HENDERSON Henderson Daily Dispatch HENDERSON, N. C., TUESDAY AFTERNOON, JULY 2, 1946 PUBLISHED SVERY AFTERNOON EXCEPT SUNDAY.

THIRTY-THIRD YEAR

Tax Boost Is Forecast By Snyder

Treasury May Use **Hike In Rates As Brake In Inflation**

Washington. July 2 - (A)-Secre-tary of Treasury Snyder said to-day there may be an increase in tax rates next year if prices "get too far out of hand."

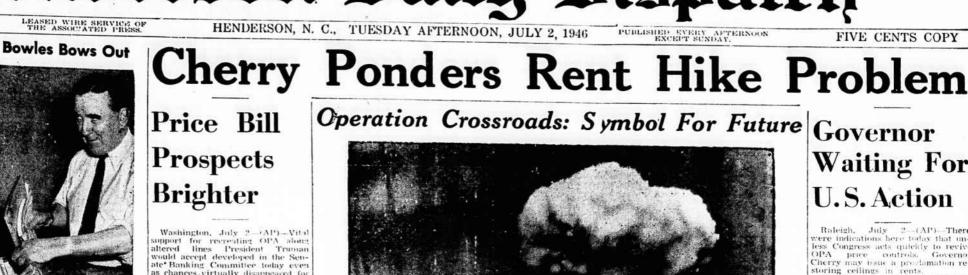
tax rates next year if prices "get too far out of hand." Asserting that "taxes probably will follow prices." Styder told a re-porter that a rate bike may be used as a brake on inflation. "But, he said flatly, that no new tax bill will be proposed by the treasury for 1946. Thegovernment's financial position for the fiscal year ending last Sun-for the fiscal year ending last Sun-fage showed a deficit but it was man estimated it would be whor the budget was revised las tApril. However, improvement, was due to show progress of the international finance program. Surder said and a "saving" actually will be merely a spill ever into the fiscal year which as just started.

as just started. Because of the slow development of the world bank and fund, and the failure of Co gress to pass a British loan pronosal thus far, the govern-ment put \$1.061,000,000 loss into in-ternational finance than Mr. Tru-man estimated in April. The administration expects that this sum will be placed into the for-eign loss program in the fiscal year of 1947.

WEATHER

FOR NORTH CAROLINA Partly cloudy and continued warm with scattered showers thunderstorms tonight and Wednesday.

USE TOWERS IN A-BOMB TEST



Nearly Set

Washington, July 2-(AP)-Vital support for recreating OPA along altered lines President Truman would accept developed in the Sen-ate Banking Committee today even as chances virtually disappeared for any stop gap controls. Senator Radeliffe (D) of Mary-land, who supported the Taft profit amendment Mr. Truman eriticized so severly in vetoing the price con-trol extension bill, told a reporter he is inclined to back a compro-mise. With the committee split along t evenly between those who want OPA

RETIRING Economic Stabilizer RETIRING Economic Stabilizer Chester Bowles packs his personal papers in a brief case after handing in his resignation, effective July 12, Bowles declared that President Truman's veto of the OPA bill was right thing to do. (International) With the committee split about evenly between those who want OP V revived in a form agreeable to Mr. Truman and those who want con-trols relixed as provided in the vector bill, the vote of the Maryland Senator may be deciding when the issue is fought out again within the potent banking group. And that is where the next fight is being due. **House Passes Bill** The House after hours of heated debate yesterday swept through an emergency bill that would have clamped lack price and rent con-trols until July 20. The vote was 283 to 61. But with the Senate leadership

Parley Date¹⁵

 The collections were to be provided and the second broken provided by the provide surge. 2 OPÅ Chief Paul Porter, broad-existing to agency employes across the nation, asserted that rising stork-and commodity prices are 'an omin-cus size that speculators are already plaring bets on inflation." But he insisted that price controls would win out.

incirted that pro-win out. 3 Despite the rearing prices at trimary markets, retailers for the most part hed to OPA collings. Ment-was a notable exception when it is found. Rents I'p Greatly

New York, Juy 2— (AP)—Scleeted stocks managed a sweeping advance today while many market leaders meter bill hit a temperary snag when Chairman Soenee (D) of Kentucky of the Eanking Committee listed by Bodyear, Sears Roebuck, Montgom-ery Ward, General Electric, Duport, Great Northern and Pennsylvani,





Operation Crossroads: Symbol For Future Governor Waiting For **U.S.Action**

FIVE CENTS COPY

Raleigh, July 2—(AP)—There were indications here today that un-less Congress acts quickly to revive OPA price controls. Governor Cherry may issue a prochamation re-storing ceilings in rents. The governor conferred with as-sistant Attorney General H. J. Rhodes today and was informed that under his war emergency powers, he has

today and was informed that under his war emergency powers, he has the authority to issue a proclama-tion placing rents under controls. Pending action by Congress, the governor issued a statement calling on the people of the state 'to do the right thing.' "Indications are that Senate action will be taken momentarily in Washington to retail certain re-strictive elements of what has been the OPA program." the governor's statement said "Pending that possible and mom-

statement snid "Pending that possible and mom-entarily expected action. I would like to call on the pecule of North Carolina to do the right thing. Cit-izens of North Carolina are gener-ally intelligent, fair and patriotic. We are not given in this state to taking advantage of others. Pend-ing possible reena times to some measures of control applicable to all the states of the Unit's States. I make this informal plea to our peo-ple to be fair and just and true to the best traditions of our state." Meanwhile the governor had re-ceived calls from two Faleigh wo-men, one of whom said that her tent had heen increased by 50 per-cent and the other told the governor that the rent on her five room house had been upped from 540 to \$100 a month.

A man wired the governor from Winston Salem saying his reat had been increased by 85 per cent and that "we need rent control badly."

Warehousemen Gain Control Of Leaf Group

Raleigh, July 2 -Old time to-Raleigh, July 2.—Old time to-bacco men have commented upon the extent to which warehousemen now control the Toba co Associa-tion of the Unitel States. It was quite evident at the meeting here last week that warehousemen had controlling voice is fixing auction market dates in the several belts. Formerly the processors and manu-factures exercised almost complete dominance on that point. Two reasons are given as chiefly responsible for this change; or per-haps it should be said two angles of the same reason.

STATE BAND CALL. Raleigh, July 2.—(A)—State Brek-ing Commissioner Gurney P. Hood today issued a call to all North Car-olina state banks and industrial lean agencies for a report of their financial condition at the close of business June 29.

Violence In Hollywood

Violence in Hollywood Hollywood, July 2-(AP)-Mass violence flared bodsy at two major studios and prickets clashed with police escorting non-striking work-ers through studio gates. First re-portise said several persons were knocked down w clashes at the Warner Bres, studio in Forbouk and at the MGM studio in Colver City.

New York Cotton

New York, July 2- (ΔP) -Cetter futures opened 75 cents to \$1.00 a bale lower. Noon prices were 90 cents to \$1.30

a bale lower. July 31.25 October 31.32 and Dec-

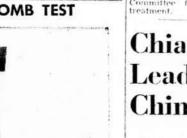
ember 31.38.



On Blasted Vessels;

Forrestal Surprised

Nankleg, July 2.—(4)—Generalis mo Chiang Kai-shek and the chief ommunist negotiator, General Chin



Italian-Yugoslav boundary along the running generally from Tar-to Gorizvia, and down to the t just south of Papodistria, **lected Stocks Manage To Gain** w York, Juy 2–(AP)–Selected is managed a sweeping advance y while many market leaders of belind minus sins. odest support was attracted by Wear. Sears Roebuck, Montgen-ward, General Electric, Dupont, Went Sears Roebuck, Montgen-ward, General Electric, Dupont, Went Sears Roebuck, Montgen-ward, General Electric, Dupont, Manage Sears Roebuck, Montgen-ward, General Electric, Dupont, Went Sears Roebuck, Montgen-ward, General Electric, Dupont, Went Sears Roebuck, Montgen-ward, General Electric, Dupont, ward Sears Roebuck, Montgen-ward, General Electric, Dupont, Went Sears Roebuck, Montgen-Ward, Sears Roebuck, Montgen-Market, Searstat, Searstat, Searstat, Searsta

was routed to the Senate Banking Committee for routine, unhurried treatment. Chiang, Red Leader Talk **China Truce**



THIS HIGH STEEL TOWER, one of many erected on Bikini Atoll in the Pacific, under the direction of a joint Army-Navy task force, will hold news cameras to be used in photographing closeups of the atomic bomb explosion. The cameras, filming the test from start to finish, will oper-ate automatically, Official U. S. Navy photo. (International Soundphoto)

En-lai, held a half hour personal conference today but made no personal conference today but made no personal conference today but made no perso-ress toward settlement of China's sions had covered a cumber of points but resulted in no agreement. General Chou left the generalis-simo's home without scheduling a future meeting. U. S. General George Marshall reportedly arranged the conference shortly after the government an-nourced it would maintain the cur-rent truce with the communists in-definitely to permit further peace talks. talks.

Coroner's Jury

Here is the first photograph of the giant radioactive cloud which rose to an estimated 50,000 feet fol-lowing the dropping of an atomic bomb on a guin to pg fleet of 73 ships at Bikini Lagoon. This photo was made from a distance of about 11 miles. Below, marines on Kwajelein stand guard at a hut con-

Bikini Lagoon Still 'Reacting' hulls of the test fleet Fire Fighters Work

Lagoon Still Reacting. The lagoon at mid-afternoon today still was "reacting" from the blast and lethal radiation of yesterday

Coroner's Jury Returns Verdict In Chicago Fire Under the day in the second the operation of the avere at the second day in the blasted Bikini larged the attendy have been sufficient to give the target fleet already have been sufficient to day in the second text in the second tex

Grotesque Shadow **On Nevada Shows Bomb Blast Point**

bomb. The heat seared the ship black but on one side of the turret, where a shadow fell at an angle, the red paint retained its color. And a red figure was left pointing aloft past the Nevada's stern. This and other signs sen today by correspondents indicated almost exactly where the bomb exploded--isten and a little to part of the Ne-vida. In that area were all five of the ships that sank. Blast Not Above Ship. The significance is that apparent-