

Ninety-Five Cent Tax Rate Will Meet Raleigh's Needs

Mayor T. B. Eldridge Discusses City's Financial Problems, Assuming An Assessed Valuation of Forty-Five Million Dollars When Revaluation Work Is Completed; Allowing For Ten Per Cent Increased Revenue, City Tax Would Be Only Sixty Cents Under New System.

Assuming an assessed valuation of forty-five million dollars for the city of Raleigh under the revaluation act, Mayor T. B. Eldridge yesterday declared that a tax rate between ninety and ninety-five cents would yield "revenue sufficient to meet all extraordinary obligations and provide for efficient administration on an economical basis."

Mayor Eldridge broke the silence he has maintained on the question of city finances yesterday with a statement on the budget, outlining the difficulties in the way and pointing out the possibility of meeting the city's obligations under the ten percent increase limitation on revenue provided for under the Revaluation Act.

"Adverting to my promise to keep the public informed as to the financial affairs of the city, it seems that the present is an opportune time to break the silence which I have maintained since my address on the subject before the Chamber of Commerce," said Mayor Eldridge.

"At this hour the whole subject of municipal revenues and disbursements might well be represented by a question mark, as indeed it is in the minds of the city commissioners. Weeks have been spent in efforts to construct a budget, but the task seems almost impossible in view of the increased cost of living, which affects municipal governments in the same way that it affects the individual and the family. In this condition there is trouble enough for any budget-maker, but added thereto is an unfortunate restriction on the taxing power of the city that was put in the Revaluation Act with a benevolent purpose, but which apparently will have an effect that must not have been foreseen and doubtless has not been intended."

"No Objection To Revaluation Act. "Now there is no disposition on my part to find fault with the outstanding purpose of the Revaluation Act; but, in common with the mayors of all North Carolina towns, I find the ten per cent clause of the act an obstacle in the way of plans to finance the city on a scale that will provide for efficient administration. Unless relief is afforded by the Legislature, the commissioners will be under the necessity of adopting measures of economy that will impair the effectiveness of every branch of the public service and reduce or cut off entirely the customary appropriations to benevolent and charitable institutions."

"Does the reader find it difficult to grasp the idea? Well, consider for a moment that the taxes in 1919 were levied on real property values assessed in 1915; that the cost of a thousand items comprised in the expense of city administration has increased one hundred to two hundred per cent; that the revenues of the city have increased approximately fifteen per cent since 1917, the year that America entered the world war; that the Legislature has restricted the taxing power to ten per cent increase over the gross amount collected from property taxes in 1919."

"Now let the reader ask himself if he could finance any business or a family on an increased income of fifteen per cent in 1920 and a ten per cent increase in 1921. The financial problems of the city are in no material respect different from the business and domestic problems of making buckles and tongues meet."

"The ten per cent clause applies to the state as well as to the city, but does not affect both in the same way. The state has large and increasing revenues from inheritance taxes, from license taxes on automobiles and other subjects, and is looking forward to large receipts from income taxes. In truth, the State is fast approaching the point where it will be amply provided for without resort to property taxes. On the other hand, the city has a small income from licenses and fees on the few subjects which the Legislature permits it to tax, but its main reliance is on taxes derived from real and personal property. The state can live and flourish on its ten per cent increase; the city must economize, sacrifice, and suffer on account of the restrictions."

"No Authority for Budget Figures. "Obviously it would not be compatible with sound public policy to discuss a budget that is in a formative state. In this connection it should be proper to say that statements of the proper contents of the budget that have been published were without authority. When the budget is completed there will be no attempt at concealment and the newspapers will have an opportunity to print the whole of it. However, some facts may be given out at this time without prejudice to public interests. Attention, therefore, is invited to what appears in the following paragraph showing certain extraordinary claims on the city treasury."

"In the first place there is a deficit of nearly thirty thousand dollars, five-sixths of which had been contracted before the beginning of my administration. This deficit must be wiped out during the present fiscal year, and nothing but the direct necessary will exhaust a deficit in any amount at the end of the year. There must be added to the sinking fund its due proportion of the revenues besides the amount necessary to pay interest and retire bonds falling due this year. For this purpose another thirty thousand dollars is required. Maintenance of our improved streets has not received proper attention for several years, as everybody who drives a vehicle of any description knows. This condition must be remedied, necessitating an outlay of more than twenty-five thousand dollars."

"Then there is a judgment adverse to the city on account of building the Hillsboro street bridge and a claim on behalf of the school board for penalties collected in the municipal court and applied to city purposes. The two items amount to nearly \$10,000. From the foregoing it appears that the revenues of the city are subject to a charge of approximately \$60,000 that has not featured budgets of other years."

"Allowance being made for the increased cost of operation in every department of the city government, the difficulty of financing the administration becomes apparent, and the necessity for relief passes beyond the stage of argument."

"\$45,000,000 Valuation. "The matter of tax rates must now be considered. The taxable value of property in 1919 was \$15,000,000. The

tabulation for 1920 under the revaluation act has not been completed, but my information leads me to believe that the amount will be between forty and fifty millions. Assuming a value of \$45,000,000, a 10 per cent increase would require a tax rate of 60 cents on the hundred dollars, and would produce such an amount that there would be a shortage of more than \$100,000. If the Legislature should authorize the city commissioners to levy a rate of one dollar on the hundred, they would probably make a rate between 90 and 95 cents. This would yield revenue sufficient to meet all extraordinary obligations and provide for efficient administration on an economical basis. But the city's financial obligations must be met whether relief is granted or not. The element of uncertainty lies in the kind of public service that will be provided and the extent to which public benevolence can be exercised.

"Measures of relief intended to meet the necessities of all cities and towns will be presented by the North Carolina Municipal Association. It may become necessary to ask for special legislation for the relief of our city. My belief is that these measures will command the approval of all good citizens. The people of Raleigh have honored me with their confidence to a degree that has been as surprising as it has been gratifying. Will they join me in my efforts to maintain municipal honor and promote municipal progress?"

New Chairman in Optimistic Mood About Campaign

(Continued from Page One)

"There has been no iron-bound contract between the President and Governor Cox"—was undoubtedly the feature of his talks today. There was a generous disposition in many sources to construe the remark as a certain indication that Governor Cox would declare for textual reservations to the treaty not satisfactory to the president. It is improbable that he will do anything of the kind. It is the "spirit of the League of Nations" that President Wilson is most vitally interested in and upon this he and Governor Cox are in "happy accord."

Neither the candidate nor the president will approve nullifying reservations and the Republican party, as well as such Democratic Senators as Smith, of Georgia, Reed of Missouri and Shields, of Tennessee, want reservations that are deathly destructive. As to the leadership of the party, Mr. White said that he knew nothing of any letter President Wilson had written or is expected to write to Governor Cox "relinquishing" such a position. His answer carried the suggestion that such questions are axiomatic.

"As a result of the San Francisco convention," said he, "of which Governor Cox was the nominee, he will naturally be the party leader. Woodrow Wilson, however, will be President until March 4, 1921."

In a terse and pointed statement, prepared for the newspaper men, the new chairman knocked the props under what glory the Republicans were getting today out of Lewis Boucher's statement that he, a Wisconsin Democrat, would support Senator Harding. Mr. White said:

"Not to Meet Wilson. "This is no news to us. Mr. Davies, of Wisconsin, and other leaders have advised me that 'one' has been 'wrong' ever since the war and that he had received assurances from Wisconsin that this open support of Harding would bring thousands of Republicans to Cox and Roosevelt."

"A- to any conference with the President while he is here, Mr. White said that he had no appointment. If invited to the White House, he added, he will cheerfully go. He characterized as "buncombe" that campaign contributions would be limited to \$1,000 each or any specified sum. The essential thing is to know whether they are tainted or not."

The National committee will have headquarters in Washington, New York, Chicago and possibly San Francisco. In those states west of the Mississippi the campaign on "progressivism" will be waged the hardest. One reason for this, Mr. White explained, is that the Western Republicans are terribly dissatisfied with the Senatorial candidate picked at Chicago and the stand-pat platform adopted there.

EXCELLENT PROGRESS IN BEAUFORT ROAD BUILDING

Washington, N. C., July 29.—Excellent progress is being made by the Leasiter-Porter company in the construction of the fifteen miles of permanent roads in Beaufort county.

Concrete has been laid from Washington almost to Milton's store at Dunyan. The concrete mixer has less than half a mile to go before finishing the five miles that is to be built in this section.

Asphalt has been poured from Charlotte street as far as the "detour" a short distance from the Pinetown road. As soon as the city contracts for the approach to the bridge on Charlotte street it will be possible for autos to drive for about two miles on the asphalt. It will require about two more weeks to complete putting down asphalt as far as the Pinetown fork of the road.

At Aurora a quantity of material has been placed on the road, and active construction work will start in about two weeks. There has been some delay in starting the work in that section due to non-arrival of material.

At Belhaven very little has been done. Five miles of roads will also be built in that section. Some material has arrived, but it is doubtful whether any work will begin before the latter part of next month.

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Camelot, the seat of King Arthur and the Round Table, is supposed to have been in Cornwall, but has never been definitely located.

WILMINGTON FOLK AFTER SHIPYARD

Anxious For Decision Regarding Disposal of Liberty Yard For Terminals

The News and Observer Bureau, 603 District National Bank Bldg. By R. E. POWELL. (By Special Lensed Wire.)

Washington July 29.—Wilmington is anxious for a decision from the United Shipping Board upon the offer of the city of Wilmington, as represented by the Chamber of Commerce, for purchase of the site on the old Liberty shipyard there for the purpose of providing North Carolina's chief seaport with public terminals. In behalf of a speedy decision, Col. Walker Taylor and James H. Cowan, have been in Washington this week. They are optimistic over the decision but desire it hurried so that Wilmington may start in the race just as soon as possible.

They are also enthusiastic over the city possessing public terminals and over the spirit of their people which has manifested itself in determination to develop the port along all lines, standing as one for such things and backed financially by the municipality itself, through its council, for acquisition from the government of the site of the old Liberty yard, which was established during the war for building concrete ships and which turned out two splendid types of the 3,500 ton freight carrying ships, each going forth with a name significant of the great commonwealth within the borders of which they were designed and constructed. The first bears the name of "Cape Fear" and the second "The Old North State."

All Wilmington stands back of the proposition to acquire the old Liberty yard, Mr. Cowan said today. Not only are shippers and stevedores folk who are in favor of the proposition, but also the great class of professional men, as well as artisans and laborers have joined in the chorus, according to the Wilmington gentlemen. The exporting firm of Alexander Sprunt & Son, which owns immense terminals at Wilmington has not only strongly advocated the proposition but has offered use of its terminal facilities until the city can possess its own docks, with accompanying warehousing and unloading facilities. Wilmington is now prepared to load or unload six-ton ocean going ships at one time and has over 600,000 square feet of warehouse space under cover but the people of Wilmington see even greater things ahead for their port, as well as desiring to get in line with the most progressive ports, which either have municipal terminals or have plans afoot for obtaining same.

Municipally owned terminals had been agitated in Wilmington for the past two years by the Chamber of Commerce down there, realizing that the government desired for ports of the country to have such and also appreciating that the time would come when private terminals would be taxed to their utmost by their own business owners. The trip to Washington by Wilmingtonians—twenty-five strong—as part of the party sent into the western section by the Chambers of Commerce of the five South Atlantic ports, brought the agitation to a successful conclusion.

Readjustment in Finances Feature of Bank Activity

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lanta district reported that there had been a "strengthening of the determination on the part of the public to delay buying."

"The most encouraging development of the month," said the Richmond district report, "was the striking improvement in crop conditions."

From the Atlanta district came this report: "Deflation is definitely under way, and with the return of a price basis more nearly normal confidence will be restored."

DORSEY ENTERS RACE IN GEORGIA SENATORIAL PRIMARY.

Atlanta, July 29.—Governor Dorsey's entrance as a candidate in the Democratic Senatorial primary election of September 28 was paid late today by a friend whose name was not disclosed. The governor had until August 15 to say whether or not he will make the race. Senator Hoke Smith already has announced his candidacy to succeed himself and Thomas E. Watson, of Thomson, Ga., also is in the race.

WALSH PROMISES SUPPORT FOR COX

Massachusetts Democratic Senator, Who Favored Reservations, Visits Candidate

Dayton, Ohio, July 29.—Governor Cox, Democratic presidential standard-bearer, today pledged the vigorous and unqualified support of David I. Walsh, of Massachusetts, a leader among Senate Democrats, who differed widely from the administration on the League of Nations and who fought for reservations.

Senator Walsh arrived here unexpectedly today, and was Governor Cox's guest at dinner before leaving for the East.

"I shall aid in every way possible to secure Governor Cox's election," said Mr. Walsh. "I voted for him from the first at San Francisco and shall continue my most loyal and vigorous aid."

Senator Walsh said he had not learned Governor Cox's position regarding reservations and other details in the League controversy, adding that he had not come here to discuss or advise with the candidate on that or any subject. He called solely to talk over campaign affairs, he said, with D. J. Mahoney, Governor Cox's son-in-law, and while here the Governor insisted upon to-day's visit to "Trail" End. Even should he and the Governor differ on the League, Senator Walsh said, he still would support the Governor enthusiastically.

"He was the most progressive and liberal candidate in the field at San Francisco," Mr. Walsh added.

"The Senator was the sole visitor today at Trail End. He arrived just when Governor Cox was finishing the first rough draft of his acceptance address and preparing to be the guest of honor here tomorrow at the "homecoming" and non-political celebration.

Governor Cox dug in all day on his speech of acceptance on August 7 of the party nomination. He aims to hold it within eight newspaper columns, or 9,000 words, and might be able to reduce it somewhat.

Hope that the League would not be the campaign's paramount issue was expressed by Senator Walsh, who led the successful effort in the platform committee at San Francisco, for the words in the League plank stating that the party does not oppose reservations making America's obligations clear and more specific.

"I hope we can devote more attention to American questions," said the Senator to friends here, asserting that opposition to profiteering should be stressed.

The Senator declared to visitors that he still favored League covenant reservations and would never vote for Article Ten. The Republicans, he predicted, would seek to make reservation to Article Ten their principal fight, and he said, Governor Cox should be "very careful" what position he took.

Senator Walsh predicted Irish questions would not be campaign issues. "I don't think they will figure at all," he said. "People of Irish blood will vote just as they always have—Republican or Democratic—as Americans regardless of their views on Irish independence."

HARDING CONFERS WITH HIS LEADERS

Republican Candidate For President Spends Day Crammed With Conferences

Marion, Ohio, July 29.—Subjects ranging from the political outlook in Ohio to the internal troubles of China were canvassed by Warren G. Harding, today in a long work day crammed with conferences.

The procession of callers prevented completion of the speech the nominee will deliver here Saturday at the opening of the front porch campaign, and he said it probably would be tomorrow night before the manuscript would be finished. The address, which will be delivered to a delegation from Mansfield, Ohio, will be short and is expected to include a more or less general discussion of the issues.

The first conference of the day was with four Chicago business men connected with the financial end of the Republican National committee, who arrived in Marion on an early train and were breakfast guests of Senator Harding at the Marion club. They were accompanied by Fred W. Upham, of Chicago, the National committee treasurer, and later talked over campaign finances with the nominee and outlined in detail the plan perfected in Chicago for raising a campaign fund by popular subscription.

To Raise Popular Fund. "This campaign is going to be financed by a truly popular fund," Mr. Upham said. "Arizona is going to contribute its share, in proper proportion, just exactly as New York or Chicago will do. The idea of a popular fund has appealed strongly to the rank and file of the party."

The Ohio situation was discussed by Senator Harding with George H. Clark, chairman of the Republican State Advisory committee who declared that even with the Democrats making the State one of their principal battlegrounds there was no doubt of Republican success.

"Ohio is Republican," said Mr. Clark in a formal statement. "She will exceed her record in her plurality for Harding and Coolidge."

"I speak out of knowledge and a survey of every county and community in the State indicates beyond doubt the overwhelming victory of the Republican party. This survey has been made by the experienced representatives of the State committee and has covered county and precinct."

Greetings From China. Senator Harding's talk on Chinese conditions was with Dr. Hiram Lowry, President Emeritus of Pekin University who brought the greetings and good wishes of the Chinese people, and Dr. Lowry told him they all were looking to the United States for their example of representative government.

Another caller was Leslie M. Shaw, of Iowa, a former Secretary of the Treasury, who is understood to have reported on conditions in the West and also to have talked over fiscal policies with Senator Harding.

"I was greatly pleased" said Mr. Shaw after the conference, "to find Senator Harding thinking, no so much of how he can get the office to which he aspires as to what he can do with it when he gets it. The man who has such a clear vision in public affairs is entitled to be called a statesman. Senator Harding has vision in public affairs and clearly sees far beyond election day."

Any Amount Will Be Received For Democratic Fund

(Continued from page one)

to the spotlight of pitiless publicity. The people will not stand for a purchased presidency. "The problem before the country and the world are so grave that an election untainted by the corrupt use of money and determined by clean discussion and consideration of the issues themselves was never more necessary to the safety and security of American institutions."

"Governor Cox stands for a clean election, for full and pitiless publicity of campaign contributions and their uses, for progressive policies and the league of nations. The Democratic platform and party offer the only refuge for the liberal and progressive elements of the

country and for those who believe in universal disarmament and the prevention of war through an honorable association of the nations which will substitute arbitration for military force in the settlement of international disputes. United States railroads earned \$3.4 per cent in 1919.

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\$45,000,000 Valuation. "The matter of tax rates must now be considered. The taxable value of property in 1919 was \$15,000,000. The