

Garner Dominates Senate After WPA Economy Is Voted

Vice President Avoids Going on Record as New Deal Foe.

(Continued from Page One)

by the Southern leaders to slap at the Administration, to call it up sharp and serve notice that its spending must be reduced.

As far as actual money goes, it was a sham battle. For, as Senator Byrnes pointed out in closing the debate, the President can come back later and ask for another appropriation if this does not suffice. The Appropriations Committee had skillfully provided that present relief rolls could not be cut more than 5 per cent, or 150,000 persons, before April 1, thus taking care of the winter months.

Senator Adams (D. Colo.), in charge of the measure, sized up the real issue just before the vote when he explained that the amount did not matter as far as the three million people on relief were concerned, that they would be taken care of, but that the major issue was to let the country know that Congress is going to put a brake on spending. This, he said, would encourage business. He predicted that four million people on relief would be absorbed in the next six months through business recovery now evident.

Townsend Hopes WPA Fund Will Be Restored

Governor Townsend said today he hoped the House would restore the cut in WPA funds.

"Knowing as I do the relief needs of Indiana, I regret that the Senate saw fit to reduce the appropriations for WPA. I sincerely hope that this will be restored by the House."

"Our relief problem in Indiana will become much more acute if sufficient funds are not voted to carry on WPA at its present level."

VanNuy to Press For More Economy

WASHINGTON, Jan. 28.—Senator VanNuy (D. Ind.), who was one of 26 Democrats voting against restoring the relief appropriation to \$75 million dollars in the Senate, asserted today that this is just a sample of the governmental economy he intends to support.

"I was serious when I said in my campaign for re-election that my chief objective would be to reassure business and industry by practicing governmental economy and working toward a balanced budget," Senator VanNuy asserted.

"Of course I have no desire to curtail necessary expenditures for needy people, but I am convinced that 725 million dollars will be sufficient for everybody to be taken care of properly if the money is not wasted. Vast savings can be made by cutting down the white-collar overhead at WPA headquarters here and elsewhere."

Labor's Nonpartisan League, headed by John L. Lewis, has sent out a pamphlet listing those who did not support the \$75-million dollar fund in the House. In addition to Reps. Schulte and Larrabee, Indiana Democrats who voted for the larger sum, they list both Reps. Landis and Johnson, Republicans, as having done so. Mr. Landis was the only Hoosier Republican who said he at the time had supported the effort to increase the amount. League headquarters have a letter from Mr. Johnson saying he did likewise, they explained.

Garner Escapes Vote By Trick of Time

WASHINGTON, Jan. 28 (U.P.).—The nearest trick of the week—if it was a trick—was the Senate's agreement to vote at 2 p. m. (Indianapolis Time) yesterday on the WPA appropriation.

Vice President Garner helped conservatives round up votes.

Vice Presidents may vote in the Senate in case of a tie. So some vicarious warriors fretted about the possibility that Mr. Garner might be caught presiding over the Senate when the vote was taken and have to decide whether to stand publicly with the Administration or against it.

The 2 p. m. agreement took care of that. The hour was perfect for Mr. Garner. When the Senate voted down the New Deal yesterday the Vice President was a couple of miles away—sitting in the White House with Mr. Roosevelt and the Cabinet.

Eastman Asks for Railroad Co-ordination

ROCHESTER, N. Y., Jan. 28 (U.P.).—Interstate Commerce Commissioner Joseph B. Eastman today proposed creation of an independent agency to promote railroad consolidation and co-ordination.

Mr. Eastman, Federal co-ordinator of transportation during the early days of the New Deal, said the main cause of the railroad industry's economic ills is the "tremendous increase" in competition from other forms of transportation. He spoke before the City Club.

He said the present rail setup produces "a vast amount of duplication and other forms of waste."

He suggested that such an agency should plan and co-ordinate all forms of transportation—airways, highways, pipelines, and waterways as well as railroads.

La Follette Faces Impeachment Threat

MADISON, Wis., Jan. 28 (U.P.).—A suggestion that the Wisconsin Legislature consider impeachment proceedings against Senator Robert M. La Follette Jr. (Prog. Wis.) was injected today into the fight over President Roosevelt's appointment of Thomas R. Amle, former Wisconsin Progressive Congressman to a post on the Interstate Commerce Commission.

Assemblyman Maurice P. Fitzsimons Jr. (Fond Du Lac), Democratic floor leader, made the suggestion on the floor of the assembly yesterday. He was provoked, he said, because of published reports that Senator La Follette had said

Amendments to End Relief Politics Are Approved.

WASHINGTON, Jan. 28 (U.P.).—The Senate today approved amendments barring politics in distribution of relief under the 725 million dollar WPA appropriation bill.

Action on those amendments remaining and details of the bill was speeded up after Senate Conservatives, by a one-vote margin, fixed the size of the new fund at 725 million dollars. That is 150 million dollars less than President Roosevelt sought.

The no-politics amendments, offered by Senator C. Hatch (D. N. M.), were accepted without debate. They were an outgrowth of last year's fight over politics in relief. The amendments of the campaign investigation and the relief study of a special committee headed by Senator Byrnes (D. S. C.).

\$1000 Fine Provided

The amendments were:

1. Providing a \$1000 fine and a year's imprisonment for anyone who promises employment or attempts to deprive any relief clients of employment for political reasons.
2. Requiring immediate removal of any relief official using his official influence to influence the results of any election.
3. Barring solicitation of campaign funds from anyone on relief rolls or drawing money appropriated "under any other act of Congress," and providing \$1000 fine and one-year imprisonment for violation.

The "any other act of Congress" provision broadening the prohibition was inserted on motion of Senate Majority Leader Barkley of Kentucky.

In the vote, Indiana Senators split. Senator VanNuy (D.) voted with the economy group, while Senator Milton (D.) supported the President's request.

Vice President Garner hurried to his office where others gathered to celebrate their victory yesterday on the WPA slash. Senators Clark (D. Miss.), Byrnes (D. S. C.) and Nye (R. N. D.) were among the celebrants. Also present were two who voted with the Administration, Senators Minton (D. Ind.) and O'Mahoney (D. Wyo.).

First Wage-Hour Test Suit Filed

WASHINGTON, Jan. 28 (U.P.).—Wage-Hour administration attorneys prepared today for a court battle in defense of the New Deal's Fair Labor Standards Act.

First court action under the act was filed yesterday at Fayetteville, N. C., against the Central Weaving and Spinning Corp., which was charged with paying its employees less than the 25-cent minimum wage and with alleged falsification of records.

Administrator Elmer F. Andrews sent Associate General Counsel George A. McNulty to file the suit before Judge Isaac Meekings of the U. S. District Court for the Eastern District of North Carolina.

Mr. McNulty said the Fayetteville case would not necessarily provide the major test of the act's validity, although it was the first filed since the law became effective last Oct. 24.

Mr. McNulty said several other cases are being prepared and would be filed soon.

The suit asked both a temporary and permanent injunction against the Fayetteville silk and rayon weaving concern, which employs more than 150 workers.

But these officials think it would be unfair to apply the Federal income tax to all state salaries without giving the states at the same time a right to tax Federal salaries—particularly since the Treasury has not heretofore exercised, except in borderline cases, the power which they say it has possessed since 1926.

No person or group has applied to the Ways and Means Committee for permission to testify against taxation of public salaries. However, several of this week's witnesses urged that the back-tax relief measure be passed separately rather than linked to the broader issue, which they fear might delay passage beyond income tax day March 15.

These included spokesmen for the Conference on State Defense and the National Education Association. The Conference on State Defense, while making no position on taxation of salaries, is preparing for a hard fight against the President's proposal to end tax exemption of the interest from public bonds, which the Ways and Means Committee has laid aside for consideration some weeks hence.

Company to Fight, Officials Declare

PAYETTEVILLE, N. C., Jan. 28 (U.P.).—The management of the Central Weaving and Spinning Corp., singled out yesterday for the first test of the wages and hours provisions of the new Fair Labor Standards Act, protested today that the company was practically a "philanthropic enterprise."

The resident manager, Max Leikowitz, said "it was just like sneaking up and hitting someone in the back of the head with a baseball bat" for the Government to sue the company without warning.

He said he would resist the suit and said the company had been paying "only a penny or so under the standard and had been given until the end of the month to bring wages up to the requirements."

Security Board Approves Oregon Law

WASHINGTON, Jan. 28 (U.P.).—The Social Security Board today certified the Oregon Unemployment Compensation Law, which has been criticized by the C. I. O. as a "strike breaking statute."

The Board said the recent amendments to the statute make certain that unemployment compensation benefits will not be denied to individuals who accept new jobs under "yellow dog contracts," under substandard labor conditions, or positions vacated by strikes, lockouts, or other labor disputes.

At Washington that he was surprised by the opposition of the Wisconsin Legislature to the appointment of Mr. Amle and that he would not alter his stand in support of Mr. Amle.

Wednesday both the State Senate and assembly adopted resolutions which charged Mr. Amle with having committed foreign and union activities. The resolutions, introduced at Washington yesterday, asked that the Senate refuse to confirm the appointment if President Roosevelt did not withdraw it.

"This Legislature is closer to public sentiment than Bob LaFollette," Mr. Fitzsimons said. "It might be appropriate to introduce a resolution calling for his impeachment."

FACE STRUGGLE IN ABOLITION OF TAX IMMUNITY

Congressmen Have Personal Stake, Action May Be Deferred.

(Fegler and Editorial Cartoon, Page 10)

By LEE G. MILLER
Times Special Writer

WASHINGTON, Jan. 28.—The fight to abolish the income tax immunity of public servants is a long way from being won, although no voice was raised against this Presidential proposal at House hearings this week.

Various Ways and Means Committee members are said to favor deferring action on the subject—except for legislation to protect certain state and local employees from heavy back taxes. They would have the Committee wait until it is also ready to act on the lively question of tax-exempt bonds.

The Administration strategy is designed to expedite the death warrant for tax exemption of public pay checks by coupling it with the measure for back-tax relief, which is urgently sought by worried employees of state and municipal agencies whose salaries were held taxable in a historic Supreme Court decision last year.

A bill combining the two features is being written for the Ways and Means Committee, which may vote on it next week. If it is reported favorably, there will still be a possibility of a move on the floor strike out all except the back-tax angle.

Congress Involved

For Congress members have a personal stake in the matter. Abolition of all exemptions would make their own \$10,000 salaries subject to state income taxes.

However, it is not known whether the bill will go so far as to propose reciprocal taxation of legislative and judicial salaries. While the President wants to end tax exemption on governmental salaries "of all kinds," some lawyers doubt that the Supreme Court would extend the scope of its 1938 New York Port Authority decision far enough to approve Federal taxation of the pay of state legislators and judges, or state taxation of Federal judges and Congressmen.

Even if the bill were broken in two, and the ban on future tax exemption salaries then blocked, Treasury officials believe they already have power to collect taxes on the income of most state and local employees. Since 1926, they say, there has been no specific exemption of such salaries in the revenue laws.

Power Little Exercised

But these officials think it would be unfair to apply the Federal income tax to all state salaries without giving the states at the same time a right to tax Federal salaries—particularly since the Treasury has not heretofore exercised, except in borderline cases, the power which they say it has possessed since 1926.

No person or group has applied to the Ways and Means Committee for permission to testify against taxation of public salaries. However, several of this week's witnesses urged that the back-tax relief measure be passed separately rather than linked to the broader issue, which they fear might delay passage beyond income tax day March 15.

These included spokesmen for the Conference on State Defense and the National Education Association. The Conference on State Defense, while making no position on taxation of salaries, is preparing for a hard fight against the President's proposal to end tax exemption of the interest from public bonds, which the Ways and Means Committee has laid aside for consideration some weeks hence.

They do not approve the appointment of Harry Hopkins or Governor Murphy, but they do not take the trouble to make themselves vocal. "Their attitude is 'What's the difference?' This Administration's program is finished."

NEW DEAL FADING, BRUCE BARTON SAYS

SYRACUSE, N. Y., Jan. 28 (U.P.).—The New Deal's pendulum is on the downward because the nation is "emotionally tired," Bruce Barton, Republican Congressman and advertising executive, said in an address before the New York Press Association.

"People get emotionally tired of being under the stress of agitation and upheaval," he said. "They have quietly made up their minds that they must have a change."

"They do not approve the appointment of Harry Hopkins or Governor Murphy, but they do not take the trouble to make themselves vocal. 'Their attitude is 'What's the difference?' This Administration's program is finished."

They do not approve the appointment of Harry Hopkins or Governor Murphy, but they do not take the trouble to make themselves vocal. "Their attitude is 'What's the difference?' This Administration's program is finished."

Downtown Classes Convenient, Evenings

Accounting
Corporation Finance
Real Estate Appraising and Financing
Salesmanship
Advertising
Insurance
Economics, Labor Legislation
Chemistry
Zoology
Correct English
Vocabulary Drill
Literature
Fiction Writing
News Writing
French, German, Spanish
Mathematics
Philosophy
Psychology, Mental Hygiene
Sociology, Propaganda Analysis
Education
Introduction to Music
Modern Music Appreciation
Teaching Voice Culture
Low Price Popular Lectures
Administrative Law
Fees, \$2-\$25
Beginning February 6
Indiana University
Extension Division
123 E. Michigan Street. RI-4297.

3 CONVENIENT STORES

BOOKS - STATIONERY - GIFT SUPPLIES
44 E. Wash. St.
34th & Penn. St.
42nd & College

STEWART'S

44 E. Wash. St.
34th & Penn. St.
42nd & College

Big Gun Primed to Shoot Stars

Trained on the heavens, science's 200-inch telescope at the Mt. Palomar, Cal., observatory will be ready to act as soon as polishing of the huge lens has been completed. This striking camera study shows the yoke of the instrument which will support the telescope proper. Immense size of the yoke is shown by comparison with the workman in the foreground.

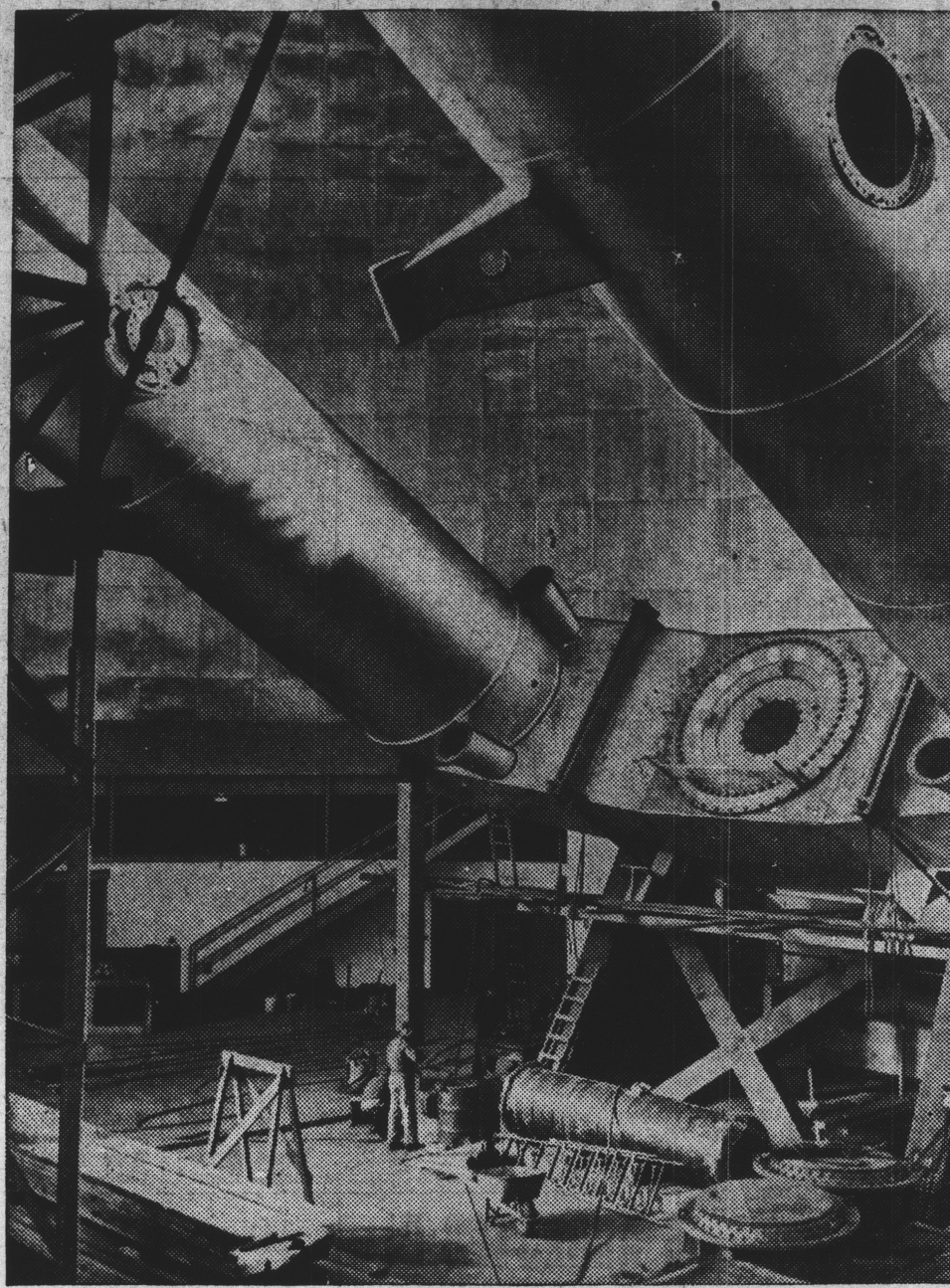
FORD CHALLENGES NLRB PROCEEDINGS

WASHINGTON, Jan. 28 (U.P.).—Ford Motor Co. attorneys today challenged proceedings on which the National Labor Relations Board based charges of unfair labor practices at Ford's River Rouge plant.

In a petition filed with the NLRB, Ford attorneys asked the Board to suppress all evidence taken before NLRB Trial Examiner John T. Lindsay and to set aside all proceedings based on that evidence.

The petition charged Mr. Lindsay conducted the hearing as a prosecutor rather than an impartial judge.

Big Gun Primed to Shoot Stars



Trained on the heavens, science's 200-inch telescope at the Mt. Palomar, Cal., observatory will be ready to act as soon as polishing of the huge lens has been completed. This striking camera study shows the yoke of the instrument which will support the telescope proper. Immense size of the yoke is shown by comparison with the workman in the foreground.

FORD CHALLENGES NLRB PROCEEDINGS

WASHINGTON, Jan. 28 (U.P.).—Ford Motor Co. attorneys today challenged proceedings on which the National Labor Relations Board based charges of unfair labor practices at Ford's River Rouge plant.

In a petition filed with the NLRB, Ford attorneys asked the Board to suppress all evidence taken before NLRB Trial Examiner John T. Lindsay and to set aside all proceedings based on that evidence.

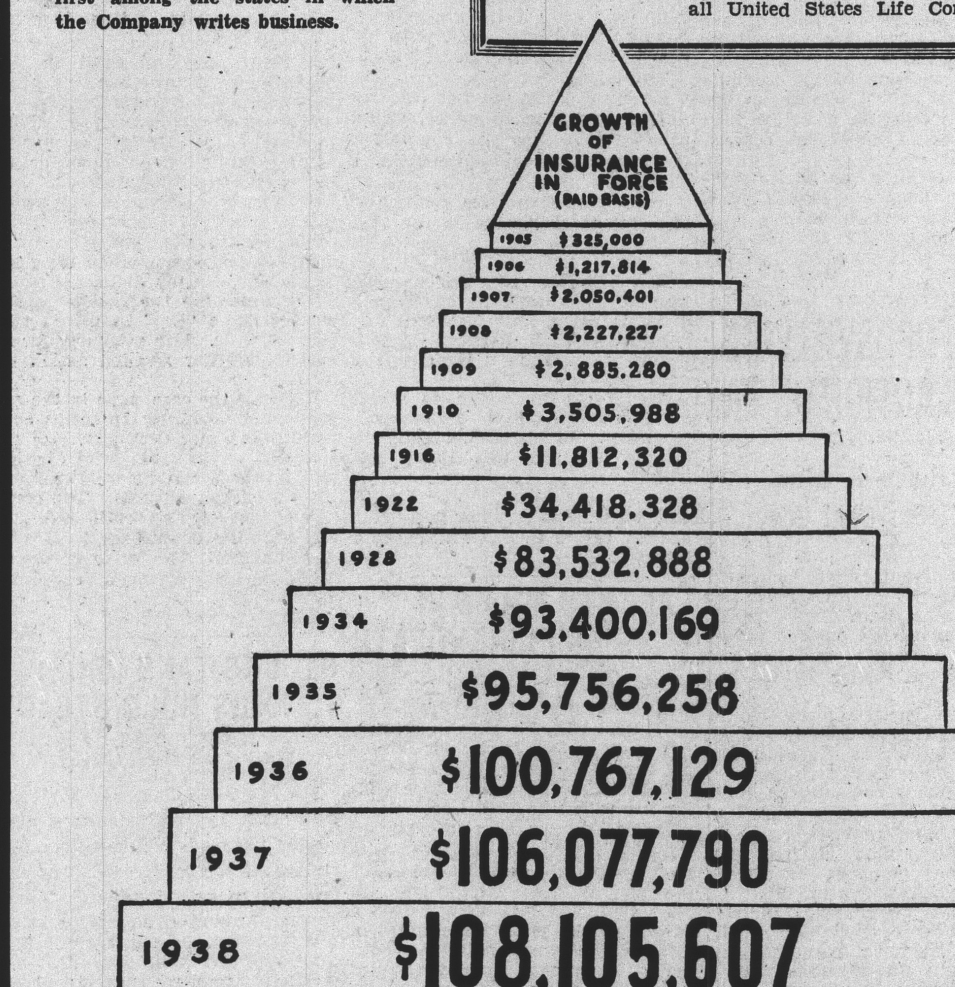
The petition charged Mr. Lindsay conducted the hearing as a prosecutor rather than an impartial judge.

The move followed publication of NLRB proposed findings instructing the Ford company to permit labor organizers to enter the River Rouge plant and to reinstate with back pay 29 workers who assertedly were discharged for union activities.

The Ford company's petition listed 200 citations asserting improper conduct of the hearings by Mr. Lindsay. His conduct, the company charged, had the result of "frightening, intimidating, discouraging and deterring witnesses."

34 Years of Continuous, Sound Progress!

Nationally recognized for its very successful record, the Company is also a leader in its Home City and has over \$46,500,000.00 of insurance in force in the State. Indiana ranks first among the states in which the Company writes business.



COMPANY OFFICERS, DIRECTORS, AND DEPARTMENT HEADS

*EDWARD B. RAUB, President

*A. Leroy Portteus, Vice-Pres.
Charles L. Rouse, Secretary
Paul E. Fisher, Treasurer
Egbert G. Driscoll, Cashier
Newell C. Munson, Associate Counsel
C. L. Harkness, Mgr., Policy Dept.

*Directors

*A. H. Kahler, Second Vice-Pres. and Supt. of Agencies
Irving Palmer, Asst. Agcy. Mgr.
Francis D. Brosnan, Asst. Agcy. Mgr.
Doyle Zaring, Agency Secretary
Edward F. Kepner, Asst. Sec.
Finck Dorman, Field Supervisor

*Walter H. Huehl, Actuary
*Dr. James B. Young, Medical Dir.
R. F. Veazey, Mgr. Underwriting Dept.
H. H. Huston, Mgr. Investment Dept.
*George A. Raub, Director
*Irving W. Lemaux, Director
Almus G. Ruddell, Member of Exec. Com.
Obie J. Smith, Member Exec. Com.

LEADING INDIANAPOLIS REPRESENTATIVES

Offices at 1032-58 Consolidated Building, Riley 5528

GEO. W. ANAWALT, General Agent
JULIAN W. SCHWAB, General Agent
W. D. Bassett
K. D. Brosnan
Wm. O. Coy
H. M. Fleener
Charles W. Gammon
Robert O. Jackson
D. R. Johnson
Charles H. Karsch
H. D. Kendrick
F. E. Kortepeter
C. O. Martin
W. E. McGowan
E. C. McGriff
C. W. Raub
P. L. Sargent

HUMAN AFFAIRS PARLEY STARTS

300 Seek Co-ordination of Welfare Work in City, County.

More than 300 representatives of civic, business and labor groups met at the Indiana World War Memorial today for Marion County's first Conference on Human Relations.

W. Rowland Allen, personnel manager of the L. S. Ayres & Co., was to be the principal speaker.

The sponsoring committee, a group of 27 representative citizens, hopes to evolve from it a permanent organization which will co-ordinate activities of numerous county organizations and work out a legislative program covering welfare needs of the city and county.

Direct Primary Up

Problems to be considered by the conference today include such issues as the direct primary, the merit system in State employment, unemployment compensation, child welfare and public health.

Pending election of a permanent chairman, Rabbi Elias Charry, of the Beth-el Temple, was to officiate as temporary chairman.

Following Mr. Allen's address, the conference will split into round-table discussion groups. Subjects to be brought under discussion are: Health, housing and sanitation, youth, consumer problems, civil liberties, rural-urban co-operation, Social Security and taxation.

When the discussions conclude at 2:30 p. m., the delegates will convene in a final session to report resolutions and the election of steering

NAMED TO HARBOR GROUP

WASHINGTON, Jan. 28.—Rep. Eugene B. Crowe (D. Ind.) has been made a vice president of the National Rivers and Harbors Congress, it was announced today.

Southward
Migrate! Follow the birds! Come South to Sunshine—and the Soreno. Recognized as one of Florida's finest winter resort hotels, the Soreno fulfills every requirement for a delightful winter vacation. Make reservations now. Book on request.
SORENO LUDWIG, JR., Manager
ON TAMPA BAY
THE SORENO
SUPERBURG, FLORIDA

Get a DEED for your home
If you purchased your home "on Contract," it may now be possible to obtain a loan here and get your deed. PROMPT ACTION may permit filing Tax exemption for 1940. We will be glad to discuss the possibilities without any obligation to you. Call this week!

LISTEN to the "HOME LIFE" Hour.
Sunday, 1:30 to 2:00 P. M.
WFBM

Railroadmen's
FEDERAL SAVINGS AND LOAN ASSN.
1000 N. W. 10th St.
INDIANAPOLIS, IND. 46202

CONDENSED FINANCIAL STATEMENT

(December 31, 1938)
(ASSETS)

Cash and U. S. Government Bonds... \$ 2,293,148.50
State, County and Municipal Bonds... 2,135,596.86
Bonds of Operating Public Utilities... 2,653,732.12
Other Bonds and Legal Investments... 561,218.35
First Mortgage Loans on Real Estate... 6,773,670.48
Policy Loans... 3,742,030.50
Real Estate Including Home Office... 2,394,480.73
Real Estate Sold Under Contract... 699,112.78
Interest and Rents... 138,683.34
Accrued and not due... 4,851.45
Premiums due and deferred... 698,346.92
(Secured by policy reserve)
Total admitted assets... \$22,094,811.83

LIABILITIES AND SURPLUS

Policy reserves and proceeds payable in installments... \$13,902,745.09
Dividends left to accumulate and interest thereon... 1,035,903.75
Premiums and interest paid in advance... 268,486.75
Death claims reported but proofs not received... 66,509.08
Partial payments received on account of premiums held in suspense... 119,466.68
Reserve for taxes and miscellaneous liabilities... 110,831.87
Dividends apportioned to policyholders (not yet due)... 224,200.00
Contingency Fund for investment and mortality fluctuations \$ 300,000.00
Unassigned surplus... 1,066,668.60
Total Surplus... 1,366,668.60
Total... \$22,094,811.83

Over one-third of a century ago the Indianapolis Life Insurance Company was organized as a Legal Reserve, Mutual Company owned by the policyholders. The management pledged to build a quality insurance company on a sound, conservative basis.

Today, the company looks back on its achievements and sound growth. Its record through the years is reflected in the figures herewith shown. Indianapolis Life is now the largest company organized in the United States as a strictly Mutual, Legal Reserve Company since 1905. This fact proves conclusively the wisdom of building solidly on tested principles, with Safety and Service, its constant guide.

INDIANAPOLIS LIFE Insurance Company

Meridian at 30th