

People Will Decide On State Bond Issue

Raleigh, May 21—The people of North Carolina will decide June 4 whether they wish to go \$225,000,000 in debt for improved rural roads and school buildings.

On that date, the people will vote for or against a \$2,000,000,000 bond issue for secondary roads and a \$25,000,000 bond issue to aid counties in erecting school buildings.

At the same time, the people will decide on a one-cent boost in the State's gasoline tax. The gas tax increase will become effective only if the road bonds are approved.

If the people vote in favor of the bond issue, it will be the greatest debt ever incurred by the State and will come at a time when the State is relatively free of debt. The General Assembly has set aside funds to pay off the general fund debt completely, and under present plans the highway sinking fund will contain sufficient funds by 1933 to pay off the highway fund debt.

The road and school proposals constitute the cornerstone in Governor Scott's "go forward" program, and the chief executive is ranging the State from one end to the other urging the people to vote in favor of the bond issue.

The Governor's supporters have formed an organization known as "Better Schools, and Roads, Inc." which is conducting a spirited campaign in its headquarters here in behalf of the bond issue. It plans to organize bond supporters in each of the 100 counties.

So far, the only organized opposition to the bond issues has come from the N. C. Petroleum Industries Committee, an organization of oil companies which is opposed to the proposed increase in the gasoline tax.

Now, what is Governor Scott's road program? What does he propose to do with the \$200,000,000 if the voters make it available?

The State highway system consists of about 63,000 miles of road—primary and secondary. Of this mileage, 16,282 miles are hard-surfaced. The remainder is not.

The Governor wants to hard-surface 12,000 miles of roads and to put 35,000 more miles in an all-weather condition. At first, he contemplated carrying out this entire program in four years. He now says it is not absolutely necessary to do the full job in four years. Bonds will be issued and money spent, he says, only when this can be done without waste.

What advantages would accrue to the State from the expenditures of this huge sum?

Governor Scott says the improved roads will enable farmers to move to and from their markets, school buses will be able to operate and workers who live in the country will be able to get to their jobs in nearly all kinds of weather.

But, the Governor says, there is more to it than that. Good roads will increase automobile travel and it will enable industry to de-centralize growth of commerce and industry in areas of the State which now are not highly developed.

In arguing this point, the Governor is able to point to the rapid strides North Carolina made in industrialization after bonds were issued back in the '20's to build the State's primary road system.

And what of the arguments

against the road bond issue?

First and foremost of the arguments advanced by the opponents is that \$200,000,000 is a lot of money. They point out that in the past, the peak State debt was reached in 1929 when the State owed bondholders a total of about \$175,000,000. They contend that the State was hard-pressed during the depression years to make the payments on principal and interest on this debt and at one time was dangerously near being forced to default.

The Petroleum Industries Committee is distributing a pamphlet which asserts that the proposed tax increase and bond issue is "fundamentally unsound, unnecessary and undesirable." The pamphlet contends that the Highway Commission without a bond issue will have a total of \$291,580,000 to spend during the four years of the school administration to build and maintain roads, consisting of anticipated tax collections of \$208,303,000, some \$49,972,000 in anticipated Federal aid funds and a highway surplus which stood at \$33,345,000 last January 1. The Highway Commission contends that by June 30, the highway surplus will total only \$7,379,000.

The opponents also argue that the tax increase will cost motorists an additional \$7,500,000 a year. They say this will make the gasoline tax paid by the Tar Heel motorist the second highest in the nation—second only to Louisiana and about the same as Tennessee. If the tax increase goes into effect the Tar Heel driver will pay a total tax bill of 8 3-4 cents per gallon of gasoline—seven cents state roads tax, one-fourth of a cent gasoline and oil inspection tax and 1 1/2 cents Federal tax.

Now, how will the road bond issue be repaid and how much will it cost?

The law authorizing the bond election gives the Governor and Council of State power to decide when the bonds shall be issued. They could decide on issuing the bonds all at once or they could—more likely—decide to issue them as money is needed to carry on the program.

Most authorities seem agreed that under present market conditions the State could expect to sell its bonds at an interest cost averaging about 2 per cent. At a 2 per cent rate, estimates of the total interest cost range from about \$37,205,480 to \$53,903,120.

Under one plan, the State would begin repaying principal on the bonds immediately and under another payment on principal would not begin until after four years. The bonds would mature in 20 years. This compares with a total of \$107,943,110 in interest the State will have paid on a total of \$116,600,000 in highway bonds issued between 1921 and 1931. The old bonds paid interest ranging from 4 to 5 per cent and were for terms averaging about 30 years.

In other words, the State has hopes of borrowing \$200,000,000 at an interest cost about half of what it paid two decades ago to borrow \$116,800,000. This is because the interest rate would be lower and the time the money is borrowed would be shorter.

When the bonds have been issued, the State will begin paying upwards of \$12,000,000 a year in principal and interest to retire the debt. Where is the money coming from?

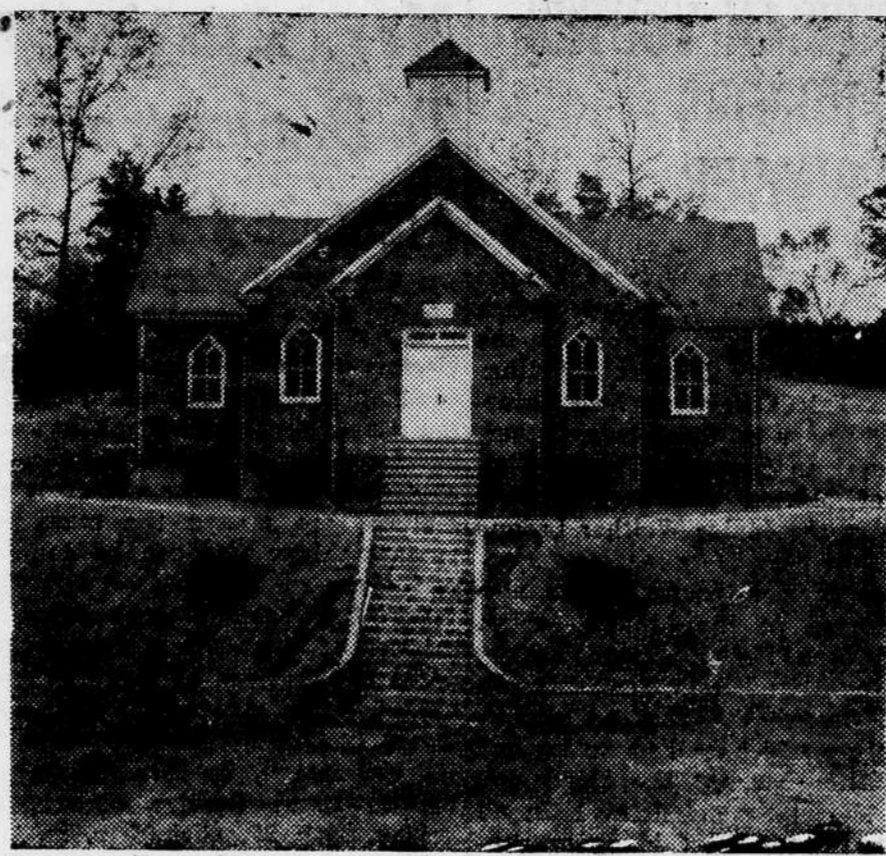
The law authorizing the bond issue states that proceeds of the one-cent gasoline tax increase shall go to retire the bonds. This will in blocks—say of \$50,000,000 each—amount to from \$7,000,000 to \$7,500,000 a year. Money now going to retire the present highway fund debt will take care of most of the remainder. The State is now paying more than \$4,000,000 a year on highway debt service and will have accumulated enough to retire the highway debt by 1953.

Governor Scott urges that the State's economy is able to handle a \$200,000,000 debt easier now than it was able to undertake the primary road program in the 1920's.

In 1929, for example, the State's highway fund stood at \$113,499,690, the highway fund revenue for the 1928-29 fiscal year was \$17,804,062.24, and the amount required for debt service was \$5,439,044. In other words, more than one-third of the highway fund revenue went for debt service.

The highway fund is now collecting about \$58,000,000 a year—not including Federal aid funds—and with a one-cent increase in the gasoline tax this may mount to about \$65,000,000 a year. Unless there is

CHAPEL HILL BAPTIST CHURCH



Memorial Day will be observed at Chapel Hill Baptist church next Sunday. The building above was completed last year and the first service was conducted April 20, 1948 by Rev. Wade Ruff, pastor. The church was organized in 1898.

Total cost of the building and heating system to date is \$19,595.43. Amount paid is \$18,873.95, leaving a balance of \$721.48.

a drastic drop in revenue, something less than one-fifth of highway fund revenues would go for debt service.

Library Notes



BY ALICE BRYAN
County Librarian

Miss Marjorie Beal, Secretary and Director of our North Carolina Library Commission, visited the library Monday and Tuesday of last week.

Mrs. Wendell Thomas, Librarian of Avery and Watauga counties, stopped for a few minutes at the library in Marion, in the new Avery County Bookmobile.

After the Horse Show, Louise Massey and Iris Tanner, from Newland, N. C., registered at the library in Marion to borrow some stories about horses. We managed to find two in our collection that they had not already read.

Other new registrations at the library are: Rettie June Gardner, Mary Holland, J. Luther McFarland, Harry D. Plant, Jr., Miss Helen Plant, Mrs. Lester Pyatt, Russell R. Smith, T. G. Smith, and Glen Stone.

AMONG THE NEW BOOKS: (For Adults) "Forsyth, a County on the March" edited by Adelaide L. Fries—Story of Forsyth county and its county-seat Winston, which in 1913, joined the Moravian town of Salem to become the great industrial center of the Southern Piedmont.

"North Carolina Today" by S. H. Hobbs, Jr.—Written for young people to help them understand the state in which they live, but also of interest to adults who want to know more about North Carolina.

"International Folk Plays" edited by Samuel Selden—Because these plays were written by playwrights of many lands and many races, they reflect the yearnings and aspirations, the sorrows and disappointments, the romance and achievements of many people.

"The Chain" by Paul Wellman, given to the library by Mrs. Dickey Gibson, will be enjoyed by the readers who liked "No Trumpet Before Him" by White. This novel is the story of an Episcopal rector in Jericho, Kansas, and of the indomitable faith through which he inspired the regeneration of a decadent community and achieved his own redemption.

Two new novels by Emilie Loring, "Hilltops Clear" and "Swift Water" have been added to our collection of light romances.

(Books for the Young People:) "Pretty Please" by Sheila John Daly—A book written especially for those girls who want to be pretty, and for their mothers, too, who might need to brush up on beauty hints.

"Golden North" by Marie McPhedran—Story of the quietly, self-reliant, inarticulate Canadian bushmen with his staying power, his nonchalance in a tight spot and his code of shouldering the load without complaint.

"The Squire of Havenmark" by Edouard Sandoz—A vigorous adventure with an excellent picture of medieval life, its lords, knights, pirates, and rugged yeomen.

"The End of Black Dog" by David William Moore—Much against their will, two boys are forced to join

Black Dog and his evil friend, Peg Leg Potter, aboard the Jezebel. On this ominous ship the boys see many strange and terrible things come to pass, and have a chance to visit Treasure Island, where the pirates go to search for the silver bars overlooked by Long John Silver.

"Mystery of the Haunted Cliff" by Walter Retan—When Paul Carter and Bill Kingsley volunteered to clean the Carter storehouse they did not know they would be the unsuspecting witnesses to a robbery that would prove to be only the first of a series of exciting adventures.

Mrs. McMurray Attends State Music Convention

Mrs. Carl W. McMurray attended the annual convention of the North Carolina Federation of Music Clubs in Asheville last week. On Saturday, as State Junior Counselor, she presided over the meeting for junior members of the Federation held at Lee Edwards High School. Because of the outstanding record North Carolina juniors have made under the leadership of Mrs. McMurray they were honored at this meeting by the presence of the National president, Mrs. Royden J. Keith of Chicago. In speaking to the juniors Mrs. Keith requested that full details of the organization pattern which Mrs. McMurray has established in North Carolina be sent to national headquarters with a view to using the plan in the other 47 states. North Carolina juniors led the nation in attaining national and state objectives and the division was also awarded a prize as second in the United States for adding new junior clubs during Mrs. McMurray's term of office. An additional distinction which came to her was having the brochure of objectives compiled by her for North Carolina junior clubs, used and recommended by the National Junior Counselor.

Mrs. E. A. Dalrymple of Sanford, the former Miss Jane Streetman of

Marion, was state secretary of the Junior Division during the past two years. She attended the meeting in Asheville. She was highly praised for her efficient service as secretary.

Local juniors who attended the meeting were Roxanne Dark, Laura Jean Keeter, Pollyanna Atkins, Barbara Fisher, Patsy Watkins, Margaret McLarty and Mary Lou Basman. They participated in the state choir festival which was a part of the day's program. During a mass installation service held for all junior officers in the state, Mary Lou Beaman and Margaret McLarty were installed as president and secretary of the local Crosby Adams Junior Club.

Mrs. R. M. Dark and Mrs. Homer Beaman accompanied the junior members to the meeting.

Invest in U. S. Savings Bonds.

LOCAL EMPLOYES
Payrolls of State and local governments reached a peak of \$795,000,000 last October after rising in every state during the preceding twelve months, according to the Census Bureau. The number of State and local employees, 4,000,000 approximately doubles the Federal total, not including the armed forces.

THE BIBLE
The Bible is still the best seller among all books. Sales in 1947 totaled 9,248,000 copies having a "factory value" of \$9,285,000 according to the Census Bureau. This compares with sales in 1939 of 3,800,000 copies.

The present condition of winter grains in the Low Countries, Sweden, Switzerland, and Austria, is good to excellent, and favorable yields are indicated.

Bringing Christ TO THE NATIONS
CHALLENGING ADDRESSES by **DR. WALTER A. MAIER**
MUSIC BY LUTHERAN HOUR CHORUS
Every Sun., 12:30 Station WHKY

Tune in **The LUTHERAN HOUR**

No time lost

getting ready
Think of attaching a cultivator in one minute or less! It can be done with a Ford Tractor and Dearborn Cultivator. Other tools, too, attach or detach quickly.

going to the field
You need not hold down road speed to "save" Dearborn Lift-Type Implements. They are carried instead of dragged. You gain working time and save repairs.

working in the field
Moving the Ford Tractor Hydraulic Touch Control lever up or down controls the depth of ground working implements. No tugging at ropes or levers.

Plus the advantages of a "Light" and a "Heavy" Tractor...

While working... most Dearborn Implements become almost literally a part of the Ford Tractor.

In the case of any implement designed with "suck," the suck adds weight on the tractor's rear wheels... you get, automatically, more weight when you need it... less weight when you don't.

Ford TRACTOR **Dearborn FARM EQUIPMENT**

Sain Tractor & Implement Co.
117 East Court St. Marion, N. C.

REGISTER NOW

SUMMER CLASSES JUNE 20

Reserve a place now for our special Summer Term.

Get a head start on a career course, or take an intensive skill course during vacation weeks.

Secretarial, Accounting, Civil Service

Finishing Course for Commercial Students

Pre-College (pencil-writing shorthand) Typing for younger boys and girls

Be ready for a better position, whatever the general employment situation may be.

Free Placement Service. Approved for Training Veterans.

For free Summer Bulletin, write, phone, or call today.

KING'S BUSINESS COLLEGE
CHARLOTTE, N. C.
M. O. Kirkpatrick, Pres.

ALL HOMEMAKERS ARE CORDIALLY INVITED TO ATTEND A COOKING DEMONSTRATION IN THE HOME DEMONSTRATION OFFICE COURT HOUSE BUILDING FRIDAY, MAY 27th, 2:00 P. M. CONDUCTED BY MRS. LULA P. AUSTIN HOME SERVICE ADMINISTRATOR DUKE POWER COMPANY