

60 Companies Protest New Profits Tax In Great Britain

By KEN METHERAL
Canadian Press Staff Writer
LONDON (CP)—More than 60 Canadian, United States and Australian companies operating subsidiaries trading in the United Kingdom have made representations to the government against the new profits tax announced in last month's budget.

A treasury spokesman confirmed Tuesday that a deputation from the companies has had meetings with the Financial Secretary to the Treasury, Jocelyn Simon. It is expected the representations will be discussed during the committee stage of the finance bill in the House of Commons after the Whitsun recess.

About four or five Canadian companies, including aluminum and farm machine interests, were associated with the deputation. The Ford Motor Company and a number of United States oil firms took a leading part in the representations.

Before the budget, profits tax was assessed in two parts—a tax of three per cent on undistributed profits and an additional 27 per cent on profit paid out as dividends. Profits paid over by a subsidiary to its parent were treated as undistributed, thus escaping the 27-per-cent levy.

Under the new regulations, the two-part levy is to be replaced by a flat 10-per-cent profits tax.

It is understood some companies have indicated to the government they consider it has broken a promise that they were to receive special taxation treatment.

They say one reason subsidiary companies were set up in Britain is that they were offered "a profits tax which will be at a lower rate than for British companies in general."

The Daily Telegraph's financial editor, commenting on the "broken promise" claim, says: "It appears the government's honor is saved by the cautionary statement at the beginning of the section on taxation that 'the rates of tax are liable to variation in the annual budget.'"

"But this is quite some distance away from the other pronouncement, and to a foreigner unacquainted with the extreme reluctance of the British treasury to commit itself to sticking to any course of action into the indefinite future, the passage might well seem to promise special treatment."

A spokesman for the Canadian Chamber of Commerce in Great Britain said his organization had not associated itself with the deputation. "We feel this is a matter for individual companies to take up if they so desire."

Old Age Pension Fund Is Plunging Deeper Into Red

By HAROLD MORRISON
Canadian Press Staff Writer
OTTAWA (CP)—The old age pension fund appears to be near a state of collapse as a pay-as-you-go scheme.

Month by month it plunges deeper into the red. This year, under the present tax set-up, it may show an unprecedented deficit of well over \$200,000,000, federal authorities said Tuesday.

The fund, first created in 1952, administers the \$55-a-month pension to all those 70 years and over. Its revenue, now hopelessly inadequate, is derived from a two per cent tax on personal and corporation incomes and on commodity sales.

When this tax first was set in 1952, the monthly pension was \$40 and even at this figure, fund outlays were running a little ahead of revenue. But federal experts figured it would be just a matter of time when revenue would balance expenditure.

In December 1951, when the scheme was first announced, former Liberal finance minister Douglas Abbott, now a Supreme Court of Canada justice, informed the Commons the fund was to be "self-sustaining" with revenue sufficient to match expenditures.

EARLY DEFICITS
Deficits of about \$50,000,000 showed up in the early years. So-called "temporary" loans were set up to cover these fund deficiencies. Finally the loans were written off as budget expenditures. But still the experts hoped revenue would catch up with outlays.

For the financial men that hoped ended last year when the Liberals boosted the pension to \$46 a month in July and the Progressive Conservatives jumped it to \$55 last November.

The government has already forecast that for the current fiscal year the universal pension may cost \$555,000,000, a rise of \$118,000,000 over last year. The special tax may produce about \$330,000,000 in pension revenue, leaving a deficit of perhaps \$225,000,000.

And it appears likely that this deficit, whatever its proportions, will be charged to this year's budget. This will increase the expected over-all 1958 deficit.

Officials concede that eventually some action will be required to change the fund's original structure.

PIUSVILLE
Sincere sympathy is extended to the relatives of the late Anselm O'Brien, whose death occurred at his home in Dock Road recently.

Bomb Blasts Toronto Hotel
TORONTO (CP)—The beverage room of the Monarch Hotel, scene of an arson attempt Saturday, was blasted apart Sunday night by what police said was a nitroglycerine bomb. No one was hurt.

The hotel is located in west central Toronto.

The blast shook homes for more than a block around the hotel's Clinton and Henderson streets location.

Police said janitor John Czeto, 55, was in his second floor apartment during the Saturday fire, which was quickly extinguished and again during the bombing. All telephone wires were ripped out prior to the bombing.

Samuel Sitzer, 55, owner of the Monarch, told police he knew no reason why his hotel should be blasted.

District Fire Chief Tom Knight said a bomb of nitroglycerine had been wrapped under a beer tray and placed under the bar. The explosion wrecked the room which normally seats 125 persons.

Master Gordie Corcoran, son of Mr. and Mrs. Peter Dalton and family, Burton, Lot 7, spent Sunday afternoon at the home of Mr. and Mrs. John J. Corcoran.

Friends of Mrs. Fred Gallant will be pleased to learn she is recovering favourably after undergoing surgery in Western Hospital, Edmonton.

Mrs. Lewis Ellsworth and daughter, Irene, Waterloo, spent a few days recently at the home of Mr. and Mrs. Herman Corcoran.

Friends of Mr. Arthur Martin are pleased to see him home after receiving treatment for a few days in the Charlottetown Hospital.

Mr. Ronald McKenna who was a patient in Western Hospital has returned to his home in Dock Road. All wish him a complete recovery.

The children of St. Anthony's

NOTICE ENCLOSED PROPERTY

Notice is hereby given pursuant to Section 1 (C) of the Game Act, that the land herein after described, and the water enclosed by the said land has been posted, and is hereby advertised as Enclosed Property in accordance with the Game Act (R.S. P.E.I. Chap. 67). "All that tract, piece or parcel of land situate, lying and being on Township Number Fifty-eight in Queens County aforesaid, bounded and described as follows:—Commencing on the west side of the Murray Harbour Road in the northern boundary of land of Donald McPherson, formerly owned by Donald McPhee, thence running west along said northern boundary seventy-one chains and fifty links to the rear line of farms fronting on the Murray Harbour Road, thence north along said rear boundary to the Colville Road, thence east and northeastwardly along the Colville Road to the Murray Harbour Road aforesaid, and thence south along the Murray Harbour Road to the place of commencement, containing one hundred and fifty-nine acres of land a little more or less, and being the whole land described in a deed from Roderick L. MacPherson to Lizzie A. Finlayson dated August 28th, 1913."

L. E. PROWSE, M.D.,
Owner.

I save over \$2.00 a week—
You too can
Cut Food Costs
at **DOMINION**

Thousands of wise homemakers have proved that they can cut food costs at DOMINION. They prove it week after week, month after month. You can too!

You won't save on every item of course, that's impossible. But you will save... a penny here, a few pennies there, a nickel somewhere else... and those pennies and nickels soon add up. You'll notice the difference in how much more you can buy... how much more money you have left over... money to spend on those little extras that every family appreciates.

Switch to DOMINION and start cutting food costs this week!

...and think what you can do with the money you save!

IT'S HERE DOMINION'S GIGANTIC CANNED GOODS SALE

- BUY BY THE DOZEN GLOBE CHOICE**
DESSERT PEARS 2 15 oz. tins **37c**
- BUY BY THE DOZEN LIBBY'S SWEETENED**
ORANGE JUICE 2 20 oz. tins **31c**
- BUY BY THE DOZEN LYNN VALLEY**
STD. PEAS 2 15 oz. tins **27c**

- FOR PICNICS SWIFT'S**
Prem 2 12 OZ. TINS **89c**
- GRAVES CHOICE BLUE LAKE CUT**
Green Beans 2 20 OZ. TINS **35c**
- GRAVES IN TOM. SAUCE OR MOLASSES**
Pork & Beans 2 20 OZ. TINS **37c**
- ALLGOOD**
Fruit Cocktail 20 OZ. TIN **33c**

100% GUARANTEED MEATS

- FULLY TRIMMED FOR ROASTING**
PORK LOIN Butt End lb. **65c**
- DEVON RINDLESS**
Breakfast Bacon 1 LB. CELLO **79c**
- MAPLE LEAF**
Cottage Roll Half or Whole LB. **79c**
- CHOICE ISLAND STEER 95% BONELESS**
Short Rib Roast LB. **69c**
- COLDEN BROWN**
Smoked Fillets LB. **29c**

FRUITS and VEGETABLES

- SWEET JUICY MEXICAN**
ORANGES size 324 2 doz. **79c**
- FIRM CRISP IMPORTED**
Lettuce 2 HEADS **39c**
- GOLDEN IMPORTED**
Corn 6 FOR **43c**
- B. C. EXTRA FCY. WINESAP**
Apples 2 DOZ. CELLO **95c**
- SLACKS WATERLOO**
Mushrooms 3 OZ. PKG. **39c**
- NEW CROP CORELESS**
Carrots 2 1/2 LB. BAG **23c**
- TEXAS SMALL**
Onions 3 LB. CELLO **25c**

EVERYDAY LOW PRICES

- FOR A REAL PICKUP D.S.L.** **A.B.C. FANCY PINK**
Tea Bags 100'S PKG. **69c** **Salmon** 1/2 LB. TIN **29c**
- FOR SALAD RICHMELLO**
SALAD DRESSING 16 oz. jar **37c**
- DOMINION HOMOGENIZED**
PEANUT BUTTER 16 oz. jar **35c**
- NEW BLEND 19 NESTLES**
NESCAFE 2c OFF 2 oz. jar **45c**

All Merchandise Sold At Your Dominion Store Is
Unconditionally Guaranteed To Give You
100% SATISFACTION

FROZEN FOODS

- KOLD PAK**
STRAWBERRIES 15 oz. tub **39c**
- MCCAIN'S FRENCH FRIED**
POTATOES 2 9 oz. pkg. **39c**
- DOMINION FROZEN**
ORANGE JUICE 2 6 oz. tins **57c**

STORE HOURS
THURSDAY 8.30 a.m. - 6 p.m.
FRIDAY 8:30 a.m.-9.30 p.m.
SATURDAY 8.30 a.m. - 6 p.m.

Save Time!
Save Money!
DO-IT-YOURSELF
ENCYCLOPEDIA
POPULAR SCIENCE EDITION

VOL. 6
SALE THIS WEEK ONLY
99c

155 QUEEN STREET
DOMINION
DOMINION STORES LIMITED

VALUES EFFECTIVE UNTIL SATURDAY MAY 24th, 1958.