

MAXIMS  
OF A  
MERE MAN

There is no extremity of despair  
which of itself, ought to reduce a  
great nation to despair.

# THE GUARDIAN OF THE GULF

The People's Paper Read by Everybody

MAXIMS  
OF A  
MERE MAN

Only that which is starting, not  
to say monstrous, makes a noise  
and is talked about.

The Guardian, Three Cents.  
Morning Daily Founded 1857.

CHARLOTTETOWN, CANADA, FRIDAY, OCTOBER 21, 1949

16 PAGES

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Mail \$5.00; other Provinces & U. S. \$7.00

## MINOR TAX CHANGES PROPOSED IN BUDGET SPEECH

### Yugoslavia Elected To U. N. Security Council Seat

#### Seeking Establishment Of Heavy Fishing Industry

#### Gov't Took Big Loss On Imported Butter Deal

OTTAWA, Oct. 20 (CP)—Detailed story of the 15,000,000-pound butter deal last winter in which the Government took a loss of almost \$900,000 today was tabled in the Commons.

The statement, prepared by Trade Minister Howe in reply to Gordon Innes (L-Halifax), showed that the Government paid an average of 74 cents a pound for the butter, purchased from Australia, Denmark and New Zealand, to meet a Canadian shortage.

The Government spent \$11,511,481 for 15,000,000 pounds, distributing

#### Coming Events

- Hope River bazaar and chicken supper Oct. 25th and 26th.
- Mail your films to Garnham Photo Studio, Charlottetown.
- Masquerade Dance, Iona Hall, Tuesday, October 25th.
- Regular Dance at Skyline, New London, each Friday night.
- Chicken Raffle, K. of C. Hall, Bouris, Tuesday October 25th.
- Now buying Timothy Seed, Registered, Cleaned or Uncleaned, McGuigan and Boyle.
- Dance in Fort Augustus Hall, October 21st. Luncheon Sponsored by Junior Farmers.
- Bean Supper, Bingo, Games, Dance, etc., North Rustico, Friday, October 21st. Suppers at 5 P. M.
- Show, "The Plainsman" with Gary Cooper at North Wilshire tonight at 8:30.
- "Gone With the Wind" at Crapaud Theatre, Friday and Saturday, 7:45.
- Dance Community Hall, Morell Rear, Monday, October 24th. Luncheon and canteen service.
- Rummage Sale, St. James Church Hall, Saturday, October 22nd, 3 P. M.
- Rummage Sale, Trinity Social Hall, Saturday, October 22nd, 3 P. M.
- Dance every Friday night at the Gordon Lodge. Good music. Dancing from 9 till 1.
- Dance in St. Peter's Legion Hall every Tuesday night. Cliff Peters Orchestra.
- Coming to the Armouries the new Trading Industries Fair featuring Don Messer's road party as entertainment. A Y's Men's show.
- Special meeting of Kingston Abwegit Preceptory for conferring sixth and seventh degrees on Friday night.
- We require quantity pressed straw. Apply Swift Canadian Co. Ltd., Livestock Pens, Railway Wharf.
- Amos P. Gallant, South Rustico buying chicken and fowl every day. Will pay straight highest market price for well-finished chickens. Write or phone.
- To arrive another car of real good coal. Full stock Pioneer feeds on hand, concentrate dairy ration, etc. R. L. Dickieson, New Glasgow.
- Require large quantity fowl, chickens, onions, Tuesday buying 10 a.m. to 3 p.m., competitors price guaranteed. R. L. Dickieson, New Glasgow.
- See a grand show tonight, "Voice of the Turtle" is playing at MacDonald Bros. Theatre, Mt. Stewart, plus Royal Duck Shoot. Don't miss it.
- York and Vicinity: Tickets for the forthcoming concert on sale at box office at York Hall, Tuesday and Friday evenings only from 8 to 10 p.m.
- The Annual Meeting of Burnside Credit Union Ltd., will be held in Summerfield Hall, Monday, Oct. 24th, 8 P.M. Mr. Gordon Smith will be with us and outline the benefits of Cuna Insurance. Refreshments served. Everybody welcome.

OTTAWA, Oct. 20 (CP)—Establishment here of a heavy fishing industry with a fish drying plant and other services is under consideration and an engineer is at present surveying the possibilities. Hon. Eugene Cullen, newly appointed Minister of Industry and Natural Resources, announced at the annual meeting yesterday of the Prince Edward Island Fisheries Federation.

Other projects in which his Department is engaged, designed to assist and develop fisheries, are bait freezing and the quick-freezing of mackerel, and a follow-up on the recent Federal report on scallop beds in Island waters, Mr. Cullen said.

The Minister assured the meeting that his Department wishes to help the Island fishing industry in every way and that he, himself, would give the problems his personal attention. He referred to a small reduction in freight rates to Halifax already effected through his Department by Mr. J.F. Connolly's efforts.

Guest speaker at yesterday afternoon's meeting, which was held in the City Hall, was Mr. Clive Plante, Ottawa, manager of the Fisheries Council of Canada, who declared that he was not pessimistic about the future of the Canadian fish industry.

"But you cannot remain static in your thinking. You must face up to a sharp change in the near future. To do this, this Federation should be 100 per cent representative of the Island fishing industry," he declared.

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#### Will Reduce Tax Bill By 11 Million

By D'ARCY O'DONNELL  
OTTAWA, Oct. 20 (CP)—Finance Minister Abbott tonight reintroduced the 1949-50 budget in the Commons, proposing only three minor additional tax reductions. This will reduce the tax bill of Canadians by another \$11,000,000 in a full year.

Mr. Abbott, who said in his economic review that some further declines in export markets can hardly be avoided, recalled that in the original budget he had proposed substantial changes in the corporation income tax.

Instead of the former flat rate of 30 per cent, it was proposed to make a rate 10 per cent on the first \$10,000 of income and 30 per cent on all income in excess of \$10,000.

"I had proposed also that individuals be granted a credit against their personal income tax equal to 10 per cent of the dividends they receive from common shares of Canadian (taxpaying corporations)," he said.

"This proposal has received a great deal of constructive criticism in the press and I have had a considerable number of representations from a variety of sources, some asking for clarification and others pointing out practical difficulties in the proposal as it stood or making constructive suggestions."

"As a result of these representations and public discussion, I am prepared to modify the application of my proposal by extending the 10 per cent tax credit to include dividends from all classes of shares, both common and preferred."

The change would remove many technical difficulties and anomalies which would have arisen in

#### Is Optimistic

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"Any change in economic conditions in the U.S. will directly affect the level of our exports to that country," the Minister said in reintroducing the government's 1949-50 budget.

"Any sharp downturn in American economic activity and in American willingness to import cannot but have sharp and embarrassing repercussions all over the world."

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"Nevertheless, we cannot afford to overlook the possibility of short run declines in the absorptive capacity of the American market."

Canada will seek more agreements for reciprocal tariff reductions next year, the Finance Minister said.

One big tariff cut will come into effect at the first of the year when the reductions negotiated at the recent Ancey trade conference become operative.

In addition, plans are being made for another set of multilateral negotiations next year when Canada will seek tariff cuts on trade with the United States and other signatories of the Geneva tariff agreements, involving 33 countries.

#### Fish Exporters Critical Of Tariff Changes

HALIFAX, Oct. 20 (CP)—A spokesman for the Canadian Atlantic Fish Exporters' Association said tonight the organization is dissatisfied with the Ancey trade agreement because Canada missed a chance to aid the salt fish trade.

The association, representing most salt fish exporters on the Canadian Atlantic seaboard, feels that Canada's fishing industry might be endangered by the failure of the agreement to provide any "appreciable reduction" in duty on salt fish exports to Haiti and the Dominican Republic on fish products which they import in comparatively small quantities.

The Republic, not a consumer of pickled fish, granted concessions for that kind of fish but not for dried salted fish and boaters. Last year it imported 2,287,800 pounds of dried salted fish and 3,147,900 pounds of boaters.

Haiti gave no reduction in duties on salted fish products but lowered the duty on Canadian kippered herring, salmon and sardines.

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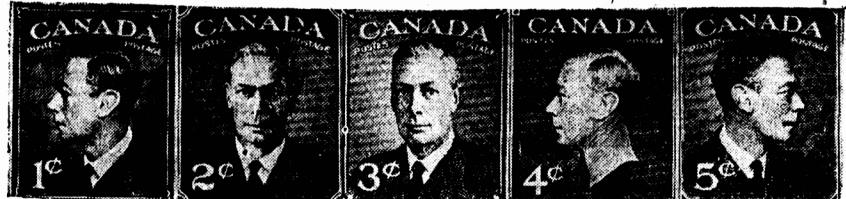
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SAINT JOHN, N.B., Oct. 20 (CP)—Damage of \$75,000, mostly caused by water, was estimated tonight after a fire at Saint John Vocational School on Douglas Avenue.

A sprinkler system sent tons of water down through most of the three-story building, causing old building and sections of a new wing, ripping plaster from ceilings and causing other destruction.

Causes of the fire, at first attributed to defective wiring, has yet to be determined. It started in a second floor classroom and spread to a small measuring glass, a whiskey flask and a bottle opener, Prof. Rogers said.

Classes had to be cancelled. They are expected to be resumed next week.

The loss included valuable costumes and other theatrical equipment. Household equipment in the home economics room and furniture in other parts of the building were badly damaged.

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By NORMAN ALTSTEDTER  
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Foreign Minister Vishinsky of Russia ignored repeated calls by order by Assembly president Carlos P. Romulo and protested violently against the application by Premier Tito's Government.

The second ballot gave Yugoslavia 39 votes, the exact number required for the two-thirds majority necessary in the 50-member assembly. Czechoslovakia received 19 votes.

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Canada will seek more agreements for reciprocal tariff reductions next year, the Finance Minister said.

One big tariff cut will come into effect at the first of the year when the reductions negotiated at the recent Ancey trade conference become operative.

In addition, plans are being made for another set of multilateral negotiations next year when Canada will seek tariff cuts on trade with the United States and other signatories of the Geneva tariff agreements, involving 33 countries.

#### Fish Exporters Critical Of Tariff Changes

HALIFAX, Oct. 20 (CP)—A spokesman for the Canadian Atlantic Fish Exporters' Association said tonight the organization is dissatisfied with the Ancey trade agreement because Canada missed a chance to aid the salt fish trade.

The association, representing most salt fish exporters on the Canadian Atlantic seaboard, feels that Canada's fishing industry might be endangered by the failure of the agreement to provide any "appreciable reduction" in duty on salt fish exports to Haiti and the Dominican Republic on fish products which they import in comparatively small quantities.

The Republic, not a consumer of pickled fish, granted concessions for that kind of fish but not for dried salted fish and boaters. Last year it imported 2,287,800 pounds of dried salted fish and 3,147,900 pounds of boaters.

Haiti gave no reduction in duties on salted fish products but lowered the duty on Canadian kippered herring, salmon and sardines.

#### Budget Dates

OTTAWA, Oct. 20 (CP)—Effective dates of the new tax changes in Finance Minister Abbott's budget:

Repeal of the eight-per-cent sales tax on fuel oils — tonight.

Reduction by half the 50-cent-a-gallon tax on cider and wines — tonight.

Extension of the 10-per-cent tax credit to bond dividends of all classes — Jan. 1, 1949.

#### Bradley Calls For Reforms In Nfld. Fish Industry

WINDSOR, Ont., Oct. 20 (CP)—Newfoundland's only Federal Cabinet Minister said today that fishermen of his Province must be given the opportunity of living in a style comparable to those who farm or work in factories.

"The industry must not be allowed to remain in a primitive condition, which became Canada's 10th Province March 31, is not going to depreciate morally as a result of confederation nor has confederation accelerated movements for a change in the island's system of living.

Last week Most Rev. J.M. O'Neill, Roman Catholic Bishop of Grace Harbor, told a Catholic Women's League meeting here that Newfoundland's spiritual values generally would suffer as a result of the confederation. He said confederation invited the dangers of divorce laws and changed educational systems.

(Newfoundland now has no divorce law and its publicly-financed schools system excludes Roman Catholic children. The Catholic Church operates its own schools.)