

OUR MERCHANTS

Patronize our local merchants and leave your money in your city with the men who are trying to make it go.

The Daily Mail

WEATHER

Westerly winds, fair today; Sunday, fresh to strong westerly winds, cloudy and milder with some rain.

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Rhodes Has Ordinary Surplus, Net Deficit Is \$69,300,000

Canada's Debt Grows \$669,900,000 in 5 - Year Period—First Surplus in Ordinary Accounts Recorded Since 1929-30—Revenues Increase, Trade Grows—Employment Gains 15 Per Cent.

OTTAWA, March 23—A surplus of ordinary revenues over ordinary expenditures of \$2,700,000 was shown in the budget delivered in the House of Commons today by Finance Minister E. N. Rhodes. But extraordinary and capital expenditures turned the favorable balance into a net deficit of \$69,300,000. It was the first surplus on ordinary account since 1929-30.

Delivering his fourth budget address Mr. Rhodes was in a position to review a year of increasing revenues, expansion in trade, improved commodity price levels, and rising employment figures. The small surplus on ordinary account was compared with a deficit last year of \$22,000,000 and \$42,000,000 the year before.

The debt of the Dominion increased \$117,700,000 during the present fiscal year, Minister of Finance E. N. Rhodes said in his budget speech Friday. The debt included a Canadian National Railways deficit of \$48,400,000. The corresponding figure for the previous year was \$133,500,000, indicating an over-all improvement of \$15,800,000.

Reach Tax Goal

For the first time since 1930 the taxation receipts yielded the estimated return, the estimate given in the budget last year having been \$306,000,000 and the actual receipts, with those for the last month of the fiscal year necessarily estimated, will be \$306,050,000, an increase of \$34,200,000 over the previous year.

Total ordinary revenues were estimated at \$359,300,000 and total ordinary expenditures \$356,300,000, which was \$2,200,000 less than the amounts authorized by votes and statutes.

Total trade for the 11 months ended with Feb. 28, 1935, was valued at \$1,082,347,000, an increase of \$163,777,000 over the previous year. For the fourth consecutive year there was a surplus of exports over imports, the balance during the 11 months being \$134,000,000.

It was his good fortune, Mr. Rhodes said, to review the course of business and finance during a year "which has been marked by continued and substantial progress, and a nearer approach to sound and satisfactory business and financial conditions."

Empire Concessions

Wide concessions to British Empire countries and to their mandated territories, drastic reductions in liquor duties and a slashing of the British preferential rate on woollen yarns were outstanding features of the tariff changes announced to the House of Commons by Finance Minister E. N. Rhodes in his budget speech. At the same time several new elements in Canadian political history made their appearance.

In the first place, the budget resolutions set forth that the cut in liquor imposts must be passed on to the consumer. If provincial liquor control boards do not conform to this, the Government takes the power to reimpose the previous duties.

Sweeping Policy

Second, Canada may now, by order-in-council, declare British Empire countries and mandated territories "most favored nations." This sweeping policy would have the effect of completely eliminating the application of the general tariff to all imports from British countries, provided such imports were entered into Canada through Canadian ports.

Third, for the first time in tariff (Continued on page 5)

Budget, Taxation, Tariff

The Federal Budget which was brought down in the House of Commons yesterday afternoon by Hon. E. N. Rhodes, Minister of Finance, showed a surplus of \$2,700,000 on ordinary revenue as compared with a deficit of \$22,000,000 the previous year. But the surplus fell short of the \$8,800,000 credit balance which had been predicted by Hon. Mr. Rhodes in his budget address last year. The C. N. R. deficit while it is \$10,000,000 less than 1933-34, is still enormous, totalling \$48,400,000. The relief expenditures were \$25,000,000 higher than the previous year, running into nearly \$60,500,000.

A loan council may be established to arrange for the refunding of all public debts.

Taxation changes announced in the budget were briefly as follows:

Surplus on investment incomes over \$5,000 ranging from two per cent on lowest figure to 10 per cent on investment incomes of \$200,000 or more.

Incomes from whatever source to be treated same as investment, if exceeding \$14,000.

Tax on premium value of gold, started last year, to expire on May 1, 1935, but depletion allowance on income tax of precious metal mines reduced from 50 per cent to 33 1/3 per cent and on dividends to shareholders of such mines reduced from 50 per cent to 20 per cent.

Increase of one per cent in corporation income taxes and of 1/2 per cent on taxes paid by those permitted to render consolidated income tax returns.

Graduated tax on gifts in excess of \$1,000 ranging from two per cent on \$2,000 to 10 per cent on \$1,000,000 or more.

Sales tax unchanged except for few minor exemptions.

Excise tax unchanged but Empire preference imports exempted and 20 per cent tax applied to cigarette lighters.

Excise duties on spirits reduced from \$7 per gallon to \$4. More drastic provisions with regard to consolidated income returns. When consolidation is allowed rate of tax is to be 15 per cent as compared with the present 13 1/2 per cent.

An impost of five per cent is imposed at the source on all royalties payable by Canadian debtors in respect of books, music and articles in magazines to non-residents of Canada. The 12 1/2 per cent deduction in respect of these is abolished.

Amounts received from income bonds or debentures are to be treated as dividends. There will not be a deduction before determining taxable income of a corporation paying any amount in respect to such bonds or debentures.

Stiffening deduction provisions, sums charged by companies outside of Canada to Canadian Companies for management fees and the like are not to be allowed as deductions if the non-resident controls the Canadian company.

Taxpayers claiming reciprocal relief for taxes paid in outside countries are not allowed, as against profits taxable in Canada, losses sustained in such countries.

TARIFF CHANGES

Tariff changes totalled 76, of which 48 were decreases, four increases, and 24 clarifications of wording without change in rates. Spirituous liquors reduced under the British preference from \$8 a proof-spirit gallon to \$5. Corresponding reductions on Canadian-made liquors excise tax also were contained in the budget.

Certain woollen fabrics reduced under the specific rate of the British preference from 18 3/4 cents per pound to 17 cents.

Woollen slipper cloth, formerly 27 1/2%, plus 18 3/4 cents a pound, under the British preference, now free.

Melton cloth for making tennis balls, formerly 27 1/2% plus 18 3/4 cents a pound under the British preference, now free.

To encourage use of Canadian potatoes in the manufacture of starch a deferred duty can be imposed by order-in-council on dextrine.

Diabetic breads and biscuits will come in free under the British preference.

Palestine oranges will enter free under the British preference. Books of a certain type are now free under the British preference, a similar rate applies to France.

British exporters to Canada are allowed to send in advertising matters concerning their goods free of duty.

The famous infra-red films for aerial photography will be allowed free under the British preference.

The tariff on cigarette papers from the United Kingdom is cut. Artists' paints, formerly 20% British preference, now free.

All kinds of glassware, except flat-glass, refuted under the British preference from 20% to 15%.

Piling iron, used extensively in harbor works, formerly 25%, now free.

Wire imported for use in the manufacture of barbed wire or fencing wire, formerly 10% under the British preference, now free.

Chock release apparatus used in coal mines, formerly 15% British preference, now free.

Fire engines formerly 22 1/2% British preference, now 10%.

Diesel and semi-Diesel engines, formerly 15% British preference, now free.

Chassis for railway motor cars, formerly 15% British preference, now free.

Locomotives and railway motor cars for mining operations, formerly 10%, now free under the British preference.

Aircraft and parts, exclusive of engines, formerly 10% British preference, now free.

Brass band instruments, free under the British preference, a cut of 15%.

Impost of six cents each on foreign dressed skins to prevent exploitation by distress sales.

The preference on Australian raisins continued until March 31, 1936.

Consolidation of items dealing with all kinds of sterling silver toilet sets, and greatly reduced under the British preference.

EXPERIMENTS IN PROTEIN FEED FOR LIVESTOCK

N. B. Farmers Inquire For Information For Spring Planting

Alfalfa Grown

Pasture Tests Show the Value of Improved Pastures

At this season of the year, New Brunswick farmers are writing the Fredericton Experimental Station for advice on many and varied problems. It is interesting to note that a large percentage of these inquiries deal with problems relating to sources of protein for live stock feeding. In other words, farmers are anxious to produce as much of their protein feeds as possible on the farm. Such crops are alfalfa, peas, soy beans, early cut hay and improved pastures are among the main sources of protein being considered at the present time.

Alfalfa is being grown successfully in some sections of the province and will be more generally grown as the crop becomes better understood. Alfalfa hay is rich in protein and produces two crops of hay in one season. It also makes an excellent pasture crop.

Field peas are usually grown in combination with oats and feed as a supplement to pastures during the dry season of the year. The Fredericton Experimental Station has found that "Early Blue" peas give best results either as a soiling crop or when grown alone for grain.

Pasture Experiments

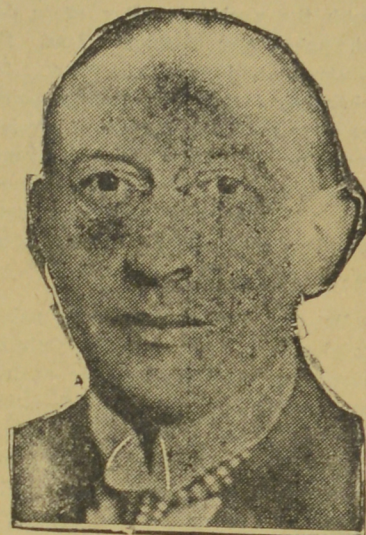
The pasture experiments at the Fredericton Experimental Station, and the many demonstrations conducted in the country by the Provincial Department of Agriculture have shown the value of improved pastures. The general attention to pasture improvement in New Brunswick is now quite marked. Not so long ago many New Brunswick farmers harvested a very inferior crop of hay each year. The hay crop was harvested too late, and a result it was of poor quality, being low in protein and high in fibre. Today it is more generally known that live stock will do best on hay that has been cut early. In the same way, pastures that are kept grazed reasonably short—three or four inches—will produce a high protein feed requiring very little grain to be fed milch cows during the greater part of the summer.

In recent weeks, the Fredericton Station has had a great many inquiries regarding the growing of soy beans. This is a new crop to this country, but it appears to have possibilities as a hay crop. Soy bean hay produced at the Fredericton Experimental Station has yielded well and is relished by milch cows. Several varieties of soy beans have been grown at this Station and ripen seed each year. These are early maturing varieties, such as Manitoba Brown and Wisconsin Black. This year the Experimental Station will grow a small acreage of soy beans for hay. Half the area will be sown in drills and the balance broadcast. O. A. C. 211 is considered the best variety for hay. It is later than the varieties mentioned above, but it will produce larger plants. Soy beans are cut for hay when the pods have formed. Some difficulty will be experienced in making soy beans into hay. This problem has been overcome at the Fredericton Station by putting the beans on straddles to cure. This is a sort of tripod made of spruce poles seven feet long, so arranged that air will circulate into the centre of the coil of hay. Five to six hundred pounds of hay may be cured on each straddle.

CONTINUES TO IMPROVE

Mrs. M. W. Black continued to show improvement today from an attack of pneumonia that has kept her in bed for several weeks.

Women Subjects Of King George Prepare For His Jubilee



HON. E. N. RHODES
Finance Minister, who has brought his budget in the House of Commons.

FURTHER PLANS FOR CELEBRATING KING'S JUBILEE

A meeting of those willing to assist in making the provincial celebration of the King's jubilee to be held here on May 6 a complete success, has been called for April 5 by Alderman C. Hedley Forbes, chairman of the special jubilee committee of the Fredericton City Council.

It is expected that many societies within the city and elsewhere will wish to take part in the program. Indications to date are that there will be a procession with floats and cash prizes awarded winners for their efforts in adding to the attractiveness of the proceedings. A fireworks display is also under consideration.

Plans as formulated so far call for a procession of some sort, which will be at Parliament Square, where patriotic addresses will be heard. The provincial government this week signified its intention to co-operate with Fredericton in holding the provincial celebration in this city. A royal salute will be provided by militia units of the city.

Blackmailers Get Additional Terms

LONDON, March 23—Prison terms to run concurrently with sentences now being served were given here yesterday by Chief Justice Hugh E. Rose to Franklin G. Taylor and his wife, Rosa Taylor, who pleaded guilty to two charges laid in connection with the blackmail ring which allegedly operated in London until some months ago.

Taylor was sentenced to five years in Portsmouth Penitentiary and his wife to one year in Mercer Reformatory. Both sentences are to date back to the time of the original sentences when the couple were sentenced for theft of \$200 from Mr. "D".

Old Shipbuilding Firm is Bankrupt

GLASGOW, Scotland, March 23 — The Clydeside got a shock yesterday with the announcement of an extraordinary general meeting of the famous 80-year-old shipbuilding and engineering firm of D. W. Henderson & Co., called with a view to voluntary liquidation. The news was especially surprising as the company had apparently been very busy recently.

Some people's lives are so closely circumscribed by a city horizon that they think buttermilk is obtained from goats.

To Stage Giant Pageant of England With Six Thousand Performers In the Neighborhood of Windsor.

LONDON, March 23—On the shoulders of many of King George's women subjects will fall much of the work of preparing fitting celebrations for his forthcoming silver jubilee. While a really masculine part of the great show will be the Naval, Army and air reviews, it will be up to the women folk to arrange and manage the social activities which will be such a feature of the celebrations, at least in the capital, as well as the many pageants which will be staged in various parts of the realm.

Usually the London season lasts for three months, or from early May until late July. But the jubilee, which has its inception on May 6, will extend it considerably and, in so doing, will flatten out or "streamline" numerous purses, although the sovereign has expressed the wish that spending should be on a moderate scale.

May Courts in March

Owing to royalty's jubilee engagements in May it has been necessary to hold the two May courts in March. The social season will therefore get a start nearly two months ahead of regular schedule. As there will be considerable pre-jubilee entertaining in April, many Mayfair hostesses will have little leisure until it is time to pack up for the Cowes regatta in July, and then the Scottish moors.

As the jubilee will see most of the Dominion Premiers and the representatives of other Empire countries in London, there will be a full-fledged program of official entertaining apart from Mayfair's own activities. What promises to be the most brilliant function in the capital is the State banquet and ball at Buckingham Palace, all the arrangements for which will come under the scrutiny of Queen Mary, to whom during the quarter of a century of the king's reign most credit has been given for the choice of decorations and the smooth running of affairs of that nature at Buckingham Palace. At such State functions the Queen wears the famous Koh-i-noor diamond, originally of 181 carats, but now said to be 106, and the ribbon of the Garter, which she is the only woman privileged to wear.

Jubilee Pageant

Of the jubilee pageants, that to be held in Langley Park, the lovely country estate of the Hon. Lady Harvey in the Windsor neighborhood, is the most ambitious. It will, in fact, be the biggest pageant ever staged in Britain, for there will be 6,000 performers in it, or 1,000 more than participated in the Runnymede pageant of last summer, until then the record one in this country. Lady Harvey is the chairman of the jubilee pageant, or "Pageant of England," the master is Miss Gwenn Lally, who promoted the Runnymede pageant; the scenario is being written by Miss Marjorie Bowen, the mistress of the robes will be the Hon. Mrs. Frances Lascelles, and responsibility for the dances and ensembles will be that of Lady George Cholmondeley. The profits of the show, which will be held twice daily from May 28 to June 11, will go to the hospitals.

The episodes of the "Pageant of England" eight in all, will depict scenes of the time King Athelstan, Edward III, Richard II, the Field of the Cloth of Gold, the glorious triumphs of Queen Elizabeth, and scenes of the times of Charles II and George III. It will conclude with an Empire scene for the benefit of visitors from the Dominions and Colonies.