

## DRASTIC LUXURY TAX BILL OFFERED IN SENATE

### Hoover And Roosevelt Agree To Discuss War Debts With Britain

#### World Economic Plight Also To Be Considered At Conference In March

Ways and Means of Improving World Situation Will Be Discussed by Two Big Powers

#### LONDON SEES MOVE AS "BIGGEST NEWS"

Diplomatic Quarters In Washington Observe Statement Following Meeting of Leaders Makes No Mention of France; Senator Denounces France

Washington, Jan. 20.—(AP)—President Hoover and President-elect Roosevelt at today's White House conference agreed upon an discussion of war debts with representatives of Great Britain to take place early in March after the change of administrations.

A statement issued at the White House following the hour and a half meeting in the red room, said the official talks with Great Britain would include also the economic problems of the world, and "ways and means for improving the world situation."

Secretary Stimson was instructed immediately to initiate negotiations with Great Britain arranging for the projected conference.

Mr. Roosevelt made no statement when the White House session was over, but let it be known that he planned to do so in late afternoon.

In diplomatic quarters note was taken immediately that the statement referred to Great Britain alone.

At the very time it was issued blasts against the French default on pay-

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#### Japs Call New Troops Into Army

#### 50 Percent Increase In Man Power of Army Seen in Next Few Months

Tokyo, Jan. 20.—(AP)—The army has decided to dispatch a majority of that portion of the 1933 conscripts, plus auxiliaries composing General Nobuyoshi Mutō's command, to Manchuria immediately. Throughout Japan rookies began reporting to army stations today.

At the same time 1931 conscripts and veterans in the Manchurian forces will remain in service, a war office spokesman said, despite the

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#### WILL ROGERS says:

Beverly Hills, Calif., Jan. 20.—Here is how this two-headed President thing works out: We have a President that's in, but has no authority; a President that's out, but has no authority. A senate that's in, but has no leader; a House that's in, but's been voted out. A budget that both sides are afraid to try to balance. Debts that are owed that will never be paid; debts that we owe which we keep adding to. We are sore at Japan because they took Manchuria; sore at the world because they won't disarm. In fact, we are just sore at ourselves because we muddled everything up. And in the midst of it all, we tell the Philippines "what constitutes liberty."

#### France Ready To Negotiate Debts

Paris, Jan. 20.—(AP)—France was ready today to negotiate relative to the debt owed the United States should President Hoover and President-elect Roosevelt choose to reopen the question before March 4.

A foreign office spokesman said the government was amply occupied with internal financial problems, but also would be willing to discuss the debt.

Officials and French newspapers were watching the Hoover-Roosevelt interview in Washington with closest attention.

#### POLICE REQUESTED TO HUNT COLLINS

#### Durham Hotel Clerk Disappears "Under Strange Circumstances"

#### HAD OVER \$2,000 CASH

Washington Duke Manager Hesitates To Issue Warrant; Missing Man Son of G. W. Collins of Middleburg

Durham, Jan. 20.—(AP)—Durham authorities said today police over North Carolina had been asked to search for W. L. Collins, night clerk in a hotel here, who M. S. Llewellyn, operator of the Washington Duke hotel, said disappeared "under strange circumstances" a week ago with more than \$2,000 in cash.

Llewellyn was quoted by George Proctor, Durham police chief, as saying he did not wish to swear out a warrant for the man because of the manner in which he dropped from sight.

Llewellyn said Collins had approximately \$150 of the hotel's money in a package belonging to a Raleigh man with more than \$2,000 in it. The hotel operator said he believed the clerk left here "under duress," or had met with foul play.

#### PARENTS OF MR. COLLINS RESIDE IN MIDDLEBURG

Mr. and Mrs. G. W. Collins, of Middleburg, are the parents of W. L. Collins, missing night clerk of the Washington Duke hotel in Durham, for whom police over the State have been asked to search. The parents of the young man here as much concerned over his fate. So far as has been learned here, he has not been seen in this vicinity since his disappearance from Durham several days ago.

#### WAKE STUDENTS ASK SHOWDOWN ON COACH

Wake Forest, Jan. 20.—(AP)—The student body of Wake Forest College today called upon the board of trustees to "meet immediately and make a definite decision" on the question of retaining Head Coach Pat Miller.

#### ANTI-LOBBY BILL UP MONDAY NIGHT

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

Raleigh, Jan. 20.—The Ewing anti-lobbying bill, which would compel lobbyists to register with the secretary of the state and would also prohibit them from appearing on the floor of the General Assembly while it is in session, was reported favorably to the Senate today by the committee on propositions and grievances.

The bill, which has already passed the House, was placed on the calendar but since the legislature customarily takes up only local bills on Saturday, it is not likely to come up for a vote until Monday night. Relatively little opposition to the bill was advanced in committee room, and the measure is expected to pass the senate by a wide margin.

## DRASTIC REORGANIZATION RECOMMENDED

### \$2,000,000 SAVING ANNUALLY IS SEEN UNDER NEW SET-UP

Legislative Committee Proposes Material Strengthening of State Budget Bureau

#### MANY MERGERS OF DEPARTMENTS ASKED

Highway and Prison Departments Would Be Merged, With Virtual Abolition of Welfare Department; Equalization Board Powers Would Be Raised

Raleigh, Jan. 20.—(AP)—Drastic changes in the State governmental set-up of North Carolina, which it was estimated by the General Assembly's joint committee on reorganization would save the State \$2,000,000 annually were recommended today.

Senator Moore, of Craven, author of the resolution creating the committee, which he headed, explained the report to the Senate, while it was read to the House by Representative Cherry, of Gaston.

Under the proposals, the power of the budget bureau would be materially strengthened, and it would have power to control all public school appropriations.

The recommendations included:

Consolidation of the highway and prison departments.

Virtual abolition of the Department of Public Welfare, with its duties to be done by the board of health.

Suspension of the annual State Fair.

Abolition of the present Corporation Commission and creation of the position of public utilities commissioner.

Enlargement of the powers of the board of equalization.

Transfer of the highway patrol to the revenue department, and giving it numerous new duties.

Consolidation of the State librarian and head of the library commission's job.

Other business came virtually to a standstill as the report was read in each house, and legislators immediately began discussing it privately.

The House immediately approved the committee report.

New bills to repeal the Statewide primary law and to legalize Sunday baseball were introduced in the House

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#### Four of Crew of British Freighter Perish in Storms

New York, Jan. 20.—(AP)—The British freighter Exeter City battled heavy Atlantic seas today in a storm that cost the lives of her master, third officer and two members of the crew, damaged her considerably, and caused her to flash an SOS in the early dawn.

The loss of life was reported in a radiogram to his owners by Captain Giles C. Stedman, master of the liner American Merchant, which reached the stricken freighter after a dash of 15 miles that because of the weather required three hours.

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#### Angry Farmers Continue To Frighten Washington More Than Urban Unrest

By CHARLES P. STEWART Washington, Jan. 20.—Angry farmers fright-Washington statesmen even more seriously than urban unrest. City disorders are concentrated and can be forcibly met. The yeomanry, in revolt here, there and rapidly spreading, at rural county seats, in comparatively small but

#### Piccard Goes Aloft



Prof. Auguste Piccard

Prof. Auguste Piccard, the Swiss scientist, who is visiting the United States, goes aloft in a new cabin autogyro, being tested at Washington. Professor Piccard broke all altitude records last year when he went aloft in his sealed ball to study the stratosphere.

#### SEES BETTER DAYS FOR SMALL PAPERS

Charleston Editor Tells Press Institute More Prosperity Coming

Chapel Hill, Jan. 20.—(AP)—The ninth North Carolina newspaper institute adjourned here today after hearing an address by Dr. W. W. Bell, editor of the Charleston, S. C., News and Courier, and viewing a newspaper exhibit.

Chapel Hill, Jan. 20.—A new type of civilization "in which the country weekly and the small town daily, in their totality, will outweigh the large town and city press as a factor in state and national affairs" was foreseen here today by Col. William W. Bell, editor of the Charleston News and Courier, who delivered the principal address at the final session of the ninth annual North Carolina News paper Institute.

Colonel Bell who spoke from the experience of one in the newspaper game for 42 years, as country editor, city editor, managing editor, journalism professor, and editorial writer said the changed conditions which he foresaw would be the natural result of a "back to the land" movement which is already under way.

"Steam engines are no longer drawing the people together in a few cities," he declared. "A thousand horse power is now distributed over a thousand square miles. Anybody's acre is a factory site, whether it be on the

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#### 'Luxury Tax' Will Again Furnish The Big Battle

Would Go Long Way Toward Providing Extra \$10,000,000 Annually Needed by State Next Two Years, and Would Hit Only Non-Essentials of Life

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

Raleigh, Jan. 20.—It may be a general sales tax, modelled after the Mississippi plan, or it may be a manufacturers' production tax something along the lines of the Clement bill, but the prevailing opinion here, among legislators and impartial observers, is that a selected commodity or "luxury" tax will again furnish the big battle in the North Carolina General Assembly.

The introduction of a bill calling for a selected commodity tax today by Senator Hinsdale, of Wake, furnishes the joint finance committee, which has only about two weeks more to draw up a new revenue bill, with another possible solution to its problem of raising 110,000,000 additional revenue for each of the next two years.

Another Sales Tax War. The failure of Governor Ehringhaus

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#### Highway Commission Is Fighting For Its Life And Roads It Has Built

If Raiders of Road Funds Succeed, State Will Have Little Left For Its Own Use

#### GOVERNOR FIGHTING WITH HIGHWAY HEAD

Ehringhaus and Jeffress Have Able Backing In Legislature, But It Is Questionable Whether They Can Win; Opponents Divided Among Themselves

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

Raleigh, Jan. 20.—For the first time since its creation, the State Highway Commission is fighting for its life and for the roads it has built. It has been subjected to sniping attacks before from various quarters. But never before has it been subjected to the united attack now being made upon it by almost a score of agencies seeking reductions or diversions in highway revenue. If only half of these efforts should prove successful, the highway fund will be depleted to such an extent that the highway commission will be unable to maintain even its 5,000 miles of surfaced State highways, to say nothing of the 45,000 miles of county highways, according to most of those here who have studied the real facts involved.

Face Hard Fight.

Because of the strong headway which several of the forces working either for diversion of highway funds or for a reduction in gasoline and license taxes have already made and because of the very substantial backing which several of these movements have, a number of observers here believe that Chairman E. B. Jeffress, of

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#### Famous U. S. Army Airman Is Killed As Plane Crashes

Dayton, Ohio, Jan. 20.—(AP)—Lieutenant I. A. Woodring, 31, last of the army's "three musketeers of aviation" noted for their daring, was killed today when an experimental type observation plane which he was testing rolled back here. Lieutenant Woodring had completed a test flight at 2,000 feet and was returning to Wright field when, without warning, the engine exploded. The ship was torn to bits. Lieutenant Woodring seemingly had no opportunity to take to his parachute. He was killed instantly.

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#### \$4,800,000 TOTAL WOULD BE RAISED, SPONSOR ASSERTS

Cigarettes, Cosmetics, Soft Drinks, Malt Liquors, Sugar, Automobiles, All Included

#### BETTER BILL THAN ONE BACK IN 1931

Hinsdale Says Some Way Must Be Found to Balance Budget, and Thinks Industry Is Already Carrying as Much of Government Burden as It Can

Raleigh, Jan. 20.—(AP)—Senator John W. Hinsdale, of Wake, today introduced his "luxury tax" bill.

The measure is similar to the Hinsdale bill of 1931, around which the last General Assembly fought for months. Two years ago the measure missed a single senator's vote of becoming law.

Senator Hinsdale proposes a combination of stamp and retail sales tax on "non-essentials," which he estimates will raise \$4,800,000 a year.

As a safeguard to the State and an answer to those who say his bill will not raise the estimated revenue, Senator Hinsdale plans to offer a flexible clause that will levy additional revenue in case the "luxury tax" revenue falls below expectations. This provisional tax will be either a gen-

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#### GAFFNEY MAN DIED BY "MEANS UNKNOWN"

Gaffney, S. C., Jan. 20.—(AP)—Clarence E. Marsh, Gaffney business man, whose mangled body was found on railroad tracks here Tuesday night, came to his death "by means unknown," a coroner's jury found today, and Sheriff Zeb V. Welch immediately released five men held in connection with the death.

#### Democrats Put Ban On Tax Raising

Override Republicans on all. Such Measures In Ways; Means Committee

Washington, Jan. 20.—(AP)—Democrats overrode Republicans on the House Ways and Means Committee today and voted against all proposals for passing tax legislation at this session.

Hawley, of Oregon, ranking Republican on the committee, moved consideration of last year's administration tax bill, which included a general sales tax, but he was defeated by a Democratic motion to table all tax matters.

Lost on this same motion was a proposal by Bacharach, Republican, New Jersey, to continue the gasoline tax another year, and boost it from one to two cents.

Chairman Collier said the committee did not discuss the merits of the tax plan, but simply reaffirmed the previous decision of the Democratic members not to prepare a general tax measure at this session.

The issue is thus left to the unavoidable special session of the new Congress.

#### WEATHER

FOR NORTH CAROLINA. Cloudy tonight and Saturday; occasional rains in west and north central portions Saturday, and probably in extreme southwest portions late tonight and Saturday; occasional rains in west and north central portions Saturday and probably in extreme southwest portion late tonight and Saturday; slightly colder in northwest portions tonight.

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