will not make the poll top heavy. By the same means, that

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HOEY EXPECTS BIG VOTE FROM WOMEN

Has Not Been Vocal but Will Be on Election Day, Managers Say

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

Raleigh, May 27.—Confident that more of the women of the State are going to vote for Clyde R. Hoey for governor in the Democratic primary June 6 than for any of the other candidates, the Hoey managers believe that the special radio speech which Mr. Hoey will make Thursday morning at 10:30 to the women of the State will help greatly to bring the women's vote together and solidify it. They are convinced that there is a tremendous

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OUR WEATHER MAN



FOR NORTH CAROLINA.
Cloudy tonight and Thursday; slightly cooler in north and west portions Thursday.

BAILEY REPLIES TO CHARGES BY MAIL

Senator Enumerates New Deal Measures to Which He Has Given Vote

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

Raleigh, May 27.—The campaign-by-mail which Senator Josiah W. Bailey has been and still is conducting from Washington without leaving his duties in Congress and without making any campaign speeches, is proving unusually effective and will result in his renomination in the first primary, his supporters here are convinced. The fact that he has remained on the job in Washington while three opponents have been conducting a vigorous campaign against him, to which he has not replied either through statements to the newspapers or in public speeches, has gained Senator Bailey the admiration of many who formally had not been his enthusiastic supporters, his friends here say.

But Senator Bailey has not been sitting quietly in Washington, as some think. He has been sending out thousands and thousands of letters direct to the voters informing them of his record and replying to charges made against him by his opponents. In the most recent letter Senator Bailey has sent out, he has outlined his record on the various farm acts, labor acts and the recovery and reform acts as

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Committee Okays Huge Relief Fund

Washington, May 27.—(AP)—The Senate Appropriations Committee today approved a relief appropriation of \$1,425,000,000 to be turned over directly to President Roosevelt with authority for PWA to use an additional \$300,000,000 to carry on heavy construction.

Lawyers To Get Million In Will Case

Winston Trio Reap Huge Harvest On Libby Holman's Baby's Money

Winston-Salem, May 27 (AP)—

Bennett Filokoff, William Graves and Wallace McLennan, attorneys for Z. Smith Reynolds, infant son of the late tobacco heir, are entitled to collect more than \$1,000,000 in fees, it was decided in superior court here today.

The fee, believed here to be the largest ever collected for a single case in North Carolina, was set by Judge Wilson Warlick, upon petition of the three attorneys, who yesterday prayed the court to set a "reasonable" sum for their services. Judge Warlick ruled the child's lawyers were entitled to 1 percent of the net inheritance of the infant.

Under terms of the so-called family agreement, which was reached after court fights in two states, Libby Holman's baby will receive approximately \$7,000,000 of the tobacco fortune. A suit for death taxes now being resisted by the heirs, if successful, may result in cutting down the net estate.

American Winners Get \$3,304,780 In Irish Race Money

Dublin, Irish Free State, May 27.—(AP)—Residents of the United States who bought Irish hospital sweepstakes on the Epsom Downs today won approximately \$3,304,780.

They held among them 20 tickets on the three horses which finished the race "in the money."

This one sum shows the United States to have won more than 50 percent of the total prize money, announced by the sweepstakes committee as approximately \$6,266,875.

Epsom Downs, England, May 27 (AP)—Mahoud and Tak Akbar, owned by the Aga Khan, ran one-two in the 153rd running of the English derby before an estimated crowd of 500,000 today. Tankerton, owned by Mrs. J. Shand, was third.

Jobs Near 1929 Peak With NRA

New York, May 27.—(AP)—On the first anniversary of NRA's death, many industrial leaders asserted employment was nearing the 1929 level, with improved wage and hour scales under NRA's death being maintained.

Their views were made public today by George A. Sloan, chairman of the Consumers Goods Industries Committee, and former president of the Cotton Textile Institute.

"American industry generally has given an inspiring example of its ability to maintain and improve wage and hour standards," said Sloan.

Paul S. Willis, president of the Associated Grocery Manufacturers, one of a dozen leaders whose opinion was given, said "our industry is employing 15 percent more people than in 1929."

A spokesman for the steel industry said the minimum wages and hours prescribed by the NRA code have been maintained.

Walter C. Teagle, president, said the Standard Oil Company of New York now employed more men than in 1929, and had made no change in the hours or wages provided by the code.

For the automotive industry, Alfred Reeves, vice-president of the Automobile Manufacturers Association, said it was employing about the same number as in 1929, and wage rates were about the same.

HOUSE COMMITTEE CITES TRIO IN ITS VOTE TO PROCEED

Rev. Clinton Wunder and J. B. Kiefer Named in Request Made To House Membership

ALL HAVE REFUSED TO GIVE TESTIMONY

Attorney for Founder of Movement Also Declines To Honor Committee's Subpoena, But no Action Is Taken; Townsend Himself Had "Walked Out"

Washington, May 27.—(AP)—A House investigating committee today voted six to two to recommend to the House that Dr. F. E. Townsend and two of his old age pension organization aides be cited for contempt and the case turned over to the United States district attorney.

The committee recommended that the Rev. Clinton Wunder, of New York, and J. B. Kiefer, of Chicago, be cited with Dr. Townsend for their failure to appear for examination as ordered in subpoenas.

Representatives Tolan, Democrat, California, and Collins, Republican, California, voted against the contempt citation recommendation. They also voted against referring the case to the Federal court, in stead of trying it in the House.

Dr. Townsend, founder of the movement to pay \$200 per month from the Federal Treasury to every one past 60, "walked out" on the committee several days ago after he instructed Kiefer, Wunder and other assistants to join him in refusing to answer the investigators' questions.

No action was taken against Sheridan Downey, attorney for Dr. Townsend, who was summoned as a witness last night and answered with a defiant letter to the committee.

Washington, May 27.—(AP)—Challenging "punitive action," Sheridan Downey, counsel for Dr. F. E. Townsend, today advised a House investigating committee, "I shall not honor your subpoena to appear for examination."

"Like Dr. Townsend, I challenge you

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EXPERTS DISAGREE ON WILD INFLATION

Some Forecast It, Others See Contraction; Utility Bill Had Joker

By LESLIE EICHEL

Central Press Staff Writer

AN ADVISORY investment service advises:

"Credit inflation or monetary inflation, prices of both commodities and securities will rise. The chances are that we will have both currency inflation and credit inflation. But the latter will come, anyway."

"Colossal expansion possible: The 10 billions of gold in the United States can be expanded to a grand total available credit of 239 billions! This compares with 55 billions at the peak of 1929. Within a few years you are

(Continued on Page Two.)

Farm Body Asks Plank Both Sides

Washington, May 27.—(AP)—Farm organization leaders today predicted special attention would be given to the agricultural tariff question of the platform committees of both national conventions next month.

Fred Brinkman, Washington representative of the National Grange, said his group would appear before both Democratic and Republican National Convention committees to protest against present methods of handling reciprocal agreements.

The Grange will urge a farm plank calling for preservation of the American market for the American farmer, Brinkman said, and for the repeal of the "most favored nation" clause of the reciprocal trade agreement pact.

However, it was indicated in some quarters that leaders of the American Farm Bureau Federation might support the administration policies and urge both Democrats and Republicans to retain the present plans.