

firm. The Bank of England was able to secure at a reduced price the bulk of the \$2,000,000 of available gold. There was but slight stock exchange activity, though Americans were favorably affected by the better New York bank statement.

The prospects of a further rise in the Bank of England's rate of discount made discounts firmer on Tuesday and Wednesday and had some effect in checking stock exchange trading. Liquidation of weak accounts kept the market weak and irregular.

Wednesday's money rates were 2 1-8 to 2 3-4 per cent. Discount rates: Short bills, 4 3-4 per cent.; 3 months bills, 4 7-8 per cent.

The weekly statement of the Bank of England shows the following changes:

Total reserve, increased.....	£1,057,000
Circulation, decreased.....	75,000
Bullion, increased.....	981,749
Government securities.....	Unchanged.
Other securities, increased.....	3,640,000
Public deposits, increased.....	927,000
Other deposits, increased.....	3,754,000
Notes reserve, increased.....	891,000

The proportion of the bank's reserve to liability this week is 48.20 p.c., as compared with 50.62 p.c. last week. The bank rate remains at 4 1/2 p.c.

Quebec
Finances. The preliminary statement of the revenue and expenditure of the province of Quebec for the year ending with June 30 last shows a clear surplus of income over outlay. The receipts are as follows:

Ordinary revenue	\$5,270,594
Sales of property	2,434
Levan re Beauport Asylum	1,000
Total	\$5,274,028

The expenditure on the various services are thus summarized:—

Ordinary services.....	\$4,764,844
Montreal Exposition Co., for land.....	226
New Montreal jail.....	2,000
Railway subsidies.....	30,779
Total.....	\$4,797,849

There is thus shown a clear balance of receipts over expenditure of \$476,180.

The four main sources of revenue are the following:

Federal subsidy.....	\$1,243,165
Lands, forests and fisheries.....	1,358,912
Taxes, succession duties, etc.....	1,071,294
Liquor licenses.....	892,315

The Cullinan
Diamond. It is much to be regretted that any question should have been raised as to the good faith of Premier Botha's resolution adopted by the Transvaal Assembly in purchasing the biggest diamond in the world as a present for King Edward. The idea is a graceful and patriotic one and if carried out will serve to call attention all the world over to the absolutely unique position occupied by Great Britain. We do not believe that any other country on earth having won a great war could afford to grant to the vanquished absolute political equality with its own subjects and could therefore receive in return such marks of loyalty and patriotism as England has received from the Boers.

Impressions
of the Orient. Mr. S. Greenwood, manager of the Canadian Colored Cotton Mills Co., Cornwall, has returned from the

Orient after a much-enjoyed visit to China and Japan. Mr. Greenwood speaks particularly of the contrast afforded between the cleanliness of streets in Japanese cities and the dust and general unkemptness characterizing too many Canadian municipalities. The possibilities for Canadian exports are considered good, if sufficient care be exercised in promoting trade. The fact that Japan itself has so restricted an agricultural area, and that the needs of its people are increasing should form a solid basis for trade growth with so near a neighbor as Canada. Mr. Greenwood was impressed with the solid, if slower, progress made in China also, with respect to the commercial and general development of the country. He shares with many others the belief that the Chinese have the important national asset of a high degree of commercial honesty and good faith.

Valleyfield
Cotton Strike. This unfortunate strike has not yet been settled. While both sides are willing that the minor grievance shall be settled by arbitration, the Company declines to arbitrate the question of a ten per cent. increase in the wages to be paid to the men. We must confess that it is a mighty difficult problem for a board of arbitrators to undertake to settle the wages which a company can or cannot afford to pay. The rate of wages, like the price of every other commodity, is generally regulated by the law of supply and demand.

Canadians Win
the King's Cup. The Canadian Artillery Association team has won the King's Cup, for which a very keen competition took place at Halifax. The margin was rather small and the performances of the other competitors was much admired by the Canadians who applauded them cordially. The British team made many friendships in Canada, which will be of a lasting character.

ST. PAUL FIRE AND MARINE ENTERING CANADA.

In accord with the migratory trend from the Western States across the Dominion border, the St. Paul Fire and Marine Insurance Company of St. Paul, Minn., is about to commence business in Canada. The company having made the necessary deposit at Ottawa, its energetic vice-president, Mr. F. B. Bigelow, has been making a preliminary tour of the country, and studying conditions at first hand.

The St. Paul is an old established company which has grown up with the Middle West, having been started in 1853 as a mutual concern and reorganized in 1865 as a stock company. It was one of the offices which successfully withstood the Chicago conflagration of 1871, paying its losses in full. At San Francisco it disbursed payments of \$1,250,000 and today has a policyholders' surplus of over \$1,500,000, its assets being more than \$4,800,000.

THE MARCONI COMPANY announces that wireless messages have been accurately transmitted from Canada to England at the rate of 24 words a minute.