TWENTY-SIXTH YEAR

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SENATE REJECTS FOR NOMINEE FOR JUD

Bill Exceeds **Current Year**

Independent Offices Appropriation Measure Over Billion Dollars and Many Millions in Excess of Current Fiscal Year In Total

Washington, Feb. 6.—(AP)— The House Appropriations Committee recommended \$1,898,512,769 today to operate more than a score of independent government agencies for the year beginning next July 1, an increase of than \$298,000,000 over the cur-

Despite the increase, the committee lopped off \$1,580,670 from some of the budget bureau's estimates. It withheld the \$2,038,175 appropriation recommended for the Federal Communications Commission pending action by Congress on the President's request for reorganization of the commission, torn recently by internal dis-

The commission proposed cutting \$2,000 from the salary of each member of the Maritime Commission and each member and the administrator of the new Civil Aeronautics Authority.

Salaries of these officials were fixed by law at \$12,000 a year, but the committee said the reduction to \$10,-000 was in line with the treatment accorded members of both the Interstate Commerce and Tariff Commis-

The net increase in the bill's total was accounted for by inclusion of a new item of \$100,000,000 for the Maritime Commission's construction fund, and a grant authorizing the commission to contract for an additional \$230,000,000 of construction.

Fresh Rains Fail To Alarm Flooded

Cincinnati. Feb. 6.—(AP)—A light general rain drifted into the Ohio river today, but Metereologist W. C. Devereaux said "this is not the type of storm to cause any a'arm" along the flooded Ohio river.

This is because of falling or stationary stages from Pittsburgh to Portsmouth, Ohio, he Devereaux said previous estimates of flood crests, were unchanged, and that nowhere did precipitation total more than four-tenths of an inch. Rain was reported general from Louis ville, Ky., to New Orleans.

N. C. Finances **Better Than** Other States

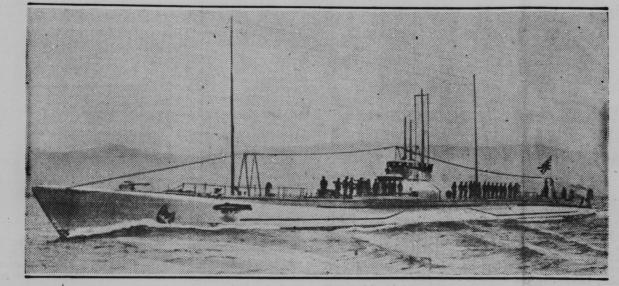
Raleigh, Feb. 6.—(AP)—Governor balanced State budget.

lison, of Pamlico, said he planned to wide radio. Observers agreed that the introduce a bill tonight to amend the score was still a 0-0 tie. Constitution to provide additional pay for legislators who now get \$600. Speaker Ward, of the House, commented that he thought it was "a

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Big Spending Franco Wants Full Surrender Another Nominee of

Japanese Super-Submarine Sinks-48 Aboard



Tragedy strikes the Japanese navy with the sinking of the crack submarine I-63, capable of a cruise to the United States and return without refueling. The 2100-ton submarine sank to the bottom of Bungo Channel, at the southwestern end of the Japanese island group, with 48 aboard, following a collision

Money Still

Collection and Distribution of "Long Green" Causes Most Legislative Headaches

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

Raleigh, Feb. 6.—Legislative activity last week was again divided between Capitol halls and committee rooms, Ohio River Areas bution, holding nearly all the attention.

The issue of disersion of highway funds, the question of duplication of activities in agricultural work, and the tendency of the appropriations committee to use a meat axe on the budget commission recommendations, and efforts of the finance group to locate somewhere, somehow a few ex-

tra sources of revenue, all go back Election reform, wage and hour regulation, and proposed revision of nearly the whole North Carolina fered. code on descent and distribution of estates came in for some thought, and in the long run may be of as much importance to the average citizen as any of the tax bills or appropriations. But the interest bestowed upon them

during the past week was meager. The diversion argument reached its climax Tuesday and Wednesday, but the prophet who says that the fight is over will almost certainly have to eat his words later. Truth of the matter is the real fight has not started. Up to now there have been maneuvers for advantages of some little vanguard skirmishing. It must be admitted by the anti-diversionists that they have come off second best in the pre-

iminaries. The 500 red ribbon wearers here Hoey pointed to North Caro.ina to- Tuesday afternoon for the committee day as being "in a fortunate situa- hearing made a fine showing against tion" as compared with several other the diversion idea. Two former highstates, including Georgia and New way commission chairmen, and at York, as he discussed the need for a least prospective candidates for governor went to bat for them. At a joint There was no legislative activity session of the legislature that night, of insurance companies since 1906 except a finance committee meeting Governor Hoey presented the other in the afternoon. Representative Mal side in an appeal that went over state

week studying plans to alleviate dupgood thing" for the legislators to go Temperature of some of the "wit-

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Propose Pay Increase Of Legislators To \$900 Sum

Daily Dispatch Bureau, In the Sir Walter Hotel. from \$600 to \$900 per term is sche- gular session of lison, of Pamlico, according to ap- the same.

parently authentic reports. Mr. Mallison was out of Raleigh nition is the fact that State disburs over the week-end and he could not ing officials will not issue checks to be reached for confirmation of the members for part payment for the ses-

Legislators' salaries are now fixed by the Constitution at \$600 per term,!

contrary to the belief in many quarters that the assemblymen draw \$10 Raleigh, Feb. 6.-A constitutional per day for a maximum of 60 days. If amendment proposing to increase the such a thing ever happened-it hasn't salary of General Assembly members for lo, these many years—and the reany Assembly adduled to be introduced in the House journed short of the 60 days, then the tonight by Representative Dallas Mal- members would get their \$600 just

The only official \$10 a day recog report, which appears on its face to be sion except on the basis of \$10 per day for the already-expired portion of

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Vote Likely This Week Chief Worry On Election Law Reform Of Assembly And Agriculture Rivalry

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

lative issues are likely to reach tone mittee climaxes this week, while work on preparation of the two big

ment of Agriculture and State College Extension Service.

schools will be the first important appropriations committee problem, with a hearing for bottlers in opposition to a proposed "crown tax" as the inittee. major scheduled item on the finance group's agenda.

great progress in consideration of the two wage-hour bills already of-Three bills dealing with operation

of the Unemployment Compensation Commission will come up as a special order of business tonight and are due for passage in the Senate at that time. Getting back to election law reform it is expected that the sub-commit-

statutes.

On the agriculture front, high spot | gainst foreign influence in Spain. Tuition charges at State-supported of the week will come Thursday when a joint committee of technical experts from State College and the department are due to report to the com- whether they are actually holding to

Predicting any real agreement between these groups which have been Subject to change with little notice, at war for so long is as risky as sugthere now seems small likelihood of gesting a Roosevelt-Bailey coalition in national politics, but hopes are really running high that something constructive will result from the conference of these experts. They were directed-note that they were "directed" not "requested"—by the agriculture committee to meet together and report, stating what things they

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Says Inquiry Of Insurance Is Justified

Washington, Feb. 6 .- (AF)-Chairman William O. Douglas, of the Securities Commission, told the "temporary national economic committee today that the "spectacular" growth alone justified an inquiry into their economic influence.

Douglas, who was the first witness called by the monopoly committee in A joint sub-committee spent all its investigation into insurance company investments, said insurance lication in agricultural activities of firms had cooperated fully with the the State department and the college. SEC. He emphasized that he was in no way questioning the adequacy of the companies' reserves.

"No policy holders need have any concern," he said, "that any fact brought out in this inquiry will in any way jeopardize the protection which they count upon through their insurance policies."

The witness paid tribute to the about it. work of the so-called Armstrong committee, a joint New York State legislative committee which investigated life insurance companies there in 1905. The work of the committee, which employed Charles Evans Hughes, now chief justice of the United States, as counsel, has long been recognized, Douglas said, "an an outstanding contribution to an understanding of the

FOR NORTH CAROLINA. Rain this afternoon and tonight; slightly warmer in central portion tonight; Tuesday partly cloudy except probably clear in north portion in early morning; slightly warmer on south coast and in south portion.

Senate Mad Over FDR's **Procedures**

By CHARLES P. STEWART

Washington, Feb. 6.-Congress is greatly exercised over the supposed secrecy of President Roosevelt's foreign policy.

My own impres-

he summoned the

Senate Military Af-



not to leak what he said to them. I think Louis Ludlow they have leaked it

all. Nevertheless nobody is quite sure Anyway, the President unquestionably discriminated somewhat in favor of the senatorial military affairs committee membership, implying that he could trust that group, but not the rank and file of senators and repreentatives.

And my!-how sore it made those not on the military affairs committee. It made the members of the senatorial foreign affairs committee especially sore—the representatorial foreign affairs committee likewise—also the Senate and House Naval Affairs Committees.

Senators, if anything, are angries than the representatives. This is be cause the Senate, in particular, is supposed to indorse or veto any interna-tional dickers that the President, through the State Department, may en

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Loyalists In Spain Hoping To Fight On

Defiant Stand Before Madrid Indicated As Insurgents Offer Peace Only on Unconditional Surrender; Flight to France Continues

Perpignan, France, Feb. 6.-(AP)-Premier Juan Negrin of the Spanish government called a conference today with British and French envoys to Spain, presumably to take up mediation of the

Spanish civil war. Negrin's foreign minister, Julio Alvarez del Vayo, joined in arranging for the meeting, while Negrin's defeated Catalonian army poured into France.

London, Feb. 6 .- (AP)-Spanish in surgent authorities were reliably reported today to have informed the British government their peace terms were "unconditional surrender" of the

This disclosure came on the heels tee named last Friday afternoon by of a report in authoritative quarters Chairman George W. Phillips will that Britain and France were makget down to work almost immediately ing a fresh attempt to mediate the Raleigh, Feb. c.-Two major legis- after return of its members from the two and a half-year-old Spanish civil

money bills goes forward with pres- is keen over its action, with the best the attention of Generalissimo Franpects good for decision on several guess a recommendation that the re- co's regime to a three-point peace ofimportant features.

The big committee features have to deal with election law reform and the law the everlasting wrangle over duplica- enacted as a substitute for existing flatly that these terms were "utterly tion of effort between the Depart- absentee, marker and registration unacceptable." One of the three points called for an insurgent guarantee a-

"The Spanish government apparently has left Spain," the informed source said, "and we do not know

Events in Spain were changing with such rapidity, it was said, "that it is not possible to discuss at this minute any action which the British govern-

(Continued on Page Two.)

Warren Says He's Ignorant Of Boom Here

Washington, Feb. 6.-(AP)-Representative Warren, Democrat, North Carolina, gave a six-word reply today to reports published in North Caronomination next year.

he said, declining further discussion. as military, victory was assured. Former Governor O. Max Gardner. of North Carolina, now a practicing attorney here, and mentioned in the cord" with the statement January 26 reports as a possible supporter of Warren, should the representative Bonnet that "all forces of Great Briseek the governorship, also professed no knowledge of such a movement. "Congressman Warren has never spoken to me about anything like that," Gardner said. "I know nothing whatever about it."

Slides to Death



Gloria Bergfors

Coasting at Squantum, Mass., three-year-old Gloria Bergfors lost control of her sled and hurtled over a six-foot sea wall into Quincy Bay. She drowned despite frantic efforts

of her mother, who leaped into the icy waters after her baby.

(Central Press)

President Disavows Being A Communist

France Accedes



Senator Leon Berard

France makes its first major gesture toward the Spanish insurgents by sending Senator Leon Berard. above, to Burgos. Berard hoped to stem the tide of refugees to France. (Central Press

Pledges Aid With France

ately Cooperate In Is Taken Into Any Crisis; Answer Italian Threat

London, Feb. 6 .- (AP)-Prime Minster Chamberlain to d the House of Commons today any threat to "vital interests of France, from whatever ed to the Supreme Court today from quarter it came, must evoke the immediate cooperation of this country.' His declaration followed a statement yesterday by Virginio Gayda, lina that he was being urged to seek Italian fascism's newspaper spokesthe State's Democratic gubernatorial man, that Italian troops wou'd stay in Spain until the Generalissimo "I don't know anything about it," Francisco Franco's political, as well

The prime minister said the British government was "in complete actain would be at the disposal of France, just as all forces of France would be at the disposal of Great Britain in case of a war in which the two countries were invo.ved." Chamberlain's statement was con-

sidered particularly significant in view of fascist agitation for concessions in the Mediterranean and Af-

But Wisconsin Legislature Has Protested Amlie Appointment to ICC as Red Radical; Senate Stands By Glass and Byrd on Judgeship

Washington, Feb. 6.—(AP)—The Senate rejected today President Roosevelt's nomination of Floyd H. Roberts to be a Virginia Federal judge. Senator Glass and Byrd, Virginia Democrats, had objected to the appointment. The Senate Judiciary Committee had disapproved the nomination by a vote of 15 to 3.

Glass and Byrd testified before the committee that the nomination was "personally offensive" to them. The vote refusing confirmation was

72 to 9. President Roosevelt told a press conference Friday that if the nomination was rejected, he would write a letter to Roberts which would be right interesting.

AMLIE, NAMED TO I. C. C., DENIES HE'S COMMUNIST Washington, Feb. 6.—(AP)—Thomas R. Amlie disavowed sympathy with communism today in testimony before a Senate Interstate Commerce sub-committee, during which he favored public ownership of the rail-

roads The former progressive representative from Wisconsin testified at a hearing on his qualifications to serve on the Interstate Commerce Commission, to which he was nominated re-

cently by President Roosevelt. "I want to say that I am not a communist and never have been a communist," he said. The Wisconsin legislature has protested Am.ie's ap-

pointment, declaring he was a com-Amlie told the committee his views on public ownership of the railroads was similar to those of Joseph East-

man, a member of the I. C. C. After Amlie finished testying, William Carroll, chairman of the Wisconsin Democratic Central Committee, told the committee that Amlie was "one of the most radical men in

(Continued on Page Two.)

Britain Will Immedi- Hague Appeal Supreme Court

Washington, Feb. 6.-(AP)-Mayor Frank Hague, of Jersey City, appeala decision holding that he and his police unconstitutionally had denied the CIO and the American Civil Liberties Union the right of free as-

Through attorneys, the Jersey City mayor also asked Associate Justice Roberts to hold up enforcement of the ruling by the Federal Circuit Court at Philadelphia until the Supreme Court could pass on the dispute. Roberts referred to the entire court th request for a stay.

Hague's petition contended that "the sole issue in this case is the expense to which public streets and places shall be made a forum for large gatherings of persons upon particular occasions.

Jersey City was enjoined by the circuit court from prohibiting meetings by the two organizations. The court also held unconstitutional an ordinance under which the meetings

British Rulers Guarded As Irish Plot Broadens

London, Feb. 6.—(AP)—Allegations | discovered in a search of the home of that the outlawed Irish republican Michael O'Shea, and read: bomb outrages.

terious "aluminum powder", a new exploited to the rull." arrest of "considerable importance," The agreed plan gave details of a

The attorney said the plans were try.

army had formed a plant to blast the "In order to exercise a maximum British out of Ireland were made in world effect, the diversion (presumpolice court today as Scotland Yard ably bombings) must be carried out guarded the British royal family, high at a time when no major world crisis officials and public buildings against is on, but if it is carried on when trouble is anticipated with the jump-At the trial of 12 men accused of iness and nervous expectation of the conspiring to cause explosions, the government, as well as the nervous proscuting attorney spoke of a mys- potential panic of the people it can be

and a plan designated as "X", and four day ultimatum sent Foreign Secdescribed as "most comprehensive retary Viscount Halifax on January and covering every field of public 13, four days before three explosions occurred in various parts of the coun-