

# Faster Tax Write-Offs Stressed for Industry

Washington - (UPI) - Two industrial plants to head off a serious unemployment threat today urged faster tax write-offs on the nation's in-

study published today that "serious unemployment could result from continuation of present depreciation policy."

The report was written by the Rev. William T. Hogan, S.J., and Frank T. Koelble of Fordham's industrial economics program. It analyzed the relationship of plant and equipment to employment opportunities.

"Nearly one-third of our production plant and equipment is obsolete," they said.

"Should the present depreciation tax system be maintained, at least an additional \$60 billion worth of plant and equipment will grow obsolete by 1970," they said.

The economists added at least \$96 billion was needed by industry at present for modernization.

**Capital for Expansion**  
"These figures do not take into account the amount of capital that will be needed for expansion to provide the tools for an additional 13.5 million workers in the next 10 years."

"The continuation of our depreciation policy could well create a serious unemployment problem in the face of rapid growth of our labor force and foreign competition," the report said.

The authors of the report estimated that the labor force in 1970 will exceed 87 million. "Job opportunities must be created, and this can be accomplished in great part over the period in question by the modernization of obsolete plant and equipment which will provide a sound balanced basis for further industrial expansion."

"Since present depreciation allowances force business to cling to outdated equipment which acts as a drag on technological progress, it is clear that, if they are allowed to continue, the choice of two economically unhealthy alternatives will become inevitable," they said.

**Would Accelerate Trend**  
The alternatives: Either productivity will have to be sacrificed to increase employment or employment will have to be sacrificed to increase productivity.

The economists said if productivity was sacrificed, the inflationary trend will be accelerated. If employment is sacrificed, dislocations occur.

Related to depreciation policy, according to Hogan and Koelble, was the problem of automation and its effects on employment. They said their studies showed that where equipment was modernized to

# Debris of Planes Being Studied To Learn Crash Cause

New York - (UPI) - The wreckage of two airliners that collided and crashed Friday was being minutely examined today by more than 100 federal and civil investigators to learn the exact cause of the worst disaster in aviation history.

Authorities also worked to establish if one of the two airliners had gone off course and whether flight control officials had been able to warn either pilot of the closeness of the two planes.

Police still sifted the rubble for victims in the devastated Brooklyn neighborhood where a United Airlines DC8 jet plunged from snowy skies into a church and a row of brownstone homes carrying 84 to their deaths and killing others on the ground.

**Assemble Broken Parts**  
The broken parts of both the DC8 and the TWA four-engine Super Constellation, which apparently collided high over New York City, were taken to a hangar at La Guardia Field where mock assembly of the liners will be studied. All 44 aboard the Constellation, which crashed on Staten Island, died.

Investigators have confirmed that the two planes, both heading for New York, appeared to be closing towards each other on a radar screen. There also was some indication that attempts may have been made to warn one or both of the pilots, but investigators said it was too early to draw such conclusions.

"The cause of the crash will be nailed down with considerable precision," according to Thomas Finney, administrative assistant to Sen. A. S. Mike Monroney (D-Okla.), who heads the Senate subcommittee on aviation.

He made the statement after it was reported that a steel drum on which was etched a record of the DC8's movements had been recovered and found to be undamaged. As yet, the record has not been fully processed.

automation, employment actually increased in the long run, and at worst there were only temporary dislocations in the short run.

The toll of death from the crash still was in doubt. The 128 aboard both planes all died and a number were killed on the ground. Police reduced the total to 134 Sunday night after a re-check of bodies in the morgue. At one point the toll had risen to 141, based on the discovery of mangled remains at the Brooklyn crash site, but it was reduced on further medical analysis.

Only 56 of the plane dead and three of those who died on the ground have been positively identified.

# U.S. To Continue Subversive Work, Defectors Assert

Moscow - (UPI) - Two American defectors, William Martin and Vernon Mitchell, former code clerks of the National Security Agency, charged today that the United States will "continue to carry out subversive activities and interference in the internal affairs of other countries."

Quoted in an interview with the official Tass news agency, the two who defected to the Soviet Union last summer said they expected the United States to continue and to enlarge its intelligence activities.

Martin disclosed that he had married a Russian girl since his defection. He called her "a wonderful Soviet girl and excellent housekeeper." He said he, his wife and Mitchell planned to devote themselves to "peaceful, scientific work."

**Dulles Fountainhead**  
Martin said Allen Dulles' retention as chief of the Central Intelligence Agency was an indication that American espionage activities would go on as usual.

"Of course," he said, "Dulles is the fountainhead and organizer of all these activities which have characterized U.S. aggressive foreign policy in recent years."

Then he added that "the United States has begun a new program of espionage in employing spy satellites."

Mitchell said "I don't believe that the United States intends to cease its communications intelligence activities. The information it gathers in this manner helps its foreign policy achieve its ends."

# Munich Crash Victims Mourned

Munich, Germany - (UPI) - Americans and Germans joined in mourning today for 49 persons who met flaming deaths when a U.S. Air Force plane hurtled into a streetcar in downtown Munich.

There still was no official explanation of what caused the recently overhauled twin-engine Convair C131, with experienced pilots in the cockpit, to crash.

But among Germans there was no resentment over the fact that the plane belonged to a nation whose aircraft had rained bombs on this and other German cities in World War II.

**Express Sympathy**  
They expressed heartfelt sympathy for the relatives of the 20 Americans in the plane. They gave thanks for quick expressions of condolence from President Eisenhower down to local U.S. military commanders for the 29 Germans killed. Another 16 Germans were injured, 9 critically.

Mrs. Sophie Eulich, 68, a widowed Munich housewife, said she felt no bitterness despite the fact her house was destroyed by wartime bombing.

"I can't help but think of the parents who waited for their children for the Christmas holidays," she said.

Munich traffic will halt for one minute in mourning.

Mayor Hans-Jochen Vogel decreed a ban on music and dancing until Christmas.

Memo to Santa . . .

She'll love you when you bring her a La Bonna gift letter. She'll adore you when she's wearing her LA BONNA ORIGINAL.

These truly exclusive creations (suits - dresses - coats) are tailored-to-fit, in the fashion and fabric of her own choosing. Easy on your Christmas budget, too . . . small deposit; balance when her selection is delivered, any time after January 15th.

P.S. She'll never guess you were a last-minute shopper!  
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shown here, **Shave Kit** of Men's Lotion for after shave, after shower too - with face-saving aerosol  
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# Governor's Island Bridge Ruled Out

Olympia, Wash. - (UPI) - The state cannot build a bridge on Governor's Island near Vancouver, Wash., because it is less than 10 miles from the existing Vancouver-Portland Interstate bridge, Attorney General John J. O'Connell said today.

O'Connell said state law prohibits construction of a bridge within 10 miles from a toll bridge unless all bondholders agreed or unless all bonds had been redeemed.

The proposed bridge would be built across the Columbia river by Clark county, Multnomah county, Ore., and the Port of Camas-Washougal, Wash.

State Sen. Al Henry, White Salmon, requested the opinion.

# Industry Can Use Nuclear Reactors

Washington - (Science Service) - Nuclear reactors involving dangerously radioactive fuels can be safely operated with standard equipment normally used in the petroleum industry, a three-year test has shown.

The Organic Moderated Reactor experiment, or OMRE, N. J. Swanson, Atomic International, Idaho Falls, Idaho, reported to the American Institute of Chemical Engineers here showed that it is now feasible to operate organic-moderated and cooled power reactors with standard materials of construction and equipment commonplace to the petroleum industries.

The maintenance of equipment requires only the use of conventional tools and mechanics of normal skills and abilities.



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