

Perseverance's Key To Tignish Graduates Told

TIGNISH—"You are successful graduates today due to hard work and perseverance," said Rev. M. J. Rooney, rector of St. Mary's Catholic Church, at the graduation of 20 students of Tignish Regional High School. He spoke at a breakfast held in the gymnasium by the Tignish Council of the Catholic Women's League prior to the commencement exercises, as the full class of 20 students were successful in passing the school's final day.

The day began when Very Rev. M. J. Rooney and Rev. Floyd McLaughlin, pastor of the parish church of St. Simon and St. Jude, who graduated last year, wished the graduates good wishes and congratulated them on their achievement. They appeared in the bright sunlight of a perfect day.

Addressing the graduates and offering congratulations following the breakfast were Very Rev. M. J. Rooney and Rev. Floyd McLaughlin, pastor of the parish church of St. Simon and St. Jude, who graduated last year, wished the graduates good wishes and congratulated them on their achievement.

On top of his \$585,000 budget deficit, Mr. Gordon estimated that non-budgetary operations of the government apart from the future cost of supporting the foreign exchange fund will require about \$68,000,000.

If the budget deficit forecast pans out, the government's net debt will rise by \$855,000,000 to \$14,520,000,000 at next March 31. Mr. Gordon's budget speech spotlighted chronic unemployment as Canada's top domestic problem and promised an all-out drive to combat it.

ALL MUST HAVE JOBS "Any Canadian, young or old, who wants a job must be able to find one," he said, "it is an aim which we are dedicated to achieve."

Looking back over six years of Conservative rule, Mr. Gordon said, he found economic stagnation, a mismanaged national program, "a national financial disaster."

Looking ahead, he forecast a five-per-cent rise in the gross national product in 1963 to \$42,410,000,000. Last year, the GNP amounted to \$40,401,000,000, an increase of eight per cent over 1962 national output.

But he warned that about one-third of the five-per-cent climb in the GNP represents price increases which have already taken place, mainly because of last year's exchange devaluation and the import surcharges, now discontinued.

He compared the Liberal government's proposed municipal loan fund of \$400,000,000 with the more than \$800,000,000 that had been spent under the Conservative government's municipal winter works incentive program. Yet, though larger, the Conservative program had been criticized by the Liberals as wasteful.

Mr. Nowlan said he does not think the more generous terms on NIA loans announced by Mr. Gordon will compensate for the increased cost of home building that will result from withdrawal of tax exemption on building materials.

Companies may deduct drilling and exploration expenses. New: 10-year bonus of up to \$75 monthly to companies hiring new workers over 45. To be enacted: Three-year exemption from income tax for new manufacturing and processing businesses in slow growth areas.

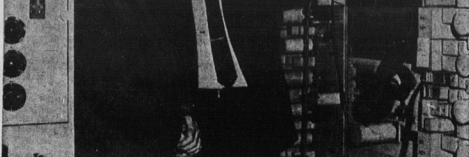
To be enacted: Two-year write-off of new machinery and equipment for such enterprises. To be enacted: Five-year write-off of new buildings in areas of high unemployment.

(Accelerated depreciation outside areas of high unemployment only available to companies with 25 per cent Canadian ownership.) To be enacted: Lower down payments on houses built under NHA.

June 14: Withholding tax on interest removed from non-mortgage interest payments after June 14. June 14: Discount of 25 per cent on computing sales tax on gasoline eliminated. April 10, 1962: Pipeline company may deduct drilling and exploration expenses.

June 30: Export duty on electricity to be removed. New: 10-year bonus of up to \$75 monthly to companies hiring new workers over 45. To be enacted: Three-year exemption from income tax for new manufacturing and processing businesses in slow growth areas.

To be enacted: Two-year write-off of new machinery and equipment for such enterprises. To be enacted: Five-year write-off of new buildings in areas of high unemployment.



WEATHER

TEMPERATURES ISSUED BY THE WEATHER OFFICE:

Location	Min.	Max.
Dawson	40	73
Vancouver	49	68
Victoria	48	63
Edmonton	47	73
Calgary	46	78
Regina	45	72
Winnipeg	50	64
Toronto	55	77
Ottawa	49	77
Montreal	53	73
Quebec	52	73
Fredericton	46	74
Saint John	46	74
Moncton	45	63
Halifax	45	59
Charlottetown	49	63
Sydney	43	61
Yarmouth	50	56
St. John's	47	78

HALIFAX (CP)—The weather office says late Thursday evening cloud still covered most of Nova Scotia and a few showers were being reported along the south coast. Temperatures in that province were near the 50 degree mark. In New Brunswick and Prince Edward Island skies were generally clear and temperatures at 10 p.m. ranged from a high of 38 degrees at Fredericton to a low of 46 at Chatham.

A weak low pressure area centered near Sable Island Thursday evening is expected to move eastward and be replaced by a high pressure area moving southeastward from western Quebec. As a result fine weather with seasonal temperatures is forecast for all three provinces today.

Regional forecasts: Nova Scotia: Sunny and warmer; north winds 15. Low-high at Halifax 50 and 72. Yarmouth 48 and 68. Kentville 45 and 75. New Glasgow and Goshen 45 and 72. Sydney 45 and 65.

Prince Edward Island, Eastern N.B. Counties: Clear with a few cloudy intervals; warmer; light winds. Low-high at Charlottetown and Moncton 42 and 68.

St. John River Valley, Bay of Chaleur: A little change in temperature; light winds. Low-high at Fredericton 42 and 75. Saint John 42 and 70. Edmundston 40 and 75. Campbellton 40 and 70.

Day of Friday: Northeast winds 15 shifting during morning to north 15; mostly clear; temperature 50 to 60.

St. John River Valley, Bay of Chaleur: A little change in temperature; light winds. Low-high at Fredericton 42 and 75. Saint John 42 and 70. Edmundston 40 and 75. Campbellton 40 and 70.

Day of Friday: Northeast winds 15 shifting during morning to north 15; mostly clear; temperature 50 to 60.

St. John River Valley, Bay of Chaleur: A little change in temperature; light winds. Low-high at Fredericton 42 and 75. Saint John 42 and 70. Edmundston 40 and 75. Campbellton 40 and 70.

Day of Friday: Northeast winds 15 shifting during morning to north 15; mostly clear; temperature 50 to 60.

St. John River Valley, Bay of Chaleur: A little change in temperature; light winds. Low-high at Fredericton 42 and 75. Saint John 42 and 70. Edmundston 40 and 75. Campbellton 40 and 70.

Day of Friday: Northeast winds 15 shifting during morning to north 15; mostly clear; temperature 50 to 60.

Major Renovations Made To Ch'town CNT Premises

Major renovations have been carried out at Canadian National Telecommunications' Blockmond Street offices in Charlottetown to improve appearance for the exterior. The re-arranging of the window display area is probably the change which will most readily catch the eye of passers-by. An illuminated sign bearing the new, re-arranging CN trademark makes the office easily identifiable.

The interior has been decorated in CN's redesign colors, which emphasize solid blues, reds, blacks and greys. The walls and floors have been refinished and a drop ceiling with acoustic tiles installed.

The plant has been separated from the business office by a partition, and the manager provided with a new private office. Space has been provided at the rear for an enlarged tele exchange. It is designed to cope with any future expansion of tele service on Prince Edward Island.

A new counter and other fittings are in evidence. Employee facilities have also been improved.

H. BENNETT CARR Insurance Consulting Dist. Supt. Sun Life of Canada Plans 4317 - 4365 Charlottetown, P.E.I.

JUNE SALE

WOMEN'S DRESSES, COATS & HATS 1/3 OFF
 CHILDREN'S COATS & CAR COATS 20 PERCENT OFF

THE MARY ANN SHOP ALBERTON

HAMBLY & INNIS

GET YOUR COUPONS IN THE BOX — DRAWING JUNE 14th

COUPON - COUPON FREE SUIT FOR FATHERS DAY

SPORT COATS

● All Wool Tweeds ● Harris Tweeds ● Flints and Checks ● Regular \$29.95

SHORT SLEEVE WHITE SHIRTS Lightweight, extra cool for summer wear. Full and half sizes in stock. \$3.95

STETSON STRAW HATS \$2.95

Cambley Innis MEN'S & BOY'S WEAR

PARKDALE GUIDES RECEIVE BADGES

A total of 17 girls from the first Parkdale Guide Company received badges at the final meeting of the season at Parkdale High School last evening. Seen here are four of the badge winners, left to right: Margie Milton, second class badge; Kaitlyn Johnston, tenderfoot; Bonnie Macdonald, first class badge; and Pherson, second class and first aid badge; and Mary Lou Brown, first class badge. The badges were presented by the company captain, Mrs. Donald Milton.

new tax measure in five years instead of 10. The new plan for accelerated depreciation will apply only to machinery and buildings which come into existence within two years after the measure goes into effect.

With these new incentives, Mr. Gordon announced that the industrial incentive plans introduced by the former Progressive Conservative government will be allowed to expire. They are last year's tax reductions granted on profits resulting from increased sales by manufacturing and processing industries, and the allowance of accelerated depreciation for new manufacturing machinery and for industries making new products or locating in depressed areas.

The new 30-per-cent "take-over" tax, effective at once, will apply to a person selling more than \$50,000 in a single year in stocks of a Canadian corporation listed on a Canadian stock exchange. The tax also applies should such a company sell all or substantially all of its property to a foreign firm.

Mr. Gordon said measures are under consideration that will apply to Canadian companies—including private companies—and expressed the hope that this warning won't result in a flood of sales of these companies to foreign interests in an attempt to forestall further government moves.

REMOVES BOND TAX The budget made one move that will encourage a foreign capital inflow—but not into ownership of Canadian industry. It will remove the withholding tax on new bonds and debentures, issued from today on, which are purchased and held by foreign investors such as pension trusts that aren't taxed in their home countries.

The budget's novel move to encourage winter employment of older workers comes on top of recently-announced measures aimed at the same goal, including the \$500 payment to first buyers of winter-habit houses.

Employers will receive a special bonus amounting to half of the wage, up to a maximum \$73 bonus, if they hire a person over 45 who has been jobless for six of the previous nine months. The bonus, to continue up to 12 months, is limited to persons hired during next November, December and January and is conditional on the employer providing "a significant amount of approved training."

It won't apply to provincial or municipal hirings. It won't apply to persons drawing pensions or unemployment insurance.

It won't apply in the NHA mortgage lending rate. Mr. Gordon said there will be amendments to the Housing Act to reduce down payments. The mortgage rate of 8 1/2 per cent would apply to the first \$13,000

pay income tax on benefits in the form of employer payments into any kind of a group life insurance plan other than group term life insurance. On top of his \$585,000 budget deficit, Mr. Gordon estimated that non-budgetary operations of the government apart from the future cost of supporting the foreign exchange fund will require about \$68,000,000.

If the budget deficit forecast pans out, the government's net debt will rise by \$855,000,000 to \$14,520,000,000 at next March 31. Mr. Gordon's budget speech spotlighted chronic unemployment as Canada's top domestic problem and promised an all-out drive to combat it.

ALL MUST HAVE JOBS "Any Canadian, young or old, who wants a job must be able to find one," he said, "it is an aim which we are dedicated to achieve."

Looking back over six years of Conservative rule, Mr. Gordon said, he found economic stagnation, a mismanaged national program, "a national financial disaster."

Looking ahead, he forecast a five-per-cent rise in the gross national product in 1963 to \$42,410,000,000. Last year, the GNP amounted to \$40,401,000,000, an increase of eight per cent over 1962 national output.

But he warned that about one-third of the five-per-cent climb in the GNP represents price increases which have already taken place, mainly because of last year's exchange devaluation and the import surcharges, now discontinued.

He compared the Liberal government's proposed municipal loan fund of \$400,000,000 with the more than \$800,000,000 that had been spent under the Conservative government's municipal winter works incentive program. Yet, though larger, the Conservative program had been criticized by the Liberals as wasteful.

Mr. Nowlan said he does not think the more generous terms on NIA loans announced by Mr. Gordon will compensate for the increased cost of home building that will result from withdrawal of tax exemption on building materials.

Companies may deduct drilling and exploration expenses. New: 10-year bonus of up to \$75 monthly to companies hiring new workers over 45. To be enacted: Three-year exemption from income tax for new manufacturing and processing businesses in slow growth areas.

To be enacted: Two-year write-off of new machinery and equipment for such enterprises. To be enacted: Five-year write-off of new buildings in areas of high unemployment.

(Accelerated depreciation outside areas of high unemployment only available to companies with 25 per cent Canadian ownership.) To be enacted: Lower down payments on houses built under NHA.

June 14: Withholding tax on interest removed from non-mortgage interest payments after June 14. June 14: Discount of 25 per cent on computing sales tax on gasoline eliminated. April 10, 1962: Pipeline company may deduct drilling and exploration expenses.

June 30: Export duty on electricity to be removed. New: 10-year bonus of up to \$75 monthly to companies hiring new workers over 45. To be enacted: Three-year exemption from income tax for new manufacturing and processing businesses in slow growth areas.

To be enacted: Two-year write-off of new machinery and equipment for such enterprises. To be enacted: Five-year write-off of new buildings in areas of high unemployment.

Day of Friday: Northeast winds 15 shifting during morning to north 15; mostly clear; temperature 50 to 60.

WEEBLES

MAURICE FINEY of Charlottetown and Alberton, left by plane yesterday for the Maschen Islands to join the Canadian Coast Guard Ship Service on temporary assignment.

SPEDDER FINED Charged with speeding, Douglas Hubert, RCMP station, was fined \$15 and costs by Judge R. S. Hinton, Q.C., in police court yesterday. Another member of the RCMP, charged with speeding his tires on Water Street, was fined \$5 and costs.

Effective Dates

OTTAWA (CP)—Effective dates of changes announced in Thursday night's budget:

June 14: National Housing Act interest rate reduced to 6 1/2 per cent from 8 1/2.

June 14: Building materials subject to 11 per cent sales tax.

June 14: Machinery used to manufacturing or production other than agriculture or fishing subject to sales tax.

June 14: Remanufactured products to be subject to sales tax.

June 14: Sales tax to apply to materials used in repair of large pleasure craft.

June 14: Takeover tax of 30 per cent on certain large sales to non-residents of listed Canadian companies.

June 14: No capital cost allowance on automobiles costing more than \$5,000.

June 14: Crackdown on abuses of expense account living.

June 14: Transfers of undistributed income from a corporation to shareholders without payment of income tax to be stopped.

June 14: Lease option agreements permitting use of distorted forms of rental agreements to avoid income tax to be stopped.

June 14: Biscuits and cookies stimulating chocolate or candy bars subject to sales tax.

June 14: Interest on lump sum annuities to be taxed.

June 14: Sale of loss companies to be stopped.

June 14: Corporate income splitting to avoid taxes to be stopped.

June 14: Withholding tax on dividends reduced to 10 per cent from 15 for companies 25 per cent Canadian owned.

Jan. 1, 1965 Withholding tax on dividends to be increased to 20 per cent for companies which are not 25 per cent Canadian owned.

Jan. 1, 1967 Withholding tax paid in excess of 10 per cent on dividends refundable if 25 per cent Canadian ownership achieved before that date.

(Companies increasing dividend payments in anticipation of this tax increase will pay special five-per-cent tax on such payments after June 14, 1963, and prior to Jan. 1, 1967.)

June 14: Withholding tax on interest removed from non-mortgage interest payments after June 14.

June 14: Discount of 25 per cent on computing sales tax on gasoline eliminated.

April 10, 1962: Pipeline company may deduct drilling and exploration expenses.

June 30: Export duty on electricity to be removed.

New: 10-year bonus of up to \$75 monthly to companies hiring new workers over 45.

To be enacted: Three-year exemption from income tax for new manufacturing and processing businesses in slow growth areas.

To be enacted: Two-year write-off of new machinery and equipment for such enterprises.

To be enacted: Five-year write-off of new buildings in areas of high unemployment.

(Accelerated depreciation outside areas of high unemployment only available to companies with 25 per cent Canadian ownership.)

To be enacted: Lower down payments on houses built under NHA.

June 14: Withholding tax on interest removed from non-mortgage interest payments after June 14.

June 14: Discount of 25 per cent on computing sales tax on gasoline eliminated.

April 10, 1962: Pipeline company may deduct drilling and exploration expenses.

June 30: Export duty on electricity to be removed.

New: 10-year bonus of up to \$75 monthly to companies hiring new workers over 45.

To be enacted: Three-year exemption from income tax for new manufacturing and processing businesses in slow growth areas.

To be enacted: Two-year write-off of new machinery and equipment for such enterprises.

To be enacted: Five-year write-off of new buildings in areas of high unemployment.

(Accelerated depreciation outside areas of high unemployment only available to companies with 25 per cent Canadian ownership.)

To be enacted: Lower down payments on houses built under NHA.

June 14: Withholding tax on interest removed from non-mortgage interest payments after June 14.

June 14: Discount of 25 per cent on computing sales tax on gasoline eliminated.

April 10, 1962: Pipeline company may deduct drilling and exploration expenses.

June 30: Export duty on electricity to be removed.

New: 10-year bonus of up to \$75 monthly to companies hiring new workers over 45.

To be enacted: Three-year exemption from income tax for new manufacturing and processing businesses in slow growth areas.

To be enacted: Two-year write-off of new machinery and equipment for such enterprises.

To be enacted: Five-year write-off of new buildings in areas of high unemployment.

(Accelerated depreciation outside areas of high unemployment only available to companies with 25 per cent Canadian ownership.)

To be enacted: Lower down payments on houses built under NHA.

June 14: Withholding tax on interest removed from non-mortgage interest payments after June 14.

June 14: Discount of 25 per cent on computing sales tax on gasoline eliminated.

April 10, 1962: Pipeline company may deduct drilling and exploration expenses.

June 30: Export duty on electricity to be removed.

New: 10-year bonus of up to \$75 monthly to companies hiring new workers over 45.

To be enacted: Three-year exemption from income tax for new manufacturing and processing businesses in slow growth areas.

To be enacted: Two-year write-off of new machinery and equipment for such enterprises.

To be enacted: Five-year write-off of new buildings in areas of high unemployment.

(Accelerated depreciation outside areas of high unemployment only available to companies with 25 per cent Canadian ownership.)

To be enacted: Lower down payments on houses built under NHA.

June 14: Withholding tax on interest removed from non-mortgage interest payments after June 14.

June 14: Discount of 25 per cent on computing sales tax on gasoline eliminated.

April 10, 1962: Pipeline company may deduct drilling and exploration expenses.

June 30: Export duty on electricity to be removed.

New: 10-year bonus of up to \$75 monthly to companies hiring new workers over 45.

To be enacted: Three-year exemption from income tax for new manufacturing and processing businesses in slow growth areas.

To be enacted: Two-year write-off of new machinery and equipment for such enterprises.

To be enacted: Five-year write-off of new buildings in areas of high unemployment.

(Accelerated depreciation outside areas of high unemployment only available to companies with 25 per cent Canadian ownership.)

To be enacted: Lower down payments on houses built under NHA.

June 14: Withholding tax on interest removed from non-mortgage interest payments after June 14.

June 14: Discount of 25 per cent on computing sales tax on gasoline eliminated.

April 10, 1962: Pipeline company may deduct drilling and exploration expenses.

June 30: Export duty on electricity to be removed.

New: 10-year bonus of up to \$75 monthly to companies hiring new workers over 45.

To be enacted: Three-year exemption from income tax for new manufacturing and processing businesses in slow growth areas.

To be enacted: Two-year write-off of new machinery and equipment for such enterprises.

To be enacted: Five-year write-off of new buildings in areas of high unemployment.

(Accelerated depreciation outside areas of high unemployment only available to companies with 25 per cent Canadian ownership.)

To be enacted: Lower down payments on houses built under NHA.

June 14: Withholding tax on interest removed from non-mortgage interest payments after June 14.

June 14: Discount of 25 per cent on computing sales tax on gasoline eliminated.

April 10, 1962: Pipeline company may deduct drilling and exploration expenses.

June 30: Export duty on electricity to be removed.

New: 10-year bonus of up to \$75 monthly to companies hiring new workers over 45.

To be enacted: Three-year exemption from income tax for new manufacturing and processing businesses in slow growth areas.

To be enacted: Two-year write-off of new machinery and equipment for such enterprises.

To be enacted: Five-year write-off of new buildings in areas of high unemployment.

(Accelerated depreciation outside areas of high unemployment only available to companies with 25 per cent Canadian ownership.)

To be enacted: Lower down payments on houses built under NHA.

June 14: Withholding tax on interest removed from non-mortgage interest payments after June 14.

June 14: Discount of 25 per cent on computing sales tax on gasoline