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PAGE 4 TUESDAY, OCTOBER 13, 1959.

duced net income and the value of property to those industries below what was already established or what they would otherwise have been.

From the start (it appears by the Commission report) the National Policy was repugnant to the Maritimes, and with good reason. "It soon became apparent that the industrial expansion would be concentrated in Ontario and Quebec. 78 per cent of the increase in the total net value of manufacturing between 1890 and 1910 occurred in these two provinces. With the cheapening of transportation and the growing advantages of large-scale production, industry was drawn nearer to the rapidly increasing populations of Western Canada and the Central Provinces, and nearer to the centre of the United States' industry which financed and controlled so many of the Canadian enterprises."

Maritime industries, on the other hand, "not only failed (with the exception of iron and steel) to derive any substantial benefits from this development, but also lost ground in their own markets." Then came the war and postwar years, when Maritime economic readjustment difficulties were intensified by freight rates "which rose to approximately 20 per cent above those in Ontario and Quebec." Those fortunate provinces (says the Commission report) continued to expand until in 1930 "30 per cent of the total net corporate incomes subject to Dominion income tax appeared in the two Central Provinces. In the same year four-fifths of all the dividends from stocks and interest from bonds paid to Canadian individuals were received by residents of Ontario and Quebec."

They have been expanding ever since, at an accelerated rate. Not merely, as the Globe and Mail says, "because they are heavily populated and heavily industrialized—each of these factors stimulating each other," but because they got that way through a long process of tariff subsidization. The cost of these subsidies to our basic producers has been the subject of a quite recent report by the Gordon Commission, which carries on where the Rowell-Sirois Commission left off.

This may be "flogging an old theory" to our Toronto contemporaries, but it is more than a theory to this part of Canada and it is very pertinent to the issue that has been raised.

EDITORIAL NOTES

The Island is proud of Carl Willis' achievement in scoring third place in the world plowing contest at Armoyn, Northern Ireland, last week. There should be a warm reception for him on his return.

Foam rubber mattresses for milk cows are being marketed by an English dairyman. He says they make the cows produce more milk. We have heard about contented cows being more productive, but this seems a downright incentive to laziness.

A two-month drought in Britain is helping London police to clear up several crime mysteries. Almost daily they are finding "fresh treasure" as the water drops on the northwestern outskirts of the city. Finds include a motor-cycle stolen in 1955, three hacked-open safes and a handbag still containing the money stolen last January.

Both Labor leader Hugh Gaitskell and his veteran lieutenant Aneurin Bevan—who probably would have been foreign secretary in the event of a Labor victory—were returned in the British elections. This is a good thing, for both these men are needed in maintaining a virile opposition which will keep the Macmillan Government on its toes.

Says the Winnipeg Free Press: "Spring Parliaments were adequate in Victorian days when a member expected to spend two months in Ottawa" and to be home for seeding. Indeed, the indemnity system of those days was predicated on a session of 65 days. Nowadays members are paid on a 12-month basis. But the old system of summoning Parliament in late January or early February survives in defiance of logic, at much cost in efficiency and much inconvenience to private members."

expand our supply of money to assist Canadian development in the no doubt valid belief that more money would encourage inflation. But while the Bank of Canada thus locks the front door, our money supply is nevertheless being increased through the back door. U.S. subsidiaries are importing the money which they need, and which they cannot get from Canadian banks, from U.S. sources. They are thus able to implement their development plans and capture the market, while the little Canadian is held in the strait-jacket of tight money.



THE OUT-OF-THIS WORLD... SERIES

OTTAWA REPORT

Finance And Expansion

By Patrick Nicholson

The Diefenbaker Government's obvious concern about the present tight money situation stems from the resultant handicapping of the healthy and desirable growth of our economy. Canada's is not yet a mature economy — thank heaven, for therein lies the immense "opportunity" which attracts immigrants and fires our own high endeavour. Canada is still developing and will continue to develop as long as there is room for more people, and resources to supply them with employment. More people mean a demand for more food, more homes, more secondary industries. And those in turn mean more opportunity and more profit for old and new Canadians.

But this happy cycle of expansion depends upon one essential lubricant: finance. This is not a country with large reserves of accumulated capital seeking investment. Alas, it is not yet a country of venturesome investors even. Most of us cautiously deposit our small savings in a bank, to earn a meagre interest, which is virtually wiped out by the average annual depreciation of our dollar. Few of us venture our savings in our expanding economy, where wisdom and luck might double them quickly. We leave that profit to the financial commandos from the U.S.; and when we do buy stock, we are too often gullible prey for the plausible crook.

Bank loans urgent. Thus the situation has developed here, that any ambitious Canadian — of course starting with a shoestring on his courageous venture to create his own industrial empire — is dependent upon being able to borrow money from his bank.

This little man, who with hard work and imagination and good fortune will grow into a big man, is the strength of Canada. But if he is pinched for a loan with which to further his progress, he cannot develop his business to its maximum potential. Meanwhile his big corporate competitor probably a subsidiary of a U.S. business, is not dependent upon a Canadian bank, for it can draw all the additional finance justified from its parent in the U.S.

The tragedy of the present tight money situation across Canada is that we are sacrificing ten birds in the nearby bush for one possible bird in the hand.

Loosens tight money. The Bank of Canada refuses to expand our supply of money to assist Canadian development in the no doubt valid belief that more money would encourage inflation.

Macmillan is 65; Eisenhower and de Gaulle both are 68. Macmillan appears to be firmly entrenched as prime minister for the next four or five years.

Eisenhower steps down as president in 1961. Of the Western leaders who will participate at the next summit meeting, perhaps it will be Macmillan who will have to bear a large measure of the continuity and momentum of the East-West negotiations a few years hence.

The canal is an international thoroughfare, but it now belongs to the United Arab Republic. President Nasser continues to refuse to allow Israeli ships or even cargo destined to Israel through the canal. As long ago as Sept. 1, 1959, the Security Council of the United Nations adopted a resolution calling on Egypt "to terminate the restrictions on the passage of commercial shipping and goods through the Suez Canal wherever bound, and to cease all interference with such shipping beyond that essential to the safety of shipping in the canal itself."

If President Nasser can get his financing privately no one would have a right to complain, but Israel is a member of the World Bank, even if a modest one. There are also other members who would not want to see the bank finance work on behalf of the Suez Canal so long as Colonel Nasser refuses to meet his international obligations. It should be made a condition of any loan that the Suez Canal be a truly international thoroughfare without limitations or restrictions.

PRESENTS PAPERS. OTTAWA (CP)—His excellency U. On Sein, Burmese ambassador to the United States, met with Governor-General Vanier Friday to present his credentials as ambassador extraordinary and plenipotentiary of Burma to Canada. The ambassador was accompanied by U. Tin Tin, second secretary of his embassy.

MAXIMS. He who preserves a wise silence speaks well.

Still A Major Cancer Problem

By Herman N. Bundesen, M. D. DURING the last ten or 15 years we have made tremendous gains in our battle against disease. One notable exception, however, is our fight against an old enemy, esophageal cancer. Many of us had anticipated great results through the use of radical surgical procedures and supervoltage roentgenotherapy. Unfortunately, the improvement we had expected has not materialized.

PESSIMISTIC ATTITUDE. It was natural, therefore, that a pessimistic attitude developed toward all forms of treatment. Now I don't want anyone, doctor, patient or family, to be pessimistic. It's true that if evaluated in terms of five-year survivals, the overall results have been disappointing.

SOME IMPROVEMENT. Yet there has been some improvement. Back in 1943 one doctor made a survey of world-wide literature and found only one patient who had survived for five years after surgical resection. He also found a few isolated reports of cure after radiation.

SMALL NUMBER. Of course, this total is a comparatively small number of the persons who were treated for cancer of the esophagus during the preceding years.

OLDER PATIENTS. Since most patients stricken with this form of cancer are in the older age brackets, many of them over 60, you can't expect a high percentage of five-year survivals.

BETTER OUTLOOK. The outlook for patients with lesions in the lower segment of the esophagus generally is better than for those with tumors in the upper section. Tumors in the esophagus are likely to spread fairly rapidly and vital organs often are quickly involved. In most cases, this precludes surgical resection.

QUESTION AND ANSWER. J. J. S.: I have heard that there is a pill on the market that will help a person gain weight. Do you think there is any truth in this?

Answer: In some cases, certain vitamins and other tonics or appetite-stimulating drugs may aid in gaining weight. If you are underweight, a physical checkup by your doctor is in order. The condition may run in your family.

The Poets Corner

MORNING SONG. I awoke from horrid dreams To sound of birds. They told me that the real was fair Without fair words.

My eyelids trembled under sound So tender bright. I reached from darkness of my mind Toward half light.

There was a groping as sincere Within the skies. And morning air, like blessing, touched My cheek and eyes.

Hosannas filled my sleepy head As day broke clear And sun lay shapes of radiance Upon the near.

—Etta Blum in the New York Times.

OUR YESTERDAYS

(From the Guardian Files) TWENTY-FIVE YEARS AGO (Oct. 13, 1934) Mr. Norman W. Helwig of Hamilton, Ontario, president of the Gyro International, paid his first official visit to the Charlottetown Club last evening. Mr. Rod MacDonald, district governor, expressed the thanks of the Club for the visit. Other speakers were R.C. Chandler and Stewart Jones.

TEN YEARS AGO (Oct. 13, 1949) A set of the famous Maas Cathedral chimes has been ordered from the Willis Piano Co., Halifax, and will shortly be installed in Trinity United Church. The dedication will take place during the coming visit to Summerside of the new Moderator of the United Church of Canada, Rt. Rev. Wilford Brewster, D.D., in Sunday, November 20th.

A barn and small garage owned by Mr. Wilson Adams of Sea View were destroyed by fire on Tuesday evening. The fire, of unknown origin, started in the barn

NOTES BY THE WAY

As for us, we have been sharing our wealth for years. At the end of the week there's never any left.—Brandon Sun

Elvis Presley is reported to be plagued by tonsillitis. However, the thing that would ruin him would be lumbago.—Arcadia News-Leader

In the old West, nobody really had any psychological problems. A high strung man was simply a hoarse thief who'd been caught.—Iron-County Miner

When he retired after presiding over 435 executions, Egypt's official hangman Abdullah Zida reached the conclusion that capital punishment should be abolished. "There is always the chance you may be hanging the wrong person," he said.—Al Akbar, Cairo, Egypt

A recent report on Russian methods of prison management has aroused the interest of many Canadians: "Under the Russian system, the prisoner works at full pay and only his personal freedom is restricted. Under this system a man sentenced to prison would earn sufficient wages to support his family and thus relieve the law-abiding taxpayer of the burden of support for the law breaker's dependents.—Quebec Chronicle-Telegraph

and was discovered about five o'clock. Lost with the barn was a quantity of hay and some farm animals, although some fishing gear in the garage was saved.

The Age Old Story. Whosoever of you will be the Chiefest, shall be servant of all.

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PUBLIC HEARINGS

ROYAL COMMISSION ON TRANSPORTATION. Public hearings will be held in the following cities on the dates and at places indicated:

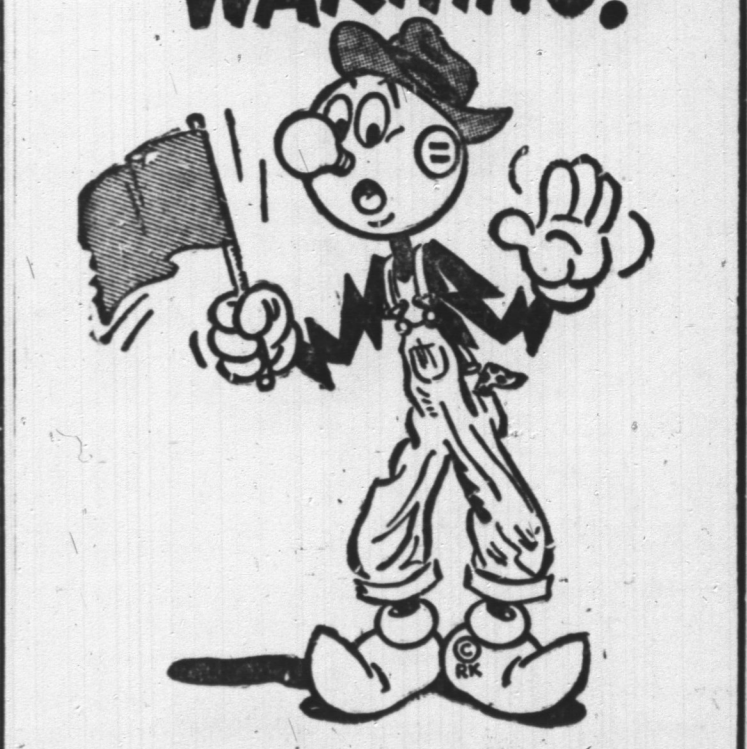
Fredericton, N.B., November 9-10—Provincial Legislative Building, 10.00 a.m. Charlottetown, P.E.I., November 12—Provincial Legislative Building, 10.00 a.m. Halifax, N.S., November 13-16—Provincial Legislative Building, 10.00 a.m. St. John's, Newfoundland, November 17-18—Provincial Legislative Building, 10.00 a.m.

Briefs are invited from organizations and associations wishing to provide information relating to those sections of the Commission's terms of reference dealing with inequities in the freight rate structure, the obligations and limitations imposed by railways by law for reasons of public policy, the possibilities of achieving more economical and efficient transportation, whether and to what extent the Railway Act should specify what assets and earnings of railway companies in businesses and investments should be taken into account in establishing freight rates and such other related matter pertaining to the scope of the inquiry.

Submission (25 copies), should be in writing and should reach the Secretary at least 15 days before the commencement of hearings in the city concerned. Copies of the terms of reference of the Commission and further details relating to these hearings may be obtained by writing to the undersigned.

Secretary F. W. ANDERSON P. O. Box 1173, Ottawa, Ontario.

WARNING!



INTERRUPTION NOTICE

There will be an interruption of electric power on our Hunter River line on Wednesday, October 14th, weather permitting, between the hours of 1:00 p.m. and 4:00 p.m. to enable us to install additional voltage regulating equipment.

The area affected will be from the Malpeque Road pumping station west through Hunter River, New Glasgow, and Rustico.

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