

Was Canada Wise in the Recent Financial Crisis?

Or Was the Australian Plan the Better Method to Use in Meeting the Situation that Faced All Countries. Interesting Discussion from Western Standpoint.

(From Globe and Mail)
 Winnipeg, Man., Nov. 29.—(By Air Mail)—Currencies of Australia, Argentina and New Zealand depreciated in terms of the British pound during the depression and thus permitted exporters to sell on a favourable basis their wheat, wool, mutton, butter, cheese and other primary products. The dollars of Canada at the same time appreciated in terms of British pounds and made it more difficult for Canadian producers to sell wheat, timber and other primary products in the United Kingdom. Primary producers in the

doubly concerned.
 In 1923 England got her supplies of food from abroad at an average price in sterling about 45 per cent. of the price before the depression. This low food cost was one of the principal agencies in British recovery, permitting more money to be spent at home out of the national income. This gain to England meant a loss to the producers abroad, but the Australians in 1931 "allowed" the rate of exchange to go against them or deliberately brought about that effect, so that it took 1.25 Australian pounds to buy one British pound, which immediately gave 25 per cent. more Australian money to Australian exporters, while the Canadian policy in 1932 resulted in a decrease of 20 per cent. in Canadian money to exporters for sales made in pounds sterling. New Zealand and Argentina got results comparable to Australia by following the same policy. Yet these three countries compete with Canada in selling the same products to the United Kingdom.



MR. and MRS. ERNEST A SIMPSON
 Ernest A. Simpson, the London ship broker who was divorced by the then Mrs. Wallis Warfield Simpson so that she could marry the Duke of Windsor, and his new bride, Mrs. Mary Kirk Ruffray, childhood chum of the ex-Mrs. Simpson at Baltimore. The wedding took place at Fairfield, Conn. Nov. 18. They're shown after the nuptials.

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That sounds like a strong case so far, but there is another side.

What Is the Other Side of Case?
 During the period under review by the Manitoba brief a Westerner from Alberta, Right Hon. R. B. Bennett, was premier of Canada. It is to be presumed that he was fully seized of the Western case and if monetary depreciation could have been put into effect with only good results for the West, it would have been. The case for following Australia's example was ably advanced many times in Parliament during this time. Why did Canada not take the easy way taken by Argentina, Australia and New Zealand? There must have been good if not sufficient reasons.

Let us answer that question in part with another question, what would have been the unfavourable results, if any, of aligning the Canadian dollar with the Australian pound? I see three off-sets: First, governments and municipalities would have had to find more money to pay principal and interest on their foreign debt.
 Second, importers, in paying more Canadian money for goods they import, the brief itself states, "may be said to contribute in large part" the additional funds received by exporters.
 Third, tax-payers would have to provide the wherewithal for the Dominion to maintain for an indefinite period a policy of buying foreign funds in sufficient volumes to keep the Canadian dollar at a discount in so far as importers did not provide the extra funds by their buying.

On the first unfavourable factor all will agree—though Australia offset it by refunding operations which placed all public debt at lower interest rates.
 On the second point all will agree with the very important exception that the raised price in Canada on imports may be prohibitive to the Canadian importer, who therefore does without or buys locally. The price of imported units may be higher, but the actual total paid for imports may decline, and that would mean a loss to the grain exporter because—according to good, old orthodox economy—it is imports of goods and services which largely pay for exports. So, for an apparent gain, the Westerner might in this case be suffering a real invisible loss.

Supposing Canada Did Follow Australia
 Would the Prairie farmers actually have received \$47 millions more annually for the grain they did export if the Canadian exchange had been depreciated 25 per cent., as was the Australian? The Manitoba brief gets that extra \$47 millions annually by calculating a 25 per cent. increase on actual exports as a result of British pounds being exchangeable under the supposed conditions into 25 per cent. more Canadian dollars. But the brief adds the significant words, "always assuming that such action would have had no effect on the sterling price of wheat."

In "always assuming no change in the British price for wheat under such supposed conditions, it is necessary to assume that the Liverpool or other British buyers would not seize any available chance to force a lower and therefore more favourable price (from their standpoint as buyers). It is necessary also to assume that Argentine, Australia and New Zealand—obliged to sell their crops—would not have gone still lower. The greatest skill in exchange juggling could not change the basic price factor that there was a huge overhanging wheat surplus, that continental countries were trying self-sufficiency, and therefore shutting out wheat and flour from Canada and elsewhere, and that a maze of tariff, exchange and quota restrictions were preventing the flow of trade which would have made possible a larger outward flow of wheat and repayment in goods.

Would British Buyers Have Taken More Wheat?
 Would British buyers have taken more wheat than they did if Canada had depreciated her currency? As it was they bought all they needed. Therefore, some body of exporters would have sold less. I agree that the sufferers would have been the Argentinian and Australian exporters of wheat unless they maintained their former

Man Crushed Under Truck on Highway

Kirkland Lake Driver Meets Death in Mysterious Way.
 Rouyn, Dec. 1.—With his shoulder crushed under the left rear wheel and his body virtually breaking the course of his two-ton truck into the ditch, Richard Daniel McConnell of Kirkland Lake, age 27, was found on the Chemin highway, about a mile out of Rouyn, at around 8 o'clock Friday morning, where he had apparently lain dead for several hours. The truck was on its way to Kirkland Lake.

The call came through to the Rouyn police by telephone from a man cutting gravel and Chief Tissot and Constable Larose drove out to the scene of the fatality where they found the truck on the left hand side of the road pointing in the direction of a ditch that ran under the highway. In fact, the front wheels were already down the slope, with the rigid body of its driver lying on its side full under the truck with his left shoulder held by the wheel and his arm almost severed between the twin tires.

The truck had to be moved for extrication of the body which was conveyed to Darby's morgue. The opinion was expressed by the police that as the victim could not possibly have fallen in such a position, he had crawled under the truck to examine something and it had moved while he was there.
 As the accident happened outside of the Rouyn limits the case was turned over to Staff-Sergt. Morel of the provincial police who testified at the inquest held by Coroner G. A. Rioux at Darby's Undertaking Parlors the same night.

The coroner dwelt at some length on the possibility of liquor and elicited from both Russell and Laderoute that they had "had a bottle of beer" and a "shot" of Scotch on the Macamie Road and another "shot" while the gas tank was being filled. Mrs. Stelena Jessup, McConnell's sister-in-law testified to his calling on her and while admitting she had noticed he had had a drink asserted that he was none the wiser for it and had drunk a bottle of beer at her home. He had arrived at her house 11:20 and left about midnight. The other two witnesses also asserted that McConnell was not intoxicated but in good humour.

The jury brought in a verdict of accidental death, after which Mrs. McConnell, the wife of the deceased who was present at the inquest protested against the conclusions that were drawn from the evidence, pointing out that her husband had been driving since he was 16, that he was a good mechanic and it is not likely he would get out of his truck and lie under it if it were not safe for him to do so. "If someone did not start the truck for it to run over him, how did it happen?" she asked the coroner. Furthermore she declared that her husband was not addicted to drinking and that one or two drinks would not go to his head. She also asked how it was that the cab door was closed after him, but while that was asserted in the court testimony, it must have

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Baronet Grateful to Girl Who Helped

Sir James Chernocke Faced Chance of Arrest for Murder to Seek Girl who Aided Escape.

Sir James Chernocke was wanted on a murder charge in New Mexico. He had gone to the assistance of his ranch partner who was being "framed" on a "rustling" charge, and in the battle that took place the baronet (though he was not then a baronet) shot a man, Joan Chandler, his partner's sister showed rare pluck and cleverness in helping the escape of Jim Weston, as he then was called. With a baronetcy and a fortune accompanying it, this was James Weston, or Sir James Chernocke, hears that Joan needs his aid. In gratitude he dares danger of arrest or violence from old enemies and returns to seek Joan. His fiancée, another plucky girl, accompanies him, and then all sorts of complications ensue. Yes, you guessed it! He found Joan and he found also that he loved her, had always loved. You guessed that, but can you guess the rest—just how it all turned out happily and romantically? Read the opening chapters of the new serial being published by The Advance. It is called, "Second Time West." It is a thrilling story of adventure and romance in two hemispheres. The author, T. C. Bridges, is noted for the way his stories hold interest and attention. There is action in every chapter, and it all makes pleasant reading. Start at the very start. There is a first instalment of generous size in this issue, and similar instalments will follow in each succeeding issue of The Advance. Hundreds were delighted with the serial just concluded; they will be equally well pleased with "Second Time West."

Sudbury Star:—Burwash escapes are almost as common these days as trans-Atlantic fliers in the post-Lindbergh era.

been closed later for when the Rouyn police arrived at first the door was open, and there was water on the seat from the wet weather outside.