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Marshall To Decide Bond Issue Thursday

BY ROBERT KOENIG
Editor

Marshall residents will go to the polls Thursday in a special referendum to decide the fate of a proposed \$600,000 bond issue. The bonds will be used to pay for renovation of the town's sewer system.

The \$600,000 which the bond issue would raise represents the town's share of the \$1.2 million project. Financing from the Farmers Home Administration, the Appalachian Regional Commission and the state will make up the rest of the project's cost.

The Farmers Home Administration has awarded Marshall a grant totalling \$275,000 for the project. The FMHA has also guaranteed to purchase \$496,000 of

the bonds at an interest rate below the market rate.

The Appalachian Regional Commission has awarded Marshall a grant of \$200,000 for the project and the state has committed \$289,000 toward the project.

Thursday's referendum marks the second time Marshall voters have been asked to decide a bond issue to renovate the sewer system. Eight years ago, voters approved a bond issue to finance sewer renovation. The bonds were never issued, however, because the town was unable to secure matching federal funds to finance the project.

This time around, the town has secured the guarantees for funding

before asking the voters to approve the bond issue.

If approved in the referendum, work on the project could begin as soon as next month. Plans have already been drawn by Butler Associates of Asheville, the town's consultant. The project has been in various stages of planning for the past eight years.

The project will replace all sewer lines except those on Redmon and Roberts Hill roads. Both these roads will also receive new sewer lines, should funds permit. Other areas of Marshall will have sewer lines replaced on a priority basis.

Walnut Creek Road will be the first to receive new sewer lines because engineers have determined that it has

the worst problem with raw sewage. Other streets on the priority list include Mashburn Hill and Cotton Mill Hill.

The project will replace existing sewer lines from Marshall to Rollins. It will also put in a sewer line from Madison High School and the new Marshall Elementary School. Paul Worley Hollow will also receive a new sewer line if voters approve the bond issue.

Marshall town officials have endorsed the bond issue and mounted a campaign for its approval. Mayor Lawrence Ponder has described the referendum as "the most important day in the history of our town."

He has warned residents that the town will face serious consequences if

the bond issue is not approved, citing warnings Marshall has received from the federal Environmental Protection Agency regarding the dumping of raw sewage into the French Broad River.

County officials are also on record in support of the project. County Commissioner James Ledford has stated that the county will have to construct sewer lines into both Madison High School and Marshall Elementary School if the bond issue is not approved. The sewer lines will be necessary to keep both schools open.

Marshall residents will be able to cast their ballots at the town fire department from 6:30 a.m. until 7:30 p.m.



Photo by Bob Koenig

KINDERGARTEN STUDENTS at the new Marshall Elementary School have breakfast before beginning classes each morning.

Meeting Plans Celebration

Private citizens, town officials and merchants met at Town Hall in Marshall Aug. 18 to map plans for the upcoming "Pioneer Day" celebration. The celebration is set for Sept. 24 and 25 in connection with the observance of Southern Railway's 100th anniversary in Marshall.

Southern Railway plans to mark the occasion by bringing its replica of the famous train, "The Best Friend of Charleston" into town. Southern Railway will also bring

along a railway display car for the weekend-long celebration.

The 20 officials and merchants at the Town Hall meeting formulated plans for community festivities for the weekend. They formed an ad hoc committee to get the Marshall community involved in the celebration. The committee hopes to have crafts displays, music and dancing programs in connection with the festivities being coordinated by Southern Railway.

As Jerry Plemmons explained, "The purpose of the committee is to get the community involved, to bring people together."

The "Pioneer Day" planners hope to encourage various organizations in Marshall to operate participation events at the celebration for both fund-raising and entertainment.

Individuals interested in participating in the "Pioneer Day" festivities should contact Cynthia Niles of Roberts

Pharmacy on Main St. for more information. For your convenience, an application form appears on Page 6

Southern Railway has announced that the public will be allowed to ride "The Best Friend of Charleston" during the weekend celebration. Plans call for Friday, Sept. 24 to be senior citizens day, with the train ride open to both seniors and children. The general public will be invited to ride the train on the celebration's closing day.

N.C. Jobless At 9.8 Percent

Unemployment figures in North Carolina have reached their highest level in over 20 years, according to figures released by the Employment Security Commission on Monday.

The figures indicated an unemployment rate of 9.8 percent for the month of July. The state figure of 9.8 percent is identical to the July national unadjusted rate of unemployment. In the state, the figure represents 292,400 jobless residents. The July figure is a 1/2 percent increase over the unemployment figures released for June.

Glenn R. Jernigan, the chairman of the North Carolina Employment Security Commission attributed much of the increase in unemployment to temporary layoffs in mid-July. He reported that several manufacturing industries laid off workers in significant numbers for a short period near the July 4 holiday.

Manufacturing jobs overall showed a net loss of 9,300. Declines were registered in durable goods but more heavily in non-durable goods. In the durable goods sector, Furniture and Fixtures lost 1,300

jobs (-1.7 percent) and Electrical Machinery jobs were down 2,000 (-3.9 percent). Non-durable goods losses were most significant for Textile Mill Products, down 3,700 (-1.7 percent), and Apparel and Related Products lost 1,000 (-1.2 percent).

On a further positive note, agriculture added 38,500 (42.0 percent) workers from June to July.

The average hourly earnings of North Carolina's production workers in manufacturing increased to \$6.34 in mid-July up 2 cents from mid-June and up 40 cents from July

1981. The average weekly hours worked by production workers in manufacturing declined to 37.3, below mid-June's 38.0 hours per week. For the same period in 1981 the figure was 39.3.

Jernigan concluded, "High unemployment is remaining with us at disappointingly high rates. By comparison with 1975, rates rose earlier in that year than they have this time. In July 1975, the state total unemployment rate was 8.8 percent."

Tobacco Market Appears Uncertain

By ROBERT KOENIG

Just as they prepare to harvest a bumper crop described as one of the finest in recent years, area tobacco farmers are faced with a tobacco market sending up mixed signals. A random survey of companies and public officials familiar with the tobacco market failed to produce a consensus on which direction the market will go this fall.

Part of the reason for the uncertainty results from the tax increase on cigarettes enacted by congress last week. The eight-cent increase in the federal tax on a package of cigarettes was a part of a \$99 billion tax package. The eight-cent increase is a 100 percent hike in the federal tax.

All those questioned in telephone interviews last week agreed that the tax hike would effect the fall tobacco market. There was, however, a wide range of opinions as to

how much of an impact the tax hike would have.

According to news reports last week that the R.J. Reynolds Co. of Winston-Salem planned to cut back on tobacco purchases as a result of the tax increase. Reached by telephone Friday, Reynolds' spokesman Nat Walker said, "We're taking a conservative approach to the situation. Historically, every time the price of cigarettes has risen, there has been a drop in sales. With this increase in taxes, we fully expect that sales will go down. How much they will go down, and for how long, we have no way of knowing at this point. We will be highly selective in our purchase this fall. The early flue cured crop this year came in at a rather poor quality. This was due to the large amount of rain the farmers down south received. That is the primary reason buying

has been off so far this year." An official with the Agriculture Department, who declined to be identified, said that the Reynolds move is a bluff. He pointed out that low tar and nicotine cigarettes presently account up to 60 percent of cigarette sales. This official told us, "If they plan to keep selling low tar, low nicotine cigarettes, they'll continue to buy time the price of cigarettes has risen, there has been a drop in sales. With this increase in taxes, we fully expect that sales will go down. How much they will go down, and for how long, we have no way of knowing at this point. We will be highly selective in our purchase this fall. The early flue cured crop this year came in at a rather poor quality. This was due to the large amount of rain the farmers down south received. That is the primary reason buying

The American Tobacco Co. of Reidsville has no plans to alter its purchases as a result of the tax increase. Robert Rukheyser, a spokesman for the company told us, "We plan to go ahead with our planned purchases. The tax increase will have some impact on sales, but we don't believe that it will be significant."

A spokesman for the Southwest Tobacco Co., a major buyer for both foreign and domestic companies, expects a soft market in tobacco this year, but gave other reasons for this. He declined to say to what extent his company would curtail purchases.

John Starkey, a spokesman for the company, explained that experts of American tobacco are expected to decline because many foreign countries have recently imposed excise taxes on imported tobacco. The increased strength of the dollar on foreign markets is also a factor in the decrease in demand.

Starkey cited West Germany, where the dollar has recently increased some 20 percent in value against the mark. On top of this increase, the German government recently raised the excise tax on cigarettes by 32 percent. Starkey said he expects a soft market for tobacco this fall. He said the increased tax would be a factor, but said the extent of its effect will be determined by how much of the price increase that manufacturers and retailers are willing to absorb. "If they pass it all on to the consumer, it will certainly have an effect, raising the price of a pack by as much as eight cents."

Bob Miller of the Department of Agriculture Conservation and Stabilization Program in Washington estimated that the decrease in demand could reach from eight to 10 percent, depending on how manufacturers and retailers adjust their profit margins. Miller reported that



Photo by Bob Koenig

VERA WHITT of Mars Hill stands in her backyard garden with her prize tomatoes. The larger tomato weighs 3 1/2 pounds. The other is a one-pound beauty.