



DURING BUDGET SPEECH LAST NIGHT

Hon. B. Earle MacDonald, Provincial Secretary-Treasurer (left) speech in the Legislature last night. Premier Matheson (centre) and Hon. Dougald MacKinnon (extreme right) thumb through the estimates for the coming year. Hon. Keir Clark is busy taking notes. The galleries were packed to hear Mr. MacDonald deliver the Budget Speech.

Province To Receive Less Under New Tax Agreement

Under the new tax sharing arrangement with Ottawa, effective April 1 of this year, Prince Edward Island will not receive a payment as high as it would if the present tax rental agreements were continued. Hon. B. Earle MacDonald, Provincial Treasurer, revealed in the course of his budget speech in the Legislature last evening.

In his Budget speech in the House of Commons on March 14, Finance Minister Harris had stated that "for the eight Provinces which are continuing to rent all three tax fields (individual income, corporation income and succession duties) the new scale of payments in 1957-58 are estimated to be \$240 million which is \$40 million, or 20 per cent, above the 1956-57 scale of payments."

In dealing with this subject in the Legislature last night Hon. Mr. MacDonald said: "In each of the budget speeches of recent years we find reference to the Federal-Provincial Tax Rental Agreement. This year, the subject assumes unusual significance for us because the present agreement will expire at the end of this month, March 31, 1957, and the question of its renewal or substitution is of very great importance to the Province of Prince Edward Island.

Gives Views On Coal Turbine

MONCTON (CP)—The Canadian National Railways is interested in any research work regarding coal-burning gas turbine locomotives. Dr. O.M. Solandt said in an interview here Tuesday.

The assistant vice-president of research and development for the C.N.R., en route to deliver a lecture at Charlottetown, discussed the new-type locomotive experiments in England and the United States. Asked if he thought the Maritimes would benefit from such "on the whole the Maritimes do not have suitable types of coal which could be used to best advantage in these engines. There are some Maritime coal mines, however, which do produce coal low in sulphur and ash content. Dr. Solandt explained that coal with a high content of ash and sulphur would cause harmful corrosion.

Court Decision Permits Hanna To Stay In Canada At Present

VANCOUVER (CP)—A refugee from the world at last has a country to call his home—but for how long is uncertain. Immigration Minister Pickett said today that the minister will make a statement in the House of Commons on the Hanna case in a day or two after studying Mr. Justice Sullivan's judgment. Hanna was jubilant. "It's so good to hear this," he said. "Now I can really learn my lessons without worrying too much about what is happening to me."

Mr. Justice Sullivan said the reason for quashing the deportation order was that it sentenced Hanna to an indeterminate sentence aboard the Norwegian freighter Gudveig. Hanna stowed away on the ship at Beirut, Lebanon, in October, 1955. He spent 15 months aboard her, unable to land in England, the United States or Europe. He came ashore in Vancouver last December. The judge said his order could not prevent Hanna from being deported "by further proceedings properly instituted and conducted" in accordance with the Immigration Act and regulations. J. Arthur MacLennan, lawyer for the department, announced he will recommend an appeal against the judgment.

Polio Clinics Functioning For Extended Age Groups

Dr. M.L. Bonnell, Minister of Health for Prince Edward Island, announced last night that polio clinics have begun throughout the island for the immunization of children in the extended age range as indicated earlier this year. Heretofore, only children 18 months of age up to Grade X students were eligible. Expectant mothers were also eligible. The new programme includes children from six months of age to young people, up to, but not reaching, their 19th birthday by December 31, 1957. Expectant mothers who have not received their inoculations will also be eligible.

Work has already begun in the Charlottetown schools and at Prince of Wales College, Dr. Bonnell added. Next week clinics will be held at St. Dunstan's University. Clinics have also been held in Summerside, Kennington, Montserrat and Georgetown.

Boys Injured By Dynamite

SAINT JOHN, N.B. (CP)—Two boys suffered minor injuries Tuesday when they exploded four sticks of dynamite, among 23 sticks and 23 blasting caps they found in woods at nearby Loch Lomond. Police said George Crawley, 9, and Bernard Deas, 10, apparently thought the dynamite sticks were firecrackers and set a match to the caps. Four small pieces of the copper casings.

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U. K. Strike Outlook Is Brighter Now

LONDON (Reuters)—Bids to settle Britain's 11-day-long shipyard strike took a decisive turn Tuesday when the unions and employers agreed to cooperate with a government-appointed court of inquiry. This agreement came little more than 12 hours after talks between both sides broke down completely on a new wage offer. Labor Minister Iain MacLeod immediately announced he would set up a court of inquiry, but union leaders postponed a decision on their attitude to the court until an executive meeting Tuesday. The meeting decided to cooperate.

PARLIAMENT YESTERDAY

Tuesday, March 26, 1957. Revenue Minister MacCann indicated court action may be taken against the Canadian edition of Reader's Digest for non-compliance with a special tax. The Senate approved in principle a government bill increasing benefits paid disabled seamen and their dependents. Wednesday, March 27, 1957. The Commons resumes the budget debate. The Senate sits.

Corner Brook Plans New Nursing School

CORNER BROOK, Nfld. (CP)—Western Memorial Hospital has announced plans to build a \$375,000 nurses residence and training school to alleviate a nursing shortage and induce young women from the west coast area to join the profession. Administrator Fred Whittaker said the school when completed would produce 15 registered nurses annually.

AMMAN, Jordan (Reuters)—

Prime Minister Suleiman Nabulsi says Arab countries should unite in a policy to "regain our stolen home in Palestine." In a speech to refugees at Jericho he said: "We do not want foreign influence."

DEPUTY SPEAKER ST. JOHN, MR. MacMILLAN AND PREMIER MATHESON

L. B. MacMillan is honoured by the P.E.I. Legislature. Upwards of 67 years as a public servant of the Province was given official recognition by the Legislature of Prince Edward Island when yesterday afternoon, Mr. L. B. MacMillan was presented with a scroll containing a copy of a House resolution by the Deputy Speaker, J. Brenton St. John.

On behalf of his wife who was not present, Mr. MacMillan accepted a beautiful bouquet of flowers from the Government Clerk, Miss Dorothy Saunders. In reply to the presentation, Mr. MacMillan recalled that he had spent many years in the Provincial building and noted, "I enjoyed every one of them; the bigger the fights, the more I enjoyed them." The following is the text of the resolution, moved by Premier Matheson and seconded by the Leader of the Opposition, R.R. Bell: "Whereas Louis Broderick MacMillan, M.B.E., I.S.O. entered the service of the Government of Prince Edward Island in the Department of Public Works and

REVENUE NEEDS STRESSED

3-Cent Gas Tax Increase Is Announced In Budget. Several Briefs Presented To Education Committee. Messrs. James Coyle, who read the brief, Robert LeClair and Richard Matheson who form the Salary Committee for teachers at the College. The brief expressed the opinion that the greater part of our ills in education stem from three chronic causes: low salaries, lack of stable and guaranteed increments, and lack of financial recognition of academic qualifications. Because of these they felt no proposals for attracting candidates to the teaching profession will be successful until the salaries will stand comparison with the inducements offered in other fields. It was their firm conviction that an adequate salary is the essential consideration and strongest inducement. In support of their contention Continued on page 13, Col. 5

STEEL TENDERS FOR CH'TOWN NAVAL CENTRE BEING CALLED

OTTAWA (Special)—Tenders for the actual work of construction for the new naval training establishment at Charlottetown are being called on Wednesday of this week, it was learned here Tuesday by Neil A. Matheson (L-Queens) the tenders are being called by Defence Construction Limited, the establishment that looks after the construction of buildings for the Department of National Defence. The date on which the tenders for the actual construction of the building will be called will depend on the time at which the steel is available. The steel when it is procured will be allocated to the successful bidder in the tenders

CRUMBS FROM RICH MAN'S TABLE

"Like Lazarus and Dives" was the comparison drawn by Dr. L.G. Dewar in the Legislature last night in commenting on Provincial Treasurer MacDonal's predicament in seeking to obtain crumbs from "The Rich Man's Table" Finance Minister Harris at Ottawa. The Conservative member from Second Prince followed Hon. Mr. MacDonal in the Budget Debate. Continuing the parallel taken from scripture, Dr. Dewar said, "although the Provincial Treasurer

SORES OF LAZARUS

Dr. Dewar said the Provincial Treasurer like Lazarus had a number of sores to contend with. He said he had the sores of decreasing revenue and increasing liabilities along with unpaid public servants and school teachers. He spoke of the great gulf which existed between the national economic picture and that of Prince Edward Island. On the one hand he pictured embarrassing increasing surpluses while on the other he saw decreasing revenues. The national scene showed great expansion of natural resources while the local situation indicated an absence of natural resources. "We must view with alarm an increase of two and a half million dollars in our provincial deficit. Something drastic must be done, we are not told how long this can go on," said Dr. Dewar. He said the budget speech was "a remarkable attempt to manipulate a mass of figures in an attempt to present a pleasant picture."

34 Dead In U.S. Blizzard

KANSAS CITY (AP)—The staggering toll of damage and death left across the snow-desolate Great Plains by a hit-and-run spring blizzard mounted Tuesday as the storm blew itself out in the Ohio valley. Nine states counted 34 dead, including seven from exposure, six from carbon monoxide poisoning, two from fire, four from exertion and 15 in attributable traffic accidents. Meanwhile, the panhandles of Texas and Oklahoma, eastern New Mexico and Colorado, western Kansas and Nebraska dug themselves out of snowdrifts which reached 30 feet in places. Highway and rail traffic, brought to a dead stop by the sudden storm, started to move again. Near normal rail service was expected by tomorrow.

The task of rescue and repair was vast. Volunteer workers pitched in. Acts of mercy during and after the storm were legion. Rescuers estimated at least 7,500 travellers were stranded. Southwestern Bell Telephone said blizzard damage to its equipment would come to at least \$1,200,000 in Kansas alone. More than 4,000 poles were down in that state.

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Several Briefs Presented To Education Committee

Stating that the program of education in this Province was geared to serve only the twenty per cent of the students who would go on to later professional studies, Mr. John Lenty told the Legislature's Committee on Education that he believed technical and farming courses should be available to pupils from the Grade 8 level. Mr. Lenty appeared at the public hearing in the Legislative Chamber yesterday morning with a delegation from the P.E.I. Federation of Home and School Associations. Other members of the group were Mrs. Earl Lavers, recording secretary; Rev. Eric Robin, secretary; and Allison P. MacLean, vice president. The brief presented by the group noted that a large number of pupils were unable to complete Grade 10 or the high school program and suggested these pupils be given "an exploratory basis, the opportunity for further advancement by a closer integration of the available facilities at the Provincial Technical School or as they are set up at present in Summerside."

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Charges Ottawa Has Paid No Heed To Island Pleas

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Forecasts Debt Increase Of \$1,815,046 Next Year

A 3-cent per gallon increase in gasoline tax and a change in the method of collecting and remitting the tax on tobacco sales, calculated to bring in more revenue, were announced in the budget speech delivered in the Legislature last night by Hon. B. Earle MacDonald, Provincial Treasurer. Total revenue for the coming fiscal year, 1957-58, was estimated at \$13,200,971 and total expenditure at \$15,685,417. Allowing for debt retirement Mr. MacDonald forecast an increased liability for next year's operations of \$1,815,046. The estimated total net debt will then stand at \$23,869,830. On ordinary account the Minister budgeted for a surplus of \$1,064,154. He estimated that the increase in gasoline tax will produce \$300,000 additional revenue, bringing total revenues from this source to at least \$2,025,000. The new rate will bring the gasoline tax up to sixteen cents per gallon which, Mr. MacDonald noted, will still be lower than the rate in Nova Scotia and will equal that now in force in New Brunswick. It is proposed to rebate one cent of the increased gasoline tax to farmers and fishermen. The budget proposals contain increased appropriations for agriculture and fisheries, transportation and development of basic resources.

FINANCE MINISTER QUERIED BY MR. MACLEAN IN COMMONS

OTTAWA (Special)—Finance Minister Harris told Angus MacLean, Conservative, Queens, in the Commons Tuesday that he has not yet received from the Dominion statistician a survey of population figures dealing with Prince Edward Island. Mr. MacLean asked if the minister had obtained the figures required to be furnished to him as soon as possible after Feb. 28 under the 1952 tax rental agreement between the Dominion Government and P.E.I. In the debate on the hospital insurance legislation last night Mr. MacLean praised the work of the general medical practitioner and Health Minister Martin interjected that Dr. W.J.P. MacMillan of P.E.I. was an excellent example. Mr. MacLean agreed. The P.E.I. member pointed out that specialized forms of treatment had caused additional costs which could leave a family unable to provide the education for children it desired. Mr. MacLean believed a great field remained for medical science in preventing and curing disease and money spent in this would return dividends. There was a great opportunity for research into heredity in relation to susceptibility to disease.

Plan Uranium Sales To U.K.

TUCKER'S TOWN, Bermuda (CP)—Canada and Britain Tuesday night wound up discussions which will result in Britain buying \$115,000,000 worth of Canadian uranium in the next five years and probably even more in succeeding years. Prime Minister Macmillan said he and Prime Minister St. Laurent had "two very useful days" of discussions. Also taking part were Foreign Secretary Selwyn Lloyd, Canadian External Affairs Minister L. B. Pearson and Defence Production Minister C. D. Howe. The discussions followed the Big Two conference between Macmillan and President Eisenhower. Following the Anglo-American solidarity expressed at the end of the Big Two meeting, Canadian and British leaders both expressed warmest mutual personal regards for each other at a press conference marking the end of the talks. Macmillan said the uranium agreement "is very important to the United Kingdom as we are embarking on a very bold program" of using nuclear power industrially. The Canadian leader said Canada was delighted to make uranium available for Britain's "bold experiment which will demonstrate to the world that uranium can be used for peaceful industrial purposes."

Hammarckjold Winds Up Talks

Cairo (Reuters)—United Nations Secretary-General Dag Hammarskjold wound up his talks with Egyptian leaders here Tuesday night amid reports that a settlement of the Suez Canal problem may be in sight. Egypt's foreign minister, Mahmoud Fawzi, Tuesday night handed notes outlining Egyptian views on the canal to the envoys of the United States, Russia, Yugoslavia, India, Syria and Saudi Arabia. A UN spokesman said "Hammarskjold's talks with the Egyptian government have proved useful" and that the UN chief will leave Cairo this morning for New York by way of Beirut. A foreign diplomatic source said "considerable progress has been made" for a solution of the critical issues. He said the talks had not yet settled the issue of Israeli shipping in the Suez Canal, but that the problem probably would be taken before the international court.

PURCHASE FROM ELDORADO UNDER THE LARGE-SALE URANIUM CONTRACT

Under the large-sale uranium contract the United Kingdom will purchase the uranium from Canada's governmental agency, Eldorado Mining and Refining Limited, which in turn has entered into purchase contracts with Canadian mining companies. A communique issued following Tuesday's session said Britain will use the uranium "to assist in carrying out the expanded nuclear power program of the United Kingdom." During the five-year period Canadian sales to the United States, which amount to an ever larger sum, will continue. It is understood Canada expects to sell \$300,000,000 worth of uranium in the next year. At Tuesday night's press conference, the Canadian leader said he and Macmillan had "intimate and frank discussions of international problems which have been causing us concern."