

Backfire From Sales Tax Is Minimizing Sentiment For Eight Months School

Sales Tax Supporters Tied in Longer School Term In Hope of Putting Levy Over

THOUGHT PROPERTY TAX CUT WAS BAIT

Looked Like Sure Winner at First, But Merchants, Newspapers and Back-Home Folks Became Aroused and Changing Sentiment Was the Result

Daily Dispatch Bureau, In the Sir Walter Hotel, BY J. C. BASKERVILL. Raleigh, Feb. 27.—The backfire from the sentiment which has been stirred up against any form of sales tax over the State is regarded as having virtually knocked the State-supported eight months school term plan into a cocked hat, according to observers here. Up to a week ago the enactment of a Statewide eight months school term supported by the State as well as a sales tax of some sort to provide the necessary revenue, was regarded as a "virtually certain" bill. But since the House Finance Committee voted 24 to 1 against making provision for an eight months term in the revenue bill, which is also interpreted as being a vote against any form of sales tax it is regarded as extremely doubtful if the backers of the eight months school plan can put it over in the present General Assembly.

Resorted to Combination. It is generally conceded that the backers of the sales tax movement decided to tie the schools in with it and link it up with the movement for an eight months school term in the belief that this would help put over a sales tax, especially a general sales tax. They thought that the amount of property tax reduction that would result from the removal of the special taxes for extended term schools would prove so attractive that the property owners would back a general sales tax.

(Continued on Page Five.)

New Budget Director



Lewis Douglas

One of the most important posts in the Roosevelt administration will go to Lewis Douglas, above, 39-year-old representative from Arizona, who has been named director of the budget. To him will fall the huge task of making ends meet in Uncle Sam's depleted treasury.

Roosevelt Names Ickes And Swanson To Cabinet

Virginian To Head Navy Department and Ickes Interior; Five Others Already Officially Announced, Leaving Only Three As Yet Unnamed

Hyde Park, N. Y., Feb. 27.—(AP)—President-elect Roosevelt added two more names to his cabinet today, Senator Claude A. Swanson, of Virginia, a secretary of the navy, and Harold Ickes, of Illinois, as secretary of the interior. He had previously announced appointment of five other members of the cabinet. Other cabinet members officially announced thus far are: Secretary of State, Cordell Hull, of Tennessee. Secretary of the Treasury, William H. Woodin, of New York. Secretary of War, George H. Dern, of Utah. Secretary of Agriculture, Henry A. Wallace, of Iowa. Postmaster General James A. Farley, of New York. This leaves three posts in the cabinet still to be officially announced.

Mr. Ickes is an attorney and has been identified more or less with the Republican independent group. He has been associated with Senator Johnson, Republican, California, in past political activities. Senator Swanson is an authority on naval affairs. He is one of the staunchest preparedness advocates on Capitol Hill. At the same time he is an advocate of international agreement for limitations of armaments and a member of the American arms delegation. Mr. Ickes is an attorney and has been identified more or less with the Republican independent group. He has been associated with Senator Johnson, Republican, California, in past political activities.

Congress Getting Ready To Adjourn

Cermak Condition Is Causing Alarm

Miami, Fla., Feb. 27 (AP)—Physicians became deeply concerned today over the condition of Mayor Anton J. Cermak, of Chicago, wounded by an assassin's bullet because of the pneumonic condition of his right lung.

Mayor Cermak was shot February 15 when Giuseppe Zangara fired wildly into a reception committee for President-elect Franklin D. Roosevelt at Bay Front Park here in an attempt on Mr. Roosevelt's life. Dr. Karl Meyer, Chicago heart specialist, and one of five doctors attending the mayor, said the hope of his physicians for recovery had been lessened by the appearance of pneumonia.

Senate and House Trying to Smooth Out Differences on Many Bills

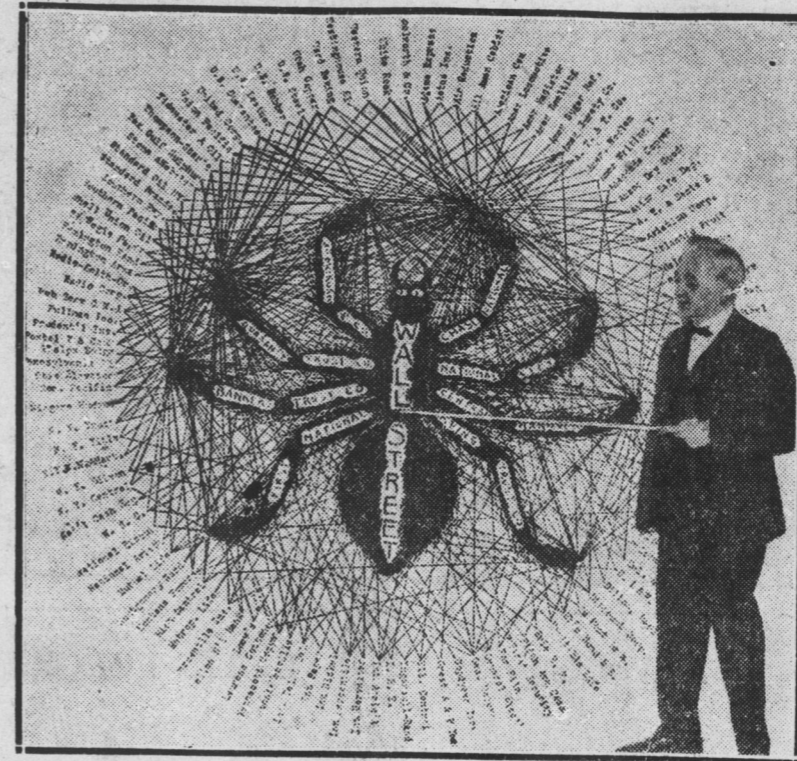
Washington, Feb. 27.—(AP)—In an effort to dispose of its accumulated business by March 4, Congress today busied itself with a number of reports made by conference committees seeking adjustment of Senate and House differences on legislation.

While the House acted on such measures, the Senate took up the Hull-Walcott mortgage foreclosure moratorium bill. The body laid aside the measure, after strong opposition made it appear the measure could not pass this session. Meanwhile, the Senate Banking Committee continued its inquiry into the stock selling activities of the National City Bank of New York, and its affiliate, the National City Company. Hugh B. Baker, who resigned today as president of the affiliate company, was the witness. On the same side of the Capitol the finance committee resumed its quest for information on how to help the times. Among those whose views were received was Dick Smith, managing editor of the Kansas City Journal-Post. The House refused to recede from its position giving president-elect Roosevelt broad powers to reorganize the government, and sent the \$960,000,000 Treasury-Post Office supply bill back to conference with the Senate. It also declined to accept the Bratton amendment requiring all departments to cut expenses by five percent next year. A little later the House adopted the partial conference report on the \$100-

(Continued on Page Five.)

Britain And France Ready To Join United States In Embargo On Arms Shipment

As Norris Flayed Wall St. Web



Here is the eight-foot chart used by Senator George Norris, of Nebraska, to demonstrate before the Senate Committee investigation on the stock market how interlocking directorates make it possible for eight banking houses to control practically any corporation of any size in the U. S. The chart is in the wall of the Senate chamber, said the fiery Nebraskan, wouldn't hold a chart showing every corporation and the manner in which it fits in the web.

Hoover Urged To Back Cotton Bill

Washington, Feb. 27.—(AP)—Three Republican senators representing cotton manufacturing centers today urged President Hoover to support the cotton plan embodied in the bill by Senator Smith, Democrat, South Carolina. Hebert and Metcalf, of Rhode Island, and Walcott, of Connecticut, called upon the President today and urged him to express his approval of the pending measure. It is designed to reduce cotton acreage 39 percent and give farmers options equal to the amount they would have grown had they not reduced their acreage.

WINSTON BANK IS READY TO ASSIST

Home Loan Institution To Give Priority To Appeals From Maryland

Winston-Salem, Feb. 27.—(AP)—The Federal Home Loan Bank of Winston-Salem, serving the fourth district, announced today that it had advised eligible Maryland institutions now closed in that State's three-day bank holiday it is ready to give them immediate assistance if needed. The home loan bank said it would give preferential consideration to requests from Maryland members. It advised non-members in that State to file applications for membership at once, putting them in position to call for aid as soon as their applications are approved.

NAZI TROOPS TAKE SOCIALISTS' CLUB

Beuthen Germany, Feb. 27.—(AP)—Nazi storm troopers today occupied the Socialist club house here and hoisted the Nazi flag. They declared: "We shall not leave the building alive."

WILL ROGERS SAYS:

Santa Monica, Cal., Feb. 27.—We never had a greater example of why there will always be war than we are having right now. Twenty-one nations of the league denounce Japan's Chinese invasion. Also, the United States, while not a member also agrees with them. Now, all in the world they got to do to stop it instantly is to agree not to trade with an aggressor nation, meaning Japan. But they won't sacrifice their trade just to save bloodshed. The league has got the weapon to stop war, but try and get the nations to give up that trade. What's a few thousand dead Chinaman compared to Japan as a cash customer? Yours, WILL.

JAPANESE CONTINUE DRIVE INTO JEHOI

Hope To Occupy Capital City By March 10, Anniversary of Mukden

(By the Associated Press.) Encouraged by the success of their campaign so far, Japanese officers at Chinchow hope to occupy Jehoi City, the capital of the Chinese province of that name, by March 10. This date is the anniversary of the battle of Mukden in the Russo-Japanese war.

Japanese and Manchukuoan combined forces continued driving deeply into Jehoi territory with their campaign aimed at four objectives, all within 100 miles or less of Jehoi City. The advancing forces met strongest resistance at Shamoshan, 100 miles east of the capital, and 15 miles inside the borders of the province where the 14th infantry brigade of Major General Heijiro Hattori was advancing.

HULL'S SELECTION WIDELY APPROVED

Men of Both Political Creeds Commend New Secretary of State

By CHARLES P. STEWART, Central Press Staff Writer. Washington, Feb. 27.—If a prize were to be offered for the best all-around public man of today—ability, experience, integrity and charm of personality alike entering into the reckoning—it is 2-to-1 betting that Secretary of State-designated Cordell Hull would win on points, with his long-time associates in both houses of congress, regardless of party lines, acting as judges. The unusualness of this unanimity in good opinion, toward an individual in high political office may not be generally appreciated. I doubt that any other selection, President-elect Roosevelt might have made for the post of cabinet premier

(Continued on Page Four.)

Another Big N. Y. Banker Quits Post

Hugh Baker, Head of National City Co., Follows Mitchell to Retirement

New York, Feb. 27.—(AP)—Hugh B. Baker today resigned as president of the National City Company, affiliate of the National City Bank. Baker's resignation was accepted by the board of directors. Baker was one of the officials of the National City Bank organization who testified last week before the Senate committee investigating stock market practices. His action followed the resignation of Charles E. Mitchell from the chairmanship of the National City Bank, National City Company and others units of the group.

Another Big N. Y. Banker Quits Post

Hugh Baker, Head of National City Co., Follows Mitchell to Retirement

New York, Feb. 27.—(AP)—Hugh B. Baker today resigned as president of the National City Company, affiliate of the National City Bank. Baker's resignation was accepted by the board of directors. Baker was one of the officials of the National City Bank organization who testified last week before the Senate committee investigating stock market practices. His action followed the resignation of Charles E. Mitchell from the chairmanship of the National City Bank, National City Company and others units of the group.

WEATHER

FOR NORTH CAROLINA. Partly cloudy tonight; Tuesday increasing cloudiness; slightly warmer, followed by rain in extreme west portions.

Comparison Of 2 Forms Of Taxation

One Percent Production and Two Percent Sales Taxes Yield About Same

Daily Dispatch Bureau, In the Sir Walter Hotel, BY J. C. BASKERVILL. Raleigh, Feb. 27.—On the basis of latest available figures of retail sales and the value of manufactured products in North Carolina, which are the statistics of the U. S. Department of Commerce for 1929, there would be comparatively little difference in the amount of revenue raised by a two percent general sales tax and a one percent production tax, according to an analysis furnished by the Department of Conservation and Development at the request of Senator Clement of Rowan, author of the production tax bill.

Yield On 1929 Basis. A sales tax, along the lines recently recommended by the sub-finance committee, would have yielded \$13,063,380 in 1929, while a one percent

(Continued on Page Five.)

INTEREST CENTERS DURING WEEK UPON ASSEMBLY PROPER

Flood of New Bills Is Checked, and Most Committees Are Given Breathing Spell

MONEY COMMITTEES HAVE PLENTY TO DO

Eight Months School Bill Expected To Be Disposed of In Senate This Week; Prison-Highway Merger to Get Attention in the Lower House

Daily Dispatch Bureau, In the Sir Walter Hotel, BY HENRY LESNESE.

Raleigh, Feb. 27.—While the finance and appropriations committees of the General Assembly are still swamped with work, the other committees are enjoying a breathing spell due to slackening in the steady flow of new bills, with the result, outside of the problem of budget-balancing, legislative interest will center this week on what the House and Senate do with their congested calendars, rather

(Continued on Page Four.)

Fight On Appropriations To Precede Revenue Bill

Both House and Senate Expected To Tear to Pieces Whatever Measure Committee May Report; Budget Commission's Proposal May Be Followed Closely

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

Raleigh, Feb. 27.—With the House and Senate Finance committee desolved over the eight months school term plan and over whether or not to recommend some form of sales tax, indications are that the general appropriations bill will be reported to the House ahead of the revenue bill. It is also expected that a major fight will develop over appropriations as a result of the sharp divisions of sentiment with regard to it.

(Continued on Page Four.)

BRITAIN DECLINES LICENSES PENDING WORLD AGREEMENT

Rules Committee Declines Foreign Affairs Chairman in His Request For Hearing

FRANCE READY TO JOIN U. S.-BRITAIN

Will Forbid Shipment Of War Equipment to Far East If Other Big Nations Will Do Same Thing; High Government Quarters State French View

Washington, Feb. 27.—(AP)—The House Democratic leadership today blocked action of President Hoover's arms embargo proposal.

Although approved by the House Foreign Affairs Committee, the rules committee declined Chairman McReynolds' request for a hearing and Speaker Garner said today he would not permit the proposal to be brought up under a suspension of the rules.

FRANCE READY TO INVOKE EMBARGO IF OTHERS WILL

Paris, Feb. 27.—(AP)—France is ready to participate in an arms embargo proposed by the League of Nations for nations for the Far East provided the United States and Great Britain also participate, it was learned today in high government quarters.

BRITAIN AND FRANCE TO STOP SOUTH AMERICA ARMS

Geneva, Feb. 27 (AP)—The British

(Continued on Page Four.)

Vance Gets \$16,000 Sum For Relief

\$9,000 for March and \$7,000 for April from Latest Federal Credit

Raleigh, Feb. 27.—(AP)—Allotment of Federal relief funds to the State's 100 counties for March and April were announced today by the governor's office of relief, with Guilford and Mecklenburg counties topping the list. Guilford will get \$60,000 each month while Mecklenburg was given \$60,000 for March and \$55,000 for April.

A total of \$1,071,000 was allowed for March, and \$947,000 for April. This amounted to \$2,018,000 with \$2,000 of the loan of \$2,038,000 granted the State by the Reconstruction Finance Corporation Saturday being withheld to meet administrative expenses and any emergency which might arise.

North Carolina has been granted \$5,074,000 by the Reconstruction Corporation for relief work since last fall. Vance county was allotted \$9,000 for March and \$7,000 for April; Warren, \$8,000 each month; Franklin, \$12,000 and \$8,000; and Granville \$9,000 each month.

Ford's Millions Thrown Into New Detroit Banks

(By the Associated Press.) Indianapolis banks opened today with withdrawals restricted to five percent of the customers' deposit. The restrictions is "until further notice" and was invoked, a statement by the clearing house explained, because of "unusual withdrawals for other than usual or business needs."

The new Detroit banks, whose capital will consist of \$5,250,000 furnished by Mr. Ford and his son, Edsel, are expected to open for business Wednesday. They will be built from the liquid assets of the First National Bank and the Guardian National Bank of Commerce, whose depositors will be able to receive immediately about 80 percent of their deposits.