

## THE DAILY MAIL

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FREDERICTON, TUESDAY, FEBRUARY 16, 1937

## Does Mr. Bennett Mean It?

Mr. Bennett's suggestion that the Federal Government go into the mining business to assist in liquidating the national debt does not harmonize with his arguments for preserving the Canadian National debt in a form to show what public ownership costs.

His attitude towards reconstruction of the railway's capitalization is summed up in the statement: "We want to test the value of nationalization plans as compared with others." Nothing has been more obvious in his speeches on the subject than that he regards nationalization as a costly public luxury.

Would he seriously consider permitting the public treasury to a hazardous enterprise like mining?

So few early prospects prove profitable that it would be futile to guess how much money would have to be risked before success was reached. It is doubtful that even Mr. Bennett would give his blessing to a Government borrowing funds for such a venture.

Mr. Crerar told the House of Commons that in 1936 the mining industry paid out \$200,000,000 for wages and supplies. The dividends amounted to \$78,000,000. At this rate a Government would be in business on a huge scale, distributing nearly \$26,000,000, probably through political agencies, to receive even \$10,000,000 with which to liquidate indebtedness.

But this would be conditional on an advanced stage of development for the industry. It takes into account neither the investment necessary to ensure production nor the sums lost in testing prospects. In one of his radio addresses Mr. Crerar stated that the Flin Flon Mine in Manitoba required an expenditure of \$30,000,000 before any return was received on the investment. It cost the promoters of Noranda \$25,000,000 to reach the present producing stage. The average gold mine needs \$1,000,000 to \$3,000,000 to develop. What the discards cost is beyond computation. A Government cannot pick the winners more successfully than a highly organized private company, and would have to take the bad with the good. It could hire armies of men and regiments of managers and inspectors, at substantially remuneration, in accordance with recognized Government practice—if it could find investors willing to advance money. But this would not eliminate the risk.

Superficially, it would appear that if individuals and private companies find it profitable to engage in the mining industry the business should be in the hands of the Government. The same might be said of the pulpwood, fishing, and other primary industries. Yet it is common knowledge that a Government is not efficient nor practical in business.

If we wished to make the mines a fertile field of political patronage and drag on the resources of the working population we should turn them over to the Governments. If we want to increase the wealth of the country, produce a favorable trade balance, and keep exchange on a sound basis, we will leave the industry in the hands of competent and experienced men who will conduct it in a business-like way.

Instead of proposing to make it a political football, those interested in government ought to be grateful that the industry appeals to enterprise and genius capable of bringing about a distribution of new wealth amounting in 1936 to \$360,000,000.

What is needed is Government help, not Government destruction or interference. Fortunately this is the view taken by the present Administration. The Minister of Natural Resources understands the great opportunities for creating wealth and employment in a constructive mines policy. He sees a production of gold in Canada of from \$200,000,000 to \$250,000,000 a year, settling decisively and permanently the problem of unemployment, revitalizing the whole national economic life, assuring the stability of the Canadian dollar, bridging the gap between East and West, opening up stretches of territory which seemed doomed to uselessness. The existing system is proving successful for the country.

This is a situation to be encouraged. Let us "roll back the map" from Labrador to the Pacific by encouraging the mining drive. Let us not gum up the works of nationalization, even in limited areas.

## Now It's Portugal

The cumbersome Spanish Non-Intervention Committee has tripped over another snag and is again prostrate in delay. With Germany and Italy, on the surface at least, prepared to implement their pledges for bans on arms and volunteers through international control, Portugal has put in her oar. Quiet since her acquittal on Russian charges of violating the neutrality last October, her refusal to accept supervision of the Spanish frontier dumps the whole business of isolating the civil war back where it was last August.

It is possible, of course, that some other compromise can be reached, that she will accept port supervision and coastal control. But even these would be only semi-isolation, for Portugal would be free to send such assistance to the rebels as her arsenal could spare, and even a few hundred "volunteers" should Franco's fortunes change. But more detrimental to the immediate state of the war is the fact that Portugal has managed another delay in what reports intimate would have been unanimous and immediate action.

It is these delay tactics which had been employed, by first one side and then the other, that give Portugal's action a bad odor, and which, in fact, can work real damage. Why Portugal should suddenly go haughty about her national honor when France has agreed to accept similar control of her Spanish border is difficult to understand. It will be recalled that the last time Portugal grew balky it suited Germany and Italy to have her do so. It should be of considerable assistance to them now, particularly in view of the developments on the southern and Madrid fronts.

There is just the question of whether the delay will be as easily smoothed over as those in the past. French opinion, always sympathetic to the loyalists, will not be any less for the defeats of the last few days. Nor will French opinion be slow in attributing Portugal's action to pro-rebel Rome and Berlin. Neither Mussolini nor Hitler accepted Britain's neutrality plan until compelled by the dangers of the volunteer situation. They must realize that danger is no less today than it was a month ago, and if they are not already prompting Portugal they will use the certain influence they have to bring her into line.

## SNAPSHOTS

"The fearless editor" of The Daily Mail keeps on going up.—Contributed.

Fortunate are those who have a nurse in the home when "flu" strikes.

When he opened the window in flu Enza.

J. B. is surely a good "Cabinet Minister for York" but not a Catholic Minister as a typographical error had us stating yesterday.

"After more than 50 years of living, I find the world more interesting and exciting right now than at any other time."—W. S.

## Saskatchewan

(Continued from Page One)

The Pre-Cambrian shield which pours wealth into Ontario and Quebec Provincial strong-boxes cuts off across the northern fringe. Its surface has hardly been scratched, but Government exploration efforts are being intensified. Resources Minister Kerr has promised to detail results to us Friday.

But today's speech declared that the Lake Athabasca area would likely come into production this summer, with future prospects "most promising." Other sections of the Saskatchewan north are the subject of "optimistic" reports now in the hands of the Government.

In snow-capped, glistening white Parliament Buildings which for beauty, luxury and modernism put Ontario's Parliament Buildings to shame, Saskatchewan's legislators, most of whom believe that further taxation burdens would be confiscatory, heard Premier Patterson's Government herald new taxation based on the Jacoby Report. Troublesome taxation debates are heralded.

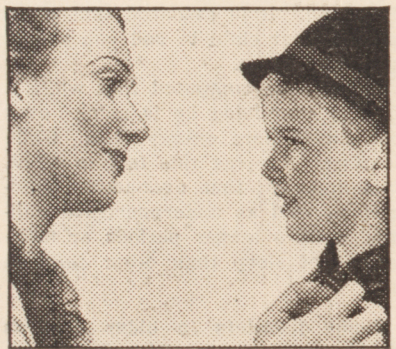
As previously stated, a 2 per cent. sales tax seems certain; municipalities are to be authorized to impose a 7 or 8 per cent. rental tax and poll tax of \$5 on adults otherwise not contributing to Provincial revenues. Saskatchewan's "public revenue tax," a levy of 2 mills on the aggregate assessment of the Province, which is obviously a distinct invasion of the main field of municipal taxation, is to go by the board, to be replaced by an educational tax. The public revenue tax has netted the Province an average of \$1,625,000 a year since 1927, when it was instituted as a patriotic or war tax.

The Government withheld for Budget revelation the status of debt-reducing negotiations with Ottawa.

## DESTROYERS IN COLLISION

(Special to The Daily Mail)

MALTA, Feb. 16—Three British destroyers were in a collision today here. One of the destroyers had a jammed steering gear which caused the accident. All three destroyers were damaged but were able to proceed under their own power.

If You Have a Child  
ASK YOUR DOCTOR THIS

## Ask Him Before Giving Your Child an Unknown Remedy

Practically any doctor you ask will warn: "Don't give your child unknown remedies without asking your doctor first."

When it comes to the widely used children's remedy—"milk of magnesia," the standard of the world is established. For over half a century many doctors have said "PHILLIPS' Milk of Magnesia." Safe for children. No other is "quite like it."

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PHILLIPS' MILK OF MAGNESIA

## British

(Continued from Page One)  
"Why?" asked Bachelor Cartland of his fellow-members of the House of Commons, "are we having fewer children than in the past?"

Quick to answer was Fellow-Bachelor and Conservative Richard A. Pilkington. Rising to his feet and fixing the members with a rebuking stare, he declared:

"I learn with amazement and horror that even in this House there are nearly 200 bachelors."

"Shame! Shame!" the Commons cried.

Throughout the debate, Arthur Hayday, member for West Nottingham and father of 17 children, sat in silence, even when the government promised a full investigation of Britain's decrease in birth.

Cartland pointed out the birth rate in Great Britain had dropped steadily since 1875.

As a solution for the problem, Pilkington suggested a tax on himself and his fellow-bachelors would solve the problem by making marriage and paternity more attractive.

## Differences

(Continued from Page One)

stage of Socialist" (not Communism) proclaimed to exist throughout the vast longitudes of the Soviet Union salary differences seems at least as great as in any capitalist country.

How much are they paid? I was told that the government's figure for the average monthly salary throughout the land for the year 1936 was just over 200 rubles.

Maybe it is a little more than this. Certainly it is higher if the numerous perquisites and advantages (cheap rents, cheap entertainment, cheap transportation) be somehow added. But in actual money they are still, after 19 years of Bolshevik economics pitifully small.

How little money can an able-bodied adult earn in the cities? This correspondent heard of a woman dishwasher in a Leningrad restaurant drawing the princely sum of 65 rubles a month. But he did not meet this woman. The smallest salary he personally came in contact with was in Moscow, 94 rubles a month.

And the highest? Well, one hears of highly skilled propagandists drawing 1,000,000 rubles a year.

None of these princely journalists or playwrights sought contact. But into the Metropole hotel in Moscow there came frequently a gentleman earning no less than 50,000 rubles a month. As what? As a conductor of a third-rate jazz band and composer of marches for the Red army.

The wages of many bureaucrats and specialists run into the thousands monthly, especially when one remembers that hours are short and that there is no law—rather the contrary—against combining several jobs.

It is the thousands of bureaucrats, the officers, the police officials, the professional people, the specialists, the industrial pacemakers, who buy in the better well-stocked shops at price that would make an American millionaire gasp.

## Delicate Heart

(Continued from Page One)

thus bringing a blood supply into the heart without use of the coronary artery.

A similar method has been tried on animals in the University of Toronto. Toronto surgeons said, and was originated by Dr. Carl Beck of Cleveland. A similar operation on a patient was performed in England last week, but in the English case the muscles were brought up from the apron of the heart.

The operation is hoped by Toronto surgeons to prolong life greatly, if not permanently relieve patients suffering from this disease.

## Lowered

(Continued from Page One)

were consumed in Canada. The pre-depression peak was reached in 1931 when the five billion mark was exceeded by \$2 million.

At this time the Government was collecting \$6 on every thousand of the popular brands. This heavy impost, combined with depression and unemployment, had the effect of greatly curtailing the sale and use of cigarettes. Many persons started to roll their own, with the result that by 1933 consumption of manufactured cigarettes in Canada had dropped to 3,728 million.

Government revenue dwindled at a time when every dollar was needed to meet the financial burdens which the Ottawa Administration was called upon to bear by reason of hard times.

So the taxation advisers of the Government proposed a reduction in the cigarette tax from \$6 to \$4 per thousand, believing that it would have the three-fold result of a reduction in the price of cigarettes to the consumer, an increase in consumption with a consequent increase in the number of persons employed in the cigarette industry and, what was most important to the Government, more national revenue.

Actually, these results materialized. Consumption of cigarettes has increased very rapidly and will exceed six billion for the present fiscal year. Moreover, the Government will net several million dollars more in revenue than was the case in 1933, when the tax was 50 per cent. higher.

A curious fact about Canadian smoking habits is that in the last quarter century there has been very little fluctuation in the consumption of pipe tobacco, which in all those years has ranged between 21 and 23 million pounds per annum. There has, however, been a marked decrease in the use of cigars. In the year before the war Canadians smoked 294 million cigars, but the consumption of these choice smokes dropped to 116 millions in 1935.

According to the Department of Trade and Commerce, the tobacco and cigarette manufacturing industry ranks 18th in Canada, with \$50,000,000 of capital employed and something like \$10,000,000 paid out every year in salaries and wages.

## Draegermen

(Continued from Page One)

Vincent Mahar, member of the Stellarator corps, he is in Toronto to carry the rescuers' complaints to Red Cross officials who had charge of the rescue fund.

"One of the Stellarator men with the second rescue crew worked with me as second man to the face," said Badox. "But he got less money than any of the others on the same crew. Why, some got twice as much as he did."

"And he is one man who needs the money," the Draeger president added. "He's the only one on that crew that's unemployed and he's got a wife and family."

"Some men got as much as \$500 or \$600 while others who worked just as hard got as little as \$100," Badox explained. "My oldest boy, Fraser, isn't satisfied, but he doesn't think it'll do any good to say anything."

Five-year-old Bessie Badox, his daughter, who had been deaf since birth, was in excellent health, skating every day, and her hearing showed marked improvement, said the chief Draeger man. He added he wanted to thank Dr. D. E. S. Wishart whose operation cured the child when she was brought to Toronto last fall.

Badox said every coal miner in Stellarator was grateful to the Toronto people who bought Nova Scotia coal this winter keeping most of the miners working steadily.

## CAPITOL

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Rises from the pages of the immortal story beloved by all Americans. A drama of fiery love and fierce conflict.

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Binnie Barnes  
Henry Wilcoxon

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HERE THURS. - FRI. - SAT.

John Wayne

— in —

"CONFLICT"

Added Attraction —

"GENERAL SPANKY"

— with —

Spanky McFarland  
Phillips Holmes  
Ralph Morgan

## Food Elevators

(Continued from Page One)

slight and unpretentious addition to our naval strength, together with the supplies, personnel and shore structures to patrol our coasts and shipping terminals and to keep our harbor mouths free of mines and challenge any suspicious craft.

"In the third place there is provision for additional coastal batteries, including anti-aircraft defence equipment to engage hostile craft and defend the entrances to our ports and inland waters.

"And lastly there is additional training for the militia, especially coastal artillery and services likely to be called upon in various emergencies.

Sir Samuel Hoare and his recent speech regarding consultation among the British dominions on a common defence policy came into the debate at one stage. M. J. Coldwell (C.C.F., Rosetown Biggar), said such remarks added force to the suspicion the estimates were not solely for Canadian national defence.

Mr. Mackenzie did not refer directly to this but said:

"I desire to say very definitely that the development of any policy of defence is not greatly assisted at the present time by the declarations of those who speak in other places with reference to a compulsory co-ordinated defence policy in which Canada would assume automatic responsibilities.

"I say that in maintaining the essential principles of Canadian unity it is necessary to observe that the prevailing sentiment of public opinion in Canada today would not be in favor of committing the Canadian people to automatic responsibility in regard to any centralized or co-ordinated scheme or plan of defence."

Opposing the increases on principle, Mr. MacNeill sought to add point to his argument by charging the national defence department with a lack of efficiency, with wasting time on social functions, wasting money on training men for useless ceremonial and show and neglecting the methods of modern warfare.

Mr. MacNeill, a veteran of the last war and a former official of a war veterans' association, made his attack by way of an amendment to the motion to go into committee of supply, when members are given a wide latitude in discussing matters they consider important.

His amendment declared the House viewed with grave concern the increase in expenditure proposed by the government for armament in contrast with inadequate provision for the social security of the Canadian people.

The government might call its programme defence but it was really preparation for war, said Mr. MacNeill, war in which Canadian would kill and be killed. Weapons of defence and weapons of offence were the same. Nations which prepared for war usually got war. Warlike preparation bred a warlike attitude.

Mr. MacNeill wanted to know what concessions Canada would make at the forthcoming Imperial Conference and whether the government was bargaining for economic concessions with a blank check which might be filled in with the lives of young Canadians.

## GAIETY

NOW PLAYING

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HERE WED. &amp; THURS.

Marion Talley  
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— in —

"FOLLOW YOUR HEART"

— with —

Henrietta Crosman



## Bracken Without

(Continued from Page One)

Furthermore, it is urged that the Ottawa Government might well bolster up the credit of Manitoba, either by fresh advances or by a Federal guarantee of new Manitoba bonds at lower interest rates to be issued in exchange for outstanding bonds. It is understood Premier Bracken would prefer a refunding plan in which the Dominion Government would guarantee Manitoba bonds both as to principal and interest and thus make possible new money at 3 1/2 per cent.

The Manitoba Premier insists that the annual debt charges of the Province must be reduced by \$1,000,000. The financial plight of Saskatchewan is somewhat worse than that of Manitoba but the Government of that Province, owing to its huge majority, is in no danger of defeat in the Legislature.

## DIED

TRACY—At Fredericton Junction, Monday, Feb. 15, 1937, John Tracy, Aged 81 years.

Funeral on Wednesday at 2 p.m., from home, followed by service at Baptist church at 2:30.

MOREHOUSE—At Zealand Station, Feb. 16, 1937, Mrs. Belle Morehouse, at the age of 77 years.

The funeral will be held from her home in Zealand at 1:30 p.m., Feb. 18, with funeral service at the Anglican church at 2 o'clock with Rev. E. D. McQueen conducting the service.

Department of Fisheries, Ottawa