

Whom men have erred, and by had women been deceived, and shall again, pretend they ne'er so wise.

By holy scripture is plainest taught, and easiest learnt, what makes a nation happy, and keeps it so.

THE GUARDIAN OF THE GULF

The People's Paper Read by Everybody

Covers Prince Edward Island Like the Dew

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MINOR TAX CHANGES ANNOUNCED IN FEDERAL BUDGET

Churchill Thinks War Neither Imminent Nor Inevitable

Dragger Opportunities At North Rustico Emphasized

Farm Cash Income At The 1948 Level

OTTAWA, March 28 — Finance Minister Abbott noted in his Budget Address that net farm income was slightly lower than in 1948, but the farm cash income was almost identical with the record reached in 1948, which in turn was 25 per cent above 1947.

Give Warning In Use Of New Drug

GENEVA, March 28 — (Reuters) — The World Health Organization today has issued a warning against unrestricted distribution and indiscriminate use of the new drug streptomycin in combating tuberculosis.

Coming Events

- Grain Cleaning, Arnold Beer tonight.
Postponed Cornwall Concert tonight.
Educational Films, Grandview Hall, March 31st, at 8 o'clock.
Mail your Films to Garnham Photo Studio, Charlottetown.
Card Party and Bingo at MacDonald Bros. Theatre, tonight.
Postponed Cornwall Concert tonight.
Farmers now booking Clover Seeds, Rush order. McGuigan & Boyle.
See "Lady In The Morgue", comedy-mystery show, at New Glasgow tonight at 8:00. Don't miss it!

Sees Hope Of Warding Off Catastrophe

LONDON, March 28 — (AP) — Winston Churchill today told the House of Commons that he believes a new world war is neither imminent nor inevitable.

Harbour Neglected

The situation at Rustico Harbour is very bad, Mr. Bell added. No dredging has been done since 1934 except a little last year around election time.

Signs of Discontent

Mr. Bell said that at the opening of the session the House appeared to be a happy one; the (Continued on Page 12 Col. 1)

2,000 Attend Protest Meeting At Fredericton

FREDERICTON, March 28 — (CP) — Despite pouring rain a public meeting to protest a retail sales tax planned for New Brunswick was held in front of the Legislative Buildings today as scheduled.

U. S. Ambassador, Four Others Die In Crash; One Is Saved By Parachute

OTTAWA, March 28 — (CP) — The United States Ambassador to Canada, Laurence Steinhardt, and four other men died today in the flaming crash of a courier plane which fell burning from a sunlit sky and scattered itself across the snow and mud of a farmer's field.

Canada's Net Debt \$11,665,000,000

OTTAWA, March 28 — (CP) — Canada's net debt, pushed to a peak of \$13,421,405,496 by heavy wartime expenditures, has been reduced to \$11,665,000,000, Finance Minister Abbott disclosed tonight in his budget speech.

Sharp Exchange On Reefer Car Shortage In Committee

OTTAWA, March 28 — (Special) — Sharp exchanges on Prince Edward Island's refrigerator car situation between C.N.R. president Donald S. Gordon and W. Chester S. McLure, Progressive Conservative member for Queen's, marked today's sitting of the House of Commons committee on government-owned railways and shipping.

Report Heavy Ice On Great Lakes

MONTREAL, March 28 — (CP) — Reports today from the western end of Lake St. Louis indicated the worst ice conditions in years and inland ships may not reach Montreal until early in May.

Heavy Expenditures Forecast; Present Tax Burden To Continue

OTTAWA, March 28 — (CP) — Finance Minister Abbott tonight placed before the Commons and the country a musical-chairs budget—he shuffled some minor taxes, but lost no revenue—and left the Government's main tax structures virtually unchanged.

These were the main features in what generally was regarded as a featureless budget presentation:

- 1. The eight-per-cent sales tax is dropped on ice cream, dairy drinks and prepared whipping cream, effective immediately. Revenue loss will be approximately \$2,000,000 a year.
2. The sales tax also is dropped on purchases by orphanages and institutions for the aged and the infirm, effective July 1, 1950. Revenue loss: Not expected to be "large."
3. The five-per-cent excise tax on toilet soap is dropped, effective immediately. Revenue loss: Approximately \$600,000 a year.
4. There are no other commodity tax changes.
5. Minor and technical changes are proposed in tariff schedules, effective immediately.

Mr. Abbott would be to place the Government's expected expenditures for the 1950-51 fiscal year at \$2,410,000,000, the expected revenue at \$2,450,000,000 and the expected surplus from these operations at \$200,000,000.

He was crystal-clear in his warning that budgets such as this, with a similar tax structure, are here to stay.

At one point, he said: "Unless we are prepared to reduce the scope or scale of government activities, we must now expect a revenue loss of not more than \$3,000,000. This would be offset by a new tax arrangement for closely-held companies, and there would be no loss."

Permit Adding Vitamin D To Some Milk Products

OTTAWA, March 28 — (CP) — The Health Department announced today that Vitamin D — the sunshine vitamin — now may be added to some concentrated milk products.

Budget Highlights

- Budget provides no changes in taxes on personal incomes, liquor, tobacco, cosmetics or succession duties.
Eight-per-cent sales tax dropped on ice cream, dairy drinks and prepared whipping cream—effective immediately.
Eight-per-cent sales tax also dropped on purchases by orphanages and institutions for the aged and infirm—effective July 1, 1950.
Five-per-cent excise tax on toilet soap dropped—effective immediately.
No other commodity tax changes proposed.
Minor and technical changes proposed in tariff schedules—effective March 29, 1950.
Increase from free to 15 per cent in British preferential tariff on tin plate—effective June 1, 1950.
Surplus for 1950-51 expected to be \$200,000,000 compared with \$111,000,000 in 1949-50.
Revenues for 1950-51 estimated at \$2,430,000,000 compared with \$2,549,000,000 in 1949-50.
Expenditures for 1950-51 estimated at \$2,410,000,000 compared with \$2,438,000,000 in 1949-50.
No taxation on capital gains.
Farmers and fishermen permitted option of two depreciation methods for tax purposes.
Effects of tax reductions for small businesses widened—retroactive to Jan. 1, 1949.
Tax exemptions on oil and mining exploration expenses continued for additional year.
New system of taxing accumulated surpluses of family corporations announced.

No Change In Butter Support Price In April

OTTAWA, March 28 — (CP) — Agriculture Minister Gardiner announced in the Commons today that the Government's current support price for Butter of 33 cents a pound will continue to be paid until the end of April.

Six-Motored French Seaplane Crashes

BORDEAUX, France, March 28 — (AP) — A six-motored French seaplane being tested for freight service plunged into the sea today after wing fell off in flight. All 12 crew members were killed.

Report Heavy Ice On Great Lakes

MONTREAL, March 28 — (CP) — Reports today from the western end of Lake St. Louis indicated the worst ice conditions in years and inland ships may not reach Montreal until early in May.



Finance Minister Abbott

profits from business and those that were not would be left to the Income Tax Appeal Board.

Oil, Mining Get Lift

Oil and mining industries got a lift from the budget. Mr. Abbott said the special write-off privilege for their exploration and prospecting expenses will be continued for another year.



NO FUTURE YEARS CAN MAKE UP FOR THE LOST ONES!

HALIFAX, March 28 — (CP) — Official forecasts issued by the Dominion Public Weather Office at Halifax.

Synopsis: In Prince Edward Island, Nova Scotia and Southern New Brunswick tonight there was extensive fog with some drizzle and rain. This was caused by very mild air, which covered these sections.

Wednesday skies will be less threatening, though it is likely to remain cloudy. In most sections there will be no precipitation, but showery weather is expected in Northern New Brunswick.

Gold air will be pressing south-eastward across the lower Saint Lawrence valley Wednesday afternoon, when snowflurries will occur in that section.

Regional forecasts valid until midnight Wednesday: Prince Edward Island — Intermittent drizzle and occasional rain, with patches of fog ending late Wednesday morning. Cloudy in the afternoon and evening. Continuing mild. Light winds. Low early Wednesday morning and high in the afternoon at Charlottetown 40 and 45.