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INCH-LONG cornet (above) is said to be one of the world's smallest, but at the same the same length of tube-16 inches -as that of the standard model being played by Munsen (right). Kenneth Arvidson (left), cornet soloist of the Augsberg College nd in Minneapolis, is playing the tiny horn, one of three which were handmade by instrument company. Arvidson was preparing to play the cornet at a meeting of the Music Educators Association.

shall Wins 165-Pound Title, rrison Ousted in Semi-Finals to five per cent.

ce Rupert retained battling to a dearl Commodore of his second fight as the annual es boxing tourna-

on the north coast r-old heavyweight nd winner of last heavy crown was n the semi-finals clearly outpointed Mercedi of the Canhilliwack. Mercedi buy by a technical er the RCN's inexng Kerr at 55 sec-

farshall who scored

MacDonald of

Hunt

were jailed as possives. The roundup

resentatives. Sunday. This was in No details were released. ment Saturday.

Juan Santos Rivera, met.

Threatened strike of movie after last Mon- projectionists in theatres here United States union officials appounced in Runway Crash Vancouver that a settlement was parages Plane reached shortly before theatrewere captured with- reached shortly before theatre-

when Notice and tearThe projectionists in 23 Fam- Airlines plane was damaged in a When Nationalist ous Players theatres in B.C.— runway crash here Saturday but Albizu Campos and including two here—had set to- the pilot escaped injury. ment sate routed out day as the deadline for a strike The plane apparently ran off if their demands for a 25-cent the runway as it prepared to take

oscow training; Juan theatres had been set for theatre- shipped south aboard the Union

party president; and ment means theatres here will Vancouver. a Rodriguez, a Har- open as usual at 7 o'clock tonight.

ANDY MARSHALL ... wins three fights

Jimmy Walters of Vancouver, the 119-pound class was named winner of the 132-pound class, hard-luck loser. A doctor advis-



BILL MORRISON ... unsuccessful

was named Golden Boy runner- ed him not to continue into the

Robert Thompson of Victoria. The Policemen's Mutual Benewho deefated Len Johnston of fit Boxing Club took the team Vancouver in the semi-finals of honors.

Fishermen Protest Granting Of Licences to Japanese

KIWANGA—An estimated 500 ishermen and native workers. members of the Native Brotherthe most scientific hood of B.C., at a meeting here endorsed a resolution protesting issuance of further fishing licsupchak of Vancou- ences to Japanese in area 4.

Harold Sinclair said represenobowski of Prince tatives from each local branch in Skeena district attended the meeting, at which three other resolutions were endorsed and will be forwarded to the federal department of fisheries.

Besides protesting issuance of more licences to Japanese fishermen, the meeting endorsed a resolution urging the fisheries department to prohibit transferring of fishing licences from other areas into fishing area 4. which takes in neighboring wa-

ters around Prince Rupert. The department also will be asked to exercse every precaution in allowing purse seine fishing within area 4, since it is an makers, the Puerto area at about the mouth and nment today sought entrance of the salmon run in-

Strike Off

in a second round opening time.

a local labor union opening time—11 a.m.

that the weekly closed season \$204,309,347. season, as in former years.

Mr. Sinclair, district vice-president of the Brotherhood for Skeena, said the natives are demanding these measures because they are dependent on area 4 for their livelihood.

the sockeye fishermen in the further, it was learned today.

Ship Delayed By Fueling

The Union ship Chilcotin spent four extra hours in port here last night, fueling up for the trip

The ship, scheduled to leave at 8 p.m. Sunday, weighed anchor at about midnight after taking on oil at the Imperial Oil dock. She fueled here rather than in the south due to the impending

Special to The Daily News STEWART-A Pacific Western

Communists being hourly wage boost had not been off, breaking a ski strut which punctured the fuselage. The president, said to The strike in Vancouver small plane was dismantled and ship Chilcotin last night for re-Cesar Andreu Igles- Opening time—II a.m. party process and Inchience opening time—II a.m. party process and in the company's shops in

Pilot Len Fraser was unharmed in the accident.

Two Per Cent Increase Slated On April 1 For B.C. Sales Tax

PRICE FIVE CENTS

Five Per Cent Levy To Net \$23,420,000

VICTORIA (CP) — An increase in the sales tax to five per cent to replace premiums in British Columbia's hospital insurance scheme was announced today by Premier Bennett.

In his budget address to the legislature this afternoon, Pre- revenue for the fiscal year endmier Bennett, also finance min- ing this March would be \$169,ister in the government, said the 362,769. The expenditures for the increase from three to five per cent in the sales, or social ser- duced by "savings"-non-expenvices tax, will give the govern- ditures of full appropriations, ment an anticipated \$23,420,000 etc of \$11,750,000 to \$166,614,--for the year ending March 31, 606.

ive from April 1, will be the by \$36,177,861 to \$154,913,978 in highest in Canada with the ex- the period from Feb. 15, 1952 to ception of some cities in Quebec Dec. 31, 1953 and the gross debt where the municipal and pro- by \$23,823,725 to \$245,217,239 in vincial taxes combined amount the some period. The per capita

The premier also announced \$38 the government proposes:

• A flat \$5 increase in the province's cost-of-living bonus to ceive \$45,374,000 under the doold-age and blind pensioners minion - provincial taxation ance and mother's allowances.

tax of children's clothing and the province now rents its in-

• Reduction of the 171/2 per cent amusement tax to 15 per

• Reduction from \$10 to \$1 of automobile registration fees.

· To seek approval of granting borrowing powers of \$30,000,to the government-owned Pacific Great Eastern Railway.

 Abolition of the 10 per cent tax on liquor by the glass approved at the last session of the legislature. The premier, who said the gov-

ernment does not expect undue changes in the province's econof \$5.854.097.

was added a surplus fund antici- tion of registration fees, and pated at \$16,264,475 which in- \$1,500,000 in the loss of the cluded an anticipated surplus for per cent liquor tax. the fiscal year ending this March 31 of \$2,748,163.

Brotherhood also asks fiscal year were estimated at At present the bonus to old-age

Polio Threat May Alter Tour

MELBOURNE (Reuters) - Increasing anxiety for Queen "It is only a small area, but it Elizabeth's personal safety in also is already overcrowded," the present polio epidemic may said Mr. Sinclair, "and most of change the royal tour program

area return to their homes after | Another children's rally durthe season because most of their ing the tour of western Australia boats are unsuitable for fall later this month has been canfishing weather, or to sail celled at the country town of through rough weather in other Buuelton. Ten new cases have been reported in the state, making a total of 50 this month. Reported cases of polio in all of western Australia this year stand at 145.

period were authorized at \$178,-364,806, but this would be re-

The premier said the net debt The tax, expected to be effect- of the province has been reduced reduction of the net debt was

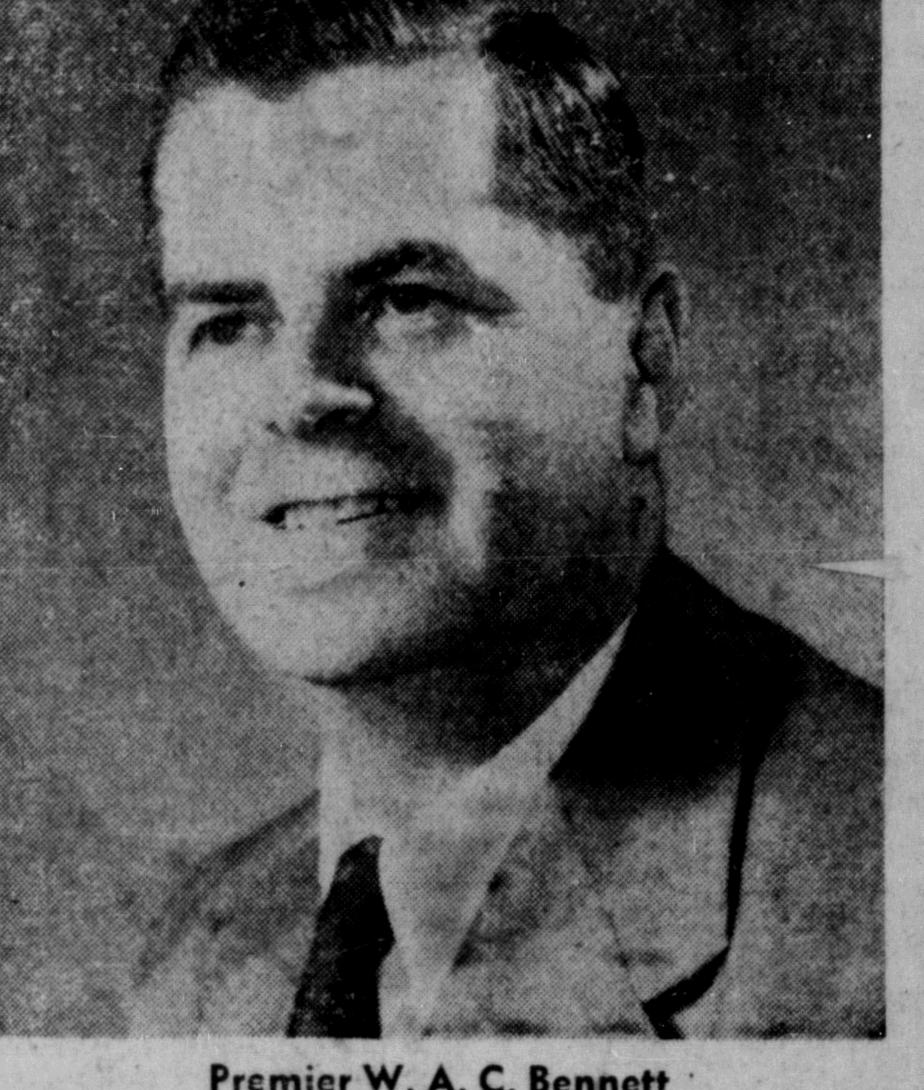
The sinking fund had increased by \$1,533,872 by Dec. 31, 1953. The province expected to reand recipients of social assist- agreement, an increase of \$1,-858,000 over the fiscal year now · Exemptions from the sales ending. Under the agreement come tax and succession duties field to the Dominion government for grants based on gross national product and population

B.C. also expects \$1,100,000 \$300,000 more than last yearfrem one-half the federal income tax on power distribution corporations.

Besides boosts in federal grants the government. and the increased sales tax, the government expected increased revenues of \$2,000,000 from the 10 per cent tax on logging profits approved at the last session of the legislature, \$1,000,000 from the gasoline tax, and \$1,300,000 more from timber sales.

Loss of revenue included \$1,omy in the 1954-55 fiscal year, 000,000 in lquor sales, \$335,000 in budgeted for a sizeable surplus the reduction of the amusement tax, \$600,000 in the exemption of The estimated revenue for the children's clothing from year was \$193,898,969. To this sales tax, \$563,000 in the reduc-

The increased cost-of-living bonus will cost the government Expenditures for the 1954-55 an estimated \$2,900,000 annually. and blind pensioners is a flat \$10. remain in effect throughout the It was estimated the province's Old-age assistance cases receive up to \$10, social assistance and had to be deferred because month.



Premier W. A. C. Bennett . brings down budget in role of finance minister.

Public Works Jobs Delayed By Government Defeat in '53

VICTORIA (P-The defeat of bill that provided but a fraction British Columbia's first Social of the amount that otherwise Credit government last spring in would have been spent during the effect caused certain delays in summer and early autumn. construction projects planned by Premier and Finance Minister Japan, U.S.

Bennett said in his budget speech today, "because of restrictions imposed by the provision of an interim supply for only the first six months of the fiscal year, the program contemplated with respect to capital works payable out of income pay-as-you-go was seriously retarded."

When the government was defeated in the spring the legislature gave it enough money-\$90,000,000—to last till September when whatever government was elected would have to call another sitting of the legislature. The premier said a net capital

expenditures program estimated to cost \$31,384,760 had been provided for. "Much of the proposed work

mother's pensions run from \$42 the restriction automatically imfor a single woman to \$122.00 a posed on normal contractural procedure by an interim supply B.C. DRINKERS SWITCHING

FROM HARD STUFF TO BEER

their taste for liquor bought in government liquor stores.

against a substantial reduction in hard liquor sales."

that Quebec noticed a similar change two years ago.

for the coming fiscal year of \$1,000,000.

THE CANADIAN DESTROYER MICMAC is docked in St. George's harbor, Bermuda, alongside

an old style sailing ship, Danmark, which is preparing to unfurl sail for her home port of

Copenhagen. The Micmac, a training ship based in Halifax, was on a training cruise to

Bermuda. The Danmark is a Danish training ship.

VICTORIA O-British Columbians appear to have lost

The budget read in the legislature by Premier Bennett

"This is due to a large increase in beer consumption as

There is no given reason for the change. It is reported

today said the government expects a decrease in liquor profits

For Detence

TOKYO (A) - Japan and the United States today signed mutual defence pact to give the Japanese both guns and grain and hasten the day when U.S. soldiers can withdraw from the island empire.

The mutual defence assistance agreement, actually a series of agreements, will pour \$100,000,-000 of U.S. aid into Japan's economy in the next three months. and probably much more in the

U.S. ambassador John Allison said the agreement "takes us one step nearer the time when the United States can its forces from Japan."

The agreement will increase Japan's defence force from 120,-000 to 160,000 men. The U.S. will supply ships and planes.

The U.S. also will start the movement of 500,000 tons of surplus wheat and 100,000 tons of would pay "at most" \$3.60 anbarley to Japan. Japan will sell nually by the tax increase. Ar the grain domestically and in old-age pensioner would have turn use the money for guns his taxation increased to ap and munitions.

The agreement was hammer- A wage earner with a family ed out in eight months of nego- of four earning \$260 monthis tiation which at times brought would pay \$2.95 a month under the Liberal government of Prime the five per cent tax or \$1.18 Minister Shigeru Yoshida under more a month, but would save intense opposition criticism.

Twelve Killed By Avalanches

INNSBRUK, Austria (A)-Austria's week-end toll of avalanche tion, higher wages and shorte: deaths climbed to 12 today as hours of work for hospital staffs rescue workers uncovered the bodies of three more skiers buried under a 30-foot-deep snow It took rescue workers 12 hours

to find the three Austrians. The deaths brought to 153 the number of persons killed by snow slides in Austria this year.

WEATHER Forecast

intermittent rain today and erage for all our people is es-Tuesday. Occasional snow mix- tablished, hospitals will continue ed with the rain overnight in to incur ever-increasing operatthe Prince Rupert area. Little ing deficits. The present plan is change in temperature. South- replete with contradictions. It is erly winds 15 increasing to neither a welfare nor an insursoutherly 25 by late afternoon, ance plan. It cannot be made a Westerly winds 25 Tuesday. Low composite of the two without tonight and high tomorrow, at creating distortions and in-Port Hardy 38 and 48, Sandspit equalities, or without requiring and Prince Rupert 32 and 42. exorbitant administration costs."

Move Stops Increase In Premiums

VICTORIA (CP) -British Columbia's hospital insurance service, a thorn in the side of governments since it first came into being in January, 1949, will be revised, with premiums being substituted by an increase in the sales tax.

Premier and Finance Minister Bennett announced in his budget in the legislature today the premiums will be substituted with a two per cent increase in the three per cent social services sales tax.

The change is the government's solution to rising hospital costs and saves British Columbians from a drastic increase in premiums or government sub-

COSTS JUMPS

The tax will bring the government an estimated \$23,420,000. This will meet costs that have jumped from an estimated \$23,-770,000 for the fiscal year ending March 31, 1953, to \$28,700,-000 estimated for the coming

The revenue from the tax will still have to be supplemented by \$8,375,000 from revenue sources. More than \$5,000,000 of that will come from the government's share of the remaining three per cent of the sales tax. One per cent goes to B.C. municipalities.

At present a married person pays a premium of \$39 and a single person \$27. The premiums in the year now ending amounted to only \$15,000,000. The government subsidized the scheme to the tune of \$4,033,428. The change will save \$1,000,-000 in administration costs.

The service now is faced with returning upwards of \$5,-000,000 in premiums paid in advance for coverage from January to June. Premier Bennett said the new

system will not hurt either business or low-income groups. Businesses would get the increased tax back in the form of

depreciation allowances on their income tax. A married pensioner now paying \$39.00 a year in premiums.

proximately \$4.27 from \$2.56. \$2.07 by non-payment of pre-

UNBELIEVABLE EXPENSES

The premier said the combin ed effect of more bed accom modation required to meet the needs of an increasing popula the increasing average patient stay in hospitals, more and better services, costlier facilities equipment and drugs "is reflected by expenditures unbelievable a few years ago." The costs have increased from an average of \$18,200,000 for the three years ended March 31, 1952 to \$23,770,-000 estimated for the coming

"Experience has taught us North Coast Region: Cloudy, that, unless a province-wide cov-