TWENTY-SEVENTH YEAR

LEASED WIRE SERVICE OF THE ASSOCIATED PRESS.

HENDERSON, N. C., THURSDAY AFTERNOO N, MARCH 21, 1940

PUBLISHED EVERY AFTERNOON EXCEPT SUNDAY.

FIVE CENTS COPY

# Reynaud Forms New Cabinet

# 31.2 Percent Ahead Of 1939

## Food Stamp Plan Lauded

Senator La Follette Asks Increased Ap-The Program.

e moving toward a vote on velt's budget estimate. ions for the government's

terner asked that funds for the same period last year. a surplus commodities be od stamp plan was operat-

that has worked and won as support".

gued that the food stamp plan most effective device yet ut to deal with the problem consumption of food pro-

Democrat, O'Mahoney. ng, told the Senate that unmight develop "a peasin this country.

ing a proposal to expand nment's food stamp com-istribution system, O'Masaid that what was needed "real jobs at real wages will be a real market for

iucts of the farmer."
the food stamp program or 25 cents each and then without cost a 25-cent blue The orange stamps may be ged for any groceries and the ip be used for the purchase ducts which the government ignated as surplus.

### Equaling Emerbency Appropriation Requests. propriation To Extend Secretary Morgenthau 21.—(AP)—said today tax collections were running 31.2 percent ahead of last year and "comfortably ahead" of President Roose-

that preliminary estimates of income

on dollar farm bill, today a mater La Follette, Progressin, urge expansion of regional offices showed collections of \$621,000,000 in the first 20 days of March, compared with \$473,000,000 in

of surplus commodities be trom \$85,000,000 recomber the Senate appropriations to \$113.000,000.

Morgenthau declined to say by what margin the collections would exceed budget estimates, but added that there was not "a chance" of the tamp plan was operat-100 cities, La Follette additional revenue asked by the the larger fund would make he addition of 60 cities.

President to pay for emergency national defense costs and to help keep tional defense costs and to help keep Lette declared the surplus the treasury under its \$45,000,000.activity was "one New Deal" 000 statutory debt limit.

Asked whether he still favored new taxes despite comment of leading congressmen that the higher tax collections obviated the need for new taxes the secretary asserted:
"In words of one syllable I stand

a substantial proportion on the President's message until ne changes it." He added that he had no reason

to believe that the President would ent and farm tenacy were withdraw his request for new taxes At the same time Morgenthau repudiated proposals to use some of the \$2,000,000,000 in the treasury's stabilization fund.

"I certainly am not going to use the stabilization fund or any other trick method to avoid the debt limit," the treasury head said.

"It is strictly up to Congress and if they vote to spend money which persons may buy two orange will exceed the limit it is up to them to do something about the limit.
"I don't think the \$45,000,000,000 limit is very important. There is no reason why it should not be 46, 47 or 48 billions. I would not worry if it were 50 billions."

## Less Money Baltic Bases For Agencies Next Targets

British Admiralty Belittles German Claim of Successful Raid On

March 21.--(AP)--Gergun-bristling submarine the Baitic are the next le targets of British bombers,

reported today.

odmiralty belittled a Gercontention that nine British as and merchantmen had been an air attack on a convoy Scottish coast yesterday. ally, it said, only one Nor-ship had to be abandoned arther Norwegian and a Swedfeamer were hit. Two naval and anti-aircraft guns drove

German bombers, it asserted. German communique said nine ink totaled 42,000 tons and others of 11000 tons were dambadly. The agency acknowged that one German plane had

led to return. The German raid was in reprisal the British bombardment of Sylt and Tuesday night and Wednes-Inorning—a raid that was itself teprisal for Saturday's German bing of the British naval base Scana Flow.

### Big Letting Of Road Contracts Set For April 4

Raleigh, March 21.-(AP)-The hahway Commission will open bide charges of conspiracy to possess and 4 on 17 road building projects distribute counterfeit money. They wil cost approximately \$1,one of the largest lettings Joe

nt on route 95. umberland and Harnett coun-bridge Little River on U. S. United States reformatory. Trial of the case started Monday.

Washington, March 21.—(AP)— Contending that the labor relations board was "overstaffed" and that a 'confused administrative problem' existed in the wage hour administra-tion, the House appropriation committee asked Congress today to trim next year's funds for those agencies.

The committee proposed an ap-

propriation of \$2,843,000-\$337,000 under President Roosevelt's budget \$5,105,000—or \$1,080,000 less than budget figures—for the wage hour when Arthur B. Purvis, head of the budget figures-for the wage hour administration.

The recommendations were incorporated in a \$954.189.700 bill for use of the labor department, the federal security agency and four other related agencies during the fiscal year beginning July 1.

Most of the reduction below the

budget was accounted for by a \$10,-000,000 cut in a \$245,000,000 item for grants to states for old age assistance. The committee reported that until Congress amended the wage-hour law "to clarify certain ambiguities" and the administrator could simplify procedure, it would be "improvident" enlarged administrative setup the

## Convictions Counterfeiters

budget bureau proposed.

Durham, March 21.-(AP) Judge Johnson J. Hayes sentenced six defendants in federal court here to the 1937 level. today to serve prison terms on "In the knit go

Joey Ferrera of New York City, three years; Charley Olive of Durbane months. The left on which bids will be read include:

Were:

Joey Ferrera of New York City, three years; Charley Olive of Durbane, two years; Theodore C. Hester of Roxboro, \$500 fine and a year and a day imprisonment, the prison sentence being suspended; and William King. Andrew Williams and Ora McIver. Durham Ne-

### Secretary Morgen-thau Says, However, British Ships Chance" of Excess On High Seas There is Not "A

Mauretania and Queen Mary Leave New York, Presumably To Become Troop Ships.

New York, March 2i.—(AP)—Two Edouard Daladier, whom Reynaud of the proudest liners of the British succeeds as premier, stayed in the

waters today.

Slightly more than 12 hours after the 35,739-ton Mauretania slipped out through a misty rain from the pier where she had been tied up for three months, the giant Queen Mary nosed out into the Hudson and passed down the bay.

The destination of the two liners was known only to their commanders, who sailed under sealed orders, well at sea, but presumably sending them on dangerous missions as troop ships.

Both liners were drab in their camouflage grey, their windows blackened and all signs of identity blotted out. The Queen Mary had been at her berth since September 4-the day

after war started.

## Allies Want Speedy Plane

Warplane May Speed average. Showdown On Policy matter of age," he said. Toward Sales.

Washington, March 21.—(AP)— Keen allied interest in a sevenmile-a-minute American warplane may accelerate a showdown in the administration policy in foreign pur-

heed which the war department has just released—in a modified version —for sale abroad. The catch in the release is that without a secret de-vice the plane cannot make top speed.

it appeared likely that the ques-tion of the P-38 might be raised when the House military committee opens its investigation of warplane purchases next week. How far negotiations on the P-33

estimate-for the labor board, and have progressed was not clear. Spe-British-French purchasing mission, reported continuing discussion of a potential \$1,000,000,000 worth of

## Employment In Expectant Mother South Gains

Washington. March 21 .- (AP)-Congress received testimony Thursfor Congress to approve in full the day tending to indicate that industrial employment picked up relatively faster in the Carolinas and other southern states than in the rest of the country after the wage and hour law became effective.

The testimony came from Isado Lubin, commissioner of the labor de-parement's bureau of statistics. Lubin, according to testimony released when the bill was reported to the House, cited the southern furniture and knit goods industries.

He said employment in the South-ern furniture industry, centered in North Carolina, was as of November, 1939, about 10 percent above the highest level reached in 1937, whereas in the North it was not yet up

"In the knit goods industry, employment was 4 to 5 percent above the average for 1937 in the South, whereas in the North it is about 3 percent below the 1937 average," Lubin added.

FOR NORTH CAROLINA.
Mostly cloudy, occasional rain
Friday, probably beginning in mountains tonight; slightly cool-

# Be Minister Of Defense

"Win the War" Coalition Cabinet Is Drawn From the Socialists on the Left to Groups of the Right Wing.

Paris, March 21.-(AP)-Energetic Paul Reynaud today formany took the helm of the French government as premier and foreign mini. . r in a broadened "win the war" countion cabinet drawn from the socialists on tne left to groups of the right.

succeeds as premier, stayed in the merchant ricet plowed uncertain new ministry as minister of national defense. Reynaud and five other ministers consutute the inner war cabinet.

The socialist, largest party in the chamber but without representation in the French cabinet since Daladier took power in April, 1938, have three ministers. The cabinet was kept from being

a real national union government by regusal of the republication rederanot to be opened until they were tion at the extreme right to be represented.

Reynaud also set up a "war committee" and a separate "economic council." He called his first caome! meeting for tomorrow morning w be followed by a meeting with Presigent Aibert Lebrun.

#### AGE NO FACTOR IN WORKER'S ABILITY

Washington, March 21.-(AP)-The House heard today that studies in the tobacco stemming and cigar making industries have disclosed no relationship between a worker's age

and his productiveness.

Isador Lubin, commissioner of labor statistics, discussing the displacement of the workers because of nourly minimums, told a House com-mittee that in tobacco stemming Keen Interest In New about one sixth of the workers produce about 20 percent less than the

'This does not appear to be a

## **Candidates** Name County chases of aircraft. The new plane is the P-38, a heavily armed two-motored Lock-

Daily Dispaten Bureas. In the Sir Walter Hotel.

Raleigh, March 21.-First woman named to manage a county campaign bobbed up yesterday in the person of Mrs. Myrtle Ems of Bakersville who will lead the forces of Allen J. Maxwell in Mitchell county.

Maxwell-for-Governor headquarters announced her appointment along with that of Calvin Graves, Jr., as Maxwell manager for Forsyth. The Commissioner of Revenue thereby kept well ahead of the field

(Continued on Page Two)

## Of Quintuplets Is Taken To Hospital

Miami, March 21.—(AP)— Enriched by an agreement that provides funds and medical care, Mrs. Catherine Callahan, who hopes to become the mother of quintuplets, rested today in a hospital suite far more luxurious than her one-room \$2.50-aweek apariment.

But she was not a willing patient. Her physician, Dr. Arthur W. Wood, who earlier confirmed that X-ray photographs apparently showed five distinct heads of unborn babies, had to persuade the mother that a period of rest was necessary.

"I'm not sick", she asserted and demanded to be permitted to join her husband, Emory, 30year old furniture factory worker, who earns \$15 weekly.

Today the Miami Herald,
whose owner, John S. Knight,

placed the Callahans under con-tract for exclusive publication rights of photographs and news, planned to lease a new home for them where nursing and medical attention would be constantly available.
The Herald's agreement provid

ed the prospective mother with an undisclosed sum of money. the services of Dr. Wood and specialists if the physician de-sires to call them, and all hos-

## Income Tax Estimates Running Daladier To Decrease Of Nearly One-Third In North Carolina's Tobacco Acreage Predicted For 1940

Succeeds Daladier?



Paul Reynaud

Former finance minister in the Daladier cabinet and a champion of inflation, Paul Reynaud was asked by President Albert Lebrun to form a new cabinet and become premier of France. Daladier resigned because a majority of Deputies re-fused to vote confidence in his conduct of the war.

(Central Press)

## Hanes Sees Regulation Of In Recess State Banks

Denver, March 21.-(AP)- The federal government may seek to regulate state as well as national banks "unless a high quality of bank super-vision is maintained in every state." Robert M. Hanes, president of the American Bankers Association, de-

"aiming at greater stability in our April 2. state bank departments."

regulate banks constitutes a pledge to the public that government will do all in its power to insure the highest standards of bank management," Hanes said in an address prepared for presentation at a regional bankFarmers Apparently Intend To Increase Plantings of All Other ice Says.

grain crops except tobacco and sweet potatoes, the federal-state crop reporting service said today. The report said that farmers of the

state "expect to decrease the tobacco acreage 31 percent from the record acreage of last year.
"This is eleven percent below the average acreage planted for 1929and would be me smallest acreage since 1934. A yield per acre in 1940

equal to the ten year avange 1929-39 would produce a crop of 440,000,000 pounds which would be the shortzst in five years. The report said old belt tobacco farmers apparently plan to reduce their acreage 26 percent, the new

duction. Other states except South Carolina "are contemplating greater reduc-tions than North Carolina," the re-

port said. one percent higher than 1939 and the largest since 1917.

A few interpreted the

# **Parliament**

#### Chamberlain May Reconstruct Cabinet "I believe a Hull-Farley ticket would make a good ticket," added While Parliament this senator. Like many others he felt Farley is not challenging the Takes Easter Recess. President in the sense that Garner

London March 21.—(AP)—Parliament recessed for the Easter holidays today amid growing reports that To forestall any such move, the Prime Minister Chamberlain would Winston-Salem banker recommend- reconstruct his cabinet during the ed that the ABA sponsor a program; interval before sittings are resumed

The house of commons session end-"The assumption by government ed with spoken criticism of two cabof the right to charter, supervise and inet bigwigs—Chancellor of the Exchequer Sir John Simon and Lord Privy Seal Sir Samuel Hoare—voiced by Goeffrey Mander of the liberal opposition.
"It is widely felt throughour the

(Continued on Page Four)

## Merchants Bloc Divided In Gubernatorial Battle; No Sales Tax Plank Appeals

Daily Dispatch Bureau. | dicate strongly that not all the mer-In the Sir Walter Hotel. | chants—nor even any computable Raleigh, March 2!.—na somewhat majority of them—are going to be

glaring contrast to the last two cam- behind any one candidate. tle in North Carolina will find the primarily to select a convention city paigns, this year's gubernatorial batso-called Merchant's Bloc as badly divided as the general run of the electorate, according to present in-

merchants, and it has been estimated that four years ago Dr. Ralph W. McDonald got an even larger proportion of their votes.

tax which influenced the merchants' choice; but so far in the current con-test no single candidate seems to have struck the proper chord to capture to the sales levy as it ever was—its struck the proper chord to capture tail to Tar Heels. It is quite possible that later in

the campaign something may hap-nen to change the status quo; with Kenly's Paul Grady the most likely beneficiary of any sudden change of entiment Conclusions set out above are

North Carolina Retail Merchants As-

one of the six major contenders for the governorship has supporters among them. That, in itself would in-

drawn from the meeting here this week of the board of directors of the

At the meeting, which was called

condidate and in the course of the In 1932 A. J. Maxwell, again a candidate this year, was the choice of perhaps 85 per cent of the State's mal session.

The Association has never endorsed an individual candidate, but it has endorsed, and will in the future endorse, principles; but in 1932 In each instance it was announced and reiterated opposition to the sales tax was tax which influenced the merchants' about the same as endorsement of

the ear of the men who sell at re- executive Secretary Willard Dowell is your reporter's authority for this statement—but the platform declarations of this year's candidates do not almost automatically make any one of them the darling of the merchants. Of them all, Grady is the only one who even conditionally proposed immediate repeal and his plank went no further than to say he will discuss the matter later in the campaign and make details of his ideas public.

Should he later advance a sub-

(Continued on Page Four)

# Crops Except Sweet Potatoes, State Serv- Combination Raleigh, March 21.—(AP)— North Carolina farmers apparently intend to mercase their plantings of most

Revived Discussion of Ticket Possibilities Follows Farley's Unreserved Announcement of Candidacy, Made Yesterday.

Washington, March 21.—(AP)— Talk of a Hull-Farley Democratic ticket was revived on Capitol Hill bright belt by 35 percent to give the today as discussion of the postmassmallest acreage since 1934, and the border belt 31 percent, third high-ment of his candidacy ran the gamut est on record, despite the sharp re- of interpretations. Most senators expressed the op-

inion that the cabinet officer in say-ing flatly his name would be present-ed to the Democratic national con-The corn acreage is expected to be vention did so believing that President Roosevelt would not be a can-

A few interpreted the announce-ment as placing Farley in the same category as Vice-President Garner-

a candidate whether President Roosevelt runs or not. Farley would not clear up this point in talking to reporters yesterday, at Springfield, Mass.
One influential New Deal senator

from the east( as close to the Chief Executive as anyone in Congress, said he did not know what was in the President's mind but he thought Farley had acted in the belief that Mr. Roosevelt wanted to retire.

is and has not closed the de porting Mr. Roosevelt should the

Garner forces, however, expressed private elation over Farley's announcement. They voiced the opinion that Farley was in the race to stay, third term candidacy or not.

## WPA To Be Continued

WPA Administrator, In State To Dedicate Armory, Sees Possible Changes.

Paleigh, March 21.—(AP)—Col. C. Haggington, Federal Works Projects Administration administrator, expressed the opinion here todow that "the program of the WPA will be continued for at least several more years."
Harrington said there might be

come changes made, but that some-thing along similar lines would be carried on because "those who can't get jobs in private industry will

have to be taken care of."

The federal administrator said
North Carolina has a very fine program when asked how it compared with other states.

"The outstanding project in the state. I am told, is the one we're go-ing to dedicate today," he commented as he got in Governor Hoey's automobile to go to Lumberton for the dedication of a WPA-aided armory, the largest of its kind in the

### Indictments Are Issued

Detroit, March 21.-(AP)-A special federal grand jury today indicted 13 organizations and 18 individuals for alleged anti-trust law vio-All but about half a dozen of the stitute plan for the sales tay which lations in the electrical contracting 51 directors were present and it took strikes the merchants as adequate business, and charged that agents for only a casual poll to learn that every and workable, it is probable that he an electrical workers union were would thereby rally to his cause a paid to hamper work attempted by contractors who refused to join the