

OFFICIALS FIGURE NEXT TAX BILL AT 4 BILLION DOLLARS

Lay Recommendations for Raising Annual Revenue Before Secretary Houston

TO GIVE ANALYSIS OF FINANCIAL CONDITION

Recommendations Propose the Abolishment of Excess Profits Taxes and Substitution of Graduated Income Tax; Strictest Economy in Running Government Necessary

Washington, Nov. 7.—(By the Associated Press.)—The nation will face a continuation of the annual tax bill of four billion dollars, for a period of at least three years, if Congress adopts recommendations drafted by treasury officials and which, it was understood tonight, have been laid before Secretary Houston for approval.

Mr. Houston, it was said, probably will include such recommendations in the form of an analysis of the government's financial condition in his forthcoming annual report to Congress. The analysis will show, and accompanying

tax revision is requested in order to meet maturing government obligations and cover current Federal expenses.

Approximately eight billion dollars in Victory notes, War Savings securities and treasury certificates of indebtedness will be due for payment within the next three years, treasury figures show. Retention of the present aggregate level of taxes, or maintenance of the annual revenue of the government at about four billion dollars then is held to be unavoidable on the face of average expenditures estimated for the period.

Recommendations to be made by Mr. Houston, it is understood, will propose abolition of the excess profits taxes, their entirety, and the substitution of a graduated income tax of a substantially deeper cut than under present revenue laws. It was believed the new income taxes would apply only to incomes above \$5,000 annually and that provision would be made for a graduated increase even on the additional tax as the amount of income grows larger.

The secretary is expected to advise Congress that the strictest economy in Federal appropriations is necessary if the program outlined on the basis of a four billion dollar tax bill is to be accomplished. He has said that there was no way to estimate what the present laws would yield in revenue because of the rapidly changing conditions in business as a result of after-the-war transition and readjustment. Mr. Houston's view of this was said to be that tax receipts would be materially lower later in the present fiscal year which ends June 30, 1921, and that therefore the government income under the present revenue laws could not be taken as a basis for calculation of future receipts.

Task of Difficulty, which is held also by practically all treasury officials having to do with tax collections, forecasts a task of great difficulty. The treasury will insist strongly on legislation which would produce four billions for the next year, but the ways and means of getting it will be left to Congress except for the suggestions contained in the treasury's report. In fact, the tax law farmers will be informed that there is no alternative to voting a revenue act that will produce the required amount.

The program for handling the national debt and its payment is obligatory—can be accomplished only through annual revenue of four billion dollars, treasury officials hold. With the victory notes maturing in 1923, and the War Savings securities falling due in the interim will fall due in 1924 it was declared a possibility that the four billion dollar tax level might have to be continued even until the latter date. Treasury views are expected to clash with those of the Republican majority in Congress on questions of ways and means of obtaining the needed revenue. But with the changing administration it was understood the present regime at the treasury would merely suggest and offer little argument in support of their stand for repeal of the excess profits taxes and replacement of the amounts so gained by higher income taxes. It was said that tariff questions would be brought into the discussion and that those in charge of tax legislation might seek to offset some of the deficit by higher duties and customs, according to the treasury's argument for wiping the profits tax provisions off the statute books.

Continue Savings. The treasury is committed to a continuation of the sale of savings securities. Although amounts that obtained are small, they help materially in relieving current burdens of demand on the treasury by spreading out the maturing dates, according to officials. This feature of the financial status of the government also will have to be considered in the next tax laws, since officials believe it offers one road for the distribution of small amounts of the tax burden over several additional years. It was said to be only a means of deferring payment, but after the victory notes have been retired securities on which the payments have thus been deferred can be better handled.

Meanwhile, the treasury will carry on its announced program of short term financing, issuing certificates of indebtedness to meet current requirements in anticipation of quarterly payment of income and profits taxes. It was said that the certificate issue probably would continue for a bi-monthly basis until Congress indicates what it will do in the way of tax legislation.

NEGROES HOLD UP PARTY, KILL MAN AND ASSAULT TWO GASTONIA GIRLS.

Charlotte, Nov. 7.—Two unidentified negroes early tonight held up an automobile party of two young men and two girls, white, on the highway three miles from Gastonia, killed one of the young men, John Ford, of Lincolnton, dragged the girls from the automobile into the woods and assaulted them, and made their escape, according to telephone messages to the Charlotte police department.

Late tonight Charlotte police officers with a posse of officers and armed citizens of Gastonia county were scouring the countryside in search of the negroes who were believed, however, to have made their escape on a passing freight train. Feeling was said to be intense.

The two young women were taken to a Gastonia hospital, where it was said late tonight their condition is serious. Their homes are in Gastonia. The two young men, John Ford and Ransom Killian, both of Lincolnton, were said to be unharmed when attacked by the negroes. Killian was not injured. Ford was shot and instantly killed when he offered resistance to the negroes in their attempt to take the girls from the automobile according to the report received here.

PRESIDENT MAKES RED CROSS APPEAL

Deserves Hearty Response to Fourth Roll Call, Wilson

Washington, Nov. 7.—President Wilson today urged his "fellow countrymen" to join the Red Cross "in impressive numbers" during the fourth annual roll call to be held during the fortnight beginning Armistice Day.

"The American Red Cross," said the President, "deserves a hearty response to its fourth invitation to annual membership, which will be issued during the fortnight beginning November 11, Armistice Day."

"Under the stimulus of war and through the co-operation of our people, this organization grew into immense size, enlarged its range of activity, served not only our fighting forces but also civilians involved in the hardships of war in our own nation and in the nations associated with us in a great common enterprise, and gave to the world an example of effective mercy through co-ordinated effort.

"Since the cessation of hostilities the organization has faced a dual duty. First to fulfill obligations created by the war, and, secondly, to adapt its experience and machinery to the needs of peace.

"It is, today, still assisting governmental agencies in the care and cheer of our disabled soldiers and sailors, in replacing those able to work in civilian occupations, and in counselling and aiding the families of former combatants; and it is still assisting, with diminished resources, the process of rehabilitation of some of the more prostrated countries of our former associates.

"While continuing these manifold obligations, the Red Cross has been accomplishing methods and applying lessons learned in war to the normal needs of our own people in times of peace, especially in regions where provisions for public health and welfare were imperfectly developed. It has placed public health nurses in many localities, and endeavored to enlist greater numbers of young women in the nursing profession in order that the supply might more nearly equal the steadily increasing demand for community nurses. It has devised a scheme of "public health centers" for the relief of maladies and for instruction in hygiene, dietetics, and general principles of disease-prevention. With its nurses and nurses aides it has rendered incalculable service in the serious epidemics of influenza. It has carried instruction in hygiene and first aid into schools, the women's clubs and the homes of our country. It has taught young and untaught mothers how to care intelligently for their babies, and has done much in many ways to promote child welfare, upon which the welfare of the nation ultimately rests. It has made it a fundamental principle to avoid futile duplications, to co-operate with public agencies when its co-operation was sought, and to supply deficiencies where such agencies had not yet been established.

"It has continued its educational work among the school children through its Junior Red Cross branch, and it has, as one result of its war experience, put preparation for disaster-relief on a scientific foundation, so that it is now equipped to meet disaster emergencies promptly in almost every part of our country.

"By systematic plans and practical performances, it has given a clear answer to the question why the Red Cross should be continued and carried over from war activity into peace-time activity. The answer is in the record.

HOME FOLKS KNIFE IRVIN TUCKER FOR EFFICIENT WORK

Enforced Draft Law Regulations "Not Wisely But Too Well," They Say

RUNS AS TAIL-ENDER ON REPUBLICAN TICKET

Duplicate on Small Scale of What Happened in Nation Last Tuesday; Senator Joe Brown, Not Optimistic Over Business Outlook But Believes in Fighting

By R. E. POWELL. (Staff Correspondent.)
Whitville, Nov. 7.—There is perhaps no more striking unalike counterpart of the country-wide election just past to be found in the United States than in the Columbus county vote cast Tuesday for Irvin B. Tucker, Republican candidate for Lieutenant Governor. And with it is an anomalous turn from the balloting that rivals every political paradox in North Carolina.

It is on the presumption that Woodrow Wilson is the most loved man in the Democratic party that attention is so strongly riveted to the vote here in Columbus. For among the Republicans of the county, the election of Irvin B. Tucker is as conspicuous in the embodiment of ability, character and idealism as Woodrow Wilson is among the Democrats of the United States. The burden of this story, then, is to point out how his activities as chairman of the draft board in 1917-18 were rebuked by independent Democrats and straight laced Republicans in his county just as the policies of Woodrow Wilson were protested in the nation.

National Tragedy Brought Home. A nation-wide tragedy has been brought home to the people of Columbus and hardly anywhere in all the land of Tar Heels is there such a glaring miniature of the national platitude. Just as much as the great and solemn referendum indicated disapproval of American participation in the League of Nations the vote here indicated in a small way what is generally thought to be long cherished resentment to the manner in which America mobilized for the war.

The Columbus man, who has three times been elected mayor of Democratic Whitville and who, on two occasions, has won the Democratic nomination for the State Legislature, a stiff draft in spite of a normal majority of 1,500, tailed the Republican ticket in the vote last Tuesday and ran last with a wide margin between himself and his nearest competitor on his own ticket.

His greatly reduced vote in Columbus is attributable neither to the popularity of his Democratic opponent, Senator W. B. Cooper, nor to a preponderance of anti-war sentiment in the county. Columbus had as fine record as most any of the one hundred counties of the State and as few draft dodgers, but it also had a local chairman who enforced the Wilson-Crowder-Longston regulations to the letter. In the great crisis he did not temper his official conduct with interpretations but every man passed by the physician went in the order he was drawn unless his appeal was fortified with facts rather than sentiment.

Many Folks Were Made Mad.

All over the county folks were made mad by the local boards, and in the southern part of this county they were just a little madder than most anywhere else. And yet, even to this late day, the majority of folks will tell you that Tucker did his duty. Col. John D. Tucker who, as special aide to Governor Bickett, was in charge of the selective service organization in the State, has time and again pronounced Tucker as one of the most thorough and impartial officials created by the system. No local board in the State did a better job.

"If they vented their spleen on Tucker, the main stay of their party for years, it is easy enough to understand why they voted against Wilson in the nation," one of the Cape Fear philosophers remarked to this correspondent in discussing the anti-Tucker vote. In some precincts in the county normally Republican, Senator Cooper received a majority over Tucker and in others, where the vote is fifty fifty, Tucker trailed his ticket. His strength in by-gone contests has been the independent Democratic vote.

May Get Federal Recognition.

It was the "run of the mine" vote against him, however, and many Republican friends throughout the East are backing him for a Federal appointment, preferably district attorney for the Eastern district. He has done much to keep the Republican party in this section of Eastern Carolina alive and there is nothing between him and Federal recognition but the distance between him and Marion Butler. In the Sixth district convention at Lamberton last summer he threw sand on the Butler machine and by coming into power of Butler may operate against his ambitious when pie is being passed around.

Republicans hereabouts are like four-year-olds on Christmas morning. Tucker is still bell wether of the party in the county and his approval or disapproval will be respected by Morehead or Butler regardless of the past differences between them. It is highly amusing, in the light of this positive condition, to observe them gathering together in front of Martin's lively stable or in the lobby of the "down-town" postoffice to parcel out such patronage as the county is likely to receive under the Harding regime. Bitter fights are already brewing over the postoffice at Whitville and Vineland although the commissions of the two postmasters do not expire for one and two years.

GOVERNOR WARNS JACKSON CITIZENS AGAINST ACTION

Element Preventing Count of Election Returns Must Respect Board

LEAVES FOR ASHEVILLE TO BE IN CLOSE TOUCH

Chief Executive Holds That Board of Elections is a Court and Has Powers to Send Rioters to Prison; Unwilling to Send Troops But Order Must be Maintained

In a statement forwarded to the people of Jackson county, in care of their sheriff, G. M. Cole, Governor Blakett last night warned the unruly element which has prevented the County Board of Elections from canvassing the vote cast in last Tuesday's election that they are doing so at their peril, and in another telegram, addressed to the Chairman of the harassed board, directs him to communicate with the Executive in Asheville, in the event of further disorder.

The County Board, according to the Governor's interpretation of the statute, occurred in by Attorney General Manning, constitutes a court and in itself has the power to summarily remove from office any member of the performance of its duties. The Governor so warns the people of the county who have by threats of violence prevented a count of the county's vote, and indicates very clearly that the court must be respected.

MRS. VARNER SUES IN FEDERAL COURT

In Suit Against H. B. Varner Wife Makes Denial of Sensational Charges

Greensboro, Nov. 7.—Mrs. Florence C. Varner alleges in a suit filed in Federal court here that her husband, H. B. Varner, of Lexington, "willfully abandoned and deserted her" and not only "did maliciously turn her out of doors" but also "offered such studied and premeditated indignities to her as to render her condition intolerable and life burdensome."

Because of these and other allegations, set forth at length in the complaint, she asks the court to award her a "reasonable subsistence" of not less than \$5,000 annually and lays claim to a building in Lexington, known as the Varner building, which she claims to be worth \$50,000.

The plaintiff in the action sets forth at some length events alleged to have led up to her desertion when H. B. Varner started divorce proceedings last August and at the same time instituted suit against Baxter McRary, a negro, charging alienation of affections. She alleges that she was sent to the State of Utah by her husband or his friends and she brings suit in the Federal court as a citizen of that State, this being where her mother resides.

Charges in the divorce suit were denied, Mrs. Varner in her complaint stating that on the night of August 7th she had returned from the moving picture show, owned by her husband, with the records from the box office, this being her usual custom when he was away, and that she was admitted to her home by her negro servant, Anna Miller. Shortly afterwards someone knocked at her door, the complaint alleges, and when she answered she found Fred O. Sink at the door, who explained that she was "in all kinds of trouble." She thought her husband had met with some serious accident, it is averred, and was greatly distressed to learn that McRary was suspected of being in the house. The complaint denies that McRary had been or could get in the house because of it being locked.

PRODUCTION OF SOFT COAL AT NEW MAXIMUM

Washington, D. C., Nov. 7.—Soft coal production for the week of October 30 was 122,338,000 tons, a new maximum for the year, figures made public today by the United States Geological Survey show. For four consecutive weeks the daily output has averaged better than 2,000,000 tons, the longest period on record of sustained output at that rate except during the summer of 1915. Anthracite production during the same week was 1,698,000 tons, a decrease of 219,000 tons from the preceding week. This was due, it was said, to observance of the Mitchell Day Holiday, October 30, commemorating the settlement of the great anthracite strike of 1902.

REGULATIONS TO GOVERN AUTOMATIC TRAIN DEVICES

Washington, Nov. 7.—Work on regulations to govern the installation of automatic control devices on the railroads as required by law has been begun by the Interstate Commerce Commission in co-operation with the American Railway Association. A plan is being worked out by which the devices will be tried out experimentally on one railroad before the others are drafted, railroad officials said today.

HANGS HIMSELF TO ESCAPE CHAIN GANG

Chester, S. C., Nov. 7.—A. C. Holtman, convicted last week of obtaining money under false pretenses, hanged himself in his cell here today rather than go to the chain gang. He was well related in Florida and in Lexington, N. C.

NEW GERMAN PORTABLE BOAT



Photograph shows new German portable boat, afloat and folded. In the space of a few minutes this boat can be prepared to cross a river with the folding boat, which she is carrying. The boat, ready for use, is shown at the left, while at the right it may be seen compactly folded. It is very popular especially for sport purposes.

Commissioner Page Builds 803 Miles of Road in Year

MRS. VARNER SUES IN FEDERAL COURT

Notable Achievement in Construction Under Difficult Conditions

ANOTHER YEAR WILL SEE CONSTRUCTION DOUBLED

Would Divert All of Automobile Fund to Road Maintenance and Levy Small Ad Valorem Tax for Matching Federal Aid; State Will Produce Its Own Road Materials

Eight hundred and three miles of roads, 153 of which are permanent hard surfaced construction had been built, were under construction, or under contract at a total of \$11,143,128.58 on November 1, according to figures given to the News and Observer yesterday by Frank Page, chairman of the North Carolina Highway Commission.

A year from now Commissioner Page hopes to have twice that much road work under way, and two years from now he hopes that it will be trebled. Eventually, which means as soon as it can be done economically, he hopes to see even the most vivid dreams of road enthusiasts come true and the whole State netted with roads of the most modern type.

The means of achieving that desirable end vex the commissioner but little. He hopes that the General Assembly will not go backward in their provision for roadbuilding, and assumes that the provisions in any further legislation will not differ materially from the present law, except in that it will divert all of the present automobile fund to highway upkeep, and levy a sufficient ad valorem tax to match the Federal appropriations.

Always diffident when it comes to talking about his own work, Commissioner Page has rarely been found when he was willing to discuss the prevalent agitation and campaigning for roadbuilding in the State. He has been profoundly busy during the year and a half since he assumed the chairmanship of the commission organizing a working force of roadbuilders and finding material in a demoralized market with which to build roads. He is not much of an advertiser anyhow.

Taking over the old and loosely organized highway commission, with but few men employed and with no equipment to speak of, he has built up a force of nearly 400 people, engineers, draftsmen, mechanical and clerical help. He has assembled road building machinery and equipment, partly from surplus army supplies, valued at nearly \$3,000,000. And with this organization just swinging into working form, he has completed, or is building, more than 800 miles of roads.

Road Building Difficult. Road building during the past 18 months has been girt about with innumerable difficulties. Until within the past month cement for the building of hard surfaced roads and bridges was almost not to be had. When it could be bought, it was at prohibitory prices, and after it was bought few difficulties arose in the way of transportation. After it was transported, it was exceedingly difficult to find labor with which to build roads.

Often projects were advertised and with no bidders from any source. Contractors were afraid to take the work with conditions so demoralized. The cost of building mounted from \$25,000 per mile for a concrete road to within the neighborhood of \$50,000. Even then it was somewhat of a problem to find a contractor to take the work.

Gravel roads were easier to build and many were built. The cost of hard surfaced was too great for most counties; and rather than have no roads they took the gravel, which is standing up admirably under traffic. All roads were built under the constant supervision of engineers and all of them not already hard surfaced, have been graded out with a view to eventually making them so.

Couldn't Spend Large Sum. "If you had \$50,000,000 tomorrow, what could you do with it?" Mr. Page was asked. "Nothing," he replied. "Under present conditions we could not spend

SAYS DEMOCRATIC DEFEAT FAR FROM BEING A DISASTER

William G. McAdoo Declares Nation Needs Subsidence of Passions of War

REPUBLICANS CANNOT EVADE PROMISES NOW

G. O. F. Will be Held Strictly Responsible for Its Administration of Affairs; Democrats Must Unite Strongly for Cause of Democracy and National Service

New York, Nov. 7.—William G. McAdoo, former Secretary of the Treasury, in a statement tonight commenting on the result of the national election, declared that "what the country needs is subsidence of the passions and hatred engendered by the war and the partisan political appeals that followed."

"It is of no value to try to explain the causes of the Democratic defeat November 2," the statement said. "The overwhelming Republican victory has given that party the Presidency and both Houses of the Congress. After March 4th next, it will have entire responsibility for the policies and ad-

cannot evade or excuse its failure to perform the promises it has made to the country. Under our political system it is always better to have one party divided authority than to have divided authority.

Must Forget Hatreds. "What the country imperatively needs now is subsidence of the passions and hatreds engendered by the war and the partisan political appeals that have followed. The country is sick of political standards and controversies. It wants domestic as well as international peace and it wants restoration of that fine spirit of co-operation which made America invincible in war. We face domestic and international problems of great gravity. The only way to solve them is through co-operation. The highest duty of the leaders of both parties is, therefore, to promote better feeling among all classes of our people, to refrain from unworthy appeals to class and racial prejudices and to bring to bear upon our serious problems that dispassionate and intelligent consideration throughout with which alone there is a promise of genuine public service.

Not Dismissed Defeat. "The Democratic party has suffered a severe, but not a disastrous defeat. It is far from dead; it is not even seriously wounded. Throughout our history overwhelming political reverses have been followed by extraordinary political recoveries. So long as the Democratic party is true to the mission of service to the common people it will live. What we must do now is to build up and strengthen the party organization, not in the interest of any individual or group or faction, but for the cause of Democracy itself, and above all for service of country. It will not be difficult, through proper leadership and organization, to re-inspire party enthusiasm, to restore party unity, to maintain party ideals and principles and to regain popular confidence. To this task Democratic leaders must now devote themselves with unselfish patriotism and courage."

DEBS WANTS HIS CASE TO BE TAKEN UP LAST

Rather Not Have Pardon at All Under Present Administration, He Says

Atlanta, Ga., Nov. 7.—Eugene V. Debs, whom it became known in Washington yesterday the President has no intention of pardoning, wants his case to come last of all prisoners convicted of violating war time laws, or better not at all under the present administration, according to a statement from the Socialist leader given out today through the office of his local attorney. The statement follows:

"I understand that each political prisoner will be considered separately and I hope my case will come last of all. Really I would rather that it come not at all under the present administration because I would be advanced to be at large under the chaotic conditions of society."

Debs, who is serving a ten-year sentence at the Atlanta Federal Penitentiary, celebrated his sixty-fifth birthday Friday, chatting over old-time political fights with his attorney and other friends who called. He received flowers and numerous other presents.

THREE REPUBLICANS TO CONTEST ELECTIONS

Atlanta, Ga., Nov. 7.—Three Republicans who lost to Democrats in Georgia Congressional races will take their fight before Congress on charges of irregularities, according to notices already made public here today.

There were only five Congressional districts in Georgia in which Democrats had opposition and the three in which fights are promised the first, fifth and ninth districts. Georgia has not sent a Republican to Congress since reconstruction days.

TWO BOYS PLAYING WITH GUN; BOTH OF THEM SHOT

Wilson, Nov. 7.—This afternoon in Bakerstown near this city two white boys, Cleveland Ellis and Abraham Skinner, aged 12 and 13, were accidentally shot while trying to conceal a gun in an outbuilding. The Ellis boy was literally scalped, but skull was not injured. Young Skinner received a deep wound in his left shoulder. Both were brought to Wilson for treatment.