

pockets and acting the part of the sphinx gaze steadily upon them? In other words he should have stood at defiance. Had he done so I have not the slightest doubt, he would have won out, and thereby saved many of the newspapers making fools of themselves by the indulgence in hyperbolic headlines. People may say the Record does not like James. Well, that may be an open question while it cannot be said that we do not love him, for the Record really does—even in the sense that many of us love the heathen—though we do not like them. The Record has given proof of this love by inviting the Secy-Treas. to repent of the evil of his ways. The Record rejoices at the thought that the famous meeting in Glace Bay will have the beneficial effect of causing the S. T. to think of his shortcomings and resolve to "mend." He himself sowed the wind, and the others—the audience—made it into a whirlwind. He had promised he would give them an ell and when only an inch was forthcoming a little wonder if a gale arose. The Record repeats that it is glad James won out, for "bad and all" as he is, another of the trio and a more reckless man, might have been his successor.

take less from us and to export in increasing quantities to all markets, including our own. Our business men and leaders of industry among both employers and labor leaders should be prepared to adjust their policies to the new conditions as they develop."

Dun's Review, published by one of the leading mercantile agencies, also believes that the peak of the high prices is approaching, if it has not been reached, and that a reaction may set in soon. In referring to the outlook for 1920 this publication says:

"With business having gathered great forward momentum in 1919, the movement may conceivably carry some distance further; but its duration will be largely dependent upon conditions which have not as yet assumed concrete form, and it is significant that there are signs of increasing caution among conservative interests.

"The problem of high prices, becoming more complex as some markets tend steadily upward, is plainly one which is not devoid of disquieting possibilities, as has been frequently reiterated, and the continued evidences of extravagance in personal expenditures are the reverse of reassuring.

"That the inflation of prices and of buying has been carried beyond the limits of prudence and safety is the contention in not a few quarters; and the question as to how soon and in just what way the inevitable readjustment will manifest itself is one of no little importance."

WHEN WILL PRICES LOWER?

There are those who say that decline in prices will come very slowly. There are some who say that a sudden and marked fall would be disastrous. Some declare there will be no decline worth noting for three years, and all seem inclined to the belief that prices will never again be as low as they were half a dozen years ago. Those, not afraid to speak, say a fall in wage rates and an increase in production must come before prices tumble. But, then, the producers do not seem to realize this, and wage men and farmers and manufacturers, all alike, go on the even tenor of their ways, and their way is to ask bigger wages, and higher prices. People do not appear to be seized with the fact that they themselves must play a part in the reduction of the prices process. Here are the views of two reputable American authorities. The National City Bank of New York, possibly the largest bank in the United States in its January circular thus expresses its opinion:

"Assuming that order is preserved in Europe this winter, by the help of supplies of food and such materials as are necessary to the employment of the people, production will be gradually resumed, the demands upon the United States will take the form of regular trade, and prices there and here will be readjusted to a normal basis.

"The present exchange rates will stimulate exports from Europe to this country as soon as goods are available for shipment, and will certainly have an effect upon prices and industrial conditions here. Such raw materials as cotton and copper will be taken from us in larger quantities than now, but the products of Europe will be competing with us in all markets, including our own.

"A turn of prices will come as Europe begins to

THE AUSTRALIAN LABOR PARTY

In 1914 the Labor Party assumed power in Australia. The affairs of the country were fairly well conducted while it held the reins, and yet, in the late elections, the party was badly beaten. Commenting on the unexpected result the Manchester Guardian says:—

Of the political leaders who guided the Allied democracies to victory none has as yet gone down before the calmer judgments of peace. Mr. Hughes, like Mr. Lloyd George and M. Clemenceau, has been returned to power by the recent Australian general election in a contest in which his war record was his chief asset. His victory has meant a disaster for the Australian Labour party such as no one in 1914 could have foreseen. In that year Labour held 33 of the 36 seats in the Australian Senate; it had a generous majority in the House of Representatives; it had ruled the Commonwealth with acceptance for four years, and its future seemed as certain as anything in politics. To-day it is outvoted by more than three to one in the Lower House, and has but a sprinkling of supporters in the Upper; and one of its former leaders finds himself at the head of a Government composed in the main of Liberals, but including Free-traders, Protectionists, farmers' representatives, and a few former colleagues who, like himself, have been cast out by official Labour. Political parallels are dangerous, but the case of Mr.