

reported loan expansion of \$1,875,000; cash loss of \$1,400,000; and decrease of \$1,053,000 in surplus—reducing it to \$24,177,500.

EFFECT OF GOVERNMENT DEPOSITS.

It is expected that the Government deposits—the first instalment of \$25,000,000 having been already handed over to the banks—will have some tendency to strengthen the exchange market at New York. Rates of interest on call loans in New York are well below the rates prevailing at the European centres. If the New York banks had been left to move the crops with their own resources, it is quite probable that with the coming of the harvest season, the currency shipments from New York to the interior would have driven the call rate to a figure higher than the rates quoted in Europe—thus there would have been some tendency to transfer funds to the American centre. It is as yet impossible to say whether the New York call loan rate will actually rise above the London and Paris rates. Well-informed bankers are of the opinion that the New York rates will remain low as a result of the use of Government funds. If this view is correct, the demand for exchange may increase as a result of the desire of owners of liquid capital to transfer it to the markets where the best rates are to be had.

STRONG DEMAND FOR EXCHANGE LIKELY.

Presumably also there will be a strong demand for exchange in two or three months to settle for the huge mass of imported merchandise now lying in bonded warehouses at New York. Considerable relief was felt in the American markets on receipt of news of rains in Kansas and the other corn-growing states. Much of the crop had, of course, been entirely destroyed, but the rains came in time to save some from destruction. It is remembered too that the States suffering especially heavy loss in corn were favored with exceptionally good yields in case of winter wheat.

An English company is now insuring against loss on bonds purchased at above par and liable to yearly drawings at par.

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The Grand Trunk Railway has placed with a London syndicate a further £500,000 5-year 5 p.c. secured notes at 98½. The former issue of \$1,500,000 was made at 98.

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The Bank of Montreal's branch in the new C.P.R. station at Windsor Street, Montreal, is now open under the management of Mr. E. S. A. Oliver. It is understood that the Bank of Montreal will also have a branch office in the new Place Viger Hotel.

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Mr. H. B. F. Bingham, of Montreal, life superintendent of the Phoenix Assurance Company, Limited, of London, England, was married in London, on August 12th, to Miss Birkett, daughter of Mrs. W. H. Birkett. Mr. Bingham is expected to return with his bride from the old country about September 6.

THE TWO VOICES.

Mr. J. H. Haslam, the chairman of the Royal Commission appointed by the Saskatchewan Government to investigate the subject of agricultural credits, has two voices. To the *Financial Post* last week, Mr. Haslam gave an interview discreet to the verge of dullness, and devoting so much attention to the French system of agricultural credits as to suggest that the Commission have in mind some idea of making a recommendation for action by the Saskatchewan Government somewhat on the lines followed in France. To the *Toronto Globe*, Mr. Haslam gave an interview in quite a different tone of voice. He announced that the farmer is getting a "raw deal" and that "he has unconsciously become the victim of a money system which is making a number extremely wealthy, while he is restrained in all his farming operations and Canadian agriculture is severely crippled."

Mr. Haslam is evidently intent on following the Apostolic injunction of being all things to all men, and accordingly suiting his voice to his audience. Unfortunately for his "raw deal" arguments, it happens that a report is available of the sittings of Mr. Haslam's commission at Moose Jaw, where among the questions taken up to which special importance was attached was that of whether it was easier for a farmer or a business man to obtain a loan. "The general consensus of opinion among the farmers present, who had any experience with conditions business men had to meet," says the report, "was that the agriculturalist had decidedly the best of it when it came to borrowing from the banks." Again at Weyburn, the newspaper report of the Commission's setting says "the general tone of the meeting seemed to indicate a lack of enthusiasm on the part of Weyburn farmers," and the report naively adds, "no doubt due to the splendid crop prospects and to the fact that most of those present were all in fair circumstances."

That the Western farmer does labor in some respects under serious disadvantages, no one who is at all acquainted with his position is likely to deny, and if the Commission of which Mr. Haslam is chairman, is able to put forward constructive proposals making for the removal of those disadvantages and the material improvement of the farmer, they will have performed every valuable service not only to the Western farmer but to the whole of Canada. But, as was admirably pointed out by the *Financial Post* last week, their cause is not likely to be furthered by the reckless flinging of accusations of unworthy motives against those who have hitherto been the means of directing millions of capital into the West. A good many other things besides cheap money are responsible for the intensive cultivation of Europe. Cheap money will have to be supplemented by better business and agricultural methods before the West gets into the same street.