

STATE BUDGET ASKS \$70,000,000 YEARLY

Two New Cabinet Posts Asked In Roosevelt Plans

Civil Service For All But Top Jobs Aim Of President

Cabinet Salaries Would Be Hiked to \$20,000 from \$15,000 Total Now Being Paid

SIX SECRETARIES ARE ALSO SOUGHT

President Wants More Personal Assistance; Budget Bureau Would Be Strengthened; Aim Is "To Make Democracy Work Today in Our Government," Is Claim

Washington, Jan. 12 (AP)—President Roosevelt recommended to Congress today a sweeping reorganization of the Government's administrative machinery that would create two new cabinet posts—social welfare and public works—and eventually bunch 105 Federal agencies in 12 departments.

Transmitting a report of a special committee that has studied the questions for months, he also proposed:

1. Extension of the civil service to all non-policy determining positions, including all postmasters and departmental jobs except the highest executive; increased cabinet salaries from \$15,000 to \$20,000; substituting a civil service administrator and an unpaid civil service board for the Civil Service Commission.

2. Giving the President six executive assistants to relieve him of tremendous detail work.

3. Substitution of an independent auditor-general for the vacant post of comptroller general, with the attorney general as the legal adviser of government expenditures.

4. Strengthening and expanding of the bureau and the planning of personal services to make them "effective managerial arms" for the President.

5. Changing the name of the Department of the Interior to Department of Conservation.

Although the committee predicted some saving in money, time and effort, it said the proposed reorganization had "but one grand purpose, namely to make democracy work today in our national government."

DESPERADO BREAKS ROCKY MOUNT CELL

But Officer Blocks Johnny Cobb, Brother of Two Long Termers, Before He Can Leave

Rocky Mount, Jan. 12.—(AP)—Johnny Cobb, 19, brother of two well known gunmen, was jailed here Saturday charged with holding up and robbing a service station, broke the lock on his jail cell today, but was found crouching atop a row of cells before he could make his escape.

With a crude device made from a broom handle, the youth forced the lock and walked from his cell. He had only to speak through police headquarters to gain his freedom when an officer discovered him.

Young Cobb, whose brothers, Ed and Roy, are serving 30-year terms in State Prison for highway robbery, was taken to the county jail at Nashville.

West Gets Relief Now From Cold

(By The Associated Press) Generally moderating temperatures brought the western half of the nation a measure of relief today from the coldest siege of the winter.

Although the mercury remained far below freezing in most Rocky Mountain and prairie states, the bitter sub-zero cold of the past week abated.

More than 100 persons were still snowbound in the west. Fear was expressed five motorists perished in blizzard-swept Nevada.

In addition to millions of dollars in property damage, storms and cold weather caused the deaths of more than a score of persons, most of them in California, Oklahoma and Texas. California citrus fruit growers were cheered by rising temperature forecasts.

Quincy, Ill., was virtually isolated for the fourth consecutive day.

Kidnap Victim And His Father



Central Press Soundphoto Charles Mattson



Above is Charles Mattson, 10-year-old son of Dr. W. W. Mattson, below, who was kidnaped from the living room of his Tacoma, Wash., home the evening of December 27, and whose mutilated body was found near Everett, Wash., Monday. It was reported a \$28,000 ransom demanded by the kidnaper for return of the boy was never paid by the father.

BLOODSHED CLOUDS HORIZON IN STRIKE

Police and Strike Supporters Clash at Flint Plant of Fisher Body

(By The Associated Press.) Bloodshed darkened the outlook in the deadlocked automobile strike today as the number of men made idle by walkouts or "sitdowns" in various industries neared a national total of 170,000.

Governor Frank Murphy, of Michigan, marshaled National Guardsmen at Flint after a night clash between police and strike supporters at a Fisher Body plant ended with 14 persons shot and a score otherwise hurt. The police, aided by deputy sheriffs, used riot guns and tear gas in an unsuccessful attempt to disperse a crowd at the plant and drive out sitdown strikers inside.

GUILTY PLEA MADE BY KANNAPOLIS MAN

Concord, Jan. 12 (AP)—Pearl Carpenter, 26, of Kannapolis, faced a 10 to 15 year sentence today after pleading guilty of manslaughter in connection with the fatal shooting of his friend, Leonard Davies. Carpenter said he fired at Davies in the dark, mistaking him for an assassin after he had engaged in a cafe argument.

Ten Thousand in WPA Protest Rally March



A colorful parade in which ten thousand persons took part in New York City was held as a denunciation of the curtailment of WPA funds. Here are some of the marchers and their protest placards. Three bands and thirty-five floats took part in the parade, which marched half the length of Manhattan Island. (Central Press)

Roosevelt, Shocked By Mattson Death, Orders Endless Search Begun

Every Means at Government's Command Goes Into Motion to Solve Heinous Crime

KIDNAPER OF CHILD 'MOST HUNTED MAN'

Boy Believed Dead From Three Days to Week Before He Was Found; \$28,000 Ransom Never Was Paid by Boy's Father; \$10,000 Government Reward

Seattle, Wash., Jan. 12.—(AP)—The Seattle Times quoted today an unnamed authority as saying the clothing of Charles Mattson, kidnap-murder victim, had been found in an abandoned automobile at an Everett service station.

Washington, Jan. 11.—(AP)—President Roosevelt declared today the murder of ten-year-old Charles Mattson in Washington State has "shocked the nation," adding every means at the government's command must be enlisted to capture the perpetrator of "this ghastly crime."

In an official statement, the President said Attorney General Cummings had offered a \$10,000 reward for information leading to the arrest of the criminal, and special agents of the Justice Department were engaged in a search "which will not be terminated until the murderer is caught."

MIGHTY DETECTIVE FORCE SEEKS CLUE TO KIDNAPERS

Tacoma, Wash., Jan. 12.—(AP)—From the battered body of Charles Mattson, 10, found nude in the snow, a mighty force of detectives today

NEGRO BEFRIENDED BY STATE ACCUSED

Robert Barnes, Whose Feet Were Amputated, Is Held for Murder of Another Negro

Charlotte, Jan. 12 (AP)—Robert Barnes stumped into recorder's court today on artificial legs furnished him by the State of North Carolina, and was bound over to superior court under \$3,000 bond on a murder charge.

The Negro, whose legs were amputated as the result of an infection that developed while he was serving a short sentence in a Mecklenburg prison camp, allegedly shot Odell Harris, another Negro, to death recently.

\$5,000 CASH STOLEN FROM ENKA STORES

Asheville, Jan. 12.—(AP)—Authorities of the Enka community, near here, reported today three stores there had been burglarized last night, with a loss of more than \$5,000 in cash and considerable merchandise.

All three stores are in the same building, and officers said entry to the building was gained through a skylight, safes in a community pharmacy and grocery store were blown.

Hedgepeth Given Norlina Sentence

Norlina, Jan. 12 (AP)—Plummer Hedgepeth, 24, of Henderson, faced the alternative today of paying \$35 in fines and costs or serving a 60-day sentence for his alleged attempt to drive a train out of the Seaboard Air Line yards here Sunday.

Police Chief W. N. Carter said Mayor A. L. Fleming sentenced Hedgepeth to 60 days, but agreed to suspend the sentence if he would pay the fines today. Hedgepeth was convicted of drunkenness and trespass.

Carter said Hedgepeth climbed into a locomotive and backed a five car train "about 90 feet" before he was apprehended. The chief said the train, when stopped, blocked a street here.

Pope Loses Strength In Hard Night

Vatican City, Jan. 12.—(AP)—Weakened by a night of pain and fatigued by labored breathing, Pope Pius mustered his strength in the service of the church today so his success "will not find things undone."

The holy father's condition kept medical attendants close to his bedside during a restless night, in which his sleep was disturbed by unceasing pain in his right leg from swollen veins.

CAPIAS ISSUED FOR WARRENTON BANKER

Carter Williams, Now of Richmond, Wanted in Trial His Absence Has Postponed

Warrenton, Jan. 12 (AP)—A capias was issued for Carter Williams of Richmond, Va., when he failed to appear in superior court here today to answer charges of violating the State banking laws. Court attaches said no move made to forfeit Williams' bond.

Three co-defendants were in court, but the cases against them were continued until the May term because of Williams' absence.

OUR WEATHER MAN



FOR NORTH CAROLINA. Cloudy tonight, with occasional mist and rain tonight and Wednesday; foggy tonight; not much change in temperature.

Troubles Of Morocco To Be Settled

France and Germany Now Seek Permanent Adjustment of Quarrel

Paris, Jan. 12.—(AP)—A military inspection of Spanish Morocco set at rest French fears of German troop concentrations to day amid indications of coming negotiations for a "full and lasting settlement" of Franco-German problems.

(By The Associated Press.) France and Germany apparently adjusting their Moroccan troubles, veered today toward efforts to effect a "full and lasting settlement" of their political quarrels.

French officials were cautious, but there were indications both in Paris and Berlin that the forthcoming Paris visit of Dr. Schacht, Nazi minister of economics and finance, might lead to an economic and then a political understanding between the two nations. Adolf Hitler and Andre Francois-Poncet, French ambassador to the third Reich, smoothed out the most troublesome Franco-German tangle over Spain, with mutual assurances of respect for Spanish and Spanish Moroccan territorial integrity.

The French were further cheered by an offer from the Spanish Moroccan High Commission to prove there is no serious German incursion of that strategic north African zone.

EX-CONVICT FACES DEATH FROM WOUND

Leaksville, Jan. 12 (AP)—Paralyzed by a bullet in his spine, Tom Chaney, youthful ex-convict, lay near death in a hospital today. He was shot Deputy Sheriff L. M. Sheffield said, when he resisted arrest after being caught in the act of trying to rob the Y. M. C. A.

MAY SEEK 2 PRCT. ALL-INCLUSIVE TAX

Would Cut Rate of Sales Tax, and Apply It Without Exemptions

Daily Dispatch Bureau, In the Sir Walter Hotel, By HENRY AVERILL. Raleigh, Jan. 12.—The next few weeks promise to present the paradox of veteran opponents of the sales tax fighting vigorously to extend it into every sphere of business activity. This consummation will be brought about by the fact that the anti-taxers are hopelessly outnumbered in the current assembly and have accordingly changed their plan of campaign from one seeking to exempt as many articles and necessities as possible from the three per cent levy into one looking to a reduction of the

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Intangible Taxes And Gift Tax Are Proposed As Levy

Georgia Governor



E. D. Rivers, above, today took the oath of office as governor of Georgia, succeeding Governor Eugene Talmadge. On a recent trip to Washington, Governor Rivers assured authorities there that his administration in Georgia would be 100 percent New Deal.

General Fund Calls for \$36,952,690 and \$37,802,922, Rise of Around \$5,000,000

SCHOOL FUND PUT AT \$24,396,367 SUM

Increased Salaries Proposed; Many New Taxes, Including Levy on Bank Deposits and Insurance Policies, Asked; Accounts Receivable Also Included

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

Raleigh, Jan. 12.—Containing recommendations for appropriations totalling more than \$70,000,000 a year for the next two years for all State purposes, including highways, the report of the Advisory Commission, together with the appropriations and revenue bills which the law requires the budget commission to prepare and transmit to each new session of the General Assembly, were transmitted to the General Assembly today with a brief message of transmittal by Governor Clyde R. Hoey.

The appropriations from the general fund, as recommended by the budget commission, amount to \$36,952,690 for the fiscal year 1937-38 and to \$37,802,922 for the fiscal year 1938-39. General fund expenditures for the fiscal year 1935-36 amounted to \$31,201,705 and for this year will probably amount to \$34,482,259, according to budget bureau estimates. The various state departments and institutions supported from the general fund including the public schools, requested between \$11,000,000 and \$12,000,000 a year for each year of the coming biennium. But the budget commission trimmed between \$4,000,000 and \$5,000,000 a year off these requests.

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COMMITTEES START BUDGET SESSIONS

Hoey Reserves Right To Present His Own Figures on Finances

Raleigh, Jan. 12.—(AP)—The legislative finance and appropriations committees started work today.

Chairman Ward, of Craven, of the House Appropriations Committee, and Speaker Cherry, urged the House group to "get down to work," but "not to use undue haste."

The money spending and money raising committees were called to meet late in the afternoon jointly to hear A. J. Maxwell, revenue commissioner, and Frank Dunlap, assistant director of the budget, explain the budget tax and appropriations suggestions.

HOEY TO SUBMIT FIGURES OF OWN, AT LATER DATE

Raleigh, Jan. 12.—(AP)—Governor Hoey sent the legislature the Advisory Budget Commission's recommendations for "record high appropriations and revenue" today, but reserved

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REVENUE FORECAST MADE FOR BUDGET

Advisory Commission Estimates Receipts from all Lines of Taxes It Suggested

Raleigh, Jan. 12 (AP)—Advisory Budget Commission forecast revenues for the next biennium if its general fund tax suggestions are adopted by the legislature as follows:

1937-38: Inheritance taxes, \$600,000; license taxes, \$2,600,000; franchise taxes, \$8,031,200; income taxes \$9,400,000; sales tax \$8,700,000; beer taxes \$900,000; the new gift tax \$250,000; the new wine tax \$200,000 the new tax on intangibles \$1,000,000; the sales tax on gasoline (highway fund diversion) \$2,100,000.

Old Age Pension Act May Extend Levy To Counties

Benefits on Large, or Even Moderate Scale, to Old People Would Require Huge Outlay and May Require Participation of Counties To Attain Goal

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

Raleigh, Jan. 12.—The old age pension law, when it is introduced, will probably provide for a maximum monthly pension of not more than \$20 a month for those who qualify, with one-fourth of the State's portion of matching funds to be paid by the counties, according to reliable advance information concerning the old age pension legislation obtained here today. Even with a maximum of \$20 a month, of which the state and counties would pay \$10 a month, the cost to the state will range from a minimum of about \$2,800,000 a year to a maximum of \$2,800,000 a year while the cost to the counties will range

from \$600,000 to almost \$1,000,000 a year, on the basis of present estimates.

If the effort to secure dual participation between the state and counties in matching the Federal funds should fail, and the state should have to provide all of the matching money from state funds, participation in a maximum old age pension of \$30 a month would cost the state \$2,400,000 a year if the number receiving pensions should not exceed 20,000 persons and would run as high as \$3,600,000 a year if the number receiving pensions should amount to as many as 30,000.

If the General Assembly, however, (Continued on Page Two.)