

FINANCE AND APPROPRIATION BILLS PASS

Roosevelt Announces Appeal To Nation March 9

Union-Non-Union Frictions Shut General Motors Plant In Wisconsin; 2,700 Go Out

SITDOWN STRIKERS LOSE GROUND WITH OUSTERS IN WEST

Picket Lines Hold Fast, However, in Stirke Situation Stretching Across Nation

ABOVE 30 THOUSAND ARE REPORTED IDLE

Some Sitdowners Jailed At Santa Monica Aircraft Plant; Connecticut Governor Warns Sitdowners Will Not Be Tolerated At All in His State

Janesville, Wis., Feb. 26 (AP)—A labor dispute developing over fraction between union and non-union employees closed the Fisher Body plant and the Chevrolet automobile assembly plant today. About 2,700 men were thrown out of work.

SITDOWNERS ARE JAILED AT SANTA MONICA PLANT (By The Associated Press.)

Strikes at a glance: Santa Monica, Cal.—Sitdown strikers at Douglas Aircraft plant evicted and jailed. Minneapolis — Electrical workers continue to picket two Northern States Power Company plants; electrical service disrupted in part of city.

(Continued on Page Five)

Telephone Lobbyists On The Job

Daily Dispatch Bureau, In the Sir Walter Hotel.

Raleigh, Feb. 26.—All of the high-powered executives and lobbyists for the telephone companies in the State are here today to fight the bill which would permit municipalities to levy a tax of one per cent on the gross receipts of exchanges on inter-city business in return for franchise privileges. Hearing on the bill is scheduled today before the Senate committee on public utilities. The bill was introduced.

(Continued on Page Six)

Would Have State Insure Every School

Great Saving In Premiums Would Result, Is Claim of Randolph Senator

Daily Dispatch Bureau, In the Sir Walter Hotel.

Raleigh, Feb. 16.—Senator Ingram, of Randolph, has introduced a bill to authorize and provide for the establishment of a State fund for the purpose of insuring all public school property in North Carolina against loss by fire, tornado, lightning, hail and inherent explosion.

The bill would "set up a scientific procedure for the entire State," according to its author. Procedure now practiced, he contends, "lag far behind."

(Continued on Page Five)

Pension And School Acts, Yet To Be Passed On, May Delay Final Adjournment

HOUSE VOTE SETS RECORD ON FINANCE

Majority for Senate Amendments Unexpectedly Large Thursday

Daily Dispatch Bureau, In the Sir Walter Hotel.

Raleigh, Feb. 26.—Adoption by the House of the Senate amendments to the revenue bill, without sending it to conference, with the result that the bill is expected to pass its second reading today and third reading in an early morning session soon after midnight tonight sets a new record for speedy action on revenue bills by North Carolina general assemblies. It is the first time in 15 years at least probably in 20 years, that the House has approved a revenue bill as passed and amended by the Senate without sending it to conference. In the past three sessions of the General Assembly the revenue bill remained in conference anywhere from two to four weeks before the conferees could reach agreements acceptable to both houses.

Sentiment Changes. Until Thursday night it was expected by a good many observers that

(Continued on Page Three.)

"Gone With Wind" Read to Veterans In Soldiers' Home

Atlanta, Ga., Feb. 26.—(AP)—The War Between the States is being fought again at the Confederate Veterans home here.

A group of five or six of the old men, one at least past 100, sit tense in a little group near the fire and listen.

At times the muscles of their lined old faces twitch, and gnarled fingers grip their chairs. Exclamations sometimes of approval again of disgust then pass their lips.

They are listening to Margaret Mitchell's "Gone With the Wind," which is being read aloud to them. Each day young men and women from the National Youth Administration go to the home to read from the book, the "whirlwind book," as the veterans like to call it.

Local Bank Stocks Good Investment, Babson Says

Ideal Type of Security With Which To Hedge Against Changing Business Trends, Economist Says; Bank Profits Are Now on the Upgrade

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

Babson Park, Fla., Feb. 26.—"A successful man is one who can readily adjust his policies and viewpoint to changed conditions." This ability is one of the fundamental essentials for success in business or investing. If a man cannot shift his policies with the tides and trends, he is doomed to business failure. For such a man there are only two alternatives: (1) Get out of business and stay out of it, or (2) Hedge so that whichever way the wind blows he is at least partially protected.

Always Wise To Hedge. As a matter of fact, only the best informed business men and investors are usually able to detect a shift in

(Continued on Page Two.)

House Is Already in Open Revolt on Dividing Old Age Pensions on Counties

MAY RESIST HOEY AND SCHOOL BODY

Legislature May Buck Governor and Education Forces in Seeking To Give Superintendent Erwin Control of Allocation of School Funds

Daily Dispatch Bureau, In the Sir Walter Hotel.

Raleigh, Feb. 26.—The old age pension bill and the school machinery act are the biggest hurdles in the path of the General Assembly in its race for an early adjournment and a number of legislative toes are likely to be stubbed and some shins skinned before these two bills are enacted, a good many veterans political observers here agree.

House in Open Revolt. The House is already in open revolt against the administration-sponsored old age pensions bill, which passed the Senate with only one vote cast against it, largely because a number of House members, including Chairman D. L. Ward, of the appropriations committee, are opposed to the provisions which would saddle \$2,000,000 a year of the cost of the pensions and children's aid upon the counties. A

Continued on Page Two.)

FARNSWORTH GIVEN FOUR TO 12 YEARS

Former Navy Commander Accused of Conspiring to Sell Naval Secrets to Japan

Washington, Feb. 26.—(AP)—John Farnsworth, former naval lieutenant commander, was sentenced to from four to 12 years imprisonment today on a charge of conspiring to sell naval secrets to the Japanese.

Sentence was passed by Justice James Proctor in Federal district court.

Farnsworth had thrown himself upon the mercy of the court by pleading no contest to the charge.

He later asked the justice to permit him to change that plea to innocent, but the justice refused. Farnsworth was arrested last July by Justice Department agents, who said they had conducted an extended investigation of his activities.

DEATH OF SERGEANT THIRD FROM BATTLE

Two Escaped Convicts Shot Dead In St. Louis After Escape from Michigan Pen

St. Louis, Mo., Feb. 26.—(AP)—Detective Sergeant John Thomas Sullivan died today of bullet wounds suffered in a gun battle in which two escaped Michigan convicts were killed yesterday.

Sullivan, shot five times, was paralyzed by a bullet which lodged in his spine, and had he lived would never have been able to walk. He was 45 and had been a policeman nearly 18 years.

The dead bandits, linked with a series of hold-ups here Tuesday and Tuesday night, were identified by fingerprints as Ray Rush, 19, and Alvin Mott, 19, who with Joe Scofield escaped from the Michigan State Prison at Jackson last Friday.

Rush was killed in a hotel room, where Sullivan and Detective Raymond Rossler cornered the men. Mott escaped after bullets had felled the police officer and was fatally wounded a few blocks away as he fled in a commandeered car owned by Warren Scott, a salesman. Mott died last night

(Continued on Page Two.)

PRESIDENT PLANS REPORT TO PEOPLE ABOUT CONDITIONS

Court Reorganization Program Will Be Discussed by Executive During Address

COURT RETIREMENT BILL GETS PASSAGE

Goes Through Senate, Permitting Supreme Court Justices To Retire on Full Pay at 70; Coal and Low Cost Housing Bill Wanted by President

Washington, Feb. 26 (AP)—President Roosevelt said today he would make a nationwide radio talk the night of March 9 on the state of the nation. It is expected by White House officials to include a discussion of his court reorganization program.

Although the President warned newspaper men at a press conference not to go out on a limb predicting an address on the court issue, there were well founded indications he would touch on that subject.

The speech will be for one half hour beginning at 10:30.

The radio companies will broadcast it.

March 9 is the day the Senate Judiciary Committee is scheduled to start hearings on the President's judiciary plans.

Mr. Roosevelt said he had no idea what would go into his speech, except it would touch on many problems affecting the state of the nation.

While his program will not come before Congress officially until the Senate hearing starts, a supplemental measure providing for retirement of Supreme Court justices was passed today by the Senate.

The President told reporters Congress must do something about stabilizing the soft coal industry this session. He said also some type of low cost housing legislation should be passed.

Administration forces in the Senate had their forces lined up to back the Supreme Court retirement bill even though it is only supplemental to the President's proposals for general re-

SCENARIO WRITER'S DEATH ACCIDENTAL

Police Suspect No Foul Play In Bullet-Pierced Body of Late Humphrey Pearson

Palm Springs, Cal., Feb. 26 (AP)—An autopsy showed today that the bullet that killed Humphrey Pearson, movie scenario writer, was fired from a gun held close to his chest. Under Sheriff Steve Lynch, of Riverside county, reported today.

"We are of the opinion it was an accidental shooting," he said, adding, "I don't think we will be able to get anything from the paraffin tests."

He referred to the paraffin tests made of the hands of Pearson and of his wife after the writer was found dead in the bed of his desert cottage Wednesday night. Investigators previously hinted the paraffin impressions failed to show powder marks.

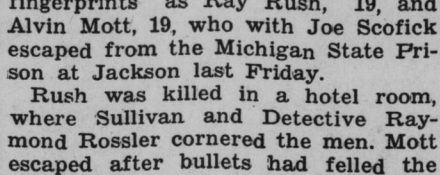
ARGENTINE'S KIDNAP PAIR MAKE ESCAPE

LaPlata, Argentine, Feb. 26.—(AP)—Antonio Caprioli, Argentine's "Public Enemy No. 1," and a companion, "Little Boy" Martinez, escaped today after a gun battle with police seeking the kidnapers of Eugenio Orsola, two-year-old son of a wealthy family.

Caprioli, known as a lieutenant of the dead gangster chief, Captain

(Continued on Page Five.)

OUR WEATHER MAN



FOR NORTH CAROLINA. Mostly cloudy and slightly warmer tonight; Saturday cloudy.

Townsend Guilty of Contempt



Dr. Townsend, right, and Attorney Elisha Hanson outside court. Dr. Francis E. Townsend, right, founder of the old age pension plan bearing his name, is pictured in this Central Press Soundphoto outside federal court in Washington just before he was found guilty of contempt of the house of representatives. Elisha Hanson, Townsend's attorney, is shown with him. The charges grew out of Dr. Townsend's walking out of a house committee's hearing on the old age pension plan in Washington last May.

Rebels Report Battalion Of Loyalists Wiped Out

"Suicide" Strike In Hungary Mines Comes to an End

Pecs, Hungary, Feb. 26 (AP)—A "suicide" strike of 250 miners collapsed today and the men, half crazed from hunger, and many bleeding from wounds suffered in an underground fight, staggered out of the shaft.

Sobbing wives and relatives greeted them. Some of the grimy-faced workers, too weak to talk, were carried on the shoulders of their comrades.

One miner said they had eaten the last sack of oats intended for ponies used for underground hauling during the two days they remained defiantly in their stronghold.

Each striker, he said, received a handful of the grain twice a day.

THREE INDICTED IN NEW YORK ROBBERY

White Plains, N. Y., Grand Jury Acts Quickly in \$18,726 Hold-Up of Katonah Bank

White Plains, N. Y., Feb. 16 (AP)—The Westchester county grand jury today indicted Merle Vandembush, 29, so-called "public rat No. 1," and his two companions, in the \$17,726 hold-up of a bank at Katonah, N. Y., for robbery in the first degree.

The special grand jury acted speedily, hearing only two witnesses and returning the indictments 29 minutes after beginning its session.

As the grand jury was acting, the three prisoners, handcuffed together and surrounded by guards, were rushed from the Westchester county jail to East View to the court of County Judge Gerald Nolan.

(Continued on Page Two.)

Government Offensive On Western Border of Madrid Thus Crushed by Insurgents

RUSSIA, PORTUGAL QUIT THE PATROL

Four Other Powers Expected To Go Ahead, However, With Plans To Isolate Spanish Civil War by Shutting Off Men and Supplies from all Sources

(By The Associated Press.)

Annihilation of an entire battalion of Madrid militiamen, insurgent officers declared today, wiped out a government offensive on the western border of the capital.

They said the government infantrymen were mowed down by machine gun fire and hand grenades as line after line surged against insurgent barricades in a frontal attack near a bridge.

Russia and Portugal resigned from the projected six power patrol intended starting March 6 to prevent men and munitions from reaching the Spanish combatants. Their action, apparently by agreement, left only France, Great Britain, Italy and Germany to enforce the international non-intervention agreement.

Informed sources said the with-

(Continued on Page Four.)

SPENDING MEASURE PASSES IN SENATE, REVENUE IN HOUSE

Completion of Finance Bill To Be Given by House Just After Midnight Tonight

PHONE COMPANIES WILL RESIST TAX

Argue Before Committee Against One Percent Tax on Receipts for Municipalities; Durham Negro School Gets Its \$155,000 For New Building

Raleigh, Feb. 26 (AP)—The Senate passed the record \$145,000,000 biennial appropriations bill this afternoon, and returned it to the House for concurrence in amendments.

No record vote was taken as the rules were suspended to pass the measure.

Funds for the State experiment stations were reduced from \$36,675 annually to \$26,350 before the vote.

A few minutes later, House members approved the State's biggest general fund tax bill by a 90 to 5 vote on second reading and planned to enact it into law shortly after midnight. The proposal is estimated to raise about \$76,000,000 for the biennium 1937-39.

Five Vote Against It. Voting against the measure were Barnes of Wilson, Davis of Hyde, McBryde of Cumberland, Wilson of Forsyth and Haynes of Surry.

The Senate added \$13,500 annually to the funds for the State Hospital here on motion of Senator Clark, of Edgecombe, head of the board of directors for the institution. Clark said the money would allow 18.5 cents per day instead of 14 cents per day for food for each inmate.

Senators passed without amend-

(Continued on Page Three.)

SMOAK CASE NEAR NEW HANOVER JURY

Defendant Is Accused of Poison Murder of His Young Daughter

Wilmington, Feb. 26.—(AP)—Edgar Smoak was delineated both as a kind, provident father, beset by circumstance, and as a prisoner who collected insurance on his wives and daughter before they were buried, in arguments to the jury in his murder trial today.

The defendant, a 39-year-old carpenter's helper, sat unemotionally through the opening statement of one of his attorneys, William Farmer, and the address of Solicitor John Burney, the State's chief counsel. Smoak's counsel, Clayton Grant, will make the closing defense argument this afternoon.

Smoak is on trial for first degree murder in the alleged poison death of his 16-year-old daughter, Annie Thelma, but the State claimed he also fed poison to his two wives to collect on insurance policies he carried on their lives.

Soviets Will Press Battle If War Come

Red Army Told To Crash Enemy Territory If Strife Should Break Out

Moscow, Russia, Feb. 26.—(AP)—Revised general orders command the Soviet army to meet the enemy on his own territory in case of war, it was disclosed authoritatively today.

The revised rules, already in effect, state: "Any attack on the territory of

(Continued on Page Two.)