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Final Edition

TARIFF BARRIERS

The fight for free trade is a tough one, and the U. S faces many obstacles, both at home and abroad, Sumner Welles says in his column on Page 5-A.

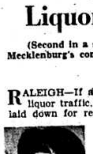
ABC

Here's How Mecklenburg Liquor Stores Would Work

(Second in a series of articles on ABC stores, written in view of Mecklenburg's coming vote on legal liquor control).

By BURKE DAVIS

Charlotte News Special Writer



BURKE DAVIS

RALEIGH—If and when Mecklenburg assumes control of its vast liquor traffic, it will find most of the rules of operation already laid down for respectable and air-tight sale. It will take over a standard scheme of bookkeeping and auditing which prevents the disappearance of a single bottle of liquor. For, when ABC stores open, they go under the vigilant eyes of administrators equipped with every device to check their precious stock.

In every case, the store manager is made personally responsible for his stock. His cash registers record the brand, price and date on every bottle sold. One such record is pasted on the bottle itself; a duplicate goes into the manager's records, and the tape itself is checked and pasted on a daily report. Every week, these daily reports are totted up and sent into the County ABC office, and the Board or its supervisor can tell at a glance what the inventory is.

Every night, in the large ABC counties of the East, store managers make night deposits of their money into the bank used by ABC, and the common accounts are kept current. Every bottle broken, and every case of shortage, is quickly checked on the manager's reports. At the end of the week, shortages must be made up by the manager—at least that is the case in large Eastern counties. State ABC officials say there has never been a scandal of this sort in the system, and that the most flagrant case of liquor-stealing cropped up in Durham, where a clerk managed to get away with a case of Scotch whisky, a bottle at a time. He was discovered when the rifled case was opened for use on the shelves, and immediately fired.

The State of North Carolina does not buy a single bottle of liquor. It supervises sales through its approved list of brands. A warehouse in Raleigh is operated by distillers, and virtually all the large ones in the business keep stock there. More than 50 of them sell to ABC stores, and hundreds of brands are represented. State Chairman Carl Williamson says that liquor is now plentiful, and that Mecklenburg's stores, if they are opened, could get any brands they wanted. Mecklenburg men would do all the buying, and the system, which operates without advertising of any kind, prevents salesmen from high-pressuring boards to sell their products. Buying strictly follows the law of supply and demand.

PRICES UNIFORM THROUGHOUT STATE

Theoretically, the County Boards have the right to set prices, but these are made uniform in all ABC counties of North Carolina through the State Board. Counties are assured under contract that they can buy liquor at the cheapest prices extant in the United States—and State stores in North Carolina and Virginia have long been the cheapest in the nation. When stocks went onto Mecklenburg shelves they would go at the same low prices.

At today's prices, Charlotte stores would offer standard brands of liquor in fifths at prices like these (first column is ABC price, second is South Carblina store price, third is Charlotte bootleg price):

Paul Jones	$3.00	$4.50	$6.00
Four Roses	3.80	4.80	6.00
Sunnybrook	3.20	4.40	6.00
Corby's Reserve	3.05	4.05	6.00
Schenley's Reserve	3.40	4.40	6.00
Lord Calvert	4.05	5.05	6.50
Philadelphia	3.30	4.40	6.00
Seagram 7 Crowns	3.40	4.40	6.00

Bonded liquor prices everywhere are very high at the moment, and ABC prices run like this: I. W. Harper, James E. Pepper, Kentucky Tavern, Old Grandad and Old Crow, $6.36 a fifth. Prices in South Carolina are at least a dollar higher—and bootleg prices, as in most instances, are three or four dollars higher; local bootleggers seldom offer these bonded liquors. In one instance, that of Haig & Haig's expensive Pinch Bottle Scotch, ABC savings are enormous. That brand sells for $12 in South Carolina, $6.80 in ABC lists.

Forty-three well-known brands of blended whisky are available on ABC shelves, and Mecklenburg's ABC Board could buy any or all of those, and select as it wished from the lists of straight whisky, bourbon, rye, bonded, Scotch, Canadian, rum, gin, cordials, brandies, cognac and so on. Once the stores were set up, with their force of about 50 people working in all departments from warehouse and office to law enforcement, these liquors would go into a central warehouse, and then be ordered weekly by the individual stores.

OPERATION OF STORES

And once the doors of the store are opened, the manager and the ABC Board are compelled by law to operate in a manner which is not "inimical or hurtful to the morals of the welfare" of the community. When any store becomes harmful, the law directs that the Board must close it—the State Board may do so at its discretion if the local Board fails to act.

The hours of opening and closing are left largely to local Boards, though the store cannot open before 9 A. M. and must close by 9 P. M. In Raleigh stores open at 10 A. M. and close at 5:30. Stores may be closed for any holiday or half-holiday, but must be closed on Sundays, election days, New Year's, Fourth of July, Labor Day, Armistice Day, Thanksgiving and Christmas Day.

All store managers must be bonded—as well as full-time members of the ABC Board—and anyone who goes to work in an ABC store is directly responsible for his conduct. And once the stores open, they become the single source of legal liquor in the county—and they carry with them new provisions of law making drunkenness and public display of liquor punishable by fine and imprisonment. When they open, outdoor and radio advertising of liquor becomes unlawful, and the stores themselves can advertise their stock only by posting the State list inside their doors.

If Mecklenburg voted for stores, the profits would be retained by Charlotte and Mecklenburg governments as provided in the special act of the Legislature. The State would take $ 1/2 per cent of the gross sales for its share. And the State marks up liquor prices by only 50 per cent over cost, exclusive of the new Federal "war taxes", now up to $12 a gallon. That markup includes the cost of storing and transporting it from Raleigh.

(Tomorrow: Law enforcement and division of ABC profits).

THE BUSINESS END of a legal system of liquor control looks like this interior of a Wilmington ABC store. Nowhere is advertising permitted. Signs plainly stating liquor laws are prominently displayed—and all brands of liquor are stacked on shelves scarcely visible to the customer. Bonded clerks serve the public, are not permitted to suggest brands, serve minors, inebriates or known drunkards.

TAX BILL CONFEREES AGREE

Final Accord Reached On Labor Bill

FBI's Role Resented

Reporters Advised Not To Spend Night In Rich Square

RICH SQUARE — (AP) — Reporters following the investigation here into the mob action against a young Negro prisoner last Friday at Jackson said they had been advised not to remain overnight.

Woodrow Price of The Raleigh News & Observer reported that one official, who was not further identified, had passed on this advice. Price also said that friends had suggested that reporters spend the night elsewhere "if they don't want their cars torn up."

No direct threats have been reported.

It was here in this little town of 1,000 population that occurred the incident which led up to the raid on the Northampton County jail at Jackson, twelve miles away—the arrest of a young Negro in connection with a reported attempt to assault a young, white stenographer.

Townspeople have evidenced resentment at the FBI's part in the case.

Godwin (Buddy) Bush, 24-year-old Negro, was forcibly taken from the Northampton County jail before dawn last Friday by an armed band. He broke away and after hiding 48 hours in the woods surrendered to two FBI agents and Solicitor Ernest Tyler. The FBI announced Sunday that it had obtained a confession which implicated a number of others. The FBI, noting no violation of Federal laws, turned the case over to the solicitor (the district prosecuting attorney).

Seven men were arrested Sunday night on a warrant charging breaking and entering the jail to injure or kill Bush, conspiracy to break and enter the jail to injure or kill Bush and kidnaping.

Bonds for the men were signed by prominent citizens, including Mayor Charles E. Myers.

Chief of Police Frank Otuland said that the men could "have raised four million dollar bonds if they needed it. They're the highest type families we have."

It was reported in Raleigh that Walter Anderson, head of the State Bureau of Investigation, had gone to Jackson today in connection

See REPORTERS on page 8-A

Neal Completes Tenure

Johnson Elected By N. C. Bankers

ASHEVILLE — (AP) — Warren S. Johnson of Wilmington was elected president of the North Carolina Bankers Association today. He succeeds William H. Neal of Winston-Salem, senior vice-president of the Wachovia Bank & Trust Co.

Custom was followed at the opening of the 51st annual convention when the former first vice-president was elevated.

John F. McNair of Laurinburg moved up from the second to the first vice-presidency.

J. Herbert Walters of Greenville was named second vice-president.

Garland Johnson of Elkin became third vice-president.

R. M. Riddick Jr. of Hertford was chosen treasurer.

Fred W. Greene of Raleigh was re-elected secretary.

Walter Fuller of Philadelphia, president of the Curtis Publishing Co., told the 700 delegates that this country was at a crossroads and "every measure must be taken to combat a serious depression."

He said true prosperity stood on three legs: Full employment, higher unit production and a greater national income. If we can assure a balance of all three factors, he added, we will have prosperity. If any one weakens, then prosperity grows less.

Fuller, president also of the National Magazine Publishers Association, said we must have reasonable prosperity if we are to maintain peace. And that prosperity depends on increased production, he added.

Dr. Earl L. Butz, agricultural economist at Purdue University, will speak at an agricultural breakfast meeting tomorrow.

Other speakers include Dr. Harold Stonier of New York, executive manager of the American Bankers Association and Maple T. Harl of Washington, chairman of the Federal Deposit Insurance Corporation.

Truman At Washington

WASHINGTON —(AP)— President Truman returned to the capital today from a 12-day visit with his ailing mother, Mrs. Martha Truman, in Grandview, Mo.

The President's plane the "Sacred Cow," landed at the National Airport at 1:09 P. M. EST after a flight from Kansas City. Before leaving there at 9:06 A. M. EST, Mr. Truman had received assurances that the condition of his 94-year-old mother is improved.

Secretary of the Treasury Snyder and top White House officials were on hand to welcome the President, Mrs. Truman and their daughter, Margaret.

Traffic Deaths Show Decrease

CHICAGO — (AP)—The National Safety Council said today that 9,250 persons lost their lives in traffic accidents during the first four months of 1947, a decrease of 14 per cent compared with the corresponding period last year.

The total included 2,300 deaths in April, a reduction of 8 per cent from April, 1946. The council said the decrease was accomplished in the face of an upward trend in mileage.

New Haven, Conn., with a population of 160,600, was the nation's largest city with a perfect April record.

German Makes Suicide Leap

NUERNERG, Germany — (AP) — Gen. Franz Boehme, indicted for war crimes allegedly committed during the German occupation of Yugoslavia, died early today of a skull fracture suffered in a suicide leap in Nuernberg prison.

Boehme eluded guards while walking in a corridor in a third-floor tier of cells late last night and hurtled over a rail. His fall was broken by a catwalk two tiers below.

American prison officials said he died two hours later.

Boehme was one of the principal defendants in a case prepared by the United States against twelve German military leaders in the Balkans and Norway. He was indicted May 10 on charges that he rounded up hostages and issued orders for their execution.

Recess Taken In Coal Talks

WASHINGTON —(AP)— Negotiations between John L. Lewis' United Mine Workers and the Southern Coal Producers Association today were recessed until next Tuesday after a two-hour discussion of operator "ideas" for a new contract.

Chairman Laurence E. Tierney Jr., of Bluefield, W. Va., speaking for the Southern Negotiating Conference, said the union had made no demands on the operators in two days of meetings. Discussions thus far, he said, have been confined to the proposals advanced by the operators yesterday.

Mrs. Goering To Be Tried

MUNICH, Germany — (AP) — Dr. Alfred Loritz, Bavarian Denazification Minister, announced today the arrest of Mrs. Hermann Goering to face trial as a Nazi Party member. He said he would demand ten years in jail for the former actress.

Loritz asserted he had had "many difficulties" in bringing Mrs. Goering to trial as a Nazi. He said the difficulties were raised "not only by Germans, but by others as well." He declined to elaborate.

Mrs. Goering became a member of the Nazi Party in 1935. She told a reporter recently that her membership was conferred on her by Adolf Hitler without her knowledge.

Mrs. Goering has been living with her child, Edda, about 12 miles from Nuernberg. Loritz said he ordered Franconian Denazification officials to put her in jail and prepare her Denazification trial some weeks ago.

MARRIED IN 1935

As Emmy Sonnemann, Mrs. Goering was a favorite German actress before her marriage to the Reichsmarshal in 1935. Adolf Hitler was best man and up to 25,000 Germans paid admission to see the services. She received a vast pile of wedding presents including a diadem' from her husband, then second in power only to Hitler.

She traveled often to Rome with Goering and Hitler for state visits with Benito Mussolini. Her daughter, born in 1938, was named Edda after Mussolini's favorite child, the wife of Count Galeazzo Ciano, whom Mussolini had placed before a firing squad. Mrs. Goering's life in her palatial homes was shadowed by Goering's penchant for keeping lion cubs as pets.

Flying Bullets Injure 5 Firemen

BENICIA, Calif.—(AP)—Five men were injured by flying bullets and steel fragments as a fierce fire exploded a quantity of small arms ammunition stored in an outdoor revetment at the big Benicia Arsenal late today.

The bullets, mostly combat ammunition and including tracers, endangered the 200 fire fighters who required more than two hours to quench the blaze.

One earthen revetment was destroyed and another badly damaged.

Red News Agency Raps U. S. Mission To Iran

LONDON. — (AP) — The Moscow radio broadcast today a Tass dispatch from Tehran declaring that "U. S. penetration into Iran is causing ever-increasing anxiety to Iranian public opinion."

"Iranians fear for the real independence of their country," the Soviet news agency said.

Compromise Okayed By Conferees

Disputed House Clause Scrapped

WASHINGTON— (AP) — Congressional conferees on legislation designed to check strikes and labor union activities reached final accord today on a compromise bill.

An agreement to scrap a House provision which would have excluded food processors from collective bargaining rights was the last action taken by the conferees before returning the measure to the House and Senate for further action.

Senator Taft, Republican, Ohio, told reporters the Committee decided to remove this controversial section from the final draft and leave the matter to interpretation by the National Labor Relations Board.

This means it continues a matter of dispute so far as the NLRB and the courts are concerned.

10 TO 3

Taft reported the compromise bill was approved by seven of the ten conferees.

Those who dissented are Senator Murray, Democrat, Montana, and Reps. Hoffman, Republican, Michigan, and Lesinski, Democrat, Michigan.

The compromise agreement was approved by Taft, Senators Ives, Republican, New York; Ball, Republican, Minnesota, and Ellender, Democrat, Louisiana; and Reps. Hartley, Republican, New Jersey; Landis, Republican, Indiana, and Barden, Democrat, North Carolina.

Hartley told reporters the House plans to act on the final draft next Wednesday. Then the measure will go to the Senate.

The next step will be the White House where President Truman must decide whether to approve or veto the bill.

Asked whether the Senate could be counted on to override, in the event of a veto, the two-thirds majority it mustered in passing its own bill, Taft said:

"I think the settlement will be satisfactory to the Senators who voted for the bill."

PROVISIONS

The compromise bill contains these provisions:

1. Authorization for the Government to obtain injunctions to block "national paralysis" strikes, such as a coal or steel tie-up, the injunctions would remain in effect 80 days while the dispute was mediated.

2. A new National Labor Relations Board set-up. The board would have five members instead of three as now. The general counsel, appointed by the president and subject to Senate confirmation, would take over investigation and prosecution of unfair labor charges. Board members would have only judiciary powers — that is, they would hand down decisions.

3. A ban on the closed shop, under which employers can hire only union members. The more common union shop is permitted when a majority of workers vote for it. Union-shop agreements allow the boss to hire non-union workers, but they must join up.

4. A prohibition against jurisdictional strikes and secondary boycotts. The NLRB could get injunctions to block them.

(A secondary boycott is a union effort to hit indirectly at an employer by forcing other employers to stop doing business with him. Jurisdictional strikes usually stem from scraps between unions as to which should do given work.)

5. A provision creating a new Federal mediation agency, independent of the Labor Department.

6. Health and Welfare Funds set up since January 1, 1946, and administered solely by unions, are outlawed. The House Bill would have banned virtually all union welfare funds.

COUP D'ETAT CHIEF—Former President Anastasio Somoza (above), who had been out of office only 26 days, directed the coup d'etat in which the Army took over the Government at Managua, Nicaragua, and unseated the new President, Dr. Leonardo Argüello. The Congress immediately put Benjamin Locayo Sagasa in the Presidency. This picture was made in 1946 by Perry Weimer, New York photographer and lecturer. AP Wirephoto).

Adopt Rent Amendments

WASHINGTON—(AP)—The Senate today approved a formula which Senator McCarthy, Republican, Wisconsin, said would require the removal of rent controls in about 30 areas each month.

McCarthy's amendment to pending legislation to extend rent controls was adopted by a voice vote.

It directs Housing Expediter Frank Creedon to lift rent controls at the end of each month in at least 5 per cent of the number of areas under control.

30 A MONTH

McCarthy explained that since there now are about 600 areas under ceilings, about 30 areas would have to be freed of controls each month.

By a voice vote, the Senate also adopted an amendment by Senator Ives, Republican, New York, requiring a state to take positive, affirmative action before taking over rent control, as long as Federal rent control is in effect.

Senator Buck, Republican, Delaware, urged speedy action on legislation extending controls until Feb. 29, 1948, but served notice this will be the "last extension" voted by Congress.

Opening debate on a bill reported for the Banking Committee, Buck said he favored the temporary extension of rent controls. He said he does not agree with "extreme" views of witnesses who testified further extension will work general hardship on landlords or that thousands of families will be "thrown out on the streets" by ending controls June 30.

Asked by Senator Myers, Democrat, Pennsylvania, whether he would favor a further extension beyond Feb. 29 or the turning back of the problem to states and municipalities if controls were still needed after February, Buck said that would depend on the extent of the need at the time.

Britain Calls On Greece To Punish Murderers

LONDON — (AP) — Britain called upon Greece today "to bring to justice the murderers" of two British soldier members of her military mission in the troubled Mediterranean kingdom.

A Foreign Office spokesman told a news conference his Government took a "serious view" of a May 22 incident at Avra, near Alexandroupolis, when bandits allegedly attacked a British vehicle and killed the two.

Tokyo Tea Rooms Will Close For Three Days

TOKYO—(AP)—Tokyo's 6,000 tea rooms—which serve coffee, cider and other drinks—will close for three days beginning June 1 in order to rearrange their business so they may sell in the future at official instead of black market prices, authorities said today.

WEATHER

Showers and thunderstorms this afternoon and tonight followed by fair and cool weather Friday and Saturday.

Temperature at 2:00 today	87
High and low last 24 hours	87-68
Sunset today	7:30
Sunrise tomorrow	5:18

More Weather Data on page 8-A

Provides For Reduction To Take Effect On July 1st

Senate Program Accepted

WASHINGTON— (AP) — Senate and House conferees agreed today on final terms of a $4,000,000,000-a-year income tax cut to take effect July 1.

The measure provides for individual slashes ranging from 10.5 per cent to 30 per cent.

The Senate bill was accepted by the conferees except for one change in rate reduction brackets.

The area of 15 per cent cuts was made effective from $136,720 of taxable income to $302,400.

The Senate had provided for a 15 per cent reduction between $75,700 and $302,000.

Senator Millikin, Republican, Colorado, head of the Senate conferees, said both houses would expedite final action on the legislation.

It is expected to come up in the House Monday, and possibly later the same day in the Senate.

VETO QUESTION

The big question remaining is whether President Truman will sign or veto the tax cuts. He has maintained that the present is not a suitable time for reducing Government revenue.

Millikin estimated the change in the 15 per cent reduction bracket will add $62,300,000 to the cost of the bill, in terms of lost revenue.

Senate Democratic Leader Barkley was the only one of the five Senate conferees who did not sign the conference report. He voted against the bill yesterday when it passed the Senate 52 to 34.

If both houses act finally Monday the bill will be speeded to the White House.

Even the most enthusiastic Republican advocates of an immediate tax reduction admitted that yesterday's 52-34 vote offered no hope that a veto could be overridden in the Senate. A two-thirds majority is necessary to override.

If the bill should take effect July 1, taxpayers would find their percentage cuts reduced by half when applied to all their income for 1947. That is, a taxpayer in the 20 per cent reduction bracket would get only a 10 per cent cut this year, although he would receive the full 20 per cent reduction on his 1948 return.

The bill passed the Senate in exactly the form in which it had cleared the Finance Committee.

AMENDMENTS BEATEN

By margins ranging from 10 to 30 votes, the Senate rejected a series of amendments, including the following:

To allow married couples in all the states to split their income for tax purposes, thus getting advantage of lower rates. This privilege now is granted only in ten states with community property laws.

To recognize family partnerships for tax purposes.

And a complete substitute bill by Senator Lucas, Democrat, Illinois, which would have hiked personal exemptions $100, allowed the community property split everywhere, lowered each surtax rate by two percentage points and put the changes into effect next January 1.

Remember To Register For

THE ABC ELECTION

BEFORE SUNDOWN ON

Saturday, May 31st

IT IS YOUR LAST OPPORTUNITY TO REGISTER FOR THE ELECTION

BETTER BUYS THURSDAY

On Thursdays, smart Charlotte women read The Charlotte News food pages. They know they'll find the finest values in the best of foods, and they want to see them early. They make the list for Friday shopping early, and they're not disappointed. Get The News food page habit today.

THE CHARLOTTE NEWS