TWENTY-SIXTH YEAR

LEASED WIRE SERVICE OF

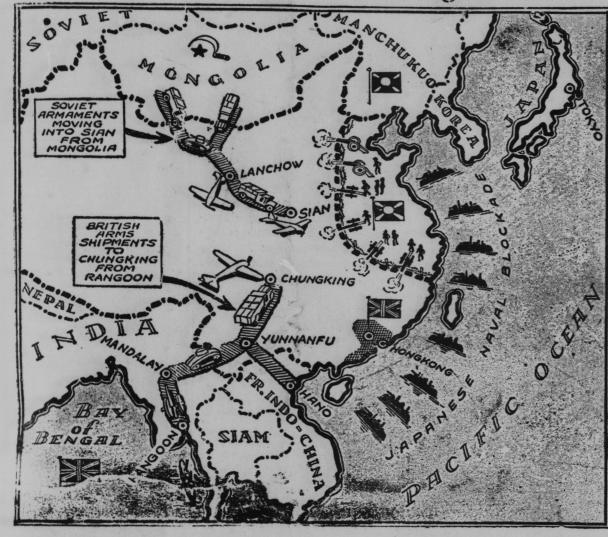
HENDERSON, N. C., WEDNESDAY AFTERNO ON, JANUARY 18, 1939

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## ERENCE ON COTTON PLA

How Democracies Are Aiding China



Hard-pressed China now is beginning to receive aid-indirectly-as this map shows. England and the United States in recent months have made available \$50,000,000 in credits for supplies. British arms shipments are made possible again over a new road from Yunnafu to Chungking, connecting with through rail and motor routes from Rangoon on the Bay of Bengal. And supplies from the Soviet Union are coming to Siam on a road rebuilt for motor traffic from the part of Mongolia contriled by the Soviet. This road has two forks into Mongolia.

Exemption of Unem-

ployment Office Em-

ployees from Merit

Tests Voted by House

After Senate Passes

Measure; Agriculture

Sub - Committee Is

Raleigh, Jan. 18.—(AP)—The legis-

lature prepared today for the first real fight against the three percent

sales tax as the North Carolina Fair

joint finance committee.

mission recommended.

Exemptions from Exams

a bill passed by the Senate to exemp

employees with six months service

from taking merit examinations Sat-

urday to hold their jobs, with the

Unemployment Compensation Com-

misssion. It was put on the House

calendar and will come up for vote

A public hearing for February 1 was

ordered on the Roper bill to abolish

Both divisions got proposals to re-

write the laws providing compensa-

tion to law enforcement officers in-

jured in line of duty and for benefits

to estates of those killed. A volun-

tary retirement fund would be set up

for all officers who made regular con-

Damage to Oyster Beds

Both divisions received proposals

that the State, through its Utilities

Commission, enter into contracts with

the government to bear the costs up to

\$5,000 of any damage done to oyster

beds in the New river, due to dredg-

Agriculture Committee, appointed Senators Council, of Columbus; Ballentine, of Wake; Cogburn, of Haywood; Eagles, of Wilson; Bruton, of

(Continued on Page Two.)

Wilson, Jan. 18-(AP)-Barney

Pearson, 85, Nash county farmer who

a stroke. He was said to be the old-

The funeral will be held tomorrow.

Surviving are the widow, two sons,

Pauline Bragg, of Durham, and Miss

Millie Pearson, of Avon Park, Fla. the Revenue Department by the fil-

THIS STATE DEAR

**OLDEST MASON IN** 

tributions for twenty years.

tomorrow under normal procedure.

capital punishment.

ing by the army.

Named

### Legislature Makes Ready For Fight On Sales Tax

### Liggett & Myers Earnings Hold Up

New York, Jan. 18 .- (AP)-Liggett & Myers Tobacco Company re-ported today for the year ended December 31 net profits of \$20,560,-884, equal to \$6.08 a share on the common stock, compared with \$21,-375,560, or \$6.34 a share in the pre-

vious year. Directors declared the regular quarterly dividend of a dollar a share on the common and "B" shares, payable March 1 to stock of record February 14.

Net sales for the year were given as \$237,764,150, compared \$242,448,565 in 1937.

### Compromise On Diverting **Funds Likely**

Daily Dispatch Bureau, In the Sir Walter Hotel. BY HENRY AVERILL.

Raleigh, Jan. 18.—There are hints and suggestions, none too reliably confirmed, that a compromise will eventually be worked out in the diversion of highway funds wrangle which started out as one of the General Assembly's hottest fights, but which will likely simmer for a bit in view of the smashing victory of administration pro-diversion forces in first tests of

These hints are that the current General Assembly will give its stamp of approval to continuation of the prasent policy of transferring some \$2,-000,000 to \$2 500,000 annually from highway to general funds, when the latter become depleted—this approval to be conditioned upon submission to the people of a constitutional amendment prohibiting diversion altogether -the vote to come in the November

elections of 1940. All of which sounds like a bit of face-saving for the failure of antidiversionists to make a better showing than they did in the preliminary rounds in the House Monday nig! and the Senate Tuesday. In each case administrationists easily removed the so-called Umstead-Stone good roads bill from friendly road committee and shunted it to finance, where it can be smothered quietly to death or brought out and publicly executed lived near Bailey, died here today of just as administrationists choose. Administration leaders profess to est Mason in point of service in tion of North Carolina's citizenry have heard nothing whatever of any North Carolina. He was initiated should the commissioner of revenue compromise hints, and responsible into the now defunct Hatcher lodge

anti-diversion heads will not admit of Wilson county April 20, 1875. any specific knowledge of such a pro-

At all events-compromise or no and four daughters, including Mrs.

(Continued on Page Two.)

## To Die On Friday

1939, dying Friday in the gas

from the store, Paroles Commissioner Edwin Gill said today.

ford, was hit in the base of the head with a stick and robbed. He died the next day. Stovall lost an appeal to the Supreme Court. Gill said he understood \$37 was secured

in the robbery.

Officers obtained a confession from the Negro, Gill said, which

### branches at noon, with 21 new bills Legislators coming. This afternoon the joint appropriations committee will continue hearing requests from State agencies **Study Vote** for more money than the budget com-The House Unemployment Compensation Committee reported favorably Reforms Soon

Raleigh, Jan. 18 .- (AP) -- Committee consideration of proposed reforms in North Carolina's election laws will get under way around next Wednes- Mrs. William David, all of Briarday, Representatives Williams, of cliff, and Mrs. N. S. Hurd, of Pine-Onslow, and Morphew, of Graham, hurst. tees on elections laws, said today. Advance predictions that election law changes would be made one of the major tasks of the present assembly have been borne out and al- W. W. Fuller, died here yesterday. ready eight bills to amend voting Funeral services will be held at the

'Continued on Page Five)

## Granville Negro

Raleigh, Jan. 48.—(AP)—King Solomon Stovall, 24-year- old con-victed Granville county Negro murderer, will be North Carolina's first victim of legal execution in

Governor Hoey has decided not to intervene in behalf of the man convicted of murdering R. T. Moore, elderly store-keeper, April 15, 1938, as Moore was going home

Moore, described in a petition as "one of the best citizens" of Ox-

the court held was voluntary.

## Tas Association appeared before the Routine sessions were held by both

chairmen of the legislative commit

## To Spanish Loyalist Forces As Populace Demands Action Barcelona Is Rumor Sweeping Changes

French Cabinet Debates Aid

# Rebel Halt

Insurgents Claim New Successes, However; ers Nation Must Stick With Britain and Britain Won't Help Loyalist Group

Paris, Jan. 18.—(AP)—The French cabinet, under steadily increasing demands for aid to government Spain. debated the problem for two and a half hours today. No decision was

Foreign Minister Bonnet, who held the floor throughout, was understood to have maintained that France must keep in the good graces of Great Britain by adhering closely to the policy of non-intervention.

The campaign continued in Parliament and the press, however, for aid to Barcelona to counteract Italian support for Insurgent General Franco. One section of the cabinet itself was understood to be swinging around

to this view. The executive committee of the General Confederation of Labor, representing French labor, voted to join socialist and communists in trying to get the government to send military help to the Spanish republic. Confederation officials were instructed "to take all measures or join any movement to obtain effective and immediate assistance for republican

Spain." The customary mention of unanimous approval by the ministers for policies presented was omitted from the communique issued after the cabinet met, in the palace of President Lebrun's residence.

A clarification was expected to (Continued on Page Two.)

### MRS. W. W. FULLER DIES IN NEW YORK

Widow of Former American Tobacco Company Counsel Was Native of Fayetteville

Fayetteville, Jan. 18.—(AP)—Relatives here were informed today of the death in Briarcliff, N. Y., of Mrs. W. W. Fuller, widow of the general counsel of The American Tobacco Company, who was a native of Fayette-

She was the former Miss Annie Staples, of Greensboro. Funeral services will be held in Briarcliff tomor-

Survivors include a son, T. S. Fuller and four daughters, Mrs. Janet Fuller, Mrs. Mangaret Hereford, and

FUNERAL SERVICES SET FOR HOME ON THURSDAY Briarcliff, N. Y., Jan. 18. -(AP)-Mrs. Annie Fuller, widow of the late home at 3:30 tomorrow, and inter-

## New Tax Bill Provides Study Farm Problems Chairman Clark, of the Senate Maxwell Chance To Hound **Every Citizen In State**

Daily Dispatch Bureau, In the Sir Walter Hotel.

Raleigh, Jan. 18.-The Joint Finance Committee has amended the proposed compensation use tax law, but admittedly the new statute still leaves the way open to mass aggravation of North Carolina's citizenry or his hirelings feel so disposed. As originally written, every North Carolinian who bought anything, any-

file a report remitting therewith) with

teenth of the month after his purchase; and failure to do so would have made him guilty of a misdemeanor for which a \$300 fine would have been the minimum punishment. As amended, the buyer is not required to file a report unless required to do so by the Department of Rev-

Of course, the provision is aimed a heavy purchases out of the State on which no sales tax is paid; but so where upon which the sales tax was far as your correspondent has been not paid would have been obliged to advised there is still nothing in the

(Continued on Page Four)

## Cheered By In Nazi Administration

confirm or deny them.

Berlin, Jan. 18.—(AP)—Rumors of vice chancellor and minister of war, far-reaching changes in the Nazi ad- Both posts have been vacant for some ministration, involving such men as time-the vice chancellorship since Field Marshal Hermann Goering, Franz von Papen, its last holder, was Propaganda Minister Faul Goebbels made special ambassador to Austria and others, were current in Berlin to- after the assassination of Chancellor Dolphus in 1934, and the war minis-They coincided with the return to ter since the resignation of Field Marhis desk in the propaganda ministry shal von Blomberg in February, 1938.

Bonnet Tells Minist- of Goebbels after nearly a month's Goebbels, according to the reported idleness. Official sources declined to new set-up, would be placed above all other Nazi district leaders. At the According to these reports, circulated by men usually in a position to know, Georing will shortly become greater Berlin district leaders. At the same time, these rumors said, he will be appointed as "governor" of the greater Berlin district.

### Hopkins Nomination Is Approved By Committee

Washington, Jan. 18.—(AP)-The Senate Commerce Committee approved today the nomination of Harry L. Hopkins as secretary of commerce.

Hopkins, regarded as one of President Roosevelt's most intimate advisors, was subjected to eritical questioning by committee members last week on his administration of the WPA.

The new commerce secretary conceded that as WPA adminis-

takes. If he had the job to do over again, he added, he would not make political speeches.

William Harriman, New York banker and chairman of the business advisory council, testified in support of Hopkins' nomination, which probably will be taken up by the Senate for final action to-morrow. Hopkins now is serving as commerce secretary under a temporary appointment made

### **Texas Pension Governor** Facing Hunt For Money

Lee O'Daniel, inaugurated governor payment of \$30 a month to every perin solemn, splendid ceremonies un- son over 65. He could not, as he was matched in Texas history, faced the wont to do in his campaign, when legislature today, and no amounts of a listener occassionally asked him,

"Where will you get money for old ge pensions?" scurity of a flour salesman to the had to deliver the goods. prominence of a governor. To them,

showmanship could dismiss the ques-tion:

"How are you going to do it?" turn to his hillbilly hand and say: Strike up a tune, boys."

Only one day in office, O'Daniel To a joint session of the Senate and met what might be termed a cris's. House came the man who vaulted In the parlance of those who elected in one astonishing leap from the ob- him, he had made his sale. Now he

The legislature waited. As O'Danwho will mold a governmental pro- iel went to the Capitol, the thrill of gram Texas will follow the next two yesterday's inauguration lingered.

### **FDR Scares** Congress On Is Attempted **Budget Cuts**

By CHARLES P. STEWART Central Press Columnist

The legislators are somewhere be-

A majority of them undoubtedly are of the opinion that our voters of nautical schools in Amreica, and predominantly believe Uncle Sam al- is buttonholing legislators on all ready is plenty far enough into the sides in an effort to convince them red, and their judgment is to pare of the merits of his proposal. down all they can. If they do not do His amendment takes the for it they are afraid their constituents will turn them down on a future election day. Yet if they do pare down and times tighten up, they they'll be blamed for that, too. Our solons are rather more appre hensive, in theory, of danger No. 2 than of danger No. 2.

In practice, however, No. 2 is mor immediately threatening than No. 1 If they indorse increased expenditures and deficits now, they foresee inflation and disaster in the long run

(Continued on Page Two.)

FOR NORTH CAROLINA. Fair tonight and Thursday; colder tonight and in extreme east

## **Another Grab** Of \$100,000

Daily Dispatch Bureau, In the Sir Walter Hotel.

Washington, Jan. 18 .- President Raleigh, Jan. 18 Senator Bunn Frink Roosevelt scared Congress badly when of Southport, has amended his bill he reminded the lawmakers, in his re- establishing the Josephus Daniels cent message to them, that they will Nautical Academy so as to make the have to accept the responsibility for institution eligible for Federal funds, any cuts they make in the national if established, and is pressing hard spending-allowance which he recom- for enactment of the amendment measure.

He has addressed to each member tween the devil and the deep blue of the education committee, before which his bill is pending, a long circular letter giving in full the history

His amendment takes the form of a committee substitute for Senate Bill No. 4 (his original bill), which sets up the machinery of the proposed Academy in such a way that it can participate in Federal programs dealing with nautical schools. The sub-

(Continued on Page Two.)

### BAPTIST CHURCH IN SO. CAROLINA BURNS

Anderson, S. C., Jan. 18.-(AP)-The Riverside Mills Baptist church building, at the edge of the city limits, was destroyed by fire early this morning. Damage was reported by Rev. W. A. Tinsley, pastor, as \$12,000. Disturbance of wide extent central The loss, including everything in the building except a piano, is partly cov- dary developing over eastern North ered by insurance, according to the

## U.S. Anxious To Dispose Of Holdings

No Decisions Reached at White House Conference; Government Has Nearly \$500 Millions Tied Up In Cotton; Warplane Capacity of Nation Revealed

Washington, Jan. 18.—(AP)—Secretary Wallace said today the administration was considering an international conference on how to dispose Senator Bankhead, Democrat, Alabama, had just discussed with President Roosevelt what they termed a "very serious" problem relating to the South's principal crop.

They said no decisions were reached, but that a conference of cottongrowing nations was under consideration to deal with this crop, as has been done at international gatherings on wheat.

U. S. Holds 11,900,000 Bales. Before going to the White House, Bankhead said senators from cotton growing states had agreed that the first problem was "finding what we can do with loan cotton."

The government now has nearly \$500,000,000 invested in loans on some 11,900,000 bales, enough to supply domestic and foreign demands for American cotton without growing any new crop this year. The loans were made as part of an administration effort to keep prices up by holding surplus cotton off the market.

Associated Gas Defiant. Meanwhile, the Associated Gas & Electric System served notice on the Federal Power Commission that it would not submit its records or permit officers to testify on the reasonableness of their charges until and unless ordered to do so by the Supreme Court. The commission has isrecords and testimony by the company's officers in an effort to determine whether the 14 service companies in the far-flung Pennsylvania utilities domain were operating inconsistently with the public welfare. No books or records were in evidence as the long-heralded investigation got under way and the first witness, C. A. Dougherty, defiantly re-

(Continued on Page Six.)

### Train Airmen To Beat Off **U.S.** Invaders

St. Louis, Mo., Jan. 18.—(AP)—The largest civilian aviation association in the United States, with a membership containing such names as Colonel Charles A. Lindbergh, Howard Hughes and Orville Wright, today threw its influence behind the government's program for national air de-

By fostering air education, the expansion of private flying, and the establishment of a pilot reserve composed of civilians who have been taught to handle the controls of war planes, the National Aeronautic Association planned to help put the nation on a potential war footing.

For three days, the organization, which closed its annual convention last night, said government officials and military experts, warned of the possibility of armed European aggression in the Western Hemisphere

### Warnings Of Coast Storm Are Issued

Washington, Jan. 18 .- (AP)-The Weather Bureau said today strong northeast winds, "probably reaching gale force," were in prospect from Delaware breakwater to Nantucket. By tonight, the bureau said, the blow will extend even further north.

It issued this storm warning: "Northeast storm warnings ordered 10 a. m., north of Sandy Hook, N. J., to Eastport, Maine, and changed to northeast storm warnings Sandy Hook to Delaware breakwater, and changed to small craft warnings south of breakwater to Cape Hatteras over upper Ohio valley with a secon-

(Continued: on Page Two.)