

FEDERAL SPENDING PASSES 5 BILLIONS THIS FISCAL YEAR

Outlays So Far Are Over
Billion Dollars Above
Corresponding Period
Last Year

DEFICIT NOW OVER
2 1-2 BILLION TOTAL

Public Debt Exceeds 26 Bil-
lions, Compared to 21 1-2
Billions Year Ago; Govern-
ment Income For Year
Nearly Billion Over Last
Year

Washington, April 7.—(AP)—Federal spending in the fiscal year which ends June 30 today passed five billion dollars.

On April 5, the latest date available, the government had spent \$5,005,462,353, as compared with \$3,833,277,776 last year.

The deficit that day stood at \$2,655,107,341, as compared with \$2,287,945,312 a year ago.

Of the five billion dollar outlay, \$2,018,950,000 went to routine expenditures and \$2,986,512,000 to emergency recovery costs.

The public debt today was listed by the Treasury at \$26,179,042,000, as compared with \$21,457,652,000 a year ago.

The five billions spent in a little over nine months of the 1934 fiscal year was nearly the total of the entire spending in the 1932 and 1933 fiscal years. In 1932 government outlays were \$5,154,000,000 and the next year \$5,143,000,000.

Government income for the fiscal year to date was \$2,350,354,992, as compared with \$1,545,307,464 last year.

LONG'S ASSERTIONS DENIED AT HEARING

Washington, April 7.—(AP)—Edward Righor, counsel for D. D. Moore nominee for collector of internal revenue at New Orleans, today denied assertions by Senator Huey Long, of Louisiana, that Colonel John P. Sullivan, New Orleans lawyer-sportsman, controlled Moore's office and said Moore's name was suggested by himself to President Roosevelt. He testified at a Senate hearing.

DISCHARGE OF GUN KILLS DURHAM MAN

Durham, April 7.—(AP)—Felix Tillet, 22, Durham county filling station operator, accidentally shot himself to death near here last night when he tripped over a vine, discharging a shot gun he was carrying.

The load was fired into his abdomen. Tillet's body was found this morning by his brother.

Bonds For Locals To Be Exempt

Washington, April 7 (AP)—The House Interstate Commerce subcommittee voted today to exempt State and municipal bonds from provisions of the stock market regulation bill.

Chairman Rayburn, Democrat, Texas, explained that such securities were not considered highly speculative, unless states and municipalities voted too many of them.

The sub-group, re-drafting the bill, also agreed in principle with Section 2, which outlines the purpose and intent of the legislation.

Recovery Threatened By Laws, U. S. Chamber Says

Washington, April 7.—(AP)—The Chamber of Commerce of the United States said today that "on every hand there appear encouraging signs of further business recovery," but that the "advance" is threatened by some of the pending legislative proposals.

Promotion Blocked



Confirmation of nominations of Lieut. Col. Jacob E. Fickel (top) and Lieut. Col. James E. Chaney (below) to be assistant chiefs of Army Air Corps, with rank of brigadier-general, is being blocked mysteriously in Congress, and investigation may be made, Washington reports declare.

BUILDING PROGRAM OF HOMES TALKED

Administration's Idea Is To
Stimulate Capital Goods
Industry

DETAILS NOT STATED
Presumably Government Will Supply
Money; Legislation Is To Be
Sought In About Ten
Days Under Plan

Washington, April 7.—(AP)—The administration is preparing legislation for a national insurance plan to aid in financing a home modernization and building program in an effort to stimulate the capital goods industry.

Presumably the fund would be provided by the government, although definite details have not yet been decided upon.

The plan was made known to reporters by Frank C. Walker, executive director of the National Emergency Council. It is another development of the housing program under way for some time.

Legislation is to be sought in about ten days. The amount of the fund to be asked was not known.

The actual building will be done by private concerns. One of the main purposes of the whole program is to stimulate private financing.

N. C. GETS MILLION FOR APRIL RELIEF

Washington, April 7.—(AP)—The Federal Relief Administration today granted North Carolina \$1,100,000 for relief work in April.

STATE SALES TAX BITTERLY ATTACKED IN OXFORD SPEECH

J. Paul Leonard Declares It
Is Contrary to the Essen-
tials of Fair
Taxation

BRUMMITT ATTACKS
NEW CONSTITUTION

Says It Concentrates Too
Much Authority At Raleigh
and Leaves Too Little In
Counties and Towns; As-
sails Proposed Veto Power
of Governor

Oxford, April 7.—(AP)—The sales tax was denounced as "contrary to the essential elements of fair taxation—ability to pay" in an address by J. Paul Leonard, of Statesville, to a mass meeting here today.

The Granville County Tax Relief Association sponsored the meeting and address by Leonard, who is executive secretary of the North Carolina Fair Tax Association.

"There is much more that can be said against the sales tax," said Leonard, "but the strongest indictment that can be justly brought is that it is contrary to the essential elements of fair taxation—ability to pay—is a tax on consumption and drives business from the State. A few months' experience has proven this to be a true indictment."

"It is amazing that in the face of the fact—recognized and admitted—that leaders of the sales tax advocates have the nerve to continue to hold it up as the State's savior, and seem determined to perpetuate it."

Attorney General Dennis G. Brummitt, speaking in his home county, again attacked the proposed new constitution.

The attorney general personally assailed the provision which he said would allow the legislature to authorize the governor to appoint every county, town and municipal officer in the State and would create an appointed State Board of Education which would select every school teacher in the State. He termed the proposed veto power for the governor "the most dangerous and obnoxious form" of such authority, and asserted the new constitution would remove restrictions on the General Assembly which would allow an increase of "opportunity for domination and absorption of legislative powers by the executive."

Mr. Brummitt also assailed the document for not specifying that the State auditor or comptroller should have exclusive power to audit State finances and should be responsible only to the people, who elect him.

INSULT TO START HOME NEXT WEEK

U. S. Vice Consul At Istanbul
To Bring Utility Czar
From Turkey

Washington, April 7.—(AP)—Samuel Insull, Chicago fugitive, is to start back to the United States from Turkey next week to face trial on charges resulting from the collapse of his giant utilities organization.

The State Department said today that Insull, had been designated by President Roosevelt to take custody of Insull, who has fled from the grips of United States officers for more than a year.

A warrant empowering Berry to serve in that capacity has been signed by President Roosevelt and cabled to Turkish authorities. Exactly when the trip will start was not announced, but it was expected here to be early in the week.

Pinchot's Wife Hits NRA Head

Washington, April 7 (AP)—In a general assault on NRA administration in Pennsylvania, Mrs. Gifford Pinchot today told the Senate Labor committee that Hugh S. Johnson had thrown down his arms in the interest of big business.

A militant supporter of labor, the red-haired wife of the governor of Pennsylvania urged passage of the Wagner labor bill to outlaw employer-dominated company unions.

She had kind words for the purpose of the NRA in general, but she denounced the way it was administered in her state.

HUEY LONG FIGHTS APPOINTMENT



John P. Sullivan

Daniel D. Moore

Pistocuffs and heated arguments have enlivened hearings of the senate finance committee, in Washington, on the nomination of Daniel D. Moore as internal revenue collector for the New Orleans district. When Senator Huey Long accused John P. Sullivan, New Orleans politician and race track magnate, of "making

suckers out of people all over the United States", Sullivan offered to fight. Senator Long has sought to prove that Sullivan is the political sponsor of Moore and that his appointment would lay the internal revenue office open to the influence of gamblers. Photo shows Sullivan, left, and Moore leaving the hearing.

Legislative Candidates Favoring More Money For Schools And License Cut

That's What It Takes To Get Votes This Year, and Candidates Favoring Such Program, Without Any Idea
Whatever Where the Money Will Come From

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

Raleigh, April 7.—Reports being received here from various sections of the State indicate that a majority of the candidates for the next General Assembly have at least two identical planks in their platform, as follows:

1. They are coming out vigorously for more money for schools and higher pay for school teachers.

2. They are advocating a reduction in the automobile license tax.

Some of the candidates are also coming out openly against the general retail sales tax, but many are frankly trying to avoid any statement with regard to the sales tax.

One candidate for the 1935 General Assembly from a Piedmont county, who was here today, frankly explained why he was running on a platform in which the main planks are more money for schools and lower automobile license taxes, as follows:

"Practically every voter either has children in the public schools or owns an automobile, or both, so that anything that has to do with giving the voters better schools and cheaper automobile license taxes is sure to appeal to them," this candidate said. "This is especially true since the State took over operation of the schools and relieved the local property owners of all taxes for school operation. Before this was done, and while part of the school maintenance cost was paid by the local taxpayers, they were not in favor of more money for schools and higher salaries for school teachers, since they had to pay part of it out of their own pockets."

"But now that the schools are supported entirely from State funds, raised from indirect taxation rather than from taxes on property, the sky is the limit for school expenditures, as far as the average voter is concerned, since few of them realize that they have to pay the taxes indirectly in the end. Another factor is that few candidates can buck the teachers and their powerful political and propaganda organization and stand any chance to be elected. They have already got most of the voters convinced that they were handed a raw

deal by the 1933 General Assembly and that they must have more money and higher salaries.

"Those that are not interested in the schools are owners of automobiles and anxious to have the cost of the license taxes reduced. So if the candidate runs with these two things as his principal planks, he can be pretty sure of being nominated and elected."

When asked how he thought the next General Assembly would find enough new revenue to increase teachers' salaries and reduce the license taxes on automobiles, this candidate, who was a member of the

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COOLEY GIVEN ODDS IN CONGRESS FIGHT

Raleigh Opinion Is That He
Will Beat Even George
Pou In Race

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

Raleigh, April 7.—Although George Ross Pou, son of the late Congressman Edward W. Pou, of Smithfield, has not yet announced as a candidate to succeed his father in Congress, where he served for more than 33 years, it is still being taken for granted here that he will announce soon. But a larger number of those in political circles here are predicting that Harold Cooley, of Nash county, who has announced that he will be a candidate, will win the nomination rather than Pou, even if Pou runs. Two other candidates, Palmer Bailey, of Raleigh, former secretary to Senator Josiah W. Bailey, but no relation to him, and J. P. Zollicoffer, well known attorney of Henderson, Vance county, are already in the race. But the consensus of opinion here is that the main contest is going to be between Cooley and Pou, with the betting odds on Cooley at the present time.

Those who believe Cooley has an advantage over Pou, point out that both Lee L. Gravelly, of Rocky Mount and O. B. Moss, of Spring Hope, both of Nash county, and both spoken of as possible candidates for Congress, have announced that they will not get into the race but will back Cooley. They also point out that J. M. Broughton, of Raleigh, who for more than a year has been regarded as getting his ducks in a row to run for Congress in the fourth district whenever Congressman Pou should retire, has also decided not to run and support Cooley.

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Senate Cooks Up New Headaches To Worry Tax-Payers

Gets Treasury Post



Thomas Jefferson Coolidge

Thomas Jefferson Coolidge of Boston, Mass., has been appointed special assistant to secretary of the treasury, Henry Morgenthau. Thomas Hewes, former assistant secretary of the treasury, has been transferred to the state department.

Tax Bill for \$258,000,000
Sent Up By House May
Be Boosted Up To
\$580,000,000

COUZENS, LAFOLLETTE
OFFER AMENDMENTS

Former Would Add \$55,-
000,000 and Latter \$95,-
000,000 to Levies Propo-
sed; Couzens Plan Not
Likely To Be Accepted by
House, Byrns Declares.

Washington, April 7.—(AP)—The Senate brewed new headaches for the tax-payers today.

The tax bill, which was \$258,000,000 measure as it came from the House, already is up to a proposed \$330,000,000 in the Senate, with strong likelihood it will reach \$480,000,000 before it is passed.

An amendment by Senator Couzens, Republican, Michigan, that would add an estimated \$55,000,000, and one by Senator LaFollette, Republican, Wisconsin, that would be good for perhaps \$95,000,000 more, were given the approval today by Senator Harrison, Democrat, Mississippi, who is in charge of the legislation.

Monday may see a vote. Both House and Senate were in recess today.

The bill as received from the House was boosted to \$330,000,000 in the Senate Finance Committee before reaching the Senate floor.

Senator Couzens' proposal is for a ten percent super levy to be effective for one year only. The ten percent would be figured on the tax itself, a person whose tax came to \$100, for example, adding ten percent to that any paying \$110.

The LaFollette amendment would boost the super-estates, or inheritance, levies beyond the finance committee rates and cut down existing exemptions.

Both proposals are certain of Senate approval.

COUZENS PROPOSAL WILL
BE REJECTED BY HOUSE

Washington, April 7.—(AP)—Representative Byrns, the Democratic leader, told reporters today the House would have to be thoroughly convinced there was need for additional revenue before it would accept the Couzens proposal for an additional ten percent levy on income taxes next year.

Consumers Groups To Be Formed

Will Aid in Adjust-
ment of Consumers'
Complaints About
Prices

Washington, April 7 (AP)—One hundred and twelve consumers' councils are to be formed throughout the nation to aid in adjustment of local consumers' price complaints.

Frank C. Walker, director of the National Emergency Council, making the announcement today, said the plan would be on an experimental basis until it is determined how it will work.

Walker said the councils will be un-

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Zollicoffer Pays Fee In Fight For Congress Seat

Raleigh, April 7 (AP)—Interest in the fourth congressional district race for the seat vacated Sunday by the death of Representative Edward W. Pou was heightened today when Jere P. Zollicoffer, of Henderson, paid his filing fee to enter the June primary, and Judge Walter D. Siler, of Siler City, wrote the State Board of Elections for filing blanks.

George Ross Pou, so not the man who represented the district for 33 years and became dean of the lower house of Congress, is expected to make formal announcement Monday or Tuesday that he will seek to succeed his father. Harold D. Cooley, of

Nashville, has announced he would enter the race, and Palmer E. Bailey, of Raleigh, has paid his \$100 fee to on test for the seat.

Congressman J. Bayard Clark, of Fayetteville, formally entered the seventh district race today, L. Clayton Grant, of Wilmington, having filed to oppose him.

Congressman R. L. Doughton, of Laurel Springs, filed for re-nomination in the ninth district, and R. R. Millikin, of Asheville, filed in the eleventh to oppose Representative Zeb Weaver.

Judge R. Hunt Parker formally entered the third district superior court race.