

# Canada's Long Day From Balanced Budget

By FORBES RHUDE  
Canadian Press Business Editor  
The Canadian Tax Foundation's annual budget forecast added another reminder last week that Canada has a long way to go to reach financial comfort.

The foundation, a highly respected independent research body on tax matters, says that on these realistic present tax rates, spending programs, and expected rate of growth, the budget deficit in the fiscal year 1963-64 would be at least \$600,000,000, the same as in the current fiscal year—and perhaps as high as \$800,000,000.

"Whatever government is elected," the foundation comments, "it will have to start from a position of deficit."

Along with most other current forecasts, the foundation estimates that the gross national product this year is up the approximate eight per cent of 1962. It expects this year's figure will be between three and four per cent.

**CAUTIONARY COMMENT**  
Further cautionary comment came from Guy Vanier, president of Montreal City and District Savings Bank, who said Canada provides "an exact definition of living beyond one's means."

"We are using too large a share of our income on living expenses," he said, "and are leaving the task of developing our resources."

**AUTOS BUOYANT**  
From the buoyant automotive industry came announcements by General Motors of Canada that it will establish Canada's first automatic transmission plant at Windsor, Ont., and that assembly of transmissions will start late this summer.

**REPORTS GERALTY**  
The January survey of manufacturing and processing in Canadian industries showed a continuation of the levelling trend noted in December. While most reports are becoming better, it was relatively weak in both new orders and production.

**HAS BIG TRIST**  
A high-producing milk cow will drink up to 30 gallons of water every day.

# 17 Ghanaians Lead Exodus Of Students From Bulgaria

VIENNA (AP) — Seventeen Ghanaians have led an exodus of African students from Communist Bulgaria and charged on arrival that they had been "treated like dirt" because of their race.

They said they had been subjected to racial discrimination but a primary reason for leaving was that "studying in Communist countries is a waste of time."

A spokesman for the students declared "We have been called black monkeys and jungle people and people used to spit 'treated like dirt' because of their race."

**Soviets Condemn Terror in Iraq**  
LONDON (Reuters) — The Soviet Union has condemned "bloody terror" against Communists in Iraq.

A statement quoted by Tass Saturday, said Soviet Communists "are alarmed by the situation in Iraq and 'wretchedly protest a gainst the unjustified wholesale reprisals,' the state ment said."

**CAUSE LIES DEEP**  
The immediate cause of the African's departure was the arrest Monday of seven leaders making up the executive committee of the All-African Students' Union in Sofia. Others from about 20 African nations are awaiting transportation.

**SEVEN AFRICAN**  
Seven African — the entire executive committee of the union — were arrested last Monday and their whereabouts still are unknown, the Ghanaians said.

**STUDENT TRAGEDY**  
The arrests triggered a violent protest demonstration in downtown Sofia Tuesday.

**BULGARIAN POLICE**  
Bulgarian police and militia beat us like pigs and threw all of us into jail," one of the Ghanaians told reporters.

**STUDENT TRAGEDY**  
There was more racial discrimination in this Communist country than there could be in any so-called capitalist country," Robert Koley, 25, declared. "We are absolutely certain that this discrimination was no incidental, but backed from above—by the Communist authorities."

# Canadians See Pakistani Project

RAWALPINDI, Pakistan (CP-AP) — A three-man Canadian credit mission, headed by D. C. Taylor, examined a paper-mill project in Pakistan.

The policy of "banditry and annihilation" against what it called the "best sons of the free people" will fail, the state ment said.

**GRAB LOOT, WOMEN**  
BAGDAD, COLOMBIA (AP) — Forty bandits, including a highwayman known as William Abogues, held up 20 automobiles, killed four policemen and ran off with three women Wednesday night near here. Eight passengers were injured. Police said the bandits stripped the motorists of valuables and baggage.

**SWALLOWS FORECAST**  
Low flying swallows do forecast rain. They are seeking insects which won't gain altitude when increasing humidity makes their wings heavy.

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# LOCAL ART EXHIBITION PLANNED

Philip Barlow and Mrs. Don Glas, two Charlottetown members of the Prince Edward Island Art Society, arrange one of the paintings to be included

In an exhibition by the society at Montgomery Hall, included will be some 40 paintings, the work of about 20 Island artists, mostly from the Charlotte-

town area. The exhibition will be open to the public from Feb. 20 to 28 inclusive, with afternoon and evening showings.

# Yank, Soviet Delegates Confer Amid Doubts At Arms Conference

By LIONEL WASH  
GENEVA, Switzerland (Reuters)—William Foster and Vasily Kuznetsov, the United States and Soviet co-chairmen of the 17-nation disarmament conference, held a private meeting here Saturday.

A U.S. spokesman later said that they had discussed questions of procedure. The co-chairmen had agreed that before taking any decisions on further procedure all delegates to the conference should be given an opportunity to speak.

Diplomatic observers said this meant no decision on the future work of the conference's three-power subcommittee dealing with the vital nuclear test-ban question would be taken before next week at the earliest.

**CONCERN EVIDENT**  
Non-Communist delegates are seriously concerned about the future of the test-ban negotiations following new East-West deadlock in the "numbers game" over inspection and control of a treaty.

Russia, the U.S. and Britain to continue private test-ban talks in New York.

But Russia called off the formal talks when they reached impasse on how many compulsory annual inspections of Soviet soil should be provided for under a treaty. The same question quickly bogged down the conference here.

**DEADLOCK IS TIGHT**  
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One diplomat said the Russians could be angling for the negotiations to be undertaken for the time being by the U.S. and Soviet co-chairmen of the conference.

**HOLD PRIVATE MEETS**  
They are holding a series of private meetings to map future strategy and are expected to hold a joint discussion Monday after the next plenary session.

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Other highlights at this week's three plenary sessions of the conference were:

**1. A Russian draft declaration calling for withdrawal of all strategic nuclear weapons from foreign land bases and foreign ports. Western delegates categorically rejected it as aimed primarily at sabotaging formation of a NATO multi-lateral nuclear force.**

**2. Strong Soviet criticism of a U.S. plan for reducing the risks of war, tabled last December. But the door was left open for negotiation on that part of the plan dealing with avoidance of risks of war through communications failure.**

**3. A Russian draft declaration calling for withdrawal of all strategic nuclear weapons from foreign land bases and foreign ports. Western delegates categorically rejected it as aimed primarily at sabotaging formation of a NATO multi-lateral nuclear force.**



# PRINCE VISITS BANFF

Belgium's Prince Albert of Liege, (front) still feeling the effects of an attack of influenza which he suffered on his arrival in Canada three days earlier, arrived in Calgary Saturday night on a department of transport Vis-

count. He left immediately by car for the Rocky Mountain resort of Banff. Prince Albert is to take part in a round of trade talks in Calgary with representatives of industry and finance in Western Canada. (CP Wirephoto)

# Farm Policy Of Liberals Is Criticized

RENFREW, Ont. (CP)—Agriculture Minister Hamilton says the inevitable result of Liberal policy will be assistance for the biggest farmers on the Prairies and ruin for the eastern farmer and feeder.

He told a Progressive Conservative nomination meeting for Renfrew South riding Saturday that Liberal policy is to guarantee the farmers on the Prairies \$2 a bushel for No. 1 wheat.

"At best, it would be of very marginal help to the prairie—and then only for the largest wheat farmers. It will prostrate the farming operations in British Columbia, Ontario, Quebec and the Atlantic provinces."

He advocated a vigorous program of farm adjustment, alternative income sources, market improvement and expansion, farm training and a comprehensive program of government and farmer co-operation.

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**Smallwood's Mother Dies**  
ST. JOHN'S, Nfld. (CP)—Premier Joseph R. Smallwood's mother, Mrs. Mary Smallwood, died at the home of a daughter here early today. She had been in failing health for some time.

The mother of 13, the eldest of whom was the premier, Mrs. Smallwood was the wife of Charles W. Smallwood. For much of his life, he was a saw mill operator in various parts of Newfoundland.

Her husband died in 1956, seven years after Mr. Smallwood became premier when Newfoundland became a part of Canada with Confederation in 1949.

News of Mrs. Smallwood's death was delayed because of difficulty in contacting the premier, who was campaigning for Monday's provincial byelection in Trinity North.

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