

HENDERSON  
 GATEWAY TO  
 CENTRAL  
 CAROLINA

# Henderson Daily Dispatch

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 TODAY

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 HENDERSON, N. C. THURSDAY AFTERNOON, JANUARY 4, 1934

## RECOVERY DEBT 9 BILLIONS

### Congress Is Staggered By Huge Government Spending

#### RAINEY DECLARES FIGURE STARTLING BUT NOT WORRYING

On the Contrary, House  
 Speaker Praises President  
 For His Frankness  
 In Economics

SIGNAL OF DESPAIR,  
 IS REPUBLICAN VIEW

Senate Finance Committee  
 Unanimously Approves  
 Morgenthau as Treasury  
 Head; Soldier Bonus  
 Comes to Fore Again In Pe-  
 tition for Payment Now

Washington, Jan. 4.—(AP)—Congress learned today the recovery program is piling up unprecedented deficits, and forthwith put that problem aside for future consideration to deal with matters considered more immediate.

In a blunt message that told of the government having to borrow ten billion dollars in the next six months, President Roosevelt estimated the public debt would reach a record high of almost 32 billion dollars by mid-1935.

Nine billions of this would be incurred between now and then.

"Startling," was the way Speaker Rainey described it, while expressing no worry and praising the President for frankness in cutting "ordinary" expenditures.

"A signal for despair," was the attitude of Senator Dickinson, of Iowa, Republican.

Pending committee study of the massive figures, the Senate gave attention to war debts and other affairs, asking the Treasury to report to it on obligations owed here by foreign nations.

The finance committee unanimously approved the nomination of Henry Morgenthau, Jr., to be secretary of the treasury.

The House went to work on the bill to tax liquor at \$2 a gallon. Some members, meanwhile, had their eyes on a petition by Lundeen, Farmer-Laborite, of Minnesota, for cash payment of the veteran.

#### Byrd Plane Flies Near South Pole

#### Trip Extends 150 Miles South of Flag- ship and No Land Is Sighted There

Aboard Admiral Byrd's Flagship, in the Antarctic, Jan. 3.—(By way of Mackay Radio)—(Delayed)—(AP)—Rear Admiral Richard E. Byrd and four companions made a three-hour flight today to approximately latitude 72.30 south, less than 18 degrees from the South Pole. The plane's course was roughly along the 117th meridian and the flight extended 150 miles south of the flagship.

On his return, Admiral Byrd reported: "No land. The sea-borne ice

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#### Federal Rail Ownership Favored By Labor Chief

New York, Jan. 4.—(AP)—A. F. Whitney, president of the Brotherhood of Railroad Trainmen, said today he would favor government ownership of railroads should there be a continuation of existing conditions which in the past four years have thrown 1,000,000 railroad men out of work.

This statement was Whitney's first public utterance in favor of such action. He is chairman of the executive

#### FEDERAL BUDGET ESTIMATES

Washington, Jan. 4 (AP)—Federal budget estimates at a glance:

Receipts	\$3,259,938,756	\$3,974,665,479
Expenditures	10,569,006,967	5,960,798,700
Debt Increase	7,309,068,211	1,986,133,221
Public Debt	29,847,000,000	31,834,000,000

#### Overthrow Seems Imminent Now For Cuban Government

#### BORAH OPENS FIGHT UPON RECOVERY ACT

#### Offers Bill To Repeal Anti- Trust Exemptions for Big Business

#### ASK WAR DEBTS DATA

Senate Resolution Demands of Treasury Full Statement on Amounts Owed by Every Foreign Nation to the U. S.

Washington, Jan. 4 (AP)—Repeal of the anti-trust provision of the national recovery act was proposed today in a bill by Senator Borah, Republican, Idaho, which was expected to provide the focus for opposition to the NRA.

Borah introduced a bill specifically to repeal those words of the recovery act exempting industries under control from the anti-trust laws.

He has directed much criticism lately at what he called tendencies under the recovery program to give big businesses an advantage over small industries and small business men.

#### SENATE ASKS STATEMENT ON WAR DEBTS OWED HERE

Washington, Jan. 4 (AP)—The Senate today called on the Treasury to furnish a statement showing the war debts due from foreign nations to the United States.

It was the first of the unexpected congressional reactions to war debt defaults. The Senate adopted the resolution unanimously without debate.

In his message yesterday, President Roosevelt promised an early report to Congress on the war debt situation.

#### Death Penalty of Kidnapers Sought In Missouri Bill

Washington, Jan. 4.—(AP)—A bill to provide the death penalty for kidnapers was introduced today by Senator Patterson, Republican, Missouri, author of the measure known as the "Lindbergh law."

At present, life imprisonment is the maximum penalty for kidnapers in removing a victim from one state to another.

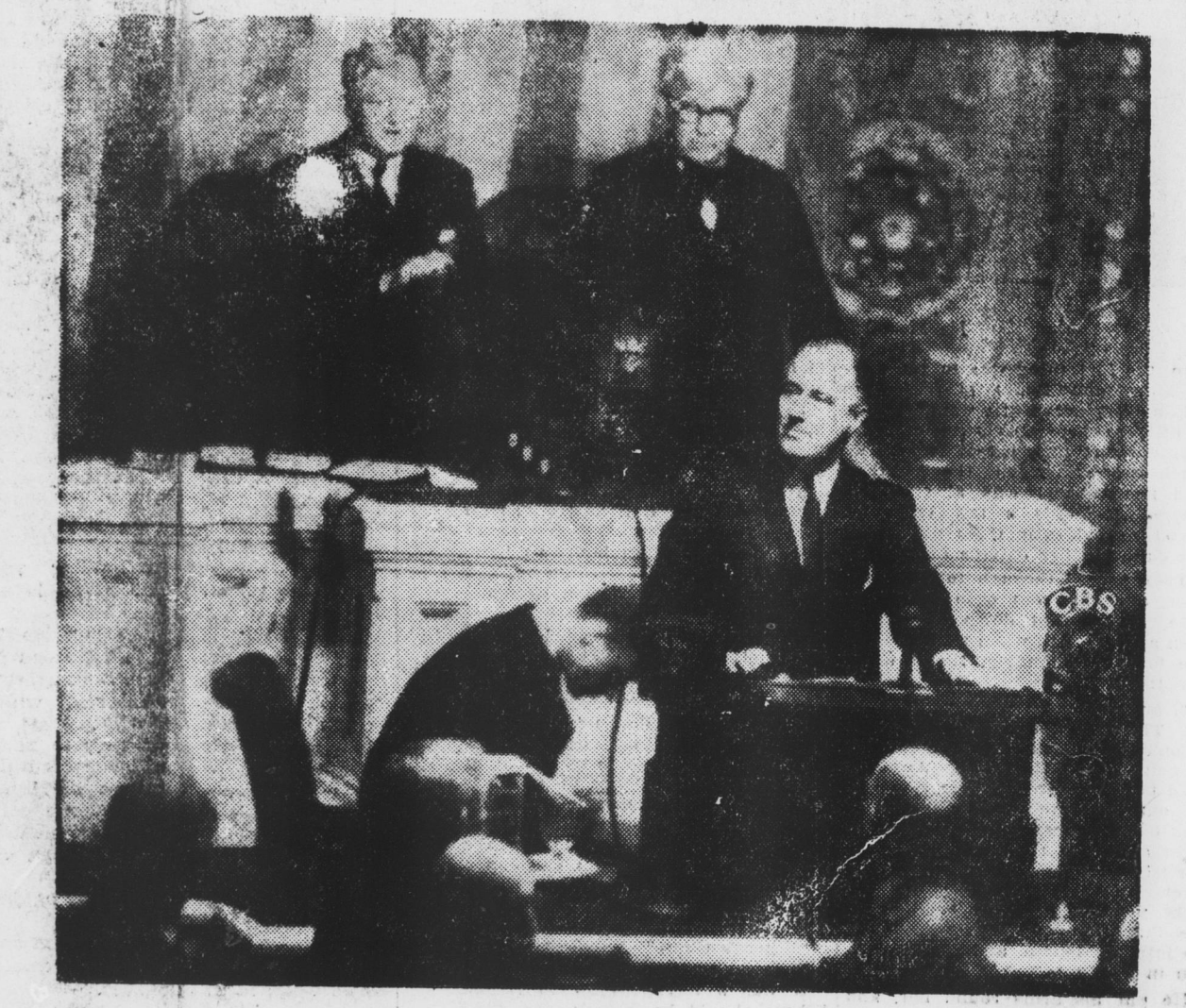
Patterson said he had particularly in mind kidnappings in Kansas City, where victims were hidden away in Kansas or removed from St. Louis to Illinois.

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#### Roosevelt Brings His Message To Congress



President Roosevelt is shown here addressing the opening session of the regular 73rd Congress in delivering in person his annual message, a custom revived a score of years ago by the late President Coolidge. Behind the President are Vice-President John N. Garner (left), and Speaker of the House Henry T. Rainey, presiding jointly.

#### NRA DICTATOR FOR THIS STATE TO BE NAMED VERY SOON

Shuping, Waynick and Colonel Harrelson Speculated on as Possible Selection

#### JOB TO PAY UPWARD OF \$5,000 PER YEAR

#### Will Take Man With "Guts, Brains, Tact and Fearless- ness," and Raleigh Feels Waynick Has That; Shup- ing Is Senator Bailey's Righthand Man

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

Raleigh, Jan. 4.—Within the next few days, certainly within a week, President Franklin D. Roosevelt, is expected to appoint some North Carolinian as director of recovery in North Carolina, at a salary of from \$5,000 to \$10,000 a year, it was learned from official sources here today. Members of the State Recovery Board have already received a letter from President Roosevelt that this board would be abolished and that in its place a director of recovery would be appointed and an advisory board.

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#### Doughton Seeking Quick Passage of Liquor Tax Bill

Washington, Jan. 4.—(AP)—Consideration of the liquor tax measure, estimated to bring \$470,000,000 into the Treasury annually was begun today in the House with the view of reaching a vote tomorrow.

The House agreed to limit debate to five hours.

Chairman Doughton, North Carolina, of the House Ways and Means Committee, opened debate with the statement that every day action was delayed on the bill the government lost \$750,000 in revenue.

Beunos Aires, Argentina, Jan. 4.—(AP)—The forces of war watched the hour glass today in the jungle fighting area of the Chaco Boreal and waited for the new zero hour ending the Bolivian-Paraguayan truce—midnight Saturday.

Forces of peace represented by the League of Nations' Chaco commission were in Asuncion driving for Paraguayan consent to a plan enabling the NRA.

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#### Condition Of Railroads Is Much Improved Over That At First Of 1933

#### Business Is Better, Expendi- tures Less and Traffic Is Reported on the Upgrade

#### COMMISSION MAKES A RECOMMENDATION

#### Would Tighten 1920 Trans- portation Act To Prevent Special Favors on Foreign Shipments; Rate Level Found High, But No Changes Made

Washington, Jan. 4.—(AP)—The railroads were found by the Interstate Commerce Commission in its annual report today to be in a better condition than a year ago.

In a document covering the year ending December 1, the Commission found the carriers' business improving, with operating costs reduced and conditions in general on the upgrade.

Only one recommendation for legislation was made. All others will be left until such time as Joseph B. Eastman, Federal coordinator of transportation, completes his study of the railroads. Then, the commission said, it will publish its comments.

The lone recommendation was made that the 1920 transportation act be tightened to prevent special favors being granted shippers to send freight from one foreign country to

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#### HIGHWAY WORKERS ARE NEAR TO PEAK

#### Almost as Many and as Many Prisoners Now as At Highest Mark

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

Raleigh, Jan. 4.—While the State Highway and Public Works Commission is compelled by the 1933 law consolidating the State Prison and Highway Commission to use as many prisoners as possible in the "construction, improvement and maintenance of highways and roads," thus including the construction and maintenance of bridges, it is still using about as many paid employes as in the past, Chairman E. B. Jeffress said today.

During November, the last month for which definite figures are available, the commission had 4,500 regular paid employes on its payroll, 1,028 temporary employes and worked 5,079 prisoners, making a total of 10,616 men all together.

In July, 1932, before the consolidation went into effect, the commission had 5,301 regular employes and 1,708 temporary employes on its payroll and was working 4,309 prisoners making a total of 11,318 men employed—only 702 more men than are being employed by the commission at the present time, Chairman Jeffress pointed out. The smallest number of

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#### GOVERNMENT WILL SHORTLY CALL FOR TEN BILLION LOAN

#### Roosevelt Submits Figures To Congress In Report, Progress Of Recovery Drive

#### PUBLIC DEBT WILL HIT ALL-TIME HIGH

#### Will Be Near 33 Billion Dol- lars; Huge Repayments Looked for and Need Will Sharply Diminish In Year or So, Is Belief; Federal Pay Boost Urged

By FRANCIS M. STEPHENSON

Washington, Jan. 4 (AP)—President Roosevelt frankly reported to Congress today a prospective nine billion dollar recovery campaign deficit for the next two years and asked that the lid be clamped down to put the government on a pay-as-you-go basis by 1936.

In his message transmitting the budget, he estimated expenditures chargeable entirely to the recovery effort of almost \$7,500,000,000 for this fiscal year ending June 30.

He asked for a two billion dollar war chest to continue and taper off this drive in the following year.

All of this, he said, involves government borrowing of ten billion dollars during the next six months, but he expressed no doubt of meeting this problem.

Debt All-Time High  
 The nine billion deficit, which would swell the public debt to the all-time high of \$31,834,000,000, does not take into account prospective new taxes from liquor revenue and plugging of income tax loopholes. There was no recommendation for new taxes.

The executive did recommend restoration of one-third of the 15 per

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#### FREE SILVER PLAN BEFORE ROOSEVELT

#### Wheeler and King Urge President To Back Their Monetary Proposal

Washington, Jan. 4.—(AP)—The proposal for free coinage of silver was laid before President Roosevelt today by Senators Wheeler, of Montana, and King, of Utah, who declared themselves "very satisfied" with the interview.

Previously 18 western House members unanimously adopted a resolution favoring bi-metalism and free coinage of both gold and silver, and agreed to the appointment of a special committee to attempt to reach an agreement with other groups on silver legislation.

The senators declined to predict presidential approval of their plan, but did indicate they expected further moves on silver by the President.

President Roosevelt already has provided for coinage of all newly-mined silver on a 50-50 basis for American producers.

#### Government Spending At Billion Dollars A Month

Washington, Jan. 4.—(AP)—Government spending at more than a billion dollars a month for the first half of 1934, and a new peak in the national debt was forecast today in the Treasury's annual report to Congress.

The report was in the name of William H. Woodin as secretary, having been prepared before President Roosevelt on New Year's Day named Henry Morgenthau, Jr., to the cabinet post. It estimated emergency recovery cost alone would be \$6,357,486,700 during the fiscal year that ends June 30, and general expenses \$3,533,691,767, for a total Federal outlay of \$9,891,178,467 and an operating deficit of \$6,631,239,711.

The Treasury figures, prepared before final completion of the budget, did not include extra budget requests of President Roosevelt for \$1,166,000,000 in the current year, and \$2,000,000,000 for 1935. These amounts

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#### WEATHER FOR NORTH CAROLINA. Rain and warmer tonight and Friday.