

Gov. Morrison to Speak at Meeting at Concord Today

(Continued From Page One.)

Speak, he said, as the Governor would explain his position.

The meeting was held outdoors and there were scores of automobiles fringing the grove.

Mill owners continue to serve eviction notices on those who refuse to sign up on agreement to return to work.

Eight hundred operatives are said to have reported for duty at the big Kannapolis towel factory today.

The cotton mills are placed under the necessity of getting in operation at this time because they begin sending out their agents the latter part of this month to take orders for next spring's retail trade.

EXPECT CHARLOTTE MILLS TO RESUME OPERATIONS SOON

Charlotte, Aug. 18.—The reopening of the Charlotte cotton mills soon was recognized as probable in mill circles today.

Secures Restraining Order Against Local Union Printers

(Continued From Page One.)

of the non-union employees of Edwards & Broughton Printing Company, Commercial Printing Company, H. S. Storr Printing Company, and M. J. Carroll Printing Company, and the concerns themselves.

Parties to the Action

The plaintiffs listed in the bill of complaint are: Marguerite McGinnis, Rosa McGinnis, Dorothy Tomlinson, Maude Tomlinson, Gilbert Moore, O. R. Moore, W. T. Hatch, John E. Lukins, John J. Cortez, Geo. R. Riley, E. L. Tate, John Lamson, employees of Edwards and Broughton Printing Company, and Robert Hall and W. L. Ellis, employees of the Commercial Printing Company, in behalf of themselves and all other employees of the said Commercial Printing Company.

Much To Admire

"I have seen much to commend in Governor Morrison's administration and wish I could approve it all. But his appointment as Revenue Commissioner is the man whose actions are hurting the Democratic party and injuring Governor Morrison's administration by undemocratic favoritism. I cannot be silent and see the party I love injured as it is being done by this action of rebate.

The Duke of Durham

"I have been fighting bosses all my life and never aspired to be a boss. If I were disposed to answer the Governor by recrimination, I would say that I am no more ambitious to be an imperial boss than he covets the royal trappings of the Duke of Durham."

Watts Tells Why He Allows Trust Its Taxes Back

(Continued From Page One.)

were heard by the State Board of Equalization, and not by me alone."

to the verbiage of the complaint, consists in "a systematic course of espionage, annoyance, intimidation, threats, abuse and insults which are intended to make, or are calculated to make and are making the lives of these complainants and all other employees of the several printing houses above mentioned miserable, intolerable and unendurable."

Colonel Watts' Statement

Commissioner Watts' statement follows: "I have read the statement of Corporation Commissioner Maxwell and the editorial and news statements appearing in the News and Observer this morning with reference to the decrease in the tax assessments on the tobacco of the Liggett & Myers Company and the American Tobacco Company listed in Durham County for the year 1920, which were granted by the State Board of Equalization at its meeting on Tuesday, August 16th, 1921.

Printing House Charges

Speaking for the printing houses, complainants, the bill charges a conspiracy to "destroy the business of these printing companies and for no other reason than that they decline to accede to unreasonable and unrighteous demands of labor unions and are now exercising their right of every American citizen to run their business on the American plan and to give employment to any man who applies for the same, this right being odious and utterly denied by the defendants herein.

DECLARES DANIELS IS IMPERIAL BOSS

(Continued From Page One.)

in which Mr. Daniels attacked tax reduction allowed by Commissioner Watts and urged Governor Morrison to come home from his Summer Capital and take the helm, the Governor declared he was satisfied, that the power is vested in the tax board composed of Attorney General J. M. Manning, W. T. Lee and A. B. Watts; that he supposed any action taken as to legal authority was upon the legal advice of J. M. Manning, the Attorney General of North Carolina.

"Of course, I have known for some time," said Governor Morrison, "that Mr. Daniels was eagerly looking for some excuse to attack the present Democratic State administration. He exacts from every Democrat in North Carolina the most abject obedience and loyalty to his national organization but when it comes to any loyalty to a State Democratic administration, it depends entirely upon whether it will do the bidding of this imperial boss and would be dictator to all officials in North Carolina, even those exercising judicial power under oath."

ONLY FRIENDLY COUNSEL IN INTEREST OF DEMOCRACY

Replying to Governor Cameron Morrison's attack on him as an "Imperial Boss," Josephus Daniels, former Secretary of the Navy and Editor of the News and Observer, last night declared: "I have been fighting bosses all my life and never aspired to be a boss. If I were disposed to answer the Governor by recrimination, I would say that I am no more ambitious to be an imperial boss than he covets the royal trappings of the Duke of Durham."

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agreed with Mr. Lee. But the party telephoning said he knew nothing of his own knowledge. I did not know the Commissioner had consulted anybody else, and if others agreed with the rebate that does not justify the Commissioner of Revenue, especially charged with tax problems, for favoring the rebate. It would not make it right no matter how many should get in the boat with him. The principle is wrong, just as wrong as wrong can be and is wholly indefensible."

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the history of revaluation, so Chairman Lee informs me.

"In December, 1920, the Tax Commission had a public hearing in these cases when Messrs. P. D. Watt, of Reidsville; Dr. E. T. White, of Oxford; Mr. Cooper, of Henderson, and many others, all experienced tobacco men and among the State's best citizens, testified that they had examined the tobacco and placed a somewhat lower value upon it than did the sworn appraisers, headed by Col. Osborn. There was no evidence introduced to controvert any of this testimony. Besides the above testimony the State Board of Equalization had the benefit of its hearing on the 16th of statements from six or eight of the first citizens of Durham, to the same effect.

"The above is the history of the cases. I approached a decision in this case with extreme reluctance. I knew that the companies involved were probably the most unpopular of any which do business in North Carolina. I felt sure that a storm would be raised about my head and a casual look at the Raleigh papers this morning will show that I was a true prophet. But under my oath of office and the law as construed to me by the State's law officer I felt that a grave injustice was about to be done to these companies by requiring them to pay more taxes than they should pay under the law. I voted to rebear and to reduce the assessment as did my associates on the Board. I take my full responsibility.

Ill-Timed Revaluation

"I have no doubt that other tobacco companies and hundreds of other corporations, firms and individuals were required under the ill-timed revaluation law to pay more taxes than they should have paid. The Durham cases and two or three others have regularly and by appeal come before the Board of which I am chairman and I have voted as I conceived the law and evidence to make it my duty to vote. I will do the same should other cases come legally before the Board.

Delegation Come

"Some days afterwards quite a delegation of Durham Citizens including Dr. J. M. Manning, Mayor, Mr. H. C. Carver, Chairman of the Board of County Commissioners; Hon. R. H. Sykes, President of the Chamber of Commerce; Mr. John M. Markham, President of the Durham Merchants Association; Mr. M. E. Newcomb, ex-mayor, and quite a number of others called on me and very earnestly and insistently urged me to rebear the cases, saying that they were in no way connected with either of the companies, that they appeared as officials and tax payers of the city and county of Durham; that in their judgment the assessments for taxes on the stocks of tobacco in question were greatly more than their true value in money on January 1st, 1920, and therefore, did great injustice to these companies which were and had been for many years the heaviest tax payers, the largest employers of labor and the most powerful and effective contributors to the growth and prosperity of their city and county. These and other arguments were advanced. I told them that their views would be considered; that I had not examined into the question of my legal right to rebear the cases, but would confer with the Attorney General and notify them and others interested of my decision.

"Some days afterwards I gave the papers in the case to Attorney General Manning and requested him to advise me as to my legal authority to rebear the cases, should I determine to rebear them. The Attorney General rendered me an opinion dated June 10th, 1921, in which he marked Exhibit number three is attached.

"After reading the Attorney General's opinion and again reading the law creating the Department of Revenue, Chapter 40, Public Laws 1921, especially Section 3 thereof, copy of which is hereto attached marked Exhibit number four, I became convinced that this entire matter was in the jurisdiction of the State Board of Equalization of which I am a member and Chairman ex-officio and in no wise as Commissioner of Revenue. I informed the Attorney General and after reading the law he agreed with me. In the meantime I read carefully all the evidence in the cases and formed an opinion as to the value of the stocks of tobacco. On the dates indicated I received letters from Mayor Manning, Chairman Carver of the County Commissioners, Hon. R. H. Sykes and Mr. John M. Markham, copies of which are attached marked Exhibits number five, six, seven and eight.

Convinced Wrong

"After reading the testimony in these cases I became convinced that these stocks of tobacco were valued for taxation far in excess of their true value in money as of January 1st, 1920, and that my duty under the law and my oath of office was to vote as a member of the Board to rebear them.

"At the meeting of the Board of Equalization on July 20th, Mr. Lee being absent, but approving our action when he returned, Judge Manning and I both voted to rebear the cases and set them for hearing on August 16th. The Chairman of the Board of County Commissioners of Durham County and the Mayor of the City of Durham, together with the attorneys of the companies, were notified of the action taken.

"The cases were heard by the Board and the vote was unanimous to reduce the assessment of the American Tobacco Company from \$11,925,143 to \$8,675,480, and of Liggett & Myers Tobacco Company from \$23,196,388 to \$15,515,271. The total reduction is \$11,025,732 instead of over \$13,000,000 as published in the newspapers.

"The evidence which the Board considered in reaching its conclusion is on file in this office and is very voluminous.

"After the State Tax Commission had raised the values as originally returned by the companies, upon appeal by the companies being filed, the Commission appointed a committee of three appraisers, Col. W. H. Osborn, of Greensboro; Mr. Andrew Jamison, of Oxford, and Mr. R. M. Jeffries, of Chase City, Va., all independent dealers in leaf tobacco men of large experience, but had of Internal Revenue and one of the first tobacco business who went to Durham and after being duly sworn spent more than a week in examining the tobacco and valuing the same under the supervision of Mr. J. S. Griffin, Clerk in Charge of Revaluation of the State Tax Commission.

As to "Commission"

"They reported the value of the tobacco of the American Tobacco Company as \$5,400,176.83 and of the Liggett & Myers Tobacco Company as \$15,515,271.43. Col. Osborn was not only a tobacco man of large experience, but I had been the country's ablest Commissioner of Internal Revenue and one of the first citizens of the State. He has since been called from among us. His associates are men of the highest standing in their business, which is dealing in tobacco. The State Tax Commission's failure to abide the result of its own appraisers in this instance is the only instance in

that the largest tobacco company in the State had voluntarily adopted as the basis for making its return 'book value.'

"The book values of tobacco on hand January 1, 1920, of American Tobacco Company and Liggett & Myers Company were not submitted after its representatives were called into conference with the commission. Discusses History.

"Now, let's have the facts: "During the summer of 1920, as clerk in charge of revaluation, clothed with full authority from the commission to use my own discretion, I called in Durham on the representatives of American Tobacco Company and Liggett & Myers Company to ascertain what method had been used in arriving at the value on January 1, 1920, of their stocks of leaf tobacco on hand at that date. The representatives of these companies frankly and without equivocation showed their working sheets and that they returned grade by grade tobacco at an average value for each grade for five years. I then took a look at the books which disclosed that their book value was somewhat in excess of the average values used in their tax returns. Both companies asked my opinion of their return as compared with book values in view of the declining markets on January 1, 1920, and subsequently, I refused to give it.

"On my return to Raleigh and after adjournment of the special session of the Legislature, upon consultation with Commissioner Maxwell, and without consulting the other members of the commission, and without notice to the companies, the book values as ascertained by me when in Durham were certified down to Durham county as the tax value for the year 1920.

"The entire Tax Commission shortly after this left for Salt Lake City, Utah, to attend a meeting of the National Tax Association, and authorized me to adjust all complaints coming up, during their extended absence, with respect to the revaluation work.

Appoints Commission

"The American Tobacco Company and Liggett & Myers Company complained vigorously and earnestly that their stocks of tobacco were not worth their book value on January 1, 1920, and insisted that the property be appraised according to law, which was at its true market value on January 1, 1920. The companies suggested no method. I told them I would agree to a reassessment by a board of three appraisers composed of independent tobacco men.

"I induced the late Col. W. H. Osborn, ex-commissioner of Internal Revenue of the United States, to serve as chairman of the board and endeavored, at his suggestion, to get Dr. Ed. White, of Oxford, to serve as a member. I could not get Dr. White, but at his suggestion got Mr. Jamison, of Chase City, Va., served at the other member. None of these men were appointed at the suggestion of either company, and were not connected with either company. All three were experienced tobacco men who had spent their lives in the business.

"I swore then in according to law as the official appraisers of the State Tax Commission, and part of the time supervised the detail of their work. Their task was completed in about ten days. It was the fairest, most painstaking and most just appraisal made during the whole of the revaluation work. I say this advisedly, because I supervised many appraisals of many properties in North Carolina, the appraisal of which was intricate and difficult.

"In the heat of the income tax campaign I left the Tax Commission. Just why the appraisal of their official appraisers was not accepted and adopted by them is a mystery.

"They adopted every one ever made under my supervision. Commissioner Maxwell knew then and knows now that all I ever sought to obtain was proper and legal tax values and do justice to all taxpayers, ultra rich or any other kind.

"Colonel Watts, or the State Board of Equalization, has practically adopted the values made by the official appraisers of the old State Tax Commission.

Challenges Maxwell

"Without dealing in platitudes or criticism, I challenge Mr. Maxwell to criticize the justice of this action. Why should not the American Tobacco Company and Liggett and Myers Company be treated justly and fairly as taxpayers in North Carolina? The companies in my opinion never attempted to dodge.

"There have been reductions by the old Tax Commission which appeared to be without just cause that Commissioner Maxwell sanctioned.

"Colonel Watts has been just in his findings according to the evidence in the case, and no criticism can attach to him either by expert or a layman.

"I hold no brief for Colonel Watts or the tobacco companies, but if a Smith, of Fayetteville; J. C. Klutz, of

Liverpool was mentioned in a petition to Queen Elizabeth in 1517 as "Her Majesty's poor decayed town."

House Democrats Launch Attack On Tax Revision Bill

(Continued From Page One.)

elimination made by the committee was that section which would have compelled the men who served in the wars of this country to pay an income tax on the pension or allowances from the government which had come to them or their dependents. In fighting against flagrant injustices of the bill, the Democrats did not fail to drive home the fact that the Republican purpose is to lift the tax burden from the wealthy and place it to a greater extent upon the people of moderate means.

Tar Heels Present

At the caucus of the Democratic members of the House last night there were in attendance but three Tar Heel Democratic members, these Brinson, Brinton, Bulwinkle, and Hammer. When the vote was taken on the "question of making fight to retain the excess profits tax" in the bill, Representative Hammer and Brinson voted for the resolution, while Representative Bulwinkle voted against. There was much applause during the reading of the telegram from Congressman Claude Kitchin but the personality of the Democratic floor leader was missed, as it was missed on the floor of the House when the bill was being debated. The Republicans must have rejoiced at his absence for he knows how to get under their hides and to expose their fallacies.

Reed "Floors" Wharton

There was a rumor going the rounds today that he had suffered a relapse and was not expected to survive, but telegrams sent Scotland Neck making inquiry brought the reply that Mr. Kitchin was getting along well and was steadily improving in health.

The boosters of the Southern Tariff Congress recently held at Greensboro, have come to Washington and departed. While here E. P. Wharton, the president of the North Carolina division, and A. B. High, the secretary, appeared before the Senate finance committee and presented the resolution adopted by the Greensboro meeting. In the absence from the committee meeting of Senator Simmons, who was on the floor of the Senate aiding in the fight to keep the direction of federal road legislation under the control of the Department of Agriculture, the North Carolina Protectionists were taken in hand by Senator Reed of Missouri, who brought out the fact that a small number of men at Greensboro had assumed to speak for the South. He could get no declaration that the sentiment of the South was expressed in the resolutions, but that it was the sentiment of the bankers and manufacturers who signed. Senator Reed declared that no farmers were represented in the signatures, that there was nothing shown that would indicate that farmers were for protection, and that he knew that fully ninety per cent of the people of the South were opposed to it. Senator Reed's questions were such as to rather floor the visitors, and "quered" their efforts to show that the South wanted a protective tariff.

Representative Brinson, who is a member of the census committee, says that the reapportionment bill for members of the House will go over till after the recess, and that he would not be surprised if it was not continued for action till the regular session begins in December, but does not think it ought to be thus delayed. He states that the minority still have hopes of defeating any increase of membership, and feel that it has a good chance to keep the membership at the present number of 453.

Protest Against Tax

Mr. Brinson, Representative Weaver, and other members of the North Carolina delegation have received many telegrams protesting against the \$10 tax which was proposed to be placed on retailers of bottled soft drinks. There appears to be a propaganda in favor of the passage of the bill which would give \$50 million to the railroads.

Among others the North Carolina Fine Association, which appears to have headquarters at Norfolk, is calling for its passage. In a letter to Congressman Brinson it urges that such relief to the railroads "is vital." There seems to be no doubt but that the railroads are backing up these kinds of letters from corporations which they can reach, and that these corporations are bombarding members of Congress with boasts for the railroads.

Calls have come to the Department of Commerce from North Carolina for about 200,000 "fingerling" bass or black bass, these from the third district, the fish to be used in stocking certain streams in the State. Writing to Representative Brinson this matter, through whom the requests were made, the acting commissioner of fisheries says we will not be able to supply the large numbers requested, since they "represent a number of bass in excess of the entire output of our North Carolina fish cultural station for several years," but that as many as available will be sent at the next distribution period. In his letter the commissioner of fisheries declares that the applicants for fish should use "their influence toward the enactment of better laws for fish protection," that "from our knowledge of the fish laws of the State of North Carolina, they are at present inadequate. It does not appear that

the game fish are protected during their spawning season, nor is there a 'bag or size' limit. Further, if our information is correct, the use of seines and other nets is permitted. With but few restrictions, it is hardly possible to expect the most efficient results from stocking streams with artificially reared fish unless the work can be supervised by intelligent conservation laws." Here is something for North Carolina law-makers to think about.

Shipman to New Jersey

M. L. Shipman, of Raleigh, Commissioner of Labor and Printing and also the Federal employment director for North Carolina, was here today on his way to visit New Jersey to look into the employment service and method in use there. With him was Wade H. Skinner, assistant director general of the United States Employment Service, and in a few days they will be joined by Francis I. Jones, Director General.

Mr. Jones has just been on a tour of points in North Carolina with Mr. Shipman, and came to Washington with him. While in the State he had a conference with Governor Morrison at Wrightsville Beach. He expressed himself as being delighted with the State, and pays the highest kinds of compliments to the services being rendered by Commissioner Shipman in the employment service.

"Mr. Shipman is a genius," he said. "He is developing the finest kind of a system. He is working in a great State, and he is doing a work of much service. He is going to New Jersey at my request and will look into the wonderful system of employment that is in use there. At Newark and Jersey City we will be with Colonel James T. Bryant, the commissioner of Labor of New Jersey, and on Saturday the party will be my guests at Ocean Grove. As soon as I can, I am going to revisit North Carolina. It is a delightful State."

Senator Lee S. Overman and his private secretary, Alfred M. McLean, left Washington this morning motoring to North Carolina. They expect to visit some of the battlefields in Virginia on their way and will spend the first night of their journey in Richmond. Senator Overman will spend the recess of Congress at his home in Salisbury, but Mr. McLean will return in about two weeks.

Acting for Representative Weaver, his secretary, W. L. Hixson, has secured a compensation of \$28,140 a year for William A. Osborne, of Horse Shoe, Mr. Osborne being a rural mail carrier, passed the age of 65, allowing his retirement. William Moore, of Black Mountain, who applied for a place to have hospital treatment for his arm, put out of commission by service overseas with the American army, was admitted to Walter Reed Hospital on the application of Mr. Harding.

Representative Brinson has appointed to the Naval academy Ernest Judson Davis, of Beaufort, who is to be admitted on certificate. He was first alternate to Cullen B. Hatch, of Mount Olive, who passed the required administration but finding that his eyesight would debar his entrance he resigned, and made the vacancy.

Representative Doughton, who has been spending some time at his home at Laurel Springs, returned to Washington this morning.

Misses Ethel Johnson and Jessie Cox, of Asheville, who have been visiting Miss Dorothy Grimes, left last night for their home.

Among the North Carolinians visiting in Washington today were: Mr. and Mrs. W. L. Holleman, and Phil Theim, of Raleigh; Mr. and Mrs. J. S. Klutz, of Greensboro; Mrs. W. H. Thornton, of New Bern; J. M. Chiles, of Asheville; Banks Arendell, of Raleigh; W. H. McGehee, and J. D. Highsmith, of Fayetteville; J. C. Klutz, of Durham.

HOPES FOR AGREEMENT TO BRING WORLD PEACE

London, Aug. 18.—(By the Associated Press)—The earnest hope was expressed by Premier Lloyd George in a statement to the House of Commons today dealing with the subject of the coming disarmament conference in Washington, that the conference would result in a complete understanding on the problems of the Pacific and the reaching of a tripartite agreement including Japanese and a great partnership of the United States and England, insuring the peace of the world.

666 Cures Malaria, Chills and Fever, Bilious Fever, Colds and LaGrippe, or money refunded. —Adv.

VEENOLAK Sold In Town!

The YARBOROUGH Raleigh's Leading and Largest Hotel Announces a tremendous reduction in dining room rates. Our prices are the cheapest in this section of the country and quality and service the very best that money can buy. We solicit your patronage. B. H. Griffin Hotel Co., Props. S. J. Lawrence, Mgr.