

RAISING OF DEBT LIMIT MAY BE DROPPED

Retirement For State's Group Asked

Cherry and Hatcher Sponsor House Bill Covering State Employees and Teachers, or Some 40,000 Persons in All; Effective in 1941

Raleigh, March 11.—(AP)—A bill to provide a retirement fund for about 40,000 State employees and workers in all other branches of the government was introduced in the House today by Representatives Cherry, of Gaston, and Hatcher, of Wake.

Apparently, the measure was designed to replace a previously introduced proposal providing a retirement plan for teachers alone. The House held a short session, receiving four new bills, passing eight and sending them to the Senate. The representatives tabled, thereby virtually killing a bill to allow Avery county citizens to fish in the county without licenses.

The retirement bill, which would not take effect until July, 1941, would cover all State employees except those whose retirement is provided by other means, such as peace officers. Also exempted would be justices of the Supreme Court, judges of the superior court, the governor and other elective officials. Two and one half percent would be deducted from the employees' pay for the funds. The Advisory Budget Commission would determine the amount needed from the

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Cherry-Ward Feud Grips House Fights

Daily Dispatch Bureau, In the Sir Walter Hotel. BY HENRY AVERILL Raleigh, March 11.—Just as personalities of Henry Clay, Daniel Webster, John C. Calhoun and other famed leaders of Congress once almost overshadowed the real issues of their noted debates, the clashing egos of Speaker Libby Ward and former Speaker Gregg Cherry are all but obscuring much of the real meat in a series of bitterly fought skirmishes in the House over finance and appropriation measures. This pair of brilliant, hard-hitting orators has monopolized the attention of gallery, members and press section for the last few days as their clothes have been enlivened with sparkling, slashing thrusts and counter-thrusts. Mr. Cherry has consistently sought to increase appropriations recommended by the House committee, and as stoutly defended them. To date there are far more scalps dangling from the Ward than from the Cherry

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Money Fight Strangest In Many Years

Executive Department Favors Liberality, Legislature Retrenchment in Spending

Daily Dispatch Bureau, In the Sir Walter Hotel. BY HENRY AVERILL Raleigh, March 11.—North Carolina legislatures have come and gone over past years, but not within the memory of the oldest inhabitants has the perennial, or rather biennial, battle over money been along the same lines as the one now raging. In the past it has invariably been the rule that the executive branch of the State government fought to keep a curb on legislative spending and reckless raising of money through the revenue bill. That has been true at least ever since the Morrison administration—

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Scarlett Comes to Life



Vivien Leigh, English actress, is pictured with Director Victor Fleming as she will appear in role of Scarlett O'Hara in motion picture "Gone With the Wind," adapted from Margaret Mitchell's best-selling novel. Photo snapped between scenes during Hollywood production.

Money Bills Near Adoption, Assembly Moves Toward End

Raleigh, March 11.—(AP)—Devoting a goodly portion of its time to consideration of the all-essential revenue and appropriations bill, the General Assembly took seven-leagued strides this week along the tedious and rocky road to adjournment. The House kept its nose glued to the money bill grindstone practically all week. It passed the revenue bill, turned it over to the Senate and started work on appropriations. Early this morning the Senate completed committee-of-the-whole consideration of the revenue bill and passed it on first and second readings to get around a constitutional provision which provides that the tax bills must be passed on three separate readings on three separate days in each house, the Senate stopped the clock shortly before midnight. Thus, although the bill ac-

Feelings Are Taut In House During Debate

Daily Dispatch Bureau, In the Sir Walter Hotel. BY HENRY AVERILL Raleigh, March 11.—Eight or six or even four years ago when Gregg Cherry was making a reputation as one of the leaders of the "economy bloc" in the house of representatives, if someone had predicted that in 1939 that same Cherry would assume leadership of the larger spending group, the prediction would have ridiculed. But those who came to laugh would remain to pray, for it was Gregg Cherry who Thursday night led the fight which succeeded in increasing appropriations for the State Board of Health up to the Budget Commission figures. That added \$71,000 to the bill for the two years beginning July 1. Twice before during the first day's consideration of the money spending bill Cherry had tried to up amounts for libraries and historical commission. In these efforts he failed. Chairman Bill Fenner of the finance committee interrupted Major Cherry on one occasion to charge him with inconsistency and with having reversed his position. This brought a personal interchange which occasioned Chowan's John Fernando White to rise to the point of order "conduct of the gentlemen is in violation of rule 37." Fenner unquestionably was mad, and Cher-

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tually was approved on first reading at 12:25 a. m., it went into the record books as passed initially on Friday. The second reading passage occurred a few moments later, after the Senate had recessed long enough to start the clock. The Senate made these principal changes in the bill as approved by the House: A tax was placed on certain headache remedies, caskets were exempted from the three-percent sales tax, a clause was added to the slot machine license section saying that nothing in the bills should be construed as legalizing gambling devices, savings deposited in building and loan associations were made liable to the intangibles tax; and the levy on installment paper was cut from one-half to one-third of one percent, after the exemption of State banks had been removed.

Horton For Merger Of Money Groups

Daily Dispatch Bureau, In the Sir Walter Hotel. BY LYNN NISBET Raleigh, March 10.—As the Senate takes up consideration of the revenue bill, which was received from the House yesterday, Lieutenant Governor Horton reiterated to newspaper men his oft-stated opinion that legislation could be expedited, the State's institutions, departments and tax-paying citizens better served, and a better feeling of fair play insured, if the finance and appropriations committees were combined into one money committee. Long legislative experience has convinced Governor Horton that legislators generally are sincere in their desire to do the right thing for all parties. The present system on one group hearing all the requests for money and an entirely different group hearing all the pleas for relief from taxes, has never been al-

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HOEY TO DECIDE ON CRAVEN MAN'S FATE

Raleigh, March 11.—(AP)—Governor Hoey said today he would announce a decision by the middle of next week in the case of Roby Hawkins, 35-year-old Craven county man scheduled to die Friday for the slaying of his wife.

Armistice Appears Far Away In Labor Peace Negotiations

New York Conference Adjourns Until Monday, With No Specific Line of Approach To Accord; CIO Proposals Discussed at Length

New York, March 11.—(AP)—Negotiators for labor peace, representing the CIO and the AF of L, wound up their second conference early today amid indications that armistice was far away. At the end of five hours of discussion in a mid-town hotel suite, they emerged with a joint statement saying they would meet again here Monday, and making clear that no specific agenda had been accepted. "The joint committee," the announcement said, "discussed at length the proposals submitted by the committee for the Congress of Industrial Organizations. In the course of the discussion, the representatives of the American Federation of Labor proposed that negotiations for adjustments of the pending differences proceed from the point where negotiations of December, 1937, were left off. It was agreed that the proposal submitted by the AF of L and any other proposals that may be submitted will be discussed at the meeting which is to convene on Monday at 10 a. m. here.

Harry Bates, chairman of the AF of L delegation, and president of the AF of L bricklayers union, who issued the statement, declined to amplify, and John L. Lewis, the CIO head, likewise refused comment.

Stalin Says U. S. Desires Soviet Ruin

Moscow, March 11.—(AP)—Joseph Stalin, in one of his rare addresses, declared today that England, France and the United States had ceased to resist world aggression in the hope it would lead to a ruinous war against Soviet Russia. The hope, particularly of England and France, the Soviet leader told the opening session of the 13th All-Union Congress of the Communist Party, was that a German or Japanese war against Russia would weaken or exhaust the combatants, where upon the democracies would step in to dictate peace. Only this and an accompanying fear that another world war would

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Pope Names Secretary Of Vatican

Rome, March 11.—(AP)—Pope Pius XII today appointed Cardinal Luigi Maglione, former nuncio to Paris, as Vatican secretary of state—the position which as Eugenio Cardinal Pacelli, the pontiff himself had filled under Pius XI. Cardinal Maglione, an experienced diplomat, is 62, one year younger than the pontiff. He is one of the pope's intimate friends. They were classmates at Rome when they were studying for the priesthood. Thousands of disappointed applicants for tickets prepared to go to St. Peter's Square at sunrise tomorrow to wait all morning for a view of the coronation itself on a balcony outside the basilica about 1 p. m. (7 a. m. Eastern Standard Time). A broadcast of the ceremonies, which will last about four hours, is expected to begin about 2:30 a. m., eastern standard time. Radio work-

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WEATHER

FOR NORTH CAROLINA. Partly cloudy tonight and Sunday, followed by showers Sunday afternoon in central portion; warmer tonight and in east and central portions Sunday.

WEEKLY WEATHER. South Atlantic States: Clearing by Monday morning, generally fair rest of week except for rain about Thursday; colder at beginning of week, warmer by Wednesday but colder toward end of week.

Franco Launches Drive Against City Of Madrid

Madrid, March 11.—(AP)—Booming guns on the regular civil war front along the western margin of Madrid today indicated that Nationalist General Franco's armies had launched an attack against the city while Republican General Miaja's forces still were mopping up communists in the war within a war. Resumption of bombardments along the 28-months-old siege line indicated that the nationalist forces which had withheld their fire during the sixday revolt against Miaja's "peace with honor" program had resumed the attack. Fierce artillery fire developed on the nationalist-republican front southeast of Madrid also and observers reported "heavy fighting" and a "terrific duel" of artillery battles. Within Madrid fierce machine gun fire through the night drove the communist rebels from what Miaja's national defense junta called their last major stronghold near the center of Madrid. But the communists merely retired to set up a new resistance center in a maternity hospital. The hospital contained about 1,000 women, expectant mothers and others with newborn infants. Elsewhere in the city communists were being dispersed and groups of them were surrendering. Troops loyal to Miaja also attacked a communist provincial headquarters with field guns. During the bombardment fire developed in the buildings, Miaja's troops finally broke in and seized a few communists.

Slovaks Demand Ousted Premier Stay In Office

Bratislava, Czechoslovakia, March 11.—(AP)—The Slovak parliament today recommended that Dr. Joseph Tiso, be re-appointed premier of autonomous Slovakia, the post from which he was ousted by the Prague government for backing Slovak independence agitation. The recommendation immediately was submitted to the government in Prague. Bratislava remained quiet, and there was serious talk of a compromise being reached over the Slovak demands for a complete independence—not merely autonomy—from the Prague government. Karl Sidor, vice-premier of Czechoslovakia and representative of the Slovaks seemed to be in control of the situation. In a conciliatory radio speech, he asked the extremist Hlinka guards (Slovak storm troopers) to maintain discipline. Hlinkist guards paraded through the Slovak capital carrying rifles and pistols. Some were in uniforms and others displayed badges on their civilian clothes.

Capital Remains Quiet as Compromise Is Talked; Appeal Made to Berlin; Delegation on Way to Prague for Conference

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HITLER NOT YET READY TO TAKE HAND IN FIGHT

Berlin, March 11.—(AP)—Germans took a strong view of the conflict in Czechoslovakia today, but a government spokesman suggested Chancellor Hitler would observe events in the neighboring republic for a while before committing himself. The government by early afternoon had not replied to the note

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Gardner And Lumpkin Fail In Amendment

Daily Dispatch Bureau, In the Sir Walter Hotel. BY LYNN NISBET Raleigh, March 10.—The first amendment of consequence offered in the Senate committee of the whole considering the revenue bill was sent up by Franklin's Lumpkin, asking for exemption from the license tax of carnivals showing in connection with recognized agricultural fairs. And, strange as it may seem, the most eloquent and ardent supporter of the amendment was Ralph Gardner, of Cleveland. The juxtaposition of Lumpkin, rated since the Max Gardner regime as "anti-administration," and the son of the former governor occasioned a smile. However, the combined strength of Lumpkin, Gardner and one or two other stalwarts failed to break the finance committee lines. The taxing item stays in the bill as it came from the House. With President Pro Tem Erskine Smith, presiding as chairman of the committee, the dapper Senator Pat

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Some Senate Leaders May Fight Boost

Administration Likely Will Not Ask \$5 Billion Increase to \$50 Billions; Republicans and Anti-New Dealers To Fight Reorganization

Washington, March 11.—(AP)—Some senators predicted today that the administration would drop the idea of asking Congress to increase the public debt limit by \$5,000,000,000. Secretary of the Treasury Morgenthau told a House committee recently "we are going to have to ask Congress to extend the debt limit from \$45,000,000,000 to \$50,000,000,000 if the legislators approve the expenditures proposed in President Roosevelt's budget estimates." Senator Schwellenbach, Democrat, Washington, an administration supporter, commented today, however, that he saw no necessity of increasing the limitation this session, if it would suffice until next year. Other senators, asking that their names be withheld, said they were confident the administration would not ask the increase. They said raising of the limit now would undoubtedly tend to disturb business confidence. In addition, some congressional Democrats expressed apprehension that it might be dangerous politically to affect the increase. Treasury estimates have placed the probable debt on June 30, 1940, at \$44,400,000,000, within \$600,000,000 of the limit. In another field of congressional

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Biting Cold Hits Parts Of Country

Chicago, March 11.—(AP)—A belated cold wave enveloped New York State and New England today as a snowstorm fell in eastern Colorado. A late winter cold spell sent the mercury tumbling to 22 below zero at Wanakena, N. Y., and ten below at Albany, N. Y., the coldest ever recorded this late in the season at Albany. Northfield, Vt., had a low of 14 below. It was four above at Oswego, N. Y., and nine above at Bos. New York City's minimum was 18 above. Heavy rains doused much of the Middle West, the Ohio, lower Mis-

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High Point Power Program Licensed

Washington, March 11.—(AP)—The Federal Power Commission today approved the application of High Point, N. C., for a license to construct a city-owned PWA-financed hydro-electric power plant on the Yadkin river. The commission conducted a hearing on the application yesterday. No opposition was expressed, and the commission began deliberating as soon as the hearing had ended. The estimated cost of the project is \$6,500,000. High Point owns its electrical distribution system, but buys its power from a private firm. Roy Deal, special counsel for High Point, advised the commission that all legal obstructions had been removed from the city's proposal.

Norris Wants Preparedness; Borah Against

By CHARLES P. STEWART Central Press Columnist Washington, March 11.—Senators William E. Borah and George W. Norris disagree on a queer proposition—for that pair to disagree on.



Borah

Borah of Idaho and Norris of Nebraska are pretty much alike. Borah is an American isolationist—absolute non-participation in overseas quarrels is his motto par excellence. Norris is the only surviving senator who voted against this country's participation in the World War. They're partners, to all intents and purposes. Borah calls himself a Republican; really he's an independent. Norris was reelected in his last campaign as an independent, but previously he always had run as a Republican. Now they've split. Norris is in favor of American aerial defense. Borah contends that aerial defense is a mere matter of jitters. Neither of the two has any expert knowledge of the problem.

Senator Borah's proposition is that no foreign power can get here—airially or otherwise. He recognizes that German or Italian planes can wreck London or Paris, but he contends that they couldn't imaginably flit damagingly over New York or Washington or farther inland. So, why—he asks—blow in good money against the impossible? "Jitters," he says. Military aviators concur with him, more or less.

Senator Norris' version. Senator Norris concedes that no overseas power can invade the Unit-

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Fleet Games Showed Need New Bases

Swanson Says Submarine, Destroyer and Airplane Ports Revealed Lacking

Charleston, S. C., March 11.—(AP)—Secretary of the Navy Swanson said here today that the recent naval maneuvers in the Caribbean confirmed the opinion of our naval experts that bases for submarines, destroyers and airplanes are needed in the Atlantic. Swanson sailed aboard the U. S. S. Houston for a cruise to the West Indies. "The reports which I have had of the recent fleet maneuvers are most gratifying," Swanson said. "Though no winner is announced at the conclusion of these war games, the real winner is always the American people. The lessons learned from such problems are definite contributions to the national defense." Swanson pointed out that a naval board recently recommended that Congress establish naval bases on Puerto Rico and St. Thomas islands, and a southeastern air base on the mainland. Charleston is being considered for the air base, he said.