

ROOSEVELT ASKS PUBLIC BONDS BE TAXED

NEW COMMANDER IS DIRECTING JAPAN'S CHINESE OFFENSIVE

Battle or Recovery of Taierchwang by Invaders Gets Under Way In South Shantung

15 TROOP TRAINS RUSH SOLDIERS UP

Chinese Say Japs Soon Will Have 300,000 Troops Engaged in Mighty Drive; Nippon Forces Advance 43 Miles in Effort To Take Lunghai Rail Center

Shanghai, April 25.—(AP)—Reports of a change in the Japanese command in north China as a result of the disastrous Taierchwang defeat coincided today with fresh Japanese advances in the drive to wipe out the stain of that defeat.

The Shanghai Evening Post and Mercury said General Count Juichi Terachi, commanding in north China since early in the war, had been recalled to Japan and been succeeded by Lieutenant General Jun Yushiro.

Fifteen Japanese troop trains rolled southward today from Tientsin to reinforce the army fighting to conquer central China.

A new battle for possession of Taierchwang, war-despoiled south Shantung city, where the Japanese suffered a disastrous defeat early in April, appeared imminent as the invaders struggled to reach the Lunghai railway.

The Chinese, fighting desperately to check the Japanese offensive along the south Shantung border, declared Japan soon would have fully 300,000 soldiers engaged in their drive to capture Suchow.

This strategic city, scarcely 40 miles southwest of Taierchwang, is the junction point of the east-west Lunghai line and the Tientsin-Pukow line running southward from Tientsin into

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French Plan Of Recovery Is Proposed

Paris, April 25.—(AP)—Premier Edouard Daladier today announced cabinet approval of a plan for French economic and financial rehabilitation, drawn up with emphasis on increased production and continued freedom in foreign exchange and main tenance of the monetary accord with Britain and the United States.

The plan will be put into effect by a series of decrees to be submitted to the cabinet next Sunday. The Daladier cabinet is governing under decree powers voted by Parliament just before the Easter recess.

While the premier prepared for sweeping treatment of domestic issues, a potent military and diplomatic pact to align France and Britain against war danger in Europe appeared in the making.

On the same domestic side, Daladier

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Czechs Are Faced With New Crisis

German Element In Population Demands Self-Government Under Nazi

Praha, Czechoslovakia, April 25.—(AP)—A demand for self-government under Nazi principles for the 3,500,000 Sudeten Germans, most of them living in a narrow border contiguous to greater Germany, faced the Czechoslovakian government today.

Konrad Henlein, leader of the majority of Germans within Czechoslovakia, at a party congress, made this the keynote of his program, expected to be the text for Nazi orators in the campaign of the next three

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Ex-Vice-President Has Operation



CHARLES G. DAWES

New York, April 25 (AP)—Roosevelt hospital officials disclosed today that Brigadier General Charles Gates Dawes, former vice-president of the United States who was taken suddenly ill yesterday, had been operated on for acute suppurative appendicitis.

Dawes, who will be 73 years old on August 27, came to New York from Chicago to attend the wedding of Francis Warren Pershing, son of General John J. Pershing.

He was in his suite at a hotel here when he was stricken. A nurse at the hospital said the general's condition was "as good as could be expected."

INSURGENT ATTACK INCREASES IN FURY ON SPANISH FRONT

Surprise Offensives in Many Spots of 100-Mile Battle-line Along East-coast

LOYAL RESISTANCE ALMOST NEGLIGIBLE

Serious Menace to Insurgent Flank Exists and Franco's Men Advance Only With Difficulty, Even After Terrific Artillery Preparation Ends

Hendaye, France, April 25.—(AP)—The fury of the insurgent attack increased today in all sectors of the 100-mile battlefront zigzagging through eastern Spain from Teruel to the Mediterranean near Alcala de Chivert. Surprise offensives from Sule coordinated the offensives in the operation of forces on the recently quiet Teruel front with troops fighting southward along the coast toward Castellon and Valencia.

Insurgent strategy of the moment appeared to be to flatten the ragged line connecting Teruel with the coast. Government resistance was reported as negligible between Albocacer and the coast, 18 miles to the east.

The strongest resistance was reported in the Sierra de Valgancha sector, northwest of Albocacer, on the line to Morella. This area constitutes a serious menace to the insurgent

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DIMAGGIO SIGNS UP WITH THE YANKEES

Pay Will Not Begin, However, Until Manager McCarthy Is Satisfied He Is in Condition

New York, April 25 (AP)—Joe DiMaggio signed his \$25,000 contract with the New York Yankees this morning, with the baseball season just one week old, but his pay will not begin until he has satisfied Manager Joe McCarthy that he is in condition to play.

The clouting outfielder and major league home run king stands to lose at least \$1,300 for being AWOL for eight days, including today, and may be "doctored" a total of \$2,000 before he re-enters the line-up.

"All Our Ancestors Were Immigrants"



Making his first visit to a Daughters of the American Revolution convention since he assumed office, President Roosevelt is pictured at the hall with Mrs. William A. Becker, retiring president general of the D. A. R. in a happy mood. His Military aide, Col. E. M. Watson is at the right. In an address before the convention, the president reminded the D. A. R. members that their ancestors were "immigrants and revolutionists" and admonished them to teach the youth of the country why those ancestors threw off a "Fascist yoke." The convention was not friendly to presidential policies.

Governor Delays Naming Of Supreme Court Judge As Scramble Is Started

Hoey Gives No Indication of Man or Men Under Consideration for Con- nator Vacancy

ROSE, SEAWELL AND COWPER ARE TALKED

At Midday 15 Persons Had Been Recommended To Governor for Post on High Tribunal; Delegations Appear in Behalf of Favorites; Parker Is Rumored

Raleigh, April 25 (AP)—Governor Hoey prepared today to name a new associate justice on the State Supreme Court to succeed the late George W. Connor, who died unexpectedly Saturday.

"I doubt if it will be possible to announce the appointment until this evening, or maybe even later," the governor said this morning.

The chief executive gave no indication as to who was under consideration.

Capitol Hill gossip, however, centered largely on Charles G. Rose, of Fayetteville; Attorney General A. A. F. Seawell and Judge Vernon Cowper, of Kinston. There was some speculation that former Governor J. C. B. Ehringhaus might be named, but this was discounted by close observers.

At midday, fifteen persons had been recommended to the governor for appointment. A delegation from Nash and Edgecombe counties, headed by Senator W. G. Clark, of Tarboro, and Kemp Battle, of Rocky Mount, personally represented the name of Solicitor Donnell Gilliam, of Tarboro. Others urged for the place were: R. S. Simms, and J. M. Broughton, of Raleigh; Seawell; Judge Cowper and Rose, Superior Court Judges Clawson Williams, of Sanford; N. A. Sinclair, of Fayetteville; R. Hunt Parker, of Roanoke Rapids; Paul Frizzelle, of Snow Hill, and Henry A. Grady, of Clinton; George R. Ward, of Duplin county; Albion Dunn, of Greenville; I. C. Wright, of Wilmington, and J. F. Filliken, of Monroe.

The agreement, which failed to touch on the larger issue of the partition of Ireland, was signed formally in the cabinet room at No. 10 Downing street.

The pact, to be published tonight, is expected to put farm products of Ireland, the former Irish Free State, on the same preferential basis as Britain accords the dominions.

It is believed the two countries have agreed to abolish all retaliatory duties, the products of their long economic conflict, and reduce tariffs. Britain is expected to waive the land annuities, amounting to \$25,000,000 a year, and other payments on condition that Ireland spend a substantial amount on defense.

Outstanding candidates for the post are Charles G. Rose, of Fayetteville, and Judge Vernon G. Cowper of Kinston.

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Britisher Killed In Spanish Raid

Madrid, April 25 (AP)—Thirty persons were killed, including a British sailor, and more than 50 injured today when insurgent airplanes resumed bombardment of Valencia, former Spanish government capital on the Mediterranean coast. Three British sailors were wounded.

Valencia had not been bombed for more than two months.

The dead sailor and the wounded sailors belonged to crews of British vessels in the harbor at Valencia. First reports did not indicate whether either vessel was hit directly.

Britain And Ireland Get New Treaty

Old Enmities Fade In Accord for Better Trade Relations and Their Defense

London, April 25 (AP)—Neville Chamberlain and Eamon de Valera, prime ministers of Great Britain and Ireland, today signed an agreement intended to end old enmities between the two countries, and solve their trade and defense disputes.

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WEATHER FOR NORTH CAROLINA. Fair tonight and Tuesday; no decided change in temperature.

TREASURY BOASTS TEN BILLIONS FOR SPENDING EFFORTS

Could Be, But Probably Will Not Be, Tapped To Pay for Future Government Outlays

IDLE GOLD ALREADY IS DE-STERILIZED

Metal Is Being Turned Into Deposit by Issuing Currency Against It; Other Sources of Outlay Are Being Held in Readiness If Needed

Washington, April 25 (AP)—Treasury officials disclosed today they have approximately \$10,500,000,000 in resources which could be, but probably will not be, tapped to pay for future spending.

Outside of borrowing, the only step taken so far to finance the new spending program has been the de-sterilization of \$1,400,000,000 of idle gold. The metal is being turned into a deposit credit by issuing currency against it.

These other sources are legally open to the Treasury: Liquidating entry in federal and private corporations, \$4,000,000,000. Issuing currency on statutory silver profit, \$1,500,000,000.

Using gold now in stabilization fund, \$2,000,000,000. Issuing "greenback" currency under the 1933 AAA act, \$3,000,000,000. Total, \$10,500,000,000.

Officials said either practical or economic objections would interfere with the use of any one of these funds.

CLAIMS NEW DEAL TO LOSE STRENGTH

President Unquestionably Has Lost Much Congressional Influence

By CHARLES P. STEWART Central Press Columnist

Washington, April 25.—A faithful reader of this column expresses a doubt that Washington writers sense the countrywide reaction to New Deal policies, probably because, as he remarks, they evidently have not traveled much recently.

It is true, most of them have not. Still, they all are in close touch with congressmen from all parts of the country. Maybe they have, consequently, a better idea of sentiment in all parts of the country than any observer in one particular area.

Tax Upon Salaries Of All Government Workers Is Sought

Ford at Wayside



Henry Ford, auto magnate, doffs his hat as he inspects the 5,000 acre farm at his historic Wayside Inn estate in Sudbury, Mass. Mr. Ford said luncheon, in Washington, with President Roosevelt was "to renew an old acquaintance of years standing."

"Short and Simple" Statute Would Be Upheld By Court Decisions, President Thinks

PROMPT ACTION IS BEING REQUESTED

Message Causes Surprise in Congressional Circles, Where Investigation Was Expected To Be Sought; Security Holders Very Persons Who Ought To Pay

Washington, April 25 (AP)—President Roosevelt today asked Congress to remove promptly tax exemptions on income from all future government bond issues, Federal, State and local, and on all government salaries. Existing exemptions, he said, resulted from judicial decisions and could be eliminated by a "short and simple statute," which he predicted the courts would uphold.

Some advocates of ending such exemptions have claimed a constitutional amendment would be necessary because of judicial decisions holding the Federal government could not tax State bonds nor the State governments Federal bonds.

Mr. Roosevelt said, however, that recent decisions indicated the courts were following a different line of thought from that which produced the earlier rulings.

The President's request for "prompt" action came as a surprise to many legislators and adding to the problems of administration leaders trying to reach adjournment by the latter part of May.

Prior to receipt of the message, some informed members of Congress had predicted it would ask only a study of the problem.

The President asserted exemptions of securities from taxes had created a "vast reservoir of tax-exempt securities in the hands of the very per-

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CLASSING SERVICE ON COTTON ASKED

Southern Senators To Tack Rider on Agriculture Bill Shortly

Washington, April 25.—(AP)—Southern senators will ask this session of Congress to establish a free government classing service for the entire cotton belt.

Senator Bankhead Democrat Alabama, announced this today at the Senate Agriculture Committee investigation of classing of cotton that went into government pool and loans.

The Alabama said he and committee Chairman Smith, Democrat South Carolina, planned to attach this provision to the regular Department of Agriculture appropriation measure now pending before a Senate sub-committee.

Hearings On Vet Hospital Begin May 2

Sub-Committee Appointed To Visit North Carolina Towns to Make Selection

Washington, April 25.—(AP)—General Frank T. Hines Veterans administrator, appointed today a sub-committee of the board of hospitalization to hold hearings in North Carolina cities being considered as locations for a new facility to be established in that State.

The sub-committee members are Colonel George Ijams, assistant administrator of veterans affairs, chairman; General George Wood, special consultant of the administration, and Dr. Winfred Overholser, superintendent of a Washington hospital. The committee will leave for North Carolina on May 2.

SCOTT DEMANDING MARKETING FUNDS

State Agriculture Chief to Besiege Legislature for Specialists

Daily Dispatch Bureau.

Raleigh, April 25.—Commissioner of Agriculture W. Kerr Scott is going to lay siege to the State legislature in an effort to obtain increased appropriations for marketing North Carolina's crops. He also is going to pull all the wires possible in order to obtain more funds from the Federal government for this same purpose.

This intensive drive is closely indicated by a blast from the commis-

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SHARP DECLINE IN COTTON AT CLOSING

Lower Cables, May Liquidation and Foreign Selling Depress Prices

New York, April 25.—(AP)—Cotton futures opened nine to eleven points off on lower Liverpool cables and under May liquidation, and foreign selling. Prices held at partial recoveries after foreign and scattered buying had absorbed early offerings. At midday July was selling at 8.90 with the list four to six points net lower. Shortly after the first half hour, the list was seven to nine points net lower. July, which had sold up from 8.85 to 8.88, was quoted at 8.97.

Futures closed nine to eleven points lower. Spot quiet, middling 8.85.

Table with columns: Month, Open, Close. Rows: May, July, October, December, January, March.