



# AIRMAIL BULLETIN

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**Alberta Rejects Dominion Tax Proposals:** Premier E.C. Manning of Alberta has issued a statement at Edmonton saying that the latest Dominion government tax proposals are not acceptable "for good and proper reasons." He added, however, that Alberta would do its full share to facilitate preparation of an alternative agreement satisfactory to the province.

He said the Alberta government had analysed the many factors involved and had come to the following "inescapable" conclusions:-

"1. In the interests of the people of Canada as a whole, it is absolutely necessary that a mutually satisfactory fiscal agreement be reached between the Dominion government and all the provinces. To assure satisfactory Dominion-Provincial relations and the national stability so essential at this time, such agreement must be voluntary and on terms mutually acceptable and which will not impair the fundamental features of our federal system of government on which confederation was based.

"2. There are grounds for valid objections to the terms of agreement proposed in the Dominion budget in that they do contain features which seriously violate the fundamental principles of responsible self-government. They would deprive the provinces of effective jurisdiction over their major fields of revenue and centralize financial control over the entire national economy in the hands of federal authorities.

"3. While much propaganda is being disseminated in an endeavor to create the opposite impression, the fact of the matter is that only three provinces have indicated any willingness to enter into an agreement on the terms dictated by the Dominion budget. The central provinces of Ontario and Quebec both have asserted definitely that they will not consider an agreement on the Dominion present terms, and it is becoming increasingly clear that the objectionable features in the budget proposals are equally as unacceptable to most of the other provinces."

He said the provinces which rejected the Dominion proposals or had not indicated a willingness to accept them represented 80 per cent of the Canadian people and "in the light of these circumstances, it is obvious that the Dominion budget approach to this important matter is pre-doomed to failure. . ."

"Individual agreements between the dominion and a small minority of the provinces cannot possibly assure stability to the Canadian economy, or have possible the extensive program of public investments and improve social services which can be implemented only if general overall agreement is reached."

**Peace Only Defence Against Atomic Bomb:** Dr. O.M. Solandt, director-general of Defence Research for the armed forces, says the "only possible defence" against either atomic or biological warfare is to stop war. Speaking before the Defence Medical Association of Canada at Ottawa, he said that if another war broke out there was not doubt "we could fight it and probably win," but there would be "terrible destruction" and Canadian cities would be bombed.

He described the results of the atomic bombing of Hiroshima and said an atomic bomb attack on a typical Canadian city would cause only "slightly lower" casualties, with the likelihood that 50,000 Canadians would be killed and another 50,000 would require prolonged treatment. (CP)

**Ocean Priorities End January 1:** Canada House in London has announced that the shipping situation has improved to such an extent that Canadian government priorities for persons desiring west-bound berths will be abandoned after January 1. Since June more than 1,000 priority passages have been arranged for Canadians returning home and an estimated 1,500 to 2,000 still are in this category. Highest level reached during operation of the priority lists was 5,000.

The sailing of the liner Aquitania, expected in January, will complete removal of Canadian Military Headquarters in London and provision has been made for the movement at government expense of all soldiers' wives and children by next June 1. However, appeals for passages may be heard after that date. (CP)

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