

"Covers Prince Edward Island Like The Dew"

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FINANCE MINISTER Van Doos works on his budget in his office in Parliament Hill in Ottawa Monday. Mr. Gordon presented his budget on Wednesday afternoon.

...the second since he became  
...in the Commons last night.

## Carrier Loads Equipment for Canadians in Cyprus

HALIFAX (CP)—The aircraft carrier *Bonaventure*, fully loaded with army equipment, Monday except for some "bits and pieces" still to come, will take on navy Tracker aircraft and a helicopter today before sailing for Cyprus sometime Wednesday afternoon. With her will go 100 soldiers, most of them a Royal Canadian Dragoons reconnaissance squadron from Camp Gagetown, N.B., who will board the ship on Wednesday morning. The *Bonaventure* now is loaded with about 60 trucks, including 12 Tracker aircraft and other stores. Monday there will be 2000 soldiers, most of them a Royal Canadian Dragoons reconnaissance squadron from Camp Gagetown, N.B., who will board the ship on Wednesday morning. The *Bonaventure* now is loaded with about 60 trucks, including 12 Tracker aircraft and other stores. Monday there will be 2000 soldiers, most of them a Royal Canadian Dragoons reconnaissance squadron from Camp Gagetown, N.B., who will board the ship on Wednesday morning.

## Van Doos Appear Sharp On Arrival in Nicosia

CP from AP-Reuters  
NICOSIA—A small crowd of Greek Cypriots clapped and shouted "welcome" at Nicosia Airport Monday night as the first operational troops for the United Nations Cyprus force arrived. The 53 Canadians, wearing the blue berets of the UN and carrying rifles in their hands, some with fixed bayonets, descended the airplane ramp at 10:30 p.m. They ran across the tarmac to line up by the side of an RCMP Yukon aircraft for inspection by the acting commander of the UN force, Major Carlos Flores de Paz, of Alves of Brazil. After a grueling 24-hour flight from Ottawa, the Canadians came off their plane looking fresh and well-kempt, edged creases in their khaki battle dress.

## Cyprus Force Debated In House Of Commons

OTTAWA (CP)—Gilles Greig, a proponent of UN and Cyprus aid, maintained Monday that members of the 1st Battalion Royal Canadian Dragoons, who left for Cyprus Sunday at 11:30 p.m., were the first of the 53 Canadians to be sent to the island. Greig said the UN and Cyprus aid, maintained Monday that members of the 1st Battalion Royal Canadian Dragoons, who left for Cyprus Sunday at 11:30 p.m., were the first of the 53 Canadians to be sent to the island. Greig said the UN and Cyprus aid, maintained Monday that members of the 1st Battalion Royal Canadian Dragoons, who left for Cyprus Sunday at 11:30 p.m., were the first of the 53 Canadians to be sent to the island.

## Potato Farmers Meet March 30

A meeting of potato producers from across the province will be held Monday, March 30, in the auditorium at the York Regional Institute on Malton Road, just outside Chatham. The meeting will discuss the marketing and the operations of the Potato Marketing Board. Operations of the board came into the limelight a few weeks ago when Deputy Chairman Leo P. McLean resigned because he explained at the time of the board's failure to discuss marketing which he felt was an essential part of the board's responsibilities. Board Chairman R.L. Burge, Five Houses held the opinion, Mr. McLean said indicated at the time of his resignation, that the board's failure to discuss marketing which he felt was an essential part of the board's responsibilities. Board Chairman R.L. Burge, Five Houses held the opinion, Mr. McLean said indicated at the time of his resignation, that the board's failure to discuss marketing which he felt was an essential part of the board's responsibilities.

## Toilet Seats To Be Increased

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...in the Commons last night.

## Premier Shaw Hears Fares On Ferries to Be Increased

By NANCY WHITE  
Premier Walter Shaw told the Legislature yesterday that he had been informed unofficially by the Canadian National Railways is planning to raise the fares on the Border-Toronto ferries by making "return tickets" unavailable. The Premier was speaking during the reading of the report of the select standing committee on transportation and communication, which Douglas McGowan (P.C. Kings) is chairman. "I don't like this whittling down of railway service," Mr. Shaw said, as he told the members the fares were due to increase from \$3 to 4 for cars, from \$1.25 to 1.50 for trucks, and from 90 cents to \$1 for passengers travelling both ways. A commuter ticket system is proposed also. It will apply equally to cars, passengers and trucks and tickets are bought in series of ten. In that case the old rates will apply. He was also referring to the recent curtailment of railway service in Prince County, something on which the committee report had commented. Opposition leader Alex Mathie also expressed concern over the cutting down of service and referred to the terms by which the mainland, Liberals and Conservatives, promised to continue union communication with the island. Liberals and Conservatives committed verbally to (Cont. on page 2, col. 3)

## Souris Curling Club Given Authority To Incorporate

A bill to incorporate the Souris Curling Club was given second reading—approval in principle—in the Legislature yesterday.

## Regret Shown At Illness Of Powell MLA

The Premier, the Leader of the Opposition, and the Speaker of the House all expressed their regret at the illness of Harold Smith, an MLA from the fourth district of Queens, yesterday in the Legislature. Premier Shaw told the House that Mr. Smith is a patient in the P.E.I. Hospital. Also absent from yesterday's sitting because of illness was Hon. Leo Roeder, minister of industries and natural resources.

## Tribute Paid To Garland

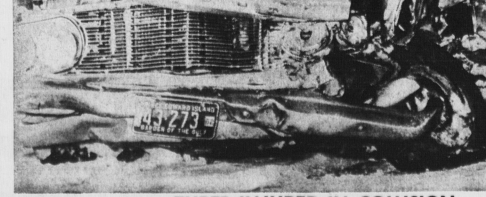
OTTAWA (CP)—The Commons paid tribute Monday to the late revenue minister John R. Garland as a gentleman and friend of all, irrespective of political parties.

## House Sitting Is Scheduled For Afternoon

The Legislature is scheduled to sit again this afternoon at 2:30. Yesterday afternoon's sitting was given over to discussion of the select standing committee's report on transportation and consideration of legislation.

## INSIDE TODAY

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THREE INJURED IN COLLISION  
This is what remains of a St. Peter's Highway truck involved in a collision with a tank-truck owned by Albert Thomas Fuels Ltd. Police officers are in hospital, while another is being treated and released. (See story on page 5.)

## Deer Visits Cat in City

ORANGEVILLE, Ont. (CP)—A country deer visited a city cat here during the weekend. Neither was on happy about the experience. The deer wandered into Orangeville, 25 miles north of Guelph, and was set upon by a couple of dogs. The deer leaped through a plate glass window in George Lindays television store. Seconds later, out raced the stores terrified, closely followed by the deer. Both then eluded the dogs. Mr. Lindsay said the deer knocked over one TV set in the store and put a hole through the front of an old radio.

## Income, Sales Taxes Are Left Unchanged

By ALAN DONNELLY  
OTTAWA (CP)—A stay in Ottawa's budget, effective Monday, leaves income and sales taxes unchanged and aimed at a one-third cut in the budgetary deficit to \$453,000,000 in the 1965-66 fiscal year starting April 1. His budget benefited relatively scanty \$3,000,000 worth of tax reductions and \$41,000,000 of extra spending in a full year for the added family allowance. Raising out-of-pocket incentives for the growing economy—including any copying of the massive United States income tax cuts—Mr. Gordon approved a "spot remover" approach to the problems of the tax-cut areas. He announced that the duration of the tax incentives provided in his last year's budget for new investment in manufacturing last year was lengthened until March 31, 1967, from the end of 1966, by something less than two years. At the same time Mr. Gordon announced that the 1965 year's budget measures aimed at encouraging foreign investment through chartered banks with the government guaranteeing the loans. Mr. Gordon said further details of the plan still had to be worked out.

## BUDGET HIGHLIGHTS

Maximum \$50 deduction from taxable income for newly-dependent brother or sister aged 21 or over if a full-time student, effective Jan. 1, 1964. Revision of federal legislation affecting insurance companies' forecast for later this year. Depreciation write-offs for heavily-dependent brother or sister aged 21 or over if a full-time student, effective Jan. 1, 1964. Tax deductibility allowed for costs of a taxpayer's appealing income tax assessments. Effective immediately, bread allowed as free entry alcohol from most countries, for tax exemption imported Scotch whisky to enter Canada in 35-ounce bottles. One-third cut in deficit to \$453,000,000 in 1965-66 budget, after expenditures of \$71,555,000,000 and revenues of \$67,000,000,000, up 3.8 and 7.9 per cent respectively. Duration of tax incentives for new industry in 35 designated slow-growth areas extended to March 31, 1967. Abandonment of planned Jan. 1, 1965, increase to 30 per cent from 15 in withholding tax on profits paid to foreign owners of Canadian companies not offering minimum 25-per-cent ownership to Canadians. Tax reductions cut federal transfers \$3,000,000 a year, extra \$41,000,000 in spending for added family allowances.

## REFRACS ON TAX

He wiped out the increase that was to have taken effect next Jan. 1 in the withholding tax on earnings moved out of Canada from most countries, for the tax was to have risen to 30 per cent from 15.

## AIMS INSURANCE

Mr. Gordon, using increased investment in Canadian industry, announced there will be legislation later this year allowing life insurance companies to invest their assets in stocks with a five-year record of dividend payments, up from 20 per cent in stocks not meeting this standard.

## Budget Data At A Glance

	1964-65	1965-66
Revenue	67,000,000,000	71,555,000,000
Expenditures	71,555,000,000	67,000,000,000
Deficit	4,555,000,000	1,555,000,000
Est. debt	15,900,000,000	15,150,000,000

How a dollar of tax revenue is spent under the 1964-65 budget: National defence, 25 cents; Health and welfare, 22.5 cents; Interest on debt, 15.5 cents; Transport, 4 cents; Public works, 3.5 cents; Public works, 3.1 cents; Post office, 3.1 cents; Education, 2.1 cents; All other, 22.9 cents. Where the budget's dollar comes from: Personal income tax, 30.2 cents; Corporation income tax, 20 cents; Sales tax, 16.5 cents; Customs duties, 9.3 cents; Alcohol and tobacco, 9.6 cents; Other taxes, 2.5 cents; Non-tax revenue, 10.6 cents.

## EFFECTIVE DATES

OTTAWA (CP)—Effective dates of many changes announced in Monday night's budget: Immediate: Rate at which heavy construction equipment was written off for tax purposes increased to 50 per cent from 25. Bread allowed duty-free entry from most countries, including the United States. Duty penalty removed from some foreign whisky imported in Canada. Duty-free entry of aircraft and parts of a size and type not made in Canada to continue after July 1. Retrospective to Jan. 1, 1964: Personal income tax may be deducted from taxable income. Taxpayers may deduct from taxable income costs they incur in fighting income tax assessments. Taxpayers may claim tax deductibility for brother and sister aged 21 years and over attending school whose they support. To be enacted: Family allowances of \$10 monthly for children aged 16 and 17 in school. Retrospective to Jan. 1, 1962: Charitable contributions for scientific research conducted outside Canada may be deducted from taxable income. Extended to April 1, 1967: Free entry of manufacturing equipment by U.S. companies processing businesses in designating countries. Write-offs of new manufacturing equipment acquired by U.S. companies at accelerated rate of 50 per cent.