

THE CHARLOTTE NEWS

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QUESTIONS AND ANSWERS ABOUT BONDS

READERS of this newspaper have asked a an annu good many questions about the upcomling Oct. 3 election on issuing \$50 million in bonds for mental institutions. Here are some of them—with the answers.

Q. What is the present net general fund ndebtedness of the state povernment?

A. The current net general fund indebtedness is \$40,250,000, which represents the balance due on the school and port bonds issued during the Scott administration and the \$14,250,000 is institutional bonds authorized by the 1953 General Assembly and issued \$150,000 in \$100,000 for \$100,000 f

Q. What is the highway fund net in-

debtedness?

A. The highway fund debt is \$102.000.

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This is the balance due or the secondary to the secondary of the sec

Q. The bond issue is for how many years, and at what probable interest rate? A. Bonds will be retired in 20 years. Best guess on the interest rate: from 2.35 to 2.50 per cent.

Q. What will be the annual service harge (interest and amortization) to the tate on (a) the \$22 million and (b) the 50 million?

\$50 million?

A. In the case of the \$22 million for men tal institutions, it is estimated that the annual appropriation necessary to repay principal and interest will be about \$1.4

The \$50 million school bonds will require

an annual appropriation of about \$3.2 million.

Hence, the combined issues would cost \$4.6 million for each of the next 20 years. The debt service required would amount to roughly 2.5 per cent of the current general fund revenue. If the general fund revenue continues to grow as it has the past 20 years, no new taxes should be required.

Q is current general fund operations, what is the margin betrees recenue and couple, on the current general fund operations, what is the margin betrees recenue and couple, on the current general fund operations, what is the margin betrees recenue and couple, on the same and lead to automatic budget cut if, as is generally expected, 1854 should see aome decline in business?

A, If there is a serious decline in business that causes a sharp drop in state revenue, the governor will have to cut spending to balance the budget. Assuming, however, that there is ne major recession and that the state enjoys its normal growth, the general tund should carry the bonds without difficulty.

The N. C. General Assembly has considered.

Year	Cash Balano
1941-42	\$ 7.881.98
1942-43	18,993,655
1943-44	39,637,00
1944-45	58,042.87
1945-46	25,735,05
1946-47	50,149,170
1947-48	42.543.71
1948-49	80.171.55
1949-50	14,533.620
1950-51	14,079,256
1951-52	25,838,031
1952-53	39,574,081

The 1953 General Assembly boosted revenue estimates beyond the initial recommendations of the Advisory Budget Commission, but if past experience is any criterion, there should be ample room in the general found budget for the amortization cost of the 572 million in bonds.

LOSS OF YOUNG PEOPLE HURTS STATE

NORTH CAROLINA editorial writers, in conference at Chapel Hill last May, were asked this question by one of their speakers:

"How much does it cost to make an engineer? How much does it cost to create an engineer from the initial busride to the first grade until the day he receives his diploma 17 or 18 years later?"

eiploma 17 or 18 years later?"
The speaker. Editor Harry Golden of the Cerolina Jarselite, went on to say that out of every ten North Carolina-educated Negroenjneers, eight leave the state for better employment opportunities elsewhere. Of the two who remain, one becomes a pullman porter or a waiter, the other a government employe or a teacher.

A news story out of Raleigh this week brought the point to mind again. It said that the first two Negroes ever accepted at N. C.

State College had been enrolled in the grad-uate engineering school without fanfare.

To what purpose? 6
Will these young men find, after graduating, a job commensurate with their ability and training at fair and equal compensation Or will their state offer nothing better than menial labor, forcing them to go else where to put their talents to use?

where to put their talents to use?

North Carolina sppears to have accepted the principle that all of its citizens are entitled to equal opportunity in education. But the stars and the region will profit little, despite great tax outlays, if our trained and falented young people seek employment elsewhere because (1) equivalent pay is lower in the South, or (2) the doors to opportunity are closed with the rusty locks of ancient racial prejudice.

TAFT-HARTLEY OBJECTIVES ARE SOUND in the manner that is efficient, speedy and

PRESIDENT EISENHOWER'S calm and reasonable message to the American Federation of Labor convention should put an end to the unbecoming hassle between the White House and former Secretary of Labor Martin Durkin.

Laber Martin Durkin.

While Mr. Eisenhower did not specifically deny Durkin's charge that the President has broken his word, decial, or at least mulaunderstanding, and the state of the company of the President renewed his campaign ploties to revise the Tail-Hartley Act, and said that a special committee is still at work on the project. He made the flat promise to seem his recommendations to the next assaine of Congress in January.

At the moment, it doesn't seem particularly important whether the President specifically agreed to support 19, or 18, or 21 amendments to Taft-Hartley, or whether he agreed to no such thing.

greed to no such thing.

More important are the fundamental obectives that the President is seeking:

1. "To remedy defects which cause concern
in the part of working men and women
wer possible results or uses of the act to

in the manner that is efficient, speedy and impartial;

2. "To allow freedom for the healthy growth of trade unions, while respecting the legitimate rights of individual workers, their employers, and the general public; and

4. "To work to the end that there he less rather than more government interference in labor-management affairs."

We read into these objectives the inference that the Eisenhower administration is going to be eminently fair and just to organized labor, but that it is not going to sell the rest of the country short just to please labor. Who could ask for more?

SUGGESTION

WE UNDERSTAND the motives for, and

WE UNDERSTAND the motives for, and are to complete agreement with, Mayor Phil Van Every's effort to cut down on the number of proclamations issued by the mayor's office.

Without implying any disrespect for the effice or for the grand old American custom of issuing proclamations, we spatture the suggestion that the world would get along just as well if Mr. Van Every didn't issue only proclamations.

From The Cleveland Plain Dealer

CONCERNING INEQUITIES

In 1800, according to the National Cham-ber of Commerce, the average income of steelworkers was \$400 a year, which figures about \$1,000 in 1962 prices. Today the aver-age yearly wage paid in U. S. Steel Corp. mills is \$4,100.

been recified. But infinitely more important than the current salary of the president
of U. S. Steel is the fact that U. S. Steel is
owned by 200,000 stockholder.
Your butcher, your baker, your candlestick maker may very well own shares of
U. S. Steel. No longer does the success of any
great industry pour wealth into one pocket.
The citizens of the United States, many
of them so-called little people, own the
industries, and anything which penalizes big
business penalizes the people.
This should be remembered when the
first thought of budget makers is "sock the
corporations." For in doing this inequily
would be continued, not wiped out.

Use Of U.S. Research Funds **May Compromise Universities**

The danger, Tuve warned, was that all research would be har-nessed to the practice? and im-mediate necessities of the military program. This would undermine if not destroy the concept of free

Foreign Legion Has Changed Since Days Of 'Beau Geste'

By ROBERT C. RUARK

traffic.

The Legion has come a far piece from P. C. Wren's remantic verton P. C. Wren's remanding the C. France' still vear the while kepl, but the old button-back evercoat and the baggy white trousers have been replaced by G. I suntans. I would be the property of G. I. Suntans. I would be the property of G. I. Suntans. I have been replaced by G. I suntans. I have been replaced of the six sous they paid the whole work of G. I. Suntans. I have been dead of the six sous they paid Feat General Company of the document o

SIDI BEL ABBES. Algeria

FUER since I read "Bess and nobody cares if he speaks good for the same latent urge to pay a call on this town, the home of the Legion. In the lower the home of the Legion for the lower the lower through the lower through

if he chooses, and can re-milist for shorter periods.

Today he is about the best-looking fighting man I have ever seen. It is about the periods of the period of the peri

Philippine Election Analysis U. S. Backs Quirino Opponent MANILA, P. I.

RUDYARD KIPLING disminsed the little flags of the l

'How Do You Feel?'

Drew Pearson's

Bomb Threat To Determine Arms Budget

CECRETARY of Defense Charlie Wilson

Was flighty all last week because the
Joint Chiefs of Staff passed their Sept. 13

Joint Chiefs of Staff passed their Sept. 13

Let military bedget for near year. The
military chiefs were supposed to submit
heir budget estimates 10 days ago, but
let the Sept. 13 deadline slip by without
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Ike's Awsome Decision

Merry-Go-Round