

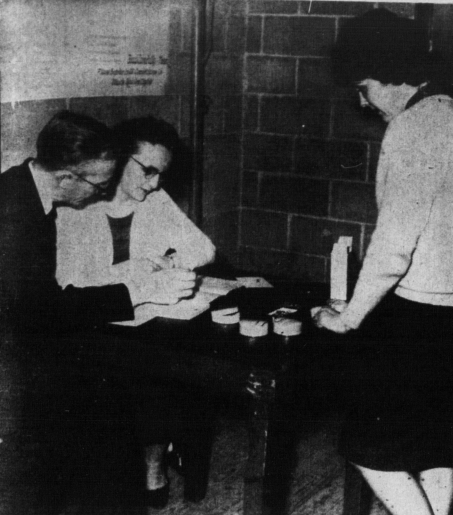
"Covers Prince Edward Island Like The Dew"

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NOT MORE SEVEN CENTS

14 PAGES



KEEN COMPETITION SEEN AT CLINIC

Seen checking the various... are Mr. and Mrs. Pope McMahon of the Charlottetown... inter-class competition is Joy Nicholson of Summerside, a 3rd year student, 174 donors registered last night on a quota of 150.

Mac And JFK Tell Russia Tests To Go As Scheduled

WASHINGTON (AP) — The United States and Britain served notice on Russia Tuesday that U.S. nuclear testing in the atmosphere will go ahead as scheduled later this month unless the Soviet Union agrees to a chest-grip ban.

Pilot Walkout May Be Extended

MONTREAL (CP) — The Federation of St. Lawrence River Pilots, whose work stoppage which has already tied up most shipping on a major stretch of the St. Lawrence, said Tuesday it will extend the stoppage across Canada if any response is not forthcoming to its demands.

Taxes Changed In Irish Budget

DUBLIN (AP) — Increased taxes on cigarettes, beer and liquor were provided in a recent £10,200,000 national budget presented to the Irish Dail (parliament) Tuesday.

CLC Rejects Offer To Become Referee

VANCOUVER (CP) — The Canadian Labor Congress turned down a bid Tuesday to make it the supreme policeman over the jurisdictions of affiliated unions.

Membership Is Problem

VANCOUVER (CP) — Shrinking trade union membership is a matter of grave concern to the Canadian Labor Congress, CLC secretary-treasurer Donald Macdonald.

Shorter Week Is CLC Aim

VANCOUVER (CP) — The Canadian Labor Congress Tuesday set a shorter work week goal for 1962, a major economic goal for the union.

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Next Fleming Budget

From The Fleming Budget

Pickersgil Says PM Acts Like Little Girl

OTTAWA (CP) — J. W. Pickersgil (L.—Bonaville-Twillingate) said Tuesday that for the last three months Prime Minister Diefenbaker has acted like a little girl picking petals off flowers and repeating, "he loves me, he loves me not."

In the case of the prime minister, however, the refrain had been: "Should we have an election? Should we not have an election?"

Mr. Pickersgil said in the Commons that while this has been going on, the business of the country has been neglected.

The Liberal MP was speaking on Mr. Diefenbaker's resolution calling for an independent commission to take responsibility for the redrawing of electoral boundaries. Until now the work has been handled by a Commons committee.

Mr. Pickersgil said the proposed legislation should have been introduced at least two years ago.

NEED FIGURES

Mr. Diefenbaker said it would have been premature for the government to have set up the commission in 1960 or 1961. Redistribution was based on census figures and these figures were not yet complete.

The Commons was a being asked only to approve a resolution calling for the setting up of an independent commission.

Mr. Diefenbaker said also that the opposition must take the blame for delaying the business of the house.

He said that since the session opened only 23 days had been spent on government legislation. In that time the House spent 22 days debating supplementary estimates, two days on main estimates, eight days on the throne speech and two days on supply.

In comparison, he said, there had been only nine days of debate on supplementary estimates in the last five years the Conservatives had been in opposition.

New Ferry Turnover Slated For This Week

OTTAWA (CP) — The department of transport said Tuesday that it expected to be in a position to turn the ferry Confederation over to the Canadian National Railway by the end of the week.

A spokesman for the department said they were awaiting word from the builders of the vessel, Halifax Shipyard, that everything is in readiness for the take-over by the department. For the last two weeks the Confederation has been undergoing sea trials and final conditioning and fitting.

It is anticipated that a representative of the department will go to Halifax on Wednesday to make a final inspection and to accept the vessel from the builders.

Then, the next step will be the turnover from the department to the CNR which will operate the ferry on the Borden-Cape Tormentine run. This is expected to take place by Friday or Saturday at the latest.

Surplus Butter Changed To Oil

OTTAWA (CP) — The government is converting old storage stocks of butter in butter oil for selling them, John Clark, parliamentary secretary to Agriculture Minister Alvin Hamilton, said in the Commons Tuesday.

He was replying to John Matheson (L.—Leeds) who asked if it was true that the government was selling butter made in August, 1960.

Jamaica Gov't Facing Defeat

KINGSTON (Reuters) — The left-wing government of premier Norman Manley today faced defeat in Jamaica's first election since seceding from the West Indies federation.

Pointed to west power from the PNP was the Jamaica Labor Party of one-time premier Sir Alexander Bustamante. The JLP won the other 10 seats already decided and was ahead in counting from 15 of 35 constituencies.

Lober Season Will Open May 1

OTTAWA (CP) — An earlier opening for lobster district 7B in New Brunswick, Nova Scotia and Prince Edward Island wouldn't be practical for fishermen, Fisheries Minister MacLennan said Tuesday.

H. J. Robichaud (L.—Gloucester) suggested an opening about April 24-25. Since unusual ice conditions last year held back the start for about three weeks.

Mr. MacLennan said consideration had been given to the matter. But it was decided to open the season May 1 as usual, since it had been extended somewhat last year as compensation.

An earlier opening would not give every area of district 7B the same advantage, he said.

Next Fleming Budget

From The Fleming Budget

Corporations, Families Benefit By \$128 Million

By ALAN DONNELLY
OTTAWA (CP)—Finance Minister Fleming Tuesday night spread \$128,000,000 a year in income tax cuts among families and corporations in a pre-election budget expected to produce a \$745,000,000 deficit.

His two key budget moves announced in the Commons: J. Tax-rebate incentives to manufacturing and processing firms ranging up to 50 per cent of taxes resulting from increased sales.

A \$50 boost in the deduction from taxable income for dependents—a move Mr. Fleming said will knock 80,000 taxpayers off the tax rolls and benefit all taxpayers who support dependents.

He left personal and corporate income tax rates unchanged and extended new incentives to promote industrial research and oil and gas exploration.

6TH STRAIGHT DEFICIT

The deficit he forecast for the 1962-63 fiscal year (which started April 1) will be the sixth in a row, topped in peacetime only by the \$914,000,000 red ink reported for last fiscal year.

Mr. Fleming said that in the current period of "healthy expansion" his budget policy "must neither put the brakes on the momentum of our expansion nor invite the danger of inflation."

He said little present risk of inflation.

The 56-year-old minister, presenting his seventh budget in a string that includes two December baby budgets, left taxes on liquor and tobacco unchanged and adjourned a scattering of affecting corporations mainly affecting corporations.

BARY BONUSES UNCHANGED

An increase in family allowances—subject of much pre-budget speculation—did not materialize.

Moreover, the budget did not implement the tax and tariff measures that Prime Minister Diefenbaker announced last January would be applied to stem the flow of Canadian dollar dollars to United States magazines.

Mr. Fleming also took no further action on last year's royal commission proposals of Professor V. W. Bladen of Toronto for sweeping changes of tariffs on auto parts. He said this requires further examination.

He announced a one-year extension to Jan. 1, 1964, in the present program of double depreciation for new manufacturing investment in depressed areas or for new product manufacture.

Branch operations of foreign

Finance Minister Fleming

Tax Change Highlights

By THE CANADIAN PRESS
Personal and corporate income tax rates remain unchanged.

Double depreciation for investment in new products extended for one year to Jan. 1, 1964.

Incentive rebates as high as 50 per cent on tax resulting from increased sales by manufacturing and processing firms.

Income tax deductions for dependents increased by \$50 to \$300 for children receiving family allowance and \$50 for other dependents, removing 80,000 from income tax rolls.

Tax deduction of 150 per cent allowed on increased expenditure for scientific research in industry.

Deduction of all pre-production expenses allowed oil companies.

No change in taxes on liquor and tobacco.

Financial Review Highlights

By THE CANADIAN PRESS
Budget policy to continue "expansion" for new manufacturing investment in depressed areas or for new product manufacture.

Branch operations of foreign

Effective Dates Listed

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

Jan. 1, 1962: Income tax deductions for dependents increased by \$50.

Jan. 1, 1962: Non-resident from one company exempted from special 15-per-cent tax on income of branches of non-resident corporations.

Jan. 1, 1962: Federal tax credit for Ontario and B.C. logging companies equal to two-thirds of provincial tax up to 10 per cent.

March 31, 1962: Incentive rebates as high as 50 per cent on tax resulting from increased sales by manufacturing and processing firms.

April 1, 1962: Tax deduction of 150 per cent allowed on increased expenditure for scientific research in industry.

April 1, 1962: Miner tariff changes.

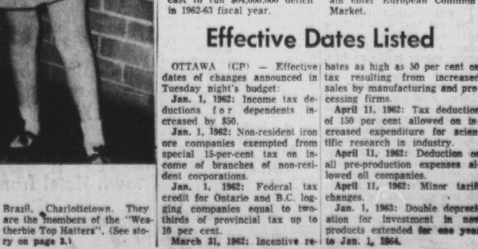
Jan. 1, 1963: Double depreciation for investment in new products extended for one year to Jan. 1, 1964.

Participate In Dance Festival

With audience of about 200. Shows here are some of the youthful dancers participating in the event. Left to right are Paul Smith, Kinkora; Mary Grant, Charlottetown; Kally Josty, Charlottetown; Lerva Brazil, Charlottetown. They are the members of the "Weatherly Top Hatters". (See story on page 3.)



The sixth session of the current P.E.I. Dance Festival was held last night in Prince of Wales College auditorium.



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