

# Highlights Rhodes Budget British Prefer'ce Extended

Places Surtax On Income From Investments—Slashes Liquor Tolls In Blow At Smugglers—Exemption From Mines And Shareholders Cut—Prospective Estimated Surplus For Coming Year Placed By Rhodes At \$21,500,000.

Ottawa.—Hon. Edgar N. Rhodes, Federal Minister of Finance, on Friday presented the House of Commons with an Empire trade, social reform, anti-smuggling budget—designed also, for good measure, to adjust the incidence of taxation upon the gold mining industry.

In furtherance of these four major objectives, it provided:

(1) Substantial extensions of the British preference, particularly upon woollen items and an important enlargement of the classification of British goods on the free list.

(2) An increase in the rate of taxation upon incomes in the higher brackets, expected to yield a total of \$12,000,000 and representing the Bennett reform program's first step along the road to a more equitable distribution of wealth and in the direction of imposing heavier financial responsibilities of state upon its more fortunate citizens. The specific surtax to be charged ranges all the way from 2 to 10 per cent. on incomes over \$5,000, and distinguishes between "earned" and "investment" income. Any income in excess of \$14,000 is automatically treated as "investment" income subject to the higher rates.

(3) An increase in the corporate income tax of from 12½ to 13½ per cent.

(4) A tax upon gifts, except those between husband and wife and others already provided for by income tax law. The purpose is to prevent evasion of the income surtax by the device of an income recipient making gifts to his or her dependents.

(5) A reduction in the excise duties on spirits from \$7 to \$4 per gallon, and a similar cut in the British preferential duties on the same commodities. These changes are

made with the intention, declaredly, of combating the smuggling and other illicit liquor traffics which are blamed for the drop in federal revenues from liquors from \$41,000,000 in 1930 to \$12,250,000 in 1934.

(6) Abolition of the tax on gold mines, with the partially offsetting proviso that the tax exemption of 50 per cent. hitherto allowed the mines on depletion account shall be curtailed to 33 1/3 per cent., and the exemption to gold mine dividends on the same grounds reduced from 50 to 20 per cent.

Other more incidental features of the taxation changes include the imposition of a 20 per cent. tax on cigarette lighters to make up for the drop in revenue from the sale of matches, and more drastic provisions with regard to consolidated income returns, increasing the rate where such returns are allowed from 13½ to 15 per cent.

The sales tax remains unchanged, except for a concession given to articles produced by the deaf and dumb, which are to be taxed at only half the standard rate in future.

Excise Tax Goes

Another barrier against importation of goods from Empire countries was lowered by the 1935 budget. The special excise tax levied on all imports into Canada was abolished on imports entering this country under the British preferential tariff. The tax amounts to three per cent., but last year it was cut to 1½ per cent. on imports under the British preferential tariff. Now it is wiped out entirely on these imports.

Federal Balance Sheet  
The following statement of the assets and liabilities of the Dominion, estimated as at March 31, 1935, as set forth in the budget speech of Hon. E. N. Rhodes:

LIABILITIES	(ESTIMATED)	\$
Bank circulation redemption fund		6,696,000
Insurance and superannuation funds		
Government annuities	46,329,000	
Insurance fund, civil service	9,178,000	
Insurance fund, returned soldiers	13,474,000	
Retirement fund	7,968,000	
Superannuation funds	48,622,000	125,571,000
Trust funds		
Indian funds	13,792,000	
Common school funds	2,675,000	
Contractors' securities deposits	850,000	
Other trust funds	2,575,000	19,892,000
Contingent and special funds		3,650,000
Post office money orders, postal notes, etc., outstanding		3,750,000
Province accounts		9,624,000
Post office savings bank deposits		22,500,000
Funded debt		
Unmatured	3,007,408,000	
Matured but not presented for payment	4,050,000	3,011,458,000
Interest coupons matured but not presented for payment		1,700,000
		\$3,204,841,000

## U.S. MURDER RECORD SHOWS THE NEED OF RESTRICTING FIREARMS

Louis I. Dublin and Bessie Bunzel, in the March Survey Graphic, have performed a useful service in bringing together in comprehensive form the major facts that are statistically known or ascertainable about the American homicide record.

As even the casually informed know, that record is a shameful one. The victims of homicide in the United States number annually over 11,000 persons, or 9.2 out of every 100,000 of population. This rate in recent years has been more than three times that in Italy, which has the highest rate in Europe, 18 times that of England, and 29 times that of The Netherlands.

The United States, moreover, is the only important country which shows more homicides in recent years than prior to the World War. The exact causes of our shocking record are not easy to determine. The authors dispose of a few facile popular explanations. There is a connection between crime and poverty; but why should this particular crime be so much greater here than in other countries, which enjoy fewer material advantages than we do? When our bad record is ascribed to the lawlessness characteristic of a pioneer country, again the explanation does not tell us why recently settled countries, such as Australia and New Zealand, have rates respectively one-fifth and one-tenth of ours.

It has long been known that, in spite of the undeserved fame of Chicago our highest murder rate has been in the South. The New England States have the best record, with a rate of 2.0. In Florida the rate reaches 26.4. In 1933 the disorder of the highest rate for any city—59.5—fell to Lexington, Ky. These geographical discrepancies are in large part explained by the high

homicide rate among negroes.

In the United States as a whole, during the five-year period 1926-30, the authors point out, more than eight times as many negroes as white males were slain per unit of population and almost seven times as many negroes as white women. To what extent was this due to the killing of negroes by other negroes and to what extent by the killing of white men? The authors are silent on this point, perhaps because they have no information on it.

But they do point out that the highest negro homicide rates are found, not in the South, but in the Middle West, with Missouri, Illinois, Ohio and Michigan the chief offenders.

One conclusion on which the authorities are emphatic is that the sale of firearms must be restricted. About two-thirds of American deaths from homicide are due to the use of firearms. In England and Wales in 1932 only 13 per cent. were caused by firearms, and in Germany, prior to the present regime, about 27 per cent.—From the New York Times.

### Encouraging Fall Fairs

There will be no reduction in the grants extended by the Provincial government to agricultural fairs and societies this year, despite obligations to reduce expenditures in the department of agriculture at least \$400,000, Hon. Duncan Marshall, Ontario's minister of agriculture says. That is good news, for the annual government grant is a very necessary item in the receipts, without which it is not likely the majority of small fairs could operate.

## IT'S TRUE!

By Wiley Padan

"SEQUIOIA" M.G.M.'S NATURE DRAMA, WAS FILMED AT HEATHER LAKE IN B.C.



Russell HARDIE, WHO PLAYS THE PART OF A FOREST RANGER IN "SEQUIOIA".



Jean PARKER WITH ONE OF HER "SEQUIOIA" FRIENDS. (Announced SEE-QUO-YA!)

Months of almost unsurmountable production difficulties were overcome in "SEQUIOIA", in which a mountain lion and a deer were photographed daily from the time they were two weeks of age, until they were full grown!

"IT'S TRUE!" that Jean Parker, star of "Sequoia", not only acted the role of foster mother of a cub and a fawn, but she actually kept the tiny puma cub in her cabin and fed it with a baby bottle!

## ONTARIO CATTLE SELLING IN U.S.

Prices Almost Double Domestic Offers Encourage Shipments — Caravans of Trucks.

Orangeville. — Last week a large caravan of trucks loaded with cattle left here for Buffalo, where they are paying 13 cents a pound for such live stock. This is about twice the price for the same grade at Toronto and enables the farmers of this district to pay four cents a pound duty and still make a greater profit than they can make on the home markets. Buffalo is 120 miles from here and a return trip can easily be made in 12 hours.

Many outside horse buyers have been here recently and as many as 50 animals have been purchased and trucked away in one day to Toronto. Prices have been from \$75 to \$150, much above the average, while some extra good heavy teams sold from \$400 to \$500 a pair and were shipped to Montreal.

Dealers predict a shortage of cattle for the local markets this fall and farmers who have the feed and pasture as stocking up with young cattle, one man in particular, having purchased over 100 calves. Good prices have been secured at recent auction sales, as high as \$20 being paid for heifers, five months old of common grade.

ALBERTA RANCHERS PROFIT.  
Calgary.—Southern Alberta ranchmen are looking for a \$1,000,000 return on cattle exports to the United States this year and if the present movement continues their hopes will be realized.

Since January 15, the United States markets have taken 6,000 head of prime cattle from southern ranches, and have paid a premium over Canadian prices after a deduction of duty, freight and handling charges.

Averaging approximately 800 lbs. per animal, 4,800,000 pounds of Alberta's best beef has found its way to American consumers, and the movement southward continues. The monetary return to date aggregates \$144,000.

More cattle have moved from southern Alberta in two months this year than were shipped from all Canada to the United States in 1934.

At the same time, exports to the United Kingdom have dwindled. In January, 1934, 5,225 head went overseas as compared with 3,151 in the same period of 1935.

Exact  
A sugar-planter in Hawaii look a friend from the States to the edge of a volcano. "That crater is 70,000 years old," he explained. "How do you get the exact age?" asked the newcomer. "I can understand the 70,000, but how do you calculate the four?" "Well, I have been here in the islands for four years, and when I arrived I was told that crater was 70,000 years old."

## THE MARKETS

### PRODUCE PRICES

United Farmers' Co-operative Co. Saturday were paying the following prices for produce:

EGGS—Grade "A-1," 28c, and with cases returned, "A" large, 16c; "A" medium, 15c; "B," 14c; "C," 13c.  
BUTTER—Ontario No. 1 solids, 23c; No. 2, 22½c.

### POULTRY:

(Quotations in cents.)		"A"	"B"
Hens—	Live	Dressed	milkted
Over 5 lbs. . . . .	11	14	..
Over 4 lbs. . . . .	10	13	..
3 to 4 lbs. . . . .	8	11	..
Old roosters . . . .	6	8	..
Spring chickens—			
Over 6 lbs. . . . .	13	17	19
5½ to 6 lbs. . . . .	12	16	18
5 to 5½ lbs. . . . .	11	15	17
4½ to 5 lbs. . . . .	10	14	16
Under 4½ lbs. . . .	9	13	15
Turkeys, young . . .	18	18	18
Geese . . . . .	10	11	11
Ducks . . . . .	13	14	14
Broilers—			
1½ to 2½ lbs. . . .	11	15	17

HAY AND STRAW  
No. 2 timothy hay, baled, ton, \$15.50 to \$16.50; No. 3 timothy hay, ton, \$13 to \$14; straw, wheat, baled, ton, \$10; oat straw, \$8.50 to \$9.50.

### WHOLESALE PROVISIONS

Wholesale provision dealers are quoting the following prices to the Toronto retail trade:  
Pork — Ham, 19½c; shoulders, 13½c; butts, 15c; pork loins, 18½c; picnics, 13½c.  
Lard — Pure tierces, 13c; tubs, 13½c; pails, 14c; prints, 13½c.  
Shortening—Tierces, 9½c; tubs, 10c; pails, 10½c; prints, 10½c.

## IMPROVED TRADE IS LAID TO TREATY

London.—The Times said Sunday the encouraging increase in Canada's external trade reported in the budget speech of Hon. E. N. Rhodes, Dominion minister of finance, was largely due, so far as experts are concerned, to the Ottawa trade agreements.

"Britain took more of Canada's exports but unfortunately that gain was all one-sided, for Canadian imports from Britain fell," the Times said.

"The position of the treasury was made more difficult by the necessity of maintaining the credit of the four western provinces," it continued. "Though the income for the coming year is estimated to exceed the expenditure, the actual result will depend on the amount of special expenditure for unemployment. Real surpluses cannot be expected until the farmer recovers a measure of prosperity."

## EVENTFUL WEEK FACES COMMONS

Budget Debate Opens Tuesday, With Ralston Opposition Critic—Mass Buying Report.

Ottawa.—Some definite pronouncement is anticipated this week from the Government with respect to the program for the remainder of the session and the possibility of prorogation by Easter. Illness of Prime Minister R. B. Bennett and the uncertainty as to when the mass buying commission's report would be ready have stood in the way of any detailed planning of sessional progress.

The prime minister's attending physician will issue a bulletin on Mr. Bennett's condition and indicate whether further rest is required and how long he will have to remain away from the House. It was reported that Mr. Bennett's progress had been steadily maintained with no recurrence of cardiac weakness since March 13.

It is also anticipated that Sir George Perley, acting Government leader, will be in a position to inform the House, the likely date on which the mass buying report will be ready. The aim of the commission is to complete this work within a week.

A large section of the House membership and some of the ministers are anxious to conclude the session as quickly as possible and get back to their constituencies. Although date of the general election has apparently not been decided, the possibility that it may come early in the Summer makes it desirable for those who are seeking re-election to be on the ground as soon as possible.

Prorogation by Easter would require continued display of the acquiescence shown so far by the Opposition, and would mean hasty treatment of any legislation that may arise from the report of the mass buying commission.

Debate on the budget will open probably Tuesday with Col. J. L. Ralston (Lib., Shelburne—Yarmouth), leading off as the Opposition's chief financial critic. Apart from the budget the only items on the order paper that are likely to provoke lengthy debate are the bills respecting minimum wages, hours of labor, establishment of a grain board and the economic council measure.

The acts respecting hours of labor and the economic council have been through committee and stand for third reading. The minimum wage bill stands for second reading.

## The Thirty-Sixth Man

(Cardiff Western Mail.)

The Prince of Wales was asked one day if he would visit a little private hospital where 36 men, so terribly injured in the war that they could never hope for release, were fighting the desperate battle of patience and courage. The Prince named a day, and went.

In the ordinary way he went round the beds, and was then conducted to the door by the grateful staff. But he stopped suddenly, and said, "I was told you had 36 patients; I have only seen 29."

It was explained to him that the other seven were so tragically disfigured that the visit was omitted. "For my sake or theirs?" he asked.

"For yours, sir," was the answer. At once he insisted on seeing these seven men. He was ushered into the ward where they lay, and at each bed he stopped for some minutes, saying cheering words. Then, once again, he paused at the door.

"But there are only six men here," he persisted. "Where is the seventh?"

He was told that nobody could see this seventh man. Blind, deaf, maimed, and disfigured out of the likeness of humanity, this seventh man lay in bed in a room to himself, from which he would never stir.

"I must see him," said the Prince. "Better not, sir. You can do him no good. And the sight is terrible." "Still, I wish to see him." One member of the staff accompanied the Prince into that little darkened room of unutterable tragedy. He relates that the Prince walked firmly to the bedside, that he turned very white, but stood there with bowed head, looking at the man who could neither see him nor hear him, looking at that awful wreck of manhood as though he would see the final anguish of war. Then the Prince stooped down and kissed the man's face.

When he rose it was as if another Presence had come into that room.

Once when Dody had heard people singing "America," when she got home she said: "Mother, what was that song about my country club 'tis of t'ees?"

## TWENTY-YEAR PEACE GUARANTEE PACT

Arms Bargains Expected at Berlin Conference — Tension Is Lessened.

Berlin.—A two-hour talk between Britain's two peace envoys, Sir John Simon and Anthony Eden, and the German foreign minister, Sunday night caused a feeling of optimism to grow in the Government camp.

It was said in circles close to Governmental chiefs that Germany feels the atmosphere is clearing now the British are here.

Britain's foreign secretary and the Lord Privy Seal have not yet seen Reichschancellor Hitler, and may not until Tuesday. They arrived by air late Sunday afternoon at Tempelhof, Aldrome and went to the British Embassy, where the conversations were begun with Baron Konstantin von Neurath.

The greetings on their arrival were extremely cordial on both sides. It was said the German conferees are presenting straightforward viewpoints regarding extended non-aggression and peace pacts for Europe (the British have been assured the whole scope of the Anglo-French accords in London will be included in their talks with Hitler), although it was felt certain here proposals for Danubian and Eastern European pacts will be side-stepped.

The opinion was heard the Germans will mark off German conscription and re-armament against the other powers' re-armament and will hold a return to the League of Nations and naval re-armament as bargaining implements.

Hitler was described as ready to enter into concrete arrangements for guaranteeing the peace of Europe for the next 20 years.

He returned to Berlin Saturday from Wiesbaden, where he has spent the last few days in intensive preparations for the conference. Intimates said he would express his willingness to sign bilateral non-aggression pacts with other European nations to ensure peace on the continent during the next two decades.

His cards laid on the table with the dramatic announcement that compulsory military service would be reinstated in the Reich, Hitler was said to be determined to make every effort to win the confidence and good will of Sir John and Capt. Eden during their two days of negotiations.

Rumors were heard Germany has accepted an invitation to join international peace conferences. A foreign office spokesman said, "Germany will participate if definite results are assured."

## BRANCH IN B.C.

British Farm School Unit Will Be Established At Coast

Ottawa.—Acting on an application from the British Columbia Government, the immigration department with the Child Emigration Society of Great Britain for establishment of a branch of the Fairbridge farm schools, used for training British boys and girls in Canada. The action was revealed recently in the House of Commons.

It is not known to the department from what sources the children will come. They will be brought to Canada at or about 10 years of age and will be kept in the Fairbridge training centre until they reach the full age of 16 years. The society then becomes responsible for finding suitable placement for the boys as farm workers and for the girls as houseworkers.

Minister of Immigration W. A. Gordon told the House the society had not received nor been promised any financial assistance from the

### Healthier Farming

Working quietly behind the scenes of Britain's complex agricultural industry, a small body of research workers, is by its insistence on scientific farming starting vast improvements in the national diet. Among the many transformations taking place to-day are increases in the protein and vitamin contents of the milk, meat, eggs and vegetables—all of vital consequence to the nation's health.

Successful farming no longer depends upon tradition. A survey of 1,000 East Anglian farms, conducted by the Cambridge School of Agriculture, showed that young men trained in the new school of scientific agriculture were making far greater profits than those still stock producing and raising crops according to the principles of their forefathers.

Disease among flocks and herds still involves a direct loss of several millions annually. Tuberculosis is another widespread scourge, not less than 40 per cent of cattle being affected. But regular and systematic testing of dairy herds with tuberculin and segregation or slaughter of all positive reactors is gradually lessening this peril.

## Voice of the Press CANADA

### PERENNIAL WHEAT.

Perennial wheat perhaps must be classed among those things too good to be true. The Russians, who are emulating Luther Burbank on a mass-production scale, have crossed a domestic wheat with a grass belonging to the same family as our Western rye grass, created wheat grass and couch grass. The Russians say they will be distributing seed in quantity to their collective farms within two years. Resistance of this cross to winter-killing has not been established, but since our native grasses of the wheat family do not winter-kill it is entirely possible that a cross may ultimately be obtained which will stand severe winters and produce a hard wheat. Our present pace of plant-breeding is such that the answers to these questions lie far in the future, but this is clearly a promising line of research.—Winnipeg Tribune.

MONEY FOR NOTHING.  
United States farmers will get \$420,250,000 this year from the government for not producing crops or pigs. It is probably a larger sum than they would get if they produced these things.—London Advertiser.

MAY NOT AGREE.  
Back before the Great War a former German chancellor made quite a point of the peaceful policy exemplified by Germany in not going to war every time she was given a slice of African territory to keep her quiet. Japan seems to have something the same idea. But it may be that 400,000,000 Chinese will not consent to be door mats forever.—Sault Star.

A STAGGERING COST.  
If anyone doubts that the cost of social services conducted by governments is going to increase steadily, a little study of what has happened in Great Britain should prove illuminating. That country spends \$2,450,000,000 on such services, or last year, a per capita expenditure of \$60.—Edmonton Journal.

OPENING THE NORTH.  
Seven years ago after years of almost heart-breaking effort, the discoverers of the great Flin Flon mine with their associates finally saw the commencement of the huge development which marked the cracking open of the pre-cambrian on the Manitoba-Saskatchewan boundary. In the eight years \$25,000,000 has been poured into that development and from it flows a return reaching nearly to \$8,000,000 annually. Thirteen hundred men and a town of the population of 5,000 people marks what was eight years ago nothing but a small shaft, rock, lake and bush.—Regina Leader-Post.

THIS MAY BE HERESY  
The Right Rev. Dr. Woodsworth, Bishop of Bristol, England, preaches a new ecclesiastical heresy: I wish stained glass windows had never been invented. You go into a country church and stand at the monastery, placed there by the devotions of people in the 18th century when you could be looking out into God's sunshine and a God's green trees.—St. Catharines Standard.

"BETTER TIMES" PARADE  
Seeing is believing. Not for a long time has there been such visible evidence of reviving prosperity as that which was seen on the streets of Hamilton yesterday, when eighty trucks, loaded with farming machinery from the International Harvester works, left the city for points within a hundred miles' radius of Hamilton, to be delivered to farmers "who feel that the time has come to renew equipment." Agriculture being the basis of all real prosperity, this increased activity is a particularly gratifying development. But it is not an isolated instance of improvement—not by any means.—Hamilton Spectator.

MORE CIGARETTES.  
Cigarette smoking in Canada continues to increase. In 1934 the consumption of factory-made cigarettes was close to five billion, an increase of 12 per cent. over 1933.—National Revenue Review.

WINNIPEG'S PROBLEM.  
Winnipeg's property assessment for taxation purposes fell from \$288,000,000 in 1915 to \$215,000,000 in 1934 in spite of many millions spent on new buildings. The assessment of the city of Toronto increased in the same period from \$55,000,000 to \$1,025,000,000. That is the principal reason why this city is in a more difficult position than Toronto, why civic salaries are slashed so heavily, why there are so many holes in the pavements and so few books in the Public Library, and why motorists pay for a civic license as well as a provincial license. In view of a further reduction of \$13,748,000 in the assessment for this year, the City Council is looking for increased revenue from another source.—Winnipeg Free Press.

Dody heard her sister say there was going to be a spelling match at school; and when she started to school Dody said: "Don't forget to take some matches with you."