

Ottawa's Juggling Act
 Quebec, we note, is not considered by being offered the lion's share—\$42,716,000 of Ottawa's \$87.4 million package deal with the provinces last week. Premier Lesage says this proposition is simply a basis for discussion. He intends to keep on fighting for more. Without having expressed himself in quite these terms, we gather that Premier Shaw intends to do the same on behalf of Prince Edward Island.

The deal has been aptly described by Premier Manning of Alberta as a juggling act—juggling succession duties with the other. Thus, while Ontario gets no equalization grant because of its high income standard, it will benefit by \$14.4 million on the new deal because of the raising of the province's share of succession duties from 50 per cent, as at present, to 75 per cent.

NO GOOD TO US—Where we get off on this phase of the juggling act was anticipated years ago by the Rowell-Sirois Commission, when it noted, apropos of this Province, that "the absence of any notable concentration of corporate or personal income and wealth in the Island makes it impossible to secure a substantial yield from income taxes and succession duties, although special inducements have been granted companies to incorporate within the jurisdiction of the Island government."

But according to the Toronto Globe and Mail, Ontario provides (through the taxes Ottawa collects from it) about half the equalization payments to other provinces. "This means," it says, "that Ontario taxpayers will provide about \$27.5 million of the \$55 million boost in equalization grants." Thus, on the new package deal, "Ontario will in fact drop \$13 million."

On that basis, we should be thankful for getting anything at all under the new juggling act. Thankful to Ontario in particular, for putting so much into the kitty, and getting so little in return. And Premier Roberts is described as being "philosophical" about the Ottawa offer, feeling that the 25 per cent transfer of succession duty revenue gives him "at least in principle" what he had asked for. An exemplary way of looking at it, indeed!

A HEAVY TOLL—But that isn't quite the whole story. What was it the Gordon Commission (headed by the present federal finance minister) had to say about the cost to the country of those protective tariffs without which both Ontario and Quebec would have had a much smaller fraction of the national wealth and population than they have today? After an exhaustive inquiry, the Gordon Commission found that tariffs are costing Canadian consumers approximately \$1 billion annually, or about 83 per cent.

It is this tariff policy (says Dr. W. A. Mackintosh in his classic study "The Economic Background of Dominion-Provincial Relations") that has made easier monopolistic exploitation in the big Central Provinces, has encouraged urbanization and the growth of metropolitan centres "which in turn have by a process of agglomeration drawn to them further manufacturing and service industries because of the markets, skilled labor, and industrial services available." This has increased the proportion of higher and more easily taxable incomes and capital values in those provinces, while im-

posing a correspondingly disproportionate burden on "the export regions" of the country.
 Nor is this the whole story.

OUR OWN MONEY—Due to this heavy concentration of industries in Central Canada resulting chiefly from high tariff policies, corporations doing nation-wide business pay their income taxes, through their head offices, in those provinces. Thus the constitutional right of provinces like Prince Edward Island to tax profits made in their own territory becomes ineffective. That is why equalization payments were necessary in the first place, why they should be paid on a basis of fiscal need and why they represent largely a reimbursement of our own money.

That is why, in the present case, we think there was something decidedly funny about this juggling act. Ottawa paid us last week the \$599,000 increase we are to get. It is only a first installment of what we should receive, judging by the proportion allotted to Quebec and the other Atlantic Provinces.

We trust that our elected representatives, both at home and at Ottawa, will continue to press for more equitable treatment in this matter. It is not only of grave concern to us as it stands, but it involves a precedent which our whole future as a province could very well depend.

A National Problem

Water pollution is a growing problem in Canada, as it is in the United States. Many towns and cities, already strapped financially, struggle to meet the soaring need for new treatment facilities. Others frouze little and some not at all. Stouffville is, indeed, a major national problem, yet we lack general standards of water quality and a general policy to protect our economy, our health, wildlife and the beauty around us.

Now, the United States senate has passed amendments designed to put new vigor into the fight against pollution. If the Senate measure goes through, there would be a new federal water pollution control administration in the welfare department, headed by an executive of assistant secretary rank. It would set guide water quality standards to guide communities and industries.

Enforcement of these measures would be obtained through conferences, public hearings and, if necessary, in the courts. The public health service, which now directs the U.S. pollution program, would be given a subsidiary role. There have been complaints that the health agency stresses the health phase of pollution while giving too little attention to its effects on recreation, conservation and commerce. Be that as it may, the idea is to attack the problem on all fronts.

One major pollution problem is that faced by the 1,131 American communities with combined sanitary sewer systems. It would cost an estimated \$8 billion to separate these systems in all communities. The Senate measure would attack the problem by providing \$80 million in research grants over a four year period in communities willing to seek new and cheaper ways of meeting the problem.

The legislation, if passed, would also raise the present ceiling on grants to help communities build sewage treatment facilities. It would set standards for acceptable "soft" detergents, and a deadline by which industry must meet them.

It is time that Ottawa, too, was taking a lead in dealing with this problem.

EDITORIAL NOTES

Under a bill introduced in the House of Commons by Mr. Heath Macquarrie, it is proposed to honor the memory of Confederation's chief architect, Sir John A. Macdonald, by the observance of a holiday bearing his name. The bill proposes such a holiday on the Monday following his birthday, January 11.

A worthy and suitable Canadian memorial to the late President Kennedy has been started in the form of the John F. Kennedy Memorial Fund for Retarded Children. Donations to the fund have already been received by the Canadian Association for Retarded Children. It will be used to finance research, education of medical experts, and development of new aids techniques.



WEATHER ON THE GREAT LAKES

OTTAWA REPORT by Patrick Nicholson
Skill and Tact Shown by Labor Minister

After a summer of worry about the Great Lakes shipping, and a fall of animosity between Ottawa and Washington about the Great Lakes harbor situation, the government plan to restore calm through a trusteeship over the unions appears to be working out. This of itself is a good sign for the Ottawa-Labor Minister, Hon. Allan MacEachern, who took over the portfolio as a rookie in the summer that has seen perhaps labour's most difficult year.

The new minister has a shrewd skill and tact in handling very difficult national and international problems; and as apparently reaching success, he has built that hitherto minor government portfolio into one of major importance, and has raised his own reputation to be one of the major successes of the new cabinet.

Allan MacEachern's family background upbringing and training has been almost custom-made to fit him for his present task. One of three sons of a Scottish catholic coalminer in Cape Breton, he was reared in Liverpool, Nova Scotia, a community where life is an incessant battle against the hardships of poverty and the hazards of the mines. This gave him an understanding sympathy for the workers and affinity to the labor movement. His training, both scholastic and parliamentary, has been the ideal apprenticeship.

DEGREES FOR POLITICS

After graduating from St. Francis Xavier University at Antigonish, he took further courses in economics, social sciences and political economy at the University of Toronto and Chicago, and at Massachusetts Institute of Technology. He also spent two years as professor and head of the department of economics and political science at Antigonish. He was first elected to the House of Commons for his home riding in the age of 32. The quiet competent Scot was noted, even on the over-crowded and under-employed political back benches, as a young politician of unusual promise. He has won a reputation as a speaker in frequent national campaigns, and in the great Diefenbaker sweep 1958 he was defeated by a

mere 16 votes. But even then he did not leave Parliament Hill. His party leader, Mike Pearson, had formed an admiration and a friendship for him, and invited him to serve as his special assistant, with the significant incidental task of helping him map parliamentary strategy.

When the Liberals won power at this year's election, A. J. A. McEachern's seniority and experience marked him as No. 2 in a Socialist's obvious representative on the cabinet list.

He lives alone in an apartment carved out of one of the large family homes which fill Ottawa's once-famous Sandy Hill district. He is married to a woman, Mrs. E. M. MacEachern, who ranks as Parliament Hill's most eligible bachelor. And he is a house-trained bachelor too, who prepares his own meals and does his own housework.

With the great loss of the Labour Department, he has had but one day off in six months—even on Sundays he puts in several hours of work. His golf clubs lie little used, his favourite detective novel little read. Amid all the present urging that Canadians should be bilingual, it was interesting to note that he is fluently bilingual; his family always spoke Gaelic at home in his childhood, and of course he speaks English.

Looking ahead, the next major task he thinks should be to initiate plans to take advantage of the many and better jobs which will be created by automation. He is planning a Manpower Consultative Service, and he expects an avid utilization of the growing facilities for technical training. Whilst some of his headlined cabinet colleagues have seen their stars eclipsed during the Six Days of Decision, Mr. MacEachern has made his star blaze across substitutes his promise.

Leadership Challenge
 Toronto Telegram

As a tough political scraper, John Diefenbaker has no peer. It is not at all surprising that he has thrown down the gauntlet to those making up the Conservative Party who oppose his leadership. He has announced that he will ask for a vote of confidence at the national convention, and has arranged a transfer of political leadership within a party is a difficult enough proposition if the man at the top decides to resign. The Conservative Party has recently been reminded of this.

When called on to hold his job, the struggle is all that much rougher. Nevertheless, it is in the party's interest to replace the present leadership candidate as soon as possible. Mr. Diefenbaker has chosen his own best fighting ground—a source of energy and power. But, fighter that he is, he rejected Winnipeg as the

Where Britain Still Stands
 Christian Science Monitor

Until World War II, Britain's Empire (as distinguished from Commonwealth) spread over a large part of the Middle East, Africa and Southern Asia. During the past 18 years, there has been an orderly and peaceful withdrawal of British power from all those areas.

Yet in each angle of production Britain has not been able to free itself entirely of involvement—nor adjacent to Kuwait, involvement has been reduced almost to a beachhead. Those beachheads are (1) the Persian Gulf; (2) Southern Africa; and (3) Malaysia (including Singapore).

The British interest in the Persian Gulf has to be maintained because of British dependence upon Middle East oil, particularly from Kuwait, as a source of energy and power until perhaps nuclear generators can take its place. Kuwait is the biggest single oil producer in the Middle East.

Plastic Surgery Is Concealing

By Dr. Theodore R. VanDellen
 Face lifting makes a person look 15 years younger but it will not stop the aging process. Plastic surgery conceals growing old but does not rejuvenate the individual, except in spirit. After the operation, the skin gradually recovers, depending upon the speed with which the skin's exterior atrophy, body weight fluctuations, her age, habits, and occupation.

The results are said to be excellent for the first year, good the second year, and fair the third year. A new lift may be necessary after the fifth year. This is not mentioned to be discouraging but as a briefing on how to expect.

A good analogy, according to a group of plastic surgeons from Detroit, is that of a patient with an unoperated twin sister who continues to age at the same rate. Theoretically, this would make the appearance of the operated twin look five years younger than her sister.

Face lifting is well named because it is what the surgeon does. The technique is complicated but an overimplified five novel little read. An inclination is made along the side of the face, behind the hair line, and the skin is separated from the underlying tissue and pulled up and back, and then repositioned. In time, the hair hides the incision. Special procedures are used to create wrinkles on the forehead, sagging skin above the eyes, and deep creases in the neck.

The best candidates are vigorous, well adjusted career men and women who are in their forties who have aged prematurely. Their wrinkles, flabby skin and sagging muscles no longer can be camouflaged with cosmetics.

Basically, they have good skin with only slight changes in the underlying framework or connective tissue. They have neither too much nor too little subcutaneous fat. Improvement will be only temporary when the skin is lax because of fat deposits and if it is too dry, the patient may end up looking like a wax figure.

TEMPORARY COLOSTOMY

J.R. writes: Year ago I had a colostomy. It is true that it can be closed by X-ray and proctoscopic examination proves satisfactory.

REPLY

Yes, but this problem is too technical to answer via a health column. You fall to state why an opening is closed, and how the skin of the abdomen to allow the contents of the colon to escape is the outside 100 before they reach the rectum.

THROAT "LUMP"

Mrs. L. writes: Will you please tell me if a lump in the throat every 15 or 20 minutes is a sign of anything. This makes me very nervous.

REPLY

This is a common nervous manifestation and, in many instances, is aggravated by the ensuing anxiety. The sensation probably stems from a contraction of the throat muscles.

NOTES BY THE WAY

In the hunting season, a gun should be loaded with caution and a hunter should not be loaded at all—Hamilton Spectator.
 The average net income of Saskatchewan farmers in 1962 is estimated at \$6,750. No one is singing out there how are you going to keep them down on the farm?—Ottawa Journal.
 "I have suffered with bad feet for a long time. My doctor says the trouble is bad circulation. Knowing the wonderful circulation of the Mirror I put two sheets of the paper in my shoes and my own circulation has immensely improved."—Letter in London Daily Mirror.
 During business without advertising is like working at a desk in the dark. You know what you're doing but no one else does.—Galt Reporter.
 Nurse: "I think he's regaining consciousness, doctor." Tried to blow the foam off a medicine.—Sarnia Observer.

The Road To Asia
 Montreal Star

Sometimes history chases its own tail, as witness the diplomatic detest of France back under South-East Asia.
 It is not quite ten years yet under the leadership of Ho Chi Minh and left encouraged by the Japanese, the Vietminh sealed the defeat of France in the Indo-China war—the longest war in the twentieth century—which cost France 100,000 dead or missing and, in money,

Our Yesterdays
 (From the Guardian Files)

TWENTY - FIVE YEARS AGO (December 3, 1939)
 Snow squalls and falling temperatures last night in the wake of the afternoon's blizzard did not dampen the ardor of bidders at Rotary's sixth raffle auction. Approximately \$80 listed articles, with many special groups sold in the six hours spirited bidding.
 One hundred and ten years ago at States, England, the American horse Tom Thumb trotted 100 miles without pause or rest in ten hours and seven minutes. He was hitched to a rig which weighed 108 lbs.

TEN YEARS AGO (December 3, 1953)
 HALIFAX (CP)—Rev. Canon A. Stanley Walker, 83, president of the University of King's College here, died at his home early today of a heart attack. Canon Walker had just returned Tuesday night from a business trip to New York.

SHANNON, Ireland (Reuters)
 "The airman carrying Prime Minister Churchill to Bermuda arrived here 15 minutes behind schedule, for its refuelling stop. The 79-year-old statesman worked up to the last 18 minutes before his departure.
 "Can it really be coincidence?"

twice what she received in aid under the Japanese Plan. That war began in 1946 when the Vietminh, organized by the Chinese, took over the Chinese military installations in Hanoi. The Chinese Communists, who were soon to become the effective government of all China except the island of Formosa, provided a base, arms and advice for the invaders.
 Defeat, culminating in the ceasefire signed at Geneva in July 1954, was a staggering blow to French morale—worse, by far, than the failure in Algeria to prove to later.



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