

HENDERSON, GATEWAY TO CENTRAL CAROLINA.

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DEMOCRATS CAN'T AFFORD TO PERMIT STATE SALES TAX

Public's Brush With Federal Tax At Present Time Is Causing Serious Thinking

PEOPLE ARE BEING AROUSED ON ISSUE

Coming to Understand General Sales Tax Would Cost Them More Than They Are Paying Now; But Effort Is Certain To Be Attempted

Daily Dispatch Bureau, In the St. Walter Hotel, Henderson, N. C., Sept. 17.

The people of Henderson do not want and will not permit the enactment of a sales tax. The Democratic party in Henderson cannot afford to permit a sales tax to be enacted, in the opinion of political circles here. It is agreed that the tobacco growers and power companies will be met with a battery of highly organized and powerful lobbyists when the general assembly meets to consider a general sales tax. Just as they did in 1931. It is apparent that these large corporations, which would really be the beneficiaries of such a law, are again counting on the support of most of the members of the House and Senate from the eastern counties, where the enactment of a sales tax is to be expected.

Unpopular in Piedmont. The sales tax idea has never been popular in the Piedmont and western counties, however, and seems to be unpopular there than two years ago. Reports to reports reaching here from the Piedmont reported that there is much enthusiasm for a sales tax in most of the eastern counties now, however, in spite of the continued hammering of the Raleigh Daily Observer. A. D. MacLeish

Jake Newell Says He Will Be Winner Against Reynolds

Raleigh, Sept. 17.—(AP)—Jake F. Newell, Republican candidate for the State from North Carolina, said here today he found "no trouble in reconciling his stand on the prohibition question with that of President Hoover."

Newell, an ultra-dry, came here today with local supporters. He is expected to be elected November 8 over Robert R. Reynolds, who won the Democratic nomination running on a modified platform.

Mrs. Wise Is Witness On Extortions

Rich Wilmington Woman Tells of Getting Letters Calling For Big Sums

Wilmington, Sept. 17.—(AP)—Mrs. Kenan Wise, wealthy widow, known for her philanthropies, testified today in the trial of the former Wilmington officials for extorting that she received letters from "Captain Raynee," demanding \$20,000 on threats of harm.

Mrs. Kenan, one of the chief State witnesses, said she turned the letter to her attorney, J. O. Carr, for legal advice.

Mr. Moore, former mayor, and J. M. Furlong, Sr., former police chief, are defendants in the case. William Bennett and William Moore, two Negroes, who were arrested with a package supposedly containing the extortion money, also testified today.

Mrs. Bennett said Furlong had engaged her to get the package and that he had told her to "wait a minute" until she got some money.

WHEN TOPEKA PLAYED HOST TO DEMOCRATIC TICKET



Topeka, Kas., had the honor of playing host to both the Democratic presidential and vice presidential candidates when Speaker John N. Garner met Gov. Franklin D. Roosevelt there as the latter made his first address of his western campaign. Garner is shown, at left, with Gov. Harry Woodring, of Kansas, center, and Governor Roosevelt, on the way to the state capitol.

Huge Losses Are Likely On Sinking Fund Loans

Even Interest Is Unpaid on Many, and Other Counties in Plight Similar to Present Revelations in Wake; Foreclosures Now Agitated

Raleigh, Sept. 17.—(AP)—Charles M. Johnson, director of the Local Government Commission, today notified treasurers in all cities and counties having sinking funds to foreclose on all mortgages given to secure loans from these funds, on which interest is not paid up to December 1.

Commenting on the sinking fund loans, Johnson said all of them were made prior to March 18, 1931, when the Local Government act went into effect.

been made from these funds to individuals in many counties, now on file in the office of the Local Government Commission here. These reports are still only partially complete, with more than 20 counties not yet heard from and about as many cities and towns. But these reports show that in those that have reported, more than \$2,800,000 has been loaned from sinking funds to individuals on real estate collateral, with most of the real estate worth much less than the amounts of the loans. In most cases, the recipients of the loans either are or have been of local political importance.

Wake Very Liberal. Wake county seems to have been more liberal in making grants from its sinking funds than any other county in the State, having real estate loans now on its books amounting to \$906,156, made to some 260 individuals. Of these 260 borrowers, among

325 Bales Cotton Destroyed In Fire

Dillon, S. C., Sept. 17.—(AP)—A match carelessly dropped in a pile of lint cotton is believed to have started a fire that destroyed 325 bales of cotton, at Atlantic Coast Line coach, and two freight cars here today.

COUNTIES BLOCKING THEIR OWN RELIEF

Indifference About Supplying Data Is Delaying Federal Funds

Raleigh, Sept. 17.—The slowness with which counties and cities are compiling and sending in the information concerning the amount of funds expended for relief work up to September 1 is causing serious delay to the relief organization here, according to Dr. Fred Morrison, State director of relief. There is no possibility of securing the needed funds from the Federal relief agency until reports have been received from at least half the counties in the State and no county can expect any Federal relief funds until it has sent in its report, Morrison points out.

So far, reports have been received from only 20 counties and the information from most of these is incomplete. In fact, only two of these 20 counties that have so far sent in reports in the form required by the Reconstruction Finance Corporation have included all of the really essential information. These two counties

WEATHER FOR NORTH CAROLINA

Fair tonight and Sunday; slightly cooler in west and north central portions tonight.

FRANCE PLANS TO CONVERT BIG LOAN OF \$3,400,000,000

Largest Re-Financing Undertaking Nation Has Attempted Is Approved by Chamber

NEW BONDS ARE TO RUN FOR 75 YEARS

All Present Bondholders To Be Given Six Days To Convert Holdings or Accept Reimbursements; Lower Living Costs Are Expected To Result

Paris, Sept. 17.—(AP)—The largest loan conversion plan ever undertaken providing for converting about \$3,400,000,000 in bonds as a French government fund was approved by the Chamber of Deputies today.

The vote on the measure in the special session called for the purpose was 540 to 48. The issues affected are five percent rents of the years 1915, 1916, 1928, six percent issues of 1920 and 1927, six percent obligations of 1927, and seven percent treasury bonds of that year. The new bonds will mature in 75 years. All the old bond holders are to be given six days to convert their holdings or accept reimbursements.

South Carolina's Baptist Newspaper Is For Roosevelt

Greenville, S. C., Sept. 17.—(AP)—The Baptist Courier, organ of 300,000 Baptists in this State, while still opposed to any change in the existing laws, says in its current issue that the temperance views of Governor Franklin D. Roosevelt are "acceptable to all."

In the same editorial the paper said that "President Hoover's acceptance speech, in its prohibition part, was unacceptable to many prohibitionists. His party platform on this subject is unacceptable, and Mr. Hoover went beyond the limit and physically expressed grave doubt that she would recover."

Ontario's Power System, Operating Without Taxes, Serves Customers At Cost

By CHARLES P. STEWART Washington, Sept. 17.—Ontario's experience in public power production and service is continually being referred to, in contrast with the experience of the United States in private power production and service, says Director Judson King of the National Popular Government League, "because Ontario has the only public superpower system on this continent and super-power systems are rapidly displacing local generation."

"The Canadian province of Ontario serves its power customers at cost. This not only means low public rates," he points out; "it furnishes a base on which to estimate reasonable private rates. Ontario's costs include depreciation, amortization, interest, etc., all paid for rates; nothing from taxes. The system pays no taxes. Its 24th annual report, 1931, shows capital investment—no water—\$273,000,000; reserves, \$115,000,000; annual surplus, \$685,000 and all bills paid."

"The total taxes paid by American private companies, as shown by U. S. trade commission investigation reports, average less than 2.5 mills per kilowatt hour sold. But these companies must likewise yield a profit. The question is: 'How large a profit?'"

\$21,000,000 Suit Started Against N. Y. Stock Market And Exchange's Officials

State Democrats Start Campaign In High Point

Leaders From Over North Carolina Gather at Young Democrats Barbecue Meeting

PREPARE FOR 5,000 GUESTS FOR EVENT

Gardner, Ehringhaus, Bailey and Reynolds Scheduled to Speak, Also William B. Umstead, Congress Candidate; Held at Municipal Lake Site

High Point, Sept. 17.—(AP)—The opening kick-off in Democracy's fall campaign for votes in North Carolina was to be booted here today by leaders from throughout the State. Preparations for more than 5,000 guests were made by the Young Democratic Club of Guilford county, which is sponsoring the rally in the form of a barbecue at the High Point municipal lake.

Among party "big shots" who will speak are Governor Gardner, and the party's gubernatorial candidate, J. C. B. Ehringhaus, Senator Josiah W. Bailey, and Robert R. Reynolds, Senate nominee, and William Umstead, candidate for Congress from the sixth district.

GARDNER'S SPEECH WILL BE PRINTED VERY SOON Raleigh, Sept. 17.—(AP)—J. Wallace Winborne, State Democratic chairman, said today that the address Gov. O. Max Gardner will make at a political rally at High Point today will be printed in pamphlet form and distributed throughout the State.

The governor has taken "Franklin Roosevelt, a Man of Courage" as his subject. Winborne said he soon planned to make "a direct appeal" to the Democracy of the State for funds to finance the campaign in North Carolina this fall.

"We do not care for large contributions," Winborne said in discussing finances. "When Mr. Ehringhaus is sworn in as governor next January, we don't want any one coming around saying that he thinks he deserves something in view of his contributions of a financial nature. We want volume rather than large single amounts."

Winborne said the campaign would be run "within our income," and ventured that it would be one of the most economical fights in recent years.

Mother of Garner Is Critically Ill In Detroit, Texas

Detroit, Texas, Sept. 17.—(AP)—Mrs. Jack Garner, Sr., mother of the Democratic vice-presidential nominee, lapsed into a state of coma today and physicians expressed grave doubt that she would recover.

Informed of her condition, Speaker Garner, who arrived in Washington yesterday, left the capital early today to rush to her bedside.

Al Toots Own Horn



Recognize the fireman? It's none other than former Gov. Al Smith who hasn't missed a fireman's night at Coney Island in years. Al viewed this year's parade from a balcony filled with friends.

AERIAL ATTACK ON PARAGUAY CAPITAL URGED BY BOLIVIA

Crowds In Streets of LaPaz Demand Reprisals for Alleged Atrocities By Troops

STRETCHER BEARERS REPORTED ATTACKED

Battle In Chaco Between South American Armies Enters Ninth Day In Fierce Encounter; Bolivian Lines Are Reported Broken By Cavalrymen

La Paz, Bolivia, Sept. 17.—(AP)—An aerial bombardment of Asuncion, the capital of Paraguay, was demanded today by crowds of people here after reports said Paraguayan troops were bayonetting Red Cross stretcher bearers in the battle of Fort Barqueron in the Chaco.

The battle entered in its ninth day today, and officials said the Bolivian flag was still flying. The Bolivian defenders of the fort, officials said, numbered 2,000 and there were placed between 8,000 and 10,000 soldiers and civilians there armed with all kinds of weapons (reports that stretcher bearers were being bayoneted were denied by Paraguayan officials at Asuncion).

Great crowds surged through the streets last night shouting their demands that the Bolivian air force give retribution by bombing the Paraguayan capital.

PARAGUAYAN CAVALRY BREAKS BOLIVIAN LINE Asuncion, Paraguay, Sept. 17.—(AP)—Reports in Formosa today said the Paraguayan cavalry had broken the Bolivian lines near Fort Acre in the Chaco region, where a bitter battle was in progress for the ninth consecutive day.

\$50,000,000 For North Carolina's Waterway Set Up

Washington, Sept. 17.—(AP)—The War Department today approved a \$50,000,000 allotment for the inland waterway, Beaufort to the Cape Fear river, North Carolina, including waterways to Jacksonville, N. C.

BOYCOTT ALLEGED BY THE PLAINTIFF ON ITS BUSINESS

Has Devised And Launched Plan For Distribution of Stocks Throughout Country

ASK THREE TIMES ALLEGED DAMAGES

Plaintiff Corporation, Pirriline and Simms, Inc., Brokers, Not Member of Exchange, But Operated Through Agency of Stock Exchange Members

New York, Sept. 17.—(AP)—Suit for \$21,000,000 was instituted today against the New York Stock Exchange, its president, its treasurer, and 40 members of its governing committee by Pirriline and Simms, Inc., stock brokers.

The plaintiff charges that through a resolution of the governing committee, the defendant started a boycott on a selected portfolio plan which the plaintiff corporation had devised, advertised and permitted for the sale and distribution of stocks throughout the country.

Demand is made in the suit for three times the alleged \$4,000,000 actual damages sustained as a result of the boycott and three times \$3,900,000 of punitive damages. Court expense and attorneys' fees are also asked.

The complaint declares that the plaintiff corporation which is not a member of the stock exchange, conducted part of its business through the agency of stock exchange members. The suit was filed in court by David Codell, as counsel for the plaintiff.

Mysterious Attack Sends Aged Woman, Child To Hospital

Nashville, Tenn., Sept. 17.—(AP)—A mysterious ambush attack sent an aged woman and her four-year-old grandchild to a hospital here today with 20 bullet wounds in her back and seven in the back of the child. The grandmother, Mrs. John W. Carney, 63, hasn't the slightest idea who shot her or why. All she recalls is that a barrage of shots roared out as she played with the child in her back yard.

NEW ELECTION IN GERMANY ORDERED

Berlin, Sept. 17.—(AP)—The government ordered a new Reichstag election today for November 6.

Notables To Attend Meet In New York

Reynolds And Battle Expect to be Present At Roosevelt Club Luncheon

New York, Sept. 17.—(AP)—Prominent Democrats, including Robert R. Reynolds, Congressional nominee in North Carolina, and George Gordon Battle, also of that State, are expected to attend a luncheon of the Roosevelt Southern Club at the Roosevelt hotel here next Wednesday.

The luncheon is to honor the national advisory committee. Mr. Battle will preside, and the discussion will concern plans to urge Southerners who have moved north to register for the coming election.

The list of expected guests include Mrs. Franklin D. Roosevelt, Mrs. James Roosevelt, Mayor Joseph V. McKee, Lieutenant Governor Hebert Lehman, John H. Curry, John H. McCooey, United States Senator Pat Harrison, of Mississippi; Attorney General John J. Bennett, Jr.; John D. Davis, Irving S. Cobb, Samuel Untermyer and others.