The SUMMERSIDE GUARDIAN
AND PRINCE COUNTY CHRONICLE

THE WESTERNGUARDIAN

AGENT: Mrs. John Pond, 31 Church Street — Phone 289
SUMMERSIDE and PRINCE COUNTY

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—SUPER extra auto or truck tire chains in stock at Brace's. L-157-12-9-2i

—RONSON LIGHTERS for your soldier friend at Taylor Drug Co., Kensington.

—BEDEQUE rink opens tonight. Regular skating Tuesday and Friday this week. L-243.

BORDEN

Following an epidemic of measles which visited many homes in Borden, the cold weather of last week seems to have brought a very severe cold or 'flu which is quite prevalent now, especially among the working men, many of whom are confined to their homes.

Mr. A. Jardine of Charlottetown was a visitor to Borden on Saturday, the guest of his sister Mrs. George Jay.

Mrs. John J. MacIsaac and daughter Jean of Borden were visitors to Charlottetown on Saturday.

Mrs. Katherine Rodgers of Digby, N.S., has arrived in Borden to spend some time with her son, Reginald and Mrs. Rodgers. Mrs. Rodgers has many friends in Borden who are always glad to welcome her here.

Sincere sympathy is extended to Private George and Mrs. Gaudet of Borden on the death of their infant daughter Bertha Reta which took place at Summerside last week.

Mrs. Reginald Rodgers, who has been visiting relatives at Moncton, N.B., returned to her home here on Thursday evening.

Congratulations to Mr. and Mrs. Don MacPherson of Borden on the birth of a daughter in the Prince County Hospital on Friday December 6th.

Mrs. A. Chappell of Borden was a visitor to Moncton, N.B., on Saturday.

Mr. Gordon Jay, R.C.N.V.R., is spending leave at the home of his parents, Mr. and Mrs. Albert Jay, of Borden. Gordon, who has just returned from Great Britain is receiving a hearty welcome from friends here.

The regular auction party of the Borden Women's Institute was held on Thursday evening in the town hall with four tables playing. Ladies first prize was won by Mrs. W. Irving, second prize, Mrs. G. Sharpe. Gents first prize, Mr. Ralph Dorsey, second Mr. Emery Richard. Playing was resumed for the freezecut which was won by Mrs. W. Irving.

Mr. William White quarter- master on the S.S. Charlottetown who has been confined to his home for the past two weeks with a severe cold, returned to work on Monday. A.

Kensington and Vicinity

Mrs. John S. Burns has returned home from an enjoyable holiday in Charlottetown.

Miss Marion Calder, of Brattleboro, Vt., is spending the winter months with her parents Mr. and Mrs. A. F. Calder, Kensington.

A successful bazaar and sale of home cooking was held in the basement of the Kensington Presbyterian church on Saturday. During the sale, hot coffee and doughnuts were to be had, which, needless to say, were greatly appreciated and enjoyed.

Miss Mary Fower spent a pleasant week-end with friends in Charlottetown.

Her many friends are glad to see Miss Gladys LeBlanc once again out around, after her recent illness.

Among the many recent visitors to Summerside were Mrs. J. B. Millman, Mrs. Benjamin Champion, Mr. and Mrs. John T. Cole, Mr. and Mrs. John A. Thompson, Mr. and Mrs. Robert Humphrey, Miss Annie Cole, Miss Kathleen Ready, Miss Marion Kennedy, Miss Mamie Connell, Mr. Layton Rogers and Mr. James McNeill.

A successful pantry sale and bazaar under the auspices of the Kelvin W.M.S. was held on Saturday afternoon at Mr. Keir Clark's Meat Market.

With the thermometer jumping from around the zero mark to 40 degrees above, with a warm rain, which has taken practically all the snow away on Saturday night, the older residents are now going around with that "I told you so" expression on their faces, proving once again that they are seldom wrong in their weather predictions.

Col. O. Burns, of the P. E. Island Highlanders stationed in Nova Scotia, has arrived home on a three weeks' furlough, and is receiving a warm welcome from his many friends.

Hockey and skating fans of Kensington and vicinity will be pleased to hear that the Kensington rink will be put in operation, it is hoped for a Christmas eve skate. Although many of the boys have joined His Majesty's Forces and are now away, the officials are confident that hockey will, as in other years, boom in this fair town, and right they are, for remember, folks, the younger element are on the way up, as our juveniles, provincial champions of last year, proved in a most convincing manner and although several of these boys have also joined His Majesty's Forces, with a few replacements which are available this season, the public may rest assured the boys will once again make other Island teams do some fast stepping to take away that crown, they honestly and decisively won last year. H

—BEDEQUE rink opens Tuesday evening, Dec. 10. L-178-12-7-3i.

—RUBBER and leather soles and heels, tacks, rivets, etc., sold at Brace's. L-157-12-9-2i.

—FOR SALE — Estate of late Harry Clark, Augustine Cove, comprising house, barn, shed and 3½ acres land. Apply Fred Leard, Carleton Siding. L-813-11-26-12-10.

SIROIS REPORT

(Continued from page 1)

other hand, the so-called Transportation Problem, as it concerns the relations between the Canadian National Railways and the Canadian Pacific Railway Company, was a matter actually outside their terms of reference. Most of the presentations involved complaints of nonfulfilment of the originally intended purposes of transportation policies and the incidence of freight rates in hindering the development of the country as a whole.

Sectional Incidence

The Commission stated that the sectional incidence of freight rates commanded their careful attention. However, their surveys and studies necessitated an approach to the whole question as the growing division of responsibilities and functions as between the Dominion, Provincial and Municipal Governments involves a development in transportation facilities creating duplications in services, destruction of capital and "threatens a repetition of the inordinate expenditures which marked the climax of railway building in the second decade of this century."

The Commission, Mr. Matheson said, was somewhat surprised that in the many references to highways in the submissions made to it the financial consequences of the present lack of co-operation and co-ordination between the various Governments in regard to railway and highway competition did not receive any recognition whatsoever.

The first chapter of the Commission's recommendations on Transportation dealt with the freight Rate Structure. In this connection, the Commission had the benefit of a voluminous study prepared under the direction of Mr. R. A. C. Henry, a former Deputy Minister of Railways and Canals.

Its approach to this phase of the problem, however, did not go back further than Order in Council P.C. 886 of 1925 and the directions as contained therein to the Board of Transport Commissioners in the matter of rail rates.

The salient parts of the transportation representations heard by the Commission were then summarized.

Maritime Transportation Brief

The brief of the Transportation Commission of the Maritime Board of Trade and the Province of Nova Scotia was first given consideration The contention of the Transportation Commission was briefly that the twenty per cent reduction of freight rates as effected by the Maritime Freight Rates Act had been partially nullified by transportation reductions resulting in competition between motor trucks and the railways in the Central Provinces. It was requested that the relationships established by the Maritime Freight Rates Act should be restored and maintained hereafter. On making this request, it was however acknowledged that there existed difficulties because of the lack of federal control over alternative systems of transportation

The Commission did not accept the argument that the relationship should be maintained against all forms of competition, but did admit that this particular problem could "only be dealt with as part of the wider problems of transportation which are discussed in the following chapter."

Submissions on transportation matters by the governments of Ontario, Saskatchewan, Alberta and British Columbia were briefly summarized.

The various complaints and suggestions arising from the different submissions were the subject of a general discussion on the whole incidence of freight rates and the jurisdiction of the Board of Transport Commissioners thereon. References were made to judgments of the Board of Transport Commissioners on similar or identical complaints. In this connection, the Commission stated that "it is not beyond the scope of its duties to consider what contribution these disputes about railway rates make to friction between the Dominion and the Provinces and whether the tendency of our national rate policy is to moderate or increase this friction." That policy is defined in the Order in Council of 1925 as one "of equalization of freight rates to the furthest possible extent as being the only means of dealing equitably with all parts of Canada." The question is then asked: "Is progress being made toward the fulfilment of the purpose thus avowed." The Commission answers "that despite very special difficulties due to conditions of geography and terrain, the tendency of rate making has been and still is to lessen the regional differences and what is also very important, to keep for Canada a position of relatively low railway rates." In this regard, however, it is noted that **"the only flagrant case of disturbing established differentials to the injury of a region was the equalizing of Maritime rates with those of the Central division in 1912."**

The study of the Commission supported by special surveys prepared at its instance indicated definitely a general trend towards a modification of transportation charges "to the advantages of those regions least favoured by competitive influences." It is exceedingly interesting said Mr. Matheson to note the references to the one important exception to that trend:—the rate changes in the Maritimes from 1912 to 1925. In that connection, Dr. W. A. MacKintosh in his study makes the following observation: "The chief, and important, exception was in the period 1913 to 1923 when rate changes were distinctly adverse to the Maritime Provinces." (Chap. VII, 5 B).

Reference was also made to the study prepared by Mr. R. A. C. Henry and Associates in connection with the freight rate structure in the Maritimes.

Changes Necessitated

The Commission's Report calls attention to the conclusions of Dr. W. A. MacKintosh on the variations in regional freight rates which briefly are to the effect that the differences cannot be eradicated without involving changes of great moment, such as:

"1. (a) Complete jurisdiction by a single authority of all alternative means of transport, and,

(b) The raising of rates on basic commodities and of rates generally in the regions most subject to water and highway competition, or,

2. The meeting of a part of railway costs out of taxation through payment of railway deficits by the Government."

The proposal of the Saskatchewan Government and the Maritime Transportation Commission to enlarge the scope of the Board's powers in line with the recommendation of the Duncan Commission was not countenanced by the Sirois Commission. They argued in this regard that should the Board be given the power to make a responsible review of railway rate policy in relation to such factors as geography, transportation charges in relation to other costs, and general commercial conditions, it would clearly involve the Government of Canada for responsibility in the financial consequences arising from the exercise of the suggested additional powers.

While not making any recommendations on the question of the prevailing rate structure, the Commission suggests that in view of the elapsed time since the last rate investigation and the fact that there exist increasing signs of "a revival in questioning as to the justice of the existing rate structure," the present time might be opportune for another general review of the rate structure in Canada.

Railway and highway competition the Commission considers to be a problem of paramount importance. The situation briefly is that "an exclusive transportation system in the Dominion field established at great cost" has been effectively challenged by motor truck transport falling almost exclusively within the jurisdiction of the Provinces. Consequently, there has developed "a most serious case of overlapping, and one which constitutes a menace to the financial solvency and to the economic well being of Canada"

The basic problem, in the opinion of the Commission, "is how to assure to the public a national transportation system in which all the parts will function smoothly in their proper sphere so as to furnish the best service at the lowest overall costs."

The Report then discusses the location of jurisdiction of the Dominion and Provincial Governments over the different forms of transportation. It is acknowledged that the Provinces have almost complete control over motor truck transportation, although it is stated that main motor highways might possibly be brought under Dominion jurisdiction under Section 92, Sub-section 10 of the British North America Act, "which provides that local works and undertakings wholly situated within a Province may be declared by Parliament to be for the general advantage of Canada or for the two or more Provinces."

Effects of Competition

The effects on the railways of competition and other influencing factors, such as nationalization of industry, elimination of cross shipments and industrial self-sufficiency, are indicated in the fact that rail movements have decreased since 1924 from an average index twenty points higher than industrial production to thirty points below the industrial production figure or, as expressed in another way, the volume of freight increased about 6 per cent per annum between 1890 and 1920, but only rose two per cent per annum between 1920 and 1929, a period of great economic expansion and development.

The studies of the Commission estimate an annual loss to the railways from highway competition of from $75,000,000 to $80,000,000 of which $30,000,000 represents lost passenger traffic.

The railway rate structure is discussed to some length, and reference is made to the inroads of the motor truck on the better classes of freight and the methods adopted to meet the competition. Briefly, the Commission observes to the effect that it is a well known fact that rail rates are predicated on the principle of "what the traffic will bear" with "cost of service" as the possible minimum. In this connection, it is pointed out that goods of high value are and have been assessed rates relatively higher than the cost of performing such service, whereas, on the other hand, bulky and relatively cheap articles take very low rates, which, in some cases, just cover estimated out-of-pocket costs. Emphasis is placed on the fact that the loss of relatively high paying goods concomitant with reductions to meet competition is reflected in the total revenue of the carriers, and endangers the whole rate structure on which the trade and commerce of Canada has been developed.

Important To Maritimes

The situation is of vital importance to the Maritimes in that the production of this section of Canada consists principally of bulky and low valued commodities which, because of their very nature, cannot bear high freight rates. General increases in the rates of these low valued commodities would have serious consequences on the Maritimes' economy. Indeed, the Commission takes cognizance of this fact in the following statement. "The shippers and consumers of heavy and bulk commodities are of great importance in the Canadian economy and a rate structure which curtailed the movement of these goods would involve a serious dislocation of that economy." The representations of the Maritime Transportation Commission were intended, among other things, to convey to the Sirois Commission that there existed a fear regarding the consequences on the whole rate structure under prevailing competitive circumstances. In fact, the Maritime Freight Rates Act appeared to offer the only possible sheet anchor or protection on that point, and it was on that Act in relation to the existing effects on established relationships that the Transportation Commission concentrated attention.

It is of interest to note that the Report quotes that part of the brief of the Maritime Transportation Commission in which it was stated that "industries outside the pale of the competitive area are at a distinct disadvantage because of destroyed parities and also because of the conveniences their competitors enjoy through the greater flexibility of truck transportation" in connection with which the Commission observes that "the tendency towards equalization of sectional freight rates is thus being checked and may in effect be reversed. This would be a definite departure from a policy asserted as desirable in the interests of national unity."

Railway Deficits

While calling attention to the various aspects of the rate problem and discussing the status of the shippers of light and costly goods, on the one hand, and the shippers of heavy and bulky, on the other, in addition to the tax payers in relation to the general public interest, the Commission states that "it is not the body which must define this general public interest. It is concerned rather with the question of where it is desirable that the responsibility for defining this interest and power should lie." The Report goes on to say that "the tax payers ought certainly to be spared the misfortune, which may easily arise from the present system of divided jurisdiction, of having to subsidize both classes of shipper and consumer—by absorbing railway deficits through the Dominion Treasury, and providing roads at the public expense through Provincial treasuries."

It is the Commission's belief that the situation is one which necessitates "gradual adjustment based on intelligent and generous compromise." Presumably, what will be aimed at will be a revision of the rate structures both of railways and of highway carriers. At the same time the taxation of trucks might be put in a basis that would protect their competitors against any danger of subsidized competition."

Whatever the form of compromise that may be adopted involving also the allocation of jurisdiction, the Commission considers that "the present division of power may easily lead to chaos, unless the policies of the Dominion and the Provinces are co-ordinated. But, given a disposition on the part of the various governments to co-ordinate their controls over transportation and their financial aid, so as to leave each type of transport a chance to perform on remunerative terms those classes of service which it is best adapted to perform, the Canadian transportation problem may not be insoluble."

The Commission found that "neither the British nor the United States experience in dealing with modern transportation problems can afford a clear guide for Canadian action." The existence of one jurisdiction in Great Britain simplifies their problem relatively, although the competition is more intense because of a more concentrated population and considerably shorter mileages. On the other hand, in the United States the Interstate Commerce Commision has and exerts power over interstate motor traffic, which incidentally constitutes a considerable movement. The United States Government also has some measure of control over intra-state roads built and developed by its system of conditional grants.

The problem in Canada, as seen by the Commission, is briefly: In what manner and by what means can co-operation be established and maintained "between the Dominion, in respect of its railway services, and the Provinces in respect of their road construction?"

Two Approaches

The Commission suggests two approaches that could result in some measure of co-ordination between the old and new forms of transportation; firstly, that "the Provinces might adopt substantially uniform policies with respect to the control of highway carriers, and co-ordinate this control with Dominion control over railways"; or secondly, that "jurisdiction to control highway carriers might be transferred to the Dominion".

The first method—that of uniform Provincial regulation—the Report goes on to state, was recommended by the Duff Commission in 1932. It involves the issuance of certificates of necessity and convenience, the regulation of rates and services, hours of labour, schedules of pay, weight of vehicles, statistical returns. Incidentally, some progress has been made in that direction by some of the Provinces.

The Commission considers, however, that the regulation of one form of transport (highways) by one authority (Provinces) and another form (railways) by the other (Dominion) will not prevent duplication of services and the continued development of unfair and undue competition. The interests of the Dominion and the Provinces are to some extent competitive, and there is no assurance that the regulatory authorities of the Dominion and the Provinces will co-operate or respect each other's interests.

The alternative basis suggested is a common regulatory authority with jurisdiction over franchises, rates and services while leaving to the Provinces jurisdiction over safety devices, wages, hours of labour, speeds, loads, etc. This method would, of course, require the delegation of legislative power to the Dominion which in turn could exercise regulatory control through the Board of Transport Commissioners.

Another method for reaching the same result, in the opinion of the Commission, would be through an amendment of the British North America Act either limited in extent or unlimited.

The third method for achieving unified control is by a declaration of the Dominion that designated highways work for the general advantage of Canada. The Board of Transport Commissioners could then be granted the authority to regulate motor transport without any limitation to specific functions. The Commission, however, cautions that political repercussions would undoubtedly follow such a step.

The taxation of motor vehicles is also put forward as another possible means of equalizing the competitive position of the railways and motor vehicles. The Commission considers in this connection that probably "no Province is taxing motor carriers or private trucks the full share of the cost of their operation."

A Controversial Field

It would appear that the Commission, in making that statement, is doing so without a weighing of the case of all interested parties Indeed, it is a very controversial field which requires a study considerably more extensive and thorough than that probably conducted by the Commission and its staff. In this connection, it is to be appreciated that construction programs and highway improvements in the various Provinces have not been comparable, nor could it be stated that there exists uniformity in costs of operation, vehicles, etc., as between the different Provinces. The taxation question, therefore, is one which could be one of the principal duties of the investigation and planning board that is recommended below by the Commission.

General Remarks

After reviewing other aspects of the Report, Mr. Matheson said:

"It is interesting and important to note that the findings of the Sirois Commission on transportation recognized, among other things, the point raised in the representations of the Transportation Commission of the Maritime Board of Trade as to the effects of unregulated motor competition within the national economy. True, the Maritime brief only covered the situation as it related to the Maritimes and the effects of rate competition on the benefits intended to accrue from the Maritime Freight Rates Act. Nevertheless, the brief implied the necessity of a wide approach to the problem by the Sirois Commission with the objective to determine some plan that would help rectify the situation. The Report indicates that the problem received a thorough study from all angles and the conclusion reached suggests the adoption of a transportation policy, the application of which should at least result in a foundation on which the recommended research and planning board could function with some likelihood of success. It should be observed, however, that investigation and planning without the necessary provincial co-operation would undoubtedly fail to attain much success, if any.

"The importance of maintaining low freight rates on the primary and basic commodities, which constitute the relatively higher percentage of the Maritime traffic, is of paramount importance to the economic development of this section of Canada. The Sirois Commission, as previously mentioned, observed that the existence of low rates on the low valued and bulky commodities of the country has had considerable to do with the country's economic development, and it is anticipated that there would result considerable repercussions throughout the country if the rail rates were increased on the low rates commodities.

"(The railways would also stand to be detrimentally affected to the extent that the basic and primary commodities were diverted to other channels or failed to move as a result of increases.)

"The Sirois Commission definitely did not agree with the arguments submitted by the [illegible] of New Brunswick as regards the alleged obligation of the [illegible] to influence traffic through Maritime ports all the year round nor with the suggestion that the Intercolonial should be operated as a separate entity.

Contractual Obligation

"Whether or not it can be legally held there exists a contractual obligation for the Dominion to encourage traffic specifically through Maritime ports, nevertheless, it has been the policy of different Dominion governments since Confederation to promote traffic through Canadian ports. Indeed, from time to time the Dominion has embodied provisions in agreements with different railways in consideration for aid and bond guarantees making it obligatory on the railways to promote and encourage traffic through Canadian ports. It can be expected that the Maritimes will continue to press for its share of Canada's through import and export traffic in compliance with contractual obligations, understandings and declared policies.

"The question raised by New Brunswick as regards the separation of the Intercolonial Railway and its operation from the National system is a very controversial issue. There are those who contend that greater benefits would accrue if the Intercolonial was operated by the Government as a separate undertaking. On the other hand, there are those who concur with the Duncan Commission that it would not be a most retrogressive step. The Sirois Commission, as previously observed, disposed of the issue by confirming the findings of the Duncan Commission thereon.

Mr. Matheson went on to review, briefly, the financial and other recommendations of the Sirois Report, including the arrangements for taking over provincial debts and paying adjustment grants as outlined in these columns recently.

In conclusion he expressed the belief that the best approach to the Report would be through the analysis and study by each group or organization interested in some specific section thereof. At the same time, however, sight should not be lost of the financial plan as a whole to which all separate parts are related.

Mr. R. E. MUTCH

The set-up of the Maritime Transportation Commission was reviewed briefly by Mr. R. E. Mutch, one of the Islands two members on the Commission. The speaker introduced Mr. Matheson, the Commission manager, as "the man on whom the real work rests," and as one of the hardest worked men in the Maritimes, "whose knowledge of transportation matters in general, and of Maritime problems in particular makes him just the **man to speak to us at this time."**

"Transportation," Mr. Mutch continued, "is the important problem of the Maritimes, and I believe it can be successfully maintained, by legal steps if necessary, that our rights have not been protected, and the first thing that struck me in looking over the report of the Royal Commission on Dominion Provincial Relations (The Sirois Commission), was the lack of attention or may I go further and say the indifference they displayed toward the presentations made to them by the Maritimes as a whole, but particularly by the governments of New Brunswick and P. E. Island, and the Transportation Commission of the Maritime Board of Trade, and by our own Charlottetown Board of Trade.

"If the written contracts under which the Dominion is constituted and under which this province became part of the Dominion can be treated with so little consideration or completely ignored, then what would be our position if the suggestions for a new Dominion-Provincial agreement be implemented and our previous contracts scrapped.

"Few of us will ever find time to read through the full report of the Siros Commission, and in fact, very few of us will ever find time to read even the three volumes needed to contain their findings, and may I add that some of us are quite willing to admit that after having read it, we will still be in the dark as to what some of it means, and also in grave doubt as to our position should their representations be implemented.

"That is why, in suggesting to the Board of Trade that one who has given the report a lot of study would be, if available, a very great help to us in our effort to understand the subject.

"Transportation, as I said before, seems to be the very life-line of Maritime development, and we find conditions getting worse instead of better. Transportation is now an entirely different matter from what it was when Confederation was under discussion. People then thought in terms of water-borne traffic and railway service. Today two new methods of transportation are ours, and as I see it the railways are today out of step when they attempt to hold onto the traffic that can be better served by other methods, and as I see it, the railways' place today is long haul, heavy traffic; while the short haul business is one for the motor truck and the motor bus, and within a very short time the long haul passenger and mail traffic will be taken care of by the Air Lines, and we should be working with this thought in view.

"Mr. Matheson," Mr. Mutch added, "has been for many years familiar with our hardships and we ourselves have become so used to them that we think present conditions are normal, but this is far from being correct."

HON. DR. MacMILLAN

In moving a vote of thanks to Mr. Matheson at the conclusion of his speech, Hon. Dr. MacMillan congratulated the Board of Trade and local service clubs on the splendid attendance. He commended the Board on the excellent work it has done over a period of many years. He then went on to cite disadvantages under which this province continues to labor, notably high freight rates on western mill feeds and grains. The Duncan Commission had recommended a 20 per cent freight rate reduction on Maritime traffic and the Government had implemented this finding; but subsequently this concession was "chiseled" away from us, by concessions given the Central Provinces. Our rights under the Maritime Freight Rates Act were finally taken from us in an adverse judgment given by the Supreme Court of Canada. The lesson the speaker drew from this was the absolute necessity of the Maritime Provinces standing together.

Dr. MacMillan took strong exception to statements appearing in Toronto Saturday Night, and the Financial Post, to which recent reference was made in The Guardian. He was sorry to see that an attempt was being made to establish that unanimity on the part of all the provinces was not essential, in regard to the forthcoming Ottawa conference. This province, he said, cannot endorse that view. We must insist on our provincial rights. Prince Edward Island has special claims against the Federal Government. If there was ever a time for the Maritime Provinces to stand together, regardless of party politics, it is now. He could assure Premier Campbell that as Leader of the Opposition he would give him his strongest support in that endeavor."

"The only criticism the Premier will get from me," said Dr. MacMillan, "is if he agrees to some settlement which does not take into account our special claims, and which have yet only been settled in part."

The speaker touched briefly on the White Commission report which resulted in this province receiving an additional $150,000 subsidy annually. By the minority report filed by Chief Justice J. A. Mathieson of this province, the door was left open for further negotiation with the Dominion Government.

Reference was also made to the brief presented to the Rowell-Sirois Commission by the Canadian Medical Association, urging greater federal participation in public health problems.

OTHER SPEAKERS

In seconding the vote of thanks to Mr. Matheson, Major K. S. Rogers stressed the importance of water transportation to this province. He referred to the hold-up in the Charlottetown harbour improvement project, and to the need of this province being given facilities for the most direct transportation at the present time.

He also cited the exorbitant truck charges on the Dominion car ferry steamer, claiming that the railway is using the ferry as a "bottleneck" to hold up Island truck traffic.

The outstanding development of air transportation now under way in this province was emphasized by the next speaker, Mr. A. R. Brennan, who declared that this would be a factor of tremendous importance to the Island in future.

At the close of the meeting, Mr. H. K. S. Hemming asked Mr. Matheson if the proposed adjustment grants recommended by the Sirois Commission would be fixed permanently, or would be subject to increase or decrease, according to population. Mr. Matheson explained that the proposed grants would be subject to adjustment every five years.

He also said, in reply to another question by Mr. Hemming, that ocean navigation was dealt with in the Sirois report in relation to jurisdiction, but not in relation to the deficiency of facilities in the different provinces.

The weekly meetings of the Rotary and Gyro clubs were merged in last night's function. The respective club presidents, Dr. McIntyre and Dr. Murchison, spoke briefly. Rotarian Chas. McDonald reported, with regard to the recent Rotary auction, incomplete returns as follows: Sale of goods, $1,950;; cash donations, $350; totalling $2,300, out of which $400 expenses would be deducted. Rotarians W. S. Grant and Walter Shaw acted as auctioneers of the one remaining article, a handsome dressing case, which after keen bidding, was knocked down to Hon. W. H. Dennis at $24.50. The usual annual vote of $100 to the Charlottetown Dispensary was passed by the Rotary members.

Good Advice for Constipation!

A doctor will tell you that the best thing to do in case of sickness is to find the *cause*. If you are constipated, don't be satisfied with temporary remedies. Find the cause of the ailment!

It would be easy if your diet, like that of most people, is unbalanced — no doubt it lacks "bulk." And "bulk" doesn't mean quantity, but the *kind* of food that does not completely assimilate and leaves a soft "mass" in the bowels that helps the bowel to move.

If that is what is lacking, the solution is to eat Kellogg's All-Bran, crispy and tasteful, for breakfast. It helps form the "bulk" and contains Vitamin B1, the natural intestinal tonic.

Eat some All-Bran every day, drink lots of water and become "regular"! Made in London, Canada, by Kellogg. At all grocers.

Spectacular Fire Destroys Large S'side Warehouse

Joseph Read and Company lose building and quantity of oats.

A spectacular fire which lasted for several hours destroyed Joseph Read and Company's warehouse at Summerside yesterday. The building which is one of the oldest in Summerside, was built about 70 years ago by John R. Calhoun, one of the leading shipbuilders of that day and has been used by the Read Company, extensive produce shippers in P.E.I. for many years. The building was about 100 feet long by 40 feet wide and had three storeys It stood on the corner of Read's wharf at the east end of the railway crossing. The rear overlooked the harbour. The warehouse was used to clean grain and as a temporary store house for grain while waiting shipment.

Mr. Jesse Huestis who has charge of the warehouse said that the men had been busy cleaning grain all last week and had shipped quite a quantity on Saturday. They had a little fire in the building but there was no fire on Sunday.

Yesterday morning about ten o'clock he had taken in a load of grain and had piled it up and after locking the door had gone down to the west end warehouse. There was no sign of fire at that time. About 11.30 he was told the east end warehouse was on fire. When he arrived the place was full of smoke and flames were about to break through the roof at the back. He was at a loss to know how the fire had started but it appeared to be on the west side of the top floor. The top floor was only used to store bags and other odd things and as there was always a considerable quantity of rats in the building it is thought they might have caused the fire in some way. The first and second floors were used for cleaning grain. There was no sign of fire round the cleaner.

It was about 11:40 when the fire was discovered by some air force men and others who were unloading some snow rollers from a freight car at the railway siding. People in Schurman's mill across the street and John Taylor at the Red Indian service station on the opposite corner also noticed smoke coming from under the eaves.

Bob Phillips, who was near, rang the east end fire bell, which curiously enough hangs on the outside of the burning building. It soon became too hot to ring the bell and the central bell was rung. As some one remarked, "it had rung for many a fire but could not ring for its own fire."

The firemen responded quickly but the inferno inside was so bad that there was little hope of saving the building. When the front crashed it damaged the telephone post and put some wires out of order which have since been repaired.

Fortunately, the wind was blowing on to the building or the coal shed where Read's store a quantity of coal and the adjoining warehouse of Mr. James Morrison could not have escaped. Had the wind been in the opposite direction the mill property of M. F. Schurman would have been menaced.

Two large motor boats owned by Joe Linkletter and Clovis Perry which had been hauled up beside the warehouse were removed by a gang of men or they could not have escaped the flames.

The roof fell in shortly after the firemen arrived. The walls were standing at 2.30 p.m. but at 5:30 very little of the building was left. The tall brick chimney crumbled to the ground. Part of the west end of the building and the heavy doors and a large sign over them at the front of the building still stand.

Owing to the danger to the telephone wires part of the front was knocked in as had it fallen outwards it would have caused much damage. It is thought a quantity of barley can be salvaged and some oats which had only been damaged by water. They were in the west part of the building. The firemen said it was a very stubborn fire as the frames and timbers were of heavy lumber and very dry and burned fiercely. The grain also burned with a great heat.

Three streams of water were kept on the building all the time and firemen were standing by last night as the floor still smouldered There was a quantity of machinery which was destroyed.

It is understood the loss is partially covered by insurance but the damage and loss cannot be estimated until the records of the quantity of grain on hand is looked into. Crowds watched the fire for hours; one rather amusing thing was the hundreds of rats which ran from the building into the water being driven out by the flames. S.