WEDNESDAY, FEBRUARY 25, 1953

GOVERNOR UMSTEAD CHARTS A BOLD COURSE

spending substantially during the next two years.
Yet Bill Umstead, who is no spendthrift, believes the needs are urgent—so urgent that the gamble must be taken. Furthermore, he is willing effectively to increase taxes by removing some sales tax exemptions in order to get the needed revenue. It should be noted that the greater part of the additional expenditures recommended by the Governor will have to be passed on finally by the people of North Carolina. Of the several bond issues, \$30 million for state aid in school building and \$22 million for the mental institutions would have to be approved at the polis. With the needs so pressing in both fields, the Legislature should have no compunctions about permitting the people to vote on these two fissues.

Issues.
The Wovernor also asked that an additional \$15 million in bonds be issued by the Legislature, without a vole of the people. Educational institutions would get \$10.5 million of this amount, and other state institutions the balance (including a needed \$2 million to enable the Medical Carc Commission to continue with its program of building hospitals, jursing homes, and health centers, but the program of the program o

GOVERNOR UMSTEAD'S budget measure.

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The second of the blennium by the Advisory Budget Commission; (2) produced the Sear million proposed for the blennium by the Advisory Budget Commission, may put to a severe test the "honeymoon" relationship between Governor and Legislature that has prevailed so far in this session. But we expect the major part of the state of the second system; (3) pay at least \$50 a mount and the second system; (3) pay at least \$50 a mount and there is spending recommendations stretch revenue expectations to the limit, and there is spending decimentations and there is spending substantially during the next two powers.

Yet Bill Umstead, who is no spendithrit, between the second systems and the pathol must decidely in increase the operational budget the properties of the state's labyridthine inland and there is spending substantially during the next two payers.

Yet Bill Umstead, who is no spendithrit, between the second systems and the pathol must decidely in increase the operational budget to the properties of the mental institutions; (5) expolit fully expensed the operational budget of the mental institutions; (5) expolit fully expensed the operational budget of the mental institutions; (6) expolit fully expensed the operational budget of the mental institutions; (6) expense the operational budget of the mental institutions; (6) expolit fully expensed the operational budget of the mental institutions; (6) expense the operational budget of the mental institutions; (6) expense the operational budget of the mental institutions; (6) expense the operational budget of the mental institutions; (6) expense the operational budget of the mental institutions; (6) expense the operational budget of the mental institutions; (6) expense the operational budget of the mental institutions; (6) expense the operational budget of the mental institutions; (6) expense the operational budget of the mental institutions; (6) expense the operational budget of the mental institutio

other non-estatine expenditures count run into the millions.

The Legislature has some leeway. Already in the Budget Commission's appropriations bill is the sum of \$8.7 million for permanent people approve the \$27 million for permanent people approve the \$27 million for less for this purpose, this sum will be available for other purposes.

Purthermore, a cash operating surplus of \$17 million has been set up. Governor Unstead feels this fund is an essential of sound management, but the Legislature may pick up another \$2 million or \$3 million by trimming the cushion fund below \$17 million. That, with the \$3.7 from the mental institution fund, may be enough to cover the additional Unstead recommendations.

In any event, Governor Unstead's budget

In any event, Governor Umstead's budget message charts an imaginative program of further growth and development for North Carolina, and charts it with a boldness and confidence that has been a characteristic of all the great Tar Heel chief executives.

LET'S ABOLISH THESE TWO TAXES

OUR Miss Sawyer's report on Mecklen-burg's personal property tax system, elsewhere on this page today, points up once more a fact paintully evident to hon-est taxpayers and county officials, riz., the system needs a major overhaul, if not com-plete abolition.

The defects of the present tax system are many. It permits the dishonest taxpayer, who won't list personal property at value, to pay no, or ridiculously low, taxes. Honest John carries his own and his dishonest neighbor's tax burden. There is no way to nab the renter, unless he has a car. The Tax the property of the content of the con

revenue. Tax Supervisor Rufus Grier proposes to replace the present property tax listing sys-tem with a percentage system (15 per cent of assessed value of the residence, as used in Guillford and-Forsyth counties). That would be an improvement. But it would be hard to catch renters under this plan. Perhaps the tax could be levied against the

bouse owner, and he could pass it on to the renter. There's doubt, though, about the legality of the stylene, now applied in New Jersey, in this state. We think the best anwer its abolition of the personal property tax. except on automobiles. For all the bother and inequality the present tax creates, it produces only three per cent of the county's revenue. Why not tax the cars, as usual, and add a mite to the residential listings? The county would get as much revenue as it now does, with less fuss and more equality of tax burden. As the tax study committee pointed out, abolition of this personal property tax may require changes in the State Constitution. If so, we suggest to our legislators that they sound out their House and Senate colleagues on the matter.

sound out their House anto senate coveragewes on the matter. And while they're at it, the legislators could knock out the poll tax, equally unproductive of revenue and also undemocratic in this day of lady ambassadresses, agency heads and voting leagues. Abolition of this tax would require legislative approval, but no constitutional change.

THE LAND GRANT 'MYTH'

an incentive to build. North and South Carolina, and 20 other states, din't get any land-grant mileage.

The land was valued at \$130 million. But Congress wrote a gimmick into the law. Railroads getting grants had to sell their services to the Federal Government for one-half the standard rates, until the end of World War II. For ones, the railroaders are forced to admit, The consection of the standard rates, until the end of World War III. For ones, the railroaders are forced to admit, This cut-rate proposition away the government \$900 million on a \$130 million outlay, and opened up the West to boot.

Then there's the matter of loans made to the railroads, in the early days. All but \$1.5 million of these loans were repaid, with ask per cent interest. The public relations man for the Association of American Railroads and the checked \$3^* history books, and found in three of them Natements that the loans weren't spend. Al for of the books, he can be a supposed to the control of the public relations are considered to the control of the public relations which is the railroads its money that kept impoverished counties out West from going completely bankrupt. The reward has come for some of these lines now. They're getting mineral lease money, in oil boom areas like the Williston Basin, that would builge the expect of the Williston Basin, that would builge the expect of the standard of the Williston Basin, that would builge the expect of the Williston Basin, that would builge the expect of the proper than the would be the second of the would be the second of the proper than the second of the would be the the will be the second of the would be the second of the proper than the second of the would be the the second of the would be the second of the proper than the second of the would be the second of the would be the second of the proper than the second of the second of the would be the second of the proper than the second of the proper than the second of the seco

A NEW controversy, which we're happy to jum injust be, incidentally, that the to jum into, has come to light. The railroaders, it seems, are mad at the historians.

The men who wrote our high school history books, charge the railmen, perpetrated the planted that now, every time the iron horse men ask for a rate hike somebody hollers "thook, all that land grant subidy and now you want even more money."

In the interest of history we present the railroads' case, as detailed in Semaphore, the magazine of the P. & N. Railroad.

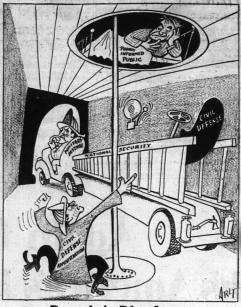
Despite the general impression that most railroad's case, as detailed in Semaphore, received any land grant subject to the historian than were sown. They were the lines that opened the West. They got alternate sections for many miles on each side of the right opposed to the section of the section of

lines."

Well, we can't get too excited about the running battle between the railroaders, on one hand, and the truckers and air lines on the other. In part, the growth of the two new competitive transportation media may be explained, as the railroaders suggest, by government subsidy; in greater part, however, it has resulted from more vision, more energy, more imagination, and more modern and efficient practices on the part of the trucking and aviation industries.

And whe knows? . . Maybe, some years

'D on't Just Lie There!'



People's Platform

UFE Program Commended MOUNT_HOLLY

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MOUNT_HOLLY

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The Rosenbergs Should Burn CHARLOTTE

Editors, The News:

No one knew exactly what had happened. There had only been the deafening blast and suddenly it seemed the whole town was after. People dealer than the second of the

And a radio was going ... they listened: "To the American people ... those of you who are still alive ... held on ... help is on the way. Stay alive ... held on ... help is on the way. Stay in time. We have been bombed ... Most of the interportant cities are wiped out. Death and death portant cities are wiped out. Death and death most of the stay of th

Those of its who are left. The radio clicked off . . . dead?

Sounds fantastic doesn't it? Yet the Rosenbergs sold us out, for just such a purpose of the property of the sold of the sold

Supports Auto Liability Proposal

Editors. The News:

I WISH to thank you for the fine editorial which your paper recently carried stating your feelings on Senate Bill No. 106, the new and improved Prancial Responsibility Act which is being proncial Responsibility and the high properties of the pr

lature.

We will all agree that until such an Act is forthcoming, the new and improved Financia Responsibility Act is the most workable plan, and we appreciate very much your constructive remarks in support of this Bill.

marks in support of this Bill.

MeALISTER CARSON Jr., President Charlotte Association of Insurance Agents

Quote, Unquote

Reporter On Assignment

And The Report:

secquate personal property tax gratem has not made any definition, it has discussed solubilities believed the process of the five-mash tax study committee test that the personal property tax costs more to collect than it is with the personal property tax costs more to collect than it is with meeting that his office works the year round on personal property in the personal property tax, and deferred making any recommendations until more information could be gathered on the subdished in the personal property tax, and felerred making any recommendations until more information could be gathered on the subdished where the property tax, and falged grystem of taxation should be used. They stored to a part of the personal property tax, and falged grystem of taxation should be used. They stored to a property tax, and falged grystem of taxation should be used. They stored to a property tax, and falged grystem of taxation should be used. They stored to a property tax, and falged grystem of taxation should be used. They stored to a personal property tax, and falged grystem of taxation should be used. They stored to a property tax, and falged grystem of taxation should be used. They stored to a property tax could be shollshed in Mecklenburg. The committee said they favored abolishing the tax, Another meeting the study of the committee said they favored abolishing the tax, another meeting the study of the committee and the favored abolished in Mecklenburg. A the committee and the favored abolished in Mecklenburg. The state constitution.

Article V of the constitution and about the study of the committee and the favored abolished in Mecklenburg. The state constitution and about the state constitution and about the state of the state

Congressmen, Vet Groups Make Their Wants Known

CONGRESSIONAL QUARTERLY

CONGRESSIONAL QUAFTERLY WASHINGTON LIEGISLATION to increase benefits to the nation's millions of veterans is being poured into the hoppers of both houses of the Sărd hoppers of both houses of the said the organizations are on the sidelines cleering the Congressmen on the sidelines organizations are on the sidelines (pearlier la survey shows.

There are more than 19 million living veterans of the U. S. armed forces including men who have force are noted thinks. Add dependents of voting age, and you have one of the most powerful voting 10 to sworthy of Congressional ear-bending.

worthy of Congressional ear-bending.

Approximately 300 members of Congress are veterans, CQ said.

Medical program is expected to provide one of the battles of the Sard Congress. Last Summer the Sard Congress cut some \$31 million from the Budget Bureau's recommended expenditures for the complained and many of the madopted resolutions demanding re-establishment of the eliminated medical services. Seen. Homer Ferguson (R-Mich.), a member of the Senate Appropriate Company of the Sanda Sarda Sard

for an enlarged program of medi-cal aid for veterans. Mrs. Rogers and several other Members of Congress have introduced legisla-tion designed to provide better medical care for ex-servicemen.

expressed similar views.

The Chicago management engineering firm of Boox, Allen & Hamilton made a special study for the VA at a cost of \$600,000, and its reorganization plan has drawn alarmed opposition from some veterans groups.

The main point of controve over VA reorganization is whet to keep all present regional offic as Gray proposes, or consolid them into fewer offices as outlin by the Booz, Allen & Hamil

Drew Pearson's Merry-Go-Round

incomparison of the state of th

vice notes, read:

"Price support programs 'have been administered. There have been heavy purchases of dairy product and large quantilean. OrS interference with prices and
grading of cattle has been removed. Orderly
marketing has been encouraged. Co-operaformand for beef. Producer advictory groups
have been holding conference with USDA
officials. An international whest agreevide an outlet for U. S. wheat."

DISENHOWER'S notes also pointed out.

I the "stocks of commodities owned by commodity Credit Corporation," and listed the amount of butter, even and wheat piled up in government storehouses.

Re's notes contained these figures and comments which also were not given the press: "Butter-69 million pounds (CCC is now ishing practically everything that is

What Ike Left Unsaid About Farm Crisis

GI Mailbag

spews rust out and ruins the clothes.

"Without the quariers allowance, I can only give my wife \$150 a month to syncer. I can only give my wife \$150 a month to syncer. I can declothes for our four children. My wife is doing the best she can by taking in washing for the neighbors.

"I wonder how the people concursed would feel if they had fo ration their children to one glass of milk a day, Malsa a would feel if they had for ration their did dren to one glass of milk a day, Malsa a deep children to be the think the ha to deep children to be the think the ha to deep children with the same than the s