

THE GUARDIAN

Authorized as Second Class Mail Post Office Department, Ottawa. The Island Guardian Publishing Co. CIRCULATION Total City Zone 3,765 Retail Trading Zone 2,457 All Others 82 Total Net Paid 13,044

Editor and Managing Director, J. K. Burnett Associate Editor, Frank Walker. "The Strongest Memory is Weaker Than the Weakest Ink"

CHARLOTTETOWN FRIDAY, APRIL 13, 1951

The Ballot

Nominations are now complete for this Provincial general election being held almost on the hundredth anniversary of responsible government in Prince Edward Island. It is an achievement that for a hundred years our people should have succeeded in maintaining the system of free election of their legislators and managed to keep the government of the day responsible to those elected representatives.

The system is by no means easy of operation. It requires of the people who hold to it that they be constantly aware of how public business is being conducted and stand ready to give short shrift to any Government which either exhibits incompetence or attempts to conceal from the electorate the condition of affairs in the Province.

Lack of interest by any large numbers of citizens means that a relatively small number will have it in their power to determine the results of an election and opens the way to bribery and personal appeals which would be ineffective when applied to the total electorate.

To influence a whole Province of keenly interested voters it is necessary for the contending parties to put their appeal on grounds of the best interest of the Province. Those who "don't take any interest in politics" are directly responsible for any improper practices even though they may wish to wash their hands of them.

Fair To The Farmer?

The farmers of Prince Edward Island have more at stake than they imagine in Ottawa's proposal to amend the British North America Act to give the Provinces the right to levy a "hidden" tax on all goods sold at retail. Farmers need to be on their guard lest this scheme becomes law before they know it.

There are several ways in which the Turnover Tax would work to the disadvantage of the farmers in this Province. In the first place, Prince Edward Island is remote from the manufacturing and processing centres. Retail prices are already higher here because of transportation costs. Since the Turnover Tax would be imposed on the retail price plus transport costs, its burden would fall more heavily upon the farmers than upon city dwellers in metropolitan centres.

Then again, although most farmers are small business operators, they buy most of their equipment and supplies at retail. Implements, fertilizer, feed, seed, fuel, horses and stock would, because of the farmers' remoteness from supply centres and consequent transport costs, be taxed more heavily in proportion than the city businessman.

The Turnover Tax would be unfair to the farmer because it is based on money spent, and not upon the ability of the farmer to pay. Many farmers have to borrow to finance their purchases in periods of seasonal slump. Those borrowings are not now taxed. If the Turnover Tax becomes law, the farmer would in effect pay taxes as well as interest on his loans.

Industrial workers and others in the larger centres whose living costs are matched by a wage scale tied to the cost of living index would be able to offset partially the higher prices that would result from the Turnover Tax. Farmers would not be able to demand an increase in wages such as those open to industrial workers.

Freight Car Shortage

The freight car shortage in North America, which has given rise to Canadian demands for speedier return of cars from U. S. railways, is hardly likely to get any better for some months. It may, more likely, predicts the Ottawa Citizen, become worse. The situation calls for an amicable agreement between Canada and the United States, so that a persisting shortage of freight equipment may not inflict any more damage than necessary on freight users in each country. Shortly after the war, a senior U. S. official suddenly clamped an embargo on certain freight movement to Canada as a means of compelling Canadian railways to return U. S. freight cars. It is the U. S. railways that are at fault today, and some 15,000 more Canadian cars are in the United States than American cars in Canada.

Donald Gordon, president of the Canadian National Railways, who announced recently a program of 5,000 new freight

cars for the company this year, pointed out a factor that probably applies to many railways today. In the background of the car shortage, he said, is "the inadequacy and resultant congestion of terminal and yard facilities." The industrial boom touched off by the Korean crisis has imposed heavy demands on the railways of both Canada and the United States. It is an occasion for making the kind of arrangement, mutually satisfactory and effective, that the two countries often made during the war.

EDITORIAL NOTES

Friday the 13th.

This has been National Wild Life Week which, perhaps, accounts for a lot.

"Mud, mud" everywhere, even in Sydney, necessitating the Island Liberal Party entering the fray there.

With ice floes bringing in pelts, now the womenfolk of Alberton and vicinity may have sealskin coats without their husbands having to be skinned first.

India has refused visas to the Dean of Canterbury and singer Paul Robeson to attend a Communist-sponsored peace meeting in India.

Premier Jones will be the recipient of many hearty congratulations tomorrow, when he celebrates his seventy-third birthday anniversary. His friends in both party camps will sincerely wish him many more years of continued health and abounding vigour.

The Edict of Nantes was issued this date 1598 by Henry IV of France with the object of giving legal status to the Protestant Calvinistic community or Huguenots in France. Its revocation by Louis XIV in 1685 had the effect of driving hundreds of thousands of loyal French into exile.

Other communities need not envy Parkdale's freedom from mosquitoes this summer. They can follow the lead of the Parkdale Men's Association and kill the larvae by pouring oil on swamps and other breeding grounds. The mosquito is known to live and die within a very restricted area, a matter of a few hundred feet.

Canvassers, such of them as have been able to get around, report listlessness on the part of the electorate. The old time enthusiasm for a political fight is sadly missing, due to a large extent to the electoral districts being almost totally unprepared for the sudden call to vote.

There is imminent and extensive cheese market in the Old Country again, and a buying commission is en route to Canada to make necessary arrangements, said British Food Minister Maurice Webb, declaring, "We will take all the cheese we can get from Canada." This is good news, but will probably farther affect butter production.

Arbroath Abbey, Forfarshire, has had anonymously deposited in its ruins, the stolen "Stone of Scone," sacrilegiously removed from Westminster Cathedral on Christmas morning. The Abbey, long the burial place of Scottish Kings, was built by William the Lion in memory of Thomas a' Beckett, murdered in Canterbury Cathedral in 1170, and it is on William's grave the stone found its latest resting place until taken to jail.

President Truman is "passing the buck" to General MacArthur on the ground that he was usurping the powers of the executive at Washington. As the General has been in constant contact with the executive, presumably for years, one would have imagined they could have had their differences ironed out earlier in a personal interview at Washington without creating the world-wide sensation which his recall has occasioned.

The Maritime Central Airways is a progressive and aggressive organization doing credit to the Island. The new charter providing it with permission to start its routes at various centres, and possibly at a cheaper rate than starting from Charlottetown, should popularize the service immensely, and lead to further development, on which the founder and president, Captain Carl Burke, is deserving of commendation and praise.

Mr. John Brough, of Freuchie, Fife, Scotland, is, like his ancestors, a thatcher and travels all over Britain to carry on his trade,—one of its four remaining exponents in the United Kingdom. Mr. Brough, whose business headquarters are in Auchtermuchty, says that a new thatched roof will last for 30 years without repair, keeping in the heat in winter and giving a cool house in summer.

PUBLIC FORUM

This column is open to the discussion by correspondents of questions of interest. The Guardian does not necessarily endorse the opinion of correspondents.

PRESSING FOR HANDOUTS

Sir,—At this time representatives of all the industrial organizations are presenting briefs to our Dominion Parliament for increased pay, which I think in many cases they should get even without asking for it. But I was wondering what our Federation of Agriculture was doing, when they were not there with their brief, when it is recognized by every person in this country that the farmer is the lowest paid worker among the Canadian people, with the one exception of the fishermen.

I am, Sir, etc. W. B. McLELLAN

Alma, P. E. I.

Old Charlottetown

(And P. E. I.)

COLONEL SLEIGH

The following obituary from the Halifax Citizen of April, 1869, refers to the author of the graphic description of an ice-boat crossing from Cape Tormentine to this Province in the early spring of 1852, which was given at length in this column a few months ago:

"We notice the death, on the 22nd of March, of Lieut. Col. W. B. A. Sleigh, formerly of the 77th Regt., a man well known to the people of Prince Edward Island, but living in their memories as a very disagreeable tenant. Upwards of fifteen years ago, this Col. Sleigh went over to the Island and represented himself as the owner of the Worrell Estate, and also managed to deceive the Islanders about a certain steamer 'Albatross,' which he either owned or professed to own. He was possessed of great ability, and might have succeeded in becoming one of the leading men of the Island; but being first a thorough Bohemian, and afterwards an adventurer, he fell from the thirty-nine articles of Pall Mall, and left the men of Charlottetown, if anything, somewhat poorer than when he had been among them.

"Returning to England, he published that book which he was most widely known, 'Pine Forests and Hackmatack Clearings.' It was very cleverly written, and most favorably received; but Col. Sleigh never seems to have taken advantage of its success, by writing any others.

"Once more we hear of him as the originator of the 'Daily Telegraph,' a paper which has now the largest circulation in the world, and which has a more extensive sway over the minds of people of the middle class than any other journal in England. It did not remain in his hands long, however, and nothing more is heard of him until a brief notice of his death turns up in the 'European Mail.' He formed the type of a certain class of men, well educated, clever, and bold, but who, either from lack of application and consequent descent in life, or from an inherent love of vagabondism, waste lives which might otherwise have grappled with worthy and well-rewarded work."

The Poet's Corner

ARTHUR IN AVALON

Arthur in Avalon Said to the fairest of the queens attending,

"Is it not near the dawn?— Hath not this heavy night of ours an ending?"

Surely that streak is day that lightens greyly

There, where the pines are set: Is it not time to rise and ride?

—But palely She answered him... 'Not yet.'

Arthur in Avalon Spoke from the dew-cold turf where he was lying:

"Surely the night is gone: I hear a tumult as of bugles crying

Out of the blood-red east. Ah, hearken, hearken!

The sword and shield are met; I will go forth. But still with eyes a-darken,

She answered him... 'Not yet.'

Upon that quiet air, Drifted the echo of the ranks—

In a great valley, where The last red fury of the world was raging

Like thunder heard far off. But Arthur, sighing,

Laid down his heavy head, And turned, and slept: where he was lying

Not knowing he was dead.

—Audrey Alexandra Brown.

The Age-Old Story

I am the Lord, and there is none else, there is no God beside Me: I girded thee, though thou hast not known Me: that they may know from the rising of the sun, and from the west, that there is none beside Me. I am the Lord, and there is none else.

Something Lacking In Our Quartet

OTTAWA OPPORTUNITY HOUR



Notes By The Way

Historians say that the Chinese, not the Germans, invented sauerkraut. Invention of the concentrated pig's hock by the pig has never been questioned — but who knows the loveliness of the bloater with its green-gold sheen and gold-amber antlers. There will still be days when the Weather Man is ornerly; cold spells still lurk along the northern horizon. But when the willows pop their buds, wise countrymen take heart.

There are many elusive angles to weather predicting; but one need to be concerned now that the gray-furred noses are exposed. For the willows know — and so far they have never made a mistake.

The late Andrew Carnegie is reported to have said, "He who dies rich dies disgraced." Ottawa and the provincial capitals, with their enthusiasm for caricaturing and redistributing the wealth of individuals, seem determined that no Canadian shall be disgraced. —The Printed Word.

There is ancient lineage in the willow family. They belong to that group of pioneers which includes the oaks, poplars and elms. There are men who look out office windows these stirring April days and remember the willow whistles they made when Spring-born juices made the bark slip easily. Some have memories of huge hollow-trunked willows — a good spot for hide and seek, cops and robbers. Those big, hollow willows are the blacks. They grow so fast in moist locations that the fibers never solidify around the core of heartwood. Go down to a creek bottom or along the edge of a swamp now that warm winds are swamping the snow. The black willows' buds are a glowing deep red; swamp willow buds are a strange orange-purple combination. The pussy buds are most interesting of all — a rich blue-black, mottled with plaid combinations of blue and red and gray on the top. Unlike most buds, the willows have just one scale protecting the life forces inside, sealed with a waterproofing material last summer when the buds were formed. The pussy willow is probably the favorite tree of most children. Its buds do not grad-

ually open, as do the buds of spruce, maple oak or ash. A pussy's bud literally explodes and the flower parts pop forth. Very few know the loveliness of the bloater with its green-gold sheen and gold-amber antlers. There will still be days when the Weather Man is ornerly; cold spells still lurk along the northern horizon. But when the willows pop their buds, wise countrymen take heart. There are many elusive angles to weather predicting; but one need to be concerned now that the gray-furred noses are exposed. For the willows know — and so far they have never made a mistake.

Dr. James Endicott is cited by his supporters as an "authority" on China because he is a former missionary in that country. And his most ardent supporters are, of course, those who follow "the Kremlin line." Just what these folk thought of Dr. Endicott a few years ago when he was telling Canadians, over the CBC network, what to expect in the Far East, is certainly not what they think of him today — or at least the use they make of him now. To refresh their minds, they should secure a copy of a little booklet, entitled "We Have Been There." It is a collection of his radio talks in 1941 and succeeding years. In it, he made this forecast: You can count on Chiang Kai-shek to lay an enduring foundation for democracy in China. He will bind up the wounds of the Far East with malice towards none and with charity for all. To me he stands there in the midst of his bombing and blasted capital, a great and heroic figure, clothed with the qualities of a Lincoln. He will not falter nor fail, and if we give him the tools, (which is what the United States is now justified for doing), he'll finish the job for us in the Far East. In recent years, of course, Mr. Endicott has switched to praise of the Communist leader in China. It is Mao Tse-tung who is now "a great and heroic figure, clothed with the qualities of a Lincoln." For us, Dr. Endicott is wrong on both counts; he just doesn't qualify as a prophet or as a judge of character. —Edmonton Journal.

Life Of \$1 Bills Canadians are wearing out their money almost as fast as they get it. Bank of Canada officials said today that the average daily destruction of banknotes — those that are worn, dirty or mutilated — runs to about \$2,000,000 in a five-day week, or about \$50,000,000 a year. They place the life of the average \$1 bill at about nine months, the average \$2 bill at about 10 months; a \$5 bill at about a year, and a \$10 bill about a year and a half. Each year, the bank orders \$50,000,000 to \$60,000,000 worth of one-dollar bills, \$30,000,000 to \$35,000,000 worth of twos, \$100,000,000 worth of fives and \$250,000,000 worth of tens.

Reporting some of the oddities in note circulation, a spokesman said the Prairie Provinces order only small quantities of \$2 bills in relation to their total currency demands. This is sometimes explained as a superstition that the \$2 bill brings bad luck, one believed to have originated many years ago in the mid-Western United States.

Another oddity is the unusual demand in some localities for \$109 notes. In the field of coinage, British Columbia can't get enough 50-cent pieces to satisfy demand, while in Montreal they accumulate in the banks because Montrealers don't like carrying them around in their pockets. So, at regular intervals, the bank ships quantities of 50-cent pieces from Montreal to Vancouver just to keep things in balance.

Some \$14,000,000 of chartered bank bills they stopped issuing bills in 1934 — still are in the hands of the public. Many have become collectors' items while others probably are just tucked away as souvenirs.

Reindeer For Scotland (London Times) Reindeer have been the topic of much talk lately, but mostly as a minute and expensive drop in the bucket of the meat shortage. Now, for more constructive purposes, the Government are preparing to allow the import into Scotland of twenty-five reindeer from Swed-

en. This should be the prelude to an interesting small-scale experiment, if the conditions to be imposed, after consultation with the Nature Conservancy, are accepted by the organization which is advocating the scheme to breed reindeer in Britain.

These conditions are presumably stringent, since there is always danger in the introduction of an alien species of animal. It may bring with it diseases harmful to domestic stock. It may also get out of hand and do damage to agriculture, forestry, or to the native flora and fauna. For all that, it is good that, with safeguards, the experiment is to be tried.

It may be doubted whether the reindeer will ever be a very important domestic, or semi-domestic, animal in Britain, but it is not unlikely that it may prove to fill, very usefully, a small place in the economy of some of the more sparsely inhabited and barren areas of northern Scotland.

In Europe and Asia both wild and domestic races exist, though the former have not become rare. The reindeer has been used by the Lapps, in particular, as a draught animal, for riding, for food, and for its milk and hide. In some countries and at certain stages of civilization, where nomadic, or at least seasonally shifting, herding is possible, the reindeer is one of the most valuable of animals.

Many centuries ago there were reindeer in Scotland, though whether they survived even as late as the twelfth century seems doubtful. Their chances of re-establishment there now depend, most probably, on their being able to find enough of the lichen, Cladonia, to eat.

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The Sales Tax Issue

(Canadian Tax Foundation, issued by the Canadian Retail Federation)

Last December a Federal and Provincial conference was convened in Ottawa to consider among other things the Federal Government's proposals regarding old age pensions. These proposals involve (1) the payment of a universal old age pension of \$40 per month starting at the age of 70 without a means test; and (2) the payment of a \$40 pension to all persons between the ages of 65 and 70 who could qualify under a means test. The first part of the proposal would cost an additional \$200 million per annum to begin with, all of which would be borne by the Federal Government. The second part would cost about \$54 million, to be shared by the Federal and Provincial Governments.

It was inevitable that Federal-Provincial financial arrangements should have occupied a central place in the discussion of the old age security programme. The present tax agreements on the personal and corporate income taxes expire on March 31, 1952. The Minister of Finance expressed the hope that all Provinces would enter into a new tax agreement with the Federal Government, but stated that in view of the sharply increased defence commitments, "it would be irresponsible on our part to offer terms for a new agreement on a basis greatly different from the present agreements."

His proposal was (1) to raise the guaranteed minimum payments under the existing agreements by the ratio of increase in gross national production per capita and provincial population between 1942 and 1948; or (2) establish a new minimum guarantee in the following amount: (a) the yield of the personal income tax at 5 per cent of 1948 Federal tax applied to 1948 incomes in the province; (b) the yield of a tax of 8 1/2 per cent on corporation profits earned in the province in 1948; (c) the average revenue received by the province from succession duties; and (d) statutory subsidies payable to the province for 1948.

Despite this offer, two Provinces (New Brunswick and Saskatchewan) requested a constitutional amendment to allow the Provinces to impose an indirect sales tax. At present Section 92 (2) of the British North America Act limits the Provinces to "direct taxation within the Province in order to the raising of a revenue for provincial purposes." It was agreed at the conference that the Department of Justice would draft an amendment to this effect and submit it to the provincial premiers. The following draft was sent to the Provinces on January 2, 1951.

"2. The raising of revenue for provincial purposes by (a) direct taxation within the province, and (b) indirect taxation within the province in respect of the sale of goods (except goods sold for shipment outside the province) to a buyer for purposes of consumption or use and not for resale, at a rate not exceeding three per cent of the sale price, but not so as to discriminate between sales of goods grown, produced or manufactured within the province and sales of goods grown, produced or manufactured outside the province."

When the proposal was made public strong opposition to it was voiced by retailers and other taxpayers. On January 20 the Minister of Justice wrote to the Provincial Premiers stating, "It has become clear that such a proposal will be subject to the most powerful opposition of the retailing industry throughout the country. Apparently the attack will be made partly on the plausible ground that provincial governments are allowed the right to levy indirect sales taxation, they may discriminate between different classes or types of retailers based on their residence, or their ownership, or their marketing methods, or what not — thus setting up effective trade barriers between different parts of the country. You will recall that it was on this general ground that a somewhat similar proposal was defeated in the Senate in 1936."

The Minister proposed to meet this criticism by adding the following words to the draft amendment: "and not so as to discriminate between classes of sellers of the same class of goods."

Four Provinces (Alberta, Newfoundland, Prince Edward Island and Saskatchewan) have indicated their approval of the draft in its present form. Premier Macdonald of Nova Scotia suggested that the exemption of goods sold for shipment outside the province be left to the discretion of the provincial legislatures. He stated, "If the exemption is in the provision authorizing the tax it would place a premium on interprovincial trade and offer wide scope for evasion as no province would be in a position to levy a tax in respect of inter-provincial sales." He indicated a preference for broader taxing powers than are contained in the draft, leaving the restrictions to the tax statute (that is, to the Provincial Legislature). On January 19 the Premier wrote to the Minister of Justice proposing that Section 92 of the B.N.A. Act be amended so that (2A) be added as follows: "the raising of a revenue for provincial purposes by indirect taxation at a rate not exceeding three per centum of the sale price in respect of sales within the Province to purchasers for purposes other than resale." This would allow the indirect taxation of all services as well as tangible goods, and the taxation of inter-provincial sales.

Manitoba was more specific about the taxation of services. Premier Campbell expressed his views as follows: "This proposed amendment deals only with the sale of goods. It would therefore presumably not apply to such things as electrical power, or services provided by laundries, theatres, hotels, restaurants, barber shops and the like. It was our understanding that this amendment should enable the Province to impose this type of tax wherever it is a more convenient method of raising revenue from the project in the Province who get the benefit of goods and services available in the Province. It therefore seems to us that the proposed amendment should make it clear that it covers these other types of industries which provide services directly to the consuming public."

The most serious objection to the draft has been made by New Brunswick. Premier McNair stated that in view of the 4 per cent sales tax now imposed in New Brunswick, "we can see no advantage to be gained through a constitutional amendment which would limit or restrict a Province in the manner suggested." Presumably Quebec would make a similar objection, but up to now no comment has been made by that Province.

On February 28 the Minister of Justice wrote to the Provincial Premiers covering the points raised by New Brunswick, Nova Scotia and Manitoba. He said that the Government could not agree to an increase in the rate of three per cent. No reason was given. In reply to the proposal that services be included in the tax base, he stated that "inasmuch as the sales tax amendment is meeting considerable opposition from tax-paying groups, we think that it would be unwise to complicate matters further by attempting to extend new taxing powers to the Provinces which could be used to impose indirect provincial taxes over the whole field of service industries, and as it would meet opposition from professional services." And there the matter rests.

The Provinces have not made a clear case for the right to levy an indirect sales tax. We have seen only two arguments for it, both of which were put forward at the last Federal-Provincial conference. The first, made by Premier Douglas, is that a tax levied on the retailer would facilitate sales tax collection. The other, advanced by Premier McNair, is to the effect that a hidden tax is more palatable than a direct one. It is not clear that the authority so vested in them, five of the Provinces have now in operation a consumer's tax, so-called. In effect it is a sales tax but cannot be imposed in that less unattractive form." (To be concluded)

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