

THE CHARLOTTETOWN GUARDIAN

President—W. Chester S. McLure, M. P. Secretary—Lieut.-Col. D. A. MacKinnon, D. S. O. Editor and Managing Director—J. R. Burnett. Associate Editors—Frank Walker and D. R. Currie. Morning Daily (founded 1887) \$2.00 per year (in advance) delivered. \$1.50 per year (in advance) mailed in Canada and United States.

WEDNESDAY, FEBRUARY 17, 1932

RETRENCHMENTS

The estimates brought down in the House of Commons on Monday bear out previous anticipations that drastic retrenchments will be the order of the day. The Hon. E. N. Rhodes, Finance Minister, asked Parliament to appropriate \$356,773,794 for the fiscal year 1932-33, which will open on April 1st. This is about \$30,000,000 less than the main estimate for last session, and \$44,000,000 less than the total appropriation made for the current fiscal year. Reductions of a sweeping character are taking place in every department. Only two increases are recorded, one for the Royal Canadian Mounted Police of \$485,139 more than the current estimate, and \$4,600 in the provision for the Administration of Justice. An item, however, which shows considerable advance is the amount allotted to meet interest on public debt, which shows an increase of \$13,204,921. This increase is not due to increased borrowings, however, but to the unfortunate circumstances which compel the Government to pay interest on loans at New York rates. Among the reductions it is interesting to note that the Cadet Service has been cut from \$400,000 to \$100,000; the Naval Service from \$3,375,000 to \$2,462,000; aviation cut from \$5,442,000 to \$1,750,000. Out of this reduced figure all the expenses in connection with the air force, civil operation and air mail activities, have to be met. As previously announced the Civil Service salaries and the indemnities of parliamentarians have been cut 10%. These are strenuous days for governments, Dominion and Provincial. For a while the restriction in the circulation of money due to these cuts will be felt very keenly, but in the course of time fiscal matters will adjust themselves, and the margin between the cost of living and remuneration will be approximately what it was before the collapse of 1929.

DOLLAR'S VALUE

In the House of Commons on Monday-night, Mr. A. E. MacLean sponsored an opposition resolution calling upon the Government to introduce at Ottawa Imperial Conference the subject of monetary stabilization, and although the debate was not concluded the Minister of Finance intimated that the Government is prepared to refer the stabilizing of currency or any other proposition affecting the Empire, to the Ottawa Imperial Conference. In this connection it is interesting to note that the Royal Bank of Canada Letter for February deals with this question. "Over and over again in recent months, the question has been asked, (it says), What happens to the 20% premium? "Is it fair that the banks make that much profit?" They make no such profit. When a Canadian bank sells United States dollars or British pounds to Canadian clients, it must in turn buy those dollars or pounds. It must pay for these in Canadian funds at the prevailing price. The bank's profit is a very narrow brokerage charge. The price which the bank pays for British funds is within a very small margin indeed of the price that it charges its client. There is probably no other business done on as narrow a margin of profit as foreign exchange. "As further evidence in this connection, the business man should note the bonus which Canadians receive when they sell their products abroad. Each pound with which they are credited at present quotations amounts to about \$4.14 instead of \$3.50. This latter amount is what they would receive if they were in New York and were receiving payment in United States dollars. "When both Canada and Great Britain were on the gold standard,

British funds never fluctuated very far from \$4.86 because each pound sterling contained .265 fine ounces of pure gold and the Canadian dollar contained a little more than one-fifth as much (.048). If the Canadian exporter or the Canadian bank did not get a satisfactory quotation for the pounds which they wished to sell, they could ask for a shipment of gold from London. Under these circumstances the price of the pound never fell below what is known as the 'gold point', which represented the cost of shipping such gold.

"If we keep in mind the ultimate measure of the value of a currency, its purchasing power in its own country, we will see that the forces which tend to make the quotations on that currency high or low at any given moment, are the purchases and sales which are taking place. When Canadians are desirous of making large payments abroad, their sales of Canadian funds may drive down the value of the Canadian dollar. When there are large payments from abroad to be made in Canada, these payments may push up the dollar.

"When the importer has to pay a high price in Canadian dollars for some foreign currency, it is difficult for him to realize that the disadvantages which he suffers from having to pay this premium are exactly offset by the bonus which is received by the person who sells wheat or other Canadian products abroad. When we realize that our government, our provinces and our municipalities must pay a bonus for New York funds in order to meet their interest payments, the disadvantages of the present situation stand out very plainly, but we are inclined to forget that there is an offsetting benefit to the wheat and dairy farmers, to the newspaper companies and to the lumber industry. If this were the whole story and the advantages of one group were weighed against the disadvantages of the other group, it might seem worth while to keep Canadian currency at par. The low value of the dollar, however, has permitted Canada to maintain a higher price level than would otherwise be possible, and it is this higher price level which has prevented business from falling off as rapidly in Canada as it has in some other countries. It is, perhaps, fair to say that the ultimate advantages of a premium on gold are offset by the disadvantages to the country as a whole, while the higher price level is a net advantage to the country."

POLITICS AGAIN

Mr. A. E. MacLean, M. P., for Prince, complains that if an agitation for the removal of the British potato embargo had been started twelve months ago, Canada today "would be in a great deal better position than she is regarding the question." Just why Mr. MacLean specifies twelve months, rather than three, four or five years ago, is not difficult to surmise. Too evidently it is because the Prince County member thinks he sees an opportunity of playing party politics. The British embargo went into effect in 1925. The Mackenzie King Government was then in office, and remained until June, 1926. It took office again in September, 1926, and remained in power until defeated in the election of 1930. Mr. MacLean during that time was a member of Parliament. Why did he not urge upon his own party Government the need of pressing for the removal of the embargo? Why did he wait until 1931 to suggest that the Canadian Government should get busy? As a matter of fact, Mr. MacLean was informed by Hon. Robert Weir, Minister of Agriculture, that the matter had been brought to the attention of the British Government at different times, and that Doctor Grisdale had gone to Great Britain in 1927 "at which

time he had used every effort to have the embargo lifted, but without success."

Mr. MacLean, apparently, is now convinced that the Bennett Government might have succeeded where the Mackenzie King Government failed. The time for successful action, however, was when the embargo was first placed on Canadian potatoes and when, according to the local Liberal organ, Prince Edward Island had developed a considerable potato trade with the Old Country. The Mackenzie King Government at that time should have made efforts to convince the British authorities that an embargo was unnecessary for the protection of the British market against Colorado beetle, and it should have maintained those efforts until the market was restored to Island producers. Did Mr. MacLean arise in his seat and criticize the failure of the Government to obtain this result in 1925, or in 1926, or in any of the years intervening until 1931? Apparently not. There is no reason why he should not have done so if he really felt that representations from Ottawa would have any effect on the attitude of the British Government. No reason, that is to say, except the obvious one that he was then a supporter of the Dominion Government, and is now in opposition to the Government.

It is to be regretted that any effort should be made to inject unnecessary politics into a question of such vital importance to the Maritime Provinces as the British potato embargo; and it is all the more regrettable that the offending member in this instance should be a representative of Prince Edward Island.

U. S. INFLATION

President Hoover's call for legislation to help the business man to obtain the credit he needs received overwhelming approval in the House of Representatives on Monday, the vote being 350 for the measure and 15 against. The bill has a potential credit power of \$10,000,000,000. According to a statement of Secretary of Treasury Ogden Mills it will immediately release \$3,750,000,000 of the Federal Bank gold reserve, which will make possible the quick issuance of \$1,375,000,000 in Federal Reserve notes. Destined to restore confidence in the United States economic life and to dispel the fears of bankers and depositors alike, the legislation makes immediately available funds for bankers that now have no paper eligible for rediscount. The bill's life is for one year, but an attempt is to be made in the Senate to extend it for a second year should necessity arise. As previously explained the net outcome of the measure is to increase the paper circulation of banks 100%.

CARBON MONOXIDE

The great danger of carbon monoxide gas is again emphasized in the Quebec Official Bulletin of the Roads Department, from which we quote the following suggestions to motorists on how to prevent poisoning from this deadly source: Have carburetors adjusted for most complete combustion rather than for pick up and power. Do not race motors when cars are standing still. Shut off the motor for stops. Never run a motor indoors without leading the exhaust through a pipe to the outdoors. Never get under a car with the motor running. Keep radiator fan type heaters closed when travelling slowly and closely behind other cars. Beware of a feeling of tiredness, headache, nausea, palpitation of the heart, and mental dullness. These symptoms may be due to chronic carbon monoxide poisoning, resulting from long exposure to low concentrations of the poison. These suggestions should be preserved for frequent reference. Another important thing to remember is that carbon monoxide is a colorless, tasteless, practically odorless gas, and is without any irritant action on the respiratory organs. Because of these properties, it is impossible to detect it by any of the five senses. It is, therefore, a most treacherous gas, since it can be present in dangerous quantities without giving any warning whatever.

NOTES BY THE WAY

There is room, says a writer in Week End Review London for endless wonder in the quiet discipline and constitutionalism of the British character. Over-indulged, it might degenerate into a weakness, but at times of crises it has mostly revealed itself as an astounding strength. We do not need to go back as far as the war to find examples; the way in which the public treated the general strike as though it were a species of national game and instinctively took the refereeing of it into their own hands baffled the watching world. What hope has revolution in a country in which, as happened this week, dockers on strike in the Port of London pulled Communist agitators with powder colored red white and blue? Meanwhile John Citizen stands patiently in wet queues in order to pay his income tax on the nail. Something much worse has got to happen to the Englishman than has happened yet to break him or turn him nasty.

Once a woman admirer rushed up to James Whitcomb Riley at a social affair. "Oh, Mr. Riley, I do so want to shake your hand. I heard you get a dollar for every word you write in your poems." Mr. Riley was thoughtful. "But consider, madam," he said. "Sometimes I sit all day and can't think of a single word to write."

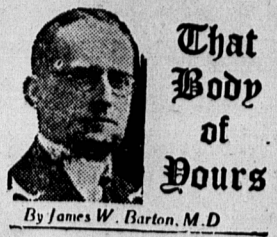
Premier Bennett's genius for phrase-turning says the Sydney Post was neatly illustrated when he said, speaking in the debate on the Address, that Canada's railway problem was due to the action of a Liberal Government in "creating two rival trans-continental railway systems, and subsidizing each to destroy the other." And the sting of this striking epigram is its truth.

Mr. King's petty observation that Premier Bennett "must get rid of some of his humpbug policies," if the Economic Conference is to be a success, induces the suspicion that the Opposition leader would like to see it end in failure. His echo of Mr. Thomas' unfortunate lapse of the tongue in designating Mr. Bennett's trade proposal in London in 1930 as "humpbug," has an ironical sound just now, when the basis of that proposal—a 10 per cent tariff preference for Empire goods—is embodied in the measure Mr. Chamberlain has recently submitted to the British House of Commons.

Sheriff Laing, at the close of a two days' trial in Aberdeen, on January 8, imposed fines of \$250 each, or a total of \$500, on William Robertson Bruce, fish merchant, Aberdeen, on his conviction of having recklessly driven a motor car when so much under the influence of liquor as not to have proper control of the car, the result being that a butcher lad on a push bicycle was knocked down on Christmas Eve, and was so seriously injured that he lay in a critical condition in Aberdeen Royal Infirmary for several days. The Sheriff also suspended the accused's driving license for seven years. A few fines of this character, with suspension of licenses for a few years instead of a few weeks, would soon end reckless driving in this country.

The action of His Excellency the Governor General in insisting that his salary be cut as a voluntary contribution to the Dominion treasury, is a fine gesture. It is in line with the best traditions of the British Crown, shows Lord Bessborough to be a real representative of His Majesty the King.

Japan does not lack nerve. Her Foreign Minister gravely announces that he has under consideration the sending of envoys to London, Washington and Paris to clarify the Japanese position regarding Manchuria. This would take time. A hearing would also have to be given at the three capitals to envoys from China, since there are two sides to the story. What, in the meantime, would happen in the war zone? Japan does not offer to silence her guns until the envoys have performed their task. But Japan has representatives to speak for her to the assembled nations at Geneva. She has not convinced them. Neither does she appear to have justified herself in the opinion of foreign representatives in Tokyo. Is she sparing for further time to crush the Chinese at Shanghai? Her continued operations there, in the face of protests from Great Britain, the United States, France and Italy do not win favor or lead to a conviction that she is willing to restrain until a full enquiry has been made.—Ex.



By James W. Barton, M.D.

MIDDLE AGE

"There is no need for gloom. A man of middle age, when knowledge and experience have ripened into at least a sort of wisdom, may look forward to many rich years of a useful and happy life; but he must readjust his thinking and his habits—eating, drinking, sleeping and exercise. He finds he can no longer eat as once he did, and, as a matter of fact, he does not need the quantity of food he once consumed. He must give greater care to his sleeping, and secure a complete night's rest, and he can no longer indulge in hard exercise. Making a sudden sprint to catch a street car is no longer an innocent pastime; it may be highly dangerous. He finds himself obliged to consider many things never before given a thought. It is no longer wise to live at high pressure; life must flow with more ease and more slowly."

The above information and advice is from the United States Public Health Service and is certainly of great value to all middle aged folk—men and women.

The big point is that the individual should remember that he is of middle age and has his best years of mental attainment ahead of him. His body may not be quite as limber, but his mind has taught him just what is best for him from the food standpoint; he knows that to do his best work he must have a complete night's rest; and he knows also that while he must take regular exercise if he is to keep fit, that exercise must be severe.

Chauncey DePew lived to be over ninety because he had learned two things. First that when he went to a banquet, or dinner, he ate just what he knew from experience, would agree with him, and nothing else. Second, no matter what the occasion, or the hour at which it started he made it a point to be home and in bed not later than 11 P. M.

In regard to exercise there isn't any reason why any middle aged individual should not do two things. First, take a walk every day of twenty minutes to a half hour at a medium rate of speed. This will keep heart and lungs in shape. Second, do some bending exercises, with knees straight, every day. This will keep the abdominal organs—liver, stomach, intestines—in good condition.

Maritime Union Again

(Friederick Gleaner) The expected has happened in regard to the proposal of Premier Bracken of Manitoba, that "Prairie Union" should be undertaken, with the object of uniting Manitoba, Saskatchewan and Alberta into one province. Ontario newspapers have returned to one of their early loves, Maritime Union, as an editorial subject. The fact is that the proposal of Premier Bracken with regard to three provinces with few conflicting interests, has fallen very, very flat. A little ridicule and some fun was poked at Manitoba's Premier because of the very obvious attempt to drag the red herring of "Prairie Union" across the trail of provincial administration which is leading direct to a general election with the Bracken Government on the defensive.

As might be expected one of the seats of agitation with regard to Maritime Union, is Ottawa. The spectacle of the Dominion Capital producing press comment to the effect that economy could be effected by uniting the three Maritime Provinces, is humorous. The greatest field for economy in Canada lies in the Federal Capital itself. Application of the pruning-knife there on the scale threatened by some provincial government, would make a saving which would be amazing.

There is a slight indication on in some sections of Ontario that there is some increase in knowledge of the Maritimes and their problems. The Toronto Globe has stated that the attitude of Prince Edward Island toward the mythical Maritime Union is negative because "it would cost her money to lose her identity." The obviousness of this comment is plain. A stiff counter to the Ottawa plaint that Prince Edward Island has only half the population of the City of Ottawa, is that the rest of administration of the Island Province is only one-tenth of that of

PUBLIC FORUM

This column is open for the discussion by correspondents of questions of interest. The Charlottetown Guardian does not necessarily endorse the opinions of correspondents.

SPORTSMAN'S SHOW

Sir,—Coming to Boston, soon, is the Sportsman's Show. I understand New Brunswick is to have a few guides there this year instead of its usual advertisement. Now is the chance for dear, old P. E. I., to wake up, boom, and keep pushing (or the coming tourist season, I have been on the Island every summer for 28 years—there must be a reason.

I am, Sir, etc. "BOOST THE GARDEN OF THE GULF."

THE POTATO EMBARGO

Sir,—After reading your paper today re embargo and boycott, I must

the Dominion Capital. In some quarters of the Maritimes there is an expression of suspicion concerning this revival of journalistic suggestions that the three Atlantic Provinces should commit administrative suicide. "They're at it again! Why?" seems to sum up the Maritime attitude.

(Halifax Chronicle)

Some of our Ontario friends periodically tell the Maritimes how happy everybody would be if only the three Provinces were to unite into one. They assume forth-with that a whole lot of money would be saved, forgetting that experience all too often has proven that mergers do not necessarily reduce expense, nor do they necessarily make for efficiency.

The Ottawa Citizen, moved by the suggestion in the West of the union of the three Prairie Provinces, once again brings up the question of Maritime union. It thinks "Prince Edward Island might be persuaded to offer itself up on the altar of patriotism and so end the farce of a community with not much more than half the population of Ottawa going in for Parliament and Cabinets." It is but another step to compare Nova Scotia with Toronto. Toronto has more people in it now than has this Province, so it is in order to suggest next that Nova Scotia should end the "farce" too and "offer herself up on the altar of patriotism" also. But why the sacrifice and for what end?

The Toronto Globe understands the Island situation. Prince Edward Island, it says, will have nothing to do with a Maritime Union, because "it would cost her money to lose her identity." That is, it would cost her more in a union than it does now. "In the Island many of the functions here vested separately in the Province, the county and the municipality, are combined under a single authority. The result is economy."

To which the Sydney Post adds that while Prince Edward Island has not much more than half the population of Ottawa, it is also true that the Government of Ottawa City costs ten times as much as that of Prince Edward Island. But just what it is that lies behind this repeated suggestion, that we should all get together? Since 1867 there has been no marked solidarity in Central Canada for our welfare, that we have been able to discern. When the interests of the two came into conflict, it has ever been the case of "Central Canada first" and the bigger dog has won. Look at the tariff, or grain. There is no need to go further.

Nowegian Pure Cod Liver Oil. Put up by FARKE DAVIS & CO. A wonderful pure vitamin-rich Cod Liver Oil—recognized by leading physicians as the ideal, easily digested food tonic for all ages. Nothing better for the prevention or after effects of colds. On's \$1.00 per large bottle at THE 2 MACS DRUGSTORE 148 Great George Street Mail Orders Given Prompt Attention.

MORSE'S TEA. A favorite since 1870. This column is open for the discussion by correspondents of questions of interest. The Charlottetown Guardian does not necessarily endorse the opinions of correspondents.

say that conditions are not so black as they are being painted by some. As for the embargo, I think it was a big mistake for anyone to go from the Maritimes to ask that embargo be lifted. Men from Ottawa are the ones to go, and go prepared to offer something in return. Why has nothing been done before this year? This is not the first year we have had to sell below cost since 1925. Prices are very low this year, I'll agree. I think a lot of good will come out of these hard times by turning men into more mixed farming. As to the boycott of British goods, that word should never have been spoken.

I am, Sir, etc. WALTER PAXNE, Florenceville, N. B., Feb. 12, 1932.

P. W. C. UNIVERSITY?

Sir,—I read with interest the results of the discussion of that scholarly group of students at Wolfville, and came to the conclusion that the adoption of such a system would be our ruination. What a picture this group dazes our eyes with! The 500 public schools of P. E. I. presided over by as many mighty B. A.'s.

There is no better way of lightening the financial burdens of aspiring teachers than by making them spend an extra four or five years in Charlottetown, where the cost of living is as high as in any other Maritime city with the exception of Wolfville. At present there are about 30 students in P. W. C. taking third year work, which is the initial step in gaining the coveted B. A. How are the other 570 to be provided? Although we are getting more sophisticated year by year, yet we will be interested to watch the development of "Island Students' plan. But have we a mental genius capable of directing these changes? I doubt it. I regret that I have no plan for the training, (without a normal school) of teachers for our schools.

I am, Sir, etc. ISLAND FARMER, New Perth, P. E. I.

THE NEW P. W. C.

Sir,—During the next two or three weeks our people, particularly the producers of wealth, might well give their special consideration to Provincial Government affairs. When the Legislature is in session party animosities are naturally fostered and problems cannot receive as fair or sober consideration as in the interims preceding and subsequent to the gathering of the party gladiators. I am sure that the Press and our public leaders will alike welcome public discussion of the outstanding problems.

The reduction of the cost of Government and Government services to a plane in some measure at least proportionate to the reduction in the revenues of our primary producers—our farmers, fishermen and

fox ranchers—is perhaps the most important problem of the day for this Province. A comparison of the total Provincial Government expenditures of say 1911 and 1921 with those of 1931— Followed by a comparison of the farmer's earning power of say 1911 and 1921 with that of 1931— Would certainly provide a basis for very serious thought, and would surely cause patriotic Islanders to pause and think things out. But just now I want to say a word only in respect to the construction of the new building which the Province must soon provide. Any new money that is borrowed by the Province in the immediate future will have to pay interest at the rate of at least six per cent, and to pay interest at six per cent, it will take just fifty per cent. more potatoes or eggs or butter than it does to provide interest at four per cent, which used to be considered a fair rate for Provincial debentures.

The need for economy is then at least fifty per cent. more apparent today than it was some years ago; and we will be therefore more willing to give consideration to what Mr. Govan (the architect whom the Government brought down from Ontario) said in his address in Charlottetown about the great sums of money that have been wasted in the erection of public buildings all over America throughout the period of prosperity, and the inefficiency of most of those buildings in respect to heating systems, waste of space, extravagant upkeep and other factors. It seems to be a quite general idea, according to the newspapers at least, that the new Prince of Wales

(Continued on Page 8)

The Poet's Corner

WHEN ROSELEAVES FALL When roseleaves fall in evening cold To mingle with their mother mold, Look to it lest thy heart be set To seek strange blossoms and forget The roses and their sway of old! Run not to lesser blooms! nor fold Unto thy heart the creed those hold Who stand like Stoics by and let Their roseleaves fall! But gather them as precious gold; Rich-sped, high-placed, and orient-bowled, They shall be summer to thee yet, What though they fade and thou regret, Thou canst make theirs a boon untold When roseleaves fall. —Arthur Upson

IMPERIAL FOX BISCUITS. The SECRET of SUCCESS in FOX RANGING is The Regular Feeding of IMPERIAL FOX BISCUITS. Seasonal changes in formula make "Imperials" an all-the-year-round fox food. EVERY SEASON is the RIGHT SEASON to feed "Imperials." Manufacturers: IMPERIAL BISCUIT COMPANY, Ltd. Charlottetown, P. E. I.