

EDUCATION GROUP STRONG ADVOCATE FOR SALES TAXES

Sentiment Exists From University on Down Through Whole Public School System

ERRONEOUS VIEWS HELD BY LEADERS

President Graham and Others Think Salaries Would Not Have Been Cut Had Sales Tax Been Adopted Last Spring; But Figures Point to Contrary

Daily Dispatch Bureau, In the Sir Walter Hotel, By J. C. BASKERVILLE.

Raleigh, March 15.—Among the strongest advocates of a State sales tax for North Carolina—either general or luxury—are the educational forces of the State, all the way from the University of North Carolina on down through the public school system. For a majority of the school people, including President Frank Graham of the University and many other educational leaders, are still of the opinion that if either of the sales tax plans advocated in the 1931 General Assembly had been adopted, it would not have been necessary to reduce the salaries of University professors and school teachers or to reduce allotments from appropriations.

As a result, it is no secret that those candidates who are holding out the hope of returning conditions, especially in the State educational institutions, to the same status they were in prior to 1931, with the old salary schedules and large budgets, are getting the greatest support from the educational forces, especially if these candidates advocate or are friendly toward a sales tax. If the candidate is also unfriendly toward Governor O. Max Gardner, and the policies he has advocated, it is no secret that he is recommended to much the better. For a majority of the scholastic forces continue to blame Governor Gardner personally for the salary cuts and reduction made in appropriations, although the 1931 General Assembly and economic conditions generally are to blame rather than any one man. They also overlook the fact that the executive budget act compels the governor to make reductions in appropriations whenever it appears that expenditures may exceed revenue collections, and that he has no choice in the matter.

The bulletin that a sales tax of either sort would have solved the State's financial troubles and made salary cutting unnecessary, is utterly fallacious, on the basis of the latest figures available here. For the newest estimates on the yield from a one per cent gross sales tax levied upon both retail and wholesale merchants and on food as well as clothing and all other articles, based on actual business conditions in 1931 instead of in 1929, is not more than \$4,000,000 a year, or \$3,920,000 a year, according to government information, more than that is not enough to compensate for the increase of \$4,500,000 made in income, franchise and privilege taxes by the 1931 General Assembly.

(Continued on Page Six.)

8,000 REDS SLAIN IN SAN SALVADOR

Government Continues Executions at Rate 10 to 25 a Week

Mexico City, March 15.—(AP)—An American who has lived in San Salvador three years and returned here recently said today Salvadoran army commanders declared 8,000 Communists were slain there in the revolt a little more than a year ago. He refused to permit the use of his name for personal reasons.

"The executions are continuing at the rate of 10 to 25 a week," he said. "In spite of it the danger to the government is grave. For, according to government information, more than 29,000 persons now belong to the Communist League and the recruiting is still going on."

Power Company's Plea For New Dam Argued on May 2

Norfolk, Va., March 15.—(AP)—Arguments will be heard here May 2 in Federal court on a motion by the Appalachian Power Company to enjoin permanently the Federal Power Commission from interfering with the company's plans to build a hydroelectric plant on New river, in Montgomery county.

TWO LITTLE TEETH MAY HELP IDENTIFY LINDY, JR



Two little front teeth light up the smile of the kidnaped Lindbergh baby in these two pictures. The photos, revealing the teeth for the first time, may prove a valuable aid in identifying the missing child who now has been reported seen in almost every part of the country.

House Committee Decides To Exempt Food From Tax

Ex-Senator Reed Is Critically Ill

Rochester, Minn., March 15.—(AP)—James A. Reed, former United States Senator from Missouri, was in a critical condition today following an operation at a hospital here.

His physician spent the night at the hospital near Mr. Reed's bedside. Mr. Reed is 70 years old, and his age made the operation for gall bladder trouble more serious.

STATE'S REVENUE COLLECTIONS LESS

Estimated Returns \$2,000,000 Below Figure Set Up One Year Ago

INCOME TAXES LARGER

But Payments in Advance of Zero Hour Not Accurate Barometer; School Property Tax Shaved Down \$700,000

Daily Dispatch Bureau, In the Sir Walter Hotel, By J. C. BASKERVILLE.

Raleigh, March 15.—Income tax collections up to this morning, the day when income taxes for the calendar year 1931 become due, amounted to \$2,279,475.30, the amount collected since July 1, 1931, it was announced today by Commissioner of Revenue A. J. Maxwell. Collections up to March 15, 1931, for the same period in the last fiscal year, amounted to \$1,923,149.35. This means that the collections from income taxes so far this year and in advance of the date they were due, were \$356,326 greater than in 1931.

"It must be remembered, however, that tax rates on incomes were increased in all brackets by the 1931 General Assembly, so that the average weighted rate this year is from 15 to 20 per cent higher than last year," Commissioner Maxwell pointed out. "Neither can we accept the amount collected before the taxes became due as any indication of the amount that will be paid today and from now on for the next 30 days or so. Nor do we

(Continued on Page Two.)

Death Penalty In Hawaiian Assault Case is Invoked

Honolulu, March 15.—(AP)—Determined to check repeated assaults upon Honolulu women, Prosecutor John E. Kelly said today that death penalty will be demanded for the first time for such an offense in Hawaii's history when Joseph Young is brought to trial.

Young was indicted by the grand jury yesterday for an assault upon Bernice Lum, 17-year-old Chinese. The burly youth, a Korean-Hawaiian, was arraigned shortly after the indictment was returned, but he will not enter a plea until Saturday. He said he was innocent.

Way Is Thus Smoothed for Manufacturers Excise Levy in Bill Awaiting Action

HOOVER TOLD THAT MEASURE WILL PASS

Snell, Republican Leader, Visits President as Debate Enters Fifth Day In House on Committee's Proposal to Raise Additional Revenue

Washington, March 15.—(AP)—The way was smoothed somewhat for the manufacturers' excise levy in the House today by the decision of the Ways and Means Committee to exempt virtually all food not considered of a luxury.

Acting Chairman Crisp made the announcement in the House as the fifth day of debate got under way. Shortly before, Representative Snell, of New York, the Republican leader, told President Hoover at the White House that he believed the \$1,000,000,000 bill would be approved by the House without drastic change. The committee decided to propose in its own amendment elimination of the 2.25 per cent sales levy on canned foods, vegetables and meat and canned and smoked fish.

Darrow To Leave For Honolulu as Defense Lawyer

Chicago, March 15.—(AP)—Once more Clarence Darrow has abandoned his retirement to become the attorney for the defense.

This time it is the Fortescue-Massie murder trial in Honolulu. Wednesday night, accompanied by Mrs. Darrow, the noted defender leaves his home on Chicago midway, bound for San Francisco. On March 19 he sails for Hawaii to guide the defense of Mrs. Grace Fortescue, Lieutenant Thomas Massie, U. S. N., her son-in-law, and two naval enlisted men charged with murdering a native.

Like other trials that drew Darrow to the defense, this one, too, has captured world attention. The native was accused of attacking the naval lieutenant's wife.

WANTS FARM BOARD ABOLISHED AT ONCE

Washington, March 15 (AP)—Transfer of Farm Board duties to the Agriculture Department was urged before the Senate Agriculture Committee today by Senator Byrnes, Democrat, South Carolina, as an economy move.

He said the country was in favor of his bill to abolish the board. Congress and the country, he added, are convinced that further crop stabilization efforts are unwise.

WEATHER

FOR NORTH CAROLINA. Fair and not quite so cold tonight; Wednesday fair and warmer; much warmer Thursday.

League Chief



Paul Hymans, Foreign Minister of Belgium, who has been elected president of the committee of nineteen delegates to the League of Nations, which will supersede the League Council in the consideration of the Sino-Japanese situation. The extraordinary session of the League adjourned after appointing the committee.

\$100,000 LOOT OF BANK RECOVERED

Recovered by Two Farmers Where Five Robbers Changed Clothing

Clinton, Iowa, March 15.—(AP)—One hundred thousand dollars stolen from the City National Bank today by five robbers was recovered on a farm three hours after the hold-up by John and Arvid Flood, farmers.

The bandits are believed to have stopped at the farm, changed their clothes, thrown away their gun and left the money because of hot pursuit.

38 EMPLOYEES, CUSTOMERS LOCKED IN A REAR ROOM

Clinton, Iowa, March 15.—(AP)—After binding 38 employees and customers in a rear room, five men today robbed the City National Bank of an amount estimated at \$100,000.

The men met the janitor when he opened a barred rear door to fire the furnace at 6:30 a. m. The janitor was set at work around the office to allay suspicion of passers-by.

One of the gang stationed himself behind a front door, and as each employee entered, he was ordered to hold up his hands. The employees were bound and held in a directors' room.

This Week—Now

Over-the-top with two hundred thousand heretofore unemployed workers back on the job. That is the result of the first month's work in the War Against Depression Campaign. Do figures such as these mean anything to you individually? Perhaps not, unless you are one of those affected. But this impressive total has been reached through the cooperation and work of many people—employers and home owners everywhere doing their individual little bit to help.

PRITCHARD GIVEN CHANCE TO ENTER SECOND PETITION

Senate Elections Committee Accords Consideration to Contender Against Bailey

PRITCHARD SEEKING RECOUNT OF VOTES

Democratic Leaders Have Blocked Senate Authorization of Recount Pending Committee Decision On Sufficiency of Republican's Petition

Washington, March 15.—(AP)—The Senate Elections Committee today offered George M. Pritchard, Republican opportunity to file an amended petition contesting the election of Senator J. W. Bailey, of North Carolina, his Democratic opponent in the 1930 election.

The committee, in executive session, considered for more than an hour the basis of the Pritchard plea for a recount of the ballots. Democratic leaders have blocked action by the Senate in authorizing the recount pending a decision by the committee on the sufficiency of the Pritchard petition.

Chairman Shortridge said Pritchard would be given until Saturday to file a supplemental complaint. The committee will meet a week hence to consider it.

Atlanta Mayor Is Object of Voters In Recall Ballot

Atlanta, March 15.—(AP)—The friends and foes of Mayor James L. Key, storm center of Atlanta politics since his re-election, a failure last year, fought it out in a recall election today.

It was a bitter battle that brought out voters by the thousands, and registration approached 30,000 to set a record for the city.

Chief of Police James L. Beavers ordered special police guards at polling places and kept a squad of 20 in reserve to act in event of disorders. Charges and counter-charges flew thick and fast.

FOUR STATES SEEK RATE ADJUSTMENTS

Movement Started at Charlotte To Modify Water And Land Transportation Charges

Charlotte, March 15.—(AP)—A four-State movement for modification of water and land transportation rate structures in the southeast was launched here today under auspices of the Coastal State Coordinating Association.

As the first step in the rate movement, experts of corporations and organizations in North Carolina, South Carolina, Georgia and Florida, will meet May 2 at Augusta, Ga. to survey the rate situation and ascertain what problems common to these states exist with which the association might deal in seeking favorable action.

FAMOUS AGED TURK IS VERY ILL AT 158

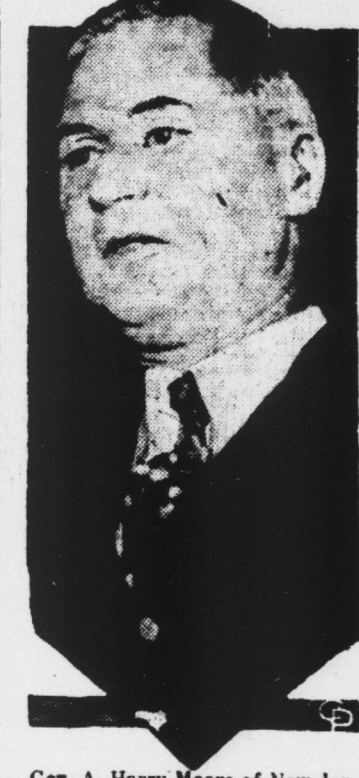
London, March 15 (AP)—Zam Agha, the 158-year-old Turk who says he is the oldest man in the world, was in a hospital today with acute indigestion. He collapsed in a restaurant at dinner yesterday and his condition was said to be serious.

EXPLOSION SHAKES CANTON LIKE QUAKE

Canton, China, March 15.—(AP)—This city was shaken as though by an earthquake today when four ordnance buildings were blown up, presumably by Chinese Communists. No loss of life was reported.

Lindbergh Probe Turns To Suspect Of Few Years Ago

Gets 10,000 Letters



Gov. A. Harry Moore of New Jersey, who has spent much time and energy on the Lindbergh baby kidnaping case, finds a little respite at a Broadway musical show. The governor has received more than 10,000 letters from cranks and persons offering advice since the baby disappeared.

Investigators Sent to New York To Question Frank Berg, Prominent Back in 1925

ATTEMPTED TO LURE BIG MANUFACTURER

Sought to Get Him on Berg's Yacht With Berg and His Wife; Suspect Some Connection With Theft of Lindbergh Infant Two Weeks Ago

Hopewell, N. J., March 15.—(AP)—Investigators went to New York City today to question Frank Berg, prominent figure in a fantastic alleged kidnap attempt years ago, to determine whether any new clues might be obtained from him in the Lindbergh kidnap mystery.

Berg was arrested in 1925 in connection with a reported attempt to lure Max Phillips, wealthy collar manufacturer, aboard Berg's yacht. Berg and a woman, Phillips said, represented herself as a countess, but was really Berg's wife, who never indicted and charges against them were dropped.

Phillips went last week to see Col. H. Norman Schwartzkopf, superintendent of State police, and, after a lengthy conversation, it was announced that every effort would be made to find out if there was any possible connection between the alleged attempt to kidnap Phillips and the kidnaping of the Lindbergh baby.

"Investigators from this office are in New York to question Frank Berg and investigate his activities," Col. Schwartzkopf said in his mid-morning bulletin.

TWO WEEKS HAVE PASSES SINCE BABY WAS STOLEN

Hopewell, N. J., March 15 (AP)—The Lindbergh baby was kidnaped two weeks ago tonight, and still the search goes on.

Investigators went to New York City today as one clue, and New York police were reported to have brought a man with possible connection with the case into New Jersey.

Whereabout of two men involved in a kidnaping a year ago were investigated at Schenectady, N. Y.

Troopers tramped through the woods surrounding the Lindbergh estate and searched again over country combed a score of times. The man police went to New York to see was Frank H. Berg, Jr., who once was charged with the attempt kidnaping of Max Phillips, wealthy retired collar manufacturer. It could not be learned where they talked to him, or what they found out.

New York police took John Smith, of whom it is known, from Tombs prison and off for a ride, which it was believed might end at Newark or Jersey City, or even here.

Police acknowledged themselves without any definite word which might bring a note of optimism into the case. Every possible clue was followed, but results were lacking.

Morris Rosner, the "fixer" appointed by Colonel Lindbergh, who announced Saturday that he knew the baby was safe and well, could not be found today and apparently had moved from his New York apartment to avoid further publicity.

KIDNAPER'S TRAIL IN OHIO FINISHED

Dejute Boy's Abductor Waives Jury Hearing and Judge Will Decide

Warren, Ohio, March 15.—(AP)—The trial of Lowell Hargraves, 31, for the kidnaping of 11-year-old James Dejute, of Niles, was concluded this morning, with the state demanding the maximum penalty of life imprisonment. Common Pleas Judge Lynn B. Griffith indicated he would render his verdict tomorrow.

Hargraves has waived a jury trial, placing his fate in Judge Griffith's hands. Defense counsel did not deny Hargraves' part in the abduction of the Dejute boy, son of James Dejute, Sr., wealthy Niles contractor, but did argue that the state had failed to prove there was an attempt at extortion, as the indictment charged, and, therefore, the state had no case. The court overruled a motion to dismiss the case.

INCOME SHRINKAGE SHOWN AS RETURNS GIVEN UNCLE SAM

Number of Tax-Payers and Amounts Due Both Reduced by Depression Year 1931

200 MILLIONS FOR QUARTER EXPECTED

Means Maximum Expectations of Government for Year Will Be Around \$800,000,000; Half Million Fewer Payers in Sight For Year's Returns

Washington, March 15.—(AP)—From a much reduced army of income tax payers, the Treasury today received returns on the earnings of last year, learning for the first time just how great an income shrinkage has occurred since the years of booming prosperity.

The government will be lucky, officials believe, if the first quarter payments, which must be made with the returns by the deadline of midnight tonight, amount to as much as \$200,000,000. This means their maximum expectations for 1931 income taxes is not far from \$800,000,000. Not more than 2,000,000 persons are expected to pay this year, while a year ago approximately 2,500,000 contributed.

CLEMSON COLLEGE OFFICIAL SUICIDES

Member of Trustees Said Audit Was In Progress of David H. Henry's Accounts

Clemson College, S. C., March 15.—(AP)—Dr. E. W. Sikes, president of Clemson College, today announced that David H. Henry, connected with the college for more than 30 years, shot himself to death at his home here yesterday.

Dr. Sikes said he knew of no reason for the act. He said it was his understanding Mr. Henry used a revolver.

AUDIT OF HENRY'S BOOKS WAS DECLARED UNDER WAY Columbia, S. C., March 15.—(AP)—Senator Robert M. Cooper, a member of the Clemson College board of trustees, said here today that an audit was being conducted of books kept by David H. Henry in connection with the collection of the state fertilizer tax.