

# ROOSEVELT NOMINATED FOR SECOND TERM

## Government's Railroad Pension Act Is Unconstitutional

### NEW RULING GIVEN BY JUSTICE BAILEY IN DISTRICT COURT

Both the Rail Pension Law and Its Companion Tax Measure Are Decided Against

OVER 130 RAILROADS SOUGHT INJUNCTION

Others Also Joined in Suit To Prevent Measure Becoming Effective July 1; Seven Percent Levy Laid on Roads and Payrolls Under the Measure

Washington, June 26 (AP)—Justice Jennings Bailey, of the District of Columbia Supreme Court, today declared the government's 1935 railroad retirement plan was unconstitutional.

He ruled that both the rail pension law and its companion tax measure were "inseparable parts" of a single scheme unconstitutional under prior rulings of the Supreme Court.

The ruling was made in a suit filed by Class I railroads and other railroad enterprises to prevent the legislation from becoming effective July 1.

This injunction suit was brought by 131 first class carriers and 289 lesser enterprises. They attacked both the retirement act and its companion revenue measure, which sought to lay a 3 1/2 percent tax on rail wages and an equal levy on company payrolls.

Both of these statutes were enacted last year after the Supreme Court invalidated the 1934 retirement law, which included both tax and pension provisions.

The 1935 retirement act was designed to set up a permanent pension system for railway workers over 62 years old. First annuity payments under it were scheduled to be made July 1.

### May Farm Income At High Peak

Washington, June 26.—(AP)—The Bureau of Agricultural Economics reported today that farm income for May was the highest for that month since 1930.

Farm income for the first five months of this year was estimated at \$2,638,000,000, compared to \$2,488,000,000 in the corresponding period of 1935.

The figures included cash income from farm marketing and government benefit payments. Of a total for the first five months this year, the bureau said \$2,533,000,000 was from marketing and the remainder from benefit payments.

Cash income from marketing in May was listed at \$521,000,000, compared with \$481,000,000 in April, and \$483,000,000 in May last year. This increase was shared by producers of all products, the bureau said.

### Brighter Day Is Coming In The Utility Industry

More Sensible Public Attitude Toward Them Is Coming About as Rates Are Cut and Consumption Increases; Better Investment Than Before, Babson Says

BY ROGER W. BABSON, Copyright 1936, Publishers Financial Bureau, Inc.

Babson Park, Mass., June 26.—Utility managers are becoming more sensible and hopeful. The perplexing problems of the past three years are gradually being overcome. The storm of popular resentment against the industry is rapidly blowing off. The skies are clearing, at least temporarily. Holders of power and light securities now have a "breathing spell," although the legality of the public utility holding company act still remains to be settled by the Supreme Court.

What Is The Row About? Of all the controversial questions of the past three years, none has brought

### New Search For Safety For Europe

Two Opposite Decisions Looked For, However, From Geneva Discussions

Geneva, June 26.—(AP)—League of Nations delegates, confronted with proposed reversal of sanctions against Italy, began a new search for collective security in the League Council today.

Groups of diplomatic representatives in gloomy corridors expected two opposite decisions to emerge from the sessions:

1. Suspension of economic and financial penalties against Italy, condemned as the "aggressor" in East Africa.

2. Refusal to recognize officially Italian annexation of Ethiopia, accomplished after the occupation of Addis Ababa by the Fascist military forces.

The spirit through the League's new palace contrasted sharply with that of last October, when 50 nations approved application of the sanctions.

(Continued on Page Two.)

### ARABS WRECK TRAIN AND KILL ENGINEER

Jerusalem, June 26.—(AP)—Arabs wrecked a train on the Jerusalem-Haifa-Lydda railroad line today, killing the engineer and a soldier.

forth a more divided opinion than the utility issue. Those who know all the facts feel that the industry did need a spanking. On the other hand, they believe that the administration's humbling process was too harsh and degenerated into persecution. Through it all the investing public have been the innocent sufferers. As investors, they put up the capital to finance the utilities. Now, as taxpayers, they are forced to dig down for additional funds to destroy their original investment.

Most of my friends, even among the utilities, agree that there were rank irregularities in the industry during the boom era. In order to eliminate

(Continued on Page Six.)

### Governor Curley Comes To Convention Town



Governor James Curley of Massachusetts, accompanied by James Roosevelt, son of the president, arrives in Philadelphia and marches to the Massachusetts headquarters. Note the sign.

### Tar Heels Glad At Death Of Old Two-Thirds Rule

Daniels Recalls State Convention Away Back In 1926 Called For Its Abrogation

STATE LED WAY IN SOUTHERN GROUPS

With Convention Virtually Over, Members of Tar Heel Delegation Prepare To Start Home; Ehringhaus Leaves This Afternoon; Others Will Remain

Philadelphia, Pa., June 26.—(AP)—North Carolina's Democratic convention delegates expressed themselves as well pleased today that their long-sought battle for abrogation of the two-thirds nominating rule had at last been successful.

Joseph Daniels, of Raleigh, American ambassador to Mexico, recalled that in 1926 the North Carolina Democratic convention called for repeal of the century-old requirement that Democratic nominees obtain two-thirds of the votes in their national conclaves.

"It took ten years to win the fight," Daniels said, "and I am happy that I was able to attend the national convention which finally repealed this rule."

The North Carolinian, whose state was one of three southern states which voted for abrogation, said he was opposed to the proposal that Democratic conventions be based upon voters cast in presidential elections. With the convention virtually over,

(Continued on Page Two.)

### OUR WEATHER MAN



FOR NORTH CAROLINA. Generally fair, slightly warmer tonight; Saturday partly cloudy.

### \$19,000 Pay Truck And Driver Gone

Pawtucket, R. I., June 26 (AP)—An armored truck containing a \$19,000 payroll and its driver, Walter Hussey, disappeared today from Main street, police reported. Bank guards who had gone into the Rhode Island Hospital Trust Company branch discovered its disappearance. Police said they believed the driver had been kidnaped.

### TREATS OF SUIT IN M'DONALD CASE

Notice Served by Asheville Paper on N. & O. and Winston Papers

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

Raleigh, June 26.—Political circles here are all agog over the prospect of two newspapers and their publisher suing two other newspapers for libel because they published a campaign statement by Dr. Ralph W. McDonald one of the candidates for the Democratic nomination for governor in the second primary on July 4, which these papers and their publisher maintain are libelous and untrue. The Asheville Citizen and Times Company and Don S. Elias, one of the publishers of these two papers, Thursday served formal notice of their intention to bring suit for libel against The News and Observer in Raleigh and the Journal and Sentinel in Winston-Salem. Because of the publication in their editions of Sunday, June 21, of a statement issued by Dr. Ralph W. McDonald in which he charged that the State Banking Department had shown "favoritism" to Elias and his newspapers in the settlement of their indebtedness to an Asheville bank during its liquidation by the banking department, Elias and The Citizens-Times Company also made formal demand, as the law requires, that The News and Observer and The Journal and Sentinel

(Continued on Page Six.)

### Democratic Platform Is Liberal One

But Nobody Bothers Much About Them; Observers See Third Party Rising

By CHARLES EICHEL (Central Press Staff Writer)

Philadelphia, June 26.—Yes, the Democratic platform will be far ahead of the Republican platform, in liberal thinking. The Republican platform was largely taken up with denunciation and evasion on any real problems. The Democratic platform naturally will uphold the New Deal and point a way.

But, ten years hence, we may be looking back with a cynical, tolerant smile on the anachronism of even the liberal platforms of today.

President Roosevelt may be condemned, not for going too far, but because he did not go far enough, or move quickly enough.

For example, he used pressure to late on a dying Congress to save the housing bill and a dozen other measures of vast importance to the welfare of the people. Those bills perished. Congress remains reactionary at heart.

The Republicans, of course, were against those measures, but they were expected to be. It is misses such as this on the part of the liberal command of the Democratic party which cause the potentiality of a third party.

"NOT WORRIED"

Political leaders in Philadelphia assert they are not worried over the candidacy of Representative William Lenke of North Dakota on a third party ticket.

Yet they do considerable talking in

(Continued on Page Four.)

### Tenancy Is Worst Issue South Faces

State College, Miss., June 26 (AP)—Cully A. Cobb, southern divisional director of the Farm Administration, told a conference of rural ministers here today that the rural South's "most pressing social problem" arose out of tenancy.

The tenant system in the South, he said, "traces back to slavery, reconstruction, the ups and downs of cotton, the lack of opportunity, to the rigidity of agricultural income."

The severe fluctuations in cotton prices from year to year, Cobb said, hampered efforts to become farm owners.

Cobb said that approximately 34 percent of the country's farm popu-

(Continued on Page Six.)

### Nominates Roosevelt



John E. Mack, of Poughkeepsie, N. Y., former New York state supreme court justice, nominates President Roosevelt for the presidency at the Democratic national convention in Philadelphia. Mack, a lifelong friend of the president, is among possibilities for the Democratic gubernatorial nomination in New York.

### JUDGE JOHN MACK PLACES ROOSEVELT BEFORE DELEGATES

Speaker Is Same Man Who Nominated President First Time Just Four Years Ago

CALLS ROOSEVELT SON OF WHOLE U. S.

Charges Cries of Anger and Vicious Attacks on New Deal Come from Those Who Brought on the Depression; Governors To Second Nomination

Philadelphia, June 26.—(AP)—Picturing President Roosevelt as an inspired leader in a "war of humanity against greed," Judge John E. Mack, of New York, today placed the President's name before the Democratic convention for renomination.

Mack, an old friend and neighbor of the Roosevelts, spoke only 20 minutes, pointing his address toward the climatic statement:

"With our decks cleared for battle, with justice and right and progress with us, we are ready for more action under the inspired leadership of that great American whose name I give you as our candidate for President, no longer a citizen of merely one state, but a son of all the 48 states—Franklin D. Roosevelt."

Mack, who also was the Roosevelt nominator in 1932, dealt briefly with the campaign issues. He asserted that "the cries of anger and the vicious

(Continued on Page Five)

### 'JEAN VAL JEAN' OF PRISON HAS PAROLE

But Man Who Gave Up To Finish Term Is Now Wanted in Oklahoma

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

Raleigh, June 26.—Jesse C. Walker of Columbus county, the prisoner who was convicted of murder in Pender county 21 years ago and sentenced to serve 30 years in the State Prison here while already a fugitive from justice in Oklahoma where he had previously been sentenced to prison for 30 years in 1909 and who escaped 17 years ago from the North Carolina prison only to return voluntarily about a year ago and give himself up, was paroled today by Gov. J. C. E. Ehringhaus. But Walker, the "Jean Val Jean" of the North Carolina prisoners, is not a free man and will not be permitted to walk through the prison gates and into the world again, where he worked and lived as an upright and respected citizen for 16

(Continued on Page Five.)

### HUGE TIDAL WAVE OF ACCLAIM ROLLS OVER CONVENTION

Shouting Ranks of Delegates Join in Hour-Long Demonstration When Name is Given

JUDGE JOHN MACK OFFERS PRESIDENT

Actual Nominating Vote Expected Near Midnight Tonight; No Other Name Is Presented; G. O. P. Chairman Refers to "Mental Walk-Outs" on Platform

Convention Hall, Philadelphia, June 26 (AP)—A tidal wave of oratory and acclaim swept Franklin D. Roosevelt today toward his second nomination for the presidency.

Already enlisted under a party platform promising amendments to the Constitution, "if necessary," to meet national problems, shouting ranks of Democratic convention delegates joined in an hour-long marching demonstration as Judge John E. Mack, of New York, presented the name of Roosevelt formally for renomination.

The actual nominating vote was not expected until about midnight, daylight time. No other name was presented.

Over 50 governors and party leaders from every state lined up behind Judge Mack to second his tribute to the President as a "friend of the masses."

Both from the rostrum and in the howling Roosevelt demonstrations on the floor, the convention took shots at Governor Alf M. Landon, of Kansas, the Republican nominee.

While the flag-waving procession went on and on amid showers of torn paper dropped by the galleries, word came from Washington of the first Republican rejoinder to the New Deal platform adopted last night. John Hamilton, the G. O. P. chairman, smilingly said he would like to know how many "mental walk-outs" took place.

### Negroes On Program Is Denounced

Philadelphia, June 26.—(AP)—A resolution protesting against the presence of Negroes on the program of the Democratic National Convention was adopted unanimously today by the South Carolina delegation.

Adoption of the resolution, later presented to the national executive committee, came as an aftermath to a second "walk-out" by Senator E. D. Smith, delegate-at-large, when Representative Arthur Mitchell, of Chicago, only Negro member of Congress, addressed the convention last night.

The text of the resolution was not immediately made public, but it spe-

(Continued on Page Five.)

### Amendment Is Pledged If Needed

Party Determined to Press New Deal Issue in the Nation at All Costs

Philadelphia, Pa., June 26.—(AP)—Pledged to seek constitutional amendment, if needed, to solve pressing national problems, the Democrats set themselves today for a rousing renomination of President Franklin Delano Roosevelt.

A national convention all but exhausted already, summoned reserve energies to demonstrate again its loyalty to the administration. The spark to set it off was the placing of Roosevelt's name before the delegates by his long-time friend, Judge John E. Mack, of New York.

Decision to allow numerous seconding speeches, including many by gov-

(Continued on Page Six.)