THE CHARLOTTE NEWS

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Dulles Says U.S. To Use A-Bombs In 'Major' Clash

(News Staff Photo by Tom Franklin's—Hunter)

EMPLOYES FINISH A DAY'S WORK at a mill in a Southern suburb of Charlotte. Industrialists here are saying the City's taxes are so high that they are tempted to move their plants away from Charlotte. Most employes, they say, would go with them. Reporter Hazel Trotter tells of their complaints below.

Charlotte's Too Costly, They Say

Plants Threaten To Leave Because Of City Tax Rate

By HAZEL TROTTER
Charlotte News Special Writer
(First Of Two Articles)

Is Charlotte in danger of losing industries because of high taxes?

Is it in danger of losing some of its long established companies because their needs are neglected while emphasis is placed on providing services requested by new industries or businesses?

No, say city and tax officials.

Yes, say some of Charlotte's leading manufacturing executives.

Somewhere between the "No" and the "Yes" lies the answer which will enable Charlotte to keep up with the increasing demands of its growing population and, at the same time, to benefit from the expanding volume of business and industrial payrolls and taxes necessary to its progress.

A manufacturer who employs nearly a thousand men and women says he is thinking of moving away from Charlotte because taxes are too high and because he can't get enough water for his plant (outside of the city) without an outlay of money he considers unreasonable.

Another with a payroll of $4½ million a year, has been looking into the possibilities of moving.

"And I believe most of our 1500 employes would go with us," he says.

REGRETS EXPENDITURE

Still another explains that he would not have spent several hundred thousand dollars on an expansion program a few years ago if he had known taxes were going up as much as they have and that his next expansion will not be within Charlotte's city limits.

And another, who formerly had extensive manufacturing operations in Charlotte, has moved production machinery away but retains here headquarters for other phases of his business.

Here is what one of these men said:

"I think the City has made every effort to cooperate in providing water and other facilities for us and for other industries and that it always does everything possible to attract and please new industries. But the tax angle is very serious. We have experienced a terrific increase in City and County taxes in the last three years. First, there has been the increase in the tax rate. I know that in a city which is growing like Charlotte we must have adequate facilities to take care of the population, that we must, for instance, build schools, and I can see where certainly some increase is justifiable.

"Second, the change in valuations cost us a great deal of money. Third, we did put on an addition in 1953. This cost us several hundred thousand dollars and meant more taxes to pay. Fourth, the County has changed its method of assessing inventories and this alone cost us $5,000 more last year in City and County taxes. And it will be more this year. Until last year, the County permitted us to deduct money borrowed against inventory from the valuation. This was discontinued in 1954 except for cotton, which we do not handle. The State law provides that money borrowed against cotton can be deducted. We consider that unfair. What difference does it make whether your inventory is in

See MILLS on page 4-A

Public Losing Confidence?

Humphrey Sees Danger In Probe

WASHINGTON—(AP)—Secretary of the Treasury Humphrey told the Senate Banking Committee today its stock market inquiry may be undermining public confidence in the American economy.

Humphrey's volunteered statement brought a demand from Sen. Capehart (R-Ind) for an end to the group's inquiry into stock prices.

Chairman Fulbright (D-Ark) retorted that the committee has a duty to sound a note of caution if one is needed.

Humphrey told the senators that "criticism" of government agencies and speculation about what they might do in the way of "restrictive action" can "easily contribute to a questioning of confidence and uncertainty as to what the future may hold."

The Treasury secretary declared the nation is "on sound economic ground, based on sound principles." The current month, he said, may well be one of the highest months of business activity the nation has ever had.

"There is no reason," he said, "why we should not go forward unless confidence is badly injured or destroyed."

SUBTLE THING

"Confidence," Humphrey said, "is a subtle thing. it manifests itself in many ways. A crowd leaving a theater at the close of a play will walk out in orderly fashion in short order. But if as the curtain goes down someone calls 'fire,' terror can reign and great injury result."

Humphrey made no direct reference in his prepared statement to the eight-day-old multibillion-dollar break in stock prices but Capehart did. He said the current inquiry had a tendency to cause price breaks by frightening small investors into a false belief a crash might be imminent.

In testimony prepared after yesterday's price break, Humphrey said the Treasury is "watching attentively the conditions which the new higher level of the stock market is creating."

He was referring to the market price rise which began in September 1953—a rise due in part, he said, to a "rebirth of confidence in the functioning of our free enterprise system."

SECRETARY HUMPHREY

Humphrey declined — as have most other witnesses in the committee's "friendly study" of market conditions—to give an opinion whether stock prices went too high before the recent break.

"I gave up years ago trying to figure out the stock market," said the Treasury secretary a leading industrialist before he joined President Eisenhower's Cabinet.

Capehart's statement calling for a change of course in the market inquiry presaged a seemingly certain showdown with Banking Committee Chairman Fulbright (D-Ark.)

Fulbright made no immediate reply.

$5,000 Reward Offered For Line Cutters

Picketing Orderly In Phone Strike

ATLANTA (AP) — A widespread hunt was on today for persons who cut telephone lines in Alabama and Georgia shortly after Southern Bell Telephone operators and other workers in nine states struck in a union contract dispute.

Union officials denied any knowledge of the incidents.

The main toll cable between Birmingham and New Orleans was cut in two places yesterday. Service to six Bessemer area communities was disrupted when telephone lines were cut in 15 places.

In Atlanta, a 1,200-pair (line) cable in the driveway entrance to police headquarters was cut about one third of the way through, partially paralyzing police communications for a short time. Two other cables in Atlanta also were damaged.

FARTHER TALKS

The vandalism occurred while negotiators were still meeting in an effort to settle differences. The meeting ended shortly before 10 p.m. and both sides agreed to return to the conference table today.

Informed of the cable cuts, G. F. Gill, of Atlanta, assistant Southern director of the CIO Communications Workers of America, said:

"The union neither initiates nor condones incidents of this nature. We have no knowledge of them. They are not of our doing."

A company spokesman described the cable cutting as "sabotage" and offered a $5,000 reward for the arrest and conviction of those involved.

Orderly picketing was reported throughout the area.

CWA headquarters said the strike was almost 100 per cent among its members.

COMPANY CLAIM

Southern Bell claimed that about one third of the estimated 50,000 union employes in the nine states were at work. In addition, about 10,000 supervisory personnel worked, the company said.

Alabama service improved rapidly after yesterday's early morning hours when 12 of the 89 exchanges in the state were on emergency basis. Only emergency long-distance calls were being accepted, but local service generally was reported near normal.

Company officials said refusal of the union to agree to a no-strike clause was the chief bar to accord. The union sharply disputed this claim and said wages was the top issue.

At present, the maximum for an operator in a large city like Atlanta is $57 a week and in smaller cities $43.50. The maximum for plant workers such as cable splicers is $91.50 weekly.

Pickets In Second Day Of Activities

By J. A. DALY
Charlotte News Staff Writer

Striking members of the Communications Workers of America (CIO) continued their peaceful picketing of Southern Bell Telephone & Telegraph Co.'s establishments here today, the second day of the walkout.

Available estimates indicated approximately 1,000 men and women of Charlotte joined this strike, which the CWA reported involved approximately 50,000 CWA members in nine southern states.

Charlotte police authorities

See TELEPHONE on page 5-A

Parks Could Buy Radio Building

Center Offered To Board

A proposal that the Park & Recreation Commission buy the Radio Center building on South Blvd. as an alternative to erecting a new auditorium was made to the board today.

George Patterson, president of Radio Center, Inc., offered to sell the building to the board for $400,000.

In his letter of proposal, sent to Ernest J. Sifford, chairman of the Park & Recreation Commission, Mr. Patterson also stated Radio Center would pay the board $160,000 representing 96 weeks rental.

RENTAL SPREAD OUT

This rental would be spread out over eight years at the rate of 12 weeks per year, and would be for trade showings which have already been booked in the building.

Mr. Patterson's proposal indicated that the $160,000 could be deducted from the $400,000, meaning that only $260,000 would be paid for the building.

He pointed out that this would leave the commission with about $100,000 left from money obtained from the Armory-Auditorium fire, money which could be spent in improving the park program.

Mr. Patterson's proposal to the board is as follows:

"As president and general manager of Radio Center, also as a taxpayer of Charlotte, I have followed with a great deal of interest the various news accounts of the efforts being made to rebuild or restore the old Armory-Auditorium. I have discussed the matter with many business and civic leaders in the community and have found an overwhelming majority of them opposed to a plan that needlessly creates new and unnecessary competition for the Auditorium and Coliseum now under construction. I thoroughly share the opinion of the majority.

G. D. PATTERSON
Offers A Show Building

"It has been claimed that many of the smaller events requiring a stage or auditorium can not afford the fees to be charged by the new Auditorium or Coliseum. Perhaps that will be found to be true, but as yet no rates have been published and certainly no one can say at this time whether this or that group is unable to afford something where the cost is unknown. If, however, such a condition does exist after the new facilities are completed, then Radio Center would surely fill the needs of those who can not afford the larger and more pretentious facility. Since Radio Center was opened in June of 1953 it has established beyond all doubt that it is fullly adequate and capable of meeting just those needs.

"We know that Radio Center would represent a certain amount of competition for the Auditorium-Coliseum, and we also know that a new and better

See RADIO on page 5-A

Doctors Doubt Effectiveness

Sexual Deviate Bill Killed

RALEIGH (AP)—A bill calling for the incarceration and treatment of sex deviates in the state's mental hospitals was killed by the House Mental Institutions Committee today.

The committee favorably reported to a measure by Rep. John Umstead of Orange aimed at expediting the admission, proper handling of persons committed to state hospitals for the mentally ill.

The Umstead bill also makes the medical records of committed persons confidential and strengthens attempts to discourage the use of county jails in confining mentally ill persons prior to their admission to a state hospital. The sexual psychopath measure killed by the committee had been prepared by a House Judiciary subcommittee studying a broad bill relating to the subject by Rep. Arthur Goodman of Mecklenburg.

Goodman's measure called for heavy sentences on sexual psychopaths, accused of molesting children and for their treatment at the state's mental institutions.

The bill was split into two measures. The bill relating to imposing a stiff jail sentence on the psychopaths is still before committee.

Dr. David Young, general superintendent of the state hospitals board of control, and Dr. J. W. Murdoch, superintendent of the Butner hospital, both spoke against sending sexual psychopaths to the state's mental hospitals.

They said the sexual psychopath needs highly skilled treatment and that for treatment to be effective, it must be voluntarily sought.

"Psychotherapy must be done in the proper setting," declared Dr. Murdoch. A person compelled to take treatment "will go through the motions of being cured," he stated, in hopes of obtaining freedom. He stressed the necessity of separating the mental defective from the sexual psychopath.

Asked by Rep. Umstead, the committee chairman, whether the state should erect a special institution to keep and treat sexual psychopaths, Dr. Murdoch replied, "That's a possibility."

WEATHER HALTS SIXTH ATOMIC TEST BLAST

LAS VEGAS, Nev.—(AP)—An atomic blast, which it was expected might be the largest in the current series of tests, was called off shortly before it was scheduled to be shot this morning.

About an hour before the scheduled time of 5:15 a.m., PST, the Atomic Energy Commission announced the cancellation, giving unfavorable weather conditions as the reason.

There was no word from the AEC as to when the next test might be conducted.

Today's shot would have been the sixth of the 1955 test series. It was planned to detonate it from a 500-foot tower. Towers of this height are generally used for the larger shots.

6 Men Perish As Old Wyoming Hotel Burns

LARAMIE, Wyo. (AP) — Six men were killed early today in a fire that flashed through an old two-story hotel.

Fire Chief Blake Fanning said the blaze centered in the rear lobby of the Johnson Hotel near the stairs. Guests were forced to escape from windows and fire escapes.

Five of the dead were identified as Harold C. Dahl, La Porte, Colo.; Ed (Boots) Smith of Laramie, Eric Irene of Laramie, Henrich Burglund of Laramie and Walter Finnel of Cheyenne.

Fanning said all died of suffocation, either from smoke or heat.

Another victim was burned beyond immediate identification. Fanning said the body was found on the first landing, where the man apparently fell after staggering from his room across the corridor.

The fire was reported at 2:55 a.m., Fanning said, and when the department got there men were hanging from the hotel and commercial signs. One of the men on the hotel sign was Alfred Warner.

Five men were hospitalized with burns or effects of smoke. One is in critical condition and may not live according to his physician.

Those hospitalized are Ray Goodman and Hubert Simpson of Laramie, Roy Kensmeier of Waukon, Iowa; Glenn Thompson of Charles City, Iowa, and Fred Huletz of Denver.

Warner said he heard shouts of fire and went into the corridor.

"The stairs were a sheet of flame," he said, "so I climbed out the window and hung onto the hotel sign."

Another guest said he heard shouts and went to the door.

"The knob was too hot to handle," he said, "and I had to jump out of the window."

The old hotel had 30 rooms and Fanning said it was believed there were 25 to 30 persons registered.

Fanning estimated damage at $45,000 to $50,000. The chief said the fire resulted in the "worst loss of life in Laramie history. The most we ever had before was two dead."

What's Inside

Business	4B
Classified	8-11B
Comics	10A
Editorials	8A
Features	2B
Obituaries	14A
Radio & TV	3B
Serial	12B
Sports	4-5B
Theaters	8B
Women	12-13A

Secretary Not Specific About Islands

Hints Use If Blow Aimed At Formosa

WASHINGTON (AP)—Secretary of State Dulles said today he imagines the United States would use tactical atomic weapons if it becomes engaged in any major military clash anywhere in the world.

Dulles told a news conference he could not say offhand whether such weapons would be used in defense of Quemoy and the Matsus if the United States decides to assist the Chinese Nationalist forces in holding those islands.

He indicated, however, that if the Chinese Communists made a major effort to take the islands—and the attempt was also clearly aimed at conquest of Formosa—the United States might well intervene with sea and air forces equipped with atomic weapons.

PRESIDENT'S DECISION

By law, a decision to use atomic weapons may be made only by the President. Also, President Eisenhower has said he would reserve to himself sole any decision on the use of U.S. forces in defense of the Nationalist held islands.

Dulles said the atomic missiles he had in mind were tactical weapons such as a new type of shell or bomb of small dimensions and posing no problem of radioactive fall out. He said they are for use against military targets upon which they would exert a far greater destructive effect than the standard bombs and shells of the past.

As for weapons of mass destruction, Dulles said he thought the likelihood of the use of the most powerful weapons—obviously referring to hydrogen bombs—actually goes down as the prospect of using tactical atomic weapons increases.

He felt this way, he said, because in the last war nations turned to vastly destructive attacks on cities after they found they could not put the military out of business.

Ike Told Tax Cut To Lose

WASHINGTON (AP)— Republican congressional leaders told President Eisenhower today they are confident a Democratic-sponsored proposal to cut income taxes will be defeated in the Senate and eventually in the House.

At a White House news conference after a conference with the President, Sen. Knowland (R-Calif) said he advised Eisenhower that he feels sure the Senate will reject the proposal. The conference was held shortly before the Senate convened to start voting on the tax measure.

Rep. Martin (R-Mass) said he believes "we've got the votes" to reverse an earlier House ballot to reduce everybody's taxes by $20 starting Jan. 1.

The compromise proposal in the Senate would give a $20 cut to families with incomes under $5,000 a year, plus a $10 cut for each dependent other than a spouse.

The House added the income tax reduction provision to an administration bill to continue corporation and excise taxes at their present level beyond April 1, when they are now scheduled to decline.

The President has assailed the Democratic proposal to reduce income levies as the height of "fiscal irresponsibility."

Knowland said the discussion at today's regular weekly meeting of the GOP leaders with Eisenhower dealt mainly with the tax situation.

Could Be Revived Come Summer

Providence Rd. Widening 'Dead Issue'

By JULIAN SCHEER
Charlotte News Staff Writer

WADESBORO—Division Highway Commissioner James A. Hardison had two points he wanted made vivid and clear today concerning the prolonged verbal fireworks over the widening of Providence Rd.

They were: (1) "I'm not mad at anybody" and (2) "It is a dead issue now."

Mr. Hardison, a local oil distributor, admitted that the Charlotte affair has taken up more time than any other single piece of business in the 10th Highway Division.

"It is over with for the time being," he said. "We'll have some more money in July. I think, and it may become an issue again. Meanwhile, the money is being used elsewhere."

NO ILL FEELINGS

Mr. Hardison denied any ill feelings toward local citizens and also denied that he had been unwilling to compromise.

"We started with a 78-foot road. We are getting matching funds from the federal government and this road was approved by the Federal Bureau of Roads as practical and safe.

"However, when protests were made, we compromised to 60 feet. That is the minimum according to our engineers."

The commmissioner cites the Parson Report on the state highway system as one source of backing on the 60-foot road.

Local citizens demanded a maximum of 50 feet.

The report reads in part: "Highway mileage that carries on the average of between 4,000 and 5,999 vehicles per day deserves particular attention. It is within this traffic range that four-lane pavements, divided if possible, have to be given careful consideration."

THE SAFE WAY

"I am not an engineer. I am told and was told by Mr. (A. H.) Graham and his engineers that 60 feet was the practical and safe way to build the road. That is 18 feet less than we had originally planned. I can only go by their recommendations," he pointed out.

When Providence Rd. citizens still balked at 60 feet, Mr. Hardison and the Highway Commission abandoned all plans.

In discussing a public hearing, he added: "It was my impression from statements made by the citizens committee with whom I met in Charlotte a public hearing was not desired."

However, the issue may come up again in July. Meanwhile, he says, he is showing his interest in the situation by ordering a survey to relieve some of the Providence congestion.

"I have ordered a survey of Old Sardis. That is, the extension of Crescent Ave., to Old Sardis and we are trying to see

See ROAD on page 5-A

Our Weather

showers tomorrow, cloudy with a fwe scattered showers or thundershowers.

Cloudy and a little warmer today and tonight with scattered

Low this morning—50.
Low tonight—53.
High yesterday—58.
High today —58
High tomorrow—68.
Sunrise 6:3+ a.m.; sunset 6:30 p.m.

More Weather Data on Page 5-A

Evening Prayer

Heavenly Father, grant us spiritual sense not to restrict and impoverish the Lord Jesus down to the level of our small understanding. Grant us, instead, power to elevate our understanding toward Christ's almighttiness. Father, enlarge our vision and give us great outreach toward Him in whom all power in heaven and earth is vested. For His glory. Amen.

POPPING FLASH BULB STARTLES VEEP NIXON

LOS ANGELES — (AP) — There was a tense moment during one of Vice President Richard M. Nixon's public appearances here Monday when an amateur photographer's flash bulb exploded with unusual force, sounding something like a pistol shot.

The Vice President's party was walking at the time but at the sound stopped in its tracks and Nixon reveoled. At the time Nixon was walking through a lobby of a new wing of the White Memorial Hospital. The sharp report came from a flash bulb on the camera of Mrs. Bernice Bardsley, a hospital switchboard operator. Bits of glass were peppered on Nixon's blue suit.

There was complete silence in the room. Mrs. Bardsley's mouth flew open and she began to shake. Then Nixon himself relieved the tension by saying: "I'm glad nobody is hurt." He walked on to make a dedication speech for the hospital's new wing.

Unknown to Nixon at the time, somebody was hurt. Bits of glass had gone into the eye of C. B. Clark, a detective who was walking near Nixon. Doctors at the hospital removed several bits of the glass from Clark's right eye.

Mrs. Bardsley got her picture all right. But it wasn't too clear and the flying glass made some streaks across it.