

Old Age Pension Law Of Some Kind To Be Passed

But Townsend Measure Is Ridiculous and Wholly Impracticable and Constitutes Violent Form of Inflation, Penalizing Thriftiness, Babson Says

BY ROGER W. BABSON, Copyright 1935, Publishers Financial Bureau.

Babson Park, Fla., Jan. 18.—Some readers may regard the Townsend old age pension plan as another white rabbit, while others may honestly believe that the scheme is a true social panacea. All, however, must recognize that it has created a powerful interest from the Pacific to the Atlantic in the subject of old age pensions. The discussion already aroused shows clearly that there is a tremendous pressure in this country today for the passage of some form of old age social security.

\$200 a Month at Sixty First, let me briefly outline the plan. It proposes to give a pension of \$200 per month to every person over sixty years of age having no criminal record. The recipient promises, under oath, that he or she will not engage in any further gainful labor and that he or she will spend the \$200 during the month within the United States. The plan is based on the theory that each person spending \$200 a month creates a job for one or more additional workers. About 8,000,000 would be expected to accept the pension. Hence, Townsend adherents al-

lege the plan would open jobs for at least 8,000,000 people under sixty. How does Dr. Townsend propose to finance his scheme? With 8,000,000 people receiving \$200 each a month the annual cost would be \$19,200,000,000. Townsendians estimate that a "manufacturers' sales tax of from five to fifteen per cent would be necessary to finance the plan. The \$1,600,000,000 required for the first month's operations of the pension would be raised through the usual methods of government financing. Townsendians see a tremendous saving in certain directions. For example, through the elimination of present pension systems, or poorhouses, and through a sharp drop in crime costs. But in addition to these savings, Townsend crusaders see costless operation when the scheme is once under way.

Purchasing Prosperity These people claim that their pension plan will end the depression abruptly and permanently. They feel that our problem today is simply to create more purchasing power and prosperity will return posthaste. With older citizens obligated to spend \$19,200,000,000 a year, there will be created such a gigantic demand for all kinds of goods that idle manufacturing plants will immediately be forced to operate at capacity. The sting of the financing tax will be eased by our swift journey to prosperity. Some enthusiastic exponents even claim there will never be another depression—"humanity will forever be relieved from the fear of destitution and want," and hence "the genial sun of

Moon Theatre TODAY - TOMORROW TOM TYLER—in "TERROR OF THE PLAINS" "Burn 'Em Up Barnes" Comedy

STEVENSON THEATRE Henderson, N. C. BIG STAGE AND SCREEN SHOW SUNDAY - MIDNIGHT SHOW DOORS OPEN AT 10:30 SHOWING ON STAGE "STREET OF DREAMS" Featuring Mary Rogers and her sensational gold dance—and the 16 stream lined dancing debutants. 17 Beautiful Scenes—17 Presented by Jack Mosser ON THE SCREEN CHESTER MORRIS in "I've Been Around" Admission: 35c Plus Tax

The Business Needs of four counties in the Henderson district have shaped the facilities and services of Citizens Bank & Trust Company for forty-five years. When you open an account with this strong bank, you find it always desirous of making its work match with your needs and preferences. Here you are sure of personal service from a business bank. Citizens Bank & Trust Company HENDERSON, N. C. On January 22, 1935 we will have been in business forty-six years.

Little Sister by MARGARET WIDDEMER

READ THIS FIRST: Leila Madison, an orphan, has been trying to halt the elopement of her reckless young sister, Betty, with Addison Huntington, a romantic radical. Jerry Redwood, a newspaper reporter, has been aiding Leila because of his friendship for Addy's brother who was Jerry's college roommate. They are all at Leila's Westchester home where Addie and Jerry meet Aunt Minnie and her neighbor Mrs. Johnston-Hedges, a neighbor of Orton, whom Leila expects to marry. Aunt Minnie tells Addy about the improvements and how the old residents of Fernwood Manor are trying to keep their bathing beach exclusive property. This shocks Addy's realistic philosophy. On an outing with Jerry, Leila finds herself in a new world. She embraces her but as he bids her goodbye he abruptly brings them both back to earth. Addy decides to stay on at Fernwood Manor to fight Mrs. Johnston-Hedges and her group on the bathing beach issue. He announces he has bought property on Betty's lands. Aunt Minnie's savings and money borrowed from Jerry to pay enough new property owners to swing the bathing beach election for the "less privileged." Leila is won't because their women is gone. They try to convince Orton and Leila to talk over Addy's new venture. Meanwhile Addy persuades Betty to do some housework for a change. When Leila meets Orton, he mentions Mary Martin, wealthy Fernwood girl who has just returned from Europe. Leila dislikes her. (NOW GO ON WITH THE STORY)

Martin's industrious past was Mrs. Martin. She did her best; she had never lifted any article for herself now for 20 years. Mary never suffered over anything, so far as one knew. And she was, as has been mentioned, Orton's one wild out. On the last Martin descent, Orton being then just out of college and Mary 17, and Leila having then no wishes or ideas about him, there had been a brief, mad rush on the part of Mary and Orton. But whether Mary's mind had been on higher things, such as Austrian counts or Georgian princes, or whether Mrs. Johnston-Hedges, who wonders to perform and generally performed them, had successfully intervened, Mary had flitted suddenly, as always to the proper play-place of the moment. (It was Majorca, just coming in.) Orton, calm to all appearances, had made a superb record at the Fernwood races. And that was that. Nevertheless, all of Orton's old affair with Mary went swiftly through Leila's mind; and such is the human race, it made her turn to Orton with a brighter smile, and proceed to make herself gay and more delightful than she had known she could be. (It was always in words of one syllable) all the way to the links, and all the way around 18 holes. It wasn't so bad having a delighted, devoted Orton beside her, admiring her good strokes quite as fairly as he painstakingly dissected her bad ones. "It's your putting is the trouble," he finally decided. She saw now that he had really been giving hours of serious thought to her game. "Your long strokes are all right. But you want to take a couple of hours every morning and work over it. Fool over here and get the pro to give you a couple of lessons." She was on the edge of pointing out that neither time nor money to do this were hers; when it came to her, first, that the future wife of a Johnston-Hedges had to put as well as she did everything else; second, that after all, Orton would be supporting her handsomely when she was that wife; and third, that the more she left undone at home the better it would be for Betty, who would under Addison's firm hand do her share of the world's tasks as to the future. Oh, it was all neatly fitting into the pattern. A chessboard might as well have tried to roll off a chessboard and turn into a grasshopper. "Will you speak to the pro about it?" she said casually. "Make an appointment for me to start in with the lessons." He beamed. Up to now suggestions like these had got him nowhere with Leila. She had always said she couldn't afford it. "I'll do that. I'll tell him what I

think is wrong with your game, and he can put some special work on it. The pro thinks a good deal of my judgment," said Orton, who was one of the Country Club's standbys when the moment of extra assessments came periodically along. "He would," said Leila absently. Orton thought so too. She went on playing up to Orton for two solid hours. It was an amusing game at first, but it palled, presently. By the time they had finished and she had been genially sent off to change for dinner, she was on the verge of rebellion. After all, did the correct stance matter so intensely? Did high capacity at games, did doing the smart thing smartly, outshining other people, mean now, it seemed little. It seemed even sordid and petty, contrasted with the life outside all this. There was a world where big things were happening. She was young, it would be her world. A world where anything might happen, where destinies and empires were as uncertain as the toss of dice; where you might waken under new skies, see strange faces, know what somebody had called "the bright face of danger" and rejoice in it. Here was Orton. Here he would be, general, immutable, just as he was now, in his healthy years to come, sleeping at her side, coming back to her at night, molding her more and more into a sporting and smart edition of his mother and his grandmother and his great-grandmother. "No—no—no!" Leila cried inside herself, dashing the ladies' showers, tearing off her clothes and jerking on the water. There were Mayan temples, there were dusty Chinese roads, there were strange toppling empires. . . . And then, from the next shower cubicle rose, unmistakable, the high doll-voice that belonged to Mary Martin. "Oh, I don't know, Kay. Might be a thrill after all to take on good old Orton. Please the ancestors. And have I the technique? Darling, you know. Why, was good enough for Duke Serge Koloski, ought to do for Orton, the millionaire pride of Fernwood!" "Oh, Mary, you're a scream!" said the admiring voice of the satellite addressed. "Yes, if I do say it, I have a way with men that's a homey. And it would be particularly hot to smooch the mater—the old lady told me once I wasn't her eugenic ideal. Can you tie that, Kay?" "What did she want you eugenic for?" "To bear scions for the noble house of Johnston-Hedges. Can you beat it? I told her that didn't enter into it. So I think I'll pick him off the bough tonight. . . ." (TO BE CONTINUED)

CHAPTER 29 ROBERT MARTIN had been a commissioner in Manhattan, in the days when graft was a requisite, not something the papers made an inconvenient row over. His first step in the right direction had been the purchase of the estate in Fernwood, Fernwood had a little too slow of attainment, and not sufficiently scintillating; they should really have bought in Southampton; except that Fernwood Manor, to the people who knew, meant more. In Southampton nobody would ever have mentioned, except as a good joke over their third cocktail, that Mrs. Martin's perfectly honest past was that of a pretty Slav waitress in an off-the-arm vegetarian restaurant, where Bob Martin, then a mayor's rising young henchman, had strayed by mistake, seen and loved her. In Fernwood, however, she was remembered, though the girls, who mostly took half-time hat shop jobs for fun when they could manage it, thought it cute. Indeed, in spite of the older arbiters of caste, the person who suffered most over Mrs.

human happiness will dissipate the dark clouds of distrust and gloom and despair. Now, what are some objections to this "catchy" idea? Will there be more goods to divide? We get richer only as we produce and save more. Young people now out of work could not replace the ability and training of those over sixty, who are still producing. The burden of those now trying to earn their way and raise families would be multiplied. The Townsend plan is really a scheme to tax those under sixty to support those over sixty who have failed or refused to be thrifty. It entirely ignores the importance of saving as a means of creating capital. Yet most of the blessings which every one has today are due to the thrift and "saving for old age" of our ancestors. Morally Destructive I also feel that Dr. Townsend's plan from the moral angle is dangerous and undermining to character. Naturally, I believe that the aged in distress should be given succor and protection. To support the aging father and mother, however, is one of the sacred duties and obligations of family life. Basically, Dr. Townsend's plan takes no recognition of integrity, courage, and ability. It is simply an, other of those special panaceas which encourage shiftlessness and carelessness and which penalize industry and thrift. Industry and thrift are the basis of civilization. If we remove the incentive to work and save, we are undermining the nation. Stripped of its masquerade clothing, the Townsend plan is nothing more nor less than inflation traveling incognito—the age-old idea to make money cheaper. If Congress should pass this plan tomorrow, we would have a boom of exactly the same type as if Congress voted to distribute \$20,000,000,000 of paper money to the public. Prices of goods would go up. The cost of living would soar. Those working on salaries and wages would greatly suffer; while those depending on investments for their income might be ruined. The nation's income is measured in goods, not dollars. Raising prices does not bring prosperity. The scheme is a new frosting for the old delusion that we can spend our way back to prosperity. Principle of Old Age Security Sound It is not an original discovery of Dr. Townsend's that provision for the aged needs attention. Insurance companies have been attempting to make the United States "old-age-security-conscious" for years. Their statistics show that out of one hundred persons who have reached the age of sixty, only eight are financially independent. Seventy-eight are wholly or partially dependent upon their savings, while the remaining fourteen are dependent upon charity. Naturally, in periods such as the present, the problem is even more acute. So I strongly feel that Dr. Townsend is in the right church, but I feel equally strongly that he is in the wrong pew. There is a vital need for the enactment of some uniform old age pension system. Twenty-one states have adopted programs since 1920. The drive for old age security has gathered terrific momentum under Dr. Townsend's plan and I doubt if it will be stopped short of a Federal law this year. Under any pension program, I feel that the individual must contribute a portion of his pay each week to a general pension fund. Thus at retirement age the pensioner would

receiving an annuity which he has purchased with his own savings rather than a public dole. This would eliminate the moral pitfalls as well as the economic hazards of the Townsend plan. Business, as registered by the Babson chart, is now 12 per cent above a year ago, but still 25 per cent below normal. State Senate, 41-2, Asks Congress for Payment of Bonus (Continued from page One.) matters receiving attention in the General Assembly today. Both House and Senate will hold only perfunctory sessions tomorrow, and the big committees will not get down to work again until the Tuesday morning meeting of the joint finance group. Merchants have petitioned for a hearing before the joint finance committees next Thursday. Representatives of outdoor advertising concerns have also filed requests for a hearing, but no date has been set. Under a committee ruling, the time for public hearings will expire next Friday unless week-end sessions are held or the time extended. A joint resolution empowering the governor to appoint a commission to study the matter of pensions and retirement for teachers and report to the 1937 General Assembly was received in the Senate. A bill was given the House to call a referendum next July to vote on: 1. Repeal of the State's bone dry liquor law. 2. Sale of liquor by the State in quart containers. 3. Sale of package liquor by merchants. Electrocutions would be abolished and capital punishment by hangings

STATEMENT OF CONDITION Henderson Building and Loan Association Of Henderson, N. C., as of December 31st, 1934 (Copy of sworn statement submitted to Insurance Commissioner as required by Law.) ASSETS The Association Owns: Cash on Hand and in Banks \$13,818.84 Stock in Federal Home Loan Bank 2,000.00 Mortgage Loans 99,903.49 Money loaned to shareholders for the purpose of enabling them to own their homes. Each loan secured by first mortgage on local improved real estate. Stock Loans 7,307.50 Advances made to our shareholders against their stock. No loan exceeds 90 per cent of amount actually paid in. Accounts Receivable 806.42 Temporary Advances for Insurance, Taxes, Etc. Office Furniture and Fixtures 100.00 Real Estate Owned 15,189.83 Other Assets 3,100.00 TOTAL \$142,226.08 LIABILITIES The Association Owes: To Shareholders Funds entrusted to our care in the form of payments on stock as follows: Installment Stock \$88,529.00 Prepaid Stock 28,400.00 Paid-up Stock NONE \$106,929.00 Notes Payable, Federal Home Loan Bank 11,000.00 Undivided Profits 12,297.08 Earnings held in trust for distribution to shareholders at maturity of stock. Other Liabilities 2,000.00 TOTAL \$142,226.08 STATE OF NORTH CAROLINA COUNTY OF VANCE, ss: Al. B. Wester, Secretary-Treasurer of the above named Association personally appeared before me this day, and being duly sworn, says that the foregoing report is true to the best of his knowledge and belief. AL. B. WESTER. Sworn to and subscribed before me, this 11th day of January, 1935. GERTRUDE F. HARRIS, Notary Public.

PHOTOPLAYS STEVENSON "PERFECT SOUND" THEATRE TODAY ONLY

Around Town One License Issued—One marriage license was issued by the Register of Deeds, that to a colored couple from Route 3, Henderson. They were J. Charlie Taylor to Cora Quintichette.

Two Deeds Filed—Two deeds were filed yesterday with the Vance Registry. Earl Wade, et al conveyed to J. C. Hart and wife 23 acres of the G. W. Wright land on the Oxford road for \$100 and other considerations.

One Case Tried—One case was tried by Recorder R. E. Clements with two defendants figuring in the action. Both were hauled into court as result of an automobile-wagon wreck and both were colored.

Ready for Love RICHARD ARLEN MARJORIE RAMBEAU

EXTRA ADDED SHORT SUBJECT SHIRLEY TEMPLE "Managed Money" with Junior Coughlan

EFIRD'S Will Save You Money With These Timely Values A new store with brand new stock, selling goods you want and need at the lowest possible prices—an Efird policy. Shoe Values One lot of ladies' oxfords, brown or tan. Special per pair \$1.45 Ladies' black or tan Treebark ties. Special at \$2.95 Children's oxfords, all styles and sizes, medium and light weight, pair, 97c to \$1.94 Complete line of men's oxfords in black or tan, all sizes, \$1.94 to \$3.95

Look At These Men! Broadcloth shirts, solid, stripes and fancy patterns, all sizes and a real value at 97c Men's overalls, sizes from 34 to 46, good long wearing quality. Special at 69c Men's dress shirts in stripes and colors, well made and full cut. Special at 57c Men's socks, gray, black and fancy combinations, 22c pair or 5 Pairs for \$1 Boys' overalls, sizes 8 to 16 years, very special at 39c One lot of men's fancy socks, all colors and fancy patterns, pair 15c Men's Heavy Sweaters, Special at \$1.45 Men's Suits Newest styles, best materials and fine tailoring. One group of 100 suits in grays, blues, browns and checks. Special at \$16.50 One lot of suits, all good patterns in newest styles, worth much more but we offer them special at \$9.95 EFIRD'S "Henderson's Newest Department Store"