

FEDERAL ECONOMIES IS ENCOURAGING BUT HARDEST JOB STILL LIES AHEAD

In the first full year in which it had control of the Government purse-strings, a more economy-minded Administration than the nation has had in years came closer to putting the Federal establishment on a pay-as-you-basis than appears on the surface. True, the official figures show that the Government ran \$3 billions "in the red" for the 1954 fiscal year which closed last June 30, a substantial sum even by today's standards. However, an analysis of these figures shows that a shift of only eight days' spending from the expenditure to the revenue side of the ledger would have brought the desired goal of putting the books in balance. Federal expenditures for the 1954 fiscal year ran at an average daily rate of \$185 millions.

Big Test Ahead

On a comparable basis, none of the deficits going back many years were this close to a balance, U. S. Treasury records show.

However, the hardest part now lies ahead. The latest official estimates anticipate a reversal of last year's trend with a billion dollar greater deficit in the current (1955) fiscal year than in the 1954 period. This means that the Battle of the Budget has taken a turn which will put the economy advocates to a new test. With conditions at home and abroad what they are, and the dollar's buying power down so much in a decade, the quicker the nation's financial house is put in order, the stronger it will be to meet the challenge of the times.

The record of the 1954 fiscal year provides encouragement in this respect as showing what can be done if the effort is made. The Administration cut the total of Federal spending by some \$6½ billions from the previous year, and the budget deficit by an almost equal amount. This accomplishment was the more noteworthy in view of the numerous hurdles that had to be met, such as the tense international situation and its inevitable impact on national security costs, and the insistent efforts made by various pressure groups to boost spending and slash taxes as a recession "antidote."

Receipts Under Expectations

Had revenues lived up to expectations, this cut in Federal spending would have been enough to have brought the budget into balance. However, receipts proved to be \$3 billions short of earlier anticipations, due primarily to lower-than-expected revenues from individual and corporation taxes, and higher refunds.

While determinedly pursuing its economy objectives, the Administration has likewise taken decisive steps

to increase individual and business purchasing power, and thereby to stimulate business by encouraging incentive. It has done this on two fronts—by legislation aimed at promoting more business and individual investment, and by selected tax reductions.

There have been four major tax actions this year—a cut in personal income taxes, elimination of the corporate excess profits tax, reduction in certain excises, and the recently enacted omnibus tax reform bill. Together they will reduce the nation's tax bill by around \$7½ billions a year.

A Two-Sided Problem

The full impact of these tax reductions will be felt in the current year, and it is this effect on the revenue side of the Federal accounts that threatens to bring a bigger deficit than that of the 1954 fiscal year. Complicating the situation is the fact that some \$3 billions additional in corporation and excise taxes are slated to expire next Spring. Although their effect will not be felt until the 1956 fiscal year, they necessitate a hard look at the whole question of revenues and expenditures and how they are to be brought into balance.

A review of the record shows that the Federal Government has run a deficit in 21 of the 24 fiscal years from 1931 to date. These deficits have ranged from a low of a half billion dollars in 1931 to a high of \$57.4 billions in 1943 as a result of the war. As a proportion of total budget expenditures, however, the deficit for the 1954 fiscal year was the smallest of all. It represented only 4.4 per cent of total budget expenditures, whereas the 1931 deficit, though much smaller in dollar amount, was the equivalent of nearly 14 per cent of total budget expenditures for that year. All through World War II, and in some years in the Thirties, the deficit was the equivalent of more than half the annual budget expenditures.

4-H CLUB MEETS

The Chowan High School eighth and ninth grades held their first 4-H Club meeting in the school auditorium Tuesday of last week. New officers were elected and projects chosen for the current year.

The next meeting will be held in October.

We must keep the poison of intolerance out of our minds and hearts. We must put on guard our best and kindest judgments and our generous and considerate feelings.

—Rev. Minot Simons.

Homeowners Advised To Prepare Now For Next Summer's Heat

Forewarned is forearmed, so the saying goes. And homeowners can get ready this fall to beat next summer's heat before it begins.

Now is the time to take down canvas awnings and store them away for the winter, the National Cotton Council advises. Smart homeowners, who want to save time and trouble later on, will see that their awnings are put away in tip top shape.

If awnings have weathered several seasons, the frames may need recovering with bright new canvas. There is no need to wait until next spring to have this job done, the Council points out.

Homeowners can order canvas now from a wide selection of patterns and colors and have their awnings fabricated this fall. Then they can sit back and relax, confident that they can beat Old Sol to the draw when summer returns.

Proper Storage and Care

With proper storage and care, canvas will last about five years and can be replaced on old frames for half the original installation cost. This means homeowners can enjoy a colorful change at regular intervals and at no greater expense than maintaining so-called permanent awnings, according to the Council.

Awnings in good condition should receive careful attention before storage to insure a well-dressed comfortable home for the next sunny season. Dirt helps mildew form, so cleaning the canvas will give it a longer life. A hose, or soft broom and clear water, may be used to wash the fabric on the frame.

Coat of Paint

For another year's use, awnings may be given a coat of paint to restore the color and make the canvas

more mildew resistant. Awning dealers use a special preparation which protects the natural oils of the cloth and leaves it soft and flexible. For best results, use the same color and apply paint while canvas is on the frame. It's a good idea to have metal framing painted once a year to prevent rust from damaging the cloth. Awnings should be stored in a cool, dry spot. Rafter or saw horses are good resting places for rolled-up canvas, since they both allow air circulation.

With awnings removed from windows and doorways, the sun's rays will help brighten and warm rooms during cold weather. To help save fuel, the Council points out, admitting solar heat in the winter is as important as keeping it out in the summer.

Census Field Office Will Be In Wilson

Establishment of a field office for the 1954 Census of Agriculture is announced by Randolph Williams, who has been appointed supervisor for this area. The Census field office will be located at Room 304, Post Office Building, Wilson, N. C.

Mr. Williams states that preliminary work on the 1954 Census of Agriculture, to be taken this fall, will begin immediately. This includes organization of the field office, inter-

viewing applicants for jobs, selecting and training of office clerks, field crew leaders and enumerators.

The territory assigned to this office for the 1954 Census of Agriculture includes the following counties: Warren, Halifax, Northampton, Bertie, Edgecombe, Wilson, Greene, Lenoir, Hertford, Gates, Perquimans, Chowan, Pasquotank, Camden, Currituck, Tyrrell, Washington, Dare, Hyde, Martin, Pitt and Beaufort.

Approximately 16 crew leaders and 249 enumerators will be employed to take the farm census in this area.

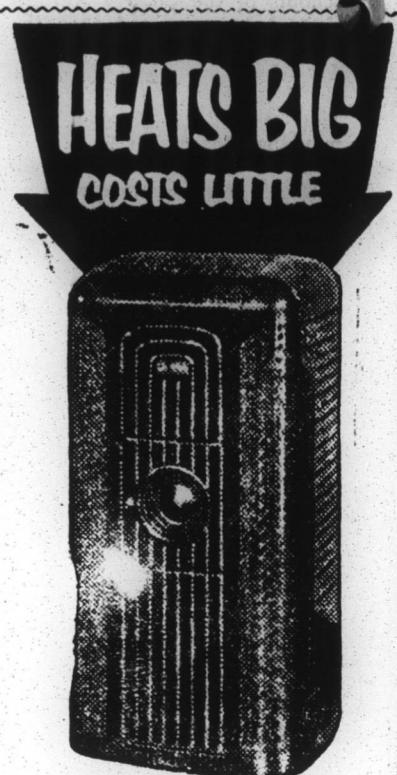
PINE SEEDLINGS PLANTED BY RAY PRIVOTT THRIVING

Ray Privott, son of Mr. and Mrs. Carlton Privott of Rocky Hock community, set out 500 loblolly pine seedlings three years ago and they are growing rapidly. Most of the seedlings are now between five and six feet tall and some of them are even taller. The seedlings were set out in a field of wasteland which borders the Chowan River, and in addition to growing timber, these trees are serving as a windbreak for another field which joins this one.

Ray and his dad are well pleased with the growth that these trees have made. No doubt other 4-H Club members will set out pine seedlings this fall.

NEW DRUG SHARPENS
Amazing story of a new drug which can make a mentally disturbed patient think he is a child once again and enable him to uncover his repressed memories. Read about this "Alice-In-Wonderland" drug in the September 26th issue of

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