

SENATE COMMITTEE APPROVES TAX BILL

2,000 More Jap Soldiers Landed In China, Pressing Tension To Breaking Line

CAVALRY, INFANTRY LANDED IN REGION AROUND TIENSIN

Full Division of 10,000 Japanese Troops Are Now in North China for Service

CRISIS NOW GRAVE FOR TWO NATIONS

Student Demonstrations Break Out But Are Suppressed by Chinese Government; Resentment Toward Invaders Is Reaching Menacing Proportions

Tientsin China, May 29.—(AP)—Four Japanese army transports bearing 2,000 additional cavalry and infantry troops for North China garisons arrived today at Tangtu, port entrance to Tientsin and Piping.

Upon their arrival at Tientsin, the majority of the troops will proceed to the new Japanese barracks outside the city.

The new arrivals brought the total of Japanese forces to nearly 10,000 in North China for a full division. In the face of repeated protests from the Chinese Nationalist government capital at Nanking, Japan's latest action aggravated acutely the present Sino-Japanese tension, which was apparently reaching gradually the breaking point.

The crisis was viewed all the more grave because of alleged Japanese support for smuggling in North China and Japanese military encroachments in several northern provinces and Inner Mongolia.

Piping and Tientsin authorities, both civilian and military acted with firm determination to suppress student demonstrations such as those which sent a shiver of apprehension through Tientsin yesterday.

A proclamation announced the bureau of public safety, organized by the military, would take control of all schools and universities "if need be." Resentment against Japan for the alleged smuggling activities and troop reinforcements appeared to be reaching menacing proportions throughout China. A renewal of a previous boycott of Japanese goods was feared in some quarters.

Exchanges Regulation Is Passed

Washington, May 29 (AP)—After withdrawal of controversial cotton amendments, the Senate today passed the House-approved commodity exchange regulation bill.

Passed by the House last session, the measure would extend and broaden Federal regulation powers over commodity futures exchanges.

Johnston Man Is Executed By Gas

Raleigh, May 29 (AP)—Marvin Batten, 23-year-old Johnston county farmer, was put to death by gas at State Prison here today for the murder of Mrs. Lyda Daughtry.

The gas was administered for 15 minutes and ten seconds before Dr. G. S. Coleman, prison physician, pronounced the man dead.

Batten entered the death chamber at 10:37 accompanied by H. M. Grizzard, undertaker from Kenly.

COMMUNIST STATUTE MAY BE APPLIED ON THE "BLACK LEGION"



Pretty little Jean Trowbridge, 13-year-old Stuart, Iowa, schoolgirl, is shown holding the trophy emblematic of the national spelling championship.

TOWNSEND INQUIRY VASTLY OVERDONE

House Committee Went too Far in Heckling Dr. Townsend Himself WAS POLITICAL DRIVE

By CHARLES P. STEWART Central Press Staff Writer Washington, May 29.—The House of Representatives' committee on investigation of the Townsend plan fell into an error which congressional investigating committees are rather prone to.

It overdid its job of heckling its victims and produced an effect opposite to the one at which it was aiming. One doesn't need to be a believer in the Townsend old age pension pro-

Michigan Criminal Syndicalism Law Likely To Be Invoked To Suppress Group

TWO GRAND JURIES PLAN FOR INQUIRY

Proposed Legislation To Curb Lawless Order Is Before Both Houses of Congress; Income Tax Returns of Some Leaders May Be Aired in the Court

Detroit, Mich., May 29.—(AP)—Michigan's criminal syndicalism law, enacted to combat communism, may be invoked against the black legion, whose members are accused of flogging, and even slayings, in the guise of defense against communists.

Prosecutor Owen Dudley, of Jackson county, said today he contemplated the prosecution of 13 men whom he described as the "board of directors" of the night riding terrorists in that county under the statute.

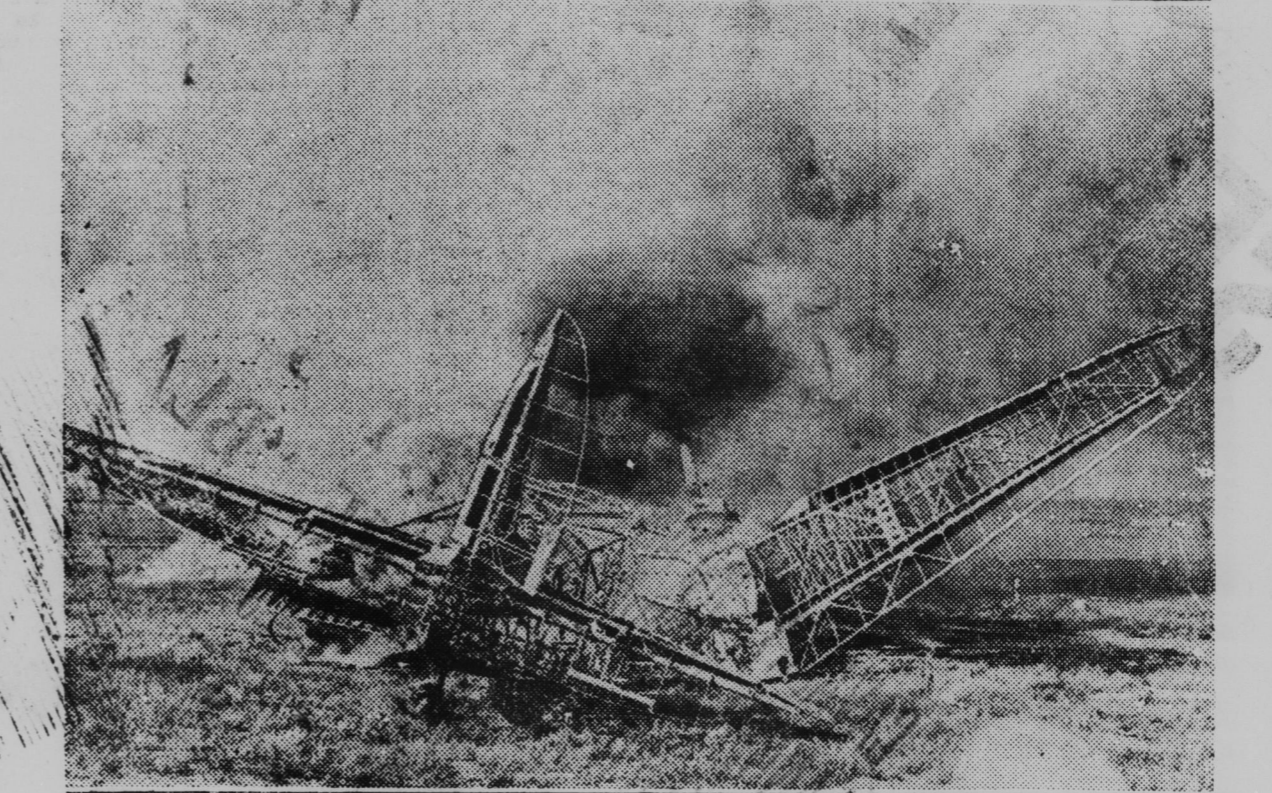
At least two grand jury investigations of the Vigilantes were imminent while both houses of Congress had before them resolutions demanding congressional inquiry.

State Will Give 5 Pct. Pay Boost

Raleigh, May 29.—All State employees will get an increase of five per cent of the salary they were receiving as of June 30, 1935, or 4.16 per cent of their present salaries, effective July 1, 1936, the Budget Bureau has just advised the heads of the various State departments and institutions in a special budget memorandum dated May 26, it was learned here today.

The appropriations bill as enacted by the 1935 General Assembly provided that all State employees should get a salary increase of 20 per cent effective July 1, 1935, and an additional five per cent effective July 1, 1936. If, in the opinion of the governor and the Advisory Budget Commission, the anticipated revenues would be sufficient to grant this additional pay boost, this memorandum indicates that the governor and Advisory Budget Commission have decided that the revenue will be sufficient.

An Alert Pilot Cheated Death for Three Here



After he had climbed 500 feet on his American Airlines trip from Chicago to Detroit, Pilot Ed. Coates saw smoke pouring out of the baggage compartment of his tri-motored ship. He turned to his passengers, R. A. Alpalo, of Detroit and W. C. Carnegie, of Chicago, and warned them to jump as soon as the ship touched ground.

McMullan Dropped From Army Office

Washington, May 29 (AP)—Colonel Joseph I. McMullan, of the army judge-advocate general's office, was summarily dismissed from the army today following his conviction in the District of Columbia Supreme Court for receiving compensation for services to private individuals outside of his official duties.

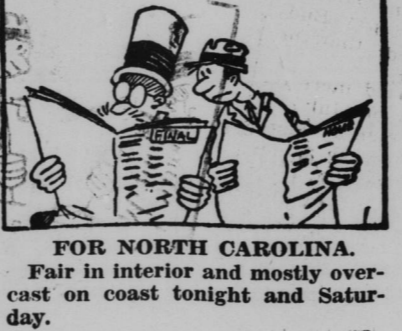
Legislative Personnel Is Serious Item

Virtually Absolute Dictator, in That Governor Lacks Any Veto Powers

Raleigh, May 29.—The personnel and make-up of the 1937 General Assembly is really more important than who is elected governor, since it is the General Assembly rather than the governor which repeals or enacts new laws, determines the size of appropriations and decides what kind of taxes shall be imposed and on whom, those who are really familiar with the mechanics of State government in North Carolina know. They also know that there is not another State in the United States in which the governor has less to say about legislation and less real authority than in North Carolina since this is the only one of the 48 states in which the governor does not even have the power to veto legislation of which he disapproved.

Accordingly, it would be a good thing for the people of the State to stop and think a little about the men and women who are candidates for the General Assembly, as well as about those who are seeking the nomination for governor, the more thoughtful observers here are convinced. For a carelessly selected General Assembly can make it impossible for any governor to carry out his program, and instead of becoming an

OUR WEATHER MAN



FOR NORTH CAROLINA. Fair in interior and mostly overcast on coast tonight and Saturday.

Trade Still Climbing To Higher Peak

No Spectacular Gains Seen, But No Slowing of Consequence Anywhere

New York, May 29 (AP)—While there was a conspicuous absence of spectacular gains in any one division, no slowing of consequence occurred during the week in the tempo of trade progress, Dun & Bradstreet said today in their review of the week.

POU PROMISES TO DUST COBWEB OUT

Tells of Changes in State Auditor's Office if He Is Elected

Raleigh, May 29.—Business efficiency and economy will prevail in the office of the State auditor and the present "old-fashioned, moss-back manner in which its affairs are conducted will be changed," George Ross POU, one of the four candidates for the Democratic nomination for State auditor, said here last night in his first scheduled speech of the campaign. The other three candidates for the nomination are Baxter Durham, the present auditor; Willard Dowell, of Raleigh, and Charles W. Miller, of Raleigh.

Fugitive Emperor Now at Gibraltar

Gibraltar, May 29 (AP)—The British cruiser Cape Town, bearing the fugitive Emperor Haile Selassie from Palestine, arrived here today.

NEW STRIKES ARE BEING THREATENED

The threat of new strikes and intensification of old ones today offset scattered settlements of labor disputes in 20 states.

Queen Mary Setting New Speed Mark

Aboard the S. S. Queen Mary, En Route to New York, May 29 (AP)—Maintaining her high pace for the second day at sea, the Queen Mary jockeyed clearly today for a position to set a new trans-Atlantic speed record, and return the blue ribbon to Britain.

New German Navy Passes In Review

Kiel, Germany, May 29.—(AP)—The new Nazi navy steamed through Kiel bay today in Germany's greatest naval display since the World War, celebrating the revival of the Reich fleet.

SENATE REBELLION FROM ROOSEVELT'S PROGRAM SERIOUS

Committee Decision To Write Own Tax Bill Blasts Hopes for Any Early Closing

LONG STRUGGLE ON REVENUE APPARENT

Administration Men Expected To Battle for Plan More Acceptable to White House; Vandenberg and Other Republicans To Resist Allotments

Washington, May 29.—(AP)—After a last-minute change that would increase individual income surtaxes except in the lowest surtax brackets, the Senate Finance Committee today approved its compromise tax bill.

HOPE IS ABANDONED FOR EARLY END OF CONGRESS

Washington, May 29.—(AP)—Hopes of adjourning Congress on June 6 were virtually dead today. Most leaders agreed there was so much work left to be done on taxes that would be impossible to meet the adjournment deadline set sometime ago.

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