

eral hundreds of millions from the savings of Western Europe for the extension of her railway system, and the scores of industrial enterprises in Russia and the Orient, whose securities were issued at Paris, Berlin and Brussels, made a heavy draft upon the surplus capital of the world. The extension of electric enterprises in France, Germany and other countries has also called for large sums, with the result that the banks are nearly at the end of the resources with which they have financed the new enterprises. With the relaxation of the demand for finished goods and the closer scrutiny of new stock company projects which are now taking place, bubbles are being punctured, and weak and dishonest enterprises are beginning to fall to the ground.

The difficulty in Europe is not due to the scarcity of gold, the means of exchange, but to the absorption of the surplus loan fund. The increase in the gold money of the world has been more rapid within the last few years than ever before in the world's history, and if the cutting off of the Transvaal supplies has played a part in the present stringency, it has been a minor part. The fact that appeals have been made to American capital within the last few months for Government loans to Russia, Great Britain, Germany and Sweden is a natural result of the absorption in industrial enterprises of the surplus capital of Europe."

The same paper claims that money has been growing progressively tighter, and that it has been evident that heavy demands upon the loan fund were being made for "speculative purposes which could not fail to impair the balance available for legitimate commercial purposes."

The threatened trouble between France and Great Britain over the Fashoda incident in the fall of 1898, the war in South Africa, and finally the critical situation in China, have contributed their share to make the banks cautious and to require a larger covering of cash for a given volume of transactions. Discount rates, which began to rise with the revival of industry at the close of 1897, have felt little relaxation of the tension for the entire three years which have followed. The rate at the Bank of England now stands at four per cent.; at the Bank of France at three per cent.; at the Imperial Bank of Germany at five per cent.; at the Austro-Hungarian Bank at four and a half per cent., and at the Bank of Russia at five and a half per cent.

MONTREAL CLEARING HOUSE.

	Clearings.	Balances
	\$	\$
Total for week ending		
4 Oct. 1900,	14,510,953	2,111,797
Corresponding week. . . 1899,	17,308,396	2,722,637
" " . . . 1898,	18,453,523	3,880,073
" " . . . 1897,	14,601,837	2,421,252

Notes and Items.

At Home and Abroad.

THE GERMAN LOAN.—The negotiations which were under way for some time for the placing of a German loan in the United States were successfully concluded. They cover a purchase by Kuhn, Loeb & Co. and the National City Bank of 80,000,000 marks 4 per cent. treasury notes of the German Empire, maturing in equal proportions in 1904 and 1905. There is no syndicate, the purchasing bankers taking over the loan upon their own initiative from the German Reichsbank (the Imperial German Bank), through the Disconto Gesellschaft of Berlin, and Messrs. M. M. Warburg & Co., of Hamburg.

GOLD FOR THE SALVATION ARMY.—It is possible before long the Salvation Army may find it has been presented with a gold mine. Some time ago 150,000 acres of land by the Collie River, near the Kargoorlie mines, was granted to the Army by the West Australian Government. Experts said at the time that it was likely that gold would be found on the land, and now it is announced that an auriferous deposit has been discovered there.

POST OFFICE PROGRESS.—Forty-five years ago stamps, after being cut by scissors—perforation came later—were doled out through pigeon-hole windows. Open counters were not adopted for some years afterwards. The postage for foreign letters was marked on them in red ink. During that period the transfer of the saving banks, taking over the telegraphs, undertaking the payment of military pensions, and the adoption of the telephone system have taken place.—*Agents' Journal*, (Eng.).

QUEER PREMIUMS.—The Rev. Dr. MacClaren, of Union Chapel, Manchester, in the course of a powerful sermon, recently, referred to the question of fire insurance in a very original manner. Men who have made their money foully will fancy that they atone for that by leaving it for some charitable purpose. The caustic wit of a Scottish judge said about a bequest which was supposed to be—whether rightly or wrongly, I know not—of that sort, that it was "the heaviest fire insurance premium that had ever been paid in the memory of man."

INDIANAPOLIS FIRE DEPARTMENT.—The joint committee representing the Commercial Club, Merchants' Association, insurance agents and City Council, which has been investigating the needs of the Fire Department, reports in favor of providing a new automatic telegraph system, about 10,000 feet of hose, three new steamers, and additional heavy apparatus for the central part of the city. Minor repairs to engine-houses costing about \$130,000 are