

50,000 MOTOR WORKERS RETURN MONDAY

County Options Liquor Bill Is Favorably Reported Into Senate, Despite Dry Protest

REVENUE BILL IS PASSED ON SECOND READING IN HOUSE

Will Be Given Third and Final Passage In Lower House After Midnight Tonight

AMENDMENTS FAST Routed By Votes

Only One Musters Strength That Relating to Highway Fund Diversions; Higher Tax on Power Companies Rejected; Meals Sales Tax Is Kept Out

Raleigh, Feb. 12 (AP)—Senate Judiciary Committee No. 1 recommended today passage of the House-approved county options liquor store bill.

The committee voted five to two for a favorable report, with Chairman Gold, of Guilford, not voting. The action was taken in executive session and newsmen were pledged not to reveal the stand of individual committee members.

Yesterday afternoon the committee members, except Senator Coburn, of Martin, and Joyner, of Iredell, heard dry leaders argue against the bill as a crowd of around 1,100 packed and jammed the Senate chamber and corridors.

Coburn and Joyner were absent this morning, both being at home because of sickness in their families. Committee members present included:

EXTEND SALES TAX IN NEW TERRITORY

House Applies It To Building, Plumbing, Electrical Materials

Raleigh, Feb. 12—The House extended the sales tax principle into new territory—wholesale transactions for production purposes—when it approved an amendment to the revenue bill levying the three per cent tax on building, plumbing and electrical materials bought by contractors for use in construction.

Approval of this innovation was given overwhelmingly, but only after Representative J. C. Hobbs, of New Hanover, had led a vigorous fight against it.

(Continued on Page Five.)

Ponder Supreme Court Changes



Representatives U. S. Gayer, Emanuel Celler and Hatton Sumners (left to right), of the House Judiciary Committee, are shown as they conferred before the committee, of which Sumners is chairman, met behind closed doors to discuss changes in the Federal judiciary, including the Supreme Court, suggested by President Roosevelt. (Central Press)

Revolt Over 'Diversions' Is Blocked

Rebels Will Carry Battle to Senate To Save Money for Road Work

Raleigh, Feb. 12—The House revolt against the diversion of \$2,100,000 a year from the highway to the general fund, as proposed in the administration revenue bill, and which Thursday looked as if it might succeed, has bogged down as a result of administration "influence" against it, and the fear on the part of large moneyed interests that the defeat of the diversion proposal would mean an increase in both the personal and corporation income tax rates to seven per cent in the higher brackets, it is generally agreed here today. As soon as it became known that the opponents of diversion proposed to increase the income and corporate income tax rates

(Continued on Page Four.)

Legislative Noses Held To Grindstone By Hoey's Pledges

Raleigh, Feb. 12—The reason the General Assembly is beginning to slow up and bog down, is that its nose is being held to the grindstone in trying to find enough revenue to carry out the promises made by Governor Clyde R. Hoey when he was a candidate for the Democratic nomination for governor, a good many observers, including members of the assembly, are cautiously pointing out. Mot of these agree, of course, that it would have cost the State a lot more to have carried out the multitude of promises made by Dr. Ralph W. McDonald, and that a good many of the Hoey promises were made in order to checkmate some of the McDonald promises. But even at that, it is estimated that this

General Assembly will have to provide \$12,500,000 in new money in order to carry out the promises made by Hoey before he becomes governor.

Explains Shortage. This is the reason that the revenue and appropriations bills are still \$2,000,000 a year out of balance, even if the General Assembly decides to retain the provision in the revenue bill for the diversion of \$2,100,000 a year from the highway to the general fund. But if this provision should be eliminated and the finance committees attempted to get this money from other sources than the already paying the State, who are already paying some \$26,000,000 a year in gasoline and motor vehicle taxes, the finance

(Continued on Page Three.)

Wendell Kidnaper Admits His Guilt

New York, Feb. 12.—(AP)—Murray Bleefeld, one of three men on trial in King's county court, Brooklyn, on charges of kidnaping Paul Wendell, former New Jersey attorney, in a surprise move entered a plea of guilty to kidnaping.

Counsel for Bleefeld told the court he desired to make a motion for Bleefeld and asked for removal of the jury.

J. F. Fitzgerald refused to accede to the request and Burton Turkus, of defense counsel, joined in the plea for removal, explaining what was to be said was prejudicial to Martin Schlossman and Harry Weiss, the other defendants whom he represents.

The judge again denied the motion and Bleefeld withdrew his plea of not guilty and pleaded guilty. The defense then rested.

PRESIDENT SILENT ON HIS STRATEGY IN FIGHT UPON COURT

Opposing Sides Strengthen Their Lines As Congress Slows Its Pace Sharply

COURT PARAMOUNT IDEA FOR FDR NOW

Labor and Farm Legislation To Await Outcome of That Battle; Transfers Are Considered in Diplomatic Corps; Pinkerton Agency Further Probed

Washington, Feb. 12.—(AP)—President Roosevelt maintained a smiling silence today on his strategy for bringing about reorganization of the Federal courts.

While administration leaders and reorganization leaders alike took advantage of slowing legislative activity to further consolidate their forces, Mr. Roosevelt genially told newsmen he preferred to make no comment on developments at either the White House or the Capitol.

Informed persons expressed the opinion the President would let labor and farm legislation wait on his court bill. There was a growing belief, too, he would not yield to a compromise on his plans.

Lincoln's birthday found the House meeting briefly to hear an address about the Civil War President. The Senate was in recess.

The Senate civil liberties group, however, pressed its investigation of the Pinkerton National Detective Agency, an official of which testified when he learned the agency was to be subjected to the inquiry he removed "confidential papers from the files."

All were later returned, he said, except some personal papers. At his press conference, the President said he was considering some transfers and changes in the diplomatic corps, but did not disclose any details. He praised Governor Murphy of Michigan for his work in settling the General Motors strike.

Mass Production Houses Coming, Like Automobile

Hand-Made Houses Doomed, Babson Says; Will Be New Baby In Mass Production Family; Need Standards of Higher Living With Higher Standards

BY ROGER W. BABSON, Copyright 1937, Publishers Financial Bureau, Inc.

St. Petersburg, Fla., Feb. 12.—To get my idea, make two studies: First walk up and down beside the assembly line of an automobile plant. Pick a day, of course, when the boys are not "sitting down." Watch the steady flow of a motor car in the making. Like a river of manufacture, the job sweeps along, fed by tributary streams of engines, fenders, and other essentials, converging from the sides. Successive workers at their stations attach their respective parts and bolt them home. It is an amazing masterpiece of organization and a thrilling spectacle of mass production.

Hand-Make Houses Doomed? Then make the second study: Stop at the nearest lot and watch the building of a house according to the best traditions of the trades. Observe the crude pattering of saw and plane. Mark the ancient rites of hammer and trowel. See the craftsmen swarming higgledy-piggledy over the job. You

(Continued on Page Four.)

\$20,000,000 To Be Loaned Victims Of Flood By The U. S.

New Agency, Subsidiary of R. F. C., Which Will Furnish Money, Created by Congress in Day and Signed by President; Rehabilitation Begun in Valley

Washington, Feb. 12 (AP)—A \$20,000,000 government corporation will lend money to flood victims in the Ohio and Mississippi valleys and to sufferers in any further disasters this year.

The new agency became law with President Roosevelt's signature last night a day after it had been introduced in Congress by Senators Barkley, Democrat, Kentucky, and Bulkley, Democrat, of Ohio.

The corporation will aim to provide credit for those sufferers unable to give sufficient guarantee for loans from other government and private lending agencies.

The proposal passed the Senate without dissent and won House approval on a voice vote.

The only pause in its speedy enactment was an attempt in the House to increase the fund to \$40,000,000 and to extend the loans to victims of disasters in 1938.

The corporation will be a subsidiary of the Reconstruction Finance Corporation, which will furnish the capital.

Congress was quiet today. The Senate did not meet, and the House assembled only to laud Abraham Lincoln on the anniversary of his birth.

SAND BOILS CAUSE NEW WORRY AT NEW ORLEANS Memphis, Tenn., Feb. 12.—(AP)—Forces of rehabilitation followed slug-

(Continued on Page Two.)

Britain Plans Spending Over 6 Billions For War

Will Use New and Modern Defenses as "Big Stick" To Enforce Peace Over Europe

BICKERING NATIONS WOULD BE HANDLED Largest Peace-Time War Plan Ever Outlined to Commons; Rate of Expenditure and Precise Purposes Not Disclosed; Amount May Far Exceed Figures

London, Feb. 12 (AP)—Great Britain was reported in informed circles today to be planning war expenditures of between six billion dollars and eight billion dollars in the next five years as a "big stick" to enforce peace in Europe.

The huge drive for armaments, launched by the government yesterday, according to indications in parliamentary circles, would be used as a visible and invisible club over the heads of bickering European nations.

The estimates for the long-term program followed quickly on the heels of the government's request to Parliament for a \$2,000,000,000 defense loan.

How fast the money would be raised and spent for the largest peace-time war plan ever outlined to Commons remained undisclosed.

The present rate, plus the requested defense loan, would put the five-year total at \$6,250,000,000, but most informed sources expected the eventual amount would be higher.

Fortune Of War Varies Over Spain

Death Stalks Earth, Sea and Sky As Civil Strife Rages In Flowing Blood

Almeria, Spain, Feb. 12.—(AP)—The civil population of Almeria, greatly increased by an influx of refugees from the Malaga sector, was ordered evacuated today by Governor Alonso Moroni in the face of the Fascist advance.

(By The Associated Press).

Spain's seasaw of war tilted back and forth today for both Fascist insurgents and the Socialist government—one up and the other down, then around the other way. Death stalked earth, sea and sky.

Shouting Moorish troops, in the ranks of Madrid's Fascist besiegers, pointed an insurgent drive, which established a new ten-mile front along a river southeast of the city.

The move left still unsettled the question of which side controlled the Madrid-Valencia road. Each claims it. Complete encirclement of Madrid is the Fascist objective.

Socialist artillery sought to break the incomplete Fascist ring on the northwest with a bombardment that failed to dislodge insurgents from positions in the University City section. The government reported its air fighters shot five Fascist planes out of the sky on the city's outskirts.

(Continued on Page Six.)

GIANT CORPORATION TO OPEN INTENSIVE DRIVE TO CATCH UP

Moves To Reopen Plants Closed Over Month Follow Swiftly on Strike Settlement

SITDOWN STRIKERS ARE ALL EXACUATED

C I a s h Occurs Between Union and Non-Union Men at Anderson, Ind., Plant; Full-Time Work at Higher Wages Await Men on Resuming Their Jobs

Detroit, Mich., Feb. 12 (AP)—General Motors Corporation today ordered more than 50,000 of its automotive employees, idle for from one to two months to return to their jobs Monday as the start of an intensive drive to catch up with production lost on account of prolonged strikes.

Moves to reopen plants whose machinery has been quiet because of strikes and their effects followed swiftly after the agreement that ended the bitter labor dispute.

Soldiers To Leave. First announcing employees would return to work at increased wages, General Motors called for duty Monday 12,500 workers at its Buick plant in Flint, Mich., 40,000 Chevrolet employees at Flint, Detroit, Bay City and Saginaw, Mich., Toledo, Ohio, and Muncie, Ind., and 2,000 workers of the Grand Rapids, Mich., stamping division.

At Flint, trouble center during the long strike, officers of the Michigan National Guard announced plans to demobilize 1,000 of their troops tomorrow. Others will follow as the plants will resume work.

The first Fisher Body plant to get back into full-time operation apparently was to be the strike-locked plant at Cleveland, Ohio, where the afternoon shift was prepared to resume production.

UNION MEMBERS EVACUATE ANDERSON, IND., THEATRE

Anderson, Ind., Feb. 12.—(AP)—Members of the United Automobile Workers of America ended today their occupation of an Anderson theatre in which they had entrenched themselves last night in a demonstration against city officials, whom they accused of having failed to give "civil protection for union assemblies."

TREATS ARE HEARD OF NEW STRIKE ON COAST

(By The Associated Press.) A clash between union members and anti-unionists at Anderson, Ind.,

(Continued on Page Six.)

Air Victim Recovers



Mrs. Martin Johnson

Mrs. Martin Johnson, heroic wife of the late explorer, is shown in bed at a Los Angeles hospital where she is recovering from injuries received in the crashup of a Western Air express plane Jan. 13, in which her husband was fatally injured. After the picture was taken, Mrs. Johnson told reporters she would return to the Congo as soon as possible.

(Central Press)

PARTY REALIGNMENT IS NOW UNDER WAY

Dr. Stanley High Was Rebuked by White House for True Statement

By CHARLES P. STY Central Press Column

Washington, Feb. 12.—Dr. Stanley High, in his recent magazine article declaring that prominent Democratic politicians are wholly out of sympathy with the New Deal, said nothing that has not been common talk in Washington since early in New Deal days.

It was only because High wrote the article that any sensational aspect was attached to it.

That the doctor appeared to be very much "persona grata" at the White House during the last national campaign is undeniable. He may or he may not have been a "trusted presidential adviser," only the President

(Continued on Page Six.)

OUR WEATHER MAN



FOR NORTH CAROLINA. Partly cloudy and slightly warmer tonight and Saturday.