

MUNITIONS MAKERS REAP HUGE PROFITS OF 362 PERCENT.

EFFORT TO UNLOAD COUNTY BONDS ON STATE IS PLANNED

Life Insurance Companies and County Commissioners Believed Behind The Agitation

WILL STAGE FIGHT IN 1935 ASSEMBLY

It Would Necessitate Additional \$8,000,000 of Revenue Annually, and Some See Wrecking of Highway System by Need for Money, If Measure Passes

Daily Dispatch Bureau, In the Sir Walter Hotel, By J. C. Baskerville. Raleigh, Dec. 13.—Backed by the life insurance companies and other holders of county and district road bonds, a powerful and determined effort is going to be made in the rapidly nearing General Assembly to transfer the entire county and district road debt onto the State to be paid from State highway revenues, according to reports heard here today.

If this effort on the part of the Big New York, New England and other life insurance companies, who hold many of these county and district road bonds, assisted by many of the counties and the North Carolina Association of county Commissioners, is successful, it would virtually double the present State highway indebtedness. It would also virtually double the bond and interest payments now being made from the highway fund and increase these from \$8,000,000 a year, as at present, to approximately \$16,000,000 a year. In other words, this plan would divert at least \$8,000,000 a year now needed for highway maintenance and construction to the payment of the interest and principal on county road indebtedness. In order to get this additional \$8,000,000 a year for highway debt service, one of two things would be necessary, according to those familiar with the situation. The present taxes on automobiles, trucks and gasoline would have to be increased, or the appropriation for maintenance of the highways would have to be reduced another \$4,000,000 a year, in addition to the \$4,000,000 a year reduction made by the 1933 General Assembly.

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COAST GUARD WILL AID GROUNDED SHIP

Hatteras Inlet, Dec. 13.—(AP)—A coast guard crew from the Hatteras Inlet and another from Ocracoke have been dispatched to aid the Sadie A. Nickerson, which went aground five miles northwest of here during Tuesday's gales. A 75-foot coast guard boat has also been sent to the scene.

Processing Taxes Rank Stare High

State First on Cotton and Tobacco And Third in U. S. On All Totals

Washington, Dec. 13.—(AP)—North Carolina ranked third among the States in payment of processing taxes through October 31 and led all states in payment on cotton and tobacco. Chester C. Davis, farm administrator, announced today total collections in North Carolina were \$41,256,015, a figure exceeded only by Illinois, \$91,990,189 and New York, \$58,213,425. Because large textile and cigarette industries are located in North Carolina that State paid \$31,329,524 in processing taxes on cotton, and \$7,628,546 on tobacco. Massachusetts was second to North Carolina in cotton processing tax collections, reporting \$24,548,506 on that commodity, while South Carolina was third with \$22,661,673. New York was second to North Carolina in tobacco processing taxes, with collections of \$5,921,804. Virginia was third, with \$2,530,379. Processing taxes in the country as a whole totalled \$550,081,419. The two Carolinas together paid more than \$84,453,000 of that amount.

Where Scores Perished in Tragic Hotel Fire



Here is a graphic air view of the Kerns Hotel, Lansing, Mich., showing the blazing building in which scores of guests were trapped and burned to death or were downed when they jumped into the icy waters of the Grand river from bedroom windows. Six Michigan state legislators, who had come to attend sessions at the capital building at Lansing, are reported among the dead.

Raid on ABC Office Might Stir New Trouble in Cuba

Havana, Cuba, Dec. 13.—(AP)—The strong A B C political society said today an allegedly government-inspired raid on its newspaper, Accion, is "equivalent to a declaration of war." The statement of the society's central committee came as the government took every precaution against uprisings. Rumors of impending revolt raced over the island, torn by months of political dissension and violence. Last night a group of armed men entered the editorial rooms of the

newspaper Accion, and forced nine editorial workers to accompany them to the outskirts of Havana, where the victims were made to take castor oil. Forty armed police took over offices of the newspaper. They told editors "there will be no paper this morning," on orders of Colonel Pedraza (chief of Havana police). Rumors flooded Havana, which was on edge. The government has suspended constitutional guarantees in every province save one. Extra vigil-

ance was voted throughout the city. Many police appeared for duty armed with rifles. Victims of the abduction last night said they believed secret police conducted the raid. When they returned to the office, telephone wires had been cut, typewriters overturned and papers scattered. Although there were denials, it was known there has been friction with the army, and that General Batista is making every effort to eliminate it.

Might Ask For Better Enforcing

Governor Takes Crack at Magistrates, Advocates County Mergers

Raleigh, Dec. 13.—Will Governor J. C. Ehringhaus make definite recommendations to the forthcoming General Assembly for the enactment of new legislation designed to bring about better law enforcement? Will he ask the legislature to abolish the arch and no-longer-needed justices of the peace courts, and for laws permitting closer cooperation with the Federal government law enforcement agencies? These questions are being asked in political circles here today following the governor's address before the National Crime Conference in Washington yesterday, in which he blamed "the disorganization of law enforcing agencies within the states" for much of the weakness of local law enforcement. Governor Ehringhaus also said that county governments could "be run more efficiently and with much less expense" if the counties

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Considers Increases In Tobacco

Washington, Dec. 13.—(AP)—The Farm Administration today had under consideration a proposal to increase the 1935 production of flue-cured tobacco to equal world consumption. The advisory committee of flue-cured growers, after a meeting here with J. B. Hutson, tobacco chief, recommended 1935 production equal to 85 percent of the base acreage and production, instead of the optional 80 per cent this year.

Death List Rises In Lansing Blaze

Lansing, Mich., Dec. 13.—(AP)—As the sorrowful task of probing the ruins of fire-swept Hotel Kerns went forward today, State police listed 26 known dead, with 23 bodies recovered, 16 of them identified. Eleven bodies of which the consuming flames left little more than than skeletons, had been taken from the ice-sheathed debris of what once was on of the State capital's popular meeting places. All were beyond identification except for a few personal effects, such as rings or other trinkets, found with some of them.

NATIONAL CAPITAL IS ENJOYING BOOM

Influx in Advance of Opening of Congress Unusually Heavy Now

By CHARLES P. STEWART, Central Press Staff Writer. Washington, Dec. 13.—A recent very convincing-looking tally of a local newspaper indicates that one-eighth of Washington's population is on the relief roll. This hints at more than, perhaps, suggests itself at first thought. The nub of the proposition is that the capital, while not truly prosperous, in a basic sense, nevertheless actually is booming. Such being the case, with one-seventh of its population on the relief roll, what must be the status of other cities, which are far from being in the boom-time classification. THE WHY OF THE BOOM. The Washington boom is easy to prove and not hard to account for. Washington never was an industrial center; therefore has no volume of working-class joblessness to reckon with. Its workers are mainly in the government service. Their incomes, though somewhat reduced by depression legislation, still are adequate, and as secure as Uncle Sam can make them. Moreover their number has been enormously increased (at an extremely rapid rate, too) by recruits required to man the multiplicity of the New Deal's alphabetical organizations. The

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LAST SCHOOL BUSES INTO SERVICE SOON

State Acquiring 750 New Ones This Year; Counties Add to Number

Raleigh, Dec. 13.—The last 75 of the 750 new school buses recently purchased by the State School Commission with the assistance of the Public Works Administration in Washington, are now being assembled here. They will be ready for delivery to the body building plants by Saturday, where the bodies have been completed and are awaiting the 75 chassis, according to C. F. Gaddy, director of transportation for the State School Commission. The bodies will be installed on the chassis and the completed buses delivered to the counties by the latter part of next week. This last batch of 75 trucks are the stand-

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4 Dead as Residence Is Burned

Bedford, Va., Dec. 13.—(AP)—Hazel, 19, and three younger daughters of Mr. and Mrs. Luther Nichols were burned to death early today when fire destroyed their farm home near here. Names of the three other children were not available here this morning. Other members of the family were more or less seriously injured, and all who escaped suffered from shock and exposure. Information of the tragedy came to relatives of the family here this morn-

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WEATHER FOR NORTH CAROLINA. Fair tonight, cloudy Friday fair not much change in temperature.

FOR HENDERSON. For 24-hour period ending at noon today: Highest temperature, 49; lowest, 29; southwest wind; no rain; fair.

STARTLING FACTS ARE LAID BEFORE SENATE PROBERS

Figures Reach Back to Profits Garnered During Balmy Days of the World War

OTHER COMPANIES MADE 20 PERCENT UP

In Many Cases Profits Made on Cost Plus Contracts, and In Some Instances Government Had Advanced Money To Finance Hurried Production

Washington, Dec. 13.—(AP)—Huge profits, ranging as high as 362 percent to manufacturers of war materials during the World War were disclosed today to the Senate Munitions Committee. This was developed shortly after President Roosevelt had suggested close cooperation between his group to formulate legislation to take the profits out of war and the Senate investigators.

Investigators placed before the committee figures from the internal revenue bureau showing profits for scores of companies ran from 20 per cent of invested capital to 362 percent.

Alger C. Hiss, committee investigator, who conducted the inquiry, developed that in many cases the profits were made on cost plus contracts, and that in some instances cash was advanced to the companies by the government to finance their production.

RELIEF DIVISION NOT MAKING GIFT

Land, Livestock, Seed, Etc., Merely Lent to Families, Ross Says

Daily Dispatch Bureau, In the Sir Walter Hotel, By J. C. Baskerville.

Raleigh, Dec. 13.—"We are not giving anything away to any one in the rural rehabilitation division of the Emergency Relief Administration, although a lot of people seem to think we are," George Ross director of this division said today. "What we are doing is to lend families land, livestock, seed and the implements need-

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Two Mission Workers in China Slain

Shanghai, Dec. 13.—(AP)—The deaths of Mr. and Mrs. J. C. Stam, American missionaries, were reported to the China Inland Mission office today in a cryptic telegram from its Wuhu office. The message read: "Stam's bodies found 15 miles from Tsingteh."

Further details were not included in the message, and the mission office her was extending every effort to obtain more information. Since no mention was made in the telegram of the two-months-old baby of the young missionary couple, the mission authorities did not know whether the baby's body likewise had been found or whether the kidnappers who captured the Stams in southern Anhwei province several days ago might be hiding the child.

Liu Cheng Hwa, governor of the Anhwei province, informed the mission office here the Stams had been slain by their captors on a battlefield 15 miles from Tsingteh.

9 Shopping days till Christmas. Illustration of a shopping bag and a Christmas tree.

WILLIAMS PREDICTS NEW ERA WILL DROP PRICE-FIXING IDEA

3 Boys Drown As Ice Strikes Boat

Conshohocken, Penn., Dec. 13.—(AP)—A floating cake of ice, smashing into a small boat as it rode across the Schuylkill river, sent three boys, muskrat trappers, to their deaths in the icy waters today. Although their bodies were not recovered immediately, the boys were identified by their families as Joseph Murphy, 19; Stanley Gerry, 16; and John Holden, Jr., 16, all of Conshohocken.

Minimum Wages and Maximum Hours Will Probably Be Retained In Reorganization

CHILD LABOR BAN IS ALSO TO STAY

Collective Bargaining Guarantees and Provisions Against Unfair Trade Practices Likewise Included; These Will Take Care of Price-Fixing

New York, Dec. 13.—(AP)—Clay Williams, chairman of the industrial recovery board predicted today that price-fixing will be eliminated from the new NRA. Sketching for a business meeting his ideas on what that new NRA would be, Williams foresaw that it would continue:

- 1. Minimum wages and maximum hours. 2. The ban on child labor. 3. The collective bargaining guarantees. 4. Provision against certain unfair trade practices.

Full compliance with wage and hour provisions, Williams said, would largely eliminate the need for price-fixing. "I am not unaware of the importance in which some groups still hold the provisions of their codes, that were designed, inserted and insisted upon as necessary to their chances of prosperity," he explained. "And yet I raise before you the question whether the problem of compliance with wage provisions and the problem of price maintenance provisions are, in fact, two separate problems requiring two separate answers or whether, on the other hand, the two are not so closely inter-related that the answer to the first automatically solves the second for most interests and businesses."

ROOSEVELT SEEKS COOPERATION FOR MUNITIONS PLANS

Wants His Own Committee and That of Senate To Unite Efforts in Next Congress

TO TAKE PROFITS OUT OF ALL WARS

President's Appointment of Special Committee Yesterday Irritated Senate Group, But He Obtains Promise of Coordination of Two Groups

Washington, Dec. 13.—(AP)—Close cooperation between his committee to take the profit out of war and the Senate Committee investigating munitions was suggested today by President Roosevelt.

He made this suggestion during a talk with Senator Clark, Democrat, Missouri, a member of the munitions committee.

When the President named a group yesterday to investigate war profits, several senators were irritated because that action was taken before they had finished their inquiry.

The President brought up the subject, Clark said.

"Mr. Roosevelt told me he expected his war profits committee to cooperate with our Senate committee, and vice versa," Clark added.

Bernard M. Baruch, former War Industries Board chairman, who is heading the Roosevelt committee to draft legislation, said the President and his group would consult freely with members of the Senate and House.

"I see no basis for conflict between the two committees," Clark said. "We are trying our best to get something done."

Capt. McGougan Is Found Guilty For Conduct; Is Fined

Raleigh, Dec. 13 (AP)—Captain Ernest D. McGougan, of Company L, 120th Infantry, Parkton, was found guilty of charges of being "drunk while on duty," and of speaking to Lieutenant William D. Smith, "in an insulting and disrespectful manner" by a courtmartial which met at Fayetteville last month, and was fined \$100 and ordered to be reprimanded, it was revealed today.

Captain McGougan was tried on charges growing out of his conduct while his company was stationed at and near Fayetteville on guard duty during the textile strike early in the fall.

Adjutant General J. Van B. Metts today announced the findings of the courtmartial on orders of Governor El Satterfield, who, as commander-in-chief had reviewed the verdict.

Satterfield Execution To Be Friday

Slayer of Grice To Die Following Acquittal of Widow and Brother

Raleigh, Dec. 13.—(AP)—Plans went forward at State Prison today for the scheduled electrocution tomorrow of Rufus Satterfield, Wayne county man convicted of the murder of Herbert Grice, an iron worker, and Parole Commissioner Edwin M. Gill said no intervention was planned for the man Satterfield was, back in his little cell on Death Row after going to Goldsboro early in the week to testify at the trial of Mrs. Ruby Sasser Grice widow of the murdered man, and her brother, Donald Sasser, who last night were acquitted of charges of complicity in the killing of Grice. Warden H. H. Honeycutt, of the prison, said Satterfield's head would be shaved late today, and the chair

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