## \$12.5 Million Deficit Seen France Cancels Talks For Welfare Department On British ECM Entry

day.

BUDGET MAKERS missed the mark by more than 10 per cent in the amount of money that would be needed for the relief program in the fiscal year ending next June 30.

They estimated the need would be \$107 million, while the actual spending will run close to \$120 million, according to the new wel-

"We were unduly optimistic," said Edwin J. McMahon, a staff aide who had served under the Democratic administration of Mrs. Ruth Grigg Horting, Adams' predecessor.

Budget estimates are made far in advance and are pegged to the vagaries of the over-all economic outlook of the state and nation.

IN THIS CASE, the department underestimated the number of fare secretary, Arlin M. Adams. | persons who would seek relief by

tional committeeman.

Public Instruction.

Hendershot.

HARRISBURG (AP) — An an-ticipated \$12.5 million deficit in the Public Assistance Fund can be traced to bad guesses made about 18 months ago, the Public Welfare Department said yester-weifare Department said yesteractual monthly figures were below estimates by between 60,000 and 115,000 persons.

Why? Department planners took the forecasts of expert economists that there would be sharp improvement in the nation's growth. But it failed to match the predicted rate.

WELFARE PLANNERS were not alone in missing the mark. The Scranton administration says tax revenues will fall \$18 million behind estimates for many of the same reasons.

Adams said the public assistance situation was made more Netherlands and Luxembourg. difficult because his predecessor failed to provide for about \$6 mil-lion worth of bills incurred this year, but which won't come due until after the fiscal period on

Despite the pinch in the fund, Adams is more concerned with the future; specifically how to reduce what was a hard core of persons who have been on relief for years. He said industrial automation and mechanization has resulted in

a group of unemployables who have not had training.

"And because they remain on relief so long . . . their inspiration begins to disappear completely,"

PARIS (P) — France defied its European partners yesterday and summarily told them that nego-sels\_last week against a motion summarily told them that negotiations with Britain on European Common Market membership are broken off.

Reaction was swift. Foreign Minister Paul-Henri Spaak told the Belgian Senate the prosperous trading bloc might be wrecked on the rock of French resistance to Britain's entry.

IN LONDON, British negotiator Edward Heath informed the House of Commons that Britain will press to keep the talks alive with the active support of France's five market partners, Germany, Italy, Belgium, the

The day of reckoning may be Monday, when the negotiations are scheduled to resume in Brussels, Belgium.

President Charles de Gaulle's spokesman, reporting after a Cab-inet meeting, deliberately described the breakdown as an accomplished fact, and said there is no point in resuming the talks with Britain.

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by French Foreign Minister Mau-rice Couve de Murville to suspend the negotiations.

THE CABINET confirmed Couve de Murville's position. But it added that France is willing to study a suggestion from West Germany to ask the Common Market Commission to look into the state of the British negotiations.

West German Foreign" Minister Gerhard Schroeder is expected to make this suggestion in Brussels on Monday. This might avert a showdown between France and its allies for the moment.

De Gaulle's action, flying in the face of the community's majority opinion, opened the prospect of-a grave split within the Common Market.

Spaak made this point clear in his blunt speech. "If the five other community

members must give way to diplo-macy based on unreality," he de-clared, "the economic community will become impossible. If we have to give way, the crisis will be deep." be deep.

## State License Head Resigns Post HARRISBURG (AP) — The The position reportedly will be Scranton administration accepted given to Alan Emlen, Philadelphia yesterday the resignation of the real estate man and son-in-law of

administrative officer for the 16 professional licensing boards. Robert N. Hendershot said he had resigned the \$10,954-a-year

job, effective Feb. 4.

## PTC, TWU Agree **On Strike Contract**

PHILADELPHIA (AP) - Labor and management negotiators agreed yesterday to a new con-tract for settlement of the 10-day

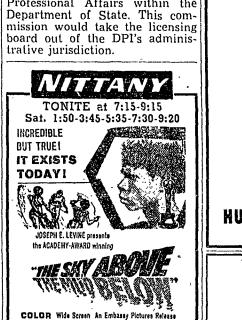
ment provides for a 33-cent-an-

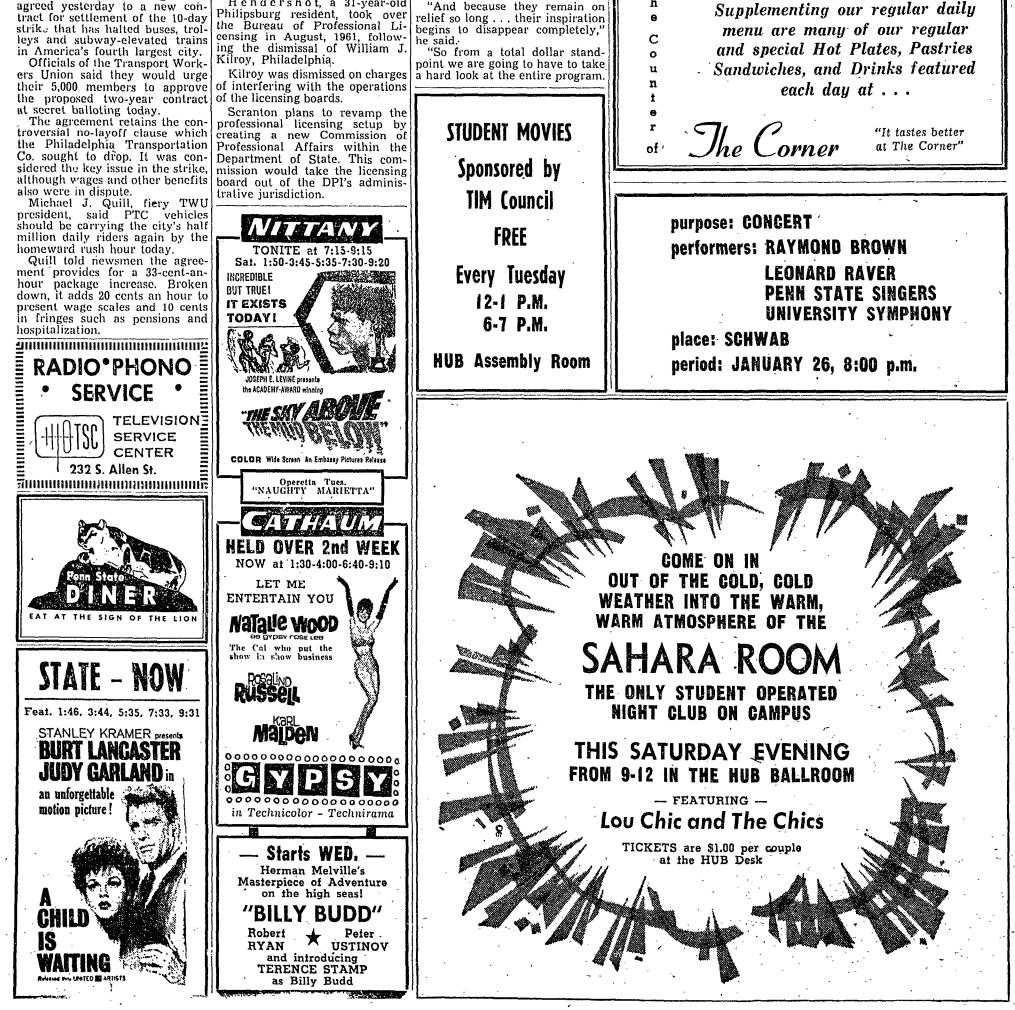
Kilroy, Philadelphia. of the licensing boards.

ment has been made to replace

Hendershot, a 31-year-old

professional licensing setup by creating a new Commission of Professional Affairs within the Department of State. This commission would take the licensing board out of the DPI's administrative jurisdiction.





Jay Cooke, former Republican na-Emlen at one time served on June 30. the state Real Estate Commission, which is in the Bureau of Professional Licensing. The bureau is an agency under the Department of William G. Murphy, secretary to Gov. Scranton, said no appoint-