

Trouble springs from idleness;  
toll from ease.

Nature never deceives us; it is  
always we who deceive ourselves.

By Carrier: Charlottetown, Summerside \$15.00 per annum. Elsewhere  
in P.E.I. \$9.00. Other Provinces and U.S.A. 12.00 per annum.

CHARLOTTETOWN, CANADA, WEDNESDAY, MARCH 31, 1954

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## PROVINCE HAS \$1,517,567 SURPLUS ON ORDINARY ACCT.

### Big 3 Agree To Expand Trade With Russia

#### Churchill Claims H-Bomb Tests Vital To Free World

LONDON. (CP)—Prime Minister Churchill says United States H-bomb experiments in the Pacific are essential to free world defence. He spurned Labor party demands that he use his influence to have them called off.

Churchill, speaking in the House of Commons Tuesday called the H-bomb the "greatest possible deterrent against the outbreak of World War III."

At the same time he sought to reassure an alarmed public by saying that Britain knows from her "own scientific knowledge" that the test explosions will not get out of hand.

This was not enough for Labor members who fired back a barrage of questions until the speaker ruled that the House should proceed with other business.

This touched off another uproar. Labor members, crying out that the H-bomb tests were "a matter of urgent public importance," demanded an emergency debate at once.

Foreign ambassadors crowded the galleries and every seat was taken in the House when Churchill, flushed and solemn, addressed Parliament.

Despite prodding from Labor leader Clement Attlee, Churchill refused to summon an immediate meeting of the Big Three on atomic and hydrogen weapons. But he made clear he still hopes to meet with Soviet Premier Malenkov and President Eisenhower sometime in the future.

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#### C. N. S. May Go Out Of Business

OTTAWA. (CP)—The government's Canadian National (West Indies) Steamships, Ltd., which operates a fleet of freighters between Canada and the Caribbean countries, may go out of business if its revenues continue to slip.

The \$12,000,000 company, whose eight-ship run lost \$649,000 last year, is faced with a \$581,000 deficit this year, and Tuesday Transport Minister Chevrier said:

"If the position continues as now, we will have to give very serious consideration to winding up the whole operation."

Donald Gordon, president of the CNR and of the steamship company, told the Commons railway committee he does not see how the ships are going to be able to earn their way in the face of stiff competition.

OTTAWA. (CP)—A wartime bomber pilot who sits in the Commons gave a flyer's-eye view of the CNR's proposed new \$24,000,000 hotel in Montreal.

"A beautiful target," commented J. Angus MacLean (PC-Queens) at a Commons railway committee hearing.

CNR president Donald Gordon came to the defence of the 20-storey structure. It would be no more vulnerable than the nearby Life Building, and in fact, it would even be a protection for the vital station facilities of the CNR.

"Would that be a selling point for guests?" facetiously inquired E. D. Fulton (PC-Kamloops).

WASHINGTON. (AP)—Congress rushed to President Eisenhower on Tuesday a bill cutting a broad range of excise taxes by \$999,000,000 a year—the first such general reduction in 30 years.

The Senate completed congressional action on the measure soon after the House passed it by a 385-to-1 vote. A conference committee from the two Houses finished the job of compromising Senate and House versions of the bill only yesterday. The Senate vote was 72 to 8.

The reduction will take effect on Thursday if the president signs the bill today, as he is expected to do.

OTTAWA. (CP)—The government declined Tuesday to announce at present plans for refunding about \$2,000,000,000 on the third and fourth series of Victory loan bonds this year, about two years before maturity.

HALIFAX. (CP)—The Nova Scotia Legislature Tuesday defeated by a vote of 18-13 an Opposition motion of non-confidence in Premier Macdonald's Liberal government for its administration of the Securities Act.

JERUSALEM. (AP)—A United Nations armistice commission, with Israel absent, condemned her Tuesday for an attack on the Jordan village of Netalim in which nine Arabs were killed. It called on Israel to seize and punish those responsible.

ST. JOHN'S, Nfld. (CP)—A non-confidence motion in Premier Smallwood's industrialization program was defeated 18-4 Tuesday in a standing vote in the Newfoundland legislature.

NEW DELHI. (AP)—An agreement providing India \$11,000,000 aid funds for the Rihand River valley power and irrigation project was signed Tuesday by the United States and India.

#### List Of Goods Embargoed To Be Narrowed

LONDON. (CP)—Britain, the United States and France Tuesday night announced agreement on expanding trade with Communist East Europe, but with security safeguards.

The announcement said the three countries will advocate "narrowing substantially" the 1951 list of goods embargoed to Russia and her satellites.

For the last two days, Harold E. Stassen, U. S. foreign operations administrator, met with British and French delegates to discuss their call for greater trade with Iron Curtain countries.

Officials will remain here to study the 1951 list item by item in time for a conference in Paris April 13 of all 15 countries which co-ordinate the embargo on shipment of strategic goods to Eastern Europe. These countries are West Germany, Japan, and all Atlantic pact countries except Iceland.

The existing embargo on trade with Communist China and North Korea "should be continued," the announcement said. This is the United Nations embargo on strategic goods, approved in May, 1951, at the height of the Korean hostilities.

The three-power agreement averted what once threatened to cause a serious diplomatic rift between the United States and her European allies. Britain proposed the conference after President Eisenhower expressed misgivings over Prime Minister Churchill's call for easing the trade ban.

OTTAWA. (CP)—Finance Minister Chevrier said Tuesday the Prince Edward Island-New Brunswick car ferry Abegweit will make extra runs this year during the tourist season.

The minister told the Commons railway committee the ferry will operate on about the same schedule as last year, when it made 5,328 trips between Tormentine, N. B., and Borden, P. E. I. This was 700 more than in 1952.

Regarding traffic and parking, Col. Storey felt that people should be "educated" to better appreciate green areas. He was speaking at the time of the sections of ground between the street and sidewalk which he stated are being chewed into mud by cars parking in them. Later they become a dust nuisance to all nearby householders. He said it was impossible to expect the city to put down pavement on all such sections.

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#### Bill To Establish Industrial Plants Given Second Reading

#### Sealer Freed From Icefield

HALIFAX. (CP)—The icebreaker d'Herville reported Tuesday night she had freed the sealing vessel Arctic Prowler from a prison of seal hunting while locked in the Strait of Belle Isle.

The d'Herville, reporting to the transport department here, said the Prowler was in clear water, without need of further assistance. She was 23 miles off Port Riche, a tiny island outpost on the bleak peninsula that fingers northward from Newfoundland's west coast.

Meanwhile, the icebreaker Sauriol continued to ride out winds and snow in the lee of headlands at St. George's harbor. The Sauriol was forced to turn back to Halifax after breaking one of her two propellers in the first attempt to free the Prowler.

OTTAWA. (CP)—Two-year-old Kirk Douglas of suburban Scarborough was found Tuesday choked to death by his leather play harness. The boy was discovered by a neighbor hanging from the verandah of his home.

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#### New Method For Detecting Atom Explosions

LONDON. (AP)—Prime Minister Churchill disclosed Tuesday a second way in which Britain, and presumably other countries, can detect atomic explosions up to half way around the world.

Addressing the House of Commons on problems relating to American H-bomb tests in the Pacific, Churchill said:

"Our instruments, which are highly developed, of course recorded the explosion last Friday as soon as sound waves or pressure waves reached us."

He did not elaborate.

The most commonly known method of detecting distant nuclear explosions is the gathering of radio-active particles from the atmosphere, usually by planes.

#### N. S. Teachers Ask Pay Boost

HALIFAX. (CP)—The Nova Scotia Teachers' Union Tuesday asked for increased salaries, a new system of provincial grants for education purposes and elected municipal school boards in its brief to the Pottier commission on educational finance.

The brief, presented by union president Frank Glasgow of Sydney, said Nova Scotia could afford to pay from \$3,000,000 to \$5,000,000 more toward education but most of the additional support must come from the municipalities.

The minimum salary scale of \$1,090 should be raised to \$1,500, with recognition of the teachers' ability as the scale progresses. This would cost about \$9,000,000 yearly, the brief said.

It also asked for abolition of the school trustee system and establishment of elected and financially independent municipal school boards to administer to the school at a local level.

The brief added that a survey made by the union indicated that the province can afford and its people are willing to pay more for education; that most of the additional support must come from the municipalities; and that the annual increase in the province's school population requires opening of 100 new classrooms yearly the next 10 years.

OTTAWA. (CP)—Derek Ramsay, Montreal amateur pilot missing since Sunday, walked out of the forest 50 miles northwest of here today and said his companion, Leo Michaud, was killed in the crash of their light plane.

The RCAF said Ramsay had telephoned them from Chenneville, Que., with his report. Five air force planes were searching for the downed Cessna of Laurentide Aviation Company of Cartierville, Que., at the time.

Ramsay, 31, and Michaud, 22, vanished Sunday on a flight from Ottawa to Cartierville, near Montreal.

(Here is Ramsay's story):  
By DEREK RAMSAY  
CHENEVILLE. (CP)—We were trying to get through the overcast. It was pouring rain. Leo was watching the instruments. I was looking outside. Suddenly I saw a hill, about 100 yards away. I yelled. We both pulled on the stick.

We went flat and crashed. If we'd nosed in I wouldn't be talking to you. There would have been nothing left. A tree ripped through our left wing. I think that slowed us down.

#### Local Branch Community Planning Ass'n Reorganized

#### Extra Runs For Ferry Planned

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We were just lying there. I don't know why I'm here to tell you this. I shouldn't be alive. It's a miracle.

OTTAWA. (CP)—After two surpluses born of a parliamentary streamlining of its debt structure, the CNR appears headed back into the red for 1954.

President Donald Gordon told the Commons Railway Committee Tuesday a deficit is about certain unless the publicly-owned company's business picks up to an extent that does not now appear likely.

At the same time, he expressed the hope that "sanity and reason will prevail" in the contract demands of non-operating workers, which he said could cost the CNR up to \$46,700,000 a year.

Mr. Gordon spoke as the committee concluded examination of, and approved, the CNR's 1953 report and its budget for 1954. The 1953 returns showed a \$244,000 surplus, the second straight since a 1951 financial reorganization that followed six successive post-war deficits.

#### \$156,134 Reduction Shown In Net Debt For Last Fiscal Yr.

A net debt reduction of \$156,134 and a surplus on ordinary account of \$1,517,567 for the fiscal year ending March 31, 1953, was reported by Hon. W. E. Darby, Attorney General and Provincial Treasurer, in his budget presentation in the Legislature last night.

For the fiscal year April 1, 1953 to March 31, 1954, consisting of ten months actual and two months forecast, Mr. Darby reported a surplus on ordinary account of \$1,493,131, and a net debt reduction of \$70,738.

"On several occasions I have stated that it had been my ambition as Treasurer of this Province to halt the succession of debt increases and to achieve an overall surplus which could be applied in the reduction of provincial debt," the Minister said.

"This aim has been again accomplished and without curtailment of any essential government services."

Estimated revenue on current account for the ensuing fiscal year ending March 31, 1955, are \$8,237,839, with proposed expenditure on similar account of \$7,288,294, leaving an estimated surplus of \$949,455 after providing for debt retirement. The estimated outlay for capital expenditures is \$3,392,345 with an offsetting credit of capital receipts of \$918,373.

Mr. Darby accordingly estimated for the coming year total expenditures at \$10,680,739, with total receipts at \$9,162,212, leaving a gross deficit of \$1,524,527 after providing for sinking funds to the amount of \$538,950. The total net debt of the Province as at March 31, 1955, he estimated at \$18,128,572.

While estimating a net increase in liabilities of \$985,577, the Minister said he was "not at all pessimistic as to the outcome of the coming year."

He believed that with the co-operation of his colleagues a third consecutive decrease in the debt of the Province could possibly be achieved.

Under the 1952 Tax Rental Agreement the guaranteed payment to the Province for the fiscal year 1954-55 will be \$4,504,411. Provincial taxation is estimated to bring in \$3,242,255.

The estimates contain a proposed vote of \$250,000 for rural electrification. This amount it is proposed to expend annually for the next five years.

Following are excerpts from the Minister's address:

The Public Accounts recently tabled for the fiscal year ended March 31, 1953, show that of a total Ordinary Revenue of \$8,070,022 we received from the Federal Government through Subsidies, Tax Rental Agreement and Subventions \$4,284,326 or approximately 53 per cent.

In my budget of last spring I forecast an overall decrease in debt of \$56,141. However, due to a mild winter our gasoline tax climbed to a new record of \$1,461,818, as against a forecast of \$1,375,000. This increase, together with reduction in Capital Expenditures helped to reduce the debt for the year by an additional \$100,000.

During that period our Ordinary Expenditures amounted to \$6,852,455, as against a Revenue of \$6,070,022, leaving a surplus on Ordinary Account of \$1,517,567.

During the same year we made



Hon. W. E. Darby

Capital Expenditures of \$2,642,161 of which \$2,248,778 was spent on highways and bridges.

In addition, the government contributed \$59,659 towards the construction of new hospital facilities; assisted rural schools to the amount of \$79,990 and advanced by way of loans a further \$109,313.

The net debt of the Province as of March 31, 1952 was \$17,369,867, as at March 31, 1953, \$17,213,733, or a reduction of \$156,134.

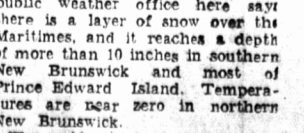
Year Ending March 31, 1954

During the fiscal year ending the 31st day of this month the Province will have collected from all sources of revenue \$8,428,317 on Current Account alone, or a total of \$572,915 more than was anticipated.

Our Ordinary Expenditures for the same period were reduced from \$7,149,409 to \$6,935,186, namely

(Continued on page 9 col. 1)

#### ELOQUENCE IS JUST 'GAB' DRESSED UP



OTTAWA. (CP)—Minimum and maximum temperatures:

	Min.	Max.
Dawson	10	41
Vancouver	33	52
Victoria	38	50
Edmonton	8	23
Calgary	0	18
Regina	5b	21
Winnipeg	4b	18
Toronto	19	32
Ottawa	11	28
Montreal	14	26
Quebec	10	22
Saint John	22	21
Moncton	18	—
Halifax	28	30
Charlottetown	20	—
Sydney	25	25
Yarmouth	32	36
St. John's	33	34

HALIFAX. (CP)—The Dominion public weather office here says there is a layer of snow over the Maritimes, and it reaches a depth of more than 10 inches in southern New Brunswick and most of Prince Edward Island. Temperatures are near zero in northern New Brunswick.

The cold air is bringing clear skies as it continues to flow into the district, and Wednesday is forecast to be a fine day.

Regional forecasts:  
Prince Edward Island: Sunny with a few cloudy intervals; continuing cold; north winds 15. Low-high at Charlottetown 10 and 25.  
New Brunswick: Clear and continuing cold; light northerly winds; low-high at Moncton 5 and 25. Fredericton zero and 25. Saint John 10 and 25. Edmundston zero and 20. Campbellton 5 and 25.  
Bay of Fundy: North winds 15; cloudy with a few snowflurries, clearing during morning; visibility 10 miles lowering in flurries to three miles; colder.  
High tide today at Charlottetown at 8:12 a.m. and 7:50 p.m. Summerside tide 18 minutes later.  
Sun rises today at 5:56 a.m. and sets at 6:39 p.m.

#### Plans Diesels On Main Line Run

OTTAWA. (CP)—The CNR likely will begin using diesels on its main passenger line in the Maritimes next fall. S. F. Dingle, operating vice-president, said Tuesday.

President Donald Gordon told the railway committee of the Commons Monday the CNR is ordering 12 passenger diesels for the Maritimes this year, and Tuesday, Mr. Dingle added in an interview deliveries are expected to start by fall.

As the locomotives are received, he said they will be put in operation on the three passenger trains running between Montreal and Halifax.

OTTAWA. (CP)—The March lion roared in central and southern New Brunswick Monday night and Tuesday. A powdery snowfall ranged from four inches at Saint John to 11 in Fredericton district. Northern counties escaped the storm.

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The reduction will take effect on Thursday if the president signs the bill today, as he is expected to do.

#### Heavy Snowfall At Fredericton, N. B.

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#### Coming Events

- Variety Concert in Kingston hall, March 31, if not fine April 1. For school improvements.
- Attention Community Concert members—Longines Symphonette Wednesday, March 31st.
- P. E. I. Drama Festival closing dates for entries, April 1st. Rules obtainable at P. E. I. and Charlottetown Libraries.
- See the Kero Gas Brooder in operation at Kensington Feed Service, your one Stop Farm Supply Centre.
- Have available 300 cockerel chicks, cancelled order on account of weather. Phone quick. Coop Hatchery for bargain, not holding.
- Hockey at North River Rink tonight: Dowling Sport Lodge All Stars vs. North River All Stars. Game time 8:30. Skate after. This could be the last game and skate of the season.

#### Local Branch Community Planning Ass'n Reorganized

The belief that people were not going outside the city to Parkdale and Spring Park to avoid taxes, but to obtain available building sites was expressed last night by former City Councillor Frank Storey as he briefly addressed a reorganization meeting of the Charlottetown Branch of the Community Planning Association.

Chairman for the meeting was Professor Thomas Lothian of the staff of Prince of Wales College who has taken a deep interest in community planning here. There was an excellent attendance and several of those present spoke on the subjects introduced.