TWENTIETH YEAR

FULL LEASED WIRE SERVICE OF THE ASSOCIATED PRESS.

HENDERSON, N. C., THURSDAY AFTERNOON, APRIL 20, 1933

PUBLISHED EVERY AFTERMOON EXCEPT SUNDAY.

FIVE CENTS COPY

ROOSEVELT ASKS SWEEPING POWERS

Sales Tax Passed By House, 62-43, And Hurried On To Senate

ALL AMENDMENTS ARE VOTED DOWN IN RAPID FASHION

Proposed Substitution of Selected Commodity Tax Is Lost by Vote of 35 to 72

DEBATE IS LIMITED ONLY TO 17 MINUTES

Proposal To Submit Sales Tax Issue to Voters Offered by Watson of Nash But Fails Along With All Other Amendments: Many Taxes Are Increased

Raleigh, April 20 (AP)-The House today passed and sent to the Senate the biennial revenue bill, levying a two percent general sales tax on retail distribution, and containing mater'al increases in most State taxes. The vote was 62 to 43, excluding five pairs. All amendments were defeated or ruled out of order. The Newman proposal to subbstitute a selected commodity tax for the general sales tax lost 35 to 72.

Debate on the final reading was I'mited to 17 minutes. Representative Watson of Nanh, one of the leaders of the anti-sales taxes, sent forward an amendment to subbmit the question of levying a general sales tax to the voters at the next general election or at the spe-

cial election if the governor calls one.

Witnesses Claim Lane Boy Was Not Killed by ~ Tree

Hertford, April 20.—(AP)—A string of witnesses went on the stand for the State here today in the murder trial of Ceorge K. Lane and his secend wife, charged with the death of Lane's 17-year-old son, and gave tesbmony indicating the boy had not met death under a falling tree, as claimed by his father.

R A. White who said he had long experienc as a woodsman, testified he body was removed, and that the tree had been out four or five days before he saw it, while another woodsman who saw the tree the day the body was removed said the tree had been cut about ten days.

under a falling tree, while the State the members of the General Assembly claims the lad was struck over the by Willard L. Dowell , executive sechead and slain, presumably for his

Charlotte Lady Tried For Murder

Mrs. Peterman Pleads Not Guilty to Murder of Her Prominent Husband

Charlotte, April 20.—(AP)— Mrs. Ruth Peterman, Charlotte society matron, went on trial in Mecklenburg Superior Court today on a charge of murdering her husband, Roy L. Peterman, a vice-president of the Southern Pub'ic Utilities Company, who was shot to dath in the fashionable Peterman home the night of Feb-

ruary 13. In a court room packed with members of her own social set, the great majority of them women, Mrs. Peterman though her counsel, entered a plca of not guilty when the indictment was read. Selection of a jury

Sad-eye and silent, the defendant sat between her atorneys, John M. Robinson and E T Cansler, at a table directly in front of Judge John M. Ogleby, The only apparent sign of nervousness was the constant moving of her left hand about her mouth

Senate Expected To Make Numerous Revenue Changes

Will Probably Drop Kilowatt Hour and Corporation Excess Levies and Raise House General Sales Tax Rate To Three Percent; Then to Conference

Daily Dispatch Burens, In the Sir Walter Hotel, 3y J. C. BASKERVILL. Raleigh, April 20.—The Senate is expected to make a number of changes in the revenue bill and an unof- amendment to tax corporate excess ficial poll of its membership shows in foreign corporations. The special that it will probably remove the kilo- sub-committee, headed by Represenwatt hour tax on electricity and the corporate excess tax, put on in the House and then boost the general sales tax plan to three per cent to make up for the difference in revenue None of the members of the Senate are willing to be quoted along these lines, but in discussing the revenue bill "off the record" many of them consider this course is likely. The revenue bill finally passed its

third reading in the House today, containing the two per cent general sales tax plan, the Ewing kilowatt hour tax amendment and the Everett tative R. Gregg Cherry, of Gastonia brought in the two per cent general sales tax plan as a compromise after the House last week refused to ac cept the three per cent general sales tax plan recommended by the finance committee. The sub-committee contended that with the new revenue added to the bill by the kilowatt hour

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To Run Indian Affairs

affairs of hundreds of thousands of

native Americans ,is expected to fol-

low confirmation of the appoint-

ment of John Collier of California as

regarded as the personal choice of

93.9 Percent In March,

Against 95 Percent In

Month of February

31 totaliec 51,031.684, of which 23,-

429,122 were active at some time dur-

ing the month, with the average on

a single shift basis being 29,134,413,

compared with 31,088,382 and 23,659,-

year and 32,024,032 and 24,818,008 and

North Carolina reported 1,441,146,-

251 active spindle hours, with an

average of 250 per spindle for March.

Of Conservation

Charlotte, April 20 (AP)-The first

of the 32,300 men North Carolina is

expected to contribute to President

Colonel E. C. Waddill, U. S. A.,

announced plans for commencement

er conferring with Charles F. Gil-

more, executive secretary of the

United Welfare Association, and

director off Federal relief.

of examinations here next week aft-

Workers To Start

28,843,808 for March last year.

First Contingent

cent in March last year.

Secretary of the Interior Ickes.

COTTON SPINNING

MERCHANTS WARN SALES TAX TO BE TESTED IN COUR

State Association Serves No. tice on House It Will Resist Levy to the Bitter End

NEVER SUSTAINED BY HIGHER COURTS

Dowell Declares if Tax Is Turned Down and Budget Left Unbalanced by Over **\$8.000.000.** Legislature Cannot Say It Was Not

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

Rialeigh, April 20-The merchants of North Carolina, still convinced that a general sales tax is unfair, discriminatory and unconstitutional, will conttst the legality and constitutionality of any general sales tax that may be enacted in North Carolina and will fight it through to the saw the tree three days after the United States Supreme Court, if necessary, they told the members of the House and Senate today. This notice that the ywill contest a general sales tax to the limit, if the General Assembly insists upon imposing it, was Lane claims the boy was caught contained in a letter addressed to retary of the North Carolina Merchants Association, and read to the House this morning byb Speaker R. L. Harris. The letter was authorized by the president and board of di-

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Huge Sum Voted To Aid Farm

Washington, April 20.-(AP)- An appropriation of \$100,000,000 to put motion the administration's broad farm price lifting program was approved today by the Senate in resuming debate on the agricultural relief plan.

The fund was authorized in adopt ing an amendment offered by Chairman Smith, Democrat, Democrat, South Carolina, on behalf of the agriculture dpartment. The government would be reimbursd from the receipts of the proposed processing tax.

Authority for expenditure of some of the money to expand markets to remove farm surpluses was included in th amendment.

Prompt approval was given amendment by Senator McKellar, Roosevelt's citizen conservation corps
Democrat, Tennessee, to exmpt tobacco sweepings used in making fertilizer from the processing tax.

Mostly cloudy tonight and Friday: slightly colder on the coast

ABANDONMENT OF **JOBS TO WORKERS**

Conviction Spreads That Gruelling Deflation Of Past Years at Last Is Ended

HIGHER COSTS OF LIVING UNLIKELY

New Situation Should Be Welcomed by Nation, Bankers and Economists Hold: Gains In Price Levels But Small Fraction of Slump From Depression

New York, April 20.-(AP)-What does it mean in dollars and cents? This was the question on innumer-

able lips today not oly those of but. chers, bakers and candlestick makers, but of leading bankers, as markets were convulsed by news that the United Stats had suspended the gold

May Mean More Jobs. While clear answers to the quesions were lacking, pending development of Washington's controlled inflation program, it was agreed in many financial and economic quarers that it should mean more jobs. Whether the price rise coincident to the reduced purchasing power of the dollar would mean appreciably

higher costs of living was described as problematical. That, it was explained, would depend upon the levels at which prics are finally stabilized. It was recalled that Great Britain, since abandonment of the gold standard there in 1931, had kept the cost of living relatively stable. That coun-

try's suspension of gold gave comboost, but it helped England to hold her prices in terms-of new currency fairly stable while gold prices in the United States and France continued their steady decline with consequnt Complete reorganization of the Infurther disturbance to business. d'an bureau, with its control of the Proponents of inflation -and infla-

ion means rising prices through in-(ontinued on Page Six.)

the new Indian commissioner. An **Prices Soar** expert of Indian affairs, Collier was In Markets **Over Nation** HOLDING ITS OWN

Not Since November, Today -

Washington, April 20.-(AP)- The cotton spinning industry was report-New York, April 20 -(AP)-Deed by the Census Bureau today to lugd wth buying orders, commodity have operated during March at 93.9 and stock markets rose with sensational activity today as the nation percent capacity on a single shift sought to adjust itself to the prosbasis, compared with 95.0 percent durpect of "controlled inflation" after ing February this year, and 90.1 permore than three punishing years of decline.

Billions were added to the quoted Spinning spindles in place March values of stocks and staples. Wall Street's excitement amid the confusion that attended an uproarious rise of \$1 to \$9 in shares was matched on the Chicago Board of Trade, where wheat was bid up three cents 100 and 29,541,551 for February this

and more a bushel. Cotton at New York soared \$2.50 a bale, silver futures two to three cents an ounce, rubber, coffee, sugar, copper, lead, hides and the other basic raw materials of trade and commerce joined the procession

Trading on the New York Stock Exchange was the wildest since the palmy days of 1929 and the high speed tickers, geared to handle 6,000000share days, dropped nearly half an hour behind actual busness on the

The rush to buy at opening time was so great that orders were lumped into huge blocks, several amounting to 10,000 shares. There was one 40,-000 share transaction in International Nickle another of 35,000 shares in International Telephone. One and three quarter billion shares changed hands in the first half hour- the heaviest volume for that period since November 13, 1929, the day the Rockefeller nterests placed their sensational order at \$50 a share for one mil-Ronald B. Wilson assistant State lion shares of Standard Oil of New

U. S. Envoy at Mexican Post



Josephus Daniels, new United States Ambassador to Mexico, is pictured surrounded by members of his staff in the Embassador to Mexico, is pictured is surrounded by members of his staff in the Embassy garden soon after his arrival in Mexico City. Owing to a student demonstration that followed the announcement of Mr. Daniels' appointment, extraordinary precautions were taken for his safety. The American envoy was greeted with cheers on his arrival, his critics apparently having undergone a change of heart. change of heart.

Dropping Gold Standard Here Stuns Whole World

Roosevelt Move Aimed at Europe

Washington, April 20 (AP)— Speaker Rainey told newspaper men today that President Roosevelt's monetary moves were designed to meet at "concerted and planned" campaign by foreign nations to beat down the United States commercially.

CHINESE GENERAL FLEES TO BERLIN

Reported Killed In Manchuria Last July; Large Party With Him

Berlin, April 20,-(AP)-General May Chan-Chan, reputedly the Chin-1929, Has Stock Felt ese national hero, whom Japanese military leaders claimd was killed in Splurge Seen There battle last July in Manchuria, arrived today from Omsk, Siberia, With him were two other Chinese generals, Su Ping-Wen and Li (apparently Li Chingling, former governor of Shili province and a Manchurian commander several years ago) and about 60 other Chinese officers and soldiers, women and children.

General Su was leader of the Chinese uprising against the Manchukuo government last fall in northwest Manchuria. He fled across the Siberian border with remnants of his army in early December, and the Soviet government refused Japanese requests for his extradition.

The generals refused to talk, except to indicate an intention to remain in Berlin for some time. They were expected to go to Paris

McAdoo Proposes Eight Billions In Refunding Bonds

Washington, April 20-(AP)-Senator McAdoo, Democrat, California, a former secretary of the treasury, today introduced a bill authorizing the issuance up to eight billion dollars in United States notes to to refund the government's short term debts mauring in the next five years.

The notes, which would be legal tender in payment of all public and private debts, except import duties an dinterest on the public debt, would be issued at such times in the five-year-period as the short term obligations of the government shall mature,

Reaction in England Is Puzzlement and Extreme Anxiety at Step By United States

DOLLAR VALUE IN **EXCHANGES FALLS**

Stocks Skyrocket In France and American Travelers House Refuses to Make Any Abroad Feel Effects; Britain Rejects Theory Move Is Bludgeon for Roosevelt With MacDonald

(By the Associated Prses.) The first official departure of the United States from the gold standard in more than 50 years was felt today throughout the world.

London-Britain's reaction was puzzlement and extreme anxiety. The dollar value dropped heavily. At one time it was \$3.90 to the pound. The British government rejected the theory that the United States took the step to provide itself with a bludgeon for the MacDonald-Roosevelt nego-

Paris-Stocks jumped upward and the dollar closed on the Bourse at 22.46 francs th lowest in more than seven years.

Berlin-A liigh mancial authority aid that in the long run present fluctuations could not touch the dollar value, for the United States is the world's creditor. The dollar dropped. Rome—Large groups of American tourists called at banks and travel agencies seeking advice. The dollar dropped.

Vienna-American travelers got ten per cent less for their dollars than they did a few weeks ago.

ROGERS SOVS: Amarillo, Texas April 20-Just

flew in here, headed west. We had to come in mighty high to dodge all the farms and ranches that were blowing around down on the lower strata. It ain't anything to be hit in the eye with a cow that is blowing with the dust from one ranch to another, but with all her dust and all her drought, she is a pretty country.

This fellow Clarence Young the head of commercial aviation, has done more for it than anybody since the Wright brothers. don't know anything about his going to be removed for Democratic purposes, but it will take 12 Democrats to take his place.

Yours. WILL.

3-POINT MEASURE INFLATION SOUGHT

Could Issue New Currency, Accept Silver For War Debts or Cut Dollar Gold Content

PRESIDENT SURE OF HIS PURPOSES

Cofident of Ability To Handle Situation for Improvement of Economic Structure; Useful Weapon In Approaching Economic Conferences Is Seen

Washington, April 20.-(AP)- A three-point measure giving President Roosevelt complete authority to start the United States, now off the gold standard on a policy of controlled inflation, was whipped into shape today with the chief executive's ap-

The legislation was outlined in general form at a White House conference last night, and Senator Thomas, Democrat, Oklahoma, the sponsor, probably will introduce it today as an amendment to the administration farm bill pending in the Senate.

Thus quick action was in prospect. The broad grant of authority pro-posed in the Thomas bill would give the President power to undertake inflation by any one of these mehods: Iissuance of new currency; accepance of silver in payment of war

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EXEMPTION FROM SALES TAX FAILED

Loopholes, Regardless Of The Items

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

Raleigh, April 20 -- All efforts to exempt anything from the two per cent general sales tax finally adopted by the House failed, chiefly because a majority knew that any exemptions at all would create a lopehole through which hundreds of thousands, if not millions, of dollars of revenue would be lost, thus making it necessary to increase the tax to three percent, according to numerous members. It was also agred that any exemptions would almost double the work of the merchants and make it much more difficult for them to keep records of their sales. The amendment by Representative

Davis, of Hyde countly, to exempt flour, meat, meal, molasses, fat back and other basic foods from the two pr cent sales tax almost carried how-

(Continued on Page Eight.)

France May Be Forced From Gold

Financiers There Fear Compulsory Course In Path America Has Taker

Paris, April 20.—(AP)—French financiers feared today that Franceventually would be obliged to fo low the United States off the gol standard.

She already is on a gold bullic basis, releasing only bonds. Bankers say that further restric tions are likely because Great Britai

is draining French gold. The Ban of England got most of the \$117,000 000 in golu France lost in the pas four months.

The Bank of France is extremel cautious. Bankers said, contrary t custom, it issued no advice in th present situation, but adopted a "wai and see" policy.