

THE CHARLOTTETOWN GUARDIAN

Morning Daily (Founded 1887) President, Lieut.-Col. W. Chester S. McLaure Vice President, J. E. Burnett, F.J.I. Secretary, Lieut.-Col. D. A. MacKinnon, D.S.O. Editor and Managing Director, J. E. Burnett, F.J.I. Associate Editor, Frank Walker

Subscription Rates \$5.00 per year (in advance) delivered to City, \$4.00 per year (in advance) mailed to P. E. Island, \$5.00 per year (in advance) mailed to Canada and U.S. Members Audit Bureau of Circulations

The Strongest Memory is Weaker than the Weakest Ink.

WEDNESDAY, MAY 10, 1939

Those Bond Borrowings

As stated in the Canadian Press bulletin in yesterday's issue, the Campbell Government has gone on the money market in order to raise a temporary loan of \$300,000 on one to three-year serial bonds with interest at 2 1/2 per cent.

This, it will readily be seen, is not a loan in the accepted meaning of the term but a temporary relief in time of trouble. The banks from whom the Government has obtained its huge overdraft may hold these bonds as collateral. But why \$300,000 instead of the full million issue which the Government, at the last session, took authority to float to meet part of its other obligations?

It is a moot question, of course, whether the Government was entitled to go on the market at all. What is its status? The Legislature has been prorogued, and it is a well known fact that with an election pending the Government cannot now make appointments or discharge other than absolutely necessary functions of government.

If they had the status to borrow \$300,000, they should have been able to borrow the full million just as well.

The bonds issue was floated privately, without calling for tenders. Is this another case of Prince Edward Island bonds being huckstered by the mysterious Mr. X., who seems to have experienced considerable difficulty on this occasion?

The charge on the bank overdraft is 3 1/4 per cent, and the yield of the issue is as follows: 1 year, 2.80; 2 years, 2.55; 3 years, 2.45, or an average yield of 2.60.

Compare this showing with this week's issue of Dominion Government 1 1/2 per cent bonds which were sold to yield 1.72 for three years, while this Province has to borrow on a basis of 2.60, and it will be seen that the Campbell Government's latest bond borrowing was anything but a financial triumph.

The funding of indebtedness on such terms, of less than a third of the issue contemplated, for from one to three years only, is of no lasting benefit, and gives rise to speculations as to why it should be necessary.

Comment in the financial papers has not appeared with regard to this issue; but in the meantime it is worth recalling what the Monetary Times had to say about the previous issue by the Campbell Government. This financial authority, one of the most outstanding in Canada, referred to Prince Edward Island having granted a fifteen day option on \$325,000 of 3 per cent bonds due in twelve years and stated that the "incredible" part of the transaction was the Province's request for tenders on an option basis only. "Why the Province would not ask for firm bids as well as bids on an option basis," declared the Monetary Times, "is incomprehensible. Some very unsound advice appears to have been handed out from some quarter." It went on to state that firm bids were received from at least two other syndicates at close to the accepted prices, "which would have relieved the Province of all liability in the transaction."

Unfavorable publicity was also given by the Financial Post with regard to the Campbell Government's bond borrowing methods in February, 1938, when a \$400,000 issue was called for privately, and when difficulties were encountered by the investment dealers in making bids owing to the inability of the Province to provide a detail of financial results for the year previously ended.

These financial papers reflect the opinion of the bond houses and Dr. MacMillan was therefore quite within the mark in saying that the Government has been experiencing trouble in this connection, and that its operations were open to serious criticism.

It is amusing to find in yesterday's Liberal organ the statement that Premier Campbell dealt with this matter at the Tignish meeting in his own district "amid the cheers of the audience." The fact is that he not only failed to receive any "cheers", but his attempted explanation of his bond borrowings was so involved that the audience told him to skip it and get on to something that they could understand.

The Globe's Warning

Naturally the Campbell Government organ resents being reminded of the warning sounded four years ago by the Toronto Globe, leading Liberal newspaper of Canada, with regard to the danger to democracy in the results of the last election in this Province. Liberals as well as Conservatives concede that the Globe was prophetic in declaring that misuse of the majority which the Government undeservedly obtained would be disastrous, not only to the province but to the Liberal party as well. This has proved to be the case, as the reaction throughout the Province plainly indicates.

Our local contemporary now says that the Toronto Globe was not a leading Liberal organ at all. We leave that to the judgment of older Liberal readers, to whom the Globe was for many years regarded as a political bible. The paper no longer exists; it was merged in the Globe and Mail under a new management; but at the time it warned the Liberal Government in this Province of the dangers ahead, it

was the same old Liberal Globe that it had always been. Its reputation is too well established to be repudiated by the organ of the Campbell Government, which, as has been well said, represents neither Liberalism nor Conservatism, but only themselves.

Public Works And Immigration

Apart from the frenzied financing of the Premier's Department of Secretary-Treasurer, the Department of the Provincial Government subject to most criticism is that of Public Works. That is the principal spending department, and the Public Accounts show that, including the highways, money has been disposed of with an abandon and free hand that only newly rich millionaires can emulate. Mr. MacIntyre has been on "the top of the world" for the past four years, but now, alas, he and his colleague the "Minister of Immigration", Mr. H. H. Cox are being counted among the fatalities on the 18th inst. The story is current all about St. Peter's that Mr. MacIntyre is doomed, and that he will drag down with him the genial and unsuccessful breeder of Holstein Pedigreed Cattle.

Still Disqualified

Neither Premier Campbell nor his party press has yet undertaken to enlighten the electors as to "the law" in the case of their three disqualified party candidates, Messrs. Trainor, Acorn and Gallant. The law is that these gentlemen were sitting and voting illegally ever since their appointment to salaried positions in the Government service. We have not only quoted the law, but also exposed the bungling attempt to patch it up on three different occasions, the last one being made at the last legislative session in an amendment to an Act which had nothing whatever to do with elections.

The Premier had an excellent opportunity of explaining "the law" at the Tignish meeting for the benefit of his own colleague, Mr. Gallant; but he didn't do so, notwithstanding that he was challenged from the platform by Dr. MacMillan.

And the only alibi his party press can offer is that on other occasions, "whitewashing" acts were introduced with regard to other changes in the Election Act. What has that to do with the status of the three Liberal candidates now seeking office? The "whitewashing" in their case was applied so bunglingly that they are still disqualified, and the seats which they improperly occupied while drawing government salaries should long ago have been vacated.

Editorial Notes

Sir, Thomas T. Lipton, the Tea Man, born this date, 1850.

Why all this rush to float a loan by a defunct Legislature?

By his own showing, according to Mr. Bentley's letter, Premier Campbell is the Pooh Bah of Provincial politics—a finger in every pie.

Travelling in the country at present is almost impossible—outside the hard-surfaced roads—for man, or auto or beast. How the Candidates and poll workers are making it will be a record for historians to relate.

The Duke of Windsor was guilty of bad taste, if nothing else, in anticipating his brother, the King in addressing the American people. When he had remained silent so long, another month would not have mattered very much. We may easily imagine the King's feelings when he heard of such an unbrotherly act.

The number of cattle exported in March was 12,340 valued at \$429,978 compared with 20,717 at \$1,065,003 in the corresponding month last year. These went chiefly to the United States. During the fiscal year just ended there were 196,815 head exported valued at \$10,280,469 in comparison with 287,459 at \$13,914,541 in the previous fiscal year.

Mr. Roy W. Howard, U. S. A. newspaper publisher, who returned from Europe on the French liner Ile de France declared that as a result of the stand recently taken by Prime Minister Neville Chamberlain, if war comes it will be "at a time when England and France choose, and not when Mr. Hitler wants it." Americans view Chancellor Adolf Hitler from an emotional standpoint, he declared, while in Europe he is considered "the most unscrupulous statesman since Napoleon." Mr. Howard believes that the Rome-Berlin Axis will not be permanently sustained because "every one in Italy hates the Germans and every one in Germany has contempt for the Italians."

Mr. Walsh, M. P. for Westmont, well known here, in supporting in the House of Commons, Mr. Denton Massey's Unemployment Settlement Scheme, in addition urged the separation of agriculture from unemployment relief and providing distinct treatment for unemployables and employables and in these two divisions make special provision for youth. The unemployables should be left entirely to provincial and municipal authorities who were better fitted to deal with them. "Then I would suggest that the Dominion Government take absolute and complete charge of all the employables both youth and otherwise," he said. This division of responsibility would check the present tendency to "pass the buck" from one authority to another. Mr. Walsh said he had criticized the appointment of the National Employment Commission three years ago but agreed the commission with A. B. Purvis of Montreal as chairman had done a "magnificent job," although the Government had failed to put into effect its recommendations.

NOTES BY THE WAY

It must not be forgotten in the midst of the present public controversy over wheat that Canada has more than its farmers to worry over. Our customers are also to be considered. If the world will not buy Canadian wheat, it is obvious that all plans of acreage, bonus, subsidy, fixed price and what not, become mere relief plans. The essence of the problem is to persuade our customers to use more and more Canadian wheat. This becomes possible, the rest of the problem will ultimately disappear of itself. For this reason the views and opinions of the men in Europe who buy and use our wheat deserve a consideration which has been somewhat obscured by the domestic controversy over the form which the necessary assistance to farmers shall take. These two aspects of the problem are closely related. Indeed, any study of past years shows that there is a definite and vital connection between them. For instance, Canada was crazy enough to refuse to sell its wheat unless the world was prepared to pay what we thought we should get, it would rapidly end wheat markets and the end of wheat would be altogether. — Winnipeg Free Press.

The theory that Nazi Germany was created by the Allies failure to treat the German Socialists. The public kindly is derided by those who know the facts. An Englishman who held an important post in Berlin, and lived in Germany under the present German regime, lost its grip of the post-war regime. The trade unionists who temporarily held perfunctory control under the present German regime, inexperienced in administrative affairs, and the old gang of prepar officials not only remained exerting real control, but are still in possession. My friend interviewed Ebert on several occasions. A Prussian official was always present, and after the interview, button-holed him to "correct" the President's statements. From the same source I gather that not only did the Allies "help" post-war Germany substantially, but that actually on the last day of the war they made reparations at all St. Austins Chamberlain realized, and said so, that the Locarno Pact would never have been signed had not Stresemann and Luther, the two German delegates, disobeyed Berlin and not to act on their own responsibility. You will find us very uncomfortable members of the League, predicted one high German official. — Ottawa Journal.

The unemployment return for March, show the usual improvement over those for February, but the rate of improvement is considerably greater than at the same date last year (61,440 for all classes). There was on March 13 a total of 1,726,228 unemployed, compared with a total of 1,748,000 on March 14, 1938. The increase in employment is naturally marked in building, agriculture, tailoring and dressmaking, hotels, distribution, etc. There has been a slight decrease in shipbuilding employment. All the industries directly connected with rearmament, engineering and armaments, are usually recovering some of their lost ground. Altogether the returns are reasonably encouraging. The Spring boom appears to have begun and the general total stands at a figure which is better than any recorded since December, 1937. — Manchester Guardian.

It was already known that the census of 1936 had revealed a further decline of 3,572 in the population of the State. The detailed analysis of ages now available shows that the position is even more alarming than this mere figure of continued decline would indicate. In brief, not only has the population continued to fall, but a large percentage of the population is now in the unenviable position of being the only country in the world with a dwindling population. The population is taking place, as we have said, in the population as a whole. But the number of children under 14 years of age declined by no less than 47,485. That is, the basis had been confined to those under 21 years of age, it would have shown a fall of 69,000. These are terrifying figures for a small country which had the number of the population of the Province reduced by 3,560,000 since the famine. What is even more disturbing is that it is in the rural areas that this decline in the child population is taking place. — Irish Independent (Dublin).

Mr. Kniekerbocker, of the Hearst press, who is an exceptionally well informed foreign correspondent reported on April that President Roosevelt had received a verbatim transcript of a conversation between Hitler and one of his most trusted aides, ostensibly discussing the Fuehrer's real ambition. The Fuehrer is reported to have said: "I intend to take the whole of Czechoslovakia and by Autumn to have brought into a great National Socialist federation under the leadership of Reich, Poland, Yugoslavia, Bulgaria, Greece and possibly Turkey. The countries which will willingly consent will be welcome; those which refuse will be crushed." The Fuehrer counted on being able to neutralize Soviet Russia, and protected at his rear, he would then be able to attack France and Britain. He counted on a short war which would end in the delivery of the British and French fleets to the Germans. The next stage would be the establishment of a Pan-German Reich in the West, with an overpowering sea force. With the aid of Japan, America would be next in line. Utterly fantastic as this proposition may seem, it is very closely approximates what has been in the minds of the axis powers. — Herald Tribune.

Northern Ontario had 58 well-established gold properties producing gold in March, the output for the month grossing \$8,711,972, the fourth highest figure in the history. Activity in all fields indicates that the production of the present price of \$35 per ounce, many new gold properties will be brought into production in the course of a few years. No one would attempt to estimate the ultimate gold production of Northern Ontario, but all are convinced that the industry is still in the budding stage. — North Bay Nugget.

Family Living Expenditures In Canada

(Royal Bank Monthly)

Wage-earner families in Canada spend approximately 64 per cent of their total income upon the necessities of life—food, fuel and light, shelter and clothing. This is one of the striking results concerning the living standards of Canadian wage-earner families recently obtained from a survey of Canadian urban family living expenditures. This survey was authorized at the last session of Parliament which provided an investigation by the Dominion Bureau of Statistics into nutrition and living expenditures in twelve representative Canadian cities, covering all the provinces of the Dominion.

Living expenditure records were collected for the year ending September 30, 1938, from 1,135 families of British origin in eleven cities, from 211 families of French origin in the two Quebec cities which were surveyed, and in addition 93 records were obtained in Montreal and Winnipeg from families of other racial origins. Families contributing records were selected at random from specially prepared lists of households with certain characteristics which make them typical of Canadian wage-earner homes. Both parents and one or more children were present in each home, and in some cases there was a domestic help living with the family. Earnings in the sample ranged from \$450 to \$2500 per annum.

An outstanding fact apparent from the summary data available is the remarkable similarity in proportions of income spent upon the more important budget items. As income and living standards rise, the proportion of income spent upon the necessities of life tends to decrease. Other budget expenditures do not appear to be closely related to the amount of income. The budget groups covering necessities accounted for nearly two-thirds of the total expended each year, the proportions for the individual cities being concentrated within the narrow range between 62.9 (Charlottetown) and 65.4 per cent (Montreal-British) for the British and French families, amongst which there was no significant difference. The proportions for families of other racial origins were 65.4 and 68.3 per cent in Winnipeg and Montreal respectively.

The greatest difference in proportions of expenditures for family needs was apparent in food purchases. These ranged from 25.3 per cent for Charlottetown up to 32.4 per cent for Montreal.

Proportions of expenditures devoted to the provision of shelter ranged from 15.1 per cent in Charlottetown to 20.9 per cent in Ottawa. In Edmonton and Vancouver, these percentages were influenced materially by families which had bought homes during the year, making substantial payments from savings or loans. With the exception of these two cities, capital expenditures upon homes did not exceed an average of 10 per cent. Almost exactly one-third of the families covered by the survey were home-owners, but these facts serve to illustrate that the present survey was planned to examine family living expenditure patterns in different cities for the same type of family in general, by comparable economic circumstances. Any other comparison of living standards from city to city must take account also of differences in earnings levels and other related factors.

FAMILY LIVING EXPENDITURES

IN VARIOUS CITIES IN CANADA

(Group expenditures expressed in percentages of total)

Table with columns for Budget groups and cities: Charlottetown, Halifax, Saint John, Quebec, Montreal, Ottawa, Toronto. Rows include Food, Housing, Fuel and Light, Clothing, Necessities-total, Household Operations and Maintenance, Health and Personal Care, Education, Community Welfare, Gifts, Recreation, Savings (1), Motor cars, Other transportation, Total.

(1) Includes life insurance premiums and re-payments on obligations incurred prior to the survey year; amounts still owing on current accounts averaged nearly five per cent of total expenditures.

That Body of Yours

By James W. Barton, M.D.

NEW METHOD OF TREATING DRY CATARRH AND DEAFNESS

One of the nearest ailments with which mankind is afflicted is catarrh of the dry form of catarrh. In addition to the catarrhal symptoms, there is a most offensive odor which makes it almost impossible for these patients to mix with other people. In 1937, Drs. Hector Mortimer, R. Percy Wright and J. B. Collip in an investigation of this ailment, reported their findings to the Canadian Medical Association Journal. They were able to show that this ailment was due to an inherited constitutional defect as in the case of sufferers with hereditary deafness and other ailments. That there is a relation between the genital or sex organs and the nose has been known for years and by the use

of hormones (estrogen) these research physicians were able to cure a number of these catarrh patients by putting this substance up the nose. As catarrh of the nose and throat is believed to be the commonest cause of deafness, the above named research physicians and Dr. D. L. Thomson, now report in the Canadian Medical Association Journal the successful treatment of a number of cases of constitutional deafness by the application of these sex hormone substances up the nose.

The series investigated consists of 153 patients of whom 94 are females and 59 males. The average age of the females is 37 years, the youngest 11 years of age and the oldest 74; in the males, average

ages is 38, youngest 9 and oldest 76. It was found that not only may the two conditions—catarrh and deafness—be present in the same individual, but in one generation of the family catarrh may be found in certain members whilst others have defective hearing. The two points we get from this research work is (a) that there seems to be a constitutional condition present that makes these individuals likely to have catarrh of the nose and (b) this very fact makes it possible for the same method of treatment—estrogen—applied to the lining of the nose to greatly help both conditions. Notwithstanding these findings, these research workers state that they do not suggest that constitutional deafness is due to any lack of gland substance in the individual.

It should be remembered also that this treatment was used in the catarrhal form of deafness only.

Of hormones (estrogen) these research physicians were able to cure a number of these catarrh patients by putting this substance up the nose. As catarrh of the nose and throat is believed to be the commonest cause of deafness, the above named research physicians and Dr. D. L. Thomson, now report in the Canadian Medical Association Journal the successful treatment of a number of cases of constitutional deafness by the application of these sex hormone substances up the nose.

The series investigated consists of 153 patients of whom 94 are females and 59 males. The average age of the females is 37 years, the youngest 11 years of age and the oldest 74; in the males, average

ages is 38, youngest 9 and oldest 76. It was found that not only may the two conditions—catarrh and deafness—be present in the same individual, but in one generation of the family catarrh may be found in certain members whilst others have defective hearing. The two points we get from this research work is (a) that there seems to be a constitutional condition present that makes these individuals likely to have catarrh of the nose and (b) this very fact makes it possible for the same method of treatment—estrogen—applied to the lining of the nose to greatly help both conditions. Notwithstanding these findings, these research workers state that they do not suggest that constitutional deafness is due to any lack of gland substance in the individual.

It should be remembered also that this treatment was used in the catarrhal form of deafness only.

Of hormones (estrogen) these research physicians were able to cure a number of these catarrh patients by putting this substance up the nose. As catarrh of the nose and throat is believed to be the commonest cause of deafness, the above named research physicians and Dr. D. L. Thomson, now report in the Canadian Medical Association Journal the successful treatment of a number of cases of constitutional deafness by the application of these sex hormone substances up the nose.

The series investigated consists of 153 patients of whom 94 are females and 59 males. The average age of the females is 37 years, the youngest 11 years of age and the oldest 74; in the males, average

The King Government in Dire Straits

Revert to Conservative Policy

OTTAWA, May 9—The number of western rebels against the Government on the budget would have been much larger but for the hurried intervention of Ministers Gardiner and Euler with notices that the Agricultural bonus bills which have been before the House for several weeks will be withdrawn and revised measures substituted. These notices were interjected when the House of Commons was dealing with the budget in order to assure western Liberals that the Government was prepared to once more alter its decision about the guaranteed minimum price. Revision of the bills was resorted to only after efforts of the party whips, and private assurances in caucus, had failed to persuade a number of western Liberals to remain loyal to the ministry on the budget.

Agricultural Minister Gardiner's repeated changes of front on the wheat question, in response to successive applications of conflicting political pressure, has had the effect of greatly lowering his prestige. His chance of being a strong contender for the Liberal leadership in the event of the retirement of Mackenzie King has been decidedly weakened. Western Liberal members who realize that they are facing defeat in the forthcoming general election are blaming him. His frequent shifts in position on a single issue, in the space of less than three months, set a new record for Parliament.

But the cabinet has been divided from the outset on the wheat question and Mr. Gardiner's position has been most unhappy. His announcement in February that the guaranteed minimum price has been a mistake which the country could not afford to continue, and that the Government was getting out of the wheat business and would abandon the guaranteed price, was the result of one group in the cabinet having its way. This group was opposed to the guaranteed price because of eastern demand for reduction in the cost of government. The revolt in the West which followed Mr. Gardiner's announcement persuaded the majority of the cabinet that a political mistake had been made. Mr. Gardiner was allowed to attempt a compromise, with a guaranteed price lowered from 80 to 60 cents, and legislation to this effect was introduced. It was not proceeded with because it was quickly evident that the policy of appeasement would not work. Later the word went out that the basic price would be set at 70 cents. This was unacceptable. Mr. Gardiner saw his supposed strength in the prairies rapidly diminishing. The bills were allowed to stand on the order paper until Liberal members began announcing their intention to vote against the Government on the budget. This defection had to be stopped so the move was quickly made to recall the wheat bills for revision.

Political rather than economic in its inspiration, the government's agricultural program has been altered during the last ten weeks with every change in the strength of political winds. Conflict in the cabinet on the question continues because it is now recognized that this display of vacillation precludes any possibility of saving Liberal seats on the prairies even by reversion to the 80 cent minimum price. Some of the ministers think the Government would do better to write off its prospective losses in the West and make an economy play for Eastern support by cutting out the guaranteed price altogether, as Mr. Gardiner at first proposed.

The political character of the Gardiner-Euler agricultural legislation is further revealed in connection with the concessions to eastern agricultural interests. Soon after it came into office the Mackenzie King Government reversed the Bennett Government's policy of encouraging high grade cheese production in Ontario and Quebec by the payment of premiums. When they were in opposition the Liberals had opposed such premiums. Mr. Euler denounced the policy as "paternalism gone mad." The complaint of the eastern farmer that he was Canada's forgotten man has compelled the ministers to forget their former attitude and revert to the Conservative policy which they had denounced and recinded of encouraging the dairy industry by premiums on cheese.

fact makes it possible for the same method of treatment—estrogen—applied to the lining of the nose to greatly help both conditions. Notwithstanding these findings, these research workers state that they do not suggest that constitutional deafness is due to any lack of gland substance in the individual. It should be remembered also that this treatment was used in the catarrhal form of deafness only.

For Vitality always use BRAHMIN ORANGE PEKOE TEA

E. R. Brow & Son Fire, Auto, Life, Accident, Sickness and Plate Glass Insurance at Lowest Rate Agent at Summerside, Lloyd Lewis 144 Richmond St. Charlottetown

BUYING "CHEAP" INSURANCE is about as sensible as an aviator saving money buying a tissue paper parachute. If he HAS to use it, nothing but the BEST is good enough. If he KNOWS he'd never need it, he'd get along without it entirely. You don't KNOW what's going to happen. So the safe thing to do is to let us give you real, intelligent insurance protection, fitted exactly to your own need. Then you WILL be safe, if the unexpected happens. W. K. Rogers Agencies Limited Complete Insurance Service