

Revaluation Consequences

MONTREAL, July 27—Revaluation of the Canadian dollar to parity with its U.S. counterpart might prove premature at this time, the Bank of Montreal suggests in its latest Business Review, issued today. Devoting the current commentary to an analysis of the cases for and against revaluation, the B of M also concludes that much could be said for a flexible rate, responsive to changing conditions.

On June 5, the report begins, the Minister of Trade and Commerce told the House of Commons that, while the present discount on the Canadian dollar might continue for five years or ten, there was always a possibility it might not continue for "very long." He added that certain factors made him doubt whether the period might not be shorter rather than longer. "It would not appear," the bank says, "that the foregoing comment, made rather casually, and indefinitely as to timing, should be construed as anything more than the expression of a personal view. Governments do not obligingly announce the imminence of rate changes. The technique, for reasons readily apparent, must rather be that of the 'bolt from the blue.'"

Trade Balance Shift

To aid consideration of the influences underlying the dollar's exchange value, the review compares Canadian merchandise trade for the first five months of 1949 and '50. It notes the "almost spectacular" reduction of both Canada's adverse balance of merchandise trade with the United States and of its surplus in trade with the United Kingdom. The concurrent narrowing down of these contrary trade balances is in itself a cause for satisfaction. But it is less gratifying that progress toward equilibrium in Canada's overseas trade was largely effected by reducing exports to these traditionally important markets, a reduction not quite offset by buoyant shipments to the United States.

If Canada's dollar were moved back to par U.S. and if sterling and other important currencies re-



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It's just as well an elephant never forgets, or keeper Tom Bartlett would be finding this trick more breath-taking than it is. Rosie at Bristol zoo, however, can be taught.

Aussie Business Heads Discover Lobster Tails



LOBSTER FOR AMERICA starts its career in Australian waters. Here a caught lobster is taken from the trap on the first leg of an all-refrigerated trip.

By NEA Service

GERALDTON, Australia—(NEA)—"The lobsters are crawling" is the cry along the rocky coasts of southern and western Australia. To the Australian fishermen, that cry is good news.

In the last two years, the big land Down Under has discovered there's a lot of American dollars to be had in the lobster trade because of the demand for the rock lobster tails Australia has in abundance.

An American, Leo B. Harford, formerly of Inwood, N.Y., helped discover the new export bonanza. He saw the possibilities when he was in Australia with the U.S. Air Force. After the war, he returned to settle in Australia and lobster export companies.

First, however, Harford and other packers had to lick the one big problem—how to transport the highly-perishable lobster tails. They solved it with an unbroken chain of refrigeration stagings that begin at the fishing ports and finish at the point of delivery to the consumer in America.

The lobster fishermen, who give up their net fishing operations during the six-month lobster run, work in a maze of reefs extending over 50 miles of the Abrolho Islands. They drop baited pots in the ocean in the early morning. Twenty-four hours later, they return and bring their catch back to their depot, usually one of the islands. A two-man boat team can earn as much as \$1300 in six days. Luggers put out from Geraldton, in the western part, every week, stopping at the various islands to land supplies for the men and to pick up the week's catch. The luggers rush back to Geraldton with the lobsters in bags.

Since the packers will not accept dead lobsters—they've learned that it doesn't pay to process dead ones—speed is essential. After being taken from the water, a lobster will live at least 12 hours. The luggers have to get the catch to the factories within that time.

No matter what hour of what day they reach Geraldton, the call goes out for all hands to help in the processing. Cars are sent out to round up the fishermen's wives, sons and daughters to go to work. There's no rest until the whole boatload is processed.

The tails are removed, the innards taken out and the flesh washed a dozen times. Drained and graded, the tails are wrapped in cellophane, boxed and taken into chambers for quick-freezing. Less than a half-hour elapses between the time the tail is removed until it is frozen. Trucks then take the frozen tails to the ports for shipment to America.

What's left of the lobster—the legs, claws and head—is ground down into poultry food meal. Some of the larger specimens found in southeastern Australia have excess meat in the legs and claws, which is packed and exported.

Australia's Department of Commerce exercises rigid control over the lobster catch, 75 per cent of which is exported. Lobsters can't be sent out of the country without export permits. They have to be processed in registered plants, and graded and packed according to regulations. Even the temperatures in which they are frozen and shipped are fixed.

DAILY CROSSWORD

ACROSS

- Ground grain
- Persian coin
- Negligence (Law)
- Ant
- Capital (Mex.)
- Come into view
- All correct (abbr.)
- To be in debt
- Watch secretly
- Everlasting
- Century plant
- Measure
- Painful spot
- To be spiritless
- Emmit explosive sound
- Masculine name
- Mexican state
- Wager
- Crow's cry
- From
- Apprehend
- Commanded
- Northern constellation
- Biblical king
- Whirled
- Expression of sorrow

DOWN

- River (Mich.)
- Old measure of length
- Highest mountain (Phil.)
- Music note
- Revelation
- Mischief
- Location of Iowa State College
- Jump
- Cry of a dove
- Attempt
- Beard of rye
- Metallic
- Arizona
- Shield
- Cutting tool
- Feline rock
- Not good
- Blunders
- Snare
- Each
- Boundary
- Donkey
- Indian weight
- Repetition in inverse order (Rhet.)
- Point (Law)
- City
38. Nourished
40. Shield
41. Chief deputy (Baby)
42. Macaw (Braz.)
44. Exclamation

Yesterday's Answer:

38. Nourished
40. Shield
41. Chief deputy (Baby)
42. Macaw (Braz.)
44. Exclamation

DAILY CRYPTOQUOTE—Here's how to work it:

AKYDLBAAXE
LONGFELLOW

One letter simply stands for another. In this example A is used for the three U's, X for the two O's, etc. Single letters, apostrophes, the length and formation of the words are all hints. Each day the code letters are different.

A Cryptogram Quotation

VDN BRLJV SPORKDVM QSFJN SQVJ
IAV EM GSLVRSF, EFV EM KNINLSP
PSCJ—GAGN.

Yesterday's Cryptoquote: I WILL KILL THEE A HUNDRED AND FIFTY WAYS—SHAKESPEARE.

Business Spotlight

(By Forbes Rhude, Canadian Press Business Editor)

One of the difficulties in talking about inflation is that we don't know what we mean when we use the word.

It used to mean what happened in Germany after the First World War, when it might take a wheelbarrow load of marks to buy a meal.

Gradually the meaning has come to be modified to the point where we use it to refer to any considerable rise in prices.

The concise Oxford Dictionary gives the following meaning: "Abnormal increase of the currency (for example) by the issue of inconvertible legal-tender notes."

By that definition, or by reference back to what happened in Germany, we do not seem to be in danger of "inflation."

Perhaps it would be better if we just used the term "higher prices" to refer to the condition which we have been experiencing and with which we are threatened.

We have since the First World War been experiencing what pre-1914 would have called "inflation" if it had envisaged it. Yet there can be little doubt that the average person is much better off than he would have been in pre-1914.

Even if he is "broke", he is "broke" paying for more things. He is no more "broke" and he has more to show for what he has spent or is spending. As a matter of fact he is not so "broke" because people at large have more money in the bank.

What it seems to boil down to is this:

By a sort of tug-of-war process, prices have gone up and people have been given more money. It would have been difficult and probably impossible in 1914 to have suddenly established this condition of higher prices and more money, but that is the way it has developed, and people are better off for it.

It all has a relation to the ability of people to produce goods, but we don't know the principles well enough to say that if you increase production of goods by so much you can increase incomes by so much.

We don't know the principles and we are scared all the time that the whole thing will get out of hand and that we shall find ourselves in a mess.

Perhaps some day we shall arrive at a formula. Meantime we have to continue by the method of trial and error, with every one trying to use as much common sense as possible.

If, given a set of conditions, we try to envisage what they will lead to in two, three or five years, we may conclude that the answer is disaster.

If we do, we are underestimating our proven ability to deal with things as they arise. For the condition of two, three or five years from now won't come on us overnight and we have developed a remarkable capacity of adjusting ourselves to the extraordinary conditions of our times.



FOOT SOLDIER—Somewhere in Korea, a lone South Korean Army soldier makes his way barefoot from the front line. Apparently he can make better time with his shoes off. His equipment, including uniform, is American. (Photo by NEA-Acme staff photographer Ed Hoffman.)

Polio Strikes U. S. Community

WYTHEVILLE, Va., July 27—(AP)—Polio has struck this southwest Virginia community with terrifying severity.

Fifty-nine cases—one per cent of the town's 5,500 population—is the count to date. Eleven have died in the town and surrounding county of Wythe (pop. 28,000) since July 1. The county has had 16 cases.

Another Passenger On Elevator

VANCOUVER, July 27—(CP)—An elevator left the first floor of a downtown hotel here with three passengers today and arrived at the ground floor with four.

The new arrival was a baby girl—born to a woman rushing to hospital.

Later both were reported "doing fine" in the hospital's maternity ward.

Farmers, Fishermen, Cottage Owners and Labourers

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Silk Blouses and Gabardine Skirts.
Shortie and Rain Coats.

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ATTENTION SWINE BREEDERS

Mr. Frank Baker, Winnipeg, is coming to judge swine at the 1950 Charlottetown Fair. He plans to select two or more car loads of gilts and boars from spring litters. He is interested in stock from qualified sows and sows now on test. All breeders of registered Yorkshires should notify the undersigned at once with information on what stock they have on hand to meet the above requirements. Only well-developed, healthy animals will interest Mr. Baker.

P. E. I. SWINE BREEDERS' ASSOCIATION,
Box 489, Charlottetown.

OUT OUR WAY BY J. R. WILLIAMS

TH' GUY HAS A MIRROR IN HIS TOOL BOX, AN' LOOK AT TH' BOSS—HE SAW MOVEMENT IN IT AN' THOUGHT IT WAS A TELEVISION SET! I DID, TOO, BUT IT DIDN'T STARTLE ME THAT MUCH!

WELL, A BOSS'S INDIGNATION RISES—HE HAS BOTH SURPRISE AND INDIGNATION TO RECOVER FROM, AND YOU ONLY HAVE TH' ONE!

THE VISIONARIES

7-28 J.R. WILLIAMS
COPY, 1950 BY NEA SERVICE, INC. T. M. REG. U. S. PAT. OFF.

YOU CAN'T WEAR YOUR BEST TO PLAY IN AND I'VE GOT TO FIX YOUR OTHERS! BUT IF YOU'RE IN A HURRY TO GO OUT—WELL, THIS IS IT!

BUT PLEATS! GOOD GOSH, I'LL HAVE TO LOOK THROUGH MY PANTS TO SEE TH' SIDE-WALK!

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7-27