

# Balanced Budgets For Next 2 Years Suggested To Congress By President



## Hardison Plan Would Affect Mecklenburg Highway Commission Will Hear Proposal

By DICK YOUNG  
Charlotte News Staff Writer  
Parking bans soon may be required on state-financed city streets or urban highways. A proposal for such a ban will be presented by James A. Hardison of Washington state highway commissioner, at the Jan. 26 meeting of the State Highway Commission. Under Mr. Hardison's proposal municipal governments would be required to prohibit parking on state improved streets as one of the conditions of the state's financial participation in such projects. Mr. Hardison said, "Of course I don't know what the commission is going to do about it but I think it would be a fine thing."



BUDGET DIRECTOR Rowland K. Hughes said the money is expected to come from where it is expected to go during the fiscal year beginning next July 1. The chart showing the distribution of the budget was prepared by the budget bureau. (AP)

## Tax Cuts Provision Omitted

By FRANK O'BRIEN  
WASHINGTON (AP)—President Eisenhower sent to Congress today balanced budgets for this year and next, while urging higher federal spending, he said would total almost 66 billion dollars in the coming fiscal year. He said the government could stay in the black in the next 18 months by "slim" margins only if Congress gives him "the utmost cooperation" in holding down spending and awaiting a prudent time for tax cuts. As long as booming prosperity continues, Eisenhower said, Congress should put at least some reduction of the national debt ahead of tax cuts. NO CUTS ALLOWED His new spending blueprint allowed for some debt reduction, but not for tax cuts. He reiterated that Congress should act to keep corporation and excise taxes at their present levels, rather than allow them to drop as scheduled on April 1 to the levels in effect before the Korean war. For fiscal 1957, which begins next July 1, Eisenhower proposed that Uncle Sam spend \$65,965,000,000. He estimated that general income in that 12-month period would be \$68,300,000,000. If both predictions are achieved, the government will wind up the fiscal year with a surplus of \$2,335 million. MAIN FACTORS In the main facts of his budget message Eisenhower: 1. Estimated that spending this year will be \$1,800,000,000 higher than that outlays in the next bookkeeping year will top that by \$1,595,000,000. He said the first time Eisenhower had pointed spending upward. 2. Predicted that revenues next year will be \$1,800,000,000 higher than this year, resulting in a federal surplus this year of 230 million. Proposed to cut the federal debt by 74 million by June 30 to \$274,300,000,000 and by the following June 30 to \$273,000,000,000. 4. Called for new appropriations of \$66,291,000,000—some 246 million more than projected spending and \$4 billion higher than appropriations in the current year. This indicated that federal spending will be trending upward for several years. LOOHPHOLE LEFT While he cautioned against any quick tax cut, Eisenhower's budget seemed to leave a loophole which might justify one under his guidance. "The budget appeared to have underestimated revenues for the second year, 1956. Eisenhower forecast revenues of 69 billion dollars for this year—some 4 1/2 billions less than his new revenue estimate. His estimate for the coming fiscal year forecast an increase of about a billion dollars in individual tax returns. But his estimate for corporation tax returns was unchanged. Corporation profits have been See IKE on page 2-A

## N. Y. Court Tosses Out Fugitive Case

NEW YORK (AP)—The charge against the Rev. J. A. DeLaine, Negro clergyman, of being a fugitive from justice in South Carolina, was dismissed today in municipal felony court. The minister, a leader in the fight against segregation in schools, is under indictment in South Carolina on a charge of assault and battery with intent to kill. Magistrate David L. Malbin dismissed the charge because no warrant has been received from Gov. Timmerman of South Carolina since the African Methodist Episcopal clergyman surrendered voluntarily to the New York district attorney Nov. 25. Malbin acted on the defense's motion for dismissal, and rejected the request of Asst. Dist. Atty. Carl A. Vergari that the case be adjourned until Jan. 25, the expiration date on the 60-day period permissible under the law for holding a man in such proceedings. Prior to today's action, the minister had appealed to New York Gov. Averell Harriman to prevent his extradition to South Carolina. The National Council of Churches also urged Harriman to consider "the possible risk to his life" if the pastor were sent back.

## Church Door Forced Rival Clergymen Conduct Services

NEW YORK (AP)—A long-standing church feud brought two clergymen into open competition yesterday before the altar of the Protestant Episcopal Church of the Holy Trinity in Brooklyn. One of the clergymen was the Rev. William Howard Melish, acting rector of the church for seven years and recently removed from that job by a vote of the vestry. Disregarding advice from his bishop and the vestry's efforts to lock him out of the church, the Rev. Mr. Melish was determined to conduct Sunday services as usual. His rival at the altar was the Rev. Robert Thomas, appointed by the bishop of Long Island to conduct services at the church until a newly nominated rector has been installed. Mr. Melish had already started the early morning communion service slightly ahead of schedule when Mr. Thomas arrived. The two clergymen, officiating at separate altars, conducted separate services for two small groups of parishioners. "OUT OF ORDER" At the 11 o'clock service the two ministers encountered one another before the main altar. Both men opened portions of the service. After several minutes, Mr. Thomas was heard saying, "You are out of order, Mr. Melish." Confusion threatened when the two ministers announced different Psalms to be read alternately by the clergyman and congregation. At this point Mr. Thomas announced, "I refuse to make a mockery of this church and religion in general," and strode down the aisle, about 50 persons from the congregation of approximately 250 followed him out of the church. The controversy over Mr. Melish began in 1949 when his alleged left-wing activities caused the removal of his father, the Rev. Dr. John Howard Melish, as rector of Holy Trinity. The son was serving as his father's assistant at the time and had been named bishop began in 1949 when his alleged left-wing activities caused the removal of his father, the Rev. Dr. John Howard Melish, as rector of Holy Trinity. The son was serving as his father's assistant at the time and had been named chairman of the National Council of American-Soviet Friendship. Efforts of a pro-Melish vestry to have the son named later as his father's successor were blocked.

## Spending Reductions Noted Budget Message Highlights

WASHINGTON (AP)—Highlights from President Eisenhower's message to Congress on the federal budget for fiscal year 1956, ending next June 30, and fiscal 1957, starting July 1: A BALANCE The budget I am proposing for 1956 is a balanced budget. It is my expectation that the budget will also be in balance for the next fiscal year, 1956. COST DOWN, INCOME UP Substantial reductions in government expenditures have been achieved in the past 3 years. A significant increase in revenues is currently anticipated as the result of our present unprecedented prosperity. A WARNING Although balanced, the margin of estimated surplus in each of these budgets is slim. This calls for the utmost cooperation between the executive and legislative branches to prevent increases in expenditures or reductions in receipts that would create a deficit. SPENDING '56 Budget expenditures in the fiscal year 1956 are now estimated at \$64.2 billion dollars. This is a reduction in government spending for the third successive year. For the fiscal year 1957, total expenditures are estimated to rise approximately 1.5 billion dollars over the anticipated level for 1956. This increase will be more than offset by the rise in receipts estimated to result from continued growth in the national economy. A PLEDGE We will continue to give the taxpayer greater and greater value for each dollar spent. We will continue to foster orderly growth of our economy through sound fiscal policies. DEFENSE I regret that the Soviet leaders have not as yet given any tangible evidence of an intention to agree on a plan of disarmament.

## Spending Reductions Noted Budget Message Highlights

that can be verified by adequate inspection. Defense needs are still overriding and must continue to be met in full measure. WELFARE AND GROWTH However, budget revenues now permit us to undertake some new and expanded programs for enhancing opportunities for human well-being and economic growth. This budget reflects that purpose. WHERE TAXES GO The greatest portion, 64 per cent, of the expenditures in the fiscal year 1957 will be for determining possible aggression and for strengthening the international alliances to which we belong. The next largest part, 21 per cent, will be devoted to civil benefits of various kinds. Interest largely on the public debt, will amount to nearly 11 per cent. Expenditures for public operations and administration are estimated at 4 per cent of the total. BUSINESS TAXES It will be necessary in addition to continuing every effort to keep spending under \$64 billion. BUDGET AT A GLANCE Budget estimates for the year ending June 30: 1956 1957 Income \$ 64,500,000,000 \$ 66,300,000,000 Outgo 64,270,000,000 65,865,000,000 Surplus 230,000,000 435,000,000 Year-end debt \$274,300,000,000 \$273,800,000,000

## Here's How Budget Affects U. S. Citizen

WASHINGTON (AP)—Suppose you figured you were going to take in \$60 million dollars more than you'd have to pay out in the next 12 1/2 months. What would you do with the extra money? Buy a new TV set? Entertain a chorus girl? Take your wife to dinner? Your government is in this happy situation. President Eisenhower's new budget looks toward the country being \$300 million dollars ahead of the game come June 30. If all goes well there'll be an additional 400 million of surplus in the following 12 months. Uncle Sam, however, is in no position to go on a spree. He's up to his ears in debt. So, down comes the national debt—to \$273,800,000,000. If he can just keep up this rate of progress, say an average of three billion dollars a year, the mortgage will be paid off by the year 2044. But there's also the little matter of interest. It costs us taxpayers roughly seven billion dollars a year. If you operated as the government does, you'd have a pretty topsy-turvy way of life. If you earned \$100 weekly, \$60 would go for policemen, firemen and neighbors you hope would come to your aid if a riot started. The new budget proposes to spend 64 per cent of next year's output for "security"—defense, foreign aid and interest. You would pay \$11 interest on your debts and have \$25 a week left.

## 2 S. C. Representatives Try To Ease Booze Ban

COLUMBIA, S. C. (AP)—Two South Carolina representatives are out to ease a scare thrown into a host of residents of the Carolinas when the State Tax Commission announced a crack-down last summer on importation of whisky lacking South Carolina tax stamps. Reps. Tracy Gaines of Spartanburg and Fay W. Dickson, of South Carolina, declared today they are assuring that "promiscuous stopping of vehicles and searching of automobiles for" the un-stamped product "has incurred the ill will of many of the citizens of this state and many in the States of our neighboring states." Their proposal also would ease a ban against cigarettes lacking South Carolina tax stamps. "Many peaceful and law-abiding tourists have been embarrassed to a needless extent," the two lawmakers declare. Both are from counties bordering North Carolina many of whose residents visit South Carolina beaches. The crack-down on liquor imports was ordered by the 1955 General Assembly, which gave the Tax Commission extra agents and authority to patrol the border. The idea was to stop the flow of imports and increase South Carolina liquor tax revenues by increasing South Carolina liquor taxes. Gaines and Dickson have offered a bill in the General Assembly that would permit importation of "small quantities" of tobacco and whether to run again might be

## Charlottesville Bound Plane Is Damaged

HUNTINGTON, Va. (AP)—Skidding on hard-packed snow during a routine landing, an Eastern Airlines Super Falcon with 32 passengers and a crew of three left the runway at Huntington Airport last night and narrowly missed plunging 400 feet into a ravine. The twin-engine plane, en route from Louisville, Ky., to Charlottesville, Va., did drop onto a ledge in scrub growth some 60 feet below the runway, but all aboard escaped injury. The passengers continued to their destinations on another flight.

## White House Lukewarm To Idea Administrative Veep Proposal Renewed

WASHINGTON (AP)—Former President Herbert Hoover today renewed his proposal for an administrative vice president in the face of a lukewarm White House reception and outright opposition from Harry S. Truman. The 81-year-old Hoover testified before a Senate subcommittee that he was certain "these dissents are based upon misapprehensions" of the proposal. He added he would "certainly welcome any other effective means" to reduce the present workload. Hoover appeared before a Senate Government Operations subcommittee as it started a search for ways of lightening presidential burdens as the aftermath of President Eisenhower's heart attack last Sept. 24. DECISION INFLUENCED? There has been some speculation that Eisenhower's decision on "small quantities" of tobacco and whether to run again might be

## Power Money Request Made

WASHINGTON (AP)—Congress was asked today to provide \$1,378,000 to operate the Southeastern Power Administration (SPA) in the year beginning July 1. The SPA markets power from seven federal-owned dams in 10 Southeastern states. Eventually the agency will market power from 13 dams. President Eisenhower's budget request for the next fiscal year is \$218,000,000 more than was asked for the year ending June 30. The additional money is to take care of transmission fees and for the purchase of firming energy in connection with disposal of power from the John H. Kerr project in Virginia. As more dams in the system go into operation, an increase is noted in returns to the government. In the year ending June 30, 1955, the revenue amounted to \$9,782,165. For the year ending June 30, 1956, the return is estimated at \$12,200,000, and for that ending June 30, 1957, 15 million dollars. The new budget, following the pattern of recent years, contains "no money for new construction."

## Our Weather

Considerable cloudiness and turning colder today. Fair and moderate tonight and tomorrow. Wednesday fair, becoming warmer in the afternoon.  
Low this morning 42  
Low tonight 43  
High yesterday 57  
High today 52  
High tomorrow 42  
Sunrise 7:32 a.m.; Sunset 5:33 p.m.

## Evening Prayer

Father, "create in us the splendor that dawns when hearts are kind." In the name of Him who went about doing good, and who has taught us to pray, "Our Father who art in heaven... Amen."