

a family affair, it seems hardly just to paint the whole banking system with a Demerical brush of reform.

CANADA'S CREDIT AND BANKING STRENGTH.

The business community looks forward every year to the thoughtful addresses delivered by our bank presidents and general managers regarding past conditions and the outlook. Sir Edward Clouston, at the Bank of Montreal's annual meeting on Monday, pointed out that such tests as bank note circulation, bank clearings and railroad earnings all point to great activity of business. At the end of October, the note circulation was nearly \$90,000,000, or 6½ millions more than a year ago. Business failures during the twelve months have decreased considerably, while, on account of rapid railroad construction, the Western provinces now have 11,500 miles of railway and the earnings are increasing in consequence.

This fall, there have been few complaints regarding car shortage and the crop movement. The railways have experienced no difficulty in moving the wheat and grain, and banking facilities have proved fully equal to the financial strain involved. The figures quoted by Sir Edward showed that during ten weeks of the crop movement there had been inspected in Western Canada ten million bushels more than in the corresponding period last year. The shipments from Fort William and Port Arthur were thirteen million bushels in excess of the preceding year's shipments.

Regarding the important change from last year in the bank's statement, the unusually large increase of \$36,000,000 in deposits, Sir Edward explained that part of it is temporary, pending large payments in connection with special transactions, and part is the natural increase from depositors as a result of Canada's prosperity. The second factor has been shared by all the chartered banks of Canada, as also the third mentioned by Sir Edward—money brought into Canada from other countries. He thinks that if the apprehensions expressed in many quarters as to the consequence of the proposed British taxation are realized, deposits from this source may be further enlarged. To some extent this will probably be so, although the natural flow of British capital to this country is likely to continue despite the trend of British taxation. That nothing should be done in Canada by injudicious legislation and the exploitation of doubtful enterprises is a timely warning. Canada to-day stands in a unique position in the world's money market. The stability of our banking institutions has and will always have an important bearing upon the high standing of Canadian credit in London. The Dominion will benefit by offering to the British investor the cleanest financial and industrial propositions and nothing else.

EDITORIAL NOTES.

There are five branches of Canadian chartered banks in Newfoundland, a financial link of Confederation and Empire.

The fire waste in Canada during the first eleven months of 1909 was \$17,471,725, and 185 lives were lost in fires in the same period. Herein is a call to individual duty which must be answered.

The Canadian need not seek far for what may be termed a high investment. In London, they are discussing whether the airship stable shall be called an aero-garage or aero-nest. In Paris, an inventor is organizing a company to run aero-taxicabs. In Toronto, an inventor has a monoplane which he claims will cross

the Atlantic in about twelve hours and circle the globe in less than eighty hours. Folks are being asked to join a syndicate to float the machine and to make it a business affair. The syndicate will divide all the money earned by the monoplane, and, according to the inventor, the prizes which will be won in Europe by his bicycle-bird should keep investors in luxury for a time. For the swiftest airship proposition on the market and a rapid road to fame, we doubt if the Toronto investment can be beaten.

The city of Ottawa is beginning to see the advantage of advertising itself. The by-law for the establishment of a publicity bureau, to be submitted to the rate-payers in January, will probably be carried. The cities of Western Canada have led the way in civic advertising. They have obtained satisfactory results. Canada has many spots offering the same attractions to the investor, the capitalist, the manufacturer and the tourist, and it is necessary to advertise them. Ottawa thinks perhaps that a political beehive is sufficient. Sir Wilfrid Laurier was recently made responsible for the remark that Ottawa is to be made the most beautiful city in the world. A lady of literary fame said to the Monetary Times in London the other day: "Ottawa is nicely situated, but one is most impressed by the superabundance of politics and sawlogs." Even a mixture of beauty, politics and sawlogs will sell well when advertised.

Those who have analyzed mining reports know what a multitude of sinners are included in the term "mining engineer." To companies, whose chief consideration is stock selling to develop granite into silver, the mining engineer is one who can write Bonanza imagination for the gullible investor's digestion. The Cobalt branch of the Canadian Mining Institute think that the present classification is unsatisfactory. They say the present qualification for membership of the Institute is not sufficiently stringent, and suggest the appointment of a committee to consider a standard qualification for active membership. This is a move in the right direction. The public should be educated to accept only the reports of qualified and independent mining engineers in connection with any mining proposition in which it is proposed to invest money. The mining opinions of specially discovered Toms, Dicks and Harrys are valueless. They know little of mining and its science and all the tricks of the circus drummer.

The only discrimination exercised by Canada against the United States in trade matters is the grant of preference to the mother country. Those who have been breathing the atmosphere of tariff disturbance, will find relief in the utterances of President Taft in his first message to Congress on Tuesday. Fear has been expressed that the power conferred and duty imposed on the Tariff Executive would lead to tariff war, said the President. "I beg to express the hope and belief," he added, "that no such result need be anticipated." As is known, the duty of the Executive is to consider the laws and practices of other countries with reference to the importation into those countries of the products and merchandise of the United States. If the Executive discovers such laws not to be unduly discriminatory against the United States, the minimum duties provided in the tariff bill are to be operative. If President Taft finds otherwise, then the maximum duties provided in the bill—an increase of 25 per cent. ad valorem over the minimum duties—will be enforced. Washington writers evidently thought that President Taft would borrow his predecessor's big stick in order to deal a counter blow to Canada's British preference. But the President delicately hints that the discretion granted to the Executive by the term "unduly discriminatory" is wide. In which is recognized the fact that Canada is assuming considerable importance in international trade relations.