

ROOSEVELT ASKS 565 NEW PLANES AT ONCE

Senate Defeats Relief Bill Increase

Votes 47-46 For Cut Of \$150 Million

Amendment Added That President Can Ask More Money Later If Emergency Arises To Justify It; House Figure of \$275,000,000 Approved

Washington, Jan. 27.—(AP)—Administration forces lost their fight in the Senate today to add \$150,000,000 to the \$725,000,000 relief bill.

The vote considered a measure of administration strength was 47 to 46.

President Roosevelt had urged an \$875,000,000 appropriation to carry on work relief for the next five months.

The House voted a \$725,000,000 appropriation and the Senate Appropriations Committee approved the House amount. The Senate group, however, inserted a provision that if an emergency arose, Mr. Roosevelt could request additional funds.

Because of that provision, Senator Hatch, Democrat, New Mexico, had asserted the whole senate fight over the appropriation, was "a tempest in a teapot."

The Senate proceeded to consider amendments to the bill before a final ballot on the measure to supply WPA with funds until June 30.

After passage the bill was returned to the House for agreement to the Senate amendments, or a conference between the two branches to reconcile differences.

SENATE TO PROBE AMLIE, NOMINATED TO THE I. C. C. HUGE RELIEF ... gladh

Washington, Jan. 27.—(AP)—Senator Barkley, of Kentucky, the Democratic leader, predicted today the Senate would grant President Roosevelt's request for \$875,000,000 for relief.

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Opposition To J. P.'s Is Shown Bitter

Daily Dispatch Bureau, In the Sir Walter Hotel. BY G. LYNN NISBET

Raleigh, Jan. 27.—Several members of the legislature do not look kindly upon attempts to set up additional fact-finding agencies in State departments, and make the findings binding upon superior courts. Representative Bost, of Cabarrus, started a joint committee on unemployment

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Proposed Revenue Cuts Threaten State Budget

Reduction in Rail and Other Taxes, Plus Possible Increased Appropriations, Raise Red Flag Before Legislators; Highway Diversion Is Factor

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

Raleigh, Jan. 27.—Fiscal experts in the General Assembly are busy scratching their heads and trying to figure some way out of the very serious threat to a "balanced budget" which has arisen from the obvious inclination of the finance committee to slash Budget Commission estimates of revenues.

This cutting and slashing intent has been made very clear through expressions of finance committee members with regard to such things as return of intangible tax receipts to the local governments, relief for railroads and other revenue matters. Recapitulating probable revenue

Italy And Germany May Act Jointly In Demands On France

Backed by CIO



R. J. Thomas

Supported by the CIO, R. J. Thomas was elected new head of the United Automobile Workers by the executive board, which was recently suspended by Homer Martin, executive president. Repudiation of Martin followed conference by CIO leaders.

Diversion To Hold Solons Many Weeks

Fiery Campaign of Anti's Gaining Recruits; Governor Is Placed on the Defensive

Daily Dispatch Bureau, In the Sir Walter Hotel. BY G. LYNN NISBET

Raleigh, Jan. 27.—The current legislature is almost in exactly the same position that we were in 1935," remarked a member of that long-drawn Senate, who was here attending the municipal league meeting this week. "My prediction is that they will sashay at diversion, and sheer off; then sashay at reducing appropriations and sheer off; then come back and divert—about the middle of May."

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France Hopes For Signs Of Peace Abroad

Paris, Jan. 27.—(AP)—The French government looked today for some peaceful sign from the fascist powers to justify going ahead with its proposal for an international conference to banish the fear of war from Europe. Both Premier Daladier and Foreign Minister Benet announced in the Chamber of Deputies yesterday that the government was ready to call an economic and disarmament conference if it found support in other nations.

At the foreign office, however, it was said no official call for such a conference was envisaged until the reaction from yesterday's speeches was studied and inquiries made through diplomatic channels.

An indication of Nazi and fascist intentions was expected from Chancellor Hitler's speech before the Reichstag Monday and Premier Mussolini's speech Wednesday. The French government maintained a close contact with Great Britain on the Spanish situation, and stuck to its firm policy against Italian encroachment on French interests, which won a vote of confidence in the Chamber of Deputies last night.

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Many Fascists Now Regard France As Italy's No. 1 Potential Enemy; Students Are Pleased as Mussolini Allows Them To Gaze Upon Him

Rome, Jan. 27.—(AP)—A crowd of students, shouting "down with France," tried today to reach the French Embassy after cheering Premier Mussolini, but was turned back by police.

The students, their ranks swelled by many fascists, raised a clamor for Il Duce under his balcony, until he twice answered by appearing to salute them. Unable to reach the French Embassy, the throng marched to the two Spanish embassies in Rome to cheer "free Spain."

(The Spanish insurgents maintained embassies both to the Italian government and to the Holy See.)

At Zara, on the Dalmatian coast, students celebrating the insurgent capture of Barcelona, paraded past an upturned steel helmet, into which they dropped contributions to a fund being raised throughout Italy for the return of Italian war dead from cemeteries in France. To many Fascists, France has become Italy's No. 1 potential enemy.

Foreign circles expressed belief that the fall of Barcelona had brought near the day when Italy would present to France a bill for payment of fascist colonial claims.

Mussolini promoted Brigadier General Gamba, commander of Italian troops in Spain, to the rank of general of division for his part in the conquest of Barcelona, which the fascists celebrated as their own victory.

Many in the foreign colony thought that Premier Mussolini and Chancellor Hitler would advance demands for appeasement simultaneously, possibly within the next week.

Cash Grants Made To Czechoslovakia By Britain, France

London, Jan. 27.—(AP)—The British and French governments today signed an agreement presenting about \$3,000,000 pounds (\$37,360,000) to Czechoslovakia as an outright gift and lending her another \$8,000,000 pounds to be used in caring for refugees. The agreement was signed in the foreign office by Viscount Halifax, British foreign secretary; Chas. Corbiri, French ambassador to London, and Dr. V. Postisl, Czechoslovak financial expert.

Britain made a gift to Czechoslovakia of 4,000,000 pounds and France cancelled a debt of 700,000,000 francs, approximately equal to the British gift, owed by Czechoslovakia to French bankers since 1937.

Senators received from Joyner, of Iredell, a bill to enact an "unfair sales law." The measure would condemn sales of items below cost to attract patronage. It would make the

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Kilowatt Tax Alarming To Cities, Towns

Daily Dispatch Bureau, In the Sir Walter Hotel. BY G. LYNN NISBET

Raleigh, Jan. 27.—Many cities and towns in North Carolina are as much concerned as power companies about proposed kilowatt hour taxes, according to expressions heard around the edges of the convention of the League of Municipalities here this week. In fact, the league is enough concerned about it to name a special committee to watch for and study all bills such as that introduced last Friday by Representative Underwood, imposing a quarter cent tax on kilowatts.

An official of the town of Oxford

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WEATHER FOR NORTH CAROLINA. Fair tonight, Saturday increasing cloudiness with rising temperature followed by rain Saturday night.

Eyes on Barcelona



Generalissimo Francisco Franco (right) and General Juan Solchaga, through field glasses, watch the insurgent advance on Barcelona as their troops were entering the city. This picture was flown to London, then radioed to New York.

Gov. Hoey To Argue For Diversion On Next Tuesday Night

Invited by Legislature To Give His Views on Using Highway Money for General Fund Purposes; 'Below Cost' Sales Would Be Forbidden

Raleigh, Jan. 27.—(AP)—The legislature today invited Governor Hoey to address a joint session next Tuesday night, when the chief executive will make a talk over a statewide radio hook-up, explaining his position on highway fund diversion.

The diversion fight is the main topic of legislative conversation. The budget recommendation is that up to \$7,000,000 may be diverted from highway funds during the next 30 months, if necessary, to meet general fund expenditures, by application of the sales tax to gasoline. The governor has pointed out the law now permits such a transfer, but that none has been made.

Senator Bain, of Wayne, offered a bill to prohibit sale or discharge of fireworks in the State between mid-

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Referendum On War May Gain Margin

Daily Dispatch Bureau, In the Sir Walter Hotel. BY CHARLES P. STEWART Central Press Columnist

Washington, Jan. 27.—Senators Bennett Champ Clark of Missouri, Arthur Capper of Kansas, Gerald F. Nye of North Dakota and Robert M. La Follette of Wisconsin constitute quite a formidable tripartisan partnership of isolons.

They have joined forces, as they already have announced, in a campaign to prevent the United States from declaring a national referendum to all the voters. If such a referendum indorses hostilities, we can go ahead; if the result is negative, we stay out. A constitutional amendment

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Government Allows Immediate Sale Of Planes For France

Evacuates Americans



Walter Thurston

Walter C. Thurston, U. S. Charge d'Affaires in Barcelona, evacuated the city of all Americans who would leave and boarded the cruiser Omaha for Marseilles. It is indicated Thurston will return to the stricken city.

New Seizures Are Made By Franco Army

Barcelona, Jan. 27.—(AP)—The conquering insurgents, flushed with their success in capturing Barcelona, swept up the coast today and seized the village of Badalona, in the offensive designed to wipe out government forces from Catalonia.

Badalona, about six miles by rail northeast of the fallen provisional capital, lies on the main highway which follows the coast to the northeast more than 30 miles and then cuts inland due north and to the frontier with France.

There were hundreds of demonstrations, led by truckloads of women who were celebrating the end of hunger, privations and the bombings of war.

The spearhead of General Franco's

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MRS THOMAS COBB DIES FROM ATTACK

Mother of Miss Beatrice Cobb, Publisher and Democratic Leader, Passes in Morganton

Morganton, Jan. 7.—(AP)—Mrs. Thomas G. Cobb, mother of Miss Beatrice Cobb, secretary of the North Carolina Press Association, and national Democratic committeewoman, died at her home here today. Mrs. Cobb was 72 years old and a life resident of Burke county. Her death was caused by a heart attack. She was the widow of Thomas G. Cobb, who published the Morganton News-Herald here. Miss Beatrice has published the paper in recent years.

The funeral will be held tomorrow afternoon, at 3 o'clock.

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Commodity Prices Reach Low Level Of Four Years

BY ROGER W. BABSON, Copyright 1939, Publishers Financial Bureau, Inc.

Babson Park, Fla., Jan. 27.—This current recovery period of business is unique. We have had four sharp upswings since 1932 and each one has been paced by a vigorous rise in prices of raw materials, clothing and foodstuffs. This time, however, prices have gone down rather than up. As a result, many business men and investors are confused. They think that they may be experiencing just another bubble which may burst at any time. I take the opposite view. The fact prices have not increased seems to be to be a bullish, rather than a bearish, sign.

Since the low point last June, business has skyrocketed 25 per cent. Commodity prices, however, are slightly below the June level and are at the lowest point since December, 1934. The failure of such major com-

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American Aircraft Manufacturers Agree To Supply Ships To France, With Washington's Consent; New FDR Funds To Apply on Defense Program

Washington, Jan. 27.—(AP)—President Roosevelt said today that United States aircraft manufacturers had agreed, with this government's knowledge, to supply France with an undesignated number of airplanes.

Washington, Jan. 27.—(AP)—President Roosevelt asked Congress today for an immediate appropriation of \$50,000,000 to be spent largely for new airplanes in the administration's national defense program. He submitted the request in a letter to Speaker Bankhead, which asked that the money be made available for expenditure during the remainder of the current fiscal year, and through the year starting July 1.

Mr. Roosevelt said the money would provide, in part, for the defense program he recommended to Congress January 12. At that time he suggested \$300,000,000 army airplane procurement program, and said approximately \$50,000,000 should be made available immediately. Today's request for the air corps was \$46,442,829. The administration said that would obtain 765 new combat airplanes.

In addition, Mr. Roosevelt requested \$490,071 for radio equipment for the Signal Corps and \$2,067,100 for armament for the 565 airplanes.

Meanwhile, a Republican attempt to bring Secretary Hull before a congressional committee to discuss foreign policy, in view of proposed military development of Guam, encountered

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With 12,000 Dead, Chile Fears Plague

Santiago, Chile, Jan. 27.—(AP)—The Chilean government concentrated on the fight to stand off disease in the stricken earthquake region today. Militia directed the work. The death estimates, at their highest, still stood at 12,000, but it was likely that an accurate count could never be made at Chillan, Concepcion and a score of smaller towns and villages in the region 200 miles south of the capital.

The Chillan death estimate was 4,000 to 6,000 and that for Concepcion about 2,000. Elsewhere the death toll was smaller.

Special trains, planes and trucks carried doctors and nurses into the affected areas.

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ENDLESS FUNERAL MARCH THROUGH RUINED STREETS

Chillan, Chile, (By Buenos Aires), Jan. 27.—(AP)—An endless file of funeral carts slowly made its way

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