the Canadian markets have not been
han one could expect reasonably, by
panic,—in this case, the worst since
cial markets of the world necessarily
mpathetic touch. They are a sort of
system. When the Wall Street nerve
shock, the others loosen in sympathy.
tronger than others. In matter of
nges are small. But although New
market scares are less than a day's
rom Toronto and Montreal, the two
have proved their comparative inde-
rratic neighbor. They know it is not
ry, always to follow the leader in the
y game of finance.

...NTICIPATING EVIL.

built Mr. J. J. Hill a railway empire,
struck off at a pessimistic tangent. In
he foretold a bad depression in the
nmerce of this continent. This new
a man with whom nothing but har-
ness is associated, has caused people
utterances have fallen like unwelcome
garden where pessimism has been
rticularly keen blade. Mr. Hill would
sire his prophecies to carry much more
average prophet's words.
ngly he has created a situation, which
some public speakers, of "When I
uppy-dogs bark."
ation of all sorts of bad things has
places where one would imagine that
ed out without the aid of oratory.
a great road across Canada," it is
must be right in saying that prosperity
a pricked balloon." These views have
no inconsiderable extent in the press
and the United States. That an ex-
time is coming, seems to have been
as a sort of inevitable fate. Many
whose banking accounts in these good
n faster than Jack's famous beanstalk,
ntemplating seriously the prospect of
s by not breaking them.
markets are looking in a somewhat
ll Street is paying the penalty for a
ate idiosyncrasies; Mr. Harriman has
a Commission in the high arts of
nt Roosevelt is devoting more atten-
rusts than they desire; Canada recent-
ghing its destiny through snow; grain,
ave been converted into cash before
yet. And Mr. Hill says we are to be
worst. So it seems really a pity we
shine nowadays. It rather spoils the
which our plethora of pessimists have

real grounds are there for all this
ds in despair? Someone has gone so
t that a breakdown, similar to that of
If one follows up this assertion, with
n one hand, and trade returns in the
pencil probably would conclude the
proposition with the words, "Which is
t there will be some reaction in the
eptional financial and commercial
nd doubt. Indeed, the slump in Wall
is a broad hint of such a thing. The
does not expect the syrup jug to min-
his surreptitious needs. He knows
to pay the penalty of expansion. But
that of jugs there are many more.
expansion of trade both in Canada
States must be taken into considera-

tion. Speculation has become a craze. Company promotion has exceeded the limits of common sense. One man sees his rival successfully float a new corporation. He immediately commences an advertising campaign, securing stock payments on the instalment plan. With the first remittance, he holds the stockholder. It has reached a point where the public must be exceptionally cautious. When you pay $5 as a first instalment, and sign a vaguely worded contract, the seductive promoter can play Shylock with you admirably.

Railway financing has caused a great deal of uneasiness, but the construction of new tracks has not been out of keeping with the size of the continent. It is not excessive; indeed it has not been sufficient. The investment of large amounts in this direction may not yield handsome returns at once. They may lead possibly to a lockup of capital. No one denies that money is tight. That is inconvenient, but not uncommonly serious. Speculation in mining shares and in real estate have caused doubtless many to feel the pinch. But there is no evidence that any undue amount of money has been sunk in any particular enterprise. When England, the United States, France, and Germany assisted in raising the Japanese loan, it was evident that the United States and Germany required all their capital for home purposes. Capital like water has a knack of finding its level. Whether it is invested in Canada, in the United States, in Germany, or Japan, it will assist equally in the development of national commerce.

A very satisfactory feature of the financial situation, which our pessimists, curiously enough, have overlooked, is that English capital is being invested abroad upon a large scale. In this respect, Canada has played an active role. Very possibly, during the rapid advances which this continent has made in the past few years, speculation has been overdone, and some bad trading has been apparent. But to become gloomy just now, is as unreasonable as the young man who feasted, assiduously and long upon sweet apples, and then complained of the stomach ache.

Financiers are apt to forget that they must act sometimes the philosopher. A country cannot be beating its previous best records always. The man who grumbles has had his innings. Pessimism has become too much the fashion. He who sees the silver lining of the dark cloud is apt to be criticised severely by the cynic and dubbed foolish. The country is growing. Although money is said to talk, just at present it articulates only "Farewell." The condition of the stock and share markets are not altogether pleasing.

Holders of stock certificates would like to see the rise for which they are waiting. And there are numerous little trifles which do not overjoy the heart of the cynic, the prophet, and the gentleman with Utopian ideas. A reaction invariably follows an exceptionally long period of the upward tendency. But all this talk of awful depression and commercial languishings may be reserved with advantage for audiences who require a little variation from the common round and the daily task.

EDITORIAL NOTES.

Our Sydney correspondent has referred frequently to the irregularity of the steamship service between America and Australasia. The service between San Francisco and Australia is so erratic that one government at least has cancelled its contract. It is very necessary that the countries which make up the Empire should possess adequate means and methods for reducing the long distances which intervene, to a journey of minimum duration. The Spreckels line, which runs between San Francisco and Australia, appears to treat the Australian and New Zealand mail in a very matter of fact manner. It is not an uncommon thing for the mails to be missed altogether, and the schedule of sailings, judging by the way in which they are disregarded, is a complete farce. There is room for an up-to-date and capable steamship service between Australia and this continent. Such indifference in this connection is scarcely comprehensible. It affords an unusual opportunity for Canada, not only to secure the mail business between the two continents, but also to strengthen commercial relations.

* * * *

That the new schedule of subsidies to the provinces will satisfy all interests is unlikely. Premier McBride asked much, expecting little. British Columbia gets an extra $100,000 annually for ten years. The present grants are to be "a final and unalienable settlement." This is a mutable world, even politically. To lay down a hard and fast rule as to what shall be fair and just subsidies in ten or twenty years' time, is counting too much on the future. "Never no more" will not satisfy the provinces.

* * * *

The case of the Canadian Stock and Grain Company, of Winnipeg, whose president is now under arrest, has given the "Market Record," which enjoys to a large extent the support of the Winnipeg Grain Exchange members, an opportunity to moralize on the ethics of bucket shops. "Bucketing trades," it says, "is the term used when a broker, instead of buying or "selling grain or stock in the regular trading room of "the Exchange, and thereby giving all members a "chance to bid for or offer the commodity, takes the "other end of the trade himself." In other words, the bucket shops have an ingenious knack of adding a little to the listed price when the customer buys, and deducting a similar amount when the customer sells. The cult of these methods in Canada has not reached yet an acute stage. In those States of the Union where the law does not prevent such institutions preying upon the public, they may be found in almost every city and town. Some of the States have in operation laws which prohibit bucket shops altogether. For instance, the city of Los Angeles has made unlawful any agreement for the purchase or sale of any commodity, when such agreement shall be settled except by an actual bona fide purchase or sale with regular delivery of the article traded in. It even goes further, and labels it a punishable offence for any person knowingly to permit any building or room owned by him to be used for carrying on such business. It prohibits, too, the use or lease of any telegraph or telephone wires in connection with such business.

* * * *

Violation of any of these provisions is punished by a fine of $100, or imprisonment for one hundred days. "This is most effectual legislation," says the "Market Record," "since it opens the jails to the bucket "shop sharks, thieves and their dupes; to property "owners who would accept as tenants and take stolen "money for rent, and to those telegraph and telephone "managers who abet the rascality. Under this ordin- "ance bucket shops are raidable by the Los Angeles "police as are gambling dens of any other variety." In North Carolina the law forbids transaction of business through the medium of a private wire-house. In regard to this the journal says:—"As quick quota- "tions and immediate service are the chief advantages "the bucket shops offer over legitimate houses the in- "terference with these essentials of the game amounts "to prohibition. It will, of course, interfere seriously "with marginal trading through legitimate brokerage "houses, maintaining private wire systems. So much "the better, as these regular houses will then stampede "to crusade against the thieves that are counterfeiting "legitimate speculation."