

No Comment

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"NO COMMENT" is a report of incidents on the national scene and does not necessarily reflect NAM policy or position.

Washington.—Economy advocates hoped that Budget Director Stans' warning to Congress against irresponsible spending would check a session-end drive for costly and budget-busting election-year legislation.

Mr. Stans bluntly told Congress that the \$4.2 billion surplus forecast for the next fiscal year, beginning on July 1, "stands in acute jeopardy" as a result of Congress' "actions and inactions."

"Spending legislation moving through Congress, which would authorize far in excess of the Administration's recommendations—plus failure to pass revenue-producing measures advocated by the Administration—would, Mr. Stans asserted, cost the government at least \$17.5 billion over the next five years."

Spending measures he specified involved a pay increase for government employees, the Defense Department appropriation bill and federal aid for housing, education and public works construction.

In addition, he mentioned tax deductions for the self-employed for pension programs and cited the failure of Congress to increase postal rates and aviation and highway fuel taxes.

Actually, the effect on the government's revenue would be much larger than the \$17.5 billion estimate if additional legislation advocated by the big spenders were enacted.

Mr. Stans also rang the alarm bell with respect to what he called the "Four Horsemen of Economic Destruction." He listed them as: "Compulsive Spending, which has helped multiply the federal budget by twenty-five in just 30 years;

"Cancerous Taxation, that erodes initiative;

"Government by Credit Card, which piles up unending accumulations of debt;

"And the final destroyer, Inflation which, if allowed to ride unchecked, would wipe out the values of savings, pensions and insurance."

"These enemies, if we don't control them," he asserted, "can destroy our national vigor much easier than it would succumb to Soviet attack."

Federal Aid Wasteful
Senator Hugh Scott (R-Pa.) recently explained why it is very expensive for the federal government to collect taxes from the people and then channel them back to local communities under grand-in-aid programs—minus the federal administrative cost.

In government spending, he said, a law of inverse proportions applies—the farther tax money goes from home, the less comes back.

"For example," he said, "if you enlarge the sewer system in your community, most people know where the sewer must go to do most good, which contractor can do the best job and which price is a fair price."

"Now, let the state go into the sewer business and the people who spend your money rarely come down to see it installed, and neither you nor they are sure that would be a fair price."

"Put Washington into the picture and nobody knows where your community is, nobody cares what the sewer costs, and another thousand people must be hired for a new department of sewers."

VFW MEETS TUESDAY
William H. Coffield, Jr., Post No. 9280, Veterans of Foreign Wars, will meet Tuesday night, July 12, at 8 o'clock. Commander John Bass urges a large attendance.

COUNCIL MEETS JULY 12
Town Council will hold its monthly meeting Tuesday night, July 12, at 8 o'clock in the Municipal Building.

FAMILY REUNION
Mr. and Mrs. P. L. Williams of Route 2, had as their guests on July 4, Mr. and Mrs. J. R. Brabbe and two children of Colebrook, N. H.; T-Sgt. and Mrs. A. M. Trapp and two children of Havelock; Mr. and Mrs. K. Williams and two children of Plymouth; Mr. and Mrs. Guy P. Williams and two boys, Mr. and Mrs. Milton Martin and daughter, Mr. and Mrs. David Williams and daughter, all of Edenton, and Mrs. Anna Williams of Rocky Mount.

Number Of Savers At Record High, Outstripping Population In Growth

The number of savers in the United States has increased by millions a year over the last decade, outstripping the population in rate of growth and bringing the distribution in ownership of savings and family protection programs to the highest level on record.

The thrift pacemaker has been life insurance. With 115 million policyholders in legal reserve companies, up close to a third over 1950 and now representing practically two out of every three persons in the entire population, life insurance is far out in front as the nation's leading median of individual thrift and personal and family protection.

Voluntary Accomplishment
Big numerical and proportional gains have likewise been shown in the ownership of other forms of saving. Particularly noteworthy from the long view has been the rapid growth in the number of persons enrolled under private pension and retirement programs, insured and non-insured combined. Together these plans now cover about half of all civilian nonfarm workers

as against a proportion of about a third a decade ago.

Basic in this mass thrift picture is that the majority of American families have more than one form of savings. Millions, too, have other large financial resources such as increasing equities in homes and ownership of corporate and other securities. Thus the record growth in the number of savers and investors, as well as in their accumulated backlogs in recent years, is a tribute to the ingrained thrift habit of the American people and to their efforts to provide for themselves and their dependents on their own.

Here are some of the highlights of the people's thrift record as shown by figures compiled from Government and private sources:

Growth of Life Insurance
The number of policyholders in legal reserve life insurance companies increased by 27 million in the Fifties, adding up to 115 million or 65 per cent of the population at the end of 1959 as compared with 88 million or 58 per cent of the population in

1950. The comparable figure in 1940 was 68 million policyholders or 51 per cent of the population. Savings accumulated by policyholders behind their life insurance policies came to \$91 billion at the end of 1959 as compared with \$53.6 billions at the beginning of the Fifties and with only \$24.7 billions in 1940.

The number of time depositors in mutual savings and commercial banks aggregated 83½ million, or 47 per cent of the entire population, at the end of 1959 as compared with about 65 million or 43 per cent of the population in 1950. The 1940 figure was just under 52 million or 39 per cent of the population. Combined savings in these institutions were \$97.6 billions at the end of last year versus \$55.2 billions in 1950 and \$26.0 billions in 1940.

The number of members or investors in savings and loan associations more than doubled in the last decade, rising to 26.4 million at the end of 1959 from 10.3 million in 1950. Savings in these associations climbed to \$54.5 billions at the close of last year from \$14 billion in 1950.

Big gains also were scored by credit unions with membership rising from 4.6 million in 1950 to 11.3 million at the end of 1959, and assets of these institutions increasing from \$900 mil-

Farm Facts

Investment per farm worker in the U.S. is more than twice as great as the investment per worker in industry.



lions to \$4½ billions at the same time.

Other Thrift Areas
Ownership of U. S. Savings Bonds, the spectacular thrift performer of the Forties, ran counter to the trend in the last decade. Redemption value of Savings Bonds owned by individuals came to \$45.8 billions at the end of 1959 as against \$49.6 billion in 1950, with substantial gains in the ownership of the E and H bonds being more than

offset by liquidation of other series. There are no recent figures for the number of Savings Bonds owners beyond the 40 million estimate some years ago. Postal Savings continued its long-term downturn in both ownership and savings totals.

In the area of pension and retirement funds, the number of workers covered under private insured and noninsured plans combined was estimated at 20 million in 1959 as against 9.8 million in 1950 and only 4.1 million in 1940. Reserves accumulated behind noninsured plans on these dates were an estimated \$26.8 billion versus \$8.1 billion and \$1.4 billion (figures for insured plans are included in life insurance reserves.)

The number of workers covered under Government-sponsored retirement programs other than OASDI—Railroad Federal Civilian, and State and Local Employees—added up to an estimated 7½ million at the end of 1959 as against 6 million in 1950.

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WANTED—A MAN BETWEEN the ages of 21-50 for a Watkins business in Chowan County. Would like to talk to you about this wonderful opportunity. You are under no obligation. Write E. P. Brown, P. O. Box 918, Goldsboro, N. C. July 7, 14, 21, 28.

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The Chowan Herald

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