MAL MESSAGE READ WANTS CORPORATION TAX

Recommends to the Sen the preorporation of a Provision Twiff Bill For the Taxation Earnings of Corporations and Idoption of a Resolution Look-An Amendment of the Consti So as to Permit the Levying Tax Without Interfer-Courts-Senate the Finance Committee's Recintions Regarding the Adof Philippine Products.

June 16.-The message ommending the rovision in the tartaxation of the earnand the adoplevving of an income efference from received by the as generally regardof such and, after brief dis- given out. thed of proceeding.

upled the chair of Georgia. the time engaged share. the presentation ment was accord-

when, under general riman. tax question is Republicans vot- Ocean

the message, Senator to that he would deoston be made for a income tax that led for, and intimated provision which did

finance commitcommendations regarding the Philippine products, but after two or three amendhad been voted down.

of Louisiana, occuely hours of the day with augar into the He took the position allowing 300,000 ne product to come the production in the exceed the quanti-

ate for the House zinc schedule. during the afommittee amendment ore in place of the vided in the House bill.

while Senators Heythan committee's rec

the zine schedule led was finally adier's suggestion for of other commita minor character ust before the adsame of them were

legislation looking two per cent. tax corporation idention of an amendistitution providing of an income tax lonment among the a message embody the subject.

apparent inability of Fards an income tax he on of the Supreme & Trust Company, in unless apportioned 'It is," says indoubtedly a power rnment ought to have ndispensable to the nagreat crises." therefore, he declares, the constitution, he Treferable to the one ing a law judicially

stitutional. the tariff bill provides on upon all corporalock companies for national banks (otherings banks and buildinclations, of an exrporations. This, it will bring an an-\$25,090,000 ge and not on propand is within the

out apportionment Pulation CORPORATIONS. points out that antax on corporations pervision, which will rnment, the stockpublic knowledge of ransactions and the f every corporation s, will make a long

supervisory . conwhich may prebuse of power." oncludes: then, first, the adop esolution by twoouses, proposing to ndment to the con-

to levy and collect

among the States according to population; and, second, the enactment, as part of the pending revenue measure, either as a substitute for, or in addition to, the inheritance tax, of an excise tax upon all corporation neasured by two per cent, of their

net income." The message was referred to the finance committee.

CENTRAL OF GEORGIA SOLD.

Illinois Central Railroad Carries Out Plans Perfected More Than a Year Ago-Purchase Price Not Given

the Central of Georgia Railway to the Illinois Central Railroad, carry- ond day of the Retail Merchants' Asing out plans forecasted more than a sociation of North Carolina was deyear ago, was announced to-day. The voted principally to hearing reports ion looking to an transaction ofiginated in negotiations of local associations and committees. constitution so as culminating in November, 1907, when Each report was received with markthe entire capital stock of the Central ed applause and showed the associathe of Georgia passed into the hands of tion to be in a prosperous condition. It William Nelson Cromwell and John is a significant fact that each dele-W. Castles. The purchase, it was gate in making his report protested tran- announced a few months later, was against the unjust freight rates imas to place in fer E. H. Harriman, whose intention, posed upon North Carolina, Judgplestions pertaining it was then stated, was to transfer ing by these reports it is evident that edules of the tariff it to the Illinois Central. The price every merchant is going to wage a more was received early paid by the Illinois Central was not active campaign than ever to secure

committee on fi- made in this city by John F. Hanson. of Atlanta, president of the Central The price paid by Mr. resident's secreta- Harriman for the stock, to the parthe message in value of \$5,000,000, it was stated, was the fact that Sen- \$3,000,000, or at the rate of \$60 per find that rates from Eastern shipping

The entire capital stock of as delayed for some Central of Georgia was originally held ern shipping points to Virginia cities on concluded, but by the reorganization committee of Henburn had ad- the Richmond and West Point Terproceed with the minal Railroad and Warehouse Comaring bill the mes- panya. In June, 1907, the stock was such was a full Senate sold to Oakleigh Thorne, of New York, and Marsden J. Perry, of Provisttention from all dence, R. I., who agreed to retain voting control for at least two years. It was from these gentlemen that acted to report on Messrs, Cromwell and Castles secured feature of the message the stock and they sold it to Mr. Har-

The transfer of the Central of Georfor considera- gia carries with it the control of two est of this State. As rates have been was however, voted steamship lines, one from Savannah he first time in many to New York and the other from Sawas strictly along vannah to Boston, operated by the figures upon which these conclusions Steamship Company. The e table, while all the Central of Georgia operates a little votes against over 1.900 miles of road. Its system touches that of the Illinois Central formal discussion of at Birmingham, Ala.

AT THE NATION'S CAPITAL.

The Most Important Happenings of a Day Briefly Summarized. Washington, June 16 .- The most

important happenings in the national apital to-day were: In a special message to Congress, filed complaints, the President Taft recommended the en-actment, as part of the pending tariff behalf of Winston-Salem and Dur-President Taft recommended the enbill, of a two per cent. tax on the ham against the Norfolk & Western net incomes of all corperations and Railroad. It was thought by the comthe passage of a resolution proposing mission that this case was the strongto the States an amendment to the est that could be made up and preconstitution granting to the Federal sented to the Interstate Commerce government the right to levy and col- Commission. A hearing was held bepopulating the free admission lect an income tax without apportion- fore a member of the Interstate Comment among the States according to merce Commission at Raleigh in Aupopulation. This message was sent gust, 1907. The commission has not port after the President had for more than two hours this morning consulted with the six lawyer members of his Cabinet. After being read in the the finance committee.

The Philippine free trade section of the tariff bill with amendments was eral Assembly of North Carolina a mance committee's adopted by the Senate by a vote of 42 number of gentlemen, together to 28. Thereupon the zinc schedule portion of the was taken up, Mr. Aldrich offering an amendment substituting a graduated scale of rates on zinc ore in place of of the duty of one cent a pound as pro-

Official advices from show that the steamer Nanticoke and the tug Despatch, which were susand others advo- pected of filthustering, was purchased by the Venezuelan government.

NANTICOKE IS CLEARED.

steamer, Suspected of Filibustering Will Be Permitted to Go to Vene zuela, Upon Advices From Venezuelan Government.

Washington, June 16 .- State partment official advices from Venezuela to-day cleared up the mystery of the steamer Nanticoke and tug Dispatch, suspected of filibustering, showng they were purchased by Venezuela for transportation purposes on Lake Maracaibo. The Depuartment of Justice has ordered its agents to abandon their observations of the vessels and to return to Washington.

On the receipt of these which were from Minister W. W. Russell, transmitted through the State Department, Assistant Secretary Mc-Harg, of the Department of Commerce and Labor, telegraphed to the collectors of ports on the middle Atlantic coast to grant clearance papers to the Nanticoke and Dispatch on proper application. Instructions also vere sent to the revenue cutter to detain the vessels no longer.

The information from Caracas is the result of diligent inquiries made by Minister Russell,

NEGRO BURGLAR NABBED

Claims He Was Entering Lady's Room in Search of Chickens

Special to The Observer. Anderson, S. C., June 16 .- Sylvester Brown, a negro, is in jali here on a charge of having attempted to break int othe home of Mr. F. H. Burns, in the western section of the city last night. The negro was seen by one of the ladies of the house as he was in the act of raising a sash in the window of her room. She at once gave the alarm, and the negro fied, but not until he had been fired at several times by Mr. Frank Burns. A negro, suspected of being the guilty one was arrested by officers an hour later, and finally confessed that he had been at the house. He said that he had gone there to steal chickens, but when asked if he thought there were any chickens in the house he remained silent. He has been placed in jail and will be tried on the charge of attempted burgiary at the next term of

Cotton Mill For Warrenton.

cial to The Observer. Warrenton, June 16 .- Our town is seen to have a cotton factory. Thomas D. Peck, a wealthy manufacturer of Massachusetts, has imong us and will invest \$70,000, while the citizens of the town will be interested to the amount of \$60,-A charter has been granted by the Secretary of State and work will

UNJUST FREIGHT RATES TEACHERS' FIRST SESSION BUSY DAY WITH DOCTORS on account of hook-worm. There

Chairman of the Transportation Committee of the North Carolina Mer-

chants' Association Presents Interesting Paper Dealing With Freight Discrimination Against North Carolina Cities-Test Case Made Up and Placed in the Hands of the Interstate Commerce Commission—Calls on the Merchants to Use Every Effort to Defeat Candidates Who Are Opposed to Their Cause-Brilliant Banquet Closes Day's Session.

New York, June 16 .- The sale of Special to The Observer.
Elizabeth City, June 16.—The secredress from this condition. The lack Announcement of the transfer was of business laws for the protection of commercial interests was also a subject of much comment.

The report of Mr. J. McCausland. chairman of the transportation committee, is significant. It says: "We points, Northeastern shipping points, Western shipping points and Southare in the main about one-half the rates charged to North Carolina cities, notwithstanding the fact that ness in North Carolina cities an average of about 10 cents on the hundred more to deliver goods to small towns in this State, than it does jobbers doing business in Virginia cities, which renders it practically impossidiscussed very thoroughly we do not are based.

TEST CASE MADE UP. About eighteen months ago complaints were filed by Greensboro, Winston-Salem, Durham, Charlotte, other North Carolina cities with the North Carolina Corporation Commission setting forth the grievance of these cities on account of the discrimination practiced against them by the railroads and in favor of other territory. After going over the matter with the representatives of the cities that had Corporation rendered a decision in full, but it part in the Winston-Salem matter and Wilson. The keynote of the incidentally made a ruling, which is can well be said to have been o rapidly increased Senate, the message was referred to deemed to be adverse to North Carolina on the main issue.

"During the session of the last Genyour committee on transportation. held a meeting and drafted a resolution which was presented to the General Assembly and passed by it. instructing the North Carolina Corto go into effect from our seaport towns to interior points equal to the rates from seaport towns of Virginia. have been South Carolina and Georgia to inte rior cities of those States, the purpose of this resolution being to bring about a water rate through Wilming ton. What benefits we may derive from it are yet to be determined.

TO ENTER POLITICS? "Your committee is of the opinion that if our North Carolina Corporation Commission would take the proper interest in the question of equalization of freight rates from our North Carolina seaports to points in the interior and work the matter diliit would eventually bring about the desired results.

"We believe that whatever headway has been made in the question of the adjustment of freight rates has been through the instrumentality of the North Carolina Retail Merchants' Association, and we urge upon our members the necessity of continuing their activity in this matter. The only hope we have is through education, agitation and publicity.

"We further urge upon the members of this association to see to it that only such men are elected upon the North Carolina Corporation Commission as will take an active interest in securing such equalization freight rates as will enable us to develop our commercial interests."

This afternoon the delegates and visitors were entertained at an exhibition game of ball between Elizabeth City and Hertford.

To-night Robert N. Simms, of Raleigh, addressed the convention The Best Way to Secure Degisla-Among other things he said that the association should start now by appointing a legislative committee to serve for the next three years; that they harmonise the ideas of the merchants of the State as nearly as possible, and present requests with the solid backing of all the mercantile interests of North Carolina; that they interest unorganized merchants f the State and get all public meetings possible to endorse their efforts for legislation; that they send favorable delegates to county and State political conventions; endeavor to get both political parties of the State to endorse their requests inasmuch as the measures they seek to enact are non-partisan in their nature; recommend that they pledge prospective and put out favorable candidates where necessary and work for their nomination: that they at once prepare and circulate petitions for signatures of citizens generally asking for enactment of laws desired; call attention to the fact that this course will put the merchants of the State into politics, but impress the fact that this result will in itself be a consummation devoutly to be desired and that it will be for the benefit of both the merchants and the State at large.

After the close of the night session a brilliant and enjoyable banquet of eight courses was served in the handsome dining hall of the Southern Ho- floral designs.

First Session of the Teachers' Assembly is Given Over to Hearing Reports From the Various Departments of the Organization—Superintendent Coan, of Wilson, Delivers Splendid Paper on the Educational History of the State-Woman's Betterment Association Shows couraging Growth Along All Lines -Cleveland County Among the Leaders in Improved School Build-

ings and Grounds-Reception at Special to The Observer

Morehead City, June 16 .- The first ers are here in large numbers and that follow them. All sessions are well attended, and while the teachers lected for the scientific all are taking time to enjoy the surf, and January the time fixed. boat riding and other amusements not neglected and Colonel and Mrs. The board of governors will be announced later. The two new mem-Morton are always busy with plans bers of the examining board for nurses are Dr. Oscar McMullan, of and others attending the sessions.

The early morning hours to-day of Thomasville. were given over to departmental took part in the discussion that fol-Coppedge, Richmond county; Asheville; W. H. Swift, Greensboro; R. H. Burns, Roxboro; S. B. Underwood, Hertford; J. A. McLeod, Moore ble to develop the commercial inter- county, and W. F. Massey, Durham. Various features of the teachers' meeting were discussed-some very retrical.

of Wake county, was the principal feature. Superintendent Judd has edy. met with much success in school garwas interesting and many took part teresting paper was on

In the department of elementary education the topic for discussion was 'Directions and Suggestions For Child Study." Papers were read by H. Highsmith, of Wake Forest, and Miss Anne Wetmore, of Duke. In the open discussion so many took part that time had to be called. Those who attended this session were enthusiastic in their praise of the papers and discussions.

The regular morning session of the the committee on his- relative to Dr. Lewis' mort avas and adjugation read by Superintendent C. L. Coon, of The keynote of the paper point with pride to the past year." Mr. Coon cited facts and figures health.

Carolinians proud of the past year's on motion of Dr. J. T. J. Battle, of achievements. All of the facts given in the paper have appeared in the newspapers of the State, but Mr Coon, after much labor, was prepared to place the facts before the assembly doctors, the local doctors and the a readable and interesting form. poration Commission to require rates M. C. S. Noble, of the University of North Carolina, discussed the report, making a motion that Mr. Coon be thanked for his work in compiling the paper and for his former work connected with the educational history of the State.

The annual meeting of the Woman's Betterment Association was held Mrs. W. R. Holloin the afternoon. well, president: Mrs. Charles D. Mr- years' time to eradicate Iver, field secretary, and Miss Mary K. Applewhite, recording secretary, occupied places on the stage. exercises consisted of reading various county and town organizathat more than \$15,000 had been reported raised by various local organizations during the past year. dollars have been raised that have not been reported. Reports were also received from a number of county organizations. The meeting this aforganizations. ternoon proved that the women of the State are alive to the need of improved school buildings and school

was from Cleveland county, where more than \$500 were raised. NIGHT SESSION. President T. R. Foust delivered his annual address, his submill people was for them to own their own homes and vote special for schools. The second address of the evening was by E. K. teacher to enter into his rights as a citizen and create a community spirit in North Carolina. Was His strongest speech delivered so far at hook-worm. the assembly, and one of the strongest ever heard by North Carolina teachers

To-night Colonel and Mrs. F. P. Mooton, of the Atlantic Hotel, are giving a reception in honor, of the The following people are Governor Kitchin and Mrs. F. P. Morson; T. R. Foust and Mrs. Helen Richards; D. H. Hill and Mrs. J. Y. Yoyner; J. Y. white; Henry Jerome Stockard and Miss Mary O. Graham; George W. prevalent among the poor whites and E. K. Gra-Lay and Mrs. Stockard: ham and Miss Anne Wetmore; Rivens and Mrs. Turlington: Dr. Turlington and Mrs. Marianna Мта. Garessen: M. C. S. Noble and Brooks; J. H. Highsmith and Mrs. C. L. Stevens; C. Reynolds and Mrs. E. E. Moffatt; Z. V. 1900 and Edith Royster; Dr. B. F. Dixon and E. Moffatt; Z. V. Judd and. Miss Miss Gertrude Weill.

tel, which was elaborately decorated with appropriate colors and heautiful ing. The 30 per cent, loss is due to

MR. J. N. MCAUSLAND'S REPORT DAY OF DEPARTMENTAL WORK. SOME ABLE PAPERS PRESENTED

Doctors Elect New Officers, Time and Place For Scientific and Sociological Meeting and Listen to a Number of Scientific Papers— Joint Meeting of the State Board of Health and Medical Society Praise For Secretary Lewis-Dr. Stiles, Discoverer of the Hook-Gives Some Interesting lacts Relative to the Disease sanitary Conditions of the Larm Responsible For Ita Spread.

Special to The Observer. Asheville, June 16 .- The North Carolina doctors in annual convention here listened to a number of day's session of the Teachers' Assem- scientific papers this morning, swapbly has been very successful. Teach- ped experiences, elected two members of the examining board for nurses and held a joint session with much interest is being taken in the State board of health. Officers for various papers and the discussions the North Carolina Society For the Prevention of Tuberculosis were also elected to-day. Greensboro was seare here for inspiration in their work ological meeting of the association

The new officers of the association are: Dr. W. L. Dunn, Asheville, presafforded here. The scene around the ident; Dr. Paul Ringer, Asheville, Atlantic Hotel is an interesting one. vice president, and Dr. C. A. Julian, The social side of the assembly is Thomasville, secretary and treasurer Elizabeth City, and Dr. C. A. Julian,

The first paper discussed to-day work. At the meeting of superinten-dents L. C. Brogden presided, and on "Shock." The paper was read last the question of a teachers' meeting evening and liberally discussed towas discussed. Superintendent A. C. day. Dr. I. F. Hicks was absent and same lines of railway. We further Reynolds read the principal paper his paper, "Fractures of the Skull." was read by title. "Traumatic Neu-Dr. Samuel Lloyd, of New York. The R. P. Connelly, Oxford; R. J. Tighe, cussion was opened by Dr. J. M. Parrott, of Tarboro, who said that these cases were very hard to handle and suggested that railroad companies having such pending settle them as soon as possible as by that way was deen it necessary to give facts and practical and others very much theo- the quickest relief brought to the sufferer. He did not know exactly In the science department the ad-dress by Superintendent Z. V. Judd. Dr. Bahnson's suggestion of the Balm of Gilead" was the best rem-

> A paper on "Malaria" was read by dens and he gave the teachers the Dr. J. J. Phillips, of Tarboro, and benefit of his experience. The paper subsequently discussed. Another in-Tuberculin in the discussion that followed its in Diagnosis Applied to Children," by Dr. Richard Urquhart, of Johns Hopkins University. The paper was in terestingly discussed by Dr. Stiles and Dr. Kirk.

> The joint session of the State board of health and the medical society followed the reading and discussion of The meeting was presidthe papers. ed over by Dr. George C. Thomas, Wilmington, president of the State opening the meeting spoke of the very effective work of the retiring secretary, Dr. R. H. Lewis, of Raleigh. During the meeting many very assembly was taken up in hearing the complimentary remarks were made work. Dr. course of which he referred to the interest that the last General Assem-"We bly of North Carolina manifested important subject of State that moght well make patriotic North tribute to the work of Dr. Lewis and tions anent Dr. Lewis and his work This afternoon many of the visiting wives of doctors went to Overlook Park where a barbecue was enjoyed.

THE HOOK-WORM. In conversation with a newspaper man this afternoon, Dr. C. W. Stiles. of Washington, discoverer of the with the United States marine hospital service, made the startling announce ment that it would cost from \$2,500 000 to \$3,000,000 and require twenty worm disease from the United States that there are now a million people in The the Southern States suffering with the disease; that the State board minutes of the last meeting, hearing health of Georgia has estimated that the financial report prepared by C. in that State alone there are 200,000 H. Mebane, and hearing reports from cases of the disease and that the disease is causing the South an actual The financial report showed and potential less of from \$50,000,000 to \$100,000,000 a pendous loss to which Dr. Stiles refers s in loss of life, sickness due to the disease, and the tendency of the disease to produce what is commonly termed "laziness" among the people. Dr. Stiles says that in 90 per cent of the cases the disease from ground itch; that of the rural whites in the South fully 20 per cent are suffering from hook-worm; that groounds. One of the best reports experts can easily recognize the disease and that in some localities from 50 to 80 per cent, of the entire popu At the night session Dr. D. H. Hill to hook-worm and cotton mill em ployes Dr. Stiles said that it was the common cause of anemia so prevalent ject being "Our Relation to the Mill among the operatives of cotton mills People of the State." He said that and commonly supposed to be due to only hope of the future of the the breathing in by the operatives of the physician the lint has nothing to do with it, but it was due to the hookworm, contracted before the oper subject was "Teachers and Modern Democracy." It was a plea for the cause of a great amount of illness teacher to extend the black of the subject was a plea for the cause of a great amount of illness teacher to extend the black of the subject was a plea for the subject was "Teachers and Modern cause of a great amount of illness that the hook-worm is the subject was "Teachers and Modern cause of a great amount of illness that the hook worm is the cause of a great amount of illness that the hook worm is the cause of a great amount of illness that the hook worm is the cause of a great amount of illness that the hook worm is the cause of a great amount of illness that the hook worm is the cause of a great amount of illness that the hook worm is the cause of a great amount of illness that the hook worm is the cause of a great amount of illness that the hook worm is the cause of a great amount of illness that the hook worm is the cause of a great amount of illness that the hook worm is the cause of a great amount of illness that the hook worm is the cause of a great amount of illness that the hook worm is the cause of the cause o South and says that the present white labor scarcity in the South is due to the the fact of the wide prevalence of the

DISCOVERED IN NORTH CARO This disease greatly raises death-rate and renders those survive of a very inferior race.

disease raises the birth-rate, but the average child does not live so long on account of it. The prevalent idea is that the disease was first brought to this country from Africa before the war by negro slaves. The disease was Joyner and Mrs. McIver; Dr. Ven- first discovered in North Carolina and able anad Mrs. R. R. Cotton; Henry the northern portion of South Caro-Louis Smithm and Miss Mary Apple- line. It is a creature of unsanitary conditions, hence it is found more

negroes. To show the effect of unsanitary Brooks and Mrs Hollowell; J. A. conditions upon the general health of community, Dr. Stiles said that at Cobb this meeting of the society he had the State, who showed effects of having had hook-worm in their infancy. proved the fact that unsanitary conditions affect all alike in a community. Dr. Stiles estimates that the South is not receiving more than 70 per cent, return from the money it is investing in schools and school-

are two reasons for this, said he: The pupils are not able to allsimilate the knowledge taught them; (2) the South is educating numbers children between the ages of 6 and 17, who are buried before they are 18 on account of this disease. So the State is receiving no return for the money invested on them.

Dr. Stiles made the highly interesting statement that cotton mill owners, instead of doing the people an injury when they brought them to the villages and cities from the farms, were unconsciously doing them the greatest possible favor in bringing them away from the unsanitary conditions of the farm, where the disease was probably contracted. cotton mills by bringing them in were aiding greatly in the eradication of He said the only way the disease. way to eradicate disease is the passing of a compulsory closet taw, which he said is far more important than a compulsory school law. The treat-ment of the disease was easy, but the prevention of its spread was the main

SALISBURY NEWS OF A DAY.

Convict Camp to Change Location Other Notes of Interest.

Observer Bureau, 421 North Main Street, Salisbury, June 16.

road, where it has been putting lown preaching fight, and that I answered macadam, to the recently opened road that letter in another open letter, connecting the Lincolnton and Sher- saying that I would accept upon the rill's Foard roads, three and a half miles west of Salisbury.

Mesars. Smoot and Hatcher, who have been the owners of the Theato, next door to the postoffice, have sold published by the press of the State. this amusement place to Mr. Thomas ously from 2 until 11 o'clock each evening.

Mr. Irving D. Proctor, of Washington City, who is to represent Uncle Sam in the erection of the government now in progress on one black.

Mr. W. H. Leonard, one of city's leading jewelers, was yesterday elected a delegate by the North Carolina Jewelers' Association in session at Durham, to represent that body at the national convention in Omaha, Neb., August 3. President L. E. Heilig, of the Citi-

Loan Association of Salisbury, will make a strong effort to have held in this city, the date and place num for a long term of years. being left to the executive committee. Messrs. Reuben J. Hormes and Ed-

man & Co. their vehicle, harness and he Daniels of Statesville, to be associated with them in the management of the busi-

TRIAL IS POSTPONED.

Well-Known Atlanta Lady Accused of Taking a Satchel Containing Jewelry While En Route to New York in

Newark, N. J., June 16.-The trial of Mrs. Francis J. Ridley, of Atlanta, Ga., on a charge of the larceny of \$2,-000 worth of jewelry belonging to Mrs. Andrew Albright, of New York, was indefinitely postponed to-day following a prolonged conference between the prosecuting authorities and Congressman Richardson, of Alabama, and United States District Attorney William H. Ambrecht, also of Alabams. Congressman Richardson and depositions of a similar nature from can, numerous prominent Atlanta people States.

Mrs. Ridley and her friends insistbe taken up, the local authorities declaring that no judge was available

Mrs. Ridley was accused of taking satchel containing the jewelry while she and Mrs. Albright were fellow passengers on a train from the South

Anderson, S. C., Tigers Face Charges of Retailing. special to The Observer.

Anderson, S. C., June warrants issued by Chief of Police L. M. Murphy were served yesterday on J. K. Manes and Ed Faulkner, both white men, charging them with selling whiskey and it is expected that there will be other arrests within the next few days. It had been known for some time that whiskey was being sold by these parties, and the officers had been quietly at work on the cases bringing them suddenly to a climax when the arrests were made. Manes is under a \$600 cash bond and Faulkner is in the city lock-up, being unable so far to give the necessary \$300

Booker Washington to Tour Virginian

Norfolk, Va., June 16 .- Booker Washington, the negro educator, carying out the plans of the late H. H. Rogers, will on Monday next begin at Spray." a tour of the Virginian Railway, speaking and investigating the conditions of the negro race along that system from Norfolk to Deepwater, West Virginia, a distance of over 400 miles. Dr. Washington will travel by special train provided by the Virginian Railway consisting of engine, buffet and living cars. He will speak to white people in Norfolk, and next to negroes at Pine Beach, who will tenier him a banquet there.

Third Arbitrator Not Selected.

Washington, June 16 .- In an efort to select a third arbitrator in the Seorgia Railway controversy, Hilary A. Herbert and Representative Hardwick, of Georgia, will hold another conference to-morrow. Their meeting to-day did not result in a choice. If they are unable to agree by Saturday, the board of mediation appointthe physical condition of the children ed under the Erdman act will name

SIMMONS - DANIELS SCRAP STATEMENT FROM THE SENATOR

PRICE FIVE CENTS.

Mr. Simmons Issues State ing That He Ever Said Mr. Bry Was Hounding Him He Fought Fusion in 1898 While Mr. Daniels Was Strongly Advocating Such a Move Acce Chairmanship With the Un standing That There Would Be a Straight Democratic Fight — His Stand in the Fight on Iron Gre-South's Industrial Advantage Raw Materials.

> Observer Bureau Congress Hall Hotel. Washington, June 16.

The Daniels-Simmons controversy goes on. Senator Simmons made the following statement to-night; "I have never said Mr. Bryan was hounding me, as Mr. Daniels alleges; I have not used that word.

"With reference to the State convention of 1898, while I was not present, being compelled to be from Raleigh at that time in the trial of the most important suits ever tries in eastern North Carolina, I took quite an active part in the contest be-Government's Representative in fore the convention against fusion. Erection of New Building Arrives— Mr. Daniels has not forgotten that several weeks before the convention met, while he was actively advocating fusion with Butler, Col. W. H. Bernard, the editor of The Wilmins ton Star, addressed an open letter to Superintendent Carter, of one of the county convict campe, is preparing to move his squad from the Concord chairman of the party in the apcondition that we would make a straight Democratic fight without fusing with any party, which letter extensively

"I voted for a duty of 25 cents a Burns, of Lynchburg, Va., who will ton on iron ore, and so did eighteen improve the place, cut out vaudeville out of twenty-eight of the Demoand operate moving pictures dontinu- cratic Senators who voted. The only Democratic tariff law enacted since the war levied a duty of 40 cents a ton on iroh ore.

NO MONOPLY EXISTS.

"It is not true that the steel trust building, arrived in the city this and manufacturers of iron have a morning and will be here until the monopoly of iron ore. It has been job is completed. With this and the shown conclusively in the debates in Grubb office building a quarter of a the Senate that the statement is not million dollars worth of building is true, but it is true that the trust and the iron and steel manufacturers own millions and billions of tons of Cuban and other foreign iron ores, which they want to bring in to their furnaces in this country free of duty. while charging trust prices for their products.

"In the speech delivered by Senator Paynter, of Kentucky, a Democrat. the facts proving this statement are sens' Co-Operation Building and given. He shows that one manufacturing concern alone has conthe tracted for the importation of a nevt meting of the State association minimum of one milion tons per an-"The chief industrial advantage

which the South enjoys over the balwin R. Overman have bought of Over- ance of the country consists in its immense resources of raw materials farming implement department, and largely the products of the farm and have secured Mr. J. P. Cathey, late of the land. New England and the athey live stock firm, manufacturing North seek to neutralize this advantage South's raw materials on the while insisting that the finished products made by them should nighly protected.

Will we accept this invitation of the spider to the fly, and sell our products to them no a free trade basis and buy their products highly protective basis? The editor of The News and Observer is the man who is mad; not I. What I have insisted upon and do insist upon is that the facts shall not be perverted or

A friend of John Motley Morehead said to me to-day that the editorial, "In the Fifth District," in The Observ er of the 10th unintentionally did bis Representative an injustice.

"I advisedly say that it is uninten tional because I do not believe The Mr. Ambrecht had come North to tes- Observer would wilfully misrepresent tify to the good character and stand- anything either to make a friend of ng of Mrs. Ridley, and had brought avoid a foe," continued the Republi-

"After Mr. Morehead had accepted and officials of several Southern the nomination he openly stated that he would not be a candidate for reelection, whether successful or not, ed on immediate trial and expressed and declared on all occasions that he indignation, when they could get no did not consider the campaign from a satisfaction as to when the case would personal standpoint but his purpose was to advocate certain political principles along industrial lines.

"Mr. Morehead has never taken in onsideration what The Observer speaks of as 'great good luck at two successive elections,' but expresses the firm conviction that the political and industrial policies for which he and his party stand are becoming more firmly established with the people not only of his district but of the entire

State. "It might be added that Mr. More head stands in line with The Observer's editorial on The South's Foreign Trade, and its most masterful one or our tariff policy, entitled. The South's Beonomic Folly.'

"That a man whose whole life has been devoted to business enterpris should not be carried away with not itics and should always use direct in stead of diplomatic methods is surprising; that he should be not only willing but anxious to return to bustness life is a new standard set for political world and will neither be misunderstood nor be misrepresented

by those who take an unbiased view, 'At the end of his term it will be found that he has faithfully served and advanced the best intere State in his public and political capacity, using the same good sense and business methods that he has in developing his model farm near Charlotte and his manufacturing plants

CRAIG AND MOREHEAD. As I asserted some time ago the in-

dications are that Locke Craig, Asheville, and Mr. Morehead gubernatorial tickets head the North Carolina in the next State election. The signs that point that way multiply every day. The Democrats of the State have come to understand Craig and to love and appreciate him and like his brand of Democracy. The sort of grit that makes a man get up and fight on and on when he has been knocked down time and again commends itself to the boys in the trenches. Therefore, at this day, it is no wonder that all the talk is the Democratic champion of the west In Mr. Morehead the Republicans have found a winner, and force circumstances will make him

next State leader-not as head of the (Continued on Page Saven)