ROOSEVELT ASKS FOR RELIEF BILL BY JUNE

BRITISH FREIGHTER RUNS BLOCKADE TO TAKE BILBAO FOOD

International Patrol of Spain's Coastal Waters At Last Put Into Operation

INSURGENT FIRE ON MADRID CONTINUES

100 Killed in City in Intensive Shelling by Rebels; Ships of Neutrals Are Halted as New Complications Arise in Civil Warfare Campaign

(By The Associated Press.)

A British freighter today ran the Spanish insurgent attempted blockade and carried a week's food supply to the inhabitants of insurgent-be sieged Bilbao, capital of northern Spain's Basque provinces.

The international patrol of Spain's coastal waters and boundaries went into effect last midnight, but it was designed only to keep volunteers and munitions from Spain.

In addition, the British ship, the Seven Seas Spray, left St. Jean de Luz, France, an hour before the control scheme went into operation. The vessel's owner reported she had reached Bilbao safely despite the British government's refusal to protect British craft going all the way into the port. The British officials have contended the harbor was dangerously

For the ninth consecutive day, Madrid felt the force of steady insurgent shelling, which government authorities said took "many victims." Projectiles smashed into buildings along a principal thoroughfare and scattered masonry and glass along the streets. Before today's shelling, 100 had been killed in the city in eight days of bombardment.

At Hendaye, France, insurgent sources reported an insurgent war-ship had seized a merchant vessel trying to take airplanes and war materials to Bilbao and Santander on the Spanish coast. The vessel came from a Mexican port, it was said, but

Continued on Page Two.)

CHARLOTTE MAN IS CROSSING VICTIM

Beaufort, S. C., April 20.-(AP)-Floyd McCulloch, of Charlotte, N. C., was killed and his brother, Kermit, seriously injured in a grade crossing wreck near here early today.

Kermit was taken to a Walterboro hospital and was identified after communication with relatives in Charlotte Floyd had been identified by his drivers license.

MODERNIZATION OF PLANTS QUESTIONED

ANPA Head Says Press Criticism Is From Those Who Would Ban Free Discussion

New York, April 20 (AP)-Jerome D. Barnum, publisher of the Syracuse, N. Y., Post-Standard, told The American Newspaper Publishers Association today criticism of the press frequently "comes from sources that do not want full and free discussion."

Talbot Patrick, of Goldsboro, N. C. News-Argus, and A. L. Glassmann, f the Ogden, Utah, Standard-Examiner, led a discussion on the question: "In the face of increasing taxes and uncertainty of the future, is it advisable to modernize newspaper plants?' Patrick suggested publishers would be wise to study the possibilities of new equipment, machinery and methods of production being developed before undertaking any revision or mod-

Arms Cost Hikes Tax In Britain

London, April 20 (AP)-Chancellor of the Exchequer Neville Chamberlain told a tense House of Commons today that British income taxes would be increased 2.5 percent to 25 percent Gasps of astonishment greeted the

The tax will produce an expected 275,000,000 pounds sterling (about \$1.-375,000,000), Chamberlain said. Britain's armament bill eventually will be \$7,500,000,000.

Slain G-Man



Wayne W. Baker, 27, the G-man who died after being shot four times by bank robbers in the Topeka, Kan., Post Office is shown above.

Whether It Is to Become Political Tool or Be Real Business Is Great Issue

SOUND LEADERS ARE FOR WAYNICK AGAIN

But Western Carolina Faction, Old State Prison Group and Contractors and Material Men Are Fighting Retention of Waynick in Office

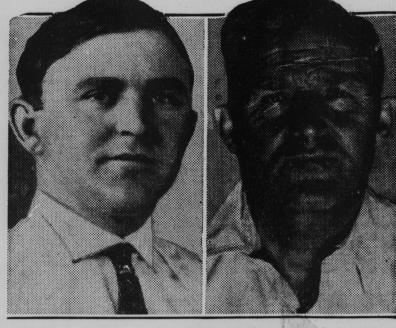
Daily Dispatch Bureau, In the Sir Walter Hotel, By J. C. BASKERVILL

Raleigh, April 20.-Much more is involved in the contest for the chairmanship of the State Highway and Public Works Commission than the public generally realizes, since the basic factor involved is whether the chairmanship shall henceforth be made a political football, and depend upon which way the chairman uses his political influence in campaigns. or whether the highway department shall fundamentally remain a road building organization rather than a political machine, those who have been studying the situation closely are convinced. The cost item is also invoived, since it is conservatively estimated that it costs the State at least \$1,000,000 every time there is a change in the chairmanship of the State Highway Commission, due to the inexperience and lack of road building knowledge by any new chair-The reappointment of Chairman

Capus M. Waynick of the present com mission is being urged by the people of the State who do not want to see any more politics enter into the administration of the highway department and by those who want efficiency, economy and ability to be held above purely political considerations. It is known that the reappointment of Waynick is being urged by the only two living former chairmen-E. H. Jeffress, of Greensboro, and Rufus L. Doughton, of Sparta—also by such well-known former members of the a gun battle Friday at the crowded commission as Charles A. Cannon, of Concord; John Sprunt Hill, of Durham; Luther Hodges, of Leaksville-Spray-men who are also outstanding business men in the State who have also stood for the business administration of highway affairs. They are maintaining, it is understood Waynick is giving the State highway department a sound and efficient business administration, that he has a sound and solid background of experience and that there is hence no reason for Governor Clyde R. Hoey to to pay the nation's re-armament bills. make a change at this time. In addition to these men, all of whom have Chancellor's declaration, made as he read his sixth budget message before a parliamentary assembly packed to dreds of the substantial business men of the State are backing Waynick. The opposition to the reappoint-

ed as being almost entirely on poli-(Continued on Page Two)

Disease Turns Man Black



Physicians at Santa Ana, Cal., are studying the case of William L. Morrison, a white man who is gradually turning black. Morrison told doctors he first noticed the change when he was burning smudge pots in his orange groves last January. Since then he has turned as dark as a Negro. The picture at the left was taken before the disease attacked him.

At right, Morrison is shown as he is today.

(Central Press)

State Has Large

U. S. Balance Yet

Washington, April 20.—(AP)—

The National Emergency Council

submitted to Congress today

Treasury department report showing North Carolina had an unob-

ligated balance of \$4,446,000 out of

the \$81,365,000 allocated to the

State from 1935 and 1936 relief ap-

An additional \$9,066,000 had been

obligated but not spent, making a total unexpended balance of \$13,-

512,000. The report covered ac-lief activities through March 31.

The greatest unobligated balance

riculture Department. Of this a-

mount, \$2,063,000 represented un-

obligated funds allocated for rural

rehabilitation and \$772,000 unobligated funds for public roads, in-

The total unexpended balance for

the Agriculture Department was \$9,608,000, which included \$5,070,000

of road funds; \$9,428,000 of rural

of rural resettlement allocation.

CONGRESS TO STAY

UNTIL THE AUTUMN

Next Year's Budget Is Im-

mediate Pressing Prob-

lem That Awaits

THEN LABOR PROBLEM

Supreme Court Issue Must Also Be

Threshed Out; Legislation for

Agriculture Also To Be

Acted Upon

By CHARLES P. STEWART

Central Press Columnist

o see how Congress can get through

with its work without a session run-

ning all summer and maybe well on

In fact, the lawmakers might toil

The legislators simply will have to

gram before July 1, for, on June 30,

tle with that issue, disregarding every

subjects, but no action; all real at-

tention will be concentrated upon the

One of the chief financial spokes

men for the administration is Sen-

. Pat forecasts no tax increase, but

there has got to be one if the govern-

ment is to live within its income, un

(Continued on Page Six.)

OUR WEATHER MAN

FOR NORTH CAROLINA.

Mostly cloudy tonight and Wed-

ator Pat Harrison of Mississippi.

While the fight is pending there

thing else. That comes first.

budget--and it will need to be.

REDUCTION-OR TAXES

plenty of problems confronting them,

into the autumn.

system at all.

to be puzzled over in 1938.

FINANCES PRESSING

Washington, April 20.-It is hard

cluding grade crossings.

propriation.

Weed Act Might Be Voluntary

Washington, April 20 (AP)-Amendnent of the Federal tobacco grading act to make its provisions voluntary instead of compulsory appeared like-

Publication of House Appropriations Committee hearings on the 1938 Agriculture Department supply bill show ed M. G. White, Agriculture Department solicitor, already has given an opinion that the service could be made voluntary under the 1935 inspection act.

The act as now enforced requires compulsory government grading on tobacco markets where two-thirds of the growers vote in favor of it. Because of this feature, the constitutionality of the act is being contested in the courts of North and South Carolina, where growers on a number of markets voted for government grad-

Representative William B. Umstead of Durham, N. C., the committee hearings disclosed, suggested the possibility of voluntary grading.

OPERATING INCOME OF A. C. L. UP HIGH

71 Percent Increase in 1936 Over 1935 Stockholders Are Told at Meeting

Richmond, Va., April 20.-(AP)-The net operating income of the Atlantic Coast Line railroad increased 71 percent in 1936 over the preceding year, the board of directors of the road reported to the annual meeting of stockholders here today.

From an operating deficit of \$2,-529,455.35 in 1935, the road's net income rose to \$1,915,155.06 above total expenses in 1936. The directors' report attributed the increase to improved economic conditions in the southeastern states. Officers were re-elected, including

Director F. K. Borden, Goldsboro.

G-MEN REPLY TO KANSAS CRITICISM

Defend Action in Topeka Slaying by Pleading **Need of Secrecy**

Kansas City, April 20.—(AP)—Necessity for secrecy was the answer to-day of a Federal Bureau of Investigation official to criticisms growing out of the slaying of a Federal agent in Topeka, Kans., post office.

Two New York gunmen, Alfred Power and Robert Suhay, escaped the trap set for them there, but later were captured in Nebraska and are held here on a charge of murdering the agent, W. W. Baker.

Topeka's chief of police, Frank Stone, Sr., declared Federal officers should have "taken us into their confidence," pointing out had his men been present the gunmen wanted for bank robbery "wouldn't have known to have fired upon."

Taking cognizance of similar criticism in a Topeka newspaper, W. H. Lester, administrative assistant to Edgar Hoover, said last night at Winfield. Kans.:

"The National Guard might have been helpful, too, but such a plan would not have been conducive to secrecy." Then he added, "We couldn't get to first base without the help of local officers.'

PRESIDENT SEEKS 1 1-2 BILLIONS IN NEXT FISCAL YEAR

Deficit at End of Present Fiscal Year Will Be Over \$2,500,000,000, He Says

ANOTHER BIG LOSS **NEXT YEAR LIKELY**

Borah Drops Opposition to Neutrality Bill; Capital-Labor Meeting Begun; More Criticism of Roosevelt Court Plan Given To Committee

Washington, April 20.—(AP)—President Roosevelt recommended today Congress appropriate \$1,500,000,000 for work relief for the fiscal year 1938. He asked the money be made available early in June so its use may be planned before the start of the fiscal year July 1.

In a special relief message to Congress, Mr. Roosevelt reviewed the national budget situation in the light of lower returns from income taxes than were expected, when the last previous budget estimates were made in Jan-

He figured the deficit at the end of this fiscal year would be \$2,557,000,-000, an increase of \$309,000,000 over the January forecast.

He estimated also at the end of the 1938 fiscal year there would be a net deficit of \$418,000,000. His statement aroused talk as to whether additional taxes might be called for at the next session of Congress. Administration leaders generally look for no was \$3,242,000 credited to the Agnew taxes at this session.

While principle interest in Congress was on the President's message, this was a busy day generally both on Capitol Hill and downtown.

Senator Borah, Republican, Idaho, announced a group of his colleagues had withdrawn insistence on a mandatory "cash and carry" policy in the proposed permanent neutrality bill, thus leaving the way open for assignthe President.

In an effort to clarify the relationship between capital and labor 27 representatives of workers and employers met with Secretary Perkins who personally appealed for agreement on a national policy to reduce strikes and lockouts. The Senate civil liberties commit-

tee resumed its investigation of con ditions in Harlan county, Kentucky with testimony by a mountain preacher, who said deputy sheriffs had once driven striking miners back to work at gunpoint.
William Eddy, president of Hobart

College, and Colonel Frederick Allen, of Charleston, S. C., director of the Constitutional Democracy Association criticized the Roosevelt court bill at Senate hearings.

LARGE FRACTIONAL **GAINS FOR STOCKS**

Buyers Lift Bids and Selected Issues Hit Rallying Trail for **Higher Levels**

New York, April 20 (AP)-Stock buyers lifted their bids in today's market and selected issues hit the rallying trail for gains of fractions to two or more points. While there were a few active flurries on the upside, the year through, and still have dealings on the whole were quiet. There was an assortment of lowers near the fourth hour, but favored steels, rails, farm implements and decide on some sort of a financial prothe day. United States government securities slipped. Other bonds were uneven. Commodities were mixed.

the current fiscal year ends; and the government cannot go on into the next fiscal year under no financial From now until the end of June is none too long for Capitol Hill to wreswill be considerable chatter on other

Rocky Mount Publisher Attains High Post in News Association

New York, April 20.-(AP)-The smalltown newspaper with its year by year fundamental content of births marriages and deaths was translated into personality today as small town cublishers met in convention. The smaller daily was listed as a

modern town crier as the problems it presented were laid for study before a part of the annual convention of the American Newspaper Publishers Association. New directors elected by the mem- Gable said.

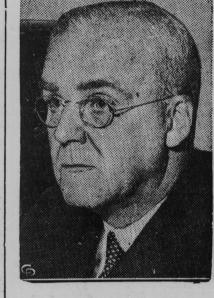
bership of The Associated Press at the annual meeting yesterday are: in the trial of Mrs. Violet Norton, Clark Howell, Jr., of the Atlanta, charged with trying to extort money of talk about the possibility of a ga., Constitution; William Pape, of Constitution; Constitution:

Clark Howell, Jr., of the Atlanta, charged with trying to extort money of talk about the possibility of a short tobacco crop as the result of short tobacco crop as the result of

the Waterbury, Conn., Republican; Gwendoline. Houston Harte, of the San Angelo, Prosecutor Texas, Standard, and J. L. Horne, of Mae West would not be put on the the Rocky Mount, N. C. Telegram. | stand, as she was in San Francisco.

CAPITAL AND LABOR SEEK TO FORMULATE **NEW LABOR POLICY**

Target for C. I. O.



Ernest T. Weir

Ernest T. Weir, as chairman of the board of the National Steel Co., becomes target of the C. I. O. as the Steel Workers Organizing committee announced it would file charges of coercion and intimidation with the National Labor Relations Board against the Weirton Steel Co., a subsidiary of National Steel. The C. I. O. alleges "deplorable" conditions at Weirton plants.

RooseveltTo Talk Aug. 18 ed a demand from striking General Motors employees of Oshawa, Ontario, Near Manteo The U. A. W. A. committee was expected also to consider its campaign

President Is To Participate in Virginia Dare Celebration on Island

Washington, April 20 (AP)— Representative Lindsay Warren, of Washington, N. C., said today President Roosevelt had agreed to make an address August 18 on Roanoke Island, N. C., commemo rating the 250th anniversary of the birth of the first child of English parentage on the American continent, Virginia Dare.
The celebration to run about

two months, from July 1, also will mark the 350th anniversary of the disappearance of Sir Walter

Raleigh's Lost Colony. Warren said the President had also approved a special stamp for the occasion.

HEALTHY NET GAIN SHOWN BY COTTON

Early Selling Overcome by Steadier Market Toward Close of Trading For Day

New York, April 20 (AP)-Cotton futures opened barely steady, unchang ed to four lower. Liquidation and New Orleans selling offset the influence of steadier Liverpool cables. July, which had eased from 13.20 to 13.13 , rallied to 13.25 and prices late in the first hour ranged from two points higher to four lower. At midday the market was within a few points of the best and prices showed net gains of about 10 to 14 points.

CLARK GABLE HAS STAND AS WITNESS

Calm and Silent, Actor Is In Court On Charges of Being Father of Young Girl

Los Anegeles, Cal., April 20.-(AP) -Clark Gable, calm and silent, came into Federal court today to tell a jury he is not the father of 13-year-old Gwendoline Norton.

Federal building precipitated an in-vasion of wome and deputy mar-and is not likely to have any effect shals prepared t dle a full house. whatever upon the total acreage "This will be e first time I've ever been on me witness stand," Gable is chief government witness

Prosecutor Jack Powell disclosed blue mold getting into the plant beds,

Greater Legal Responsibility on Labor Organizations May Be One of Results

RIVAL LABOR UNITS CONTINUE STRUGGLE

Green's A. F. of L. Expected To Expel Lewis' Ten C. I. O. Groups; U. A. W. A. Also Mapping Plans To Organize Ford Plants Under the Wagner Act

Oshawa, Ontario, April 20.— (AP)-General Motors of Canada agreed today to resume negotiations with a committee of its 3,-700 striking employees this after-

(By The Associated Press.) Representatives of capital and labor sat down with government officials in Washington today in an unprecedented conference that was considered a possible forerunner to formulation of a national policy on strikes and lockouts. At the same time two rival labor

groups met in the capital to study unionization campaigns which have been intensified since Supreme Court validation of the Wagner labor relations act. Informed observers predicted one of the groups, the American Federa-

tion of Labor executive council, would consider expulsion of ten unions already under suspension for supporting the John Lewis C. I. O.

The second group, the executive committee of the U. A. W. A., weigh-

for a sympathy strike in the corporation's United States plants.

to organize workers of the Ford Motor Company. Homer Martin, president of the union, said formal charges of discrimination and intimidation would be filed soon with the National Labor Relations Board.

Imposition of greater legal responsibility upon labor organizations in view of the concessions gained by the Wagner act was believed one objective of some industrialists at the conference called by Secertary Perkins. The General Motors Canadian strike persisted as the major active industrial dispute.

MUSICIAN ARRAIGNED IN HAMMER SLAYING

Rosenbaum Gray and Unshaven as He Appears in Magistrate's Hearing in New York

New York, April 20 .- (AP)-Trembling and close to collapse, Misha Rosenbaum, 30, musician and Broadway booking agent, accused of the hammer slaying of Julia Nissenbaum, 25, night club violinist and dancer, was arraigned in homicide court to-His face was gray and unshaven as

he faced Magistrate Alexander Brough. He wore shoes a policeman had let him have and clothes other policemen had handed him when his own, stained with blood, were turned over to the city police laboratory for analysis. Rosenbaum was arrested in Moun-

taindale, N. Y., yesterday and police said he confessed he attacked Miss Nissenbaum after a quarrel. Samuel Leibowitz, his attorney, denied such a confession was made

BLUE MOLD WON'T CUT TOBACCO CROP

Not As Bad As Some Have Thought, Kerr Scott Says in Statement

Daily Dispatch Bureau.
In the Sir Walter Hotel.
By J. C. BASKERVILL
Raleigh, April 20.—While blue mold in tobacco beds is rather serious in The film star's appearance at the some sections of the State, it is not as planted to tobacco this spring, in the opinion of Commissioner of Agriculture W. Kerr Scott. As a result, he

over the situation.
"Every spring there is always a lot

sees no reason to become alarmed

(Continued on Page Two).