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THE KINGS MOUNTAIN HERALD, KINGS MOUNTAIN, N. C

## Our Heart Goes Out

Our heart goes out to the oil indus-
try, now choking with embarrassment try, now choking with
over third-quarter prof
moment the Arabs
have moment the Are Antion is being asked
squeze and the nation
to turn dounn the thermostats to save fuel, the oil bigs are fo
tidalwave of earnings.
Cent edition commented at at length

## Said The Journal

Exxon Corp., the biggest of all,
turned a $\$ 638$ million proftit in the third

 jumped 91\% to 210 million. Shell is les
shamefaced with an earnings jump of

The only relief in sight for this em-
barrassment of riches is the possibility that the Middle East oil squeeze will corce te industry to cut back on its
capacity, especially in Easter Hemi-
spmere operations where the greatest spnere operations where the greatest
surge in profits has come this year. And profit margins are bound
ly affected by the step inereases in ta and ropalty payments dictated by the
producing countries. But as long as they can get the crude, the major oil com-
panies can hardly escape tidy profits for
What seems quite remarkable to us is the defensive posture that majors
have struck in trying to apologize fol
or explan awa as anomalous the pro-
fits they are fits they are now reaping, Of course
some of the inceases reflect a rebound
from the diminished profits of 1972 . from the diminished proftis of 1972.
Yos. accounting practices on trament
of inventories when coupled with the of inventories when coupled with the
intlation of fl973 have produced some
temporary profit illusions. And it's true temporanch of the steen earnings curve
than me attributed to foreign, not domes.
can can be attributed to foreign, not domes.
tic earnings, which have climbed more tie earnings, which have clime.
nearly in parallel with volume.
Put all these apologies aside,
though, and it remains that the oil in-
and though, and it remains that the oil in-
dustry is oling very well indeed, and
for a mation beset with energy shortages that in very good news. How else
can the United tates pull itself out of tre energy hoie that finds itself able to generate th
tol capital that task will require? Early
this year, Chase Manhattan Eank esti this year, Chase Manhatan Bank esti
mated that the world oil industry would
require cait require capital investment of $\$ 555$ bill
lion between 1970 and 1985, and another $\$ 33$ billion of geological, geophysical and leasing expenses. $h$ he industry cer-
tainly could not hope to attract that Kind of capital if it were stumbling a-
lono on the average profits of, say, the lailroads.
The reason profits have soared is
that the industry has been operating flat out in the production, refining and
marketing of oil products. There is no marketing of oil products. There is no
excess capacity in the system and effi-
ciencies are at a peak. The reaton there is no excess capacity is that it was not
built when it should have been, becaus the government was both limiting the
importation of oil and holding down earnings with price controls.

With corporate eoffers now finally
filling with cash, the industry is getting
in in a position where it can affor to and
to refine capacity, tevelop syn-
thetic fuels, to explore for and develop nevt sources of epetroleum. In fact, spe
 which now averages $8.1 \%$ a year ove
the past decade has to go on annual
inerease of $16 \%$ if the industr increase of $16 \%$, if the industry is to
meet the stupendous capital reauire meet the stupendous, capital require-
ments it faces. There's no need for cor porate spokesmen to apologize for the third ouarter. As long as they don't
squander their earnings, the netion will squander their earnings, the nation will the quarters ahead.

Vote Yes For Clean Water


Raleigh Times
State Has Surplus of Needs
Senator Ralph Scott's opposition
tax cut by the 1974 General Assemb is both well-founded and welcome. In
his opposition, he joins Governor Hols houser, Lt. Gov. James B. Hunt, $J, ~$
House Appropriations Chairman Carl Stewart, J. ., and Frank R. Justice, legis
lative budet analys. lative budget anal
Senator Scott.
is Shanator Scott, a legislative veteran tions Committee and is chairm
Advisory Budget Commission
Advisory Budget Commission
Some legislators have
about tax cuts, apparently seriously about tax cuts, apparently seriously.
And, there may be a redit balance as
hish as 150 mill high as $\$ 150$ million for consideration by
the 1974 legislature - but a credit balance inn't a true surplus.
Any credit talance should be used
to meet very definite needs for state
to meet very definite needs for state
services. There must be substantial pay services. There must be substantial pay
raises, for exe mple, to help battle infla-
tion. There arc the needs of the mentally tion. There are the needs of the mentally
ill, of the school children, of higher eduill, of the school children, of higher edu-
cation, ot mention only a few.
In a reeent spech, ave his reas ons:
North Carolinians don't like cut in 1974. North Caroininians don't like taxes any
better than other citizens do, but they are reasonable folks and they know the services
money
the right folks, but I haven't heard any great hue and cry for a tax cut. What 1 have been hearing are demands for
new and improved services. Has North new and improved services. Has North category in any national ranking of
states you can think of, that she can states you can think of, that she can
meet new demands for services and
cope with inflation by means of a tax meet new
cope with
reduction
but "We also hay have a surplus of money, but we also have an even larger surplus
of ummet needs which involve human beings and their lives and dreams. Un-
der these circumstances $I$ think a tax der these circumstances I think a tax
cut woula be delusion. Whatever we
cut cut would be a delusion.
Broyhill
Will Override
Nixon Veto Nixon Veto

Viewpoints of Other Editors
HE HELPED LAUNCH $\qquad$
Since man first looked heaven.
whird, he has been awer byy he
glimmer of the stars, halos

Statement of Audit
Year Ended 6-30-73

CURRENT EXPENSE:
Balance-June 30, 1972

Expenditure

| General Control | $\$ 30,997,66$ |  |
| :--- | ---: | :--- |
| Instructional Services | $474,575.72$ |  |
| Operation of Plant | $34,311.65$ |  |
| Maintenance of Plant | $160,789.60$ |  |
| Fixed Charges | $67,477.39$ |  |
| Auxiliary Services | $19,637.56$ |  |
|  |  | 787.750 .38 |

## capttal outlay: <br> Let's Get The Job Done



LETS GET THE JOB DONE ON NOVEMBER 6 BY VOTING FOR Corbet Nicholson

## A member and Deacon of Temple Baptist Church

A Local Businessman
I am not sponsored by any person or group of persons.
I will work with the other elected commissioners.

Vote November 6 For
CORBET NICHOLSON

