MAXIMS OF A MERE MAN

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ONTARIO FARMERS SEE PRICE SPREAD TOO GREAT

Truman Calls For Income Tax Cut

Would Increase Corporation Taxes; Urges Prompt Action On Marshall Plan.

By ED CREAGH

WASHINGTON, Jan. 7 — (AP) —President Truman today called for a flat $40-a-year tax cut for every income tax payer and dependent in the United States and for higher corporation taxes to make up the resulting $3,200,000,000 loss in revenue.

He also urged that Congress "act promptly" on the four-year Marshall plan for European reconstruction, calling it a "vital measure" of United States foreign policy and a "decisive contribution to world peace."

The President delivered his controversial message in person to both House of Congress and a large assemblage of Government leaders in outlining a 10-year program aimed, he said, at "stamping out poverty in our time" and fostering "enduring peace in the world."

Republican leaders assailed Truman's message, the customary Presidential report to Congress on the "state of the union," as a surrender to Henry A. Wallace, independent presidential candidate, and served notice that they would shelve the President's tax-slash'ng measure in favor of their own.

The President called again for the power — denied him at last year's special session of Congress —to bring back rationing and wage-price controls if necessary, declaring that the rise in prices is "undermining the living standards of millions" and "holds the threat of another depression."

Truman recommended that Congress set up without delay a system of universal military training declaring it "vital to the security of this nation and to the

(Continued on Page 5 Col. 4)

Mink Sale At London Concludes

LONDON, Jan. 7—(CP) — The Hudson's Bay Company's three-day fur sale ended today with an offering of 12,000 ranched mink.

The Company said prices were firm when compared with December sales with female mink in good demand and males more difficult to dispose of.

During the afternoon, in quiet bidding, one group of 10 lots brought prices from £3 5s ($13) to £3 15s. Five lots were not sold as the price offered was insufficient.

The chief buyers were from one continent with representatives of the home trade buying for re-export. Silver and platina foxes were sold Monday and Tuesday.

12 Injured In Montreal Blast

MONTREAL, Jan. 7 — (CP) — Twelve workmen were injured, one critically, when a gas explosion rocked the Montreal Locomotive Works plant on Notre Dame Street East today and caused heavy damage.

The brick hydrogen building was demolished and a three-storey stripping shed 100 feet away was wrecked. Windows were smashed, doors blown out and bits of steel boiler plate from the hydrogen storage tank house were scattered about.

Company officials said they believed the explosion was caused by a gas pocket in a tank in the hydrogen building.

Four of the injured were taken to hospital. They are Victor Benson, 51; Julien Veret, 32; Romeo Beauregard, 35, and Wilfrid Marceau, 43.

Benson, most seriously injured, is the father of nine-year-old John Benson who was killed by a pervert on Mount Royal three years ago. Last year one of his daughters died suddenly. Hospital officials said Benson's eyes were perforated and that he was badly cut about the face and body, with a deep wound in his chest.

Yugoslavia And Bulgaria Warned

LONDON, Jan. 7—(AP)—Britain and the United States, it was disclosed today, have taken parallel action in cautioning Yugoslavia and Bulgaria against recognizing Markos Vafiades' Communist Greek Government.

Britain's Foreign Office said it advised the two countries the consequences of recognition would be "grave."

In Washington it was announced the United States had warned that recognition would be "contrary to the principles" of the United Nations charter and an "open disregard" of recommendations of the United Nations Assembly. Both warnings were delivered orally to the Foreign Ministries in Belgrade and Sofia.

Coming Events

**Reserve February 12th for Zion Annual Valentine Tea.

**Dance at Bonshaw Hall Thursday Jan. 8. MacNeill's Orchestra.

**We require a number of Bologna quality cattle. Canada Packers Ltd.

**Unloading coal Wednesday and Thursday. Special price at car. P. J. Noy and Co.

**Hockey tonight New Glasgow, Hope River vs. New Glasgow. Skate after.

**See Louis—Wolcott Fight at Capitol Theatre Friday and Saturday at 8.15 P. M.

**Card Party in Clinton Hall, Friday evening, January 9th. If not fine, Monday.

**Unloading car of Coal at Vernon River, Friday, 9th. Vernon River Co-operative Association.

Sale Of Stanhope Beach Inn Property

The Guardian is reliably informed that negotiations are in progress for the sale by North Shore Hotels, Ltd., of its Stanhope Beach Inn property to Mr. Raoul Reymond of Southport, who is reported to be closing out his fox ranching business.

This is one of the Island's foremost summer hotels and its new owner will be widely recognized to have all the qualities of a capable and genial host. There is every assurance that he will continue the standard of service so commendably set in recent years by the present Company's president, Mr. James McFadyen.

Jews Hurl Bombs Into Crowd Of Arabs

JERUSALEM, Jan. 7 — (AP) — Jews disguised as Palestine police and driving a stolen armored car today hurled two bombs into Arab crowds at ancient Jaffa Gate and a nearby street intersection. A hospital report said 14 persons were killed.

Eight Arabs and two Armenians died at the gate and three Jews and one Arab were killed at the road intersection, hospital authorities said.

Stresses Importance Of Rural Community Spirit

The spirit of community interest would have to be revived in rural Prince Edward Island if the farming industry of the Province were to develop to that high peak which would make for greater prosperity, Mr. W.R. Shaw, Deputy Minister of Agriculture, told the young farmers last night who are taking the short course in agriculture now being given by the Provincial Department of Agriculture at the Canadian Legion Hall.

It is a fact known to everyone, Mr. Shaw told the students, that there are good farmers and poor ones in every community. There were reasons for the good farmer's success. He took his agriculture seriously. Knowing that agriculture was the most complicated business in the world, the successful farmer studied his problems and, when he met with any which he could not solve, went to authorities on those particular questions. Mr. Shaw said that he, Mr. H.W. Clay, or Mr. L.P. McIsaac did not pretend to be able to answer all farm questions but what knowledge they had was at the disposal of any farmer.

Mr. Shaw said the war years had been successful ones for the average Island farmer. It is true the Government had instituted controls but, on the whole, the prices had been fair. Nevertheless, he wondered, if the average farm in the Province were put back into the same condition as it had been in 1926, both as to land, buildings, and live stock, if any farmer could truthfully say he had profited to any large extent by reason of the war years.

Soil Fertility

The future of agriculture in the Province, Mr. Shaw told the students, depended upon the maintenance of soil fertility. In fact, the goal should be not only to maintain that fertility but to develop it further. To do that the cattle, hog, and poultry population of the Province should be increased. He thought it was a mistake to concentrate too much of the farm's resources on the growing of one crop such as potatoes. It is true that potatoes were, from a short-term viewpoint, very often a paying crop. But he reminded his listeners that had Great Britain not been in urgent need of a lot of potatoes last spring, three million bushels would have had to be dumped in this Province.

(Continued on Page 5 Col. 3)

Russian Ship With 780 On Board Sinking

TOKYO, Jan. 8 — (Thursday)—(AP)—A Russian patrol boat and a Japanese-manned vessel reached the sinking Soviet ship Dvina off Northeast Japan this morning but meagre reports said first efforts to help the Dvina's 780 passengers had failed.

An American bomber, aloft nearly 11 hours in locating and circling the Dvina, finally returned to Yokota airbase at 9:50 a.m. (8:50 p.m. Wednesday, AST). Reporters were not permitted to interview the airmen. Air Force headquarters relayed their report that weather at the scene was bad and that first efforts of rescue craft to get a line aboard the Dvina had failed.

The Russian patrol boat was en route from Tokyo to Vladivostok, Siberia, when it detoured to answer the Dvina's appeals for aid. Airmen said the Dvina at that time was listing at least 40 degrees and was taking water swiftly.

Canadian Seed Potatoes In World-wide Demand

(By The Canadian Press)

OTTAWA, Jan. 7 — Canadian spuds are finding their way into the topsoil of countries all over the world, the Agriculture Department disclosed today.

Exports of this year's crop of Canadian certified seed potatoes have been sown in various lands from the southern United States to South Africa. Up to the end of 1947, a total of 2,835,375 bushels wer shipped from the Maritimes, Ontario and Quebec, and British Columbia.

In demand in other countries because of their high yield and freedom from disease, a Department statement said, this year's exports are 700,000 bushels ahead of the corresponding period of 1946.

Largest buyer of 1947 seed potatoes was the United States with 1,230,713 bushels. Argentina bought 1,074,604 bushels, Uruguay 202,186, Cuba 129,563, while smaller quantities went to Venezuela, British West Indies, Palestine, Bermuda, Dominican Republic, Mexico, South Africa, Panama, French West Indies, Guadeloupe, Falkland Islands and Nigeria.

Canada's Adverse Trade Balance Continues To Grow

OTTAWA, Jan. 7 — (CP)—The adverse balance of trade with the United States, which indicates the amount by which Canada is short of U. S. dollars in purchases from her southern neighbor, took another great leap forward during November and now appears to have shot over the $900,000,000 mark for 1947.

Official figures released today placed the November deficit at $79,800,000 and that alone thrust the total for the first 11 months of 1947 to a record $884,200,000 and left the promise that the $900,000,000 ceiling will be cracked when the December trading totals are reported next month.

While it threw into sharp emphasis the continuing drain on Canada's U. S. dollar reserves, the November total showed a heartening decline of $6,400,000 from the October deficit of $82,200,000 but still was $21,700,000 ahead of the November, 1946, total.

However, the November figures did not reflect the effects of the Government's dollar-saving program launched Nov. 17 since it generally was conceded that any reduction it may have brought about in imports would not have become apparent until early December.

HOSPITAL RATES UP

VANCOUVER — (CP) — Rates at Vancouver General Hospital were increased $1.50 a day on Jan. 1. Cost per patient a day has climbed from $8.30 in 1946 to $9.76 in November, 1947, and is expected to reach $10.70 this year, the board of directors announced.

Y.M.C.A. Building At Halifax Is Sold

HALIFAX, Jan. 7—(CP)—Directors of the Young Men's Christian Association in Halifax today announced sale of the Association's four-storey stone building here to the Canadian Pacific Railway Company, Limited.

General secretary J. M. C. Duckworth said the step was taken as a means of opening the way to a Y.M.C.A. development program and that the building would be replaced as soon as possible.

Oppose Lifting Of Ban On Margarine

TORONTO, Jan. 7 —(CP)—Opposition to the import, manufacture or sale of oleomargarine was expected today by 500 delegates attending the Junior Farmers Association of Ontario, meeting in conjunction with the convention of the Ontario Federation of Agriculture.

The junior farmers, largely from Southwestern Ontario, opposed introduction of the butter substitute because it "threatened the price of cream for butter."

The Ontario Cheese Producers Association also voted support of the Federal ban on manufacture and sale of oleomargarine in Canada as it wound up today the sessions of its 15th annual convention.

Use of Association funds in the campaign against introduction of the butter substitute was endorsed by the 500 delegates, who suggested that local associations seek support of Federal members of Parliament.

Islander Killed In Penticton, B. C.

Rev. Phelan McKenna, parish priest at Morell, received the sad news yesterday that his brother, Mr. Alfred McKenna, had died yesterday morning as the result of an automobile accident in Penticton, B. C. the previous evening.

(A report from Penticton last night said Mr. McKenna was killed when an automobile in which he was riding swerved from the highway and crashed into a tree.)

Mr. McKenna, who was only thirty-two years of age, was a son of Mrs. James McKenna, Newtown Cross, and left for British Columbia about seven years ago. He is survived by his widow, also four children and the following brothers and sisters: William, in Boston, Rev. Phelan McKenna, P. P., Morell; Francis, on the homestead, Newtown Cross; Mrs. Harold Howard, Cape Wolfe. Burial will be in Penticton, B. C.

Rev. Father McKenna left yesterday to break the sad news to his mother in Newtown Cross, near Iona.

According to word received in Summerside, the deceased was driving his own car. His wife, the former Eileen Lambe of Summerside, P.E.I., is at present ill in a Penticton Hospital.

The late Mr. McKenna was employed as an interior decorator in Penticton where he made his home.

Blame Grain Price Increase On Speculation

KENTVILLE, N. S., Jan. 7— (CP)—Recent increases in the price of feed grains were the result of speculation by agencies who "wanted to control the grain on its journey from the Western to the Eastern farmer," Leo Cormier of Cheticamp, N. S., president of the Nova Scotia Farmers' Association, said here today.

He was presenting a yearly report to the group's 52nd annual three-day convention which opened today.

"It is during the period of transportation, when the farmers have lost control, that charges are added and sometimes they are more than the traffic should be expected to bear," he added.

Agriculture Minister A. W. Mackenzie of Nova Scotia suggested that provincial farmers might raise their own feed grains but did not expand the subject.

Mr. Cormier advocated the establishment of Credit Unions as a means to finance farm operations successfully and asked why so many localities were without such unions.

He indicated that most attempts to establish them were defeated because proper study had not been made or because residents had developed an "it-won't-work-here" attitude.

Windsors Arrive At Palm Beach, Florida

PALM BEACH, Fla., Jan. 6 — (AP) — The Duke and Duchess of Windsor arrived yesterday in this resort city to spend the season. The couple came aboard the private railroad car of Robert R. Young, railroad magnate. They have rented a house for the winter.

TWICKENHAM, Middlesex, England — (CP) — A prize offered in a Christmas draw was a "free haircut once a month" at a recognized barber shop.

New Expression Of Concern Over Prices Of Pork And Beef

TORONTO, Jan. 7—(CP)—The oft- heard question of the "price spread" on farm products was revived today as farmers announced their first reaction to the new wave of food price increases.

W. E. Tummon, secretary of the Ontario Hog Producers' Association, said flatly the difference between the prices received by farmers and those paid by consumers are "too great."

"The retail prices reported in the press are away above what we think they should be," he said. "At a board meeting today we are discussing whether to ask the Dominion Government for a careful investigation into the price spread in justification to ourselves."

Meanwhile, as meat prices — particularly those of pork and pork products — remained at new high levels, there were new expressions of concern from labor and from housewives' groups. Restaurants hiked the price of some meals featuring pork products and an appeal was made to the Prices Board for withdrawal of the embargo on United States cabbage.

Beef and lamb prices were increased in many cities, fowl prices were up in Calgary and a jump in egg prices was expected in Medicine Hat, Alta.

First price boosts came early this week, following announcement that the new Anglo-Canadian food agreements call for increases in the price of pork and beef sold to Britain.

Bacon Up 20 Cents

Side bacon now is selling here at as high as 85 cents a pound—20 cents more than last week. Smaller increases were reported yesterday and today in many communities. Pork sausages, chops and tenderloins also have become more expensive.

Mr. Tummon said the Government "price spread" investigation which his organization may suggest "could show who is getting too much and who isn't getting too much and whether prices are too high or not too high."

"We feel that our side of the story should be put out. We get an average of 28 1-2 cents a pound for a warm, dressed pork carcass, that is one with the head and feet on. When we read of bacon at 90 cents a pound, we think that somewhere or other there is too much of a difference."

Labor Reaction

Don Dunlop, president of the Ontario Federation of the Trades and Labor Congress, said today that reimposition of price controls will be demanded at the Federation's three-day convention

(Continued on Page 5 Col. 4)

Canada's Foreign Trade At New High

OTTAWA, Jan. 7—(CP)— Canada's total foreign trade reached a record total of $4,920,700,000 during the first 11 months of 1947, compared with $3,870,200,000 in the corresponding period of 1946, the Dominion Bureau of Statistics reported today.

Total trade in November was $485,100,000 against $433,300,000 a year ago and, with December figures still to come, the 11-month total was 15 per cent above the aggregate amount of $4,266,400,000 for the whole of 1946.

Rumors Of Gov't Probe Of Food Prices

OTTAWA, Jan. 7 —(CP)—The prices problem, aggravated by reports of rising food costs across the country, flared again today on Canada's administrative and political fronts amid unconfirmed reports that a Government inquiry has been opened into the possibility of manipulation in food prices.

As Government officials received a steady flow of protests against the country's rising price structure, reports were heard here that the Combines Investigation Commission is probing to determine whether some food handling organizations in both the wholesale and retail field may be boosting consumer prices unduly to take advantage of the deteriorating price situation.

Commission sources reported that A.S Whitely, deputy commissioner, and several other officials are in Toronto where Mr. Whitely declined to confirm or deny the reports of inquiry into the food field.

$6,506 Raised In Prince Edward Island For Christmas Seals

OTTAWA, Jan. 7—(CP)—A total of $672,875 so far has been raised in the 1947 Christmas seal campaign, Dr. G. J. Wherrett, executive secretary of the Canadian Tuberculosis Association, announced today. Based on reports submitted by Christmas Seal committees across Canada, the figure is for the period ending Dec. 22.

Returns by Provinces: Prince Edward Island, $6,506; Nova Scotia $19,402; New Brunswick $31,446; Quebec $91,703; Ontario $399,124; Manitoba $49,407; Saskatchewan $105,300; Alberta $87,002; British Columbia $83,000.

TORONTO, Jan. 7 — (CP) — Minimum and maximum temperatures: Vancouver 35, 49; Edmonton 11, 24; Regina 17, 26; Winnipeg 11, 24; Toronto 25, 32; Ottawa 22, 27; Montreal 22, 26; Quebec 21, 24; Saint John 20, 29; Halifax 25, 34; Charlottetown 25, 30; Sydney 26, 32.

HALIFAX, Jan. 7 —(CP)—Official inland forecasts issued tonight by the Dominion Public Weather Office at Halifax and valid until midnight Thursday.

Synopsis:

A storm centred about 300 miles south of Nova Scotia is causing northeasterly winds over the entire Maritime district. These winds are bringing in moist air from the North Atlantic and light snow or freezing drizzle is reported from all regions. Little change is to be expected in Prince Edward Island or Nova Scotia but as the storm moves away there is likely to be a little sunshine in Central New Brunswick.

Regional forecasts:

Prince Edward Island: Overcast with snowflurries tonight and Thursday. Intermittent freezing drizzle along the Gulf shore. Little temperature change. Northeast winds 15, diminishing Thursday evening to light winds. Low early Thursday morning and high in the afternoon at Charlottetown 25 and 36.

High tide this morning at 9.1 and tonight at 8.16.

Sun sets this afternoon at 4.2 and rises tomorrow morning at 7.37.

New moon January 11th, 3.4 A. M.

Canada Gets Loan To Boost Dollar Supply

By Clyde Blackburn

WASHINGTON, Jan. 7 —(CP)— An agreement making available to Canada a $300,000,000 loan from the Export-Import Bank will be signed here tomorrow by Finance Minister Douglas Abbott, who arrived today from Ottawa.

The Finance Minister said current measures adopted to bolster Canada's supply of United States dollars are working successfully and that he can not say when it will be necessary to draw on the loan. Interest payments do not begin until actual withdrawals are made.

Export-Import Bank regulations require that the borrower first explore the private commercial market since the Federal institution does not propose to compete with private institutions

These explorations were made, Abbott said today, but it was decided that the time was not propitious for a commercial loan Such a possibility, however, was not ruled out.

"Meanwhile, it is good to know that we have this source to draw upon if it becomes necessary."

The Minister began a round of interviews with American officials, including Treasury Secretary John Snyder, Marriner Eccles of the Federal Reserve Bank and other officials of the State, Commerce and Treasury Branches.

Tonight he was a guest at a Canadian Embassy reception for prominent United States Government officials and dined with Camille Gutt, Managing director of the International Monetary Fund.

New Oil Well Found In Ontario

TORONTO, Jan. 7 —(CP—Imperial Oil, Ltd., today announced that discovery of an oil field in Tilbury Township, about 30 miles east of Windsor, Ont., was indicated when a well "blew in" Monday night.

The well, on the farm of Samuel Lynn at Staples, about five miles southwest of the town of Tilbury, came in with a pressure that blew the tools out of the hole, the announcement said. It added:

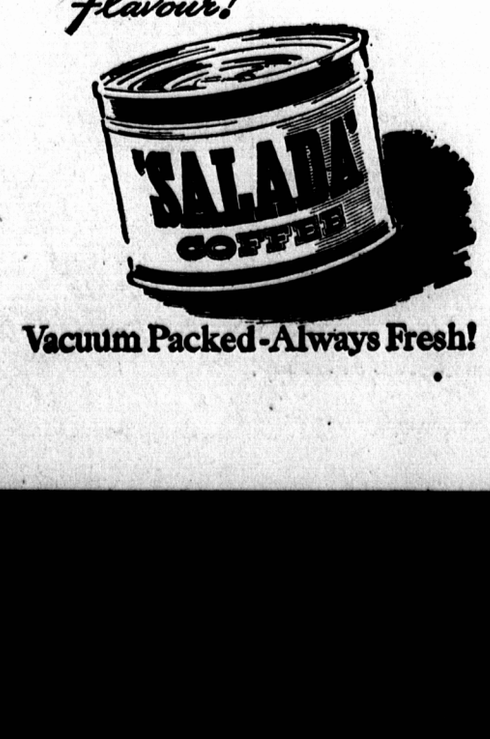
"Gas flow was estimated at 300,000 cubic feet daily and preliminary tests indicated a flow of six barrels per hour of 38 gravity crude oil. Production is from a depth of 1,169 feet.

Restaurants Take Meats Off Menu

HALIFAX, Jan. 7 —(CP)—Halifax restaurants are removing steaks and pork items from their menu rather than charge higher prices, Harold D. Lohnes, secretary of the Halifax Branch of the Canadian Restaurant Association, said today.

"We can't raise the prices to the level we should charge," he said, "so we just won't sell these items."

The people of Halifax, he said, are "too hard up" to buy steaks and pork items any longer.



17 Killed When Plane Crashes Into Swamp

SAVANNAH, Ga., Jan. 7 —(AP)—A chartered twin-engined passenger plane crashed into a Savannah River marsh and burned today, killing 17 of the 26 persons aboard. Nine others were injured.

Sixteen persons died in the flaming wreckage. The other, a girl, apparently about 10 years old, died aboard a rescue boat en route to Savannah.

The dead included Alvino Antonioli, the pilot. Raymone Eick of Trenton, N.J., the co-pilot and only crew member, was among the survivors. The passengers, with the exception of a young travel agent, were Puerto Ricans en route to their homeland from New York.

None of the passengers was identified.

Eick said the plane, a converted Army C-47, operated by Coastal Airlines, a charter service, had trouble in the fuel-feeding system while flying at about 3,000 feet. He said the pilot, preparing for a crash landing, ordered him to have the passengers fasten their seat belts.

Before Eick could place all the passengers on the alert, the plane began to lose altitude. Eick said he headed back for the control compartment. Before he could reach the controls, one wing of the big ship struck the marshland. An explosion followed. The co-pilot was blown clear of the wreckage. Rescuers found him clothed only in a necktie and shoes.

Eick said that all the survivers, except the young girl, were blown clear of the ship with him. He rescued the girl from the wreckage.