

STRIKE PARLEY COLLAPSES

CROWDS ARRIVE FOR INAUGURAL AS PLEAS FOR WPA AID MOUNT

Senators Join With Representatives To Get More Than Roosevelt \$790,000,000

TVA SNARL RISING TO CREATE ISSUES

Valley Management At Loggerheads and Roosevelt Is Faced With Necessity of Taking Sides Between Them; Seamen Bring Their Claims to Capital

Washington, Jan. 18.—(AP)—The Capital welcomed the vanguard of inauguration crowds today with bunting and flags, despite gray skies and a drizzling rain.

Arriving by road, rail and air, the first of an expected throng of 250,000 began to crowd hotel lobbies and swell the sidewalk throngs.

Start of inauguration week found one serious problem shaping up in President Roosevelt's vast administrative staff. The widening policy rift between Chairman Arthur Morgan and David Lilienthal, director of the Tennessee Valley Authority over TVA power policies led informed observers to expect a crisis demanding early presidential attention.

More than 1,000 rain-soaked seamen arrived for a demonstration on the "continuous discharge book" law, which requires a record be kept of each time a sailor has been discharged.

Halstead Ritter, ousted Federal judge of the southern district of Florida, attacked in the Supreme Court the right of the Senate to remove him from office.

SEVEN SENATORS JOIN BLOC DEMANDING HIGHER RELIEF

Washington, Jan. 18.—(AP)—Seven senators joined a small bloc of representatives today in a demand for increased relief funds, in the face of a WPA report of further curtailment of its jobs.

Most congressional activities slowed

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Tax, Child Bill, Liquor Coming Up

Raleigh, Jan. 18.—(AP)—Legislation touching taxation, Federal child labor bill and liquor control will be thrashed out in committees of the General Assembly this week.

The joint finance and appropriations groups will continue their work on the revenue and appropriations bills, with several hearings scheduled during the week. House Judiciary Committee No. 1 will hold a public hearing Thursday afternoon a dry proposal to hold a Statewide referendum on the liquor issue and on a "wet" bill proposing that the State manufacture and distribute liquor

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Gill Fears State Facing Crisis Over Death Crimes

All-Time Record in Capital Convictions During Ehringhaus Administration; Blamed for Much Growth of Gangs in State of It by Paroles Head

Raleigh, Jan. 18 (AP)—Edwin Gill, State parole commissioner, warned today that he may be facing a situation of such an extended and aggravated nature as to constitute a "paralytic problem" as he reported on capital punishment in North Carolina during 1935 and 1936.

Gill said he referred two years ago to 1933 and 1934 "as constituting a crisis in capital punishment" when 42 cases were disposed of, and after disposing of 46 cases during the last two years was "compelled to say that the crisis continues" and to warn of the problem.

All-Time High Reached Disposition of cases of 88 capital felons during the Ehringhaus administration, he said, "constitutes an all-time high." There were 55 cases in the Gardner administration, and 42

Roosevelt Ready To Battle Court

Washington, Jan. 18 (AP)—Senator Minton, Democrat, Indiana, said after a White House conference today President Roosevelt would hold a conference soon on possible legislation dealing with the Supreme Court.

The Indianan said he had discussed generally the question of the court with the President, but not at liberty to disclose details.

He said he himself would favor a bill requiring at least seven of the nine members of the court to concur before an act of Congress could be held invalid.

WOULD PAY ROADS DEBT WITH ROADS

Ross Says It Would Be Dangerous To Turn Cash Over to Counties

WOULD SET PRECEDENT

Many Counties Claiming Refunds for Roads They Built Themselves for Local Trade Purposes Years Ago

Daily Dispatch Bureau, In the Star Water Hotel, By J. C. BASKERVILLE

Raleigh, Jan. 18.—In his final report to the special commission which has been investigating the claims of more than 70 counties for refunds from the State for road construction done before the State took over the roads, Charles Ross, counsel for the State Highway and Public Works Commission, continues to maintain that these claims are for the most part without any foundation or equity. But if the commission finds that some of the counties are entitled to some adjustment on these claims, Ross urges that the adjustment be made in the form of additional highway construction within the counties, rather than in cash. He further maintains that if any of these claims should be paid in cash, it would not only reduce the likelihood of additional needed road construction and maintenance in these counties, but would also greatly reduce the amount of construction and maintenance needed in other counties.

Time for Liquidation. "That your study of the claims submitted has led you to the conclusion that some of the counties have received more or less than their share of highway construction, I do not doubt," Ross said. "But I maintain the time has not come to draw a dead line in highway construction and to begin the process of liquidation. The way to adjust these inequalities is the further development of the highway system in the injured counties in order that their patrimony may be increased and their ability to carry their indebtedness strengthened."

Most Roads Are Local. Ross pointed out that in every case where the counties are asking for refund

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Little Done At Sessions Of Assembly

Raleigh, Jan. 18.—(AP)—The legislature abandoned its custom of recent years of resting through the day Monday, when both divisions met for regular business today, but little legislative work was accomplished.

Interest centered on the afternoon meetings of the finance and appropriations committees, drafting the tax and money spending measures in excess of \$70,000,000 per year for the 1937-39 biennium.

A public hearing on liquor legislation scheduled for this week was postponed until January 28.

A quorum of the Senate attended the meeting at noon, but no bills were introduced, debated or passed. The House met an hour later and likewise did little. Five minor bills were passed and five introduced. One new measure by Best, of Wayne, would exempt Wayne county from the 1935-36 Statewide slot machine law.

Dr. Clarence Fox, Raleigh agricultural editor, sent letters to Governor Hoey and agricultural leaders of the State urging something "much better than the historic base plan" in making tobacco acreage allotments. He said the 1933 allotments were "adopted in a hurry" of a crisis and every farmer got the "same rough meat-axe cut."

He called for a drastic change in the method of allocation of acreage.

Free Texts Bill To Be Ready Soon

Some Publishers To Fight Plan; Would Make for Efficiency In Schools

Daily Dispatch Bureau, In the Star Water Hotel, By J. C. BASKERVILLE

Raleigh, Jan. 18.—Preparation of a bill to provide free textbooks in all the elementary grades of the North Carolina public school system is going ahead rapidly and Governor Clyde R. Hoey and State Superintendent of Public Instruction Clyde A. Erwin are confident the bill will be enacted, despite the fact that some opposition is beginning to develop. This opposition so far does not seem to be very well organized but gives indications of being fostered by a group of textbook manufacturers known to be unfriendly towards the establishment of a free textbook system. In fact, it is generally agreed that most of the textbook manufacturers would openly fight the free textbook movement if they dared do so, due to the fact that a free textbook system reduces the number of texts used in a school system and hence reduces their profits from the sale of books.

Most of the textbook salesmen and lobbyists, however, maintain they are in favor of the free textbook plan while there is no doubt that some of the larger textbook manufacturers are openly in favor of it, due to the fact that they will sell in large quantities direct to the State and will not have to bother with distributing books to hundreds of different units.

A good many of the smaller companies, however, would like very much to return to the old system, with no State adoptions and no rental of free books, so that every county and city superintendent would be a prospective customer.

Will Raise Efficiency. But Governor Hoey and State Superintendent Erwin are convinced that nothing will help the efficiency of the schools more than free textbooks, also that free textbooks will relieve parents of school children of a financial burden amounting to from \$5 to \$25 per child per year, depending upon the grade and the number of books required.

"Judging from the fine results we have had as a result of the rental textbook system authorized by the

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MISSING GOLDSBORO MAN REPORTED SAFE

Sister of Roland Gardner, 31, Gone Since Dec. 19, Writes From Roanoke, Virginia

Goldsboro, Jan. 18 (AP)—Miss Edith Gardner said today her brother, Roland Gardner, 31, Dudley farmer who disappeared December 19, was safe.

She said she had received a letter from Mrs. Russell Vick, a sister, of Roanoke, Va., giving the information. The letter, Miss Gardner said, did not reveal the whereabouts of Gardner, or why he left his home.

A \$100 reward offered for information about him was withdrawn.

CONGRESS OBJECTS TO REORGANIZATION

Too Much Centralization in Roosevelt Proposal for Departments

By CHARLES P. STEWART Central Press Columnist

Washington, Jan. 18.—Even Democratic leaders in Congress may clash with President Roosevelt on his reorganization program.

The plan of reorganization has Congress wondering. A reorganization has been urged for some time, but not one giving so much centralized power as does the President's plan.

The idea has been that emergency organizations have been created at a tremendous rate in recent years—first as a result of war and post-war conditions; then as a result of depression conditions—and that the time has come, said emergency measures having passed or being in process of passing, to abolish at least some of them.

SEPARATE INVESTIGATIONS The White House and Congress got to work on this task.

The White House chose a committee under the leadership of Louis Brownlow, famed as an economist in the details of city government. Congress named a parallel committee, headed by Senator Harry F. Byrd, who performed a wonderful task, as

(Continued on Page Five.)

OUR WEATHER MAN

FOR NORTH CAROLINA. Cloudy and colder tonight and Tuesday; occasional rain tonight.

Leaders In General Motors Strike Crisis



W. S. Knudsen, General Motors vice president.

Spokesmen Agreed To Negotiate Wages, Hours, Working Conditions

Frank Murphy... Michigan's governor, who gains prestige by bringing about basis of settlement



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Homer Martin... Auto union leader

Long Expected "Break" Near In The Mattson Kidnap Hunt

Four Security Offices Provided In N. C. Cities

Washington, Jan. 18.—(AP)—The Social Security Board announced today quarters have been leased in four North Carolina cities for the opening of additional field offices in that State.

Cities and locations of the offices were announced as follows: Asheville, Flatiron building; Greensboro, Guilford building; Rocky Mount, Planters National Bank & Trust Company building, and Wilmington, Tidewater building.

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Federal Agents Suddenly Concentrate in Southern California About Los Angeles

BIG DEVELOPMENTS LIKELY IMPENDING

Federal Agent in Charge of Search at Tacoma Rushes 1,200 Miles to South To Assume Control of Hunt; Two Men Already Held in That Region

Los Angeles, Cal., Jan. 18 (AP)—Harold Nathan, leader in the search for the kidnap-slayer of Charles Mattson, conferred with Federal agents here today, but was silent as to the purpose of his sudden trip to Los Angeles.

Nathan went by train from Tacoma, Wash., to Portland, Oregon and then took an airplane to Los Angeles, but whether this presaged a "break" in the brutal killing of the ten-year-old son of Dr. W. W. Mattson, officers of the Federal Bureau of Investigation declined to speculate.

"Mr. Nathan is here, but he is not here on the Mattson case," was the flat assertion of J. H. Hanson, agent in charge of the Los Angeles F. B. I. office.

Los Angeles, Cal., Jan. 18 (AP)—The long expected "break" was believed near today in the search for the swarthy kidnap and killer of ten-year-old Charles Mattson as Federal agents concentrated suddenly in southern California.

A dramatic swing in the manhunt to this region from the scene of the

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\$500,000 FEDERAL MONEY FOR PARKS

That Much Spent in State Since 1934, Forester Holmes Reports

Daily Dispatch Bureau, In the Star Water Hotel, By J. C. BASKERVILLE

Raleigh, Jan. 18.—Nearly \$500,000 of Federal funds have been expended in the development of five State parks in North Carolina since the beginning of work in 1934, according to J. S. Holmes, State forester.

These expenditures represent only the estimated cost of improvement, supervision, equipment, materials, and the value of labor furnished by the Civilian Conservation Corps. This development program has been carried out under the joint direction of the National Park Service and the N. C. Department of Conservation and Development.

The entire cost of maintenance

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MOTORS OFFICIALS BALK AT STRIKERS STAYING IN PLANT

Refuse To Negotiate As Long as Workers Occupy Two Fisher Factories in Flint

PEACE MEETING IS CONCLUDED QUICKLY

Five Minutes After Opening in Detroit, Union Head Emerges To Announce Conference Is Off; Union Charged Bad Faith on Part Of General Motors

(By The Associated Press) Peace negotiations in the giant General Motors strike collapsed today.

The third work week of 1937 opened with more than 210,000 unemployed because of strikes and shutdowns.

Five minutes after he and other officials of the United Automobile Workers of America met at Detroit with G. M. C. executives, Homer Martin, union president, emerged to announce:

"The conference is off."

The meeting had been agreed on last week as a start toward permanent settlement of the General Motors strike, now involving 115,000 workmen. His brief statement indicated the corporation had refused to open negotiations because strikers continued to occupy two Fisher Body plants at Flint, Mich.

"BAD FAITH" IS CHARGED ON PART OF CORPORATION

(By The Associated Press) New differences menaced proposed negotiations today between striking car workers and the General Motors Corporation, principles in a dispute involving the jobs of at least 115,000 persons.

On the eve of the scheduled meeting with the management at Detroit, the union accused the corporation of "bad faith" and cancelled scheduled evacuation by sitdown strikers of two Fisher Body plants in Flint, Mich.

The union charged the corporation planned to resume operations at the strike-bound Cadillac plant in Detroit, evacuated by sitdowners, who were promised it would be kept closed during negotiations, and the corporation had agreed to meet with the anti-strike Flint alliance.

G-M officials declined to discuss immediately the possible effect of the union action on the scheduled negotiations.

BASEBALL LEADER DIES IN ILLINOIS

Rock Island, Ill., Jan. 18.—(AP)—Michael Sexton, honorary president of the National Association of Professional Baseball Leagues, died today in an apartment hotel. Death was caused by a heart attack while he was recovering from influenza.

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Powers Balk On Blockade About Spain

Russia, Germany, Italy Against Any Non-Collective Pact Madrid Shelled

(By The Associated Press) Peace-makers struggled in the new but still trying circumstances to keep Spain's civil war isolated today at the half-year point of the conflict.

Battles between Fascist insurgents and the Socialist government raged on the Mediterranean's two coasts.

The international non-intervention committee considered a revived scheme to blockade Spain with neutral shore observers and a six-power warship patrol of peace.

But Russia formally opposed any non-intervention action that was not collective, and Germany and Italy gave the same impression by their silence.

The insurgents outside Madrid bombarded the city anew, but some of their number were trapped in a dynamited building at the capital's edge.