

BRITISH PRIME MINISTER REMINDS LABOR THAT DICTATORS EXIST AND MUST BE DEALT WITH

Estimated Surplus Is Announced By The Prov. Secretary-Treas.

Hon. C. T. Richard Expects to Follow Last Year's Surplus Up By Another This Year

\$17,000 Surplus

Provincial Finance Minister's Announcement Is Encouraging, Received With Loud Applause

Delivering his third budget in the New Brunswick Legislature, Hon. C. T. Richard, Provincial Secretary-Treasurer, this afternoon announced an estimated surplus, for the fiscal year ending Oct. 31, 1938, of \$17,000. He estimated that aggregate revenue for the fiscal year would be \$8,500,604 and total expenditures \$8,483,602.

Hon. Mr. Richard delivered his budget speech before a crowded Chamber and filled gallery, and his recapitulation of the financial standing of the Province and forecasts for the future were heard with the customary interest.

The Minister of Finance stated that the actual expenditure in the fiscal year ending Oct. 31, 1937, totalled \$7,840,392. This year's estimates show increases in expenditure totalling \$738,615, and decreases in expenditure totalling \$95,406. This leaves a net increase in expenditure for the current fiscal year of \$643,209. The actual revenue in the fiscal year of 1936-37 totalled \$7,869,483. The estimated revenue for this year, therefore, is \$631,121 greater than the actual revenue of last year.

It was indicated by the Minister that the increased revenue this year would result from increase in the gasoline tax, which, on the basis of an increase of two cents per gallon in the tax would amount to \$300,000 according to unofficial estimates; from increases on corporation taxes; and from proposed increases in license fees on commercial motor vehicles, such as trucks and buses. There will be no increase in the taxation on private automobiles.

"We propose," declared the Minister, "to increase taxation, under the Corporations Tax Act, to a point more in line with the other Provinces of Canada, so as to avoid resort to income or sales taxes such as are in operation in most of them."

Collections from corporations in New Brunswick last year, Mr. Richard said, totalled \$525,000.

Showing that, in other Provinces, corporation taxes totalled not less than \$1,000,000, with the exception of Prince Edward Island, and as high as \$7,750,000 in Ontario, the Minister remarked: "It is quite apparent that the corporations doing business in this Province are not bearing the burden of taxation they should."

Increases in expenditures, estimated by the Minister, include: Interest, etc., \$498,074; Sinking Fund, \$64,750; Old Age Pensions, \$51,480; Department of Education, \$47,771; Department of Education, \$47,771; Department of Education, \$47,771.

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HON. C. T. RICHARD
Provincial Secretary-Treasurer,
who announces another probable surplus

SAYS 50,000 GAS MASKS MADE FOR CANAD. DEFENSE

EDMONTON, March 8—As part of Canada's defence program, about 50,000 gas masks have been manufactured already in the Dominion, Hon. Ian Mackenzie, Minister of National Defence, said in an interview here last night.

The minister, arriving to participate in the Edmonton East Federal by-election campaign, said the masks were intended only for the use of Canada's permanent defence forces rather than for non-permanent militia or civilians.

"That estimate of 50,000 as the total so far is purely unofficial," stated Mr. Mackenzie.

NEW YORK, March 8—Philip H. Philbin, Jr., stock broker, was sentenced to serve 18 months today on a plea of guilty to a 16 count indictment charging conspiracy in connection with sales of Atlas Tack Corporation stock. He was placed on probation for an additional five years, during which he cannot deal in securities.

To Our Legislators

IN connection with any Legislation in regard to municipal elections, which may be brought up at the present session of the Legislature, the attention of the members is called to a peculiar condition of affairs in regard to the qualifications of voters in connection with civic elections. The Daily Mail has brought this matter up before and we were under the impression that the condition applied only to Fredericton, but we have since learned that the same peculiar condition applies also to Edmundston, Newcastle and we believe Saint John and to several other municipalities throughout the province. IN FACT THE DAILY MAIL KNOWS OF MEMBERS IN THE PRESENT LEGISLATURE WHO WERE DISQUALIFIED FROM VOTING AT THE TOWN ELECTION IN THEIR OWN TOWN ALTHOUGH THE SAME MEMBERS ARE QUALIFIED TO HOLD SEATS IN THE PROVINCIAL HOUSE.

The peculiar feature referred to in this connection which exists in Fredericton and other places, is that a Chinaman or a Japanese who is not naturalized but who has paid a tax of ten dollars, can go to the poll and vote for candidates in the civic election EVEN THOUGH THEY ARE NOT BRITISH SUBJECTS AND CANNOT EVEN READ OR WRITE OR DO NOT KNOW WHAT IT IS ALL ABOUT. Take Fredericton as an example, a Jap may arrive in this city today and start up business and have his name put on the tax list and put on the voting list. A Queen Street business man who has paid taxes in the city for years and who owns considerable property may not be able to vote unless every cent of his taxes has been paid. This man may be assessed for two hundred dollars in taxes. He may, owing to financial obligations connected with his business, have paid in only one hundred and eighty dollars and because he owes twenty dollars balance he is not entitled to vote. HE HAS NOT THE SAME PRIVILEGES AS THE CHINESE OR JAPS WHO HAVE JUST COME INTO THE CITY AND WHO HAVE BEEN ASSESSED AND PAID TEN DOLLARS IN TAXES. The latter has no business interests whatever in the city but he can vote for a candidate or many candidates for Aldermen and these Aldermen can go to the Council and transact business which may materially affect the interests of the man who has paid one hundred and eighty dollars or eighteen times as much as the newly arrived Chinaman. There is absolutely no reason for this. The City has as security the business man's property and the city is therefore protected but the business man cannot vote. In the recent civic elections in Fredericton, a considerable percentage of the business men did not have all their taxes paid and therefore could not vote. And therefore did not have a chance to express their opinion at the polls. In recent civic elections in Edmundston, in Newcastle and in other places the same thing applies. IN ONE OF THESE TOWNS WE KNOW OF A MAN WHO HAD PAID SIXTEEN HUNDRED DOLLARS IN TAXES INTO THE TOWN. THE MAID LIVING IN THIS MAN'S HOUSE PAID THREE DOLLARS IN TAXES. THE MAID HAD A VOTE AT THE CIVIC ELECTION BECAUSE SHE HAD PAID ALL HER TAXES BUT THE MAN WHO HAD PAID THE SIXTEEN HUNDRED DOLLARS STILL OWED A SMALL AMOUNT AND DID NOT HAVE ANY VOTE. These statements are not exaggerated, they are clear solid, unadulterated facts which challenge successful contradiction and they are not a credit to any city or town where such a system exists. The members know of these cases.

The qualifications for voting under the conditions named are higher than they are for voting for a member of the Legislature or for a member of the Dominion Parliament. WE CALL THE ATTENTION OF THESE FACTS TO THE MEMBERS FOR MADAWASKA, NORTHUMBERLAND, YORK, SAINT JOHN, AND ALL OTHER CONSTITUENCIES IN WHICH THIS CONDITION OF AFFAIRS EXISTS.

Britain's Objectives Is Increasing Big Defense Program

LONDON, March 8—Prime Minister Neville Chamberlain yesterday explained to the House of Commons, the four objectives of the British Government in his rearmament program:

1. To protect Britain.
2. To preserve the trade routes on which Britain has to depend for food and raw materials.
3. Defence of British territory overseas.
4. Co-operation in the defence of any allies Britain might have.

SHANGHAI, March 8—Operating a breeches buoy from the shore, seamen from the British cruiser Cape Town today rescued seven European and 54 Chinese members of the crew from the French steampship Yolandi.

Members American Association To Visit Station Here

The Dominion Experimental Station at this city will be host to the members of the American Potato Breeders' Association on August 24, it was announced today by C. F. Bailey, superintendent of the station. A meeting of the association is being held at Presque Isle, Maine, on August 22, 23, and will be attended by representatives of this station including Mr. Bailey.

An appropriate program has been arranged for the visit here, and a large delegation is expected. There is a possibility that some representatives from Europe may be present Mr. Bailey said today.

aground on Alcest Island off Shantung. Captain O. E. Bertin and his young daughter were among the seven foreigners rescued.

SEES COMPLETE COLLAPSE OF ABERHART GOVT.

Consider Appeal But Decision Waits on Further Study of Decisions Says Aberhart

EDMONTON, March 8—Complete collapse of the Aberhart Government's Social Credit machine in Alberta, requiring, as it was anticipated in this year's budget, \$100,000 for the coming year, is the inevitable outcome of the Supreme Court judgments handed down in Ottawa Friday it was admitted in legislative circles.

The volunteered opinion of the highest court of the Dominion on the "mother act," an act respecting the issuance and use of Alberta Social Credit, on which the whole structure of the free-money machinery has been set up, including appointment of the "little cabinet," officially the Social Credit Board, and governing its operations, coupled with the unanimous judgment of the High Court that the Dominion has power to disallow, is the basis for this conclusion, it is pointed out.

"Didn't Care a Rap" The act was not submitted to the Supreme Court. It was given Royal assent, April 14, 1937—thus giving the Dominion Government over four weeks in which to heed the words of Chief Justice Duff and disallow it. In any case, whether it falls by disallowance, or by court test, there could be little doubt from now on of its invalidity, it was pointed out.

The opinion of the main act could hardly be said to have been anticipated by Premier Aberhart and his Government, especially when it is known that a suggestion this measure be referred along with the other three early this year was not accepted. But it was freely stated around legislative corridors tonight that the unfavorable decisions on the two bank bills, at least, were anticipated. One high government official said tonight: "We really didn't care a rap about the press bill anyway."

Social Credit Staff The Social Credit Board at present consists of five members of the Legislature: Chairman Glen L. MacLachlan, with an extra "subsistence allowance" of \$10 per day; Dr. J. L. McPherson, S. A. Berg, W. E. Hayes and F. M. Baker, each at \$8 per day in addition to their sessional indemnity. They have in Social Credit Board offices additional staff of Commissioner L. D. Byrne, Douglasie from Birmingham, England, at a salary of \$6,000 per year, and two publicity men and a statistician at \$1,800 annually. In addition, there are eight full-time stenographers and other employees on the payroll of the Government under the heading of the Social Credit Board in the 1938-9 budget now before the Alberta Legislature.

Disruption of the Social Credit machine will likely have its repercussions. (Continued on Page Four)

Chamberlain Refutes Charge Being Biased In Favor Of Dictators

Says Britain's Defense Program Surest Way To Avoid Necessity To Fight

Labor Argues For Collective Security

Security United Kingdom Must Be the Cornerstone Defense Policy

C. D. HOWE PAYS TRIBUTE RETIRING C. N. R. DIRECTOR

OTTAWA, March 8—C. H. Read of Amherst, N. S., has been appointed a director of the Canadian National Railways succeeding Donald H. McDougall of Stellarton, N. S., who has resigned owing to continued ill health, Transport Minister Howe announced today.

Mr. Read's appointment is for the unexpired portion of Mr. McDougall's three-year term ending Sept. 30, 1940. A native of Port Elgin, N. B., Mr. Read has had extensive business training and experience and has been active in municipal and provincial public affairs.

He is engaged in the export lumber business and is a past president of the Amherst Board of Trade and the Maritime Board of Trade, vice-president of the Nova Scotia Forest Products Association, member of the Transportation Commission of the Maritime Board of Trade since 1923, and chairman of the transportation committee of the Amherst Board of Trade since 1925.

In announcing Mr. Read's appointment, Mr. Howe paid tribute to the services of Mr. McDougall and on behalf of the government expressed appreciation of his public service as a Canadian National director.

N. B.—Mr. McDougall is a brother of Mrs. Dysart, wife of Premier A. A. Dysart of New Brunswick.

LONDON, March 8—A small rise in employment and a concurrent drop in unemployment were shown in Ministry of Labor figures tonight as compared with those issued a month ago. The Ministry estimated registered unemployed on February 14 totalled 1,810,421, a drop of 17,156 as compared with January 17, but an increase of 238,000 as compared with February 22 1937. Employed persons, excluding agricultural workers, totalled 11,324,000, an increase of 15,000 over January 17.

LONDON, March 8—The prime minister of Great Britain reminded the Labor party yesterday that he had to deal with a world in which dictators exist.

"I have no bias or favor for Nazism, Fascism or Bolshevism." All of them seemed to him inconsistent with "the root of my political creed—individual liberty." His course was friendship talks with Germany and Italy, with the hope of achieving a general European settlement.

The House of Commons last night approved the government's vast rearmament program after Prime Minister Chamberlain in a fighting speech reaffirmed his faith in democracy and rejected any charges he was biased in favor of dictators.

Two votes were taken. In the first the House defeated 351-134 a Labor amendment to the government's motion of approval of the defence white paper. Then the motion itself was adopted, 347-133.

Amid cheers of his supporters, Mr. Chamberlain opened the day-long debate with the declaration that "I, myself, would fight for the preservation of democracy."

"I believe the people of this country would fight," he said. "I believe in the course we are pursuing, and that our program for defence is the surest way of avoiding the dread necessity of fighting at all."

Before the vote Sir Thomas Inskip, minister for defence co-ordination, replied to criticism of the Royal Air Force. The vast majority of squadrons were fully equipped, he said. Some were not "but that is inherent in the difficulty of obtaining supplies."

The cornerstone of the defence policy must be the security of the United Kingdom, Mr. Chamberlain declared.

"Our main strength lies in resources, man power, productive capacity and the endurance of this country, and unless these can be maintained not only in peace, but in the early stages of war, when they will be subject to continuous attack, our defeat will be certain, whatever might be our fate in secondary spheres elsewhere."

Emphasizing the necessity for a strong defence of the United Kingdom, he continued:

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SIR JAMES' CHARGER FOLLOWS FLAG-DRAPED COFFIN TO THE STATION

TORONTO, March 8—Major-General Sir James H. MacBrien was on his last journey last night. The body of the noted soldier and chief of the Royal Canadian Mounted Police was on route to Ottawa for a soldier's burial in Beechwood Cemetery.

Impressive funeral ceremonies were held for Sir James, who died here Saturday night after long illness, at St. Paul's Church, thronged with mourners, before a stately procession carried the remains to the train.

The flag-draped coffin was borne on a gun-carriage from the church to the station, with an escort of trumpeters, band and bearers marching in slow time through the streets. Sir

James' charger followed the coffin, with his boots reversed in the stirrups.

Bishop Robert J. Renison read the funeral service of the Church of England while the casket stood flanked by scarlet-clad members of the Royal Canadian Mounted Police, standing with heads bowed.

The strains of the "Dead March in Saul" filled the edifice at the close of the simple rites. Four major-generals, two brigadiers and two lieutenant-colonels were the pall-bearers. The seniors were Major-Generals H. M. Cawthra-Elliott, J. H. Elmsley, R. Reanne and J. A. Gunn.

Churchill Uneasy About Britain's Air Force Compared To Germany's

Wants Inquiry Into Military Aviation and Creation Ministry Of Supply

LONDON, March 8—Winston Churchill, Conservative, member of war-time cabinet, warned the members of the British House of Commons yesterday that "German air power is at least double ours and is being expanded by at least double our rate." He said his figures were highly speculative but estimated Germany was expending £900,000,000 for defence in 1938, compared with Britain's £351,750,000. He was uneasy over air rearmament. (Continued on Page Four)

JOHN W. DAFOE GETS NO SALARY FROM ROWELL COMMISSION

OTTAWA, March 8—Cost of the Royal Commission on Dominion-provincial relations to Feb. 4 was \$74,141.82, Secretary of State Rinfret said today in a return tabled in the House of Commons in reply to a question by Alex. Edwards (Cons. Waterloo South).

Hon. N. W. Rowell, chairman, received \$25 a day living allowance plus transportation. Commissioners Robert A. MacKay, Henry F. Angus and Joseph Sirois receive \$25 a day and living and traveling expenses

when engaged on the commission's work.

Commissioner John W. Dafoe receives only actual expenses. "Mr. Dafoe does not wish to accept any compensation," said the return.

The commission counsel, James Stewart and Louis St. Laurent, receive \$150 a day and traveling expenses.

Total cost of secretaries, economic advisers, clerical, stenographic and other assistants to Feb. 4 was \$46,545.19.