

A woman forgives only when she  
is in the wrong.

Covers Prince Edward Island Like the Dew

True valor lies half-way between  
cowardice and rashness.

By Carrier: Charlottetown, Summerside \$15.00 per annum. Elsewhere  
in P.E.I. \$9.00. Other Provinces and U.S.A. \$12.00 per annum.)

CHARLOTTETOWN, CANADA, FRIDAY, FEBRUARY 20, 1953

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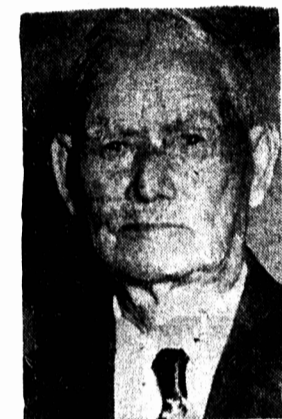
The Guardian, Five Cents  
Morning Daily Founded 1887.

# INCOME, OTHER TAX CUTS ANNOUNCED BY ABBOTT

## Gov't Rapped On Emergency Powers Act

### Sees "Precious Little" For Lower Income Bracket Group

#### 96th Birthday Today



Mr. Thomas Henderson, (above), will quietly observe his 96th birthday today at the home of his daughter, Mrs. W. MacPhail, Long Creek.

One of 14 children, Mr. Henderson was born at Kingston, this province, on February 20th, 1857. At the age of 15 he became an apprentice blacksmith, working for his brother John. In 1881 he opened his own smithy at Long Creek and worked behind the anvil for 40 years.

In 1883, Mr. Henderson married the sweetheart of his youth, Eleanor Holmes, and they had four children.

Mr. Henderson is still hale and hearty. The congratulations of all friends go to him today on his 96th birthday.

### Coming Events

- \*Rummage sale, Trinity Social Hall, 2 P. M. Saturday.
- \*Legion dance, Belfast hall, Saturday, February 21st.
- \*Rummage Sale, Pythian Hall, Friday, February 20th, at 2 P. M.
- \*Horse Racing on New Glasgow River, Saturday afternoon.
- \*East Royalty Women's Institute Pantry Sale, Miller Bros. Saturday, 2:30 P. M.
- \*Pantry Sale and Bazaar, Fenell & Chandler's, Saturday, February 21st, 2:30 P. M.
- \*Crockinole Party in Wheatley River Hall, tonight.
- \*Farmers, ask about the Shu Gain Feed Finance Plan. For particulars contact your local feed mill.
- \*Showing at Mt. Stewart, Friday and Saturday, "Submarine Command."
- \*Hockey tonight, Graham's Road rink, Bradalbane vs. Graham's Road. First game of semi-finals.
- \*Come and see the Abbie Sisters play the South Queen's All-Stars at the ice sports at Victoria rink tonight.
- \*Double header at North River Friday, Feb. 20th, Nine Mile Creek vs. North River at 7:30. Deciding game of semi-finals. Covered Flyers vs. Stanhope Crescents. Skate after.
- \*Attention Morell and Vicinity. Coming tonight, "Clark Gable," "Barbara Stanwyck" in "To Please A Lady," "M-G-M Thrill-a-Minute Romance of a 'Dave Devil'" and a Darling. A good story and screen play. Be sure you see it.
- \*Inquire now regarding the Provincial Debating Competition and the Crockinole Competition, open to any rural organization with members under 31 years of age. Applications must be made to: F. Morris Deacon, Department of Agriculture, P. O. Box 8, Charlottetown, before March 1st.

### Drew Says It Spells Twilight Of Democracy

OTTAWA, (CP) — George Drew, Progressive Conservative leader, said in the Commons Thursday that the government's proposal to extend the Emergency Powers Act spells the "twilight of democracy."

Mr. Drew said that once a government obtains powers as wide as those contained in the Emergency Powers Act for a long period it is reluctant to give them up.

The Opposition leader was the first speaker following a formal division on a government move to let a committee consider extending the emergency powers for another year. The resolution for committee consideration of the bill passed by 154 to 61 votes.

The Liberals voted for the resolution while the Progressive Conservatives, CCF and Social Credit groups joined in opposition.

Mr. Drew said the government has said the "twilight war" which made necessary granting the government emergency powers might continue for 25 years.

The government argued that the extension of powers was only for one year. But once powers such as these became embedded in government there was reluctance to relinquish them.

He said the emergency powers (Continued on Page 11 Col. 2)

### Portraits By Noted Island Artist Exhibited At Ottawa

OTTAWA, Feb. 19 — (Special) — Mr. Hubert Rogers, whose distinction as a portrait painter is even more widely recognized in New York, New England and Central Canada than in his native Prince Edward Island, opened a showing of his more recent work here today at two local studios.

The main group of portraits, including a number in charcoal and red chalk, is on view at Ottawa's little gallery. A second smaller series has been hung for the week in the auditorium of the Canadian Repertory Theatre here at the suggestion and with the collaboration of Mr. J. Watson MacNaught, M.P. for Prince, a personal friend and warm admirer of the artist.

Mr. Rogers, who has an open mind on forms of modern art including the surrealist, admits that for himself, he prefers to paint or sketch persons as they are rather than produce what has been termed an "artist's conception" of what they should be.

Range of his present series covers east and west, reaching from the Maritimes to Indian subjects in New Mexico. The exhibit includes a sparkling portrait of Mary Churchill Soames, daughter of Prime Minister Churchill, in the uniform of a subaltern of the Royal Air Force. In this portrait as in many others, there is a clarity and sharpness of line that make the features of the subjects literally leap from the page.

(Continued on Page 5 Col. 3)

er than produce what has been termed an "artist's conception" of what they should be. He has no quarrel with the camera even when handled by most skilled technicians, nor does he feel it is in any way a serious competitor of the artist.

Wide Range  
Range of his present series covers east and west, reaching from the Maritimes to Indian subjects in New Mexico. The exhibit includes a sparkling portrait of Mary Churchill Soames, daughter of Prime Minister Churchill, in the uniform of a subaltern of the Royal Air Force. In this portrait as in many others, there is a clarity and sharpness of line that make the features of the subjects literally leap from the page.

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(Continued on Page 5 Col. 3)



Finance Minister Abbott

### Ladies Ignored In Budget

OTTAWA, (CP) — Ladies, Mr. Abbott ignored you. Amid the splendors of his tax-cutting budget Thursday night, there was little or nothing for the women as such. They could bask in the sunshine of the 11-per-cent income tax cut that won't start until July 1, but that was about all.

The taxes on jewelry, on coats, on stockings, on things for the home, on things dear to the feminine heart, stayed put.

### Reports Drop In P.E.I. Potato Price

OTTAWA, (CP) — Percy Wright (CCF — Melfort) said in the Commons Thursday he has received complaints of a "serious drop" in the price of Prince Edward Island potatoes.

Mr. Wright asked — Agriculture Minister Gardiner if the government had received reports of the price drop and of United States potatoes flooding the Montreal market.

Mr. Gardiner promised a reply at a later sitting.

### Judgment In Report Theft Case Reserved

MONTREAL, (CP) — Judge Gustave Marin reserved judgment Thursday in the trial of Frederick Hensler, 37-year-old printing plant employee, charged with stealing an advance copy of the Currie report on the Canadian Army's works services branch.

Judgment will be given Friday. The defence called no witnesses. The Crown called five witnesses. They were: Russell Bell, private secretary to M. J. Coldwell, CCF leader; Mrs. Alice O'Neill, secretary to George S. Currie, chartered accountant who drew up the report; Jack Brockman, office manager of National Lithography and Printing, the company that printed the report; Mrs. Catherine Cosgrove, Hensler's sister-in-law; and A. S. Silver, a fellow worker of Hensler's.

The charge against Hensler was laid after a copy of the report got into the hands of the CCF party before it was tabled in the Commons last month. Hensler gave himself up 24 hours after a warrant was sworn out for his arrest.

### Airman Gets Medal For Rescue Work

LONDON, (AP) — The Queen Thursday awarded the George Medal, one of Britain's highest civilian decorations to American airman Reis Leming "in recognition of his extreme gallantry" during Britain's recent flood disaster.

Leming rescued 27 persons from drowning before collapsing with exhaustion. Although he couldn't swim, he donned an underwater exposure suit and pushed a rubber raft through the raging floodwaters.

### Immigration To Canada Down 15 P.C. Last Year

OTTAWA, (CP) — Immigration to Canada fell off by 15 per cent during 1952, despite substantial increases in the flow from the United Kingdom and the United States, the immigration department announced Thursday.

Total immigration from all countries was 164,498, compared with 194,391 during 1951. English, Irish, Scottish and Welsh immigrants, however, tot-

## Cigaret Tax Cut 4 Cents Per Pack; Radio Licence Off

(By John LeBlanc, Canadian Press Staff Writer)

OTTAWA, (CP) — Finance Minister Abbott Thursday night took a delayed-action cut at the income tax, eliminated the radio licence fee and ushered back the 35-cent cigarette pack in what is generally believed to be a pre-election budget.

The minister reduced the straight personal income tax by an average 11 per cent starting July 1. This means a reduction of half that for the taxpayer on the non-security part of his tax this year. The two-per-cent social security tax was not touched.

The excise tax on cigarettes was reduced by four cents on a package of 20, effective immediately. The \$2.50-a-year radio licence fee is removed after March 31, and Mr. Abbott announced there will be no licence fee for television sets.

Corporation Taxes — apart again from the social security tax — were cut by six per cent for big companies and 10 per cent for small ones, and the small-company group was enlarged, effective on 1953 profits.

"The nuisance" stamp tax on cheques and similar documents was repealed, effective immediately. The "floor" on medical expenses deductible from personal taxable income was lowered to three per cent of taxable income, from the present four per cent, on 1953 income.

Personal-tax exemptions were broadened for persons with children in college and with dependents earning money. The 10-per-cent sales tax on books was lifted, effective immediately, and so was the same tax on all materials going into the finished product of newspapers and magazines.

Mr. Abbott said he had only "moderate leeway" for reductions in what he named his "social dividend" budget. Of his cuts, the biggest was in the personal income tax. The tax was lower by an estimated \$77,000,000 for the 1953-54 fiscal year and \$155,000,000 a year after that.

This was done by lowering the personal tax level to the 1940 scale eliminating the last remaining part of the post-Korea 1950 "defence surtax" of 20 per cent on tax payable. The other part went by the board last year.

A double adjustment was made in corporation taxation to save companies an estimated \$85,000,000 in the next fiscal year and \$120,000,000 a year afterwards. The tax rates have been 20 per cent on the first \$10,000 of profits and 50 per cent above that, with the two-per-cent security tax in addition.

The budget enlarges the lower category to \$20,000 — taking in about 70 per cent of Canadian corporations — and drops the rate to 18 per cent. The rate on profits about \$20,000 will be 47 per cent. On the personal tax side, Mr. Abbott initiated these concessions: (Continued on Page 8 Col. 6)

### Record Expenditures

Expenditures for the coming year were estimated at a record peace-time high of \$4,482,000,000 and revenues at a record \$4,473,000,000.

For corporations, besides reducing the general taxation levels, Mr. Abbott extended tax concessions for petroleum, natural gas and mining companies.

Taxpayers will be allowed a deduction from taxable income of 29 per cent of their dividends from taxable Canadian companies. They now are allowed 10 per cent.

Corporations subject to the seven-per-cent provincial tax in Quebec will be allowed a deduction of this amount, effective on this year's income. The previous concession was five per cent.

A change in the sales tax removed it from materials used in producing goods themselves, exempted from the tax, such as bread. Besides the action on radio and television licences, Mr. Abbott announced duty-free entry of TV sets bought in the United States by visitors will be stopped.

The CBC is to be financed through revenue collected from the current 15-per-cent excise tax on radios, television sets and tubes, now imposed at the manufacturer's level.

The budget contained no changes in succession duties. Tariff reductions amounting to about \$1,000,000 were proposed, to help miners, fishermen and soldiers on foreign service.

High tide today at Charlottetown at 3:31 A. M. and 3:08 P. M. High tide on the North Shore at 10:02 A. M. and 11:40 P. M. Summerside tide eighteen minutes later than Charlottetown. Sun rises today at 7:09 A. M. and sets at 8:46 P. M.

## Gov't Keeps Wraps On Details Of Tariff Cuts

OTTAWA, (CP) — The Canadian government Thursday night reduced tariffs on about \$5,000,000 worth of annual imports, but kept plans for major reductions under wraps, awaiting world tariff bargaining at the end of the year.

The reductions, estimated to trim federal revenues on duties by about \$1,000,000 a year, are spread among some 40 items, from isotopes to electric stove clocks and affect mostly imports from the United States.

They will benefit the mines and the fishermen, importing machinery and equipment from American factories, and Canadian servicemen returning from foreign service with household goods on which they no longer will pay duty.

On some items the budgetary charges eliminate tariff preferences to Commonwealth countries; on others, the preference remains intact.

But on the whole the extent of the cuts were not as drastic as in previous annual budgets, and, informants said, there's a reason.

Another big international tariff conference is expected towards the end of the year, possibly in Canada, and the tariff experts are holding their fire, ready to give new tariff concessions to other countries only in return for those which will benefit Canada.

"Why should we give tariff reductions free, when we can hold them back and get something for them in return," an official said.

"The ones we are granting are urgent. Because Canada's production of isotopes has been cut drastically by the break-down in the Chalk River, Ont., atomic plant, the government has decided to eliminate the previous 15-per-cent tariff on American isotopes now needed in Canada.

The U.S. has no duty on Canadian atomic oven products. Assisting the fishing industry. (Continued on Page 8 Col. 5)

## 400 Pupils Escape When School Burns

ALBANY, N. Y. (AP) — Fire Thursday destroyed a three-story public grade school and all of its nearly 400 pupils escaped.

At least three persons were injured. A general alarm brought Albany's entire fire-fighting force to the scene, in a mid-town residential area.

be that nothing new or startling had been disclosed but that the continuing gravity of the global situation had been driven home with considerable force.

This jibed with the view of diplomatic formists who said there is no evidence of any new international development in Europe or the Far East likely to explode into a sudden crisis.

## Budget Highlights

OTTAWA, (CP) — Highlights of Finance Minister Abbott's budget speech Thursday night.

Personal income tax cut by 11 per cent starting July 1, reduction averaging 5 1/2 per cent for all 1953.

Cigaret tax reduced by four cents per pack of 20, effective immediately.

Corporation taxes reduced by estimated \$120,000,000 a year, effective on 1953 earnings.

Annual \$2.50 licence fee on radio sets repealed March 31; no licence fee planned for television sets.

Publicly-owned CBC to be given, in place of licence fees, revenue collected from the existing 15 per cent tax on radios, television sets and tubes.

Duty-free entry to Canada of TV sets bought by visitors to the United States to be stopped immediately.

Stamp tax on cheques and similar documents repealed immediately.

Sales tax of 10 per cent repealed on books and materials going into books effective immediately.

Sales tax repealed on all materials — including newspaper and magazine production, effective immediately.

Tariff reductions amounting about \$1,000,000 a year, to help the miner, fisherman and soldier with foreign service.

## Abbott Gives Pat On Back To "Man-In-The-Street"

By DOUGLAS HOW (Canadian Press Staff Writer) OTTAWA, (CP) — Finance Minister Abbott beamed on the man in the street Thursday night with a \$100,000,000 smile that was meant to go around the world.

For he blessed two birds with the one ray of sunshine and he talked like Horatio Alger as a lyrical apostle of thrift.

Social Dividend Budget  
The experts were calling this his social-dividend budget, a document designed to shed its illumination not only upon Canadians but also on the thinking of Canada's allies.

In Mr. Abbott's fiscal past there have been all sorts of budgets — sunshine budgets, vinegar budgets, the stand-pat budget of last year. But this was the first one which enshrined the average Canadian.

## Seek Missing Halifax Grocer

HALIFAX, (CP) — About 60 sailors Thursday joined the hunt for Benny Whitman, four-foot-tall grocer who has been missing since he left home Friday on a rabbit-hunting trip.

Search efforts have been hampered by lack of information on his plans and conflicting reports that he had been seen in the city since Friday.

R.C.M.P. have organized two intensive searches of areas where he might have hunted but turned up no clues to his whereabouts. A heavy snow fell during the week-end and police said it would make tough going for the short hunter.

## \$50,000 Fire At Port Aux Basques

PORT AUX BASQUES, Nfld., (CP) — A \$50,000 fire destroyed a wholesale warehouse and brewery office Thursday and for a time threatened this west coast Newfoundland fishing town.

There were no injuries. Flames fanned by strong winds leaped to the brewery office after destroying the warehouse, well-stocked with paints, stoves and other hardware merchandise. The brewery is a mile from the office.



Minimum and maximum temperatures:

	Min.	Max.
Victoria	34	46
Edmonton	6	21
Calgary	16	23
Regina	9b	11
Winnipeg	2b	16
Toronto	24	42
Ottawa	11	30
Montreal	12	25
Quebec	2	24
Saint John	11	30
Moncton	9	27
Halifax	17	33
Charlottetown	14	24
Sydney	19	23
Yarmouth	32	30
St. John's, Nfld.	21	27

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Sydney	19	23
Yarmouth	32	30
St. John's, Nfld.	21	27

OTTAWA, (CP) — The Weather Bureau forecasts fine weather over the Maritimes Friday, with little change in temperature.