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## Many Yugoslav Officials Quit

### 20,000 Planes For Britain In 18 Months

### Oversea Air Route Is Scouted

Production Schedule Worked Out to Supply Warplanes; Surveys Being Made For Transatlantic Delivery Route.

Washington, March 22.—(AP)—A production schedule to supply Great Britain with some 20,000 American-made fighting planes in the next 18 months—10,700 of these under terms of the \$7,000,000,000 British aid bill—was reported today to have been worked out by high administration officials.

Supplementing this tremendous program, there were authoritative reports that surveys now are underway looking toward establishment of an aerial route to England over which pursuit planes, as well as bombers, could be flown by easy stages.

A course beginning at Newfoundland and touching Greenland, Iceland and possibly Ireland was described as under contemplation. This was said, however, to entail numerous difficulties such as the lack of facilities and possible Danish objections in Greenland, as well as Ireland's refusal thus far to grant Britain bases on her territory.

Setting work was reported to be under way on this projected route, with the thought that if it could be established pursuit ships of relatively short range might be ferried under their own power across the Atlantic in stepping-stone hops. Such a system would sidestep the dangerous submarines and raider threats to which surface shipping is subject.

Most of the bombers thus far delivered to England were said to have been flown across non-stop under British supervision without a single casualty. The reported citation of this record in closed congressional hearings led some observers to believe that if a three or four-stop route were laid out American fliers might take the planes part of the way across the Atlantic.

### Marine Base Bill Sent To Senate

Washington, March 22.—(AP)—The Senate received from the House today a \$14,575,000 appropriation for an east coast Marine training base in North Carolina. The appropriation was approved by the House yesterday without a dissenting vote.

The item was included in the supplementary appropriation bill, which is expected to be taken up by the Senate next week.

### Roosevelt Begins Vacation

Aboard U. S. S. Venson, at Sea off Florida Coast, March 22.—(AP)—President Roosevelt began his delayed deep sea fishing vacation trip today when the White House yacht *Tomoka* put to sea with the Chief Executive and other high government officials aboard.

The sun was out and there was scarcely more than a ripple on the water at the Potomac hoisted anchor in Port Everglades Harbor shortly after 9 a. m. About 100 persons crowded the pier to see the presidential yacht head into the Atlantic.

In the President's party were Interior Secretary Harold L. Ickes, Attorney General Robert H. Jackson, Rear Admiral Ross T. McIntyre, former commerce secretary Harry L. Hopkins, Major General Edwin M. Watson and Stephen T. Early, Mr. Roosevelt's secretary.

### Bolich Plans Development Of Railroad

Daily Dispatch Bureau. In the Sir Walter Hotel. By HENRY AVERILL.

Raleigh, March 22.—J. A. (Lion) Bowen is moving in on the Atlantic and Eastern Carolina Railway.

According to stories from Lion's home town, Winston-Salem, he has acquired a substantial interest in the company, has been elected a vice president, and has bought the famous Pagoda cottage at Atlantic Beach.

All these moves appear to be steps in the ambitious plans of Bolich and George Hinkins, steamship magnate of Baltimore, to develop the port of Morehead City.

Months ago it was announced that a syndicate had been formed which included Bolich, Hinkins and others, with the purpose of getting control of both the railway and the PWA-financed Morehead City port terminals.

Several developments indicate that the project is making some progress. The recent legislature authorized expenditure of state funds to rebuild the railway's roadbed, which has long been in very poor condition.

The governor and council of state were also authorized to take steps to refinancing A. and E. C. bonds, now owned by the Duke Foundation. It is likely that these bonds, which are all callable, will be substituted by long-term, low-interest securities.

Also the state has ordered some ten million gallons of asphalt, all of which will be shipped into North

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### Conservation Department Fares Well Under New Laws

Daily Dispatch Bureau. In the Sir Walter Hotel. By HENRY AVERILL.

Raleigh, March 22.—The Department of Conservation and Development, state governmental unit which supervises more varied activities than any other, fared well at the hands of the legislature this year—both financially and in the matter of its programs (plural used advisedly because of the manifold divisions of the department).

Whether or not the officials now directing its work fared so well remains to be seen, because the department was one of the many hit by a Broughton reorganization cyclone. It will in future be headed by a board of fifteen, rather than twelve, members, and the terms of the present members have been made to expire simultaneously this spring. It follows that there could be a complete change in managing

personnel.

There is much talk, too, about the politicians of the west and their designs upon the post of director—the post held for eight years by R. Bruce Etheridge, smooth, quiet, soft-spoken politician from Dare. The mountaineers haven't anything against Mr. Etheridge, they just want his job, that's all. The director, however, was one of the first big shots of the state departments to fall in line for Broughton in the primary last year and he probably is a favorite to hang on to his place.

All that is in the line of political speculation, and so back to the main theme—what the General Assembly did to or for the conservation department.

Special attention was paid to phases of the department's work having particular bearing on nature.

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### Canada Trains Mile-a-Minute Blitzkrieg Units



A squadron of crack Canadian troops goes skijoring at high speed behind an armored carrier during training for mountain warfare. These small carriers can do a mile a minute over snow and pack a fast-firing punch, making such units highly efficient blitzkrieg units. (Central Press)

### Aid Measure To Senate

Senate Appropriations Committee Unanimously Approves \$7,000,000,000 Fund.

Washington, March 22.—(AP)—Rejecting a proposal to cut the amount in half, the Senate appropriations committee approved unanimously today a \$7,000,000,000 appropriation to carry out the administration's British aid program.

The appropriation, already passed by the House, was approved without change after the committee had voted down a motion by Senator Nye, Republican, North Dakota, to cut the amount to \$3,500,000,000. The motion previously had been rejected by an appropriations subcommittee, and Nye was not expected to offer the proposal to the full Senate.

The Senate will consider appropriations Monday, Democratic Leader Bankley said he saw no reason why it should not be sent to President Roosevelt by Monday night.

Even opponents of the measure conceded the bill would be approved overwhelmingly without major change.

The House approved the \$4,000,000,000 supplemental appropriation for domestic defense yesterday by a vote of 327 to 0. Representative Woodrum, Democrat, Virginia, said it would bring to \$25,000,000,000 the total of appropriations, contract authorizations and pending budget estimates made for national defense since Germany's invasion of the Low Countries. That total, he said, did not include the \$7,000,000,000 aid to democracies fund.

### France To Get U. S. Flour

Washington, March 22.—(AP)—Summer Welles, acting secretary of state, announced today that all arrangements have been made for the shipment of two vessels of flour to unoccupied France.

Welles said that the British government had agreed to permit two French ships to pass through the British blockade after receiving these assurances from the French government.

The ships would go to unoccupied French ports, that the flour would be distributed only in unoccupied France, that no equivalent foodstuffs would pass from unoccupied France to occupied France, and that the ships would return immediately to the United States.

The flour will be a gift to the French people from the United States and its shipment and distribution will be under the supervision of the American Red Cross.

### New Bonds Cost Little

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

Raleigh, March 22.—Although the recent General Assembly authorized more than a million dollars in new state bonds, only about half of that sum will impose any burden upon the taxpayers of the state, and that is for a purpose which undoubtedly would have been approved at any sort of election or referendum.

Biggest single issue, and the only one which will be an obligation of the general fund, was the \$500,000 authorized to establish at Wilson a hospital or sanitarium for the treatment of tubercular cases. This in-

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### Nazis Blast Plymouth

### State Revenue Act City Raided Made More Liberal Two Nights

Sales Tax Exemptions on Foods Most Noticeable to Public; More Taxes Must Be Collected to Meet Appropriations.

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

Raleigh, March 22.—Although the revenue act adopted by the general assembly of 1939 was supposed to be a "permanent" one, the recent legislature made numerous changes in it. Most of these changes were purely technical, designed to simplify enforcement and administration, but a few of them changed taxation bases and so directly affected citizens of North Carolina. Notwithstanding the fact that nearly every such modification of the law was in the direction of liberality to the taxpayer, the net result of all the figuring and legislating is that the state will, during the next two years, take a bigger slice of public income than it has ever before reached. For the appropriation bill, biggest in history, can be met only by tax collections larger than any heretofore contemplated.

Most important change in the revenue act as it affects Mr. and Mrs. John Q. Public was in the sales tax division. The sales tax remains at three per cent, despite several bills there was never any serious consideration given to changing that basic figure. But amendments to the act approved by the recent legislature broaden the exemptions from the sales tax to include all foods for consumption on the home table. When the North Carolina legislature goes to the grocery store after July 1 (and it must be remembered that these changes are not effective until the beginning of a new fiscal year on that date), instead of having to separate by order into taxable and non-taxable items, the just won't have to pay any tax on food. There will not be a bit of difference in any one grocery bill, but the total savings around a million and a half in "tax relief" to the people of the state.

This "relief" is more discreet than actual, however, for the average housewife because most of the benefits accrue in the higher priced delicacies. Staple foods already were exempted from taxes. Then, too, another provision in the new law to a considerable extent offsets any real benefit from food exemptions. That provision has to do with extending application of the tax to all mail-order purchases.

This section occasioned revenue department experts and legislators considerable worry. The law was rewritten several times to conform to rapidly changing court decisions. One U. S. Supreme court decision coming just a few days before adjournment of the legislature necessitated still further changes in the original draft of amendments to the act. A finally adopted the new revenue act imposes the three per cent sales tax on all merchandise bought from catalogs and delivered by mail into the state. As a matter of practical enforcement, a lot of this tax cannot be collected, but it can be collected from any firm maintaining a sales depot, store or personal representative in this state—and that includes most of the mail-order houses.

Tax specialists estimate that the prospective better business, increasing purchases of foods and other essentials, plus the inclusion of mail-order purchases in sales tax brackets, will afford as much net return from the sales tax this year as last, despite the broader exemptions.

It is also evident that customers of out-of-state mail-order houses, and that means, principally, rural resi-

### No. 1 Blonde



Penny Singleton

Screen and radio star Penny Singleton was named "America's No. 1 Blonde" by delegates to the International Beauty Show in New York. Penny as "Blonde" was credited with having kept American men blonde-conscious during the past year, which saw brunettes take the spotlight.

(Central Press)

gents, will have to bear most of the burden of the "sales good" for the million and a half taken off the higher class foods.

No changes were made in the rates of income taxes or in exemptions allowable here on personal service income derived in this state. The corporation income tax provisions were modified so as to prevent certain big industries with subsidiaries in North Carolina dodging taxes here. Except for inclusion of federal salaries and personal service pay of non-citizen residents, the changes in this section are of little concern to the average man or woman.

Some changes were made in the intangibles tax section but these are more administrative than effective on the run-of-mine taxpayer. The act was liberalized to permit corporations to deduct certain obligations from certain credits in reporting the actual value of intangibles, and the rate was slightly changed on some trust funds. So far as it affects the average bank depositor and small stockholder or in-

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### Signing Of German Pact Postponed

Minister to Russia Accused of Sabotaging Efforts to Gain Support of Russia; More Resignations Expected

Belgrade, March 22.—(AP)—Many resignations of important officials and charges that a sinister sabotaging effort to gain the support of Russia added fuel today to a rapidly burning political crisis against the Yugoslav government plan to capitulate to the axis.

At a cabinet meeting marked by bitter recriminations, a member was reported to have accused Foreign Minister Cincin-Marjovic of throwing away a telegram from the minister to Russia detailing his efforts for a mutual assistance pact with that nation.

Cincin-Marjovic leaped to his feet screaming "starkost!"

He insisted that "Russia has not sufficient military strength to give us the aid we would like to have."

However, the angry resignation of the minister to Russia, Milan Gavrilovic, was reported.

Today the governor of the vitally important Vardar Valley district and the vice-governor of Croatia resigned and the independent democratic party ordered all its members holding government positions to do likewise.

The party is the country's fourth-most important.

The mass resignation was ordered as an immediate protest.

Following up the resignation yesterday of three Serb members of the cabinet, six opposition senators, members of the Serbian peasant and independent democratic parties, also were reported planning to quit their offices and take independent democratic were reported to have already stepped out.

Sources close to the senators said one of them had left for Greece or Egypt to organize cooperation with Britain.

Leaders of the Serbian peasant party, which includes most of Yugoslavia's Serb farmers, announced they had called a meeting, probably for tomorrow, at which all its members also would be ordered to quit.

### Income Tax Collections Set Record

Washington, March 22.—(AP)—The Treasury announced today that it had collected a record \$1,139,384,047 of income taxes during the first 20 days of March.

This total, which compared with \$624,446,676 paid in during the corresponding period last year, was based on an extraordinary survey of collection offices.

Of the total collections for this March, the Treasury said that \$611,970,473 represented excess profits taxes under the law enacted last fall.

Estimates of income tax collections for the period had been around \$1,000,000,000 and for the whole fiscal year about \$2,000,000,000.

On the basis of today's report the budget bureau's estimate will be considerably exceeded.

### British Ships Sunk By Nazis In Atlantic

Berlin, March 22.—(AP)—Adolf Hitler's battleships have made extensive raids in the North Atlantic and these, with U-boats and airplanes, have destroyed a total of 224,000 tons of enemy shipping, it was announced today.

Submarines were credited with sinking 77,000 tons of the total and the air force with 31,000 tons—20,000 in the Atlantic, 8,000 in the Irish sea and 3,000 off Crete in the Mediterranean.

Eight hundred survivors of an attack in the Atlantic on a large British convoy were picked up by German ships, these sources said.

The type of naval units participating was not disclosed, but authorized sources said the survivors were taken aboard German battleships.

### PROFESSOR DIES AT CHAPEL HILL

Chapel Hill, March 22.—(AP)—Dr. George Kenneth Grant Henry, 62, assistant registrar and former Latin professor at the University of North Carolina, died suddenly of a heart attack at his home early today.

He is survived by his wife, the former Miss Bessie Harding of Washington, N. C., and a son, the Rev. M. G. Henry of Tarboro, and three other children.

Funeral services will be held here at 5 p. m. tomorrow.

### WEATHER

FOR NORTH CAROLINA. Partly cloudy tonight and Sunday, slightly cooler in central portion tonight.