

terms as the practice of exchange rates on fluctuating currencies lead to chaotic conditions. On a gold basis there will be no exchange money rates as almost every nation can pay a trade balance in gold through the established clearing houses.

8. Stock Markets control: Stricter control should be exercised on exchanges which are for the purpose of buying and selling not for gambling on fractional increases in values. The percentage on marginal purchases should be set by Government and at a figure that will tend to discourage the use of savings or bank loans for the purpose of marginal trading. Government inspectors should carry out periodical inspection of brokers books and force them to have stocks as called for in books.

9. Industrial Capitalization: This requires overhauling and increases in capital out of profits prohibited by law (such as watering stock). Industries wishing to increase capital should re-incorporate at the higher figure and pay for additional stock out of personal funds or sell the stock on the public market. Over capitalization should be carefully watched as it is often a way of profiteering at public expense.

10. Foreign Investments in Canada: The Government should take cognizance of foreign investments in Canada as interest and profits of such investments must be met in gold. The amount of such investments should be controlled unless we want our natural gold deficit to keep on increasing. There is no doubt that we could borrow funds to carry on such ventures as is being made by foreign investments therefore the return allowed on such should be comparable to the interest rates we would pay did we borrow funds for such purposes.

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