

**Budget Will Be Balanced Fully When Time Is Ripe** 

**Building Materials Tax Will Likely Be Restor-**

ed, With New Bottling Tax, and Tax on Fed-

eral Incomes; Highway Diversion Seems Sure Sanford Coal

### Daily Dispatch Bureau, In the Sir Walter Hotel. By HENRY AVERILL

Raleigh, Feb. 11.-The boys who are doing the figure-judgling in the great budget-balancing act of this General Assembly have been putting out some rather pessimistic news in the past few days.

As a matter of fact, they are bothered some, but they still have several the missing \$600,000 will be supplied out, do a bit of addition, subtraction and sleight of hand and come up with budget estimates. the pleased assertion that the budget for the next biennium is all hcnky dory, balanced and everything.

Friday afternoon, Senator H. P. Taylor, chairman and real big-shot of group from Senate and House that the situation is somewhat serious. He outlined losses in revenue from Bud- get ready to pay into the State treasagainst them some few pick-ups in the none-too-cheering summation that paying in the past. as of that moment the committee is faced with the necessity of finding quite likely to be a "case tax" with will be in charge of operations. some \$600,000 extra revenue for each year of the coming biennium. a "spout" tax.

This was worked out, he said, on the appropriations committee that calls for payment on every bottled proposed expenditures for the next "crowned," the tax to be paid when two years will not be more than \$50,- the crowns are bought and each 000 per year higher than Budget Commission estimates.

**Dewey Rests** Prosecution In Hines Case

New York, Feb. 11.-(AP)- The prosecution rested today in the re-trial of James J. Hines, Tammany district leader on lottery conspiracy charges in connection with the \$20,-000,000-a-year policy racket dominated by the late Dutch Schultz.

District Attorney Thomas E. Dewey wound up the State's case in a whirl- in private enterprise. wind climax to the three-weeks-old second trial of Hines, whom he accused of using political influence to protect the Schultz gambling syndicate.

Judge Charles C. Nott, Jr., adjourned the trial over the week-end to permit Chief Defense Counsel Lloyd not directed to the principle involved, but is designed to preserve for it Stryker time to prepare the defense opening. Stryker indicated the first self the right to distribute, at nommove would be to ask for dismissal inal cost almost, certain prophylactic of the charges involving a misde- and therapeutic products by the State meanor and 12 felony counts on the Laboratory head, points out that the grounds that the State had failed to products so sold last year would have link Hines to the operations of the policy racket.

That sounded bad and members Mine to Open put on long faces and many took out pencils to begin at once a great treasure hunt.

They can, and will, go on hunting until the real leaders, Senator Taylor and a few others, get around to tel.ing them what will be done, and it might just as well be put down right

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Health Board

For Own Sale

Seeks Right

may never take rank among the leading producers of coal, but the extennow that the most sizeable chunk of sive deposits along Deep River, near aces up their sleeve, and when the by reversing the committee's action Sanford, though lying in Chatham proper time comes, they will slip them in taking basic building materials county, will soon be worked again, ac out of the sales tax, in defiance of cording to State Geologist H. J. Bryson.

tations.

The mine, with its equipment and And another thing that's going to about 2,500 acres of land, was recenthe p even up the expenditure and receipts totals is going to be a tax on ly bought by the Carolina Fuel and Transportation Company, which also soft drink bottlers.

Maybe it won't be the crown tax, has secured 25-year leases on more the finance committee, told the joint though there is still a very distinct than 5,000 acres of adjoining land. possibility that it will; but in any As soon as the mine shaft can be dewatered and new machinery installed event the bottlers might just as well operations will commence. The new get Commission estimates, set off ury-and pass on to their customers company is headed by Major W. H. -more money (maybe as much as Cralie, of Fort Myers, Fla., as presiinticipated collections and arrived at \$100,000 a year) than they have been dent and former Senator Frank Gardner, of New York, as treasurer.

constitutional or statutory debt limi-

The State would be committed to

a policy of fixing rentals of such build-

ings at the lowest possible rates. The housing projects would not be operat-ed by municipalities for profit, and

the houses would be rented only to

persons lacking sufficient income for "decent, safe and sanitary" dwellings.

Daily Dispatch Bureau, In the Sir Walter Hotel. By LYNN NISBET

Because if it isn't a crown tax, it's Major Cralie and Senator Gardner

an outside chance that it will be only For the benefit of the uninitiated. a foundation stone of advice from it should be said that a "crown" tax nual payroll of more than ha.f a million dollars.

have been devised, and there is be-

"The coal from this mine is of excellent quality and high volatility," said Mr. Bryson. "It is ideal for use in pants that use pulverized coal. It is also good for railroad locomotives." It is understood that the producers have prospective sale for all the coal they can produce, many of the inquiries coming from nearby plants which are burdened with the exces-

# WEATHER

FOR NORTH CAROLINA. Occasional rain this afternoon and in east tonight; colder tonight; Sunday generally fair, except clearing near coast in early morning; colder near the coast

WEEKLY WEATHER. South Atlantic States: Some

**Class Room Group** Wants New Say Before Money Bill Is ing. Approved; Call on Governor for Assist-

ance

Raleigh, Feb. 11.-(AP)-Members of the State Class Room Teachers Association decided here today to ask the joint appropriations committee for another hearing on teachers' salaries before it reports the appropriations bil to the legislature.

Is Requested

**By Teachers** 

next biennium's public school appro-priation by \$241,313, apparently ending the possibility of two more pay increments for teachers, as well as ren. The town is nearer to Warrenand pension funds.

The approximately 400 teachers at today's meeting were told by Miss Agnes McDona d, of Greensboro, pres ident of the association, that the high est paid classroom teachers get only \$2.71 a day figured on a year-round basis.

A delegation was to call on Governor Hoey this afternoon in the interest of restoring pay cuts taken by teachers in recent years. The governor had recommended a ninth and tenth pay increment for instructors.

### **Highway Board To Open Bids Tuesday** For Convict Camp

Raleigh, Feb. 11.-(AP)- The Highway and Public Works Commission announced today it would open bids Tuesday on construction of prison camps in Ashe, Cherokee and Vance counties. Each is expected to cost about \$40,000.

Thirteen county camps already are under contract in a \$1,000.000 construction program, for which the Federal government is furnishing \$450,000. Two others yet to be left to contract will be built in Durham and Franklin counties.

#### **CONVICT ESCAPEES** SOON RE-CAPTURED

Raleigh, Feb. 11 (AP)-Two con-In darkness, the fighting occurred victs who escaped from the Edgeon all sides of the station, which is combe county prison camp late Friin a sparsely populated district four day were quickly recaptured, Oscar miles from the Bucharest city limits. Pitts, superintendent of prisons, said Wary because of excitement provokalignment together. If he had been today. Pitts said the two were Willie ed by the trial of iron guard memable to do so, he could have squeaked Lee, 28, sentenced in Bertie in Nobers who have fascist sympathies, at Cluj, where a military court sentenced vember, 1936, to one and a haf to two years for carnal knowledge of a two persons to death and 56 to prison yesterday, the government girl under 16; and Willie McKay, 22, strengthened guards all about public sentenced in January, 1935, in Harbuildings and reinforced troops in the nett county to 20 to 25 years for second degree murder.

on. More rain was predicted in North Carolina this afternoon, followed by "much colder" weather. Rain was widespread this morn-Floods in the Cape Fear and Neuse rivers were described as going over their banks.

Raleigh, Feb. 11.-(AP)-East-

ern North Carolina rivers con-

tinued their steady rise to crests

today as rain in Virginia brought

indications the Roanoke river

would leave its banks at Weldon.

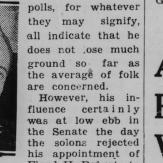
Lee Denson, director of the Weather Bureau here, said the Roanoke was expected to go a

little over" its banks at Williams-

**Roberts Vote** Was an Issue ions bil to the legislature. This committee yesterday lowered Of Patronage

> By CHARLES P. STEWART Central Press Columnist

Washington, Feb. 11.-President Roosevelt may be about as popular as ever with the American public in general. The straw



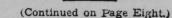
Sen. Carter Glass Floyd H. Roberts to the federal bench by a majority of 72 to 9. The Senate has turned down Presidential appointments before, but that was by the widest margin in American history. On a strict party vote, the White House tenant ought to have won 58 to 23. In fact, he lost 50 to 8, counting only Democratic Senators. True, he picked up one independent ballot (Senator Norris'). Al the Republicans were against him. Perhaps that was natural-though there are some quite New Dealerish G. O. P. Senators. Senator Shipstead (another liberal, as a Farmer-Laborite) was against the administration, too. And there were 15 absentees. If these absentees had been pro-Roose-

vlt and had tried very hard, most of them could have been on the job. The truth is that they' did not want to vote against the President, but they did not want to vote his way either. So they were not there.

The nub of it is that "F. D." could not control quite as many as 1 in 6 of his own Senate Democrats, regardless of other partisans. He did not even hold his New Deal Democratic

through How Did It Happen?

In the first place, Floyd H. Robappointment to the federal erts'



had been made or against The appointments controversy kept most other issues in the background of the legislative scene today. Both branches were in recess until Monday

Bailey declined to say what charges

of the nominees, and the committee

thought it best to get acquainted

The eleven composed the civil aero-

nautics authority and the maritime

labor board. Congress authorized the

creation of both agencies last session, and the appointments made subse-quently by the President have yet to

be passed upon by the Senate.

with them."

Meanwhile, President Roosevelt was "better", his physician reported, but still confined to his bed at the White House with grippe. Dr. Ross McIntire said the chief executive's temperature was down to 99.2 degrees, and that "he feels much better."

The White House physician gave orders, however, that his patient should not leave his bed or receive callers today and said he would be confined to the White House tomorrow. The physician told reporters the President could, if he decided to, depart as early as Monday night on his projected two weeks trip south to witness some of the fleet's annual war games.

Also, Representative Maas, Republican, Minnesota, said he had "competent evidence" that Japanese and German seaplanes made several flights recently over the island of Guam, American possession in the

(Continued on Page Four.)

## Attacks On **Rocky Mount** Women Made

Rocky Mount, Feb. 11.-(AP)- A series of attacks on women in residential sections here in the last few days sent officers and bloodhounds in search of the alleged assailant early today. The latest attack occurred last night, Folice Chief J. R. Thomas said when 'a Negro assaulted Mrs! Frank E. Butler, 40-year-old wife of a public accountant, in her home, beating her on the head and dragging her into the yard. The night before, the chief said, a

Negro, answering the same general description, attacked a 17-year-old school girl near her home, and a few days sooner grabbed a ten year old child, but dropped her when she screamed. None of the victims, the chief said, was criminally attacked.

#### NASH SHERIFF REMOVES

NEGRO TO STATE PRISON Raleigh, Feb. 11.—(AP) — Warden H. H. Wilson, of State Prison, reported today that Sheriff C. V. Falkner, of Nash county, brought a Negro to he prison early today for "safe keeping." The warden said the sheriff told the officer in charge that the Negro, whom he identified as Willie Richardson, was being held in connection with

an attack on a white woman. Wilson said he did not know, however, whether the attack was connected with attacks on women in Rocky Mount.

(Continued on Page Three.) n

Daily Dispatch Bureau, In the Sir Walter Hotel. Raleigh, Feb. 11.—The State Board sive freight rates now applicable to of Health is seeking exemption from coal shipments. the bill introduced by Senator Um

stead, which would prohibit sale of merchandise by any State agency in competition with tax payers engaged

As a result, the measure, already passed by the Senate, hasn't been even referred to a House committee and will probably be withdrawn from the House and revamped by the Senate before final enactment into law. The health board's opposition is

and in south central portion.

likelihood of scattered rain Monday or Tuesday, and rain period again in latter half of week; cool at beginning, warmer in middle and colder in latter part of week.

Raleigh, Feb. 11.-North Carolina

**Eugenio Cardinal Pacelli** 

**Radio Station** 

In Bucharest

Bucharest, Roumania, Feb. 11.-

(AP)-Soldiers firing rifles and pis-

tols in a brisk clash with terrorists

last night repulsed what appeared to

be an effort to seize the Bucharest

radio station. An announcement of

the clash was withheld until this noon

and there was nothing in the brief

communique to indicate whether the

attackers were outlawed iron guard

conspirators, who have played major

roles in Roumania's recent domestic

The communique stated that one of

the attacking group was killed and

15 captured. Troops said the assault

troubles.

terms

radio district.

was easily resisted.

#### Eugenio Cardinal Pacelli is head of "open seat" which exercises the powers of Church sovereignty be-tween the death of the Pope and the coronation of his successor

The new owners expect production of 1,000 tons a day or more. They will employ about 400, with an an-**Attacks Upon** The mine was operated for many

years by the Carolina Coal and By-Products Company. One or two ma jor accidents, including an unexplained explosion which cost half a dozen lives some ten years ago, closed down the mine. New safeguards

