

# The St. John Standard

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GENERALLY FAIR

THREE CENTS

## GOVERNMENT'S BUDGET PROPOSALS REVEAL SWEEPING REDUCTIONS MADE IN PRE-WAR RATES ON NECESSARY FARM MACHINERY AND WAGONS

### BLACK FLAGS TO BE FLOWN THROUGHOUT AUSTRIA TODAY IN DISAPPROVAL OF PEACE TERMS

Bolshevik Troops Are Reported to Have Inflicted a Severe Defeat Upon the Troops of Admiral Kolchak.

### PETROGRAD CAPTURE NOT CONFIRMED

Paderewski Enters a Protest to Peace Conference Against Any Change in Peace Terms Regarding Silesia.

New York, June 5.—The Associated Press tonight issued the following: The Council of Four in Paris is still engaged in efforts to reach a satisfactory conclusion with regard to the counter-proposals made by the German peace delegates. It is also working on the clauses of the Austrian peace convention which had not been completed when part of the treaty was handed the Austrians at St. Germain.

Reports in Paris are to the effect that the Council will be unable to reply to the Germans before the end of next week. This probably is due to the complicated nature of the questions under advisement. It is understood that the financial clause of the Austrian treaty has been arranged, but that no sums have been fixed for Austria to pay. This matter, it is said, is to be left to a commission which will determine the amount and the method of payment after an examination into the resources of Austria.

Premier Paderewski of Poland has entered a protest to the Peace Conference against any change being made in the peace terms regarding Silesia. It has been reported that the Council of Four was considering an allocation of the original demands.

The Austrian cabinet, it is assured, is undecided, whether to accept or reject the peace terms offered Austria. The newspapers continue to declare that the terms are unacceptable, and a report, coming by way of Copenhagen, says black flags are to be flown throughout Austria Friday as an expression of the feeling of the population against the terms.

A delegation of South Africans has called on Premier Lloyd George in Paris, and requested that independence be given the union of South Africa.

Bolshevik advisers, reaching Copenhagen say that the Bolsheviks have inflicted a severe defeat on the troops of Admiral Kolchak of the Omak government. Prisoners to the number of 4,000 and one hundred guns and much war material are declared to have been taken by the Bolsheviks. Reports from St. Petersburg sources declare that the despatches announcing the capture of Petrograd by the Bolsheviks were premature.

There is to be no limitation of armament for the small states which have sprung up in former Austria-Hungarian territory. The Council of Four has decided to eliminate the limitation provisions fixed by the council in the Austrian treaty for these small states. The action of the council was taken on the protest of the Jugo-Slavs, who contended that it was unfair to leave Italy well armed while they were limited, and because the Poles also demanded the elimination of the provisions.

### AFGHANS RECEIVE ARMISTICE REPLY

Must Get Back Twenty Miles While British Stick on Present Lines.

London, June 5.—The British commander in Afghanistan, replying to the Amir's request for an armistice, has given the following terms: The Afghans to move back twenty miles. The British to maintain their present lines. British airplanes to be allowed to patrol the Afghan lines, and the activities of war-like tribes to be discouraged.

### SEEKS HEART BALM FROM OPTICIAN

Ottawa, June 5.—Miss Lillia Hogan, whose mother, it is said, resides at Charlottetown, P. E. I., is suing Sineath Sutherland, a local optician, for \$25,000 for breach of promise. The case will come up at the sitting of the Supreme Court of Ontario, which opens here on June 15. Miss Hogan alleges that she made a trip from Charlottetown, P. E. I., to Ottawa, Ontario, and incurred other expenses in connection with her expected marriage to Sutherland.

### AUSTRIAN CABINET DOUBTFUL ABOUT ACCEPTANCE

Playing Strongly to the Grand Stand and Hope to Gain Favor by Being "Doubtful Thomases."

Vienna, Tuesday, June 3.—(By the Associated Press)—Dr. Otto Bauer, the Austrian Foreign Minister, left here tonight for Feldkirch, where he will meet Dr. Renner, the head of the Austrian peace delegation, who is coming from Paris. President Stiz also has left the capital and it is said he is going to the country for a rest. The cabinet is undecided whether to accept or reject the peace terms so far as they have been received. President Stiz, Dr. Bauer and other members of the cabinet, however, individually are joining the newspaper chorus which declares that the terms are not acceptable. There are indications on the other hand that this attitude has been adopted for public purposes only.

### AMERICAN FLIERS ENTERTAINED BY LONDONERS

British Are to Make Many Changes in Lighthouse System to Aid Aviators.

London, June 5.—Lieut. Commander J. H. Towers, and other American naval aviators who handled the N. C. airplanes in the recent trans-Atlantic flight, were guests today at a luncheon given by Major General Seeley, under-secretary for air in the House of Commons. The luncheon was given for the purpose of discussing the future of British aviation. The presence of Wales, Lord Birkenhead, the Lord High Chancellor, James W. Lowther, speaker of the House of Commons, the Earl of Reading, former ambassador to United States, Winston Churchill, secretary of war, and Field Marshal Sir Douglas Haig, were present. It was announced at the luncheon, that British lighthouses soon would be fitted out to throw vertical beams to assist aviators.

### COUNT RANTZAU APPEARS WITH MORE PROTESTS

Claims Armies of Occupation Are Not Behaving in the Best Interests of Germany.

Paris, June 5.—(By the Associated Press)—Count von Brockdorff-Rantzau head of the German peace delegation has sent a formal letter of protest to the Peace Conference complaining that the armies of occupation in Germany are arbitrarily protecting and favoring the individuals who are attempting to establish a Rhenish republic. The protest adds the armies are also preventing loyal Germans from manifesting counter-feeling.

### FREDERICTON GIRL KILLED BY TRAIN IN MONTREAL

Popular Young Lady of the Capital City — Details of the Accident Not Received by the Family.

Special to The Standard. Fredericton, June 5.—Mr. and Mrs. Owen Shortill, of Royal Road, this morning received the sad tidings from Montreal that their daughter, Miss Annie Shortill, was killed today in Montreal by a train. Details of the accident are entirely lacking. The young lady went to Montreal about six weeks ago with the family of H. M. Porteous of this city. The deceased was aged 18 years, and had a large circle of friends who will hear of her untimely death with sorrow. Besides the parents two sisters, Alice and Martha, and two brothers survive.

### ULTIMATE DEBT OF DOMINION WILL BE \$1,950,000,000 OR \$220 PER CAPITA OF POPULATION

This Involves An Annual Interest Burden of \$115,000,000, Exclusive of Pensions Which Will Cost Government from Forty to Fifty Millions a Year—Canada in Much Better Condition Than Other Countries and Should Not Be Discouraged—Cost of War to March 31 Was \$1,327,273,88—Manufacturers of Implements Compensated — Heavy Increases in Income Taxes.

Special to The Standard.

Ottawa, Ont., June 5.—Following are the salient features of the government's budget proposals:

#### BRITISH PREFERENTIAL REPEALED

British preferential five per cent. war tariff repealed. Seven and half per cent. war tariff removed from foodstuffs, linen and cotton clothing, boots and shoes, fur caps and fur clothing, hats, caps, hoods and bonnets, gloves and mitts, collars and cuffs, hides, skins, leather, harness and saddlery, agricultural implements, petroleum oils, mining machinery and bituminous coal.

#### PRE-WAR RATES REDUCED

There are also reductions from the pre-war tariff including reductions of five cents a pound in preferential, intermediate and general rate on coffee, and three cents on British grown tea. Free importation of wheat, wheat flour and potatoes from countries that admit free these articles from Canada. Soda ash is reduced from a preferential rate of five cents to a fifth of a cent per pound and from seven and a half per cent. general to three-tenths of a cent.

The seven and a half per cent. war tariff is removed from implements, and substantial reductions are made in the pre-war rate on implements. The general tariff rate of 27 1-2 is reduced to 15 per cent. on cultivators, harrows, horse rakes, seed drills, spreaders and weeders; from 27 1-2 to 17 1-2 on plows, windmills, portable and traction engines for farm purposes, horse powers and threshing machine separators, hay loaders, potato diggers, fodder cutters, grain crushers, fanning mills, hay tedders, farm or road rollers, post hole diggers and other agricultural implements. A reduction of from 32 1-2 to 20 per cent. on farm wagons.

On cement the war customs duty is repealed and the regular tariff rate is reduced, by two cents, to eight cents per hundred pounds. It is estimated that the tariff changes will cause seventeen millions loss of revenue a year.

#### REDUCTION FREIGHT RATES

To compensate the manufacturers of implements for loss of protection, the government has arranged with the railways for reduction of freight rates to the Canadian West, the Chicago rate being fixed. And to compensate the railways for the loss of freight the seven and a half per cent. duty on bituminous coal is removed, and owing to reduced purchasing power, a loss of ten millions additional in customs tariff is estimated, making the total reduction or loss twenty-five millions.

#### INCREASE INCOME TAX

To make up for this loss a heavy increase is proposed in income taxation. Corporations are to pay ten per cent. on all income in excess of two thousand dollars, dividends of shareholders being given credit for this in the normal tax they have to pay.

Individuals unmarried are to pay four per cent. on incomes from one to six thousand and two to six thousand married; there is a normal tax of eight per cent. on all incomes above six thousand.

A surtax will commence at five thousand instead of at six thousand as in the past. Incomes from five to six thousand pay one per cent., six to eight two per cent. and an additional charge of one per cent for each two thousand dollars increase in the income is charged until on incomes of from \$98,000 to \$100,000 the surtax rate is forty-eight per cent.

On larger incomes the scale rises to 52 per cent. on incomes between one hundred and one hundred and fifty thousand, sixty per cent. on incomes from \$200,000 to \$300,000, sixty-three per cent. on three hundred to five hundred thousand, sixty-four per cent. on five hundred to a million and sixty-five per cent. above a million.

The increases are substantial, the old charge on a three thousand income being \$20 and the new charge \$40. On eight thousand the old was \$266 and the new will be \$370. The business profits war tax act will be renewed for the current year so as to make it apply to the accounting period to December 31, 1919.

The business profits rates is 25 per cent. tax on profits above ten per cent. on capitals between twenty-five and fifty millions with profits, and on companies with capitals above fifty thousand dollars with seven per cent. exemption there is twenty-five per cent. on profits above 15 per cent., fifty per cent. on profits from 15 to 20 per cent. and 75 per cent. on profits above 20 per cent.

There is a warning that the business profits tax cannot be continued much longer without injury to the country, and the announcement is made of a ministerial commission to study the economic condition of the country and prepare a scientific tariff.

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### FOUR THOUSAND VETERANS RALLY AROUND MAYOR GRAY TO MAINTAIN LAW AND ORDER

### INTERVENTION IN HUNGARY IS MUCH DESIRED

Former Austro-Hungarian Foreign Minister Says Communist Government is Ruining the Country.

Vienna, Tuesday, June 5.—(By the Associated Press)—Allied intervention in Hungary was urged by Count Julius Andrássy, former Austro-Hungarian Foreign Minister, in a statement today. The Count, in company with other exiled Hungarians, is attempting to put down the Hungarian Communist Government.

"The only way left for us is Allied help," the Count said. "It is useless to treat with the Communists. Every day delayed means greater ruin for us and a loss for the whole world. It will be fifty years before we can undo the waste caused by the Communists. Every bank is bankrupt, every rich man is impoverished, and every industry ruined."

The Communist government will accept any frontiers proposed by the Peace Conference and then spend its energies in propaganda among the neighboring countries. It was a terrible mistake of the Karolyi government to destroy the army and permit only the proletariat to have rifles. His government was ruled by eight men, self appointed.

"There has been no chance for self-government in Hungary during the last seven months. What we wish is special intervention so that the nation may have a chance to decide its future. If intervention comes quickly, and the Communist leaders are made responsible for the lives of the hostages, there will be no shedding of civilian blood."

### STRIKES OCCUR ON VALLEY RAILWAY

Bulgarians and Italians Throw Down Their Shovels and Refuse to Pick Them Up Unless More Dollars Are in Sight.

Fredericton, June 5.—A strike by the alien navvies employed on the St. John Valley Railway construction, between Gasquetown and Brown's Plains, has taken place. The strikers are said to be Bulgarians and Italians who have been employed by the Bedford Construction Company and who are not satisfied with the pay they were getting, which was said to be 30 cents an hour. They quit work yesterday, when their employers refused to accede to their demands for 35 cents an hour.

Chief Engineer C. C. Foss, and Secretary E. S. Carter, of the St. John and Quebec Railway Company, the provincial government's representatives in the construction of the railway, together with members of the government, reached the scene, on an inspection of the railway soon after the strike occurred. Mr. Foss said today the strike would not be serious and he does not expect it to develop sufficiently to delay handing the railway over to the Canadian National Railways for operation August 1.

Only the navvies were affected by the strike. Mr. Foss said they would either soon be replaced or else would drift back again within a short time. The steam shovel and ballasting work so far as it is carried on by machinery, was not affected, only the sick and shovel laborers quitting.

### NO IMPROVEMENT IN PARIS STRIKE

The Number of Idlers Increased When the Laundry Unions Quit Their Tubs and Irons.

Paris, June 5.—There was a further increase in the number of strikers in the Paris district today when the laundry workers' union declared a strike in Paris and the suburbs. Transit facilities however, were improved over yesterday and a great number of subway trains were running. The subway stations are still guarded by soldiers. M. Couillard, the Minister of Labor, has summoned to Paris the director of the mines in the Pas de Calais and delegates of the miners for a joint meeting.

### Two Thousand Returned Men Volunteer as Special Police Officers for Winnipeg.

### DEMAND SHOW DOWN FROM STRIKE LEADERS

City of Scab Precipitates Fight Between Soldiers and Strikers—Arrests Followed.

Winnipeg, Man., June 5.—More than four thousand war veterans today assembled at a mass meeting, considered the general strike situation, adopted resolutions denouncing some of the strike leaders as anarchists, and promised Mayor Gray that his appeal for two thousand special constables would be filled from the ranks of the returned soldiers. The meeting demanded that the government bring to justice men responsible for the Winnipeg strike urged deportation of "all undesirable aliens," and declared that the only big union which Canadian soldiers would recognize was the Union Jack.

A parade of strikers and sympathizers passed within a block of the auditorium where the soldiers were gathered, many marchers wearing returned soldier buttons.

Mayor Gray speaking at the meeting said: "The strike leaders have publicly announced that they intended to run the city of Winnipeg; that they would say who would eat and who would not, and they have intimated that they were powerful enough to bring about a change of government. I know the men who fought for the old flag in France have had enough of Hunism and Bolshevism, and we are not going to stand for it."

Mayor Gray accepted the offer of the soldiers to assist in maintaining law and order by asking for 2,000 special officers to guard property, and act as body guards for workers who, he said, had been intimidated. He announced that the city would pay the soldiers \$6 a day. He said that as soon as the special officers were organized street car service would be resumed.

Many returned soldiers marched to the City Hall after the mass meeting and were sworn in for constabulary duty. When the parade neared the municipal meeting men on the sidewalk cried "scabs" and several fights resulted in arrests.

The mayor announced that the supply of milk and bread would be normal tomorrow.

### No Change in Toronto.

Toronto, June 5.—There is little change in the labor situation here today. The metal trades are still out and the carpenters are holding out for 75 cents an hour. Some 150 cap makers quit work today. They were granted a 44 hour week but ask \$2 increase and no piece work. The wage they ask for is \$3 a week. Some of them on piece work make \$50 to \$60 weekly.

The general strike idea is dead. Labor leaders say that if at the convention tonight a group of radicals succeed in passing a resolution favoring another effort, or appointing a strike committee, it will not be obeyed by the workers.

### U. S. GOVERNMENT RETURNS TELEGRAPH LINES TO OWNERS

Postal Telegraph Given a Jolt by Ass't Postmaster General — Its Methods Criticized.

Washington, June 5.—Postmaster General Burleson today issued an order returning the telephone and telegraph systems of the country to private ownership, effective immediately.

The manner in which the Postal Telegraph Company handled government business out of Washington, "at a critical period through which the country was passing," would have justified the taking over of telegraph lines, Assistant Postmaster General Knolls told the House Interstate Commerce Committee today, at hearing on bills to return the properties to private management.

Mr. Knolls said that if the other companies had adopted the same policy as the Postal it would have strangled the government in the conflict of the war.