

PRICE CEILING COMBATS INFLATION

REDUCTION IN SPENDING AND PURCHASE OF VICTORY BONDS

Urged by J. A. McLeod President of THE BANK OF NOVA SCOTIA AT 110th ANNUAL MEETING

In his annual address on February 4th, after discussing business conditions and the effects of shortages and controls, Mr. McLeod spoke in part as follows:

Prices Rise in 1941

"Because of the growing scarcity of labour and material supplies, the year just past brought to the fore the threat of inflation. For inflation is a symptom of scarcity: it arises because people try to buy more goods and services than are currently available and it inevitably results in higher prices and in-

creasing costs of living. In 1941, the rate of spending for civilian purposes continued to rise and, while civilian production expanded in response to the greater demand, it was increasingly handicapped by material and labour shortages. Furthermore, prices began to rise quite rapidly in the United States and this naturally fostered the upward movement in Canada. The result of these and other influences was the appreciable increase in wholesale prices and the cost of living, which gathered momentum in the Spring and Summer, and which led to the establishment of the price and wage ceiling."

The Price and Wage Ceilings

"The policy of establishing the price and wage ceilings was a bold and courageous one and its objective should commend itself to Canadians in all walks of life. Instead of the selective approach which means a continuous and widening struggle with rising prices, it was decided to take immediate and decisive action now and to attempt to achieve price stability.

"Perhaps the most immediate problem in regard to the price ceiling has been what might be called the momentum of rising prices. As businessmen know, retail prices tend to lag behind wholesale prices. The retailer does not necessarily raise his price as soon as the wholesaler or manufacturer raises his. He is likely to have an inventory bought at the previous quotation and he may wait until it has run off before marking up his retail price. Similarly, the manufacturer does not change his selling prices every time his costs of raw materials and labour increase.

"Thus the effect of freezing retail prices has in some cases been to narrow operating margins all the way back to the primary producer and it is with this sort of problem that the Wartime Prices and Trade Board has been mainly concerned since the policy came into force. On the grounds that to allow frequent upward adjustments would be to necessitate many more and would involve losing the battle at the very beginning, the Board has taken the stand that retail prices must not be increased except in extreme circumstances. This has made it necessary for the Board to adopt a policy of facilitating a fair distribution of the "squeeze" below the retail price level and of encouraging reductions in costs through standardization on a smaller number of varieties and through elimination of frills and unnecessary expenses."

Must Have Co-operation

"The success of the price ceiling depends greatly upon the success of the wage ceiling. Indeed, the two policies cannot be considered separately. Another major problem is the question of insulating Canadian prices from further advances in the United States, for even under wartime conditions it may be some time before that country develops fully effective controls over prices and wages.

Ceilings Not Complete Solution

"Important as the price and wage policy is, it does not and cannot solve all our economic problems. Rising prices have been a symptom of the basic problem, which is the growing rate of spending on a progressively restricted supply of civilian goods and services. The price ceiling should reduce spending to some degree, in that by removing the fear of higher prices, it takes away one of the reasons for speculative purchases both by business and the public. The wage ceiling will tend to stabilize one of the factors which has contributed toward the higher rate of spending. Nevertheless, it should be remembered that the principal factor which has contributed to the increase in purchasing power remains, namely the great expansion in employment. It follows, therefore, that the price and wage ceilings in themselves cannot bring the rate of spending into line with the available supplies of civilian goods, and unless the rate of spending is decreased it will exercise considerable pressure upon the price ceiling itself."

Reduced Spending by All, Essential

"It is perfectly clear that the Government's rigorous tax policy is contributing toward a restriction in individual spending. But heavy taxation is, it alone is not capable of bringing about the necessary restriction in spending. We must continue to rely greatly on voluntary means of curtailing spending, that is to say on diverting income through the sale of both Victory Loans and War Savings Certificates.

BRIDE-TO-BE—SHOWERED—

A miscellaneous shower was held at the home of Mrs. Rowan MacKenzie, Charlottetown on Friday January 30th in honor of Miss Adia Isabelle MacLeod of Charlottetown by the girls of the Royal Packing Company of which she was an employee. She was the recipient of many beautiful gifts including a satin bedspread from the girls where she was employed. The gifts were opened by the bride-to-be, handed to her by Miss Ruth MacEachern. A verse accompanied each gift and was read by Miss Bud MacMillan. The room was beautifully decorated for the occasion. After the opening of the gifts a lunch was served by the hostess and the evening was well spent by games and other amusements, after which all joined in singing "For She's A Jolly Good Fellow."

MADAME CASGRAIN RETURNING—

Plans to hold a mass meeting in Charlottetown on February 27, which will be addressed by Madame Pierre P. Casgrain of Montreal, were completed at a meeting of the local Women's Advisory Committee yesterday. At this proposed public meeting Madame Casgrain will address men and women on price control. The meeting of the Women's Advisory Committee, which was recently appointed to act in collaboration with the Wartime Prices and Trade Board, was presided over by the chairman, Mrs. E. S. Coffin and was attended by every member with one exception. It was held yesterday afternoon in the Charlottetown. No definite decision was reached as to the place where the public meeting will be held but efforts will be made to obtain the Prince of Wales College Auditorium for the occasion.

COMMITTED TO SUPREME COURT—

Alfred Clinton, charged with theft from a person, was committed to stand trial in the Supreme Court at the conclusion of the preliminary hearing before Stipendiary Magistrate K.M. Martin in the City Police Court yesterday. Fred Savidant, charged jointly with Clinton, was discharged. The case arose out of the theft of \$84 from Harry Barrett early last Saturday morning. The money was taken from a wallet which was stolen from his pocket while he was sleeping on a couch in the business place of a friend. Clinton and Savidant had been sleeping in the man's house for some hours after Barrett's complaint. Constables A. J. Downing and Keith Johnstone arrested the two men in a house on Oriber Street. Money was found on their persons and concealed about the house. Mr. Lester O'Donnell appeared for the accused.

CENTRAL GUARDIAN

This column is reserved for news of local interest, but advertising of a new nature may be inserted at 3 cents a word, strictly payable in advance.

CRASWELL for Photographs CONFEDERATION LIFE INSURANCE, L-978. COOK STUDIO where smart people are being photographed.

SUNDAY, FEBRUARY 8th.—Canoe Cove 11 A.M. Nine Mile Creek 3 P.M. Clyde River 7 P.M.

LATEST CRETONS figured Art Sateens also travellers samples, Henry McFarlane & Co. L-47-2-5-31.

ST. JOHN'S PRESBYTERIAN CHURCH, Belfast, Sunday, February 8th. Morning service 11 A.M. Y. P. S. 7 P.M. Rev. E. C. Evans, Minister. L-75-2-6-11.

CAVENDISH CHARGE.—Worship on Sunday, February 8th in Stanley Bridge at 11 A.M. and in North Rustico at 3 P.M. Geo. W. Tilley, Minister. L-63-2-6-11.

LECTURE MONDAY by Rev. T. H. Russell, Somers in St. James Church Schoolroom, 8 o'clock. Subject, Scottish Covenanters. Musical program. Admission 25c at door. L-75-2-6-11.

ST. ANDREWS PRESBYTERIAN CHURCH, Montague.—Divine Worship will be held on Sabbath next at 11 A.M. and 7 P.M. Rev. J. Kerr Fraser, B. D., will preach. L-70-2-6-11.

TRYPON—BONSHAW BAPTIST CHURCH.—Sunday, February 8th. Bonshaw 11:00 A.M. Tryon 7:30 P.M. The pastor will speak on the subject: "A Worthy Ambition." A cordial invitation is extended to all to unite with us in these services of worship and praise. L-64-2-6-11.

MR. AND MRS. JOHN J. McISAAC, Halifax, formerly of P. R. Hawkesbury, N. S., announce the engagement of their daughter Irene to Peter M. Doyle, son of Mr. and Mrs. Wm. Doyle of this City. Marriage to take place at a later date. L-74-2-6-11.

NEW LONDON PRESBYTERIAN CONGREGATION.—February 8th.—South Granville 11:00 A.M. Clifton 2:30 P.M. Long River 7:00 P.M. Please note the change in time of South Granville service. Rev. H. M. Buntain, Minister. L-25-2-6-11.

PRESBYTERIAN CHURCH IN CANADA.—Brookfield Charge. Services next Lord's Day, Harrisville 11 A.M. Brookfield 3 P.M. Hunter River 7:30 P.M. Y. P. S. Christian Endeavour and Prayer Services. Brookfield, Tuesday, 8 P.M. Harrisville Friday 8 P.M. Dr. A. O. Thomson, Minister. L-48-2-6-11.

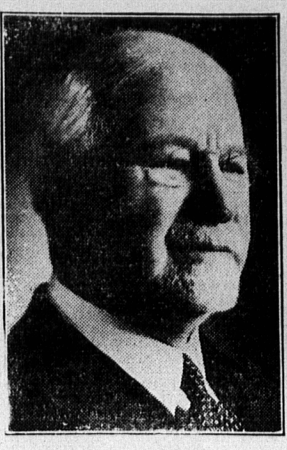
TRAFFIC ACCIDENT.—A delivery truck travelling north on Queen Street and an automobile were in collision at the corner of Queen and Kent Streets yesterday afternoon at 5:15. The car was travelling east on Queen and was turning east on Kent when the mishap occurred. Both machines were slightly damaged but none of the occupants of either vehicle was injured.

DR. FRASER CHOICE.—At a meeting of the Presbytery of St. John of the Presbytery Church of Saint John and Saint Stephen held this week, Rev. Dr. Davies and Rev. Allison MacLean were appointed commissioners to the General Assembly in June. It was moved by Rev. C. J. St. Clair Jeans and seconded that Dr. D. J. Fraser, principal emeritus and professor of New Testament Greek in the Presbyterian College of Montreal, be nominated as the Moderator of the General Assembly. Dr. Fraser who is a P. E. Islander was formerly minister of St. Stephen's Church in Saint John and up to a few years ago was principal of Montreal College.—Saint John Telegraph-Journal.

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J. A. McLEOD The President of The Bank of Nova Scotia, who presided at the 110th Annual Meeting at Halifax, February 4th, and addressed the shareholders.



H. D. BURNS The General Manager of The Bank of Nova Scotia, who addressed the Shareholders at the 110th Annual Meeting of the Bank held at Halifax on February 4th.

Trinity United Church Addresses at

Annual meeting Bank of Nova Scotia

FRIDAY, FEBRUARY 6th 3:30—Brownies. 8:15—Choir Rehearsal. 8:15—Y. P. U.

RESERVE Monday evening, Feb. 16, moccasin dance at Curling Club. Something new and novel. Proceeds for Red Cross. L-57-2-5-21.

PARISH OF MILTON AND RUSTICO.—Church of England Services Sunday, February 8th. Milton 11:00 A.M. Morning Prayer Rustico 3:00 P.M. Evening Prayer. Rev. J. R. McMahon. L-77-2-6-11.

BACK FROM TRIP.—After three months service in the merchant marine, Mr. J. Frank Macdonald returned to his home in Cardigan last night. As a member of the crew on a Norwegian tanker he crossed the Atlantic and called at several ports in the United Kingdom. The trip across was uneventful as was also the return voyage. However, the ship had several "close calls" in the sub-infested waters on the trip from a port in the United States to an East Canadian Port.

Personals

Edward Michael of the R. C. N. V. R. is spending two weeks furlough with his father, Mr. Thomas Michael, City.

Mr. Gus Waddell, North Tryon, was a passenger to the City Saturday.

The friends of Mrs. Frank Willoughby will regret to learn she is seriously ill in the Charlottetown Hospital.

Mr. and Mrs. D. Peter MacDonal, Shamrock, were week-end visitors to the city. While here they attended the MacLean-Sumpter wedding in St. Paul's church, and were the guests of Mr. and Mrs. Charles Rogerson, School St.

Mrs. T. B. Rogers, who underwent an emergency operation in P. E. I. Hospital on Wednesday, is resting comfortably and making satisfactory progress. Major Rogers arrived Wednesday evening to be with his wife.



MIRACLE BILL SAYS

Last night I got to thinking about how our cousins across the Atlantic keep asking us for more pork and ham and bacon. I see two angles to that. We can raise more hogs, and we can raise them faster — both ways will help get more meat across the big pond. Now, one good way to raise hogs quicker to market weight is to feed 'em Ogilvie "Miracle" Hog Starter, to begin with. That, and the other "Miracle" Hog Feeds puts hogs up to two hundred pounds as early as four and a half months. And cutting down the growing time like that also saves feed money — it cuts two months (or more) feeding. So, by getting our hogs ready for market faster we can help our cousins, and help ourselves, too, because we grow those hogs more cheaply. It seems to me like it's up to us to speed up our hog production with Ogilvie "Miracle" Feeds.

Advertisement for Ogilvie "Miracle" Feeds, featuring a product image and contact information for Carvell Bros. Ltd. in Charlottetown.

Advertisement for COFFIN & CO. featuring the slogan "Here's how to Cut FOOD BILLS" and a cartoon character.

After Stock-taking SPECIALS For the Week End

Table listing various food items and their prices, including King Cole Coffee, Cyclone Soap, Red Rose Salmon, and Magic B. Powder.

COFFIN & CO.



Gunner James Albert Gillis, 2nd Medium Battery, son of Mr. and Mrs. Albert Gillis, Charlottetown. He has been in England for the past two years.



Boy Scout blitz ingenuity. Scout John Flinn of Sheffield and the saucy "babe" who were when rescuing an injured woman during an air raid. He took her to a hospital in a wheelchair. His Scoutmaster has just pinned on a Scout decoration for bravery.

Kiddies Canteen Donated from B.C.

LONDON, Feb. 4 — (CP) — A children's mobile canteen, painted with nursery pictures of rabbits, birds and dogs, was handed over to the Women's Volunteer Services by the Bishop of Gibraltar on behalf of the British Columbia committee of the Save the Children Fund. It was the first of its kind and will serve school meals to London children evacuated to rural areas.

Farmers told Difficulties are Recognized

OTTAWA, Feb. 2 — (CP) — Representatives of Prairie wheat-growers were assured officially today that their difficulties are recognized by the federal government and that every consideration will be given to them. It was evident tonight that the 400 western delegates would return home without definite statements on a revised government wheat policy since cabinet ministers told them at an afternoon meeting that while things must receive cabinet consideration after their representatives had been heard. But the tenor of government speakers' remarks caused delegates to comment later that an increase of initial wheat price — one of their major objectives — seems likely to be announced soon. The delegates want the initial wheat price increased by 30 cents bushel to \$1.35 a bushel, No. 1 northern at Fort William. They also seek "parity prices" for agricultural products and other measures to improve their economic condition.

APOSTLESHIP OF SEA

LONDON — (C P) A Solemn High Mass, blessed by the Archbishop of Westminster, arranged by the Apostleship of the Sea, which has branches in the world's principle seaports was sung at a service attended by representatives of the Royal Navy, Merchant Navy, government and diplomatic service.

DIES FROM DRINKING WATER

NEWARK, N. J., Feb. 1 — (AP) — Margaret Boylan, 12, died Saturday after drinking 110 small glasses of water while playing party. Dr. Harrison Marland, Essex County medical examiner, issued a tentative verdict of "death from internal drowning." He said the girl drank about five quarts of water.

Advertisement for NEW OXYDOL WASHES CLOTHES WHITE WITHOUT BLEACHING! featuring a woman washing clothes and a product image.

War's Diplomacy Closed to women

LONDON, Feb. 4 — (C P) — British women will have to stay out of the diplomatic field at least until after the war, Foreign Secretary Eden, replying to proposals of a Women Power Committee that women be admitted to the diplomatic and consular services, said that as all regular entry into these services had been suspended during the war there can be no question of admitting women at present. Mr. Eden explained, also, that it was impossible for him to give an undertaking that the decision to 'exclude' women from the services would be reversed after the war. He expressed his readiness, however, to agree to regard the report of a committee which examined the question in 1934, as no longer necessarily being the last word, and to consider the question again in the light of existing circumstances.

Advertisement for BIG DISCOUNT SALE — OF — WINTER GOODS THURSDAY—FRIDAY—SATURDAY. Lists various clothing items and their discounted prices.