

ESC Cracking Down On False Statement Claims For Unemployment Benefits

Fifty five cases in which fraud was indicated were investigated by Wm. Heyward, Claims Deputy for the Employment Security Commission, for the Western District, during the fiscal year ending June 30, 1953. Sufficient evidence was found to justify prosecution in forty two of these cases, Heyward stated, in which twenty seven defendants were convicted of making false statements, knowing such statements to be false, to obtain unemployment benefits, while fifteen defendants were acquitted.

The area of which Mr. Heyward has charge consists of Buncombe, Haywood, Jackson, Swain, Graham, Cherokee, Clay and Macon and Madison counties. Cases have been filed in each of these counties during the year, before various Justices of the Peace, but most of these cases have been filed in Buncombe County, which is quite natural as most of the claims for unemployment benefits in the area are filed in Buncombe County.

ful misrepresentation or fail to disclose a material fact in an effort to obtain unemployment insurance or to increase the amount. Some of these chiselers are detected before any money is paid, while others are detected after they have been paid.

Although the administrative funds allocated by the federal government are not sufficient for a full-scale program, all available manpower and time for which funds are available from other sources are used in this program. At present the only preventive is the publicity of cases prosecuted, which serves as a deterrent. The detection is carried on by a cross checking of payment records against wage reports and the personal investigation of suspected or reported cases of fraud by the Claims Deputies. The Fraud Prevention and Detection Unit in the central office in Raleigh, composed of from 5 to 12 employees, depending upon available personnel that can be spared from other operations, cross check records and clear by correspondence with employers those cases in which there is a possibility of claimants working while receiving unemployment insurance. The 17 Claims Deputies, located in strategic areas in the state, whose primary responsibility is the holding of hearings and determining eligibility on questionable claims, spend approximately 20% of their time investigating and presenting for prosecution suspected and reported cases of fraud. Chairman Kendall reports that North Carolina as well as other states has repeatedly requested more funds for the prevention and detection of fraud, but reductions in federal budgets made by the U. S. Department of Labor, the Budget Bureau, and Congress have resulted in the lack of needed funds.

Statewide Program

Chairman Henry E. Kendall of the Employment Security Commission of North Carolina states that progress has been made during the past two years in the prevention and detection of fraud by those who abuse the unemployment insurance program. This abuse consists of those individuals who make a will-



EASTERN CAROLINA had two banks robbed the same morning. Above, D. B. Clayton, cashier of the Guaranty Bank and Trust Company in Williamston, uses the telephone after two gunmen held up the bank and fled with about \$18,000. Several hours later the holdup police captured a suspect identified as Quitman Strickland, shown on the right below. (AP Photo).

basis or had to close down periodically for a week at the time because of lack of orders. A majority of the claims filed during these two periods consisted of group layoffs for short periods, and there were relatively fewer workers who were separated from their employment permanently or for an indefinite duration. The fact that 46% more claims were filed in the twelve-month period ended June 30, 1952, than were filed for the period ended June 30, 1953, can be attributed to a period of uncertainty.

Second, why were 50% more accounts examined in 1953 than in 1952? As a result of the reduced claim load in 1953 the personnel normally used in the processing of claims were used cross checking payment records and wage reports. Thus, all of the 1953 accounts were cross checked and a portion of 1952 accounts that were not originally cross checked.

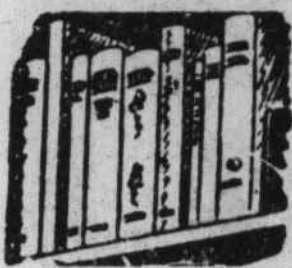
Third, was there less fraud committed in 1953 than in 1952? Yes, but these figures must be examined closely and related to the number of accounts examined in each year. There were 22% more claimants disqualified in 1953 than in 1952, but based upon the accounts examined, the percentage in 1952 was five tenths of 1%, and in 1953 it was four tenths of 1%, or 20% less were disqualified. Those disqualified were found to have received benefits to which they were not entitled, but there was no evidence of fraud, or insufficient evidence. As to convictions for fraud, there was an increase of 21 in 1953 over 1952, but again considering the accounts examined, the percentage in 1952 was four tenths of 1%, and in 1953 it was three tenths of 1%, or a reduction of 25% in the number convicted.

A comparison of the fraud prevention and detection activity of the Commission for the two fiscal years ended June 30, 1952, and 1953, reveals the following:

	June, '52	June, '53
Claims Filed	176,884	120,707
Claimants' Accts		
Examined	92,057	138,016
Cases Investigated by Mail	7,387	7,291
Cases Investigated by Claims Depts.	2,947	2,412
Claimants Disqualified (no fraud)	504	614
Claimants Acquitted or Case Dismissed	55	74
Claimants Convicted of Fraud	418	439

A first glance at these figures undoubtedly raises several questions. First is why, during a period of prosperity and so-called "full employment," were there so many claims filed for unemployment insurance and why were more workers unemployed in 1952 than in 1953? The majority of the industry in North Carolina is made up of manufacturers of soft goods (textiles, hosiery, etc.) and during 1952 and the early part of 1953 they were operating on a part-time

Library Notes



Margaret Johnston County Librarian

Just arrived for your reading pleasure:

The Fair Bride by Bruce Marshall. "Don Arturo was a young Spanish priest whose horror at the cruelty of men drove him from faith in God to faith in communism during the Spanish civil war. Through agony of mind and body, Don Arturo finds that a new faith in God brings him compassion for all his fellowmen and peace for himself."

White Hunter, Black Heart by Peter Viertel. "Out of his experience as a member of a recent expedition to film a picture in Africa, the author has written the story of a man of great talent who became consumed by a passion for big-game hunting that almost cost him his life."

Schirmer Inheritance by Eric Ambler. "Young George Carey's search for the missing heir to a soft-drink fortune takes him to Europe and a strange maze of intrigue."

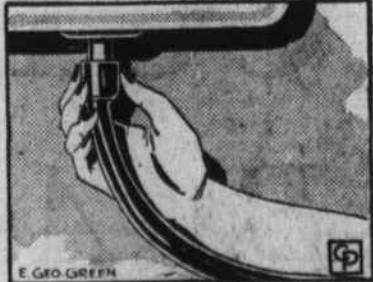
Train in the Meadow by Robert Nathan. "A train stops in a meadow in sight of the mountains that mark the border. Everyone aboard has been worrying about the journey, about what lies behind him and what ahead. The story reveals what happens then, and particularly when another train, coming from the direction of the mountains pulls up and stops alongside."

Time and Time Again by James Hilton. "Charles Anderson, a minor British diplomat, is the central figure and his story is told in counterpoint to that of his seventeen-year-old son. It culminates in a variation of a pattern which the father had thought would repeat his own ill-starred romance at the same age, and goes through, for its plot, Charles' own idyllic but nipped in the bud youth, a subsequent happy marriage, recollections of now repeated history."

Westward the Sun by Geoffrey Cotterell. A "novel, related by the young lower-middle-class London

stance of the citizens of the state in reporting facts to the Commission or its local offices when they know of someone who is abusing the program, or when contacted, furnish the facts requested and be ready and willing to testify in court if needed. The crackdown will continue, and future progress is expected in reducing fraud to a minimum.

Wife Preservers



If you have difficulty in stretching the end of a length of plastic hose over the fitting, try placing the end in boiling water for a few minutes. It can then more easily be molded to the diameter required.

LAFF-A-DAY



"How come you know so many people named 'Babe'?"

3 Haywood Men With Navy In Pacific Fleet

PACIFIC FLEET, Aug. 26 — Three Haywood County men were among the 12,000 men who participated in the largest and most extensive training exercise since World War II by the U. S. Navy. They were Candler P. Justice, Chaney C. Jones, Jr., and Harry E. Noland.

Justice, seaman, USN, is the son of Mr. and Mrs. Jesse R. Justice of Route 1, Clyde, and husband of Mrs. Mable L. Justice, also of Route 1, Clyde, and is aboard the destroyer USS Kidd.

Jones, seaman, USN, is the son of Mr. and Mrs. C. C. Jones of Clyde, and aboard the heavy cruiser USS Helena.

Noland, torpedoman's mate second class, USN, is the son of Mr. and Mrs. Sam Arnold of Route 1, Clyde, and is aboard the submarine USS Catfish.

Liner Brothers Join Navy Exercises

PACIFIC FLEET (FHTNC) Aug. 25—Among the 12,000 men who participated in the largest and most extensive training exercise since World War II were David G. Liner, ship's serviceman third class, USN, and George R. Liner, seaman, USN, sons of Mr. and Mrs. Sam R. Liner, of Waynesville. They are aboard the heavy cruiser USS Helena.

"Let 'Em Off" Light

CHICAGO (AP) — A caution light signal installed in automatic elevators has been patented by a Chicago business man, Charles W. Lerch, elevator consulting engineer, says the green light for up and red for down still will be used, but an orange caution light will serve to prevent passenger collisions.

Lerch says elevator operators are on the way out in most cities from coast to coast, and his caution light signal will eliminate the necessity of the operator saying, "Let 'em off, please."

Bill Stalcup, 29, confined to a wheelchair nine years, raises budgerigars, a breed of small parakeets.

Bird Business

WICHITA FALLS, Tex. (AP) — Tiny birds are bringing financial independence to a wheelchair occupant.

Bill Stalcup, 29, confined to a wheelchair nine years, raises budgerigars, a breed of small parakeets.

He started last fall. The state vocational rehabilitation office designed an aviary in which Stalcup could maneuver his wheelchair.

The agency gave him seven pairs of birds to get started. Stalcup already has sold about 100 birds. He hopes to sell 1,000 birds a year. At about \$10 a bird, he figures on a tidy income.



PVT. CECIL D. LEE has been sent to Germany where he will serve for about 14 months. He has just completed nine months of basic training at Camp Gordon, Ga. Lee is the son of Mr. and Mrs. Virgil Lee and husband of Mrs. Claudia Hooper Lee, all of Clyde, Route 2.

Benjamin Franklin Joins Marines

ASHEVILLE — Benjamin K. Franklin, 17, son of Dewey Franklin, of Rt. 4, Waynesville, has been enlisted in the U.S. Marine Corps and assigned to the Marine Corps Recruit Depot at Parris Island, S. C. T Sgt. Joseph H. Lathrop, local Marine recruiter, announced today.

Franklin will be assigned to a ground, sea or air unit of the Marine Corps upon completion of a 10-week basic training period at Parris Island. He will then become eligible to attend one of more than 140 specialist schools offering Marines training in 470 job skills.

Where's The Fire?

McALESTER, Okla. (AP) — Little red boxes are plaguing city officials.

The city recently instituted a painless method for paying overtime parking tickets. Motorists were allowed to place the tickets and 25 cents in red boxes installed in each downtown block. This allowed them to avoid the \$1 police fine.

Firemen, however, got an alarm from the industrial section soon after. When they arrived, they found a farmer trying to stuff his overtime ticket and a quarter on a red fire alarm box.

Want Ads bring quick results

James Edwards Trains With Army Medics In Korea

WITH THE 25th INFANTRY DIV. IN KOREA, Aug. 25—Sergeant First Class James Edwards, son of Mr. and Mrs. Edwards, Waynesville, is undergoing post-peace training at the 25th Infantry Division in Korea.

Edwards, a mess steward Medical Company of the 27th Regiment, has been in Korea since September. His wife, Janice, lives on Route 9, Box 530, Naval S. C.

The 25th "Tropic Light" Division is constantly working to maintain and improve the level of combat-readiness which it displayed throughout the Korean conflict.

Veteran of more months of combat than any other American division in Korea, the 25th landed on the peninsula in July 1950, after the Communists crossed the 38th parallel.

"Little Mo" Also Horsewoman

NEW YORK (AP) — Mary (Little Mo) Connolly, who plays practically all the women's roles in the world of tennis, has more joy than tennis in the world of sports. It is horseback riding. This stems purely from a mental reason. On a news sports page she saw a picture of a Tennessee horse named Mary Boy, thought he looked a glamor boy and bought him.

Mistaken Identity

PUEBLO, Colo. (AP) — The local employees' union asks city council to arrange for sort of uniform for prisoners, "chain gang."

Union officials said they think these prisoners are employees. The "chain gang" has no chains, is made up of men assigned to outdoor jobs, failure to pay fines for minor offenses.

FAMILY SENTENCE

LITTLE ROCK (AP) — A 95-year-old Negro was sentenced to a night in jail for contempt of court in a property dispute. 70-year-old wife told the judge "God may take him away from me but nobody else is going to." And she proved it by spending the night in Pulaski County with him.

Labor Day 1953

Greetings From Hazelwood's Oldest Industry

Wear Leather For Health

"Junaluska Leather Soles Make Walking Easy"

A.C. Lawrence Leather Co.

Junaluska Tannery

Hazelwood

SAVE up to 50% on FUEL WITH SIEGLER'S EXCLUSIVE PATENTED TWO-IN-ONE HEATMAKER!

Look at these exclusive SIEGLER features

- Two-in-One Heatmaker
- Saves up to 50% in fuel
- Sieglermatic Draft ends soot and smoke
- Silent-Floating super quiet motor mount
- Lifetime porcelain enamel finish
- 6-way directional Tropical Floor Heat
- Cast iron construction
- Kleen-Fire burner, cleans as it heats
- Summer cooling at the turn of a switch



Siegler PATENTED AUTOMATIC OIL OR GAS HEATERS

Tropical Floor Heat

C.N. ALLEN CO.

Dial GL 6-3221

Main Street, Hazelwood

MONEY BACK GUARANTEE