

WILL PRICES RETURN TO A PRE-WAR LEVEL?

Very Few Willing to Hazard Statement on What Likely to Happen.

CONDITIONS TODAY ABSOLUTELY UNIQUE

Review of Situation in Commercial World Today—Gold Has Not Depreciated.

During as we are through a period of reconstruction of commercial values, there is continually being asked that all important commercial question, "When will prices reach a normal level?"

It is seldom one meets a person who will risk his reputation in attempting to answer that question, and usually the person to whom the question is asked will refuse to make a guess, or, at best, will say, "Prices can never go back to pre-war levels." A year or more ago this remark was heard coming from those interested in practically all lines, but today it is not coming from all quarters with quite the same tone of conviction. There are some signs of wavering and instead of the positive statement that prices cannot go back to where they were in the early months of 1914, we are beginning to hear the question, "Will prices go back to pre-war levels?"

Conditions Are Unique.

The commercial world never experienced conditions similar to those existing at present, and any conclusion that may be arrived at can only be one of theory and not one based on experience, and as such should be taken for what it is worth. But if we consider what happened after any of the wars of the last century which were of sufficient magnitude to effect an upheaval in commercial values as likely to be repeated, we may expect declining prices until they reach a point perhaps even lower than the pre-war level.

High Levels Unnatural.

The high prices of values were not natural values and as anything unnatural cannot exist for any length of time, what was unnatural is now going on and prices are seeking their natural position. In a general way they were in that position before the war. The values of that time were brought about by commercial evolution, a very slow and gradual change extending back as far as commercial history goes. During all those years any unnatural changes were followed by reactions and in most cases the reaction carried prices beyond the natural level in the reverse direction for a short time. But eventually they came back to their natural positions and the gradual change or evolution continued, upward or downward as the case may have been.

Necessity Values Rule.


The value of necessities (including

labor and money), is the most important factor in controlling the value of pretty much everything. Most things have a value based on the value of necessities and each particular line of the necessities has its relative value to the other necessities in the value of a bushel of wheat affects the value or price of a pair of shoes, and so on through the lines of necessities and other lines the price of which are controlled by the law of supply and demand. It will be the law of supply and demand operating first on necessities which will determine whether or not prices will decline to the pre-war level. The prices of necessities are not controlled by conditions existing in any one country. If they were and we had to consider only the conditions in North America, we might safely conclude that prices would never go back to the pre-war level, but the world's commerce is a position that the conditions in one country influence conditions in others, and in trying to form an opinion as to what extent outside influences will effect our prices, we must take into account the exchange situation (the relative value of the currency of one nation to the value of the currency of other nations), because of the influence this will have on both supply and demand through out the world. In countries whose currency is depreciated the country's high price encourages production and reduces consumption, leaving the surplus production to be sold in outside markets.

No Depreciation in Gold.

Nearly all nations have the same gold standard as the basis of their currency; there has been no depreciation in gold currency in any country; the Canadian five dollar gold coin and the British sovereign are worth as much in the United States today as they were before the war. The depreciation which has occurred applies only to paper currency. Bank notes or bankers' bills of exchange, and while there has been a depreciation of the value of our paper currency in Canada, do our people in forming their ideas of values recognize this depreciation? It seems fair to assume that the people of each country in arriving at an opinion of values do so on the basis of their own currency, and the effect of this should be of great importance in reducing the cost of production in countries whose currency is depreciated. As an illustration, the Canadian farmer in hiring labor to produce wheat, feels that if he is paying one dollar in Canadian currency, he is paying the same rate of wages as the American farmer who pays one dollar in U. S. currency and the labor employed is of the same opinion. But when the Canadian sells his wheat, say to Great Britain in competition with the American farmer, the labor costs are greatly in favor of the Canadian, and if we would seem that those countries whose currencies are depreciated are going to receive certain benefits in competing in the world's markets in proportion to the depreciation of their currency.

We have an illustration of this in the rapid recovery of France after the Franco-Prussian war. When Germany fixed the amount of the indemnity France had to pay, it was thought it would take France at least 40 or 50 years to pay it, but France was able to pay the amount in about three years. To a great extent due to the benefits she received through the depreciation of her currency, she was



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ESTIMATES OF THE HARBOR DEPARTMENT WERE TABLED

Statement Submitted to the Common Council Yesterday Shows a Probable Deficit of \$10,000 on the Year's Operation.

Commissioner Bullock yesterday presented to the council an estimate of the expenditure of the harbor department for the year. This showed an estimated deficit of \$10,000 and if the receipts are not as big as last year it will be more than that. Following are proposed expenditures including interest and sinking fund:

C. P. R. Wharf	\$ 5,100
Union Wharf	52,770
South Rodney Wharf	49,190
North Rodney Wharf	1,800
Wellington Wharf	6,130
Nelson Wharf	1,000
South Wharf	14,900
McLeod Wharf	3,000
Peeling Wharf	12,115
New Pier	1,580
Reed's Point Wharf	3,770
Sydney Market Wharf	6,710
Heating C. P. R. Rest Rooms	810
Furnacemen West Side	570
Watchmen, West Side	16,590
Sweeper, West Side	4,140

Proportion Commissioner's Salary	1,500
Proportion Engineer's Salary	810
Harbor Master's Salary	2,700
Harbor Chief Clerk's Salary	1,300
Proportion Stenographer's Salary	300
Proportion Chief Clerk's Salary	200
Clerk's Salary	313
Craftsman and Inspector	8,130

Harbor Sundries

Blue print machine, power, paper, etc.	\$ 350
Printing, stationery, note books, etc.	250
Office Rent	500
Car & Ferry Tickets, telephone and incidentals	500
Lighting	200
Coal	1,760.00
Fire alarm boxes, extinguishers, etc.	1,081.00
Extra Insurance, 3-4	1,875.00
	\$308,574.00
Less amounts to be bonded	8,550
Less Estimated revenues	190,000
	\$102,024.00

able to produce goods for export more cheaply than the countries with which she had to compete. And following the American civil war the United States was benefited in the same way

by the depreciation of her currency. The United States, we might say, is in a position to the rest of the world somewhat similar to the position of Germany to France after the Franco-Prussian war. She has won the financial war and as a result the currencies of the other countries are more or less depreciated in comparison to her currency. Practically all the world is in debt to the United States; the bills must be paid and a large portion of them is going to be paid in merchandise produced under depreciated exchange conditions. How much more cheaply those countries can produce than the United States and how they will force down values in the United States remains to be seen. But if we consider the position of Germany with her currency depreciated to the United States to about one-fifth of its face value in Germany it would look as if it will be impossible for the United States to compete with Germany unless there is a great reduction in values from the level now existing in the United States.

Values Compared.

To compare values in two countries, a bushel of wheat at present prices was worth, say, 50 cents in the United States, or the equivalent of a little less than four marks in German currency. At present exchange rates, if wheat is worth, say, \$1.50 in the United States it is the equivalent of nearly 100 marks in German currency—about 70 per cent increase over pre-war values in U. S. currency and about 2500 per cent over in German currency. If it were possible for Germany to produce wheat at pre-war value (four marks), and there was no change in the present value of her currency as compared with U. S. currency, the United States would have to sell wheat at six cents per bushel to compete with her. Of course this is an extreme comparison but these figures give one an idea of the very great difference in value of wheat in those two countries. Labor does not show quite so wide a spread, but putting German labor at 50 marks (the equivalent of about \$12 per day pre-war), it represents about 75 cents of U. S. currency on today's basis, and so on throughout the line of necessities.

Supply Affected by Price.

Supply is affected by price; high prices increase supply and in each country with the same or opinion of price based on the value represented in the currency of that country, it should tend to greatly increase the supply in those countries whose currency is depreciated, in proportion to the depreciation.

Demand is also affected by price, but in the reverse way. High prices lessen the demand and with prices high in every country each in proportion to the value of its currency, the outlook for some time to come is for a heavy supply and a light demand.

The world is now in a position where the supply of necessities is greater than the demand; the supply is increasing more rapidly than the demand, and we will not have a normal level of values until supply and demand are comparatively equal. To bring about this equalization there must be a reduction in prices to cause increased consumption or demand. This reduction is now going on, and

Bomb Hidden in Safe Saved Cash

Sharpnel Sprayed the Thief Who Was Found in Hospital Later.

New York, April 18.—An improvised sharpnel, composed of buckshot with a liberal charge of gunpowder, concealed in a cash box of the safe in a garage here yesterday resulted in the arrest of a man charged with burglary.

Traces recently the garage has been visited by robbers. The owners then hit upon the scheme of placing the powder and shot in the box in such a manner that upon opening it, the charge would detonate, protecting the shot in a shower.

Sprayed the Thief

Early yesterday the watchman heard a loud report. Upon entering the door of the garage he found blood on the floor. The robber, however, had disappeared, having failed to gather up the money in the cash box.

Detectives notified the hospitals to be on the lookout for anyone applying for treatment of buckshot wounds. Late in the day J. J. Spink applied to a hospital for treatment, and upon examination was found to be suffering from several wounds, apparently inflicted by buckshot.

The police were notified and the man placed under arrest.

CRUISER AT HALIFAX.

Halifax, N. S., April 18.—H. M. S. Cambrian, light cruiser, arrived this morning from Bermuda. The warship has come here to change her crew, the new complement being now en route to Halifax from England.

DIED.

MURRAY.—In this city on April 17, 1921, Josephine E., aged 17 years, youngest daughter of C. R. Band and Caroline Murray, leaving her parents, three brothers and three sisters to mourn. (Boston papers copy.)

Funeral Tuesday morning, 8.45 from her parents' residence, 22 Clarence street to the Cathedral for solemn requiem high mass.

as has already been stated, the world has had no similar experience on which to base an opinion as to what extent prices must be reduced before they reach a natural or normal level. But considering the present average of values in the chief mercantile nations of the world, coupled with the values of the currency or exchange of those countries, it would seem that the American basis of value would have to be reduced considerably before the pre-war level before prices and exchange reach their natural positions.



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Russian Nobles Now Section Men

Grant, Ont., April 18.—Two members of the old Russian nobility are employed as section laborers on the Canadian National Railway between Hearst and Armstrong. The two princes lost all their possessions early in the war. They were exiled to Siberia, but escaped to Vladivostok and crossed the Pacific as stowaways in a tramp steamer. They landed at Vancouver, worked their way to Montreal on C. P. R., then engaged as laborers for the C. N. R.

Germany Is Still Behind in Payment

Lloyd George Declares No Attempt Made Yet to Try War Criminals.

London, April 18.—The German government, said Premier Lloyd George in the House of Commons today, is still in default with regard to reparations, the trial of persons accused of offenses against the laws of war and disarmament. The Germans, continued the premier, have not thus far shown any inclination to advance practical proposals for carrying out the treaty of Versailles in these respects. Therefore it was imperative for the Allies to confer with regard to the further steps which might be necessary to enforce compliance with the treaty.

Reply to Question

Mr. Lloyd George's statement in answer to a question of Commander Kenworthy, independent Liberal member from Hull, as to whether the premier's attention had been called to

Absent-Minded Scientist Visits Cape Cod in Winter For Holiday

Imagine going to Cape Cod in Winter for a vacation. That's what Bala Banga, the eminent Egyptologist did, entirely forgetting that it was January. Mr. Banga recently arrived on the Cape to pay a visit to some friends who had invited him to come last August. Never having been there before he lost his way on the road near Falmouth. He fainted on the door step of one of the best known residents of the town and had to be put to bed. His arrival caused a sensation in the village. During a short stay he was instrumental in bringing together two young lovers who had been separated by an irate father. He cleared up a stock-selling swindle, although he admitted having no head whatsoever for business. The rumor is now going the rounds that Mr. Banga is going to marry the lady on whose porch he so unconsciously fainted. The whole story is delightfully written up by Joe Lincoln in Pictorial Review for May.

the pronouncement of Premier Briand of France and that France, as the questioner construed it, intended to use force against Germany after May 1, and whether British troops would be involved in a new demonstration.

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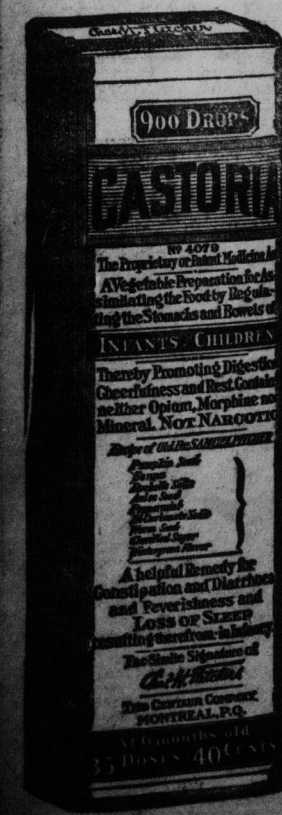
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Making History.

INFANT MORTALITY in past ages has been something frightful, something almost beyond belief, and even today it occupies the time and the mind of leading physicians in all countries. The death rate among infants is being gradually reduced through new methods of hygiene, new preventatives and new remedies for infants. This reduction in the death rate has NOT been accomplished by adapting the precautions taken and remedies used by adults. Rather has it been to keep clear of the old methods, and choose after long research the precautions and remedies specifically applicable to infants.

This being so, is it necessary for us to caution mothers against trying to give her baby relief with a remedy that she would use for herself? Will she remember that Fletcher's Castoria is strictly a remedy for infants and children?



Children Cry For Fletcher's CASTORIA

Of Course You Love Your Baby.

You love it because of its very helplessness, because it can't tell you what is the matter when it feels bad. It can only cry and look to you for help. But the more you love baby, the more you want to help baby, the more you ought to realize what a wonderful remedy Fletcher's Castoria is. It has been used for babies' ailments for over thirty years.

An experienced doctor discovered Fletcher's Castoria especially for babies' use. It is a harmless substitute for Castor Oil, Paregoric, Drops and Soothing Syrups. Doctors who know what is safe and best for babies have only good to say of it.

Don't neglect your baby. Get a bottle of Fletcher's Castoria and give baby a few doses of it. See how the little one smiles at you as it trying to thank you for helping it. Soon you will learn to depend on Fletcher's Castoria, made just for Infants and Children, and of course you would not think of using anything for them that was not prepared especially for Infants and Children. So keep it in the house.

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THE STANDARD COMPANY, NEW YORK CITY.

Fraser's Shut Down

Frederick, N. B., April 18.—The Fraser Company, Ltd., Mills in this city, are shut down as a result of the strike of the men who work at 5 p. m. last night. The men were engaged in a strike working on place work, the car.

The men still are not out of the planing mill but are engaged in making ready for the strike. The leading crew by union officials had over the present order, work at 5 p. m. last night. Whether the strike further work was decided.

The Fraser Company must have today said they had voted to work at 5 p. m. last night. Officials of the union that under to circumstances they return to the car.

John A. Leiper Dies At

Entire Life Spent in muny Where Born in 1857.

Apobated, April 18, the death of John A. Leiper, a resident of this city, after a illness which had protracted, died of pneumonia at the age of 63 years. He was a successful farmer and a resident.

About 23 years ago with Miss Alwilda death occurred five days of four daughters remain, viz. Lucinda, wife of Charles W. Leiper, of Carleton Place, E. C. Robinson, trader and Muriel at the J. Alan Leiper, of Carleton Place, and two sons, Scholard and Mrs. G. of Odessa also survived.

His passing away saved blow to Methodism. He was a member of that church for many years and was a prominent member of the Sunday school of the church and was a prominent member of the church.

The funeral will be held Tuesday afternoon at 2 o'clock, at the residence of the deceased, 100 King Street, where a service will be held at 2 o'clock, which will be in the family home.

Charged With Selling

Lemon Case in Judgment in Charge Today

The case of Ernest Porter, charged with the sale of lemon case, was postponed today until 10 o'clock. D. King Hazen appeared for the defendant, and J. A. Barry for the Crown.

Harry Kent, grocer, pleaded not guilty to the charge of selling lemon case. The man was arrested on the 10th inst. and on going to the court he was arrested. Two copies of the defendant's statement were taken from him. He was released on \$200 deposit and the case was postponed until 10 o'clock.

Andrews pleaded guilty to the charge of selling lemon case. He was released on \$200 deposit and the case was postponed until 10 o'clock.

Samuel Kierstead, a quantity of lemon case, was released on \$200 deposit and the case was postponed until 10 o'clock.

George Brooks, a quantity of lemon case, was released on \$200 deposit and the case was postponed until 10 o'clock.

Logan for the defence.

"No doubt appear do with one's success. But not so much do with one's appearance (physique)."