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RED CHINA PROPOSES COMPROMISE FOR ENDING WAR

Garson Stresses Value Of Tax Agreements

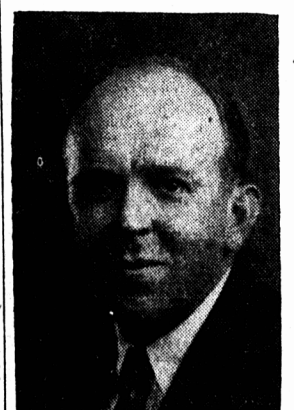
Control Prices Suspended By Potato Marketing Bd.

The P. E. I. Potato Marketing Board yesterday decided to suspend indefinitely the existing control prices, as it was felt the factors now governing prices are beyond the control of any agency in this Province.

"It is still hoped that Maine prices may show some firmness before the end of our shipping season," Board officials stated last night. "If that should happen, it should not be too hard to change the present trend of potato prices in this country."

Already 8300 carloads of this year's island crop have been marketed, it was pointed out. "This represents one of the heaviest movements we have ever had, and we have already shipped almost 2500 carloads more than the total crop of the 1951-52 season. However, the price trend for some weeks past has been very disappointing, as Maine has been a dominant price factor in Eastern potato markets, and prices in that state are now as low as \$1.25 per barrel, or 45 to 50 cents a bushel.

Heads Agricultural Institute Of Canada



Dr. G. R. Smith, Truro, N. S., director of the chemistry, soils and fertilizers branch of the Nova Scotia Department of Agriculture and Marketing, who has been elected president of the Agricultural Institute of Canada for the year 1953-54. He has been closely associated with the Institute for several years and has represented the Maritimes on the National Council during the past two years. He is a graduate of McGill University and since graduation has been working in soil chemistry, and is on the staff of the N. S. College of Agriculture.

He is an active member of the Chemical Institute of Canada. He will assume his new duties at the 1953 annual meeting and convention at Saskatoon, June 22-25, succeeding Dr. J. B. Harrington, Saskatoon, Sask.

Are Guarantee Of Autonomy To Provinces

HAMIOTA, Man. (CP)—Justice Minister Garson said Monday night "nothing is more important" than that federal-provincial taxation agreements should be "perpetuated."

He made the statement in a speech prepared for delivery to the Hamiota and district chamber of commerce and the agricultural society. Hamiota is about 180 miles west of Winnipeg.

All provinces except Quebec now have taxation agreements with the federal government that expire March 31, 1957.

"These agreements are safe now for at least another five years," said Mr. Garson.

He added:

"No one should think that the purpose of these agreements is to enable the federal government to invade the constitutional jurisdiction of the provinces. In fact, the purpose is the very opposite, namely, to make sure that every province has sufficient financial resources to carry out fully the functions allotted to it by the constitution."

Mr. Garson said an idea of the importance of the tax agreements could be obtained by considering the case of Manitoba. In 1951-52, federal revenues from Manitoba amounted to \$113,600,000 while federal expenditures in the province amount to \$162,900,000.

Thousands Of Mourners Pass Queen Mary's Bier

LONDON, (CP)—Five thousand persons an hour filed slowly through Westminster Hall Monday as Britain paid final homage to Queen Mary.

Simple bunches of daffodils, dropped by anonymous hands, piled up at the foot of the purple catafalque alongside huge wreaths of spring blooms contributed by the late Queen's family.

Deep afternoon shadows were lengthening under the tall candles in the 850-year-old hall when royal visitors—in Britain for the funeral at Windsor today—silently joined for a few minutes the Britons who came to witness Queen Mary's lying-in-state.

The Duke of Windsor arrived with the Duke of Gloucester.

For half an hour the two royal dukes stood in a deep recess in the hall, in silent homage to their dead mother.

The eyes of passing Britons were concentrated on the catafalque, and the royal party was almost unnoticed.

The men of the royal party, in formal black suits, bowed toward the coffin at arrival and departure. The ladies, who were unveiled but in deep mourning, made low curtsies.

Shortly after the royal party left.

Offer Made In Peiping Radio Broadcast

By Milo Farneti

TOKYO, AP—Red China's premier Monday night proposed a compromise for ending the Korean war. The heart of it was to send war prisoners unwilling to go home to a "neutral state" and let countries concerned talk it over with them.

Peiping radio broadcast a statement by Premier Chou En-lai broaching a proposal which resembled one advanced by Allied negotiators at Panmunjom and rejected by the Reds last fall.

Recently From Moscow

Chou, only recently returned from Moscow, proposed an "immediate" resumption of the armistice talks. But Chou made it quite clear the Reds held mental reservations about the key issue—what to do about more than 51,000 Communist prisoners of war who say they don't want to go home.

"We are not selling the statement short," commented a spokesman for Gen. Mark Clark, United Nations commander in the Far East, "but so far it is just a Communist radio broadcast."

United Nations diplomats in New York voiced guarded optimism. Washington was officially non-committal but unofficially the view was that the proposal, on the surface, came closer than any previous Red approach to the UN offer.

The spokesman for Gen. Clark pointed out that as yet no formal written offer had been received as the case last Saturday when the Reds agreed to Clark's offer to exchange sick and wounded under the Geneva convention.

Chou's Proposal

Chou's proposal in brief:

1. "Repatriate immediately after the cessation of hostilities all those prisoners of war in their custody who insist upon repatriation."

2. "Hand over the remaining prisoners of war to a neutral state so as to ensure a just solution to the question of their repatriation."

3. The neutral state would allow representatives of each side to explain to these prisoners what their decision would mean.

Chou said this did not mean the Reds "acknowledge the assertion of the United Nations command that there are among the prisoners of war individuals who allegedly refuse repatriation."

He also said the neutral states (Continued on Page 13 Col. 2)

Federal Butter Floor Plan Extended For Two Years; Price Unchanged

OTTAWA, (CP)—Before taking up a miscellany of legislation including the Wheat Board Act, the House of Commons Monday heard Agriculture Minister Gardiner announce a two-year extension of the government's butter-price stabilization policy with the same price floors as now.

Members approved legislation implementing budget resolutions dealing with some tariffs and excise-tax changes.

In another measure, it gave final approval to an amendment to the Farm Improvements Loan Act increasing to \$4,000 from \$3,000 the maximum in government-backed loans under the measure.

Hope For Wheat Agreement

Canada still hopes for a "favorable outcome" to negotiations for a renewed international wheat agreement, Trade Minister Howe said.

"But we shall not be easily satisfied," he added in commenting in the Commons on TWA negotiations under way at Washington for several weeks and now apparently approaching the final stage.

Mr. Howe spoke as the Commons gave third and final reading to a measure extending until Aug. 1, 1957, provisions of the Canadian Wheat Board Act under which the board handles the marketing of wheat, oats and barley. They were due to expire at the end of the current crop year, next July 31.

While the minister said he could not comment directly on the progress of the Washington negotiations, he said the government feels an agreement could be of benefit to both exporting and importing countries.

Can Sell Wheat

"But," he said, "if mutually satisfactory terms cannot be agreed upon, we can, as we have done in the past, sell our wheat successfully without an agreement."

All parties in the House endorsed the extension of the wheat board's operations. A Social Credit spokesman said the legislation should be made permanent, but Mr. Howe said the government feels it should be brought before the House from time to time for discussion.

On the other hand, Idaho markets are strong and producers in that state are getting as high as \$2.50 per bushel. Such a difference in potato values has never been known before. Evidently the advertising efforts of the Idaho potato trade have attained the objective and consumers believe their quality is better than any other and they are prepared to buy the Idaho stock at any price. This fact should be conclusive evidence that we must advertise island table (Continued on Page 13 Col. 4)

No Trace Of Seal Hunter

ST. JOHN'S, Nfld., (CP)—A United States Air Force helicopter returned to base late Monday after an unsuccessful search for William Dunn, 31-year-old seal hunter missing for three days in the heaviest ice jam to hit Newfoundland's east coast since 1938.

Officials said the search has not ended, but they are "not hopeful" of finding Dunn, who failed to return from a hunting trip Saturday on the shifting ice floes off nearby Logy bay.

Time leobckade, which has brought shipping to a halt, carried the teeming seals within a few hundreds yards of the shore.

Stepped Up Help For Indo-China Reds

HONG KONG, (AP)—The pro-Nationalist Kung Sheng daily news says that three Chinese Red generals and 12 Russian advisers visited the Indo-China border area last week to talk over military assistance to the Communist-led Vietminh rebels. A top French intelligence officer in Indo-China has reported a marked increase in the last two months in supplies the rebels have received from Red China.

Important To Autonomy

"Nothing is more important, therefore, than that these tax agreements between the federal government and nine of the 10 provincial governments should be perpetuated."

Mr. Garson said that prior to the agreements "provincial autonomy" was rapidly becoming an empty phrase.

Possibly with reference to Premier Duplessis of Quebec, Mr. Garson added:

"Those who today attack the tax agreements in the name of 'provincial autonomy' surely must realize that they are, in effect, attacking the autonomy of the majority of Canadian provinces."

"In fact, there is every reason to believe that these tax rental agreements form a real and essential barrier against increasing centralization of power in the federal government, for without them the federal government would have no choice but to take over the functions which many of the provinces would not longer be able to carry out."

CBC Approves Seven Private TV Stations

OTTAWA, (CP)—Canada's first privately-owned television stations likely will be established in Sydney, Saint John, N. B., Quebec City, Hamilton, London, Sudbury and Windsor, Ont.

The CBC board of governors Monday recommended approval of applications for TV stations in the seven cities. The 11-member board rejected an eighth application from Kitchener, Ont., largely because the applicants wanted a channel allocated to Toronto.

The applications were the first to be considered by the board since the government announced last November that private stations would be licensed in areas not served or to be served by the publicly-owned CBC.

No Plans For P. E. I.

The CBC now has stations in Toronto and Montreal and plans others in Ottawa, Winnipeg, Vancouver and Halifax. So far, it has no plans for stations in Newfoundland, Prince Edward Island, New Brunswick, Saskatchewan and Alberta.

In the Commons, Revenue Minister McCann followed the CBC decisions with an announcement that the government will not limit any area indefinitely to one television station.

Dr. McCann, who reports to parliament for the CBC, said:

"At the rate that applications for stations now are being received it may not be long before there is a sufficient degree of national coverage to justify the government and the CBC giving consideration to permitting two and perhaps, in some cases, more than two stations in certain areas."

It is anticipated that, in due course, private stations will be permitted in areas covered by CBC stations and the CBC may establish stations in some areas originally covered by private stations.

New Canadian Pacific Liner To Be Reconditioned

LIVERPOOL, England, (Reuters)—The 20,000-ton liner De Grasse, bought by Canadian Pacific Steamships to replace the burned-out Empress of Canada, arrived here Monday for reconditioning.

Before leaving here April 28 on her first scheduled trip to Canada as the Empress of Australia, she will be repainted and her masts shortened to allow her to pass up the St. Lawrence River to Montreal.

Strict security measures have been enforced for the De Grasse's stay here. The hundreds of workers will use a single gangway to board her and will be constantly checked.

Although she is claimed to be virtually fireproof, large "no smoking" signs went up on all decks Monday.

Capt. J. P. Dobson, master of the old Empress of Canada, who is taking over the new ship, said after bringing her from Le Havre: "She is a very fine sea boat and I think she will serve our purpose well."

60,000 Police Hunt Killer In Great Britain

By EDWIN S. ROSENTHAL

LONDON, (Reuters)—Some 60,000 policemen hunted through Britain by the light of a full moon Monday night for the sex-crazed slayer of at least six women, for fear he might strike again before dawn.

Frightened housewives double-locked their doors, Scotland Yard cancelled all police leave in London and put every available man on the trail of the maniac. Hundreds of police reinforcements were called into London from the country and thousands of other provincial police joined in the search.

It was the biggest manhunt for a mass killer since "Jack the Ripper" crawled through London's east-end in 1888 and knifed eight street-walkers to death—never to be caught.

Tornado And Flood In Lawton, Okla.

LAWTON, Okla., (AP)—A tornado ripped through Lawton Sunday night, adding to destruction wrought by floods and heavy downpours earlier. The highway patrol reported the twister tore down a barn, moved a steel frame building 300 feet and tore down fences.

Flood water covered Lawton streets with as much as two feet of water, forcing some residents to evacuate their homes. No injuries have been reported.

U.S. Has Guided Missile For Use On Submarines

WASHINGTON, (AP)—The United States Navy discloses that it now has in operation a submarine carrying a faster-than-sound guided missile capable of blasting inland targets—presumably by the fury of the A-bomb.

This means that all three American military services—air, army and navy—have in production for combat and defence purposes a family of guided weapons approaching the fantastic.

Equipped For Missile

The submarine Tunny, recently put back in service on the West Coast, has been equipped with a slowing tank and launching rack for the Regulus and has been streamlined, fitted for lengthy underwater operations. Aboard the sub are officers and men who were trained for a year in using the guided weapon.

The missile can be controlled by an accompanying plane, from ship or from land, apparently in any kind of weather.

Communist Riots Smashed In Italy

ROME, (AP)—Club-wielding police smashed Communist riots down the length of the Italian peninsula Monday.

Thousands of demonstrators, including 1,000 in Rome alone, were taken into custody in new riots Monday night. Scores were injured. But there was only one reported fatality—a policeman killed when his riot jeep overturned en route to a demonstration.

Angry Communists resorted to violence after their calls for a 24-hour general strike, in protest against Premier Alcide de Gasperi's new law designed to keep his government in power, had largely failed.

The law, passed during a bitter brawl in the Senate Sunday, gives the party or bloc winning 50 per cent of the popular vote at least 65 per cent of the parliamentary seats.

The Communist disorders lack the steam of similar outbreaks just after the war, but nevertheless appeared to be the most serious since 1948.

U.N. Delegates Taking Optimistic Attitude In Reds' Prisoner Offer

By FRANCIS W. CARPENTER

UNITED NATIONS, N.Y., (AP)—United Nations delegates took an optimistic but "show me" attitude Monday toward Communist China's offer of a compromise on the Korean prisoner-of-war issue which both sides say is the only obstacle to an armistice.

At the same time the Big Five delegates put off until Tuesday a possible showdown vote on a successor to Secretary-General Trygve Lie. The Big Five—Britain, Nationalist China, United States and the Soviet Union—apparently did not want to shut the door on an agreement on that troublesome problem while the Korean question is bubbling.

Peiping radio broadcast for Premier Chou En-lai a proposal that both sides return those prisoners who insist on repatriation and hand over to a neutral state those prisoners who say they do not wish to return home.

At the first reading, that appeared to be in line with the Indian plan, approved 54 to 5 by the general assembly last Dec. 3 and rejected in scathing language by the Chinese Reds and the Soviet Union.

The Indian proposal called for prisoners unwilling to return home to be put in a demilitarized area under a four-country repatriation commission. If at the end of 120 days there still were prisoners in that area, the question of their disposition would be referred to the UN.

There was no official communication here relative to the broadcast and UN officials watched for it with great interest.

Coming so quickly on the heels of a Red Chinese agreement to exchange sick and wounded prisoners, delegates openly speculated that this might mean a break in the long-deadlocked Korean situation.

Chancellor Adenauer To Visit Ottawa

BONN, Germany, (Reuters)—Chancellor Konrad Adenauer of West Germany will fly to Ottawa April 17 for a one-day visit as guest of the federal government. The itinerary for Adenauer's trip to North America was announced Monday. He is due in New York April 6 and in Washington the following day. He will fly to San Francisco, Chicago, New York and Boston and then to Ottawa, spending part of April 18 there before leaving by air for the return trip to Europe.

Barbara Ann In Ottawa For Show

OTTAWA, (CP)—Barbara Ann Scott arrived here Monday from Victoria, B. C., by plane to take part in a skating show. The former world champion skater will star in a six-day ice show at the Minto Skating Club where she learned to skate.

Canada Will Continue Co-operation With France

OTTAWA, (CP)—Canada has pledged continued co-operation with France and Britain in the defence of democratic institutions inherited from the two countries.

Prime Minister St. Laurent, greeting Prime Minister Rene Mayer of France, Foreign Minister Georges Bidault and Finance Minister Maurice Bourges-Maunory Monday when they appeared in the Commons diplomatic gallery, expressed cordial Canadian sentiments toward France.

"We are all anxious," Mr. St. Laurent said, "that you bring back the sincere desire of all Canadians to continue co-operating with our motherlands in the defence of the civilization we inherited from them and of which our democratic institutions are an essential manifestation."

George Drew, Progressive Conservative leader, assured the French visitors there was harmony and understanding among Canadians in their good wishes toward France.

France's 57-year-old Premier, here on what is described as a friendly visit, called briefly on Mr. St. Laurent and external affairs department officials.

Accompanied by Mr. Bidault, Mr. Bourges-Maunory and staff from his cabinet he is believed to have discussed informally problems arising from East-West differences.

No announcement has so far been made on the subject matter of discussions and Mr. St. Laurent's statement in the Commons emphasized the friendly nature of the visit.

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Coming Events

- **Reserve July 15, Lower Montserrat.
- **At Sotris, Monday, April 6th. 8.15 P. M. Three Act Comedy and Specialties. "Aunt Tillie Goes to Town". Admission 50 cents.
- **Farmers, ask about the Shu Gain Feed Finance Plan. For particulars contact your local feed mill.
- **Don't miss the big Easter Dance in Emerald Hall, April 6th. Good music. Lunch served.

SILK STOCKINGS COVER A MULTITUDE OF SINS!



TORONTO, (CP)—Minimum and maximum temperatures:

	Min.	Max.
Dawson	21	37
Victoria	43	48
Edmonton	29	45
Calgary	26	47
Regina	24	49
Winnipeg	34	49
Toronto	35	46
Ottawa	35	43
Montreal	33	48
Quebec	39	54
Saint John, N.B.	34	48
Moncton	34	48
Halifax	44	54
Charlottetown	40	50
Sydney	35	43
Yarmouth	45	58
St. Johns, Nfld.	33	50

C.P.R. Reports Increase In Earnings Last Year

MONTREAL, (CP)—Increase of \$2,117,948 was reported Monday by Canadian Pacific Railway Company in net earnings of \$29,930,780 for the 1952 fiscal year, compared with \$26,812,832 in 1951.

Gross earnings were \$457,808,969, against \$428,911,807. Other income declined \$6,651,860 to \$22,851,773 from \$29,343,635, due mainly to a decline in earnings from ocean steamship operations and lower dividends from Consolidated Mining and Smelting Company.

Net income after fixed charges, which declined \$345,000 to \$12,500,000, from \$13,845,000, a decline of \$1,345,000.

After provision for dividends of four per cent on preferred stock, earnings available for dividends on ordinary stock and for re-investment totalled \$36,000,000. This was equal to \$26.1 a share on 13,801,015 ordinary shares, compared with \$2.98 on 13,400,000 shares in 1951.

Total assets increased by \$57,000,000 to \$1,918,000,000. Working capital amounted to \$116,925,651, an increase of \$13,066,470.

President W. A. Mather wrote that volume of freight traffic rose by eight per cent in terms of ton miles and was greater than any previous year. However, there were declines in tonnage of many manufactured commodities and total tonnage would have been below 1951 but for heavier grain shipments. These accounted for more than 40 per cent of total freight traffic.

Freight earnings, up \$25,700,000, made up four-fifths of the gross earnings of \$457,808,969. Passenger earnings increased by \$1,200,000, partly due to a higher proportion of long-haul traffic. Net revenue from express operation increased by \$1,500,000.

High tide today at Charlottetown at 11:22 A. M.
High tide on the North Shore at 6:11 A. M. and 6:41 P. M.
Summerside tide eighteen minutes later than Charlottetown.
Sun rises today at 5:56 A. M. and sets at 6:39 P. M.