



THE CHARLOTTE NEWS

FINAL

Largest Evening Newspaper In The Two Carolinas
Charlotte, North Carolina, Friday, April 15, 1955.

32 Pages—Price Five Cents

Hodges Prefers Beverage Over Tobacco Levy

Opposes More On Income, Sales

RALEIGH—(AP)—Gov. Hodges told newsmen today that if he had to make a choice between a tax on soft drinks and one on tobacco he would place the levy on soft drinks.

At his weekly news conference, the governor made it clear he would prefer excise taxes on soft drinks or tobacco to raising either the state income or sales tax rates.

The governor said he did not expect a prolonged deadlock in the General Assembly on the tax question.

"I believe they will come around," he said. "I don't say there won't be a scrap."

SOUL-SEARCHING GOOD

The long soul-searching over taxes, Hodges added, has been for the good and has pointed to a real need. "I think a desperate need, for an overhaul of our tax structure."

PRaises LAKE

The governor had words of praise for the presentation by Ass. Atty. Gen. I. Beverly Lake of North Carolina's arguments on the school segregation issue to the U. S. Supreme Court.

"I was impressed with our presentation," the governor said. Lake was "straightforward, logical and impressive in his presentation, and I gathered he had at least a courteous and attentive" reception from the court.

The governor spent most of his conference discussing the tax situation in the legislature.

NEED \$2 MILLION

He pointed out that the legislature confronted with the need of raising \$2 million dollars in new taxes for the next biennium and this had been reduced to \$7 million. This he said has actually made it more difficult to settle the tax problem because it has heightened disagreement over where to place the increases.

The governor pointed out that it had been estimated that three million dollars could be raised through eliminating all exemptions to the sales tax made by the administrative rulings. "I don't think they're going to fail with it this late in the session" because it would require so many public hearings.

He indicated the finance committee are giving intense study to the possibility of collecting individual income taxes through the withholding plan and that he has "an open mind" on this.



McLeod Says Refugee Act 'Challenge'

By JOHN CHADWICK
WASHINGTON—(AP)—R. W. Scott McLeod told Senate investigators today he had set out to prove after passage of the 1953 refugee relief act, that its critics were wrong in saying it wouldn't work. He said he looked on that as a "challenge" to make it work.

McLeod, State Department security chief who administers the emergency immigration program, testified before a Senate Judiciary subcommittee.

He was the first witness as the subcommittee began public hearings on the wrangle set off by the ouster of Edward Corsi as special adviser to Secretary of State Dulles on refugee problems.

Corsi charged after his dismissal that the act was being substituted by "an intolerant minority" in Congress and the State Department. He named McLeod among others.

N.Y. REPUBLICAN

A New York Republican, the Italian-born Corsi was commissioner of immigration under former President Hoover and for many years was a state official under former Gov. Thomas E. Dewey of New York.

McLeod, under questioning by Sen. Watkins (R-Utah), who steered the refugee measure through the Senate, detailed difficulties he said had been encountered in putting the "complex law" into operation.

He said he felt "something of a record" for speed had been established in drafting and publishing regulations for administration of the law.

McLeod said these had not been worked out by the State Department in cooperation with the Army, the Public Health Service, the Federal Employment Agency and the Immigration and Naturalization Service and had been accomplished in 120 days after the law was enacted in August, 1953.

"The drafting and publishing of regulations for a complex law such as this," he said, "is not something you can overnight."

UNDER PRESSURE

Watkins asked if McLeod had been under "considerable pressure" from groups interested in immigration and others to speed the program.

McLeod said he had not been under pressure but that "I was exerting pressure" on subordinates to make the law effective as quickly as possible.

"I wanted to show that the law would work," he said.



THAT STRONG ODOR in Washington comes from Texas delegation. 20,000 pounds of which have been delivered to members of Congress, courtesy Texas delegation. Here House Speaker Sam Rayburn shoulders a sack prior to delivery. (AP Wirephoto)

Withdrawal By Dec. 31 Soviet Calls For Austrian Treaty

By STANLEY JOHNSON
MOSCOW—(AP)—The Soviet Government called today for the speedy conclusion of an Austrian independence treaty and withdrawal of all occupation troops not later than next Dec. 31.

A joint Soviet-Austrian communique issued this afternoon said Austrian Chancellor Julius Raab had assured Soviet Foreign Minister V. M. Molotov that Austria will not join any military pacts or permit the establishment of any foreign military bases in its territory.

The Soviet government also pledged: (1) to settle its reparations bill against Austria for the equivalent of 150 million dollars in Austrian goods; (2) to return to Austria all former German property in the Soviet zone including the Danube Shipping Co. and (3) to return the Austrian oil fields and refineries which the Russians have been operating during their 10-year occupation.

JOINT COMMUNIQUE

The joint communique summed up the results of negotiations between Molotov, Raab and their aides which began here Tuesday. It was issued two hours after the Austrian government chief, Deputy Chancellor Adolf Schnerb and their party left in a Soviet military plane for Vienna.

"We leave here happy people," said Raab as he boarded the plane.

Schnerb earlier today told newsmen that Russia had made her agreement to Austrian independence conditional on a guarantee by the four occupying powers that Austria and Germany never would merge again—as they had under Hitler in 1938. The joint communique made no mention of this point, however.

The Russian-Austrian agreement now must be approved by the United States, Britain and France before it can be incorporated in the independence treaty and the treaty can be signed. It was expected that a Big Four meeting would be called soon to do this.

Deputy Chancellor Schnerb indicated earlier today that Western agreement to the new treaty provisions was almost certain. The Austrian delegation has been keeping the Western allies abreast of the developments in Moscow. State Department officials in Washington said yesterday Russia's reported attitude was "encouraging."

AGREE TO START

The communique said Russia and Austria also had agreed to start negotiations in the near future on a neutralization treaty between the two countries.

It added that the presidium of the Supreme Soviet—the executive committee which acts for the Soviet Parliament when it is not in session—had taken a favorable view of Raab's request for the return of Austrian prisoners of war still held in the Soviet Union.

"After the withdrawal of Soviet occupation troops in Austria, no war prisoners or interned civilian persons of Austrian citizenship will remain on the territory of the Soviet Union," the communique declared.

TRADE DEALS

In return for the Danube Shipping Co. property the Austrians agreed to pay "a sum set to be named." In exchange for the oil properties, the Austrians said they would deliver the Russians "crude oil in an amount to be agreed on between the two states."

The communique said the Soviet Union had taken into consideration the U. S.-British-French declaration of April 5 that the Western Allies express the hope that at the present time there are favorable opportunities for conclusion of a treaty by means of appropriate agreement among the four powers and Austria," the communique said.

SHE WAS WEALTHY BUT DIDN'T KNOW IT

NEW YORK—(AP)—"I was a multimillionaire for more than an hour, and never knew it."

That was the philosophical comment today of Agnes McCann, a red-haired secretary.

She put \$11.71 in cash through a bank teller's window yesterday and asked for a certified check to make a quarterly payment on her state income tax.

The teller whopped a check through a machine, put it into her handbag without looking at it and returned to her office, intending to mail the check later.

About an hour later, perturbed bank officials located her and asked if they could have the check back.

It was made out for \$2,300,017.11.

Testimony Attacked Scales' Lawyer Questions Clontz

By AUSTIN ADKINSON
GREENSBORO—(AP)—Detested county set out today to try to discredit testimony of an FBI undercover agent who said he had spied on admitted Communist leader Julius Scales.

David Rein, attorney for the former Carolina District party chairman, indicated he would cross-examine Charlotte lawyer Ralph C. Clontz Jr. at length. Scales is being tried under the Smith Act prohibiting membership in an organization advocating forcible overthrow of the government.

Clontz has said that he was one of cases' prize pupils in communism and a trusted member of Scales' party organization that had its headquarters in the Chapel Hill-Durham area.

Clontz also said yesterday that Scales had told him repeatedly the only way the party could take over the government was through force and violence.

On cross-examination today, Clontz said that he reported to the FBI from once or twice a day to once a month in November and December of 1948, during his early acquaintance with Scales.

He told Rein and the Federal District Court jury that some of his reports were typewritten, some telephoned, some scribbled on the back of a matchbook, and some written on tissue in a bar.

Late in 1949, Clontz continued, Scales put into effect much stricter security measures covering their meetings. Clontz said that when he went to Scales' home at Carrboro he had to go across a field, through an alley, and into the back door, always at night. He said their meetings in automobiles also became more frequent during this time to reduce chances of their being seen.

WALLACE MENTIONED

Rein asked Clontz how he first learned of alleged Communist activity in that area. Clontz replied that one of the people who discussed it with him said he had talked to a John Meyers, not otherwise identified. Clontz said Meyers was quoted as predicting, "The people would show a sizable block of votes" in the Henry Wallace Progressive Party campaign and that this showing would be the signal for the revolution.

Clontz also said he was told that a reporter for a Durham newspaper had attended Communist meetings and had heard party members advocate violent revolution.



THE DRIVER of this car was slightly injured when he ran a red light at Dexter Ohio, intersection and crashed into the milk truck shown on its side. Truck driver was not hurt. (AP Wirephoto)

Van Every's Off To Europe

Because tulips bloomed around the Freedom Park lake last spring, Mayor and Mrs. Van Every will leave today for Holland.

The city's chief executive and the first lady will leave municipal airport at 2:25 p. m. on an aerial trip to Holland as the guests of the Bulb Growers Association and the Government of Holland.

The free trip came to Mayor and Mrs. Van Every because the tulips grown in Charlotte were judged to be the best of all grown in many southern cities.

Last year the Holland bulb growers sent bulbs to numerous southern cities and offered the free air trip to the mayor of the city where the best tulips were grown.

BARNETT'S WORK

The Charlotte tulips were planted in a bed on the island in the lake of Freedom Park by R. L. Monk Barnett, engineer for the Park & Recreation Commission.

Mr. Barnett sought the advice and assistance of J. E. Every, department store executive and champion tulip grower, in the planting and the specimens sent to Holland for judging were packaged by Louis G. Ratcliff, Charlotte florist.

Then came the word that Charlotte tulips had been judged

Strike Closes Steel Plant

ATLANTA—(AP)—Operations were halted by picketing today in U. S. Steel's giant Fairfield, Ala., plant while a general strike in Birmingham loomed in sympathy with striking telephone and railway workers.

Suddenly appearing pickets surrounded the Fairfield plant of Big Steel's Tennessee Coal & Iron Division plant at Fairfield last night. The largest steel mill in the South, it employs about 20,000.

R. E. Farr, United Steelworkers (CIO) district director, in mid-morning reported the plant closed. A company official said a survey was under way to determine what extent operations had been affected elsewhere.

Farr predicted all businesses and industries in the booming Birmingham area would feel the effects of the strike.

EXPLOSIVE WARNING

TALLAHASSEE, Fla.—(AP)—A shotgun blast awakened Frank James Jr., and he sat up in bed to find his house was ablaze. The blast had discharged the gun, possibly saving his life.



THE DRIVER of this car was slightly injured when he ran a red light at Dexter Ohio, intersection and crashed into the milk truck shown on its side. Truck driver was not hurt. (AP Wirephoto)



SURROUNDED BY TULIPS in his garden is J. E. Every, an authority on tulip growing whose advice and help enabled the city win a trip to Holland for Mayor Phil Van Every. (Photo by Rudy Kugler)

Our Tulips Were Prettiest

Because tulips bloomed around the Freedom Park lake last spring, Mayor and Mrs. Van Every will leave today for Holland.

The city's chief executive and the first lady will leave municipal airport at 2:25 p. m. on an aerial trip to Holland as the guests of the Bulb Growers Association and the Government of Holland.

The free trip came to Mayor and Mrs. Van Every because the tulips grown in Charlotte were judged to be the best of all grown in many southern cities.

Last year the Holland bulb growers sent bulbs to numerous southern cities and offered the free air trip to the mayor of the city where the best tulips were grown.

BARNETT'S WORK

The Charlotte tulips were planted in a bed on the island in the lake of Freedom Park by R. L. Monk Barnett, engineer for the Park & Recreation Commission.

Mr. Barnett sought the advice and assistance of J. E. Every, department store executive and champion tulip grower, in the planting and the specimens sent to Holland for judging were packaged by Louis G. Ratcliff, Charlotte florist.

Then came the word that Charlotte tulips had been judged

Break-In Damage High At Park Road School

By DONALD MACDONALD
Charlotte News Staff Writer
Safecracker struck at Park Road School last night, seventh school to be hit in a series of safe-crackings or attempts in city and county in less than four months.

Intruders failed to steal anything of value in the Park Road break-in, but Mrs. Virginia Neely, school principal, said the thieves wrecked several doors and broke windows throughout the school building.

Park Road was the second school entered this week.

Tuesday night voyagers knocked off the dial of a safe after breaking in the principal's office at Elizabeth School. Evidence showed the thieves had attempted to blow open the safe door.

The job at Park Road School was discovered this morning when janitor Kenneth W. Davis, 706 S. Torrence St., opened the building. He found a rear window broken on the north wing of the building and discovered that several locked doors had been damaged by forcing them open.

Our Weather

Generally fair today, tonight and tomorrow.

Low this morning, 58.

Low tonight, 58.

High yesterday, 68.

High today, 82.

High tomorrow, 83.

Sunrise, 5:51 a.m.; sunset, 8:55 p.m.

More Weather Data on Page 12-A