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"The Strongest Memory is Weaker Than the Weakest Ink."

SATURDAY, MARCH 2, 1946

Where Stand We Financially?

When the Dominion-Provincial Conference adjourned on Feb. 1 the official statement declared that "the Dominion revised its proposals of last August in some important respects."

It is unfortunate that the revised proposals were not made public so that the people as well as the heads of governments represented at the Conference could consider them.

Although the text of the revised Dominion proposals is not public, there has been a great deal of informed discussion of a semi-official character. Ottawa correspondents in such newspapers as the Globe and Mail of Toronto, the Gazette of Montreal, the Vancouver Sun, the Winnipeg Free Press and, more particularly, the Financial Post, leave little doubt as to the main outline of the proposition which the provinces are now considering.

A study of this summary reveals a number of interesting facts. The Dominion has considerably increased the price it is prepared to pay to the provinces for the surrender of their income, corporation and inheritance taxes.

It is argued that the taxpayers also stand to gain substantially. The Dominion, apparently, has agreed that if duplication of taxation by the Provinces and the Dominion is avoided, further reductions in personal income tax will be made.

Obviously, a lower rate of taxation if spread over the whole of the country will yield the needed revenue much more efficiently and fairly than duplicative Dominion and provincial taxation.

It is being argued also that the proposed agreement is to run for only three years and that, therefore, is a temporary arrangement; that the new proposals represent, broadly, the best settlement that can presently be obtained; and that although discriminated against in the larger sense, the less fortunate provinces will be able to face the immediate future.

Against this is the fact that the proposals ignore the basic finding of the Rowell-Sirois Commission, in favor of adjustment grants by the Dominion to the provinces on the basis of fiscal need, of actual need. In the sense in which this phrase was used in the Commission's report, the proposed settlement is no settlement at all.

We concur in the Winnipeg Free Press's suggestion that "as the time for the resumption of the negotiations draws nearer, the public who pay the costs and reap the advantages (or disadvantages) should make their wishes known in no uncertain terms."

Also, it is to be hoped that Premier Jones, who has not yet finished speaking in the Draft Address debate, will give the Legislature next week a full and frank statement as to the Federal proposals for this Province, and the counter-proposals, if any, that have been made.

Dr. Lattimer's Survey

Fabled in the Legislature on Thursday was the report on Taxation in Prince Edward Island, which has been under preparation for some time by Dr. J. E. Lattimer. The same care and thoroughness that went into the compiling of Dr. Lattimer's "Economic Survey of Prince Edward Island," published in November 1944, are evident in this work. It might more fittingly be called "Taxation in Canada, with special reference to Prince Edward Island," inasmuch as it deals in considerable detail with all the Provinces. Dr. Lattimer emphasizes that it is merely a "progress report." The points he regards as warranting closest study are the following:

- 1. The population of Prince Edward Island has declined in the past half century. This makes taxation heavier on a smaller number.
2. Present collection of taxes are inadequate for present or future needs.
3. Taxing authorities consist of the Provincial Government, the various urban municipalities and the school districts—there are no county or township taxation authorities in the Province.

4. Taxes on land in rural areas are lower than in the other provinces. The provincial assessment is lower than census valuations and is lower than the value of farms appraised

for loan purposes by the Canadian Farm Loan Board.

5. Taxes on farm land may be doubled before reaching that of the lowest other province.

6. There is a definite limit to the increase in taxation on farm land. Other sources of revenue must be made available to furnish the required funds for the necessary and proposed services of rural sections.

7. Local school boards being the taxing authority leads to a lack of uniformity in amount collected.

8. The general practice is to use the same assessment from year to year and change the rate on assessment as required.

9. The rate varied tremendously from year to year and from section to section.

10. The proportion of gross income spent on rural schools was less than one per cent in 1940.

11. Better educational results might be secured by fewer and larger schools.

12. Results of questionnaire indicated that such a move would be approved—provided roads were kept open throughout the year.

13. Answers to questionnaires also revealed that provincial assessment and collection of all school taxes would be welcome—provided local control of school was retained.

14. The questionnaire confirmed the need for a new assessment.

15. The inequality of assessment was an outstanding revelation of the study. In the census year the assessment amounted to only 42.5 per cent of the census valuation. The variation among different farms ran from 10 to 144 per cent.

16. Centralization of industry has shifted population. The result has been to move people of working age away from the province of Prince Edward Island.

17. A reallocation of the tax on corporations may be necessary and is now proposed by the Federal Government.

18. The present position is that sources of public funds are inadequate for present and future needs.

19. Taxation methods must be modernized.

20. Different industries and different classes of taxpayers must be treated differently.

21. It requires many types of taxes to ensure that all will contribute something to public funds and to ensure sufficient public revenue.

22. Taxes on income, property and expenditure are all necessary to make this certain.

The report runs to some sixty pages, contains many charts and schedules, and a bibliography which indicates that the author has gone as far afield as Sir William Beveridge and the editor of the London Economist for his authorities. He was assisted in the work by Dr. S. C. Hudson and Mr. H. C. Murray of the Economics Division, Marketing Service, Dominion Department of Agriculture, and by Mr. J. W. MacKinnon of the Provincial department.

It Is Up To Parents

In this enlightened age, it gives one indeed a distinct shock to know that unfortunately not a small minority of parents of young children here, either through neglect or ignorance or both fail to get their babies and young children protected against diphtheria. It has been repeatedly proven that children, so protected, are immune to this enemy of health. It seems incredible that anyone should wait till this enemy is within our gates, our communities or our homes, before taking action, when we can defend our future citizens from this common foe in advance.

Not a few consider parents who neglect or deny the protection to their children should be held criminally liable, should any child, in their negligence, succumb to diphtheria.

In order that people can enjoy good health and a sense of well being, they must necessarily fight disease in any and every form whether it be diphtheria, tuberculosis, venereal disease or any other enemy of the flesh or of the mind. Too many go through life partially incapacitated in one way or another due to ignorance of nature's laws, which remain the foundation of the Science of Health.

Parents are only doing their duty in protecting their babies, pre-school and school children in order that they may develop sound bodies and sound minds.

EDITORIAL NOTES

The P. E. I. Hospital collectors report having a cordial reception wherever they go; they are doing good work.

Motors, etc., licenses, etc., last year reached the goodly figure of \$169,199.45, while Prince of Wales College fees totalled \$11,516.60.

Ex-Mayor Dudley Wright will be much missed, not only in the city but throughout the Province, where he was known from North Cape to East Point. A kindly, genial soul, he was popularly known as "Uncle Dud", and in addition to his civic activities, did much in his day and generation for various fraternal organizations.

John Wesley, English religious leader, and founder of Wesleyan Methodism, born this date 1703; ordained priest in Church of England in 1725, after having been a member of the religious society of Methodists at Oxford University; developed a passion for evangelism, and after labouring most successfully as an itinerant missionary throughout England, he visited Georgia and North America generally accompanied by his brother Charles as a vocalist; he came under the influence of the Moravians, and ultimately separated himself from the Church of England, and founded the Wesleyan Methodist Church, which enjoyed an immense popularity throughout the English speaking world; in Canada, the Methodists entered union with Presbyterians and Congregationalists in 1925, and since then the use of the same has been discontinued.

Notes By The Way

Dale Carnegie suggests that to make friends we must imitate a friendly puppy. Try it some time when you're asking for a raise—Detroit Free Press.

Soviet authorities in Vienna have confiscated the Donaudampfschiffahrtsgesellschaft. We are curious to know whether they'll eat it, wear it or climb into it and drive away.—Edmonton Journal.

A news correspondent says Belgium is recovering from the effects of the war faster than any other country because the inhabitants have buckled down and gone to work. How old-fashioned of them.—Kitchener Record.

Rakinos has developed a fountain for bagpipe music, which shows the primitiveness of these people, or their progress toward culture, according to which side of the Atlantic they live. Yet rakinos came from.—Windsor Star.

Uncle Sam has some very funny laws. All the laws are equally valid, and all who violate them are technically liable to imprisonment. The law says that a revolver is a cat going out on the street at night must have a red light tied to their tails. In Boston it is forbidden to have a dog on the street with a dog in its mouth. In Virginia, dogs in rooms are banned. People must bathe only in the yards of their houses.—Guelph Mercury.

The human world has many problems. Among them, and high on the list, is the problem of the human mind. Man fears the thing he does not know, and hates the thing he fears. The only way to overcome this is to reduce the unknown and the feared that understanding and accord may take the place of the distrust and suspicions which are the slowly moving times. Human life-times are brief, but human trends are long, and curing the ills of the world is that why slow degrees man may climb toward a clearer vision of his tasks on earth.—Victoria Colonist.

Still another town, Minocola, N.Y., has asked out a fox over its head to be killed to suspected motorists. They will have to say, "around the rough and rugged rocks of the Minocola hills, you're a fox, no doubt, but not reliable. The fact is that there is no dependable test for drunkenness. Sooner or later, the police will find a man who can stink off the tongue-twister without a stutter, yet not be drunk. The fox is a good dog. Liquor affects scarcely two people the same. It has just one invariable characteristic—it will wind up with gasoline.—Windsor Star.

Crime is becoming ominously common in Ontario. It is ominous because there are so many who dare the criminal act. Long ago a great deal of crime was done in the open. We have heard, too, that though justice may travel with a slow and certain pace, it will eventually catch up with the criminal. Yet, in face of this well-known fact, the criminal dares his hideous deeds. Why? We cannot say, but we think the answer lies in the fact that the criminal believes he does because he looks for a light sentence should he be overtaken. The only way to prevent this is to make the punishment for crime more certain and more severe.—Toronto Star.

Much good can be done by the heredity clinic which has been established by the University of Michigan. The study of heredity is a practical science. The teachers are kept on a practical plane. It invites parents to consult the clinic about their children's heredity. The new clinic could not have found a finer practitioner than the University of Michigan. The study of heredity is a practical science. The teachers are kept on a practical plane. It invites parents to consult the clinic about their children's heredity. The new clinic could not have found a finer practitioner than the University of Michigan. The study of heredity is a practical science. The teachers are kept on a practical plane. It invites parents to consult the clinic about their children's heredity. The new clinic could not have found a finer practitioner than the University of Michigan.

Unless something unforeseen happens, the year 1946 will at long last, release Prince Edward Island from its thralldom of isolation. Had the harbors of the island been placed in communication with the outside world, there is just this one reason to believe that the foreign trade of the Province by now would be a population probably four or five times that of the present census figures. The study of Mediterranean and Pacific ocean shipping, and the seas surrounding them, has revealed to us the conditions of the present, reveals two prevailing conditions supporting one another.

1. Salt water harbors have always been equipped for ocean vessels allowing them to enter, load and unload a constantly increasing world trade.

2. Because of the inestimable value of an intensive study of the outside world, every country claiming sovereign rights, particularly those with an extensive hinterland, have regarded it as prime importance to equip their harbors, not only with the best possible facilities but with thoroughness and precision.

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PUBLIC FORUM

This column is open to the discussion by correspondents of questions of interest. The Charlottetown Guardian does not assume responsibility for the opinions of correspondents.

RURAL BEAUTIFICATION

Sir—The plan of Col. E.W. Johnston for rural beautification is one of the best projects offered for some time, as it is practicable, and one that even Prince Edward Island, who takes an interest and pride in development of its native Province, should take up and carry out. At the present time, this Province is concerned with several major problems, such as employment, rural electrification, improved educational facilities, and transportation. To my mind this rural beautification scheme is the only one at the present time, when the labor situation is gradually improving. After all, if we are to progress, we must improve the rural life of our agricultural Province, and endeavor to make rural life more attractive. With our appearance and beauty schemes carried out, the young people will be more contented to locate here, rather than being lured to the cities. The proposed scheme will also prepare the way, in the course of time, for the advancement of the Province from Mr. R. L. Coote.

With the co-operation of the schools, through the Department of Education, the Federation of Agriculture, the Ontario Institute of Agriculture, and Service Clubs, the whole Province, in a few years, should be transformed into a beautiful garden. I am, Sir, yours truly, J.O. HYNDMAN, Charlottetown.

PEASANTS UNLIMITED

Sir—I think Peasants Unlimited should go slow on their Pheasant program, and see how they are going to make out. A lot of more of a nuisance than any good. So it is essential that the pheasants be kept out of the Province, as well as the sportsman, as their presence will be a success, as their very little Crown land on the north or east side.

For Pheasants Unlimited to try to get a law passed (at this time) to have a permit to hunt or fish will not get the goodwill of very many farmers, who will be angry with the Government and perhaps feed them.

I would like to see something more done to look our fishing streams. My observation has been on the Dunk River flowing through Bradshaw, Emerald, South and Charlottetown, and should be put to tourists in the fly season. If it had the fish in it to fish.

The river is being invaded every winter by floods and flocks of ducks, sea ducks, mostly of different breeds when they have been introduced by the Government. I would like to see something more done to look our fishing streams. My observation has been on the Dunk River flowing through Bradshaw, Emerald, South and Charlottetown, and should be put to tourists in the fly season. If it had the fish in it to fish.

I don't know what can be done about it, but it should receive some careful consideration. I am, Sir, etc. ELDON DRUMMOND, Charlottetown, P.E.I.

REPAIRS TO THE RAILWAY WHARF

Sir—Fearing that the United States steel strike might delay delivery of the material for the repairs to the Railway wharf in the Charlottetown Harbor, I wrote sometime ago to the United States Steel Corporation, and have now received a letter from them, of which the following is a copy. It is of interest to your readers:

"With regard to the delivery of steel we have no undue delay in the shipment of this material. At least we have not been so delayed in the past. The present understanding, shipment will go forward during the latter part of April."

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Report On England V. IMPERIAL SOCIALISM

By Leo Cherne

(This is the fifth of seven articles by Leo Cherne, brilliant young American economist and executive secretary of the Research Institute of America, whom the Overseas News Agency and The Guardian sent to Britain to study how the Labor Government is meeting the problems of reconverting the country from her war-time economy and adapting her industrial machine to changed world conditions.)

Anyone who attempts to describe British foreign policy today with one adjective is out of his mind. It is both imperialist and socialist; it is internationalist and nationalist; idealist and realist. It contains a great deal that is traditional in Empire politics and some things that are quite new. British foreign policy today is paradoxical and the Government knows it. The Foreign Office is taking an extremely progressive position on world government. It is apparent in England that the government is taking a more liberal and more realistic view of the world. It is taking a more liberal and more realistic view of the world. It is taking a more liberal and more realistic view of the world.

My most thrilling experience in the British Isles was to sit in the House of Commons and witness the debate between Mr. Eden and Ernest Bevin on the subject of the United Nations. The debate was a world parliament of men. And there was no tongue in any cheek during the proceedings. They really meant it.

But then comes the other side—the bread and butter side. The Labor Government has no less than the most Tory government preceding it. The difference is solely in method. Not only that, but the Labor Government is genuinely fearful of the effect on their jobs.

In foreign policy, more than in any other, the Government is in a dilemma. The British policy for Germany, Italy and Spain is as Churchill would have had it. The British policy for Germany, Italy and Spain is as Churchill would have had it. The British policy for Germany, Italy and Spain is as Churchill would have had it.

One of the brakes on change in British foreign policy is the Foreign Office. The Foreign Office is a career service to an extent unimaginable in any other government. The Foreign Office is a career service to an extent unimaginable in any other government. The Foreign Office is a career service to an extent unimaginable in any other government.

The party is by no means united on these questions. Talking to the members of the House of Commons, who won seats in Parliament during the Labor landslide, I could not help but see their eagerness to get over the present pay. One of them told me: "They could at least have promised that, after the

find, upon examination, that the subcutaneous tissues of the head, neck and throat are gaseous. Gelatinous infiltration around the lymphatic system is observed. In the acute Septicemia type, we find the characteristics that are common to the acute fatal form of the disease. It is a rapidly and often leads to death from 12 to 24 hours. The cerebral arteries are normal. The bacteria described, but regardless of where the disease may localize, be it in the meninges, the lungs, the heart, the joints, the skin, the distilling features in well marked attacks are those of a septicemia. The form of the subjects have pneumonia and diarrhea and are emaciated. Hemorrhagic Septicemia is thought by some to be a general infection in calf pneumonia.

Diagnosis. The diagnosis of Hemorrhagic Septicemia or Shipping Fever is made by the following reasons: First, the normal habitat of the bacillus is on the mucosa of well animals. Second, the bacteriological examination of animals that have died of the disease may be negative. Third, the name has often been applied to cases of unknown origin and nature. This has led some to doubt that the bacillus is ever pathogenic. The history of the disease, as evidence of the veterinarian's ignorance. Regardless of these limitations, Hemorrhagic Septicemia is often appears as a well-organized and disastrous attack. The usual form of stock-yard pneumonia is a chronic disease of the lungs. It is mainly a safe infection and it shows no age selection.

Prevention. Vaccination against Hemorrhagic Septicemia in cattle should be practiced. Once again the old proverb stands "An ounce of prevention is worth a pound of cure." I believe there is little controversy today as to whether animals can be actively immunized against Hemorrhagic Septicemia with Bacterin, Vaccine and Agglutinin. The immunity conferred by these products will persist for one year or more.

Treatment. The only procedure to follow in the treatment of this disease is to use the Anti-Hemorrhagic Septicemia Serum liberally until the temperature falls. This is the most effective available remedy for animals that are sick. Regardless of this procedure, there may still be considerable losses in the herd. However, it is advisable to use the Bacterin, as a preventive in cattle since 1978. Cattle, swine, and sheep suffer from it.

The Provincial Agricultural Laboratory is at the service of the livestock owners of this Province with regard to all such infections, and advice will be given upon request. I am, Sir, etc. DR. GEORGE C. BISHOP, Provincial Animal Pathologist, Charlottetown, P.E.I.

It will be seen that every province except Prince Edward Island and British Columbia would take the per capita grant tied to national income. Prince Edward Island would take the flat payment of \$2 millions because it would receive more in that way. Likewise British Columbia would take 150 per cent of the 1941 tax agreement, plus succession duty collections, because this would yield the higher return to the province.

The Dominion has gone some distance toward reconverting the special claims of the provinces to such tax sources as gasoline, amusements, etc. The Dominion gives a pledge not to enter the field of real estate or automobile licensing. And the Dominion would agree not to increase the present rates of gasoline, amusements, pari-mutuel betting, telephone, and telegraph messages, and electricity, provided that in a national emergency no such undertaking would apply.

Max Factor's Society Beauty Aids
For the Screen Stars and you, Max Factor's make-up products include: Max Factor's color, Max Factor's eye shadow, Max Factor's lipstick, Max Factor's powder, Max Factor's cream, Max Factor's soap, Max Factor's hair cream, Max Factor's hair oil, Max Factor's hair spray, Max Factor's hair tonic, Max Factor's hair conditioner, Max Factor's hair shampoo, Max Factor's hair conditioner, Max Factor's hair spray, Max Factor's hair tonic, Max Factor's hair conditioner, Max Factor's hair shampoo.

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don't accept the Bretton Woods Agreement. The Government means a white bridge the gap by leaving one foot of the soil of economic nationalism while advancing the other on the path toward 'one world'.

There is the third factor, though, which will upset his balance. England, more than any other nation, is afraid of the next war. My first impression was the same as that of observers—the physical signs of the blitz have been removed—but not the mental ones. In a world of the atom bomb, England is terrified by the possibility that one day's war would accomplish what months of German raids could do. Europe's just too close. Russia and America too big, and the atom bomb too powerful.

England herself is too close to live. It talks softly to Russia to live. It worries about American financial domination. It is killing her livelihood and grope toward the new world order to make that living more meaningful and permanent.

It was by the closest margin that the British Government even decided to approve the Bretton Woods Monetary Agreement. The feeling throughout England up to the time of the Bretton Woods agreement was that the more the loan by America would actually be the best thing that could happen to the Labor Party. The more the loan by America would actually be the best thing that could happen to the Labor Party.

Here is the rub. England can't live without imports. America has the most to sell. But we sell more to England than she sells to us. England must constantly sink into further debt. There are two approaches to this dilemma. A number of the more courageous authorities are urging "austerity"—consuming less for a while to build up British exports. The other approach is to let the pound sink into further debt. There are two approaches to this dilemma. A number of the more courageous authorities are urging "austerity"—consuming less for a while to build up British exports. The other approach is to let the pound sink into further debt.

TO-NIGHT
TOMORROW ALRIGHT
ALL-VEGETABLE LAXATIVE
NATURE'S REMEDY

The New Dominion Offer

(Winnipeg Free Press (Liberal))

The following is a summary, compiled from unofficial sources, of the revised proposals submitted by the Dominion Government at the recent sessions of the Dominion-Provincial Conference. It is assumed that the reader has a general knowledge of the original proposals put forward last August.

With regard to Dominion grants to the provinces, the Dominion has now offered a new plan. Provided the provinces will surrender to the Dominion government all their income, corporation, and inheritance taxes, the Dominion (for a similar period) will pay an increased per cent of the total income of each province. The grant will be related to national income. As an alternative, the Dominion will pay to any province a sum not less than 150 per cent of the payments under the tax agreement of 1941 or a cash minimum of \$2 million, whichever is the greater. The tax agreement receipts would not include the Dominion guarantee with respect to the gasoline tax.

These proposals are extremely complex. To make the result clear, the minimum payment in each case is shown in the following table:

Table with 5 columns: Tax agreement receipts plus statutory subsidies and succession duty (collections in millions of dollars), Irreducible minimum payments (original proposals), Revised proposals, Amounts which would be paid in 1946 on revised basis. Rows include P.E.I., N.S., N.B., Ont., Que., Man., Sask., Alta., B.C., and Total.

It will be seen that every province except Prince Edward Island and British Columbia would take the per capita grant tied to national income. Prince Edward Island would take the flat payment of \$2 millions because it would receive more in that way. Likewise British Columbia would take 150 per cent of the 1941 tax agreement, plus succession duty collections, because this would yield the higher return to the province.

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