

House Approves Tobacco Grading

Compulsory Feature Voted Contingent On 2-3rds. Of Growers Approving

Washington, July 25. — The house late today by a voice vote gave its approval to the Flannagan bill providing for compulsory government inspection and grading of tobacco on markets where such a service is favored by two-thirds of the growers.

The measure, introduced by Representative Flannagan, (D-Va.), passed with only one major change. An amendment by Representative Warren, (D-N.C.), requiring the two-thirds vote instead of a simple majority, before a market may be designated a government graded market, was adopted.

N. C. Delegation Split
An attempt to eliminate the compulsory feature, prohibiting the sale of ungraded tobacco on government graded markets, was defeated by a rising vote. The count was 70 to 55.

This amendment, offered by Representative Umstead, (D-N.C.), split the North Carolina delegation, with Representative Hancock in vigorous opposition and Umstead and Representative Kerr speaking as strong in its favor.

Debate on the bill consumed most of today's house session. Proponents contended the measure would give growers a safeguard against receiving an unfair price for their tobacco, tend to end speculation in the auction warehouse system of selling tobacco and promote equal prices for like grades.

The opposition contended compulsory government grading would wreck the age-old auction system, force farmers to submit their tobacco to government inspectors whether they wanted to or not, and would not tend to increase the price of tobacco.

Circuit Court Holds The AAA Invalid

Southern Tobacco Journal.
Boston, Mass., July 17.—United States Circuit of Appeals for the first circuit, reversing a decision of Judge Brewster in the District Court for Massachusetts, finds

the AAA to be unconstitutional. The court found that the federal Congress had no authority to regulate production, which was within the control of the states. It found there had been improper delegation of authority following out the Schechter decision. On the third point on which it was to rule, it found that, the Act being unconstitutional, there was no necessity for ruling on whether the processing tax was a direct or excise tax.

The opinion was written by Judge Wilson. Judge Norris concurred and Judge Bingham dissented.

The decision finding the AAA unconstitutional was the first rendered in an auction which had been carried to the Court of Appeals. The case was that in which receivers of Hoosac Mills Corp. sought to have claims of the United States for \$81,694 in processing and floor taxes set aside. The district court had found that the claims were valid and entered a decree ordering the claims to be paid. This decree is now overruled.

The case which had been before the Circuit Court since April 24th is regarded as a test case that will establish definitely whether the processing tax is constitutional. It is understood that government attorneys are prepared to carry it to the United States Supreme Court, hoping for a final decision before Christmas.

The majority opinion of the Court of Appeals declared:

"The power of Congress to regulate interstate commerce does not authorize it to do so by taxing products either of agriculture or industry before they enter interstate commerce, or otherwise to control their production merely because their production may indirectly affect interstate commerce.

"It is clear, we think that under the recent decision of the Supreme Court in the Schechter Poultry Corp. case, decided May 27, 1935, that Congress at the outset has attempted to invade a field over which it has no control since its obvious purpose, viz—to control or regulate production of agricultural products in the several states by the methods adopted in this act—is beyond the power of Congress.

"The processing and floor taxes are not dependent on the execution of agreements to reduce

A DARING BEAR HUNTER TELLS THRILLING TALES

Bolton, July 19.—L. N. (Pode)

Little is perhaps one of the best known bear hunters in this community. He was born and reared in the very heart of the Green Swamp upon an island where bears used to run around the corn fields like pigs. And, as corn fields like pigs. And, as corn fields like pigs. And, as corn fields like pigs.

"As I remember," he began after comfortably seating himself in an automobile beside a reporter, "it was on Saturday morning in August, 1917, Miles Little and I were hunting together near one of the Green Swamp cornfields.

"Our dogs, Poor Boy, Wheeler, Talley, Bouncer and Beaver were along and they soon picked up the scent spore of a bear. After running the bear around and around across a net-work of can-

acreage or production alone but on the determination by the Secretary of Agriculture, without any foundation other than his own opinion, that the existing economic emergency demands that to accomplish the declared purpose of the act rental or benefit payments shall be made.

"The issue is not, as the government contends, whether Congress can appropriate funds raised by general taxation for any purpose deemed by Congress in furtherance of the 'general welfare,' but whether Congress has any power to control or regulate matters left to the states, and lay a special tax for that purpose.

"We find no definite, intelligible standard set up in the act for determining when the Secretary shall pay rental or benefit payments in order to reduce production of any particular commodity except in his own judgment as to what will effectuate the purpose of the act.

"If Congress can take over the control of any interstate business by a declaration of an economic emergency and a public interest in its regulation, it would be difficult to define the limits of the powers of Congress or to foretell the future limitations of local self-government.

his life each hoping that the bear might get some other member of the party.

"To make the climax more entertaining I secretly slipped a load of bird shot into my gun and fired them at the bear's nose. Whereupon the bear snorted, bounded toward us, and we scattered like a covey of frightened quail. However, I remember that Mr. Long jumped into a stump hole, and finding it no place of security decided to lose no time getting up but came rolling by me in a succession of somersaults and as he passed he yelled: 'Pode for heaven's sake, if you've got another shell in that gun, shoot that bear and kill him!' And so I did."

"He looked down into my face and I shot him in the breast. Then he swung around the tree like a wounded squirrel, let go his hold with all except one front paw, and then, after swinging back and forth once or twice like a trained actor, he came tumbling end over end with a crash into the bushes at my feet that knocked me down.

"I was down with a network of bushes over me and the five dogs and that bear were wallowing and fighting about me like nobody's business. But eventually the bear got away from the dogs, ran off and then came directly back to me and jammed his nose against me where I stood entangled in a mesh of vines.

"Of course I kind of thought I was up against it, but the dogs were so hot in behind the bear he turned and climbed another tree, where I shot at him again inflicting a fatal wound.

"Then" he added, after securing a large chew of waxy tobacco, "there was that time when R. W. Scott had me set a trap for a bear near one of his Green Swamp bee yards. The next morning Mr. Scott, J. P. Long, the late C. M. Carr, myself and several others went to see what I had caught.

"One of the traps (I had set three) was gone. In single file we followed the battered trail from the bee yard into the swamp. J. P. Long was next to me, and I was in the lead, carrying the gun. So when he found the bear in the trap, we stopped. Then we made a bargain, if I just wounded the bear that we were to scatter and each run for

Benefit Payments Exceed Farm Tax

Payments By AAA To North Carolina Farmers Would Pay 1934 Tax Bill

AAA benefit payments to North Carolina farmers in 1934 amounted to twice as much as the taxes on farm property. Dean I. O. Schaub says that the 1934 benefit payments totaled \$12,519,933 and the farm property taxes came to about \$6,684,000.

The exact sum of the taxes is not known, the dean said, but this amount is an estimate based on a study of farm taxation by Dr. G. W. Forester, agricultural economist at the college.

The cotton payments alone, \$6,521,997, would almost have paid all the farm property taxes in the state levied for 1934, the dean added. Tobacco payments ran to \$5,640,000.

But the benefit payments pale into comparative insignificance when compared with the more than \$120,000,000 increase in farm income derived from the sale of cash crops, the dean added.

In 1934 with the adjustment programs well under way, the tobacco, cotton, wheat and peanut crops sold for around \$86,800,000. In 1932, before the programs were started, the sale of these crops brought only \$85,178,000.

The rise in corn and hog prices augmented the farm income still further, Dean Schaub said, but exact figures on the income from

Constitutionality Smith-Kerr Act Is Again Attacked

Macon, Ga., July 18.—A suit attacking constitutionality of the Kerr-Smith Act, under which a system for the reduction of tobacco acreage is set up, was filed in Federal District Court here this afternoon by 100 growers of tobacco in Northern Florida, who are planning to sell this year's yield in a Valdosta warehouse.

In the suit W. E. Page, Georgia internal revenue collector, is named defendant. No date for hearing the matter, in which a restraining order against Page is asked, was set by Judge Deaver.

As in suits attacking constitutionality of the bill providing for a processing tax on cotton and hogs, it is alleged that the Secretary of Agriculture is delegated unlawful authority under the act, that interstate commerce is not involved, that the tobacco levy is not a tax but a penalty, and that the amount which is supposed to be collected from plaintiffs is "arbitrary and unreasonable." In addition, it is alleged that the levy is not uniform since no tax is collected on unsecured tobacco grown in Virginia and Maryland.

All the plaintiffs are non-signers of agreements to reduce their tobacco acreage, the petition reveals, and under the set-up will be required to pay a tax of one-third of the price received for their crop because of their non-compliance. Signers are issued warrants for allotted poundage

these two commodities were not at hand when he calculated the state farm income.

All told, the payments and the rising prices boosted the 1934 North Carolina farm income more than \$132,000,000 above that for 1932, or approximately 22 times the amount of the 1934 farm property taxes.

WHEAT PAYMENTS

The wheat payments for 1935 will be 33 cents a bushel on each participating grower's domestic allotment—four cents more than last year. Growers who wish to enter this program this year will have opportunity to sign new contracts, says L. B. Altman.

and the warrants are issued in payment of the tax. The petitioners charge that the act favors growers who had acreages in 1931, 1932 and the basic period, and penalizes those who had made voluntary reductions in acreage during the years.

To enforce the act would the petitioner's property would be subject to seizure, it is claimed.

C. A. Avriett of Jasper, Fla., and J. L. Blackwell of Ocala, Fla., are attorneys for the petitioners, who expect yields for this season to be from 50,000 pounds down to 350,000. The total poundage involved in the action is between 300,000 and 350,000.

Agent Advises Remove Suckers

Seasons Have Caused Growth Of Suckers Tobacco; Urges Early Removal

The favorable season after extremely dry weather has caused tremendous quick growth of the majority of the tobacco this section, says J. P. Quinn, farm agent. He says that it is very important that the suckers be kept off the tobacco, in order that quality will be added to the leaf. If the suckers are allowed to remain, he says, it will likely cause a very thin, lifeless quality.

Some farmers may find where tobacco had a reasonable growth before the rains, that too, has taken another growth causing a heavy, rough leaf. This case it might be well to leave a top sucker which should be topped out leaving from four to five leaves that will help take up the extra amount plant food that would readily go into the other leaves of the plant which would cause a rough quality of tobacco. These suckers may not be harvested, even though they are not, it will tend to improve the quality of the remainder of the tobacco.



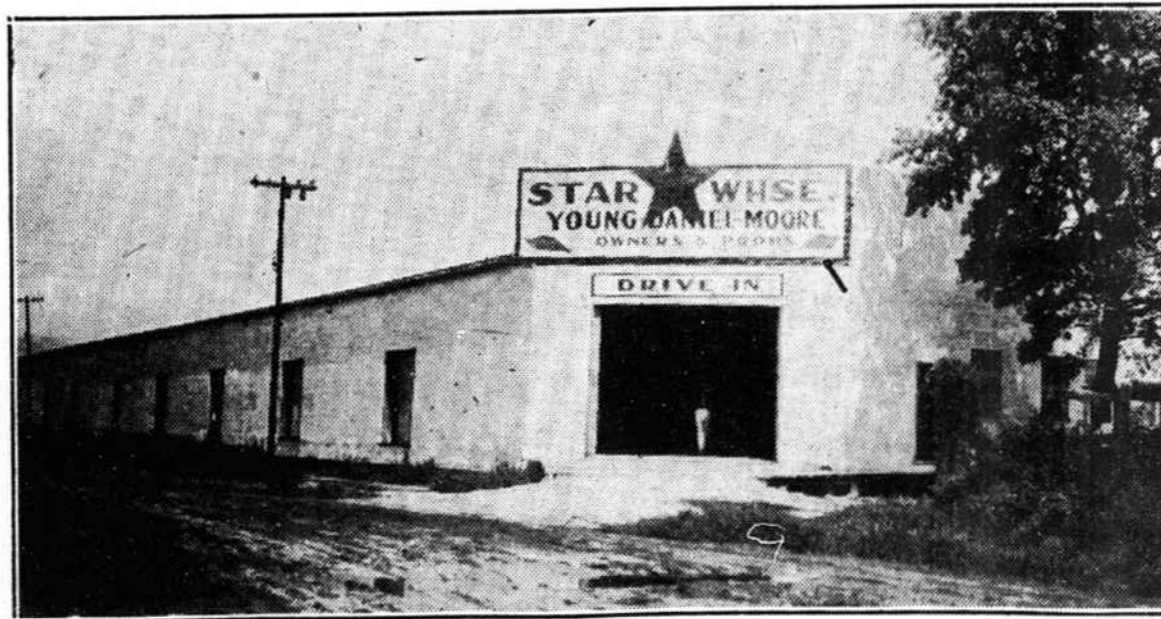
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