Bankers On Transition From War To Peace

Vital National Problems Discussed by Bank of Montreal President

George W. Spinney Gives "the Frank and Considered Opinion of a Banker" on Nationalization of Banking

126th ANNUAL MEETING

Strongly Emphasizes Value of Victory Bonds Both During War and After

Problems of vital interest to Canadians in the transition from war to peace were discussed at the 126th annual meeting of Bank of Montreal shareholders yesterday by George W. Spinney, C.M.G., president of the institution. Among the subjects he dealt with were nationalization of banking on which he gave what he described as "the frank and considered opinion of a banker", the value of Victory Bonds in the war and after, and the need for a healthy, vigorous and flexible economy in attaining a high and increasing productivity essential for full employment and decent living standards.

Following a presentation of the profit and loss statement of the bank, as already published, Mr. Spinney spoke as follows:

"On the battle lines throughout the world, the past year has given us much cause for profound thankfulness. On the home front too the year has been one of achievement. But I think that any realistic view of the local scene must lead to the conclusion that the threat of inflation with all its attendant dislocation and hardship has in no way diminished in the past twelve months but has, if anything, increased. Moreover, I do not think it too much to say that by reason of the very successes of the Allied forces, we in Canada are peculiarly vulnerable to the dangers of complacency with a consequent relaxation of our energies at a time when our full efforts should be sustained. In brief, I think we have a situation in which it is necessary for Canadians to draw upon their reserves of sound common sense and their capacity for clear thinking and self-discipline. For it is at a time such as the present that these qualities, displayed by those at home, can have a telling effect on the duration of the struggle and on our ultimate ability to meet and to solve the problems of transition from war to peace.

"Much has been said, and rightly so, concerning the spectacular wartime achievements of Canadian industry — achievements which would not have been possible but for the co-operation and untiring efforts of millions of Canadian workers who have brought to the task of war production the fullest measure of their energies and skill. I should also like to pay tribute to those responsible for no less remarkable accomplishments in two other fields — agriculture and transportation. At no time in the war has food occupied so vitally important a place in the armoury of the United Nations as it does at present. The manner in which Canadian farmers have met, and are continuing to meet, the challenge of vastly increased demands upon them, under extreme handicaps of shortage of help and scarcity of machinery, is deserving of the praise and gratitude of the entire nation. I should like also to say a word concerning the services rendered by our two great railroad systems. Despite scarcity of equipment and manpower, the railways are handling freight and passenger traffic in all-time record volume. The performance of such a task, under trying conditions of operation, and with relatively little inconvenience to shippers of freight and to the travelling public, is an accomplishment of which the management and operating personnel of the railway systems may well be proud.

THE WARTIME WORK OF THE BANK

"I think it would be quite in order for me now to draw attention to the manner in which your Bank has endeavoured in a spirit of service to meet the changing needs of a nation at war. There has been little change in the volume of loans of both commercial and financial character, but in other directions the work has vastly expanded. Transactions in cheques and deposits, Victory Bonds and relative coupons, pouring through our hands, have been immeasurably heavier than before the war. Our safekeeping facilities have been under a severe strain. We have already opened thousands of ration coupon accounts and handled coupons running literally into hundreds of millions. The ramifications of Foreign Exchange control also have added to our responsibilities. It has been necessary to cope with these situations with a staff which, by reason of heavy enlistments, is seriously depleted in its experienced ranks. Of their diligence and loyalty the General Manager will have something to say later on in this meeting.

"In the year just closed, our acquisitions of Government securities were on a reduced scale as compared with the preceding year, notwithstanding a substantial increase in the Government debt. You will, I am sure, appreciate my point when I say this is a development we welcome, since it is a direct reflection of the national effort to control inflation by financing the war to the greatest possible extent by taxation and the sale of bonds to individuals and other non-bank investors. While the continued purchase of short term Government securities is a wartime duty which the Bank is glad to assume to the extent required, we are as one with the Minister of Finance in his desire to see that the necessity for this expansionary type of financing is kept to the practical minimum.

GEORGE W. SPINNEY, C.M.G.
President

"Nor has our attitude in this regard been merely one of passive agreement. For our whole organization has focussed very special attention upon the matter of aiding in the sale of Victory Bonds and War Savings Certificates. I am proud of our record in these great national undertakings. By written word and oral persuasion we have done everything within our power to encourage depositors in this Bank to use their funds to the utmost limit of their ability in the purchase of Government securities and to pledge their incomes to the same end. But that is not all. We have established low rates and special arrangements designed to direct these securities into our hands for safekeeping. The significance of this service goes beyond the elimination of the obvious risks in keeping securities in one's own home, for we know from experience that the investor who lodges his bonds at the bank for safekeeping is thereby helped and encouraged to perpetuate his savings.

VICTORY BONDS IN THE WAR AND AFTER

"You probably have read public statements recently that would imply that the banks and other large institutions have an interest in depriving the individual of his Victory Bonds in accordance with some deep-laid and sinister scheme of concentration of wealth. Such statements, it seems to me, cannot be the result of a thoroughly informed and unbiased appraisal of the facts. First hand knowledge enables me to speak on this point with some authority. As Dominion Chairman of our Victory Loan organization for a period of two and a half years, I was able to observe at close range the thoughtful planning and tireless energy which the Banks, Trust and Loan companies, Insurance companies, Investment houses, together with all other responsible groups in the community, brought to bear in distributing Victory Bonds into the hands of small buyers and in endeavouring to have them kept there. The success which these efforts have attained can in some degree be measured by the increasing number of individual sales which have been made in Victory Loan campaigns. In the First Loan of June, 1941, there were 968,259 subscriptions. In the Loan just closed, there were over 3,000,000 sales, or say one sale for every four persons in the Dominion.

"In my view the widest possible distribution of Victory Bonds in public hands, apart from its necessity under present conditions, has tremendous post-war significance. For if the national debt is distributed among all sections of the community, the processes of repayment will be eased and facilitated. Moreover, the reserve of purchasing power, built up to-day by hundreds of thousands of Canadians through the purchase of Victory Bonds, can play a very real and important part in stabilizing the post-war economy and maintaining employment.

"I know there have been some fears expressed that there will be a rush on the part of individuals to cash their bonds at the end of the war and that the impact of this spending power on goods, which for some time will be limited in supply, will give rise to an even greater danger of inflation than now exists. This is a possibility I am not inclined to accept without reservation, for the desire to save and to provide for the future is a basic human instinct, and a habit which quickly takes root. It is true that in the pre-war years many people were either denied the opportunity, or lost the habit, of saving. During the war, saving has again become possible, and is now not only considered respectable but has been elevated to the position of a patriotic duty. Many people are enjoying for the first time the feeling of independence which only a reserve of savings can bring. I suggest that the will to save can, in large measure, be projected into the post-war years if Canadians see to it that the act of saving continues to be respectable and that the savings of the individual will be respected.

THE INDIVIDUAL AND GOVERNMENT CONTROL

"At this point I think it would be quite in order to make some reference to the much discussed subject of nationalization of banking. For it seems to me that the frank and considered opinion of a banker, who like most other Canadian bankers has come up the hard 'way,' is at least as worthy of a hearing as the views of ardent exponents of theories of state ownership. Let me say, therefore, as a banker, and as a Canadian who has the interests of his country at heart, that I am at a loss to understand what good object nationalization of banking would achieve. Indeed I am convinced that such a move would be productive of consequences gravely detrimental to the community at large.

"To be more specific, I cannot see that under nationalization the many and varied banking services on which the entire business and commercial organization depends, and which everyone is inclined to take for granted, would be performed with greater efficiency and despatch than they are now. I find it difficult to believe that the individual in his dealings with a Government-owned Bank would have a greater assurance of privacy or personal attention to his particular problems than he has at present. May I say too that I can find no need for nationalization in order to place the nation's supply of money under governmental regulation, since the regulation of the money supply is a function already performed by the Government-owned central bank.

"Our position to-day is that there are ten banks actively competing with each other for business; and I can assure you that this competition is real and intensive. Under these circumstances if an individual has reason to believe that he is not being adequately served or that his proposals have not received due consideration by any one bank, there is nothing to prevent him from going to another. I think it is safe to say that under our competitive system a refusal of business by several banks would probably be sufficient evidence that the proposal was not one which, by any stretch of the imagination, could conform to good banking principles.

"The alternative which the proponents of nationalization offer in exchange for the present system of competitive banking is a banking monopoly under governmental control. Under such circumstances once the borrowing requirements of a customer were denied, for any reason whatever, he would have no recourse except through the channels of special pleading or political influence.

"One of the most prominent proponents of nationalized banking recently stated, as one of the points in its favour, that control of finance is a most essential step to control of the whole economy. With the truth of this statement, as applied to nationalization of the banks I would most definitely agree. Set up a government monopoly of banking in Canada, and the socialization of the rest of the economy would scarcely be more than a "mopping-up operation." For if a governmental bureau becomes the only source of day-to-day credit accommodation for Canadian industry and agriculture, the Canadian economy will have already lost its independence regardless of the extent to which any field of endeavour may continue to retain the outward appearance of free enterprise. This, I suggest, is a point that employees, as well as owners and management, may ponder. For if the Government, directly or indirectly, is to attain control of the entire productive facilities of the country, such an important element in production as labour cannot possibly hope that the vast regimentation in-

(Continued on following Page)

Strong Financial Statement Showing Record Resources Presented by B. C. Gardner, General Manager

BANK SERVING 1,200,000 CUSTOMERS

Staff Now 58% Women – Relieving Many Men for Military Duty

With resources at the highest figure in the bank's history, the financial statement presented to Bank of Montreal shareholders yesterday by B. C. Gardner, general manager, reflected unprecedented strength and indicated the extent to which the institution was participating in the nation's war effort.

In submitting the 126th annual statement of the Bank, Mr. Gardner commented briefly as follows:

"Our total assets now aggregate $1,313,565,000 as compared with $1,175,319,000 a year ago. Quick assets aggregate $1,036,610,000, or 84.84% of all liabilities to the public.

"Notes of and deposits with the Bank of Canada amount to $119,856,000 representing approximately 11.33% of all deposit liabilities in Canadian dollars.

"Investments, not exceeding market value, carried at $799,848,000, show an increase during the year of $115,791,000. This increase was mainly in our holdings of Dominion of Canada Deposit Certificates and other short-term obligations of the Dominion Government. Our holdings of Provincial and Municipal securities show some further contraction reflecting the lower borrowing requirements of these bodies.

"Current Loans and Discounts are little changed from the previous year-end figures. Our Commercial Loans continue to reflect the reduction in inventories, the shortening of credit terms, the reduced activities of companies engaged in the financing of durable consumer goods, such as motor cars, the inactivity of financial markets, and the reduction of private debt.

"In valuing our assets, ample provision has been made for all bad and doubtful debts and for depreciation of securities.

BANK SERVICES

"The services of the Bank have been maintained at a high level of efficiency in spite of the greatly increased volume of routine resulting from wartime conditions. The rise in bank deposits has been accompanied by a growth in the number of Current and Savings Accounts and we now provide banking facilities for about 1,200,000 customers under these headings. This increase has been accompanied by an even greater growth in the volume of transactions handled at our branches.

"In the loaning field the Bank has supplied, with Government co-operation, the necessary funds to finance operations of a character that would normally hardly qualify for banking assistance.

"In all of these operations we have little or no criticism from those who use our services and I should like to pay a tribute to our customers and to the public generally for their cheerful co-operation in these difficult times.

BUSINESS ACTIVITY

"The volume of Canadian business activity reached new peaks in the twelve months just closed. During the past five or six months, however, production has remained steady at a high level and it seems reasonable to expect that the index of general business in Canada will not show any sharp increase in the immediate future. Basically, this reflects the fact that we have reached, for all practical purposes, a condition of full employment of human and material resources. This does not mean that more intensive use of existing resources could not result in some additions to our aggregate output. It does, however, suggest that for the duration of the war at least, any very marked advance in one branch of industrial production is likely to be at the expense of some other department of the economy. Already lack of manpower has affected the output of Canadian industries, such as zoo[illegible], lumbering and newsprint.

"The period of huge additions to wartime manufacturing capacity appears to be past, with a reduction in the level of construction activity and the use of construction materials. On the other hand, the demand for materials for the new production facilities brought into being has increased. Moreover, as programmes get further ahead the requirements of the armed forces which necessitate the withdrawal of men from industry and the employment of women in industrial facilities.

"With production and employment at a high level, retail trade has been very active and signs of a moderate tapering are in evidence. This is a consequence of curtailed supplies of consumers' goods, particularly in the durable categories, and is also a result of restraining influences and the voluntary saving undertaken by the Canadian public.

STAFF

"Of our male staff, 62% are now in military service and have the assurance of our continued support. This total includes a large number not subject to military call because of their marital status. A number of others have volunteered but have been unable to qualify on medical grounds. In 1939, 64% of our staff were officers, 30% stenographers and women clerks and 6% messengers; you will agree that this is an important change in the composition of our staff.

"We have been asked to have loaned additional officers to the Government and we are happy to know they are acquitting themselves well in their new tasks.

"It is a source of satisfaction to us that a number of our men now serving their Country have won military decorations on the field of battle. Ten members of our staff have been reported as prisoners of war and one reported as missing. Our hearts are with their relatives and friends and it is our earnest hope that the day is not far distant when they will be returned to their families. I have to record with deep regret that one of our men have paid the supreme sacrifice. Their memory is rich in the traditions of our bank and our deepest sympathy goes out to their relatives and friends.

"I should mention that we have given a great deal of thought and study to the matter of reabsorbing our men from the Military Service and have been prepared to enable them to enter their rightful places in our organization when they return. It is our expectation that, in view of the duration of hostilities, their long absence from the life, members of our staff who have entered the Armed Forces or their allied services may require assistance in re-establishing themselves in civilian life and we are, therefore, prepared to provide financial assistance where the need is clearly indicated. They may be assured of a warm welcome back to our service.

B. C. GARDNER
General Manager

STAFF UNDER HEAVY WARTIME PRESSURE

"By all standards the past year has not been an easy one for the Staff, who have worked long hours and have performed their many and varied duties with courtesy, efficiency and despatch. I cannot speak too highly of their loyal services. The increased volume of routine plus special wartime duties have entailed many extra hours of work. Especially are we mindful of the heavy pressure upon our Managers, Accountants and other senior officers who have had to train inexperienced employees in the handling of relatively senior posts, very often on short notice. We have been impressed with the way in which our women clerks, both permanent and temporary, have risen to the occasion. They are doing splendid work and, without them, either we could not have carried on our full banking services or we would have been forced to ask for the deferment from military duty of some of our experienced personnel."

—B. C. Gardner at Bank of Montreal Annual Meeting.

CALLS FOR CLEAR THINKING ON POST-WAR PLANNING

"Underlying all the talking and thinking about post-war planning which we hear so much of to-day is the determination that out of this war there must come a better Canada, and that those who have fought and worked for victory must be assured of an opportunity as free and independent citizens to obtain and enjoy for themselves and their children the material benefits of the freedom they have helped to defend. No one will deny that in the accomplishment of these purposes there will be a place for governmental measures wisely conceived and administered. But I suggest that the real basis for full employment and decent living standards is a high and increasing productivity that will be possible only in a healthy, vigorous and flexible economy. We shall be in great need of initiative, imagination and inventive genius. And as we value our political freedom and our economic future, we must guard against the doctrine that the way to achieve the post-war objectives we seek is to confine the Canadian economy in the straitjacket of governmental regulation, ownership and control. Such a doctrine ignores political and economic realities as well as some of the permanent frailties of human nature and rests upon the assumption that government ownership and control are inherently superior and individual ownership and enterprise inherently vicious. My hope would be that Canadians will never, through indifference or lack of clear thinking, acquiesce in the creation of an economic order in which enterprise and initiative, the spur of competition, are regarded as of little value or low reputation.

"The whole subject is one of vital national importance and I am confident that you, as proprietors of this bank, would be the first to be the first to [illegible] that it would have been recognized on my part if at the present time and place, I had failed to state my views. This seems to me to be a proper time and proper place."

—George W. Spinney at Bank of Montreal Annual Meeting.

BANKERS ON TRANSITION FROM WAR TO PEACE

NATIONAL PROBLEMS DISCUSSED BY BANK OF MONTREAL PRESIDENT

(Continued from preceding Page)

would apply to everyone [illegible] pass the workingman by. The primary aspects the [illegible] of nationalized banking is [illegible] monopoly versus competition in the field of credit; and within these limits it concerns everyone owning or depositing a Canadian enterprise. I may have need of day-to-day seasonal credit accommodation. In its broader implications the issue is that of individual liberty of action as opposed to the concept of a central government supreme not only in the field of legislative powers but in possibilities, but in the [illegible] of business, industry and labour. This would mean the domination by a central authority of all bodies public or private which require recourse to credit.

THE BANK IN THE POST-WAR YEARS

"For 126 years this Bank has played an important part in the commercial and industrial development of the Dominion. In all that time our facilities have been freely available to the Canadian people in the exercise of banking functions, conducted in all their aspects, without bias or political prejudice, and in accordance with principles which experience has proven to be sound. In this, we have I think played a not unfitting part as the oldest representative of the Canadian banking system. Long traditions of soundness, sane and experienced management, fair and confidential dealing, plus the competitive spur to progressive outlook and efficiency, have all combined to build this system that is serving the public well. I am confident that your Bank is well equipped to do its important part towards meeting the problems and opportunities of the post-war years in a continued spirit of enterprise and helpfulness to the whole community."

RADIO REPORTER

By REX FROST

[illegible] you made the acquaintance [illegible] that newcomer to the Sunday airwaves between 6 [illegible] o'clock over the recently [illegible] CBC station CJBC — "Hall of Fame"? Here's a [illegible] of top notch entertainment [illegible] men of merriment, music [illegible] songs. Paul Whiteman is [illegible] maestro, and each Sunday [illegible] radio, stage and screen [illegible] the Hall of Fame either [illegible] individual personal interpretation or in a condensed version [illegible] popular screen, radio or [illegible]. Everyone is a welcome [illegible] the Sunday sessions in [illegible] Hall of Fame.

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Sunday, December 12th, [illegible] the return to the air [illegible] of always popular Fred [illegible] his happy-go-lucky cast. [illegible] he and "Laringytus" Jack [illegible] will keep the airwaves [illegible] during the coming winter [illegible] exchange of heated "Pleasantries" mingled into the zest [illegible] of their individual programs. Fred Allen has returned [illegible] former Sunday night spot [illegible] the International network, [illegible] CFRB Toronto, 9.30 to 10 [illegible]

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[illegible] the result of a recent survey, [illegible] Wallace, the smiling, [illegible] personality of the Canadian airwaves, has been acclaimed [illegible] Dominion's most-listened-to [illegible] radio artist. Her cross [illegible] audience of "They Tell Me" [illegible] reported mounting all the time. [illegible] apparently like to hear [illegible] cheery optimism on the [illegible] of Victory, and her chatty [illegible] of the brighter human [illegible] things. She is heard over [illegible] network of the CBC Monday [illegible] Friday, 1.45 to 2 p.m. and [illegible] CFRB Toronto 7.45 to 8 p.m.

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[illegible] hardly perennial of the [illegible] season, the "Magic [illegible]" is on the air again to [illegible] young and old with the [illegible] of Yuletide, 6.30 [illegible] time, CBL, Toronto, the [illegible] Monday through Friday [illegible] until Christmas Day. Once [illegible] the Magic Green Door opens [illegible] gentle push of Billy and [illegible] closely followed by Skooty, [illegible] funny, runny little mouse, and [illegible] the Angel Doll. Old friends [illegible] lack again to share the [illegible] adventures taking place at the shining headquarters of Jonothan, the Old Toy Maker, just before Santa Claus comes down the Chimney.

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CFRB will greet Christmas Day with special service of carols and symphony music commencing at 12 o'clock midnight and lasting until 1 o'clock Christmas morning. This has been a CFRB feature for many years.

Banks Of Canada In Sound Position

One of the most effective arguments yet voiced against the Socialistic scheme of nationalizing banks is contained in the address delivered to the annual meeting of the Bank of Montreal by Mr. George W. Spinney, president. He punctured many of the shallow ideas which have been advanced in an attempt to show that Canadian finance and economy are in the hands of "money barons" and "big interests." Those who have been beguiled by the fancifl theories of the nationalistic school of thought would do well to study his remarks, says the Windsor Star.

Chief among the arguments of the Socialists is the claim that monopolies are detrimental to the national life of Canada. Yet, as Mr. Spinney points out, they advocate the creation of a great financial monopoly, as opposed to our present system of healthful competition between ten chartered banks. To bring them all under Governmental control would mean that anyone seeking credit could be denied it by the one big Government bank, and he would have no recourse to any other source. The granting of credit would become a political matter, and this would be fatal to our economic progress and development.

The soundness of the position and the methods of the Bank of Montreal as displayed in its annual reports, which is reflected also in the operations of all our other similar institutions, should make them proof against the inroads of the nationalization theory. Clear thinking of the kind indulged in by Mr. Spinney is needed to combat this fallacious tendency.

RETURN TO BOJANO

Sticks and stones are all that's left of her home as this Italian woman returns from the hills to her home at Bojano after the war ended by [illegible]

STAFF OFFICER

[illegible] Madeleine St. Laurent, [illegible] of Canada's Justice [illegible], is now staff officer for [illegible] Canadian Women's Army [illegible] in Military District No. 12 [illegible] headquarters at Regina. [illegible] was one of the two officers [illegible] when the C.W.A.C. was [illegible] in 1941 and has held appointments in Montreal and Quebec. She returned from a tour of [illegible] overseas earlier this year.

BARBERS' BOMB

Candy-striped 100-pound aerial bomb means "shave and a hair cut" to Navy men at a South Pacific base.

SUNDAY SCHOOL LESSON

December 26

GOD'S GREAT LOVE AND HIS GIFT

Matthew 2:1-12.

GOLDEN TEXT—For God so loved the world, that he gave his only begotten Son, that whosoever believeth on him should not perish, but have eternal life. John 3:16.

MEMORY VERSE—God . . . loved us, and sent his Son. 1 John 4:10.

THE LESSON IN ITS SETTING

Time—5 B.C.

Place—The city of Bethlehem, six miles south of Jerusalem.

The Newborn King

"In the days of Herod the king, behold, Wise-men from the east came to Jerusalem saying, where is he that is born King of the Jews. For we saw his star in the east, and are coming to worship him." Herod was not a born king, and for a long time there had been no Jewish king by privilege of birth. But at length there was a born king, one born of the Virgin Mary. This title, King of the Jews, was unknown before Christ's advent, and was applied only to the Messiah.

Herod and the Scribes

"And when Herod the king heard it, he was troubled, and all Jerusalem with him." Why then was Herod troubled? Six thousand Pharisees had refused to take the oath of allegiance to him and prophesied the kingdom would be taken from him. The announcement then of the star and the king was sufficient to terrify him. Those who were in the favour and pay of Herod were troubled also.

"And gathering together all the chief priests and scribes of the people, he inquired of them when the Christ should be born." It was generally known that Christ would be born at Jerusalem but Herod would have authoritative counsel to be sure of a matter of such great importance to himself.

"And they said unto him, In Bethlehem of Judaea; for thus it is written through the prophet, and thou Bethlehem, land of Judah, art in no wise least among the princes of Judah; for out of thee shall come forth a governor, who shall be shepherd of my people Israel."

Bethlehem was the city of David, and it was fitting that Christ, of the royal seed of David should be born there.

Herod's Command

"Then Herod privily called the Wise-men, and learned of them exactly what time the star appeared. And he sent them to Bethlehem, and said, Go and search out exactly concerning the young child; and when ye have found him, bring me word, that I also may come and worship him."

Herod wished to convince the Magi that his feelings were as their own, "that I may come and worship Him also." He made a show of being religious and sincere, but he was already planning how he would destroy Christ that his own throne secure. The greatest wickedness often conceals itself under a mask of piety or friendship. Judas betrayed his Lord with a kiss. Herod's motive was not to worship but to kill and to destroy.

The Guiding Star

"And they, having heard the king, went their way; and lo, the star, which they saw in the east, went before them, till it came and stood over where the young child was. And when they saw the star, they rejoiced with exceeding great joy."

The star which they saw in the East had not continued to be visible to them during their journey, so that for the greater part of their pilgrimage they had to "walk by faith, not by sight". They believed that God who had brought them hither would not leave them in the dark. Nor did He, for the star appeared again to guide and to comfort them. Sometimes we feel Divinely led to take a certain step; the star of guidance shines bright and clear beckoning us onward. Then all becomes dark, uncertain; we wonder if we were mistaken, if we have made a false move. But if we go on trusting when the star ceases to shine, we shall see it again, and will have the assurance we are in the right path, and that God is guiding us.

Adoration of the Magi

"And they came into the house, and saw the young child with Mary his mother; and they fell down and worshipped him; and opening their treasures they offered unto him gifts, gold and frankincense and myrrh." They fell down before Him doing homage to Him as King of the Jews. They presented to Him gifts fit to be presented to monarchs, and it was to Jesus, as a royal child, that they were given by the Magi.

The Warning Dream.

"And being warned of God in a dream that they should not return to Herod, they departed into their own country another way." In simple ways God works; in a dream He warned the Magi of Herod's evil intentions. There is no evidence the Magi promised to return to Herod. The warning vision from Heaven would be a further confirmation of their faith in the Kingship of Jesus. They were determined to obey God rather than men, whatever the consequences.

How Do Children Spend Spare Time?

If more parents took the trouble to find out what their young sons and daugnters were doing between school closing and bedtime they would possibly receive a great shock. Children are allowed to roam the streets at all hours of the night and many of them are attracted to places which are breeding places for crime and moral delinquency. The place to cure conditions is in the home—far too many parents leave the bringing up of their children to the church and school.

Fluid coal that will burn like gas in hot furnaces is a post-war possibility. It will be finely pulverized coal suspended in a combustible medium.

The Book Shelf

Boughs Bend Over

Maida Parlow French

Boughs Bend Over is a vivid and colourful story of an early Canadian settlement.

The Van Doorns are pioneers. John Van Doorn, a successful attorney of Albany, New York, is forced to flee. Taking with him only his family he finds a new home on the upper St. Lawrence, where the sheltering boughs of the forest bend over them.

This is also the story of John's sons, of Chris the restless, of Peter the dependable, and of Rachel his wife, and of Colin their little lost boy; of Rachel's mysterious secret, and of Peter's search for his lost son; and of Ann's tempestuous love-affair.

Boughs Bend Over is primarily, however, the story of the settlement of the land, the almost desperate efforts of cultured people to accomodate themselves to the rough ways of pioneering—their struggles, their trials, their ultimate triumph and prosperity.

Boughs Bend Over . . . By Maida Parlow French . . . McClelland and Stewart. - - Price $2.50.

YOUNGEST MANAGER

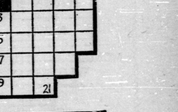
Answer to Previous Puzzle

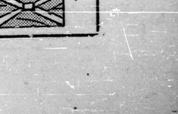
HORIZONTAL

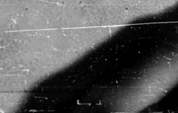
1 Pictured baseball manager,
11 Type of fish.
12 Variety of fir tree (pl.).
14 Disposed to use slang.
16 Courteous.
18 Trifles (Latin).
19 Regret.
21 Surgical thread.
22 Compensation (pl.).
23 Coagulates.
25 Lifeless.
26 He is the youngest ——— of any major league baseball team.
28 Inclosure for sheep.
29 The 433d asteroid (astron.).
32 Courtesy title.
33 Exclamations.
34 Opposed to brut.
35 Yellow bugle plant.
38 Norse god.
40 Break off suddenly.
41 Claim as due.
43 Large, cuplike spoon.
44 Asiatic deer.
45 Iroquoian tribe of Indians (pl.).
46 Old Roman seat.
47 Genus of freshwater ducks.
48 Ravine.
49 Spanish titles

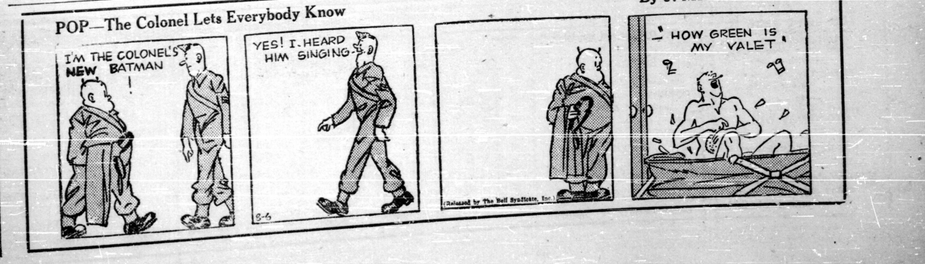
VERTICAL

1 He manages an American ——— team.
2 Measure (pl.).
3 Impel.
4 Inlet of the sea.
5 Onward.
6 Doctor of Science (abbr.).
7 Knock.
8 Series of events of epical magnitude.
9 Was indisposed.
10 Combined.
11 Stern.
13 Portico.
14 Intended ———.
15 Section of the Koran.
17 Concludes.
19 Mysteries.
20 Manging.
23 Pertaining to a bishop's chair.
24 Withered.
26 New Zealand rallite bird.
27 Fabulous bird.
30 Swards.
31 Conceptions.
32 Bordered.
35 He manages the Cleveland ———.
36 Glades.
37 Mimics.
39 Ancient Hebrew stringed instrument.
40 City in Salerno province, Italy.
42 Invalid.
43 Conduct.







POP. The Colonel Lets Everybody Know

By J. MILLAR WATT