TO THE VOTERS OF PERQUIMANS AND THEIR CHILDREN

(And May We Suggest That If This Page Could Be Preserved For Your Children's Children, They Would Be Appreciative of This Effort to Show the Dangers of So Terrific a Debt on Our State)

WE ARE FOR The School Bond BUT ARE AGAINST The Road Bond

WHY THE PEOPLE OF NORTH CAROLINA SHOULD VOTE "AGAINST" THE $200,000,000 ROAD BOND ISSUE

On June 4, 1949, the people of this State will go to the polls to vote on a proposal which would put them in debt $200,000,000, plus interest for secondary roads, and at the same time increase the tax on gasoline to 8¾ cents per gallon.

The question in this referendum is not whether North Carolina will have good roads or bad roads. It is clear that we do not need a $200,000,000 bond issue to finance a road program far beyond all previous experience in this field. Estimates show that North Carolina will have $291,000,000 income for road purposes during the next four years and this should amply care for road needs.

After some tall talk about how rapidly this money can be converted into roads, the boasts of advocates of the bond issue have been toned down drastically and promises have been made that the borrowed funds would be spent efficiently and with prudence. However, the voters of North Carolina know that the oratorical promises of people who are trying to put across a particular measure, like the campaign promises of persons running for public office, are sometimes insincere.

The plain truth of the matter is that there is now a surplus in the highway fund of money unspent in 1948. As Governor Scott has pointed out, since we are unable to spend the road money we have and since road contractors are already straining to cope with the work we have for them, what possible excuse can there be for pouring another $200,000,000 into this already glutted market. No one doubts that this money can be spent somehow, but in the circumstances so described by Governor Scott what hope is there that it can be spent efficiently?

Without venturing any prediction on what the final interest burden fo the proposed $200,000,000 bond issue would be, it is important to recall the State's previous experience with the high cost of debt. In seven years, 1921 through 1927, the State borrowed $115,000,000 for road building. By June 30, 1948, it had paid back $92,793,000 of this debt and an ADDITIONAL $89,971,277 in interest. In short, for every dollar we have thus far repaid, this debt has cost us almost another dollar in interest charges. And we still have many millions more to pay in principal and interest before we can finally relieve ourselves of the burden of this old debt.

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Isn't it silly to borrow money when there's already plenty of money on hand?

North Carolina has in sight from normal revenue sources in the next four years $291,580,000.00 for road construction and improvement. This is more than half the total amount spent for this purpose in the past 17 years.

A lump sum $200,000,000.00 loan will not build roads faster. Such a sum could not be spent quickly and at the same time efficiently and wisely. A $200,000,000.00 road debt would hang on our necks like a millstone—pulling us down, down, down. It would mean millions and millions of dollars going for interest charges alone—dollars that will never build roads. It would mean taxes, taxes for generations to come.

The one-cent a gallon increase in the State gasoline tax, which will automatically go into effect should the bond issue be approved, would add more than $7,000,000 a year to the special tax burden of North Carolina motor vehicle owners. This one cent increase on gasoline will apply to gasoline used on farms as well as on highways.

Although the proposed bond issue is represented as being a great boon to farmers, actually its passage would prove to be a headache to many of them. For of all groups in the State they would be hardest hit by the gasoline tax increase, which is linked to the bond issue. This is true because of the high level of motor vehicle ownership on farms, and the dependence of farmers upon their cars, trucks and tractors to earn their living.

Thirty per cent of all the cars in North Carolina and nearly one-third of the trucks are owned on farms. It is estimated that this proposed gasoline tax increase would cost North Carolina farmers more than $2,000,000 a year for the operation of their farm cars, trucks and tractors.

According to the U. S. Census of 1940, 36 per cent of the farmers of the State lived adjacent to unimproved dirt roads. Thus even if the improvement of rural roads were totally dependent on the bond issue, only a minority of the farmers would stand to gain an advantage from the passage of this measure, while the great majority would have to shoulder the burden of the huge debt.

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In these uncertain and unsettled times, when farm prices are falling, factories are suspending operations and unemployment is causing serious concern, when the competition among the states for new business and industry is at a new peak, North Carolina would do well to follow those policies which have brought it along so far and have earned it national respect. If there ever was a time in history that called for caution in public finance, the avoidance of unwarranted debt and unnecessary tax increases, this definitely is it.

The doubts about any good this bond issue could do are many and are great. Some of these doubts were raised and illuminated by Governor Scott himself, when he opposed, as reckless and unnecessary, a much smaller bond issue during the campaign for the office he now holds. In the words of Governor Scott, "It is ridiculous to advocate plunging the State into debt," and it is worse than ridiculous to try to pile additional taxes on the already overloaded motorists when we now have more money for roads than at any previous time.

There is strong reason to believe that an additional $200,000,000 plus interest road debt is more than the people of North Carolina can safely assume. There are even stronger reasons to believe that this additional road money is more than the State can spend productively.

We ask, as your friends and neighbors, that you consider carefully the facts about this program before casting your ballot on June 4. Should North Carolina adopt such a patently unsound and reckless measure as this $200,000,000 bond issue, its national reputation for steady and progressive governmental policies would be irreparably damaged.

We urge you, as voters of Perquimans County, to vote against the road bond issue on June 4, 1949.

Cast Your Vote Against The Road Bonds

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