

THE WEATHER
North Carolina—Fairly Cloudy
Monday, Tuesday, fair, some
chance in the temperature.

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TWELVE PAGES TODAY.

RALEIGH, N. C., MONDAY MORNING, MAY 2, 1921.

TWELVE PAGES TODAY.

PRICE: FIVE CENTS

BLAIR ARRIVES TO TAKE OVER OFFICE AS COMMISSIONER

If Hiram Johnson Hadn't Butted In He Would Already Have Been Sworn In

APPROVED FOR PLACE BY ANTI-SALOON LEAGUE

District Of Columbia Victims Of Rent Profiteers Going Into Courts To Recover Excessive Charges; Week Of Political Activity In Washington Promised

The News and Observer Bureau, 603 District National Bank Building (By Special Leased Wire)

By EDWARD L. BRITTON

Washington, May 1.—David H. Blair, of Winston-Salem, is here. He arrived today but will not be sworn in tomorrow as was the plan when he left here after being given the assurance that he was to be the Commissioner of Internal Revenue. If Senator Hiram Johnson had not butted into the matter the schedule would have been carried out on time, but Hiram has no regard for schedules and at his behest the nomination is still on the ways in the Senate. And the action of the California Senator is not alone proving a source of annoyance to Dave, but to others, for there are those who are deeply concerned about regulations which are to be issued with the new Commissioner of Internal Revenue get into action.

There are the wine and beer regulations which are to be issued, a matter which concerns both the "drys" and the "wets." The people who believe in blowing the froth of beer, even if it is to be from a sick bed that they do this, are waiting on the anxious bench to see how much of the real old stuff they will be able to negotiate for, while on the other hand the Anti-Saloon League wants to dry up the whole business and put it in the blink.

Mr. Blair is known to have the approval of the Anti-Saloon League officials. They say that he is all right for a strict enforcement of the Volstead act, and they are counting on him to do the things which will aid in putting the lid on tight. Hence they are anxious to see the matter settled, and to have Mr. Blair on the job as quickly as possible. It will be confirmed in time whether he will be as absolutely certain if all signs do not fail. The forces of the administration will line up solidly behind him, and it is not felt that a one man filibuster by Senator Johnson will amount to a hill of beans.

But it is agreed that Hiram proposes to get off his chest the accumulated wrath which he has stirred up against the North Carolina delegation which failed to give him even a complimentary vote at the Republican National convention when he thought he was in the running for the nomination for President. That he will uncover some old sores is certain, and that he will say some nasty things about tactics that threw him down at Chicago, with especial stress about the way the North Carolina delegation acted, is to be expected.

There were a number of North Carolinians who were hard hit by profiteering landlords during the active war period and some of these even submitted to rent increases after the District of Columbia rent commission had given decision in their favor, rather than have an everlasting conflict with nagging landlords and their agents. Now that the Supreme Court of the United States has decided that the Ball rent act is constitutional they are preparing to go into court to recover excess sums paid in by them to hold on to the places which they were renting. The party that the profiteering landlords will pay will be double the amount of the excess charged, half to go to the tenant and half to the government. The rent commission is being swamped with legal problems because of this state of affairs and there is to be a bill in Congress adding to its force an attorney who will tackle the legal side of the questions coming before the commission. There are hundreds of thousands of dollars involved in the many cases and the outlook is not at all happy over the outlook.

For some weeks Washington has had a special quick collection of mails on the "mail early" plan which has proven a big thing for the business men of the city, and has aided in expediting government business.

To Hand Out More Plums.
It is expected that this week will see the handing out of a large number of the choice political plums by the administration, and among these it is understood that there will be a number of North Carolinians, who will get places on the government pay roll. Republican National Committeeman John M. Morehead is expected to be in the city during the week to press for the appointment of the North Carolina Republicans of the "hog combine" state and some of these are expected to get theirs before the week slips into the past. The appointment of Republican State Chairman Frank Lantry is to be announced as soon as he announces that he is ready to take hold as District Attorney for the Western District. The hardest fight to get across the hurdles on the way to the pie counter is that which is to be met by R. W. Ward, of Raleigh, slated for the position of Marshal of the Western District. There are Republicans who are gunning for his scalp, and there will be something doing all the time to keep him from landing.

President Harding calls for agreement among the contending factions in the various states before he makes appointments, and that is what he wants to have settled before he delivers the goods to North Carolina Republicans. He has been a much harassed man with the conflicts that have arisen in a

BEGINNING THIRD TERM STATE HEALTH OFFICER

DR. WATSON SMITH RANKIN.

Elected last Wednesday as secretary of the North Carolina State Board of Health. During the twelve years since he was first chosen to direct the public health work in North Carolina, Dr. Rankin has acquired international recognition for his achievements. Half dozen European nations have sent missions to North Carolina to study his work, and he himself has received very notable inducements to go to Europe to do health work. He has declined them all and is determined to stay in North Carolina.

Since he has been in the service of the State, Dr. Rankin has been elected president of the American Public Health Association, secretary and later president of the Conference of Secretaries of State and Provincial Boards of Health, member of hygiene board of Life Extension Institute, etc. Dr. Rankin is a native Tar Heel, born at Mooresville in 1872. After graduation at Davidson college and the University of Maryland, he was a member of the teaching staff of the medical school at Wake Forest, later becoming dean, which position he held until he was chosen head of the State Board when it was organized in 1909.

There are the wine and beer regulations which are to be issued, a matter which concerns both the "drys" and the "wets." The people who believe in blowing the froth of beer, even if it is to be from a sick bed that they do this, are waiting on the anxious bench to see how much of the real old stuff they will be able to negotiate for, while on the other hand the Anti-Saloon League wants to dry up the whole business and put it in the blink.

COLONEL WATTS WILL TAKE OATH TODAY

Becomes Commissioner Of Revenue This Morning; Collicie To Be Deputy

Colonel Alston D. Watts, of Iredell county, will take the oath of office as Commissioner of Revenue of North Carolina this morning at 11 o'clock in the office of Governor Cameron Morrison. The oath will be administered by Associate Justice Allen, of the State Supreme court. The ceremony will be very brief, unattended by any State dignitaries. The Governor is out of the city.

From the executive office, the new commissioner will repair to the Senate chamber where temporary offices for the new commission have been arranged. J. R. Collicie will assume the duties of deputy commissioner, and the powers of the State tax commission will be moved over from the State Department building, and the work of the new organization will proceed.

Colonel Watts arrived in the city from Charlotte last night and for the present will make his home at the Yarrowburgh hotel. No announcement has been made by the colonel as to any phase of his plans as commissioner. Among the first work to come up will be the review of the property value reductions ordered in about half of the counties of the State. The new commission, beside the commissioner, is composed of the chairman of the Corporation Commission and the State Attorney General.

NO OPPOSITION TO PRIMARY TICKET IN MOREHEAD CITY

Morehead City, May 1.—It was this week announced that the ticket nominated in the primary election held the first of this month would be unopposed in Tuesday's municipal election. Mayor W. B. Wade having withdrawn from the contest for mayor. The ticket to be voted on Tuesday will be: for Mayor T. C. Wade; for commissioners, S. A. Chalk, D. B. Willis, C. L. Willis, R. H. Dowdy and Ashton Willis.

Daniels Tells Why Atlantic Fleet Was Not Sent Into War Zone

By JOSEPHUS DANIELS
Former Secretary of the Navy
Circumstances of the War. It is interesting to note that the Atlantic fleet was not sent into the war zone. This was because of the lack of fuel and the need to maintain the fleet in readiness for any emergency. The fleet was kept in the Atlantic Ocean, and was not sent into the war zone until after the war had ended.

NO DEALINGS WITH GERMANY DIRECT COUNCIL DECIDES

British and French Governments Reach Agreement On How To Work Together

NO ANNOUNCEMENT OF DEMANDS BEFORE TODAY

Proposed Plan Provides For Comprehensive Scheme Of Supervision and Control Of Germany's Sources Of Revenue; French Delegates Still Insistent On Occupation

London, May 1.—(By The Associated Press).—The British and French governments have reached an agreement on how to deal with Germany to compel payment of reparations and exact immediate guarantees. In broad outline it is agreed that the allies will make a declaration tomorrow but not to Germany. They will announce that the reparations commission will notify Germany as to the amount she is required to pay and how it is to be paid, together with the proposed financial controls. The allies will then announce that within ten days, the period being subject to possible modification by the Supreme Council tomorrow, they will proceed to carry out the penalties if the terms are not accepted.

To Control Sources of Revenue.
The plan provides for a comprehensive scheme of supervision and control of Germany's sources of revenue. It is not yet completed but while the experts are still working on it France will proceed with all her military preparations for the occupation of the Ruhr. The French government will tomorrow order the mobilization of one additional class. This is the general result of an agitated day of conversations and conferences that seemed likely to end in sharp disagreement among the allies.

The agreement was brought about by the intervention of the Belgian foreign minister, M. Jaspar, at a meeting of the Supreme Council this afternoon. The whole subject will come up for discussion again at another meeting of the council tomorrow morning. Both sides feel that they measurably succeeded in having their policies accepted. The French parliament is not in session so M. Briand was able to accept a short time extension, without having to explain to the chamber forthwith, while Mr. Lloyd George has satisfied to some degree opposing liberal opinion.

The French Premier, asked for British naval operations, suggested the blockade of Hamburg. The British prime minister replied that American public opinion would not approve of such a course, and he could not agree to a blockade which would bring the allies into controversy with the United States. M. Briand agreed to this point of view. He added that the course of the United States had been absolutely correct.

French Delegates Uneasy.
Uneasiness still exists among the French delegates over the possibility that Washington may endeavor to mediate the situation, suggesting the acceptance of them. The cause of this impression is not clear, but some of the delegates have made it understood that it does not originate with the French ambassador, M. Jusserand.

M. Briand and the whole French delegation are sitting late tonight with General Nollet, president of the inter-allied commission who was summoned by the French premier from Berlin to give his views. Notwithstanding the agreement the French are not entirely satisfied with today's developments. The idea of an ultimatum, which is believed to have been largely due to the influence of the British ambassador to Germany Lord D'Abernon, M. Briand was averse to delay, and it is reported that he had undertaken that, failing Germany's compliance, some move should be made today.

Indeed the French premier had declared before the meeting of the council: "It is decided upon the commencement of new penalties from today. I mean by this that the necessary order for mobilization will be given this evening. Such is my position. I cannot act otherwise."

understand at once what I mean and the force of the argument. Possibly my civilian readers may be a little puzzled. It is reasonable enough to suppose that the word "logistics" refers to the supply of food and other necessities to the army. Commonly, it does have reference to logistics, and in its particular use by naval experts, to what might be termed the logic of hard facts. Before defining it further, and showing its application to the problems we are considering let me tell a little story suggested to me by this mention of logic.

A prominent and influential man was one day trying to persuade President Wilson that a certain proposition he had made was right and wise and even imperative. When he found that he was falling he summed up his effort in the emphatic declaration: "That Mr. President, it is the logic, the inescapable logic, of the situation." "Yes," said the President, "that would be all right except for one thing." "What is that?" asked the man in deadly earnest. His sense of humor was unhappily deficient. The President smiled, and then said quietly, but conclusively: "There is no such thing as logic."

And the President was right in the particular instance under discussion. There must be no such thing as logic if logic is to be an obstacle to doing the big and brave and daring thing.

MOREHEAD BACKS BYNUM FOR FEDERAL JUDGESHIP

Charlotte, May 1.—John M. Morehead, Republican National Committeeman, from North Carolina, warden Judge W. P. Bynum appointed successor to the late Judge Pritchard to the bench of the circuit court of appeals in case the appointment comes to North Carolina. In naming those who have been spoken for the place today, Mr. Morehead said Judge Bynum surpassed the entire staff from the standpoint of professional qualifications and ability.

GERMANY WAITS ON AMERICAN ACTION

Will Not Get In Touch With London Conference Until Harding Makes Reply

Berlin, May 1.—The German government does not propose to get into touch with the London conference while awaiting President Harding's answer to the German proposal. This declaration was made today by a member of the government who, in discussing the rumor that a suggestion was coming from the outside that Germany present fresh counter-proposals direct to the Supreme Council at London, said: "So long as the door to Washington is open to us, we do not propose to knock at other doors."

The government took a holiday today, and most of the members of the cabinet were not even informed of the passage of the Knox resolution. The foreign office also is without news from Washington which might forecast the early prospective receipt of a reply to the German counter-proposals.

STATE DEPARTMENT MARKS TIME PENDING DEVELOPMENTS

Washington, May 1.—Officials at the State Department marked time today pending final developments in regard to German reparations at the meeting of the allied supreme council in London. Interest was manifested, however, as to the amount of reparations it had been decided to impose as a result of the agreement reached between the British and French today.

All comment was withheld because of the session of the council scheduled for tomorrow and there was no intimation of what steps would be taken in the case the situation should warrant further action by the United States. It was reiterated that the American government stands with the allies in holding Germany responsible to the full extent of her ability to pay but that any plan which would unduly restrict her economic recuperation would be regarded as unwise. In case the terms arrived at are in accord with this position, it is expected that the German counter-proposals will not be forwarded from Washington.

The extension of time, reported as agreed upon by the delegates to the Supreme Council, if for only 10 days, is expected to give opportunity for American official and public opinion to register itself on the new reparations demands. Whether that period will be utilized by Secretary Hughes for further conversation with the allied diplomats here was a question on which officials would not comment tonight.

BUSY WEEK AHEAD FOR BOTH HOUSES

Adoption Of Knox Peace Resolution By House Not Expected This Week

Washington, May 1.—The Knox peace resolution will be considered by the House and the emergency tariff bill and immigration restriction bill by the Senate in this, the fourth week of the extra session of Congress. Establishment of a Federal budget system will also probably be considered in the House.

Adoption by the House of the declaratory peace measure is not expected before next week. The Knox resolution adopted yesterday by the Senate by the more than two to one vote of 49 to 23, will be transmitted to the House tomorrow for reference to the foreign affairs committee.

Right of way in the Senate this week is to be given the emergency tariff and immigration restriction bills. Chairman Penrose of the Finance Committee hopes for passage of the tariff bill this week, but other leaders predict two or more weeks of debate.

The army appropriation bill, fixing the size of the regular establishment for the new fiscal year, probably will be passed by the House on Tuesday, with further fighting scheduled between advocates of an army of 350,000 men, now provided, and those urging larger forces.

Following the army bill, the House has a special rule pending for passage of the budget system bill, for adjustment with the similar bill passed last week by the Senate.

Work on the \$396,000,000 Navy appropriation bill passed by the House is to be started this week by the Senate Naval committee.

Agricultural relief measures are being prepared by both Senate and House agricultural committees with the check or control bill the first in prospect for reports from both committees.

Big Savannah Plant Closes.
Savannah, Ga., May 1.—While a number of the smaller job printing plants in Savannah, mostly whose proprietors are working printers, have signed the 44-hour week agreement, the plant of Baird and Blanton, the largest of Savannah, shut down Saturday night for an indefinite period. Two other large plants working non-union men are not affected.

MELLON OUTLINES TAX PROGRAM FOR CONGRESS TO PASS

Secretary Of The Treasury Recommends Repeal Of Federal Excess Profits Tax

GENERAL SALES TAX OPPOSED AT THIS TIME

Also Requests Repeal Of So-Called Luxury Taxes Together With "Nuisance" Taxes Such As Those At Soda Fountains; Would Continue Transportation Tax For Present

Washington, May 1.—Four specific proposals for revision of the Federal taxes are made to Congress by Secretary Mellon with a recommendation for early action so the new taxes can be applied for this calendar year. They are:
Repeal of the excess profits tax and the existing \$3,000 income exemption of corporations, the loss of revenue to be made good by a modified tax on corporate profits or a flat additional income tax on corporations to yield an aggregate of between \$400,000,000 and \$500,000,000.
Readjustment of income tax rates so that no income will pay more than 46 per cent this year and 35 per cent thereafter, with a view to producing aggregate revenues substantially equivalent to the estimated receipts from the income tax under the existing law.

Repeal of the so-called luxury taxes together with the "Nuisance" taxes such as those on soda fountains, amusements and miscellaneous specific sales taxes.
Imposition of sufficient new and additional taxes of "wide application," such as increased stamp taxes or license taxes on the use of automobiles to bring the total revenues from internal taxes after making the changes above suggested to about \$4,900,000,000 in the fiscal years 1922 and 1923.

Penrose Gets Copy.
The Secretary's suggestions are contained in a letter to Chairman Fordney of the House Ways and Means committee which was made public today at the Treasury department. A copy of it also was transmitted to Chairman Penrose of the Senate Finance Committee.

Mr. Mellon suggests adoption of administrative amendments to the revenue laws simplifying collections and final settlements and granting under safeguards, the carrying over of net losses by tax payers for some year as a deduction from incomes of succeeding years.

"The Treasury is not prepared," Mr. Mellon says, "to recommend at this time any general tax and particularly if the general sales tax is to supersede the highly productive specific sales tax now in effect on many relatively non-essential articles."

Mr. Mellon says that estimates of the fiscal year 1922 are subject to great uncertainty as to both receipts and expenditures. The estimated collections of \$3,000,000,000 of international taxes are based on the provisions of existing law, he adds, and are \$850,000,000 less than the estimated collections for 1921 chiefly because of the shrinkage in business.

The estimate of about \$445,000,000 for payment to the railroads in 1922 is made necessary by the provisions of the transportation act and increased estimates from the director general of railroads. In absence of drastic cuts in military and naval expenditures there is almost no prospect, according to the estimates of any substantial available surplus even in the fiscal year of 1922."

SHOCKS FROM EARTHQUAKE REGISTERED IN WASHINGTON.
Washington, May 1.—An earthquake, described as severe and located probably in Central America, was recorded on the seismograph at Georgetown University beginning at 12:46 this morning. The tremors continued until 2 a. m., the maximum intensity being reached at 12:59.

UNEXPECTED SOURCES.
Mrs. WIFE of the Cabbage Patch says: "We never can tell where our pleasures are coming from. It's the same as true often times of our work and business. Opportunities appear from the most unexpected sources—especially if it's the West Ad Columns are watched carefully."

The hosts of people who each day scan the West Ads are impelled by many necessities and desires to seek the buyer, the seller, the worker, the employer, the investor, the landlord and the agent. To all of these the West Ads carry important messages.
Phone 127—our want-ad man will gladly call for your ad.

"STICKING" POINT BLAMED ON RETAIL PRICES FOR GOODS

NO FURTHER STEPS TO PREVENT STRIKE

Reports Indicate That Some Marine Workers Have Already Walked Out

Washington, May 1.—While reports to both the Shipping Board and representatives of the marine workers here today indicated that some workers were walking out rather than accept the board's wage cut of 15 per cent which became effective at midnight last night, Secretary Davis conferred with union heads on the wage controversy which threatens a general tie-up of shipping at Atlantic, Pacific and Gulf ports, but without apparent definite result.

Inasmuch as the unions have requested that a wage commission be appointed by direction of President Harding to adjust the dispute and Shipping Board officials have said they would follow the wishes of the President, it was said tonight that the next move would perhaps come from the ship owners.

Some confusion was apparent tonight regarding the appointment of a commission by direction of the President to decide the controversy requested by union heads. At the White House it was reiterated that the matter had been placed by the President entirely in the hands of Secretaries Davis and Hoover.

At the Department of Labor, however, it was said that Secretary Davis had not been so informed by the President and it was indicated that the matter was still in the hands of the President so far as the appointment of a commission was concerned. Secretary Hoover, Commerce Department official said, has as yet taken no step in the matter. Union heads declared that they also were without information as to what action the President had taken in response to their request.

While orders for a 15 per cent wage cut were issued Friday after the marine workers' refusal to accept Chairman Benson's proposals for a new wage agreement, Shipping Board officials declared the final adjustment of the controversy would await any action President Harding might take. So far, board officials stated, few ships have been held in port because of the men refusing to sign at the reduced wage.

Ultimate disposal of the marine labor problem having been placed in the hands of Secretaries Davis and Hoover, according to White House statements, it was believed that the Labor Department conferences with union heads might be preparatory to selection of a wage commission. Selection of a third party by the two secretaries to serve with them as a board, it was said, would fulfill the requirements of the unions' request.

BANKERS ARRIVE FOR PINEHURST CONVENTION
Members Of Executive Council Of American Bankers Association To Meet

Pinehurst, May 1.—Fourteen pullmans rolled into Pinehurst this morning and disgorged the executive council of the American Bankers Association, which will assemble here in conference and incidentally play golf through this week. Today's arrivals included all the officers of the association and members of the executive council from every State and territory in the union, together, in many instances, with their families and secretaries.

The only North Carolina bankers that have already arrived are: W. G. Williamson, of Charlotte, and James A. Trust Co., of Winston-Salem, but a good attendance of the State bankers is expected in view of the litigation now going on between the State and Federal Reserve banks.

FIRST OFFICIAL LIST OF DRAFT EVADERS REPORTED.

Chicago, May 1.—The first official list of draft evaders in the sixth army corps area, embracing Illinois, Michigan and Wisconsin, has been received at Fort Sheridan, it was announced today. The list contained 17,000 names.

The names will be printed and sent out to newspapers, post offices, district boards, county sheriffs and chiefs of police. A reward of \$50 will be offered for the capture of each man named on the lists.

MANY ATTEND DOUBLE FUNERAL IN HIGH POINT
High Point, May 1.—More than 2,000 High Point citizens attended a double military funeral held here this afternoon in Wesley Memorial Methodist church for John D. Grant and Bert Whitehart, who were killed in action in France. The church auditorium was filled and hundreds stood on the outside. Rev. W. A. Lamberth, and other local ministers were in charge of the funeral services. Members of the local post Veterans of Foreign Wars and American Legion attended. Music was furnished by the Elks band. The interment was in Oakwood cemetery here.

W. HERMAN ROSEMOND DIES AT HOME IN HILLSBORO
Hillsboro, May 1.—W. Herman Rosemond died suddenly of heart failure last night at 11:30 in his apartments at the Corbinton Inn. The funeral will take place Monday afternoon at 5 o'clock. He is survived by his wife, mother, father and several brothers and sisters. He was in his 40th year.

BRITISH FORCES WITHDRAW FROM PERSIA, SAYS REPORT
Big, May 1.—A wireless message from Moscow today announced the withdrawal of the British from Persia. A Russian diplomatic mission has arrived in Teheran, the Persian capital, the message adds.

Federal Reserve Board Finds Stumbling Block To Country's Readjustment

FREIGHT CHARGES AND WAGES BLAMED ALSO IN REVIEW OF SITUATION

Coal and Steel Prices Considered Important Factors In Way Of Return To Normal Conditions; Predicted Business Recovery Not Realized As Predicted But Improved Feeling Shown During April; Wholesale Prices Not In Process Of Arrest; Extreme Unevenness In Prices Striking Feature

Washington, May 1.—Retail prices appear to be the "sticking" point in the country's readjustment process, the Federal Reserve Board said today in a general review of business and financial conditions for April. Other factors regarding readjustment were said to be high transportation charges, wages and coal and steel prices.

Complete business recovery, the board continued, has been longer than was predicted generally at the close of the past year and expectations that this spring would see economic and business readjustment fully completed have not been realized. Nevertheless, it added, the month of April has given evidence of an improved feeling developing with regard to business and the outlook generally.

Prices, the review continued, had been the pivotal point in the business situation since the recession movement began last autumn. The fall in wholesale prices, which has been continuous and at times precipitate, it declared, appears to be in process of arrest, but having shown a greater degree of stability during April.

Uneven Price Reductions.
Extreme unevenness in price reductions, however, the board said is one of the striking features in the present industrial situation. While in many important lines of wholesale trade prices exist, in other lines commodities are being sold at twice or even more than twice the 1913 values. The same unevenness exists, the board added, in the prices of raw materials and the finished products in the same industry.

Raw cotton, the board declared, is lower than the 1913 level and wool is about a third higher than before the war, but cotton goods are at least 20 per cent higher than in 1913 and woolen cloth is approximately twice as high as the pre-war level. In the hide and leather industry, the discrepancy is even greater, the board asserted, the present price of skins being one-third under pre-war levels, while the price of labor is twice as high as in 1913.

While labor has been participating in the readjustment process, the board continued, the participation has been uneven as between different industries, as well as between different sections of the country. Favorable Conditions Favorable.
The agricultural situation during the month was characterized as generally favorable, although the fruit growing sections suffered from cold weather. Good progress has been made in planting a crop in the cotton States, the board said, while grain movement has increased.

Little demand for coal is reported, the board said, but petroleum production has gained. The influence which the recent reduction in steel prices will exert is still uncertain, the board declared. Cotton consumption figures for April were unavailable, but for March in the country as a whole, amounted to 457,933 bales, or less than 25 per cent below the total for March of last year. A continued increase in the manufacturing activity of the silk mills was reported.

While the earlier reports indicated a very large reduction in cotton acreage, reduction is now generally understood to be not so great as had previously been indicated, the board's April business and financial review says. In the southwest, the announcement says it is reported the decrease will be at least 25 per cent and as much as 50 per cent in some sections. In the southeast, it says, conservative estimates place the reduction at 10 to 20 per cent from last year's acreage. In California and Arizona the acreage this season will be reduced as much as 50 per cent in some sections and much of it will be volunteer cotton grown from last year's plantings.

The use of fertilizer for cotton has been considerably less than during previous years, being estimated at about one-fourth to one-third as much as used a year ago (the report states).

There was greater stabilization in the price of gray goods during the month, according to the report and the price of gray goods after declining to 4-1/4 cents a yard advanced slightly. "Nevertheless the New England district reports that at present prices the spread between a pound of cloth and a pound of raw cotton is only 22-1/2 cents whereas a year ago it was approximately a dollar," it says.

Textile Situation In South.
Textile mills in the South are reported to be running approximately full time in the Richmond bank district. "Some orders are being received for goods used for print cloth," it says, "and orders for future delivery are also being taken by knitting mills in the district. Wage cuts in the Southern mills have been more drastic than in other sections and it is said that many people in the trade claim that the reductions have been in keeping with the lowered prices for raw material."

In the Atlanta district a number of reporting mills show an increase in yardage of 4.5 per cent over February, although there was a decrease of 2.5 per cent in the price of raw material.

(Continued on Page Two.)

(Continued on Page Two.)