

MAXIMS OF A MERE MAN
It is difficult to speak common-places effectively.

THE GUARDIAN OF THE GULF

The People's Paper Read by Everybody
Covers Prince Edward Island Like the Dew

MAXIMS OF A MERE MAN
It is difficult to pluck out something ungrained in our nature.

Morning Guardian, Founded 1857, Charlottetown Guardian, Two Cent.

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AGREEMENT WITH OTTAWA "NEW DEAL" FOR B. C.

P. E. I. Offered Same Terms, Abbott Says

OTTAWA, Dec. 16.—Finance Minister Abbott said tonight that in the proposed new taxation agreement with British Columbia a readjusted formula would be used to determine annual federal subsidy payments.

The formula would be different from that contained in the federal proposals to the provinces as outlined in the budget last June 27.

Mr. Abbott said that under the budget proposals the provinces were offered a minimum of \$15 per capita based on either the 1941 or 1942 population and the value of gross national production.

The readjustment in the formula would allow British Columbia to obtain increases in subsidy payments in accordance with any increases since 1942 in population and gross national production.

Mr. Abbott said similar provision was being made for Prince Edward Island, which has not yet concluded an agreement with the Dominion.

He said that under the budget proposals other provinces automatically benefit by increases in population and gross national production since 1942.

Britain's Difficulties Hinder Canadian Trade

I. M. T. Bus Is Burned Near Searletown Corner

Twenty-five Passengers Escape Uninjured; All Luggage Saved; Vehicle Is Total Wreck.

HALIFAX, Dec. 16.—(CP)—His ship rescued after drifting in stormy seas near the rocky shores of Bonaventure Island in the Gulf of St. Lawrence, Paul Moss, skipper of the Dutch freighter Marleen today asked the ship's agents in New York for a tug to tow her from Gaspe, Que. to another port for repairs.

Work of the R.C.M.P. cutter Irving was finished when she towed the Marleen to safety at Gaspe yesterday.

Now it was the task of a commercial company to tow the newly-built freighter to a port where repairs could be undertaken.

The message to New York asked the agents to send a tug immediately before the Marleen was frozen in.

The Marleen ran into difficulty while on her maiden voyage from Clark City, Que. to Philadelphia.

In the Gulf she developed boiler trouble and was unable to steer.

Cripps Says U. K. Must Hold Imports Down

LONDON, Dec. 16.—(CP Cable)—Sir Stafford Cripps, President of the Board of Trade, said today at a Canadian Chamber of Commerce luncheon that increased imports from Canada must await solution of Britain's present trade "difficulties."

He said an adjustment of the trade balance, now heavily in Canada's favor, would be desirable.

"There must be a reallocation by Canadian manufacturers that we can't as yet open markets to all they want to sell."

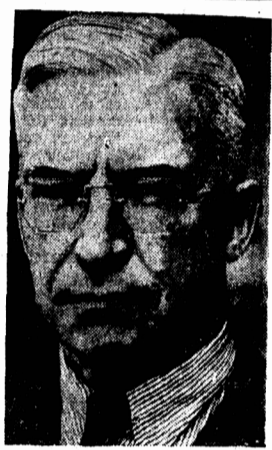
There was no idea of attempting to balance trade with Canada unilaterally but there must be a concerted effort to get a better trade balance. Before the war the United Kingdom took 40 per cent of Canada's exports but Canadian imports from the United Kingdom were only about a third of this amount. During the war this condition was exaggerated and even the proportion in favor of Canadian exports was about 5-1-2 to 1.

The position had been adjusted temporarily by the Canadian loan to the United Kingdom which Canadians understood to be of equal value to both countries.

He said it was impossible for any country which suffered damage as a result of the war to re-assert her own devastation and contribute to a general expansion of world trade in a year or two.

Britain would be short of shipping tonnage and would be unable to absorb capital investments and to expand capacity by invisible exports such as shipping freights increased difficulties.

Britain's export difficulties hampered her ability to import and there must be a reduction of difficulties caused by manpower shortages and key raw materials before there could be marked extension of imports.



MANITOBA CHIEF JUSTICE J. B. COYNE (above) of Winnipeg has been appointed chief justice of the supreme court of Manitoba. It is announced from Ottawa. The new judge was president of the Canadian International Relations association and did a great deal of supreme court work in Ottawa.

Letters Reveal N. S., Ottawa Near Agreement

(By The Canadian Press) OTTAWA, Dec. 16.—Prime Minister Mackenzie King and Premier Macdonald of Nova Scotia in an exchange of correspondence made public tonight outlined the basis on which a new taxation agreement between their governments would be possible, and the letter indicated there is little difference of opinion on some of the major points involved.

In the correspondence released simultaneously in Halifax and Ottawa, Mr. Macdonald said his government was prepared to refrain from collecting for the duration of the new agreement personal income and inheritance taxes. It was prepared to accept a federal proposal to a five per cent corporation tax by the Dominion on the province's behalf.

Mr. Macdonald's letter, dated Aug. 5, asked in return that the Dominion vacate the gasoline amusement and electricity tax fields. The Dominion Government announced Dec. 14 that it would retire from the gasoline tax field next April 1.

"With respect to other minor taxes we continue," said Mr. King, "to be willing to withdraw from the field of taxes on amusements and pari-mutuel bets, if all the provinces can agree among themselves on compensation satisfactory to the Dominion Government for the loss of revenue thereby incurred."

"What is referred to as the electricity tax is merely an item under the general sales tax," Mr. King added. "As you are aware there is already a sales tax on a wide range of commodities, and the list of exemptions from this tax may be extended or narrowed from time to time as the Dominion Government may consider advisable in the light of its needs."

(Continued on Page 5 Col. 5)

Province To Get 100 Million In Five Years

(By The Canadian Press) VICTORIA, B. C., Dec. 16.—Premier John Hart today placed before his cabinet a "new deal" for British Columbia, a Dominion-Provincial taxation pact to bring the province not less than \$100,000,000 in the next five years. He received immediate cabinet approval and will place the agreement before the legislature late in January for its sanction. Mr. Hart returned home Sunday from Ottawa after a two-week conference with federal authorities.

British Columbia, if the agreement is approved, will receive \$21,250,000 next year, plus more than \$2,000,000 in gasoline taxes, and in the year during the five-year period will the federal grant fall below \$18,000,000 annually.

The federal government will write off \$5,000,000 in depression debts and refundance \$25,000,000, permitting B.C. to pay both principal and interest at \$1,124,675 annually. Previously interest alone was costing \$1,020,000.

During the life of the agreement the province will "rent" to the Dominion rights to collect income and corporation taxes and succession duties. The Dominion will also give the province 90 per cent of its col-

(Continued on Page 5 Col. 1)

Dutch Captain In Hurry For Tug

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Fresh British Troops Appear In Greece

ATHENS, Dec. 16.—(AP)—A Salonika dispatch said today that British troops of the 6th Airborne Division, veterans of the fighting in Palestine, appeared today on the streets of Kavala, heavily-garrisoned tobacco seaport in northeastern Greece.

The dispatch quoted British authorities as saying the newcomers were "advance units" expected to replace Scottish troops scheduled for demobilization. The port city is 150 miles northeast of Salonika.

Evicted Family Finds Shelter In Police Station

HALIFAX, Dec. 16.—(CP)—After a fruitless day-long search for a home in crowded Halifax, Mrs. Mary Vaughan returned to the city police lock-up tonight where she has been living with her children since they were evicted during the week-end.

"I don't like living in a jail but any place with four walls and a roof will suit the family now," she told reporters as she joined the four children who had awaited her return.

A 23-year-old daughter and her infant of 10 months, who had been forced to take shelter with the mother in the police station after the eviction, found quarters today in the Roman Catholic home of the Guardian Angel after arrangements were made by provincial welfare authorities.

No Home In Sight

Mrs. Vaughan, who works as a charwoman in Halifax, said she had enough money to pay a small rental but frequent searches for accommodation in Halifax had been unsuccessful, even though she would return with her family to her native Port Hood, N.S., if she could find living quarters and a job there.

In addition to what she earned cleaning offices she had an income of \$40 monthly, made up of a (Continued on Page 5 Col. 5)

British Transportation Bill Strongly Opposed

Transport Minister Denies Measure "Half-baked"; Looks For Great Benefits.

(By The Canadian Press) OTTAWA, Dec. 16.—Transport Minister Alfred Barnes, riding opposition fears that the government's public transportation bill was full of "half-baked proposals," told the House of Commons tonight that its enactment would result in more progress in five years than in "500 years of Tory rule."

Barnes weathered laughter and needling by the Conservative opposition to the bill, which would bring British railroads, buses and inland waterways under public ownership at a cost of \$1,065,000,000 (\$280,000,000 in public funds).

A division vote is scheduled for Wednesday.

Opening of the debate saw Sir David Maxwell-Fyfe, Conservative leader who was the chief British proponent of striking railways and representatives of milk producers who normally supply Saint John, Mr. Taylor said tonight that the negotiations had not reached a point where any statement could be made at present.

It was expected one would be issued tomorrow after Mr. Taylor further studies submissions presented on behalf of the strikers. Mr. Taylor conferred this afternoon with the New Brunswick Dairy Products Commission.

Confer On Milk Strike Settlement

SAINT JOHN, N. B., Dec. 16.—(CP)—After a two-way meeting between Hon. A. C. Taylor, Provincial Minister of Agriculture and representatives of milk producers who normally supply Saint John, Mr. Taylor said tonight that the negotiations had not reached a point where any statement could be made at present.

It was expected one would be issued tomorrow after Mr. Taylor further studies submissions presented on behalf of the strikers. Mr. Taylor conferred this afternoon with the New Brunswick Dairy Products Commission.

MORE SHOPPING DAYS

AND WHAT'S HAPPENED TO THE OLD SONG "EVERYBODY WORKS BUT FATHER?"

Premier Blum Forms Cabinet

PARIS, Dec. 16.—(AP)—Socialist Premier Leon Blum, setting to work a cabinet "threatened" to be formed by other Socialist cabinet today after failing to bring Communists and their opponents into a coalition caretaker government.

The national assembly will be asked to give the cabinet a vote of confidence tomorrow. Observers said they expected Blum to receive almost unanimous endorsement.

The 74-year-old Blum will be premier-president and foreign minister in the new cabinet to serve until mid-January.

Premier Macdonald Declines Comment

HALIFAX, Dec. 16.—(CP)—Premier Angus L. Macdonald declined to comment on a letter which he received tonight from Prime Minister Mackenzie King respecting a new taxation agreement between the Nova Scotia and Federal Governments.

The letter, which replied to one forwarded to Ottawa 11 days ago, would be studied by the Provincial Cabinet "tomorrow or Wednesday," the Premier said.

Plans Campaign For Churchill Memorial

NEW YORK, Dec. 16.—(AP)—Charles H. Davis, whose proposal for a Dover cliffs memorial to Winston Churchill is being considered by the mayor of 14 English Channel towns, said today he is planning a dinner which will launch a campaign among Americans to raise from \$1,000,000 to \$2,000,000 for the memorial.

Davis, a Cape Cod, Mass., engineer and business man, was identified by the English officials as the man who proposed the memorial in a letter to them.

He said today at his New York residence that he is chairman of the Winston Churchill Memorial Commission, a group organized among Americans to commemorate Churchill's wartime achievements.

The memorial would consist of a 76-foot statue of Churchill atop a 80-foot tower flanked by four bronze bull dogs, each 14 feet high.

The statue would depict Churchill clutching a cigar. This cigar, Davis said, would be lighted and would constitute a beacon for channel ships twice as powerful as any light house in existence today.

Can Serve Meat On Two Meatless Tuesdays

OTTAWA, Dec. 16.—(CP)—Restaurants and other eating places will be allowed to serve meat on Dec. 24 and Dec. 31, normally meatless Tuesdays, the Prices Board announced today.

Because most people are accustomed to eating fowl on Christmas and New Year's day, the board has suspended the regulation so that restaurants will not be required to obtain the large stocks of turkeys and chicken that would be necessary if fowl were served for two consecutive days.

Got \$1.750 Broach For \$17.50 In Error

EDMONTON, Dec. 16.—(CP)—A woman who returned a \$17.50 broach for repairs to a faulty fastener today met a hearty welcome from the jeweler and got a \$100 cheque for her trouble. It seems a Christmas season clerk who sold it to her had misread the actual price tag—\$1.750.

May Develop Pulp, Paper Industry In Alaska

WASHINGTON, Dec. 16.—(AP)—Alaska appeared today on the long-awaited verge of pulp-timber developments.

Officials said "conversations have been under way for many months" with interests actively seeking to develop the pulp, and paper industry in the territory. It was estimated that Alaska can produce 1,000,000 tons of newspaper a year.

May Extend Rail Line To Peace River Area

(By The Canadian Press) VICTORIA, Dec. 16.—Premier John Hart said today that while in Ottawa for Dominion-Provincial tax discussions he had conferred with Dominion officials on the proposed extension of the provincially-owned P. G. E. Railway and as a result of his discussions the door now was open for negotiations for extension of the rail line into the Peace River area.

Fire Destroys Landmark In Smiths Falls, Ontario

(By The Canadian Press) SMITHS FALLS, Ont., Dec. 16.—A spectacular \$400,000 fire today destroyed the Egloffs Block, containing stores and apartments, in the business section of this busy railroad centre 46 miles west of Ottawa.

At least 35 persons were made homeless. Four stores—a candy kitchen, an A. and P. store, a book shop and a Dominion Store, were gutted. All that remained of the three-story structure was the blackened concrete framework.

Firemen from surrounding towns and villages were on the scene shortly after the first alarm was sounded, and aided Smiths Falls firefighters and volunteers in stopping the blaze from spreading.

Perth and Carleton Place departments pumped water from the Rideau Canal, their hoses being of the wrong gauge for local hydrants.

T. A. Eych, co-proprietor of the candy kitchen, said the "fire broke out while a gasoline pressure stove was being filled in his kitchen."

Mrs. Harry O'Neill, her face scorched and eyebrows singed, said she had "barely managed" to get out of her third floor apartment. She wore only a housecoat and slippers as she stood in the shivering outdoors watching the building burn.

The block is located at the intersection of Beckwith and Russell streets. Erected 50 years ago, it had become a landmark in Smiths Falls.

Coming Events

- Movies at Bradabane on night.
- Wilmot Valley School Concert, Tuesday, December 17th.
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- Unloading Albin Nut Oil today at Milton. Vernon Gillespie.
- See View School Concert, Wednesday, December 18th.
- West Royalty School Concert, Friday, December 20th.
- Show, Mt. Stewart, Tuesday, Dark Alibi with Popeye Cartoon and Serial.
- Christmas Concert, North River Hall, East Wiltshire and York Point School, Tuesday, 17th.
- Canoes Cove School Concert, December 19th.
- Hampshire Christmas concert, Friday, December 20, 8 p.m.
- Dance, Lot 65 Hall, Wednesday, December 19th. Good music. Lunches served.
- Poultry — Buying daily live and dressed poultry. Paying top market price Davis & Fraser Ltd.
- Dancing Country Club, Traveller's Rest, tonight, weather permitting.
- Parkdale School Christmas Concert in Parkdale Hall Wednesday afternoon, Dec. 18, at 2:30; also Thursday evening at 7:30.
- New driving harness at \$30.00 per set and new used team harness, buggy wheels and belting, Clinton Morrison, Fredericton.
- Christmas Concert, Wheatley River Hall, Wednesday, December 18th.
- The annual meeting of the Clyde River Farmers' Institute will be held in school on Wednesday, December 18th at 8:00 p.m. F. W. Gillespie, sec. treas.
- Annual hockey league meeting will be held in New Glasgow rink, Thursday, Dec. 19, at 8 p.m. All teams must be represented. H. E. Hill, president.

Suggest Lower Milk Prices To Consumers

OTTAWA, Dec. 16.—(CP)—Suggestions for the lowering of the price of milk to consumers were heard today on the Ontario Royal Commission on milk being a four-day sitting here.

Main submission made as Mr. Justice Dalton Wells began hearing evidence was a brief prepared by Mrs. Russell White, Ottawa milk consumer representative, which urged that the Ontario Milk Control Act be amended to protect the interests of consumers.

Mrs. White's brief also suggested that sales of milk through dairy depots and neighborhood stores at lower prices be allowed. The giving of this milk through the elimination of house delivery then could be passed on to the consumer.

The brief called for amendment to the Milk Act to permit operation of co-operative and publicly-owned dairies and to provide that the Ontario Milk Control Board be stripped of its power to approve restrictive agreements between distributors.

There should be another amendment to the act to provide that no agreement involving an increase in milk prices should be approved by the Milk Board unless consumers' representatives were given all available information and an opportunity of considering and making representations upon the proposed change.

Milk was the only food which consumers could not buy more cheaply on the cash-and-carry basis, she suggested, persons who bought more than one quart of milk should obtain it at less cost than those who purchased only one quart. This was done in other commodities.

BLOSSOM CANADA FLOUR

The flour that blooms in the oven

CAR FERRY

"PRINCE EDWARD ISLAND" Leave Borden at 9:05 A.M., 1 P.M. and 4:30 P.M.
Leave Tormentine 10:30 A.M. & 3 P.M., 7:30 P.M.
Extra trips are made between which automobiles are carried.
SUNDAY SERVICE From Borden, 1 P.M., 6:45 P.M. From Tormentine 3 P.M., 8 P.M.