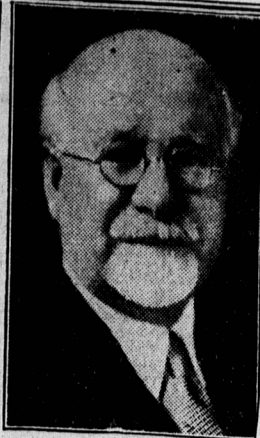


RED CROSS ANNUAL MEETING
 Tuesday, January 31st, at 8.00 P. M. in the Board Room of the City Hall.
 Mr. Norman Sommerville, K. C., of Toronto, Chairman of Council and of the Executive Committee of the Canadian Red Cross Society will address the meeting.
ALL ARE INVITED.



J. A. McLEOD

Vice-President and General Manager, whose address to the shareholders of The Bank of Nova Scotia appears elsewhere in this issue.



S. J. MOORE

President, who presided at the 101st Annual Meeting of The Bank of Nova Scotia in Halifax on the 25th instant, and whose address appears on another page.

17 Schools In Playdowns

KENTVILLE, N. S., Jan. 30.—Seventeen schools are entered in Junior and Senior interscholastic hockey playdowns for Nova Scotia. Senior teams are New Glasgow, Halifax, St. Patricks, Dartmouth, Kentville, King's Collegiate, Sydney Academy, Junior entrants include New Glasgow and St. Patricks, Kentville, Windsor, Wolfville, Mahone Bay, Chester, Lunenburg, Truro, Westville and Sydney.

Bank Statement

(Canadian Press)
 MONTREAL, Jan. 30.—The Bank of Montreal, in its monthly business summary issued today, takes note of a shift in Canadian export trade away from the United States and toward the British market. Practically the whole of the \$10,639,680 decline in Canadian domestic exports for December, as compared with the corresponding month last year, was in exports to the United States, it says.

Says N. S. Coal Has Preference

MONTREAL, Jan. 30.—Not one ton of coal now being mined by the company in Ohio is being used on any part of the system where it is economically possible to use Nova Scotia coal, R. C. Vaughan, Vice President in Charge of Purchases and Stores, declared today in a statement replying to recent criticism of the Canadian National Railways for the re-opening of the mines of the Rail and River Coal Company, a subsidiary of the Canadian National. "These Ohio mines," Mr. Vaughan said in his statement, "were not acquired by the Canadian National management but were the property of the old Grand Trunk and in that way came into the possession of the Canadian National."

WOMEN ELIGIBLE FOR POSTAL SERVICE JOBS

BOSTON, Jan. 30.—Postmaster William E. Hurley today confirmed a report that girls and young women are now eligible under the Massachusetts Service Act for appointments as temporary mail carriers, truck drivers and other post-office department positions.

BY LAMPLIGHT

When a lamp is first lighted it should always be turned as low as possible. This applies to heating stoves as well as lamps for lighting purposes. Then raise the wick gradually until the chimney is warm enough to stand the full glow.
 Lamps should never be placed in a draught or near a looking glass. A draught causes the wick to draw up and smoke and heat may crack the mirror—especially in cold weather.

THE TEA FOR THESE TIMES
 At 35 cents per pound package, or 18 cents per half pound package,
BLUENOSE
 Tea is Extra value.
 TASTES GOOD ALWAYS DEPENDABLE SPENDS WELL

CENTRAL GUARDIAN

This column is reserved for Queen's County news of local interest but advertising of a new nature may be inserted at a cent a word strictly payable in advance.
QUEEN SQUARE SCHOOL Ice Sports Forum tonight. 7842-1-31-11.
ONE HOURS' SKATING with band after sports Forum tonight. 7842-1-31-11.
HEAR MR. SOMMERVILLE at the Annual Meeting of the Red Cross Society tonight. Jan. 31-11.

Called To P. E. I.—Mrs. Benjamin Cloe

Mrs. Benjamin Cloe received a telegram yesterday saying that her sister, Mrs. Stanley Munroe, Bedeque, P. E. I., was seriously ill with double pneumonia. Mrs. Cloe left yesterday for the Island to be with her sister—Fredericton Gleaner.

Balancing The French Budget

PARIS, Jan. 30.—(A.P.)—The government's chances of getting a new lease of life on financial measures appeared to have improved tonight with the acceptance of Finance Minister Cheron in principle of a proposal for 7,000,000 francs in new taxes and economies instead of the 10,000,000 franc he had previously demanded.

Appearing before the Chamber of Deputies today, Cheron said that unless the budget is balanced France soon will have to live on borrowed money. Sections of the Chamber opposed the Finance Minister's plan for balancing the budget including reductions in the pay of civil servants and the levying of the new taxes.

L. Of N. Presents Japanese With An Ultimatum

GENEVA, Jan. 30.—(A.P.)—Dissatisfied because Japan failed to reply to its compromise proposal on conciliation, the committee of 19 of the League of Nations today presented the Japanese with a virtual ultimatum that the response should be ready when the committee reconvenes tomorrow afternoon.

Fingerless Girl Wins Scholarship

LONDON, Jan. 30.—A 17 year old Bernonsey girl, born without fingers or thumbs on either hand, has won a London County Council art scholarship. She can knit, sew, and play the piano, and can actually write faster than most people.

OLD EVENING GOWN

You can make a handsome and unusual dinner dress out of an old evening gown by cutting off the back and making a new back and long sleeves of lace. The lace can be a matching shade, but a contrasting color sometimes has more charm—white with black, rose with blue and so forth.

The Bank of Nova Scotia Looks to International Co-operation to Bring About Trade Revival

President S. J. Moore Believes Business Depression Halted—Stresses Need for Scrupulous Discharge of Obligations Abroad—Calls Attention to Heavy Burden of the Public Debt.

General Manager J. A. McLeod States that Volume of World Trade Has Declined by 32%—Urges Sweeping Reciprocal Reductions in Tariffs of Trading Countries to Bring Revival—Emphasizes Strength of Banking System—Opposes Further Depreciation of Canadian Dollar.

English Set Color Style In New Year

LONDON, Jan. 30.—(C.P.)—British textile manufacturers are now ahead of Paris in fashion colors according to the Sunday Daily Express.
 Heretofore British manufacturers had to wait for Paris colors to be released, but now the situation is reversed. The Council appointed by British manufacturers in June, 1931, has selected six colors specifically to break the Paris monopoly. What the colors, or rather shades, are is kept a profound secret, which will not be divulged until the dress goods bearing them shall figure in the Spring fashions.

President's Address

Mr. S. J. Moore, President of The Bank of Nova Scotia, in addressing the shareholders at the Annual Meeting held in Halifax Wednesday, expressed keen satisfaction with the Report of the Bank's operations during the year in which its One Hundredth Birthday was celebrated. "In view of general conditions it must be regarded as an exceptionally good report."
 "Turning to world affairs, I must say that the year just ended has, on the whole, been one of disappointment. For the most part, the hopeful forecasts so generally made a year ago, have not been realized. The most signal disappointment has been the failure to secure world-wide international co-operation to deal with what are essentially world-wide international problems. It is because our most important problems depend in large measure for their solution upon international action, that I speak first of them to-day."
 The Lausanne agreement has not been followed by an equally fine gesture from the United States. After quoting from a recent speech in which Dr. Nicholas Murray Butler, President of Columbia University, drew a striking parallel between the proposed lifting of the burden of War Debts from the world, and a blood transfusion to save a weakened patient, Mr. Moore continued: "It is of good omen that a new conviction is taking root; the belief that while all countries are sufferers as a result of this long delay, the people of the United States are themselves the principal sufferers. For their sake, as much as for that of the peoples of Europe and our own country, a rapid accord is very much to be desired."

The World in a State of Siege

In conclusion the President declared that, with the dislocation of markets, the raising of impediments to trade, and the dwindling of international commerce, the world is living in a state of siege.
 "It would be a mistake to regard this as a beleaguered city, for the successful resistance of the besieged citizens depends more upon their own resources than upon any other factor. Mutual good-will is necessary to the conduct of life in ordinary times. It is the first and most vital necessity, during a period such as that in which we now live."

Business is More Stable in Canada

Turning from these more general issues to the problems peculiar to Canada, Mr. Moore said, "During the past few months in Canada the decline of business activity seems really to have been arrested. It would be foolish to minimize the present force of the depression, but it is a matter of satisfaction that since the latter part of the year 1932, the situation has been comparatively stable. There is still widespread unemployment, and the relief of government, and the relief of our municipalities and on our government, but we may be thankful that the magnitude of the problem has not, in recent months, increased."
 Moreover, he pointed out, the Canadian merchandise balance of trade has improved substantially during the past year. This, in view of our great external obligations, is a matter for satisfaction.

The Shrinkage of International Trade

"It is beyond question in my mind that the most disturbing feature of 1932 was the continued shrinkage of international trade," said Mr. McLeod. Referring to a statement previously given by him to the press (in which he pointed out that the merchandise exports of twenty leading countries reckoned in gold values had contracted during the last twelve months ending in September, 1932, by \$14,000,000,000—or by almost exactly 60%) he proceeded now to give an estimate of the shrinkage in the volume of international trade.
 "It appears that since the Spring of 1930 the volume of international trade has also been rapidly shrinking; and that, if the twelve months ending in September, 1932, be taken as a base, the shrinkage in the volume of exports from the twenty countries has been slightly more than 32%."

The Mounting Cost of Government

"Though the maintenance of Canadian credit abroad at all costs has been both prudent and honourable," said Mr. Moore, "we must not fail to recognize that it has involved a heavy strain upon our public finance."
 "The growing cost of government—Federal, Provincial and Municipal—is a real menace to Canada. The accumulation of annual deficits which, sooner or later, are added inevitably to the huge debt of the taxing authorities, momentarily relieves the situation—but at the cost of a grave increase in our future burdens."
 "In times of prosperity, citizens are apt to view with a lenient eye financial practices which, whether in good times or bad, should always be deplored. One of the consequences of this depression (and, perhaps the

Urgent Need for Trade Revival

"To no small extent, the shrinkage that I have tried to measure has been due to the persistent collection of War Debts. With this subject the President has already dealt at some length, and with his observations I concur. But it is also due to a considerable extent to the reduction of international trade which has been imposed artificially, by means of high

VERNON WOMEN'S INSTITUTE

The regular monthly meeting of the Vernon Women's Institute took place at the home of Mrs. Bert Drake on January 17. The president occupied the chair. Meeting opened with the Ode, followed by the Creed repeated in unison. The Secretary read the minutes of the last meeting which were approved. It was decided that a new water bucket be bought for the school.

the lender, but the borrower, who for obvious reasons holds back."
 Close Relationship of the Banks to Government and Business.
 "There is no trained banking executive in Canada who would dissent from these observations on our banking system. Nevertheless, and contrary to what is evidently supposed by many who find the notion of a central bank attractive, the bankers are by no means opposed to fresh ideas of a constructive character. Their standpoint is peculiar to themselves in only one respect. Their practical experience from year to year in the financing of governments, agriculture, and industry, has impressed upon them as no corresponding experience has impressed on outside critics, the limited possibilities of banking action in a single country to stave off the hardships of depression."

"If those who to-day criticize the bank too freely should at some time in the future find themselves charged with the responsibilities of government, they will perhaps be surprised to discover that in all discussions of ways and means the banks are not averse to being asked to help them. Very conscious, as present, of the supposed faults of the Canadian banking system, they will presently become equally conscious of its virtues."
 "If and when the day comes, they too will probably realize the limited possibilities of dealing with depression by manipulation of the banking system. There is no magic in it for the correction of the gravest evils at the root of our present or past troubles. All impartial thinkers have, indeed, known for some time what are the gravest evils to be corrected in the present instance, and what are the most important steps that should be taken. Most of them lie beyond the scope of banking action."

The Slow Process of International Agreement

The main measures that are needed, he pointed out, are those for which international action is necessary. "International agreement is a tardy product. We may hope, however, that in respect of at least some of the principal measures to be taken, 1933 will witness the consummation of agreement."
 The Railway Problem.
 The railway problem, as one of the continuous drains on the public purse, he discussed briefly, without venturing, in detail, to discuss the railway problem to-day, I would emphasize the fact that present circumstances do not permit our freedom of choice, in dealing with transportation problem. To put it bluntly, the choice should be restricted to what we can afford; and that, in respect of at least some of a population of only five million people, burdened with the cost of maintaining forty-two thousand miles of steam railways, is bound to consider the proposals with which we are confronted mainly in the light of possible economies that each proposal offers."

Dangers of Currency Depreciation

Mr. McLeod said that, under the present difficult conditions, it is not unnatural that many have been attracted by proposals for "root-and-branch" economic changes. Foremost among these has been the proposal to liberally further depreciate our currency, now quoted at a discount of about 12% in New York. "This premium on New York funds in Canada of rather more than 40%. I confess, frankly, that I should regret very much such a policy, and that I see no salvation for us in further currency depreciation. On four grounds I would oppose it."
 "In the first place, it would, for a considerable time at least, create a situation of intolerable difficulty for Canadian public bodies with obligations to meet in New York."
 "In the second place, it is an open question to what extent the further depreciation of our currency would injure directly to the benefit of our primary producers, in the form of higher Canadian quotations for their wares. The world market is still a buyer's market, and the recent behaviour of newspaper prices suggests at least that the purchasers overseas, and not our own primary producers, might be the most direct beneficiaries from the continued depreciation of our own currency; that is, for example, that such depreciation might be followed by reduced prices for Canadian wheat in Liverpool rather than increased prices in Winnipeg."

Citizens Have Withstood the Strain

In his concluding remarks, Mr. McLeod emphasized the courage with which our citizens have withstood the trials of depression. "In an atmosphere of doubt and confusion, and of much loose speculative thinking on the supposed 'breakdown of our civilization,' dangers which we have faced and privations endured with exemplary patience and good humor. Our continued mutual tolerance and good-will towards one another else we depend to sustain us through these trying times. We have not failed one another in the past. I believe that we shall not fail in the future."

Seaman Watson Is Winner Over LaBarba

(By Edward J. Neff Associated Press Sports Writer).
 MADISON SQUARE GARDEN, New York, Jan. 30.—(A.P.)—Seaman Tom Watson, British featherweight champion, came through his first North American test with flying colors tonight, winning a convincing 12-round decision over Fidel LaBarba, rugged veteran from Los Angeles.

Flustered a bit at the start, apparently still unsettled by the widely ballyhooed "trial by fistic jury" he was forced to undergo before the New York State Athletic Commission would accept his fighting status, Watson weathered two early knockdowns and came back to outfight the curly-headed Californian by a wide margin.

Almost under the gun in the first round, a sweeping left hook joined the pale and startled Briton from his feet but the Seaman came back fighting furiously without taking the benefit of a count. Again in the fourth, as he bounced off the ropes, Watson's jaw collided with one of LaBarba's left swipes and he was down in the slag again, but he still took no count.

Once he had felt the canvas under him, Watson, a spindly legged veteran of the King's Navy, came back with a vengeance. His pawing left beat a tattoo on LaBarba's face and he consistently bested Fidel in the fierce fighting at close quarters.

Out On Bond

WILMINGTON, N. C., Jan. 30.—(A.P.)—Captain C. C. Halliday of St. Georges, Bermuda, and Albert West of Halifax, N. S., were released from jail bond today and as soon as the weather clears they will put to sea with the British vessel Tanner and its 849 cases of liquor.
 The Tanner, seized by coast guardsmen 10.8 miles off Cape Hatteras, was later released under the one-hour sailing clause of the smuggling treaty with Great Britain when it was able to make only seven knots (8.4 miles) an hour