

but only temporarily, for in May the ten per cent. primage charge for fast vessels was placed on all fine goods for through points in Ontario and Quebec.

Allegations regarding the operations of the steamship combine having been made before the Dominion government, the matter was also placed before the Imperial government. The home of largest and most wealthy shipping interests is as is known in Great Britain, and presumably the British government will find it necessary to ponder long before taking action as drastic as that of the United States government. It is by no means unlikely that the subject may be discussed at the coming Imperial Conference, and representatives of the overseas empires may advance the subject if opportunity arises.

The creation of the international tribunal for the control of rail traffic between the United States and Canada is an interesting precedent, and some authorities think it is possible that an arrangement may be reached by the governments of Great Britain, Canada and the United States for a similar body to control both passenger and freight rates charged by Atlantic steamship companies. It is understood that the idea is favored in Washington and Ottawa, but so far as is known, no definite response has come from Great Britain, where Atlantic marine interests are most largely represented.

Such a tribunal would enable the governments acting jointly to overcome the present difficulty of taking any effective action to prevent undue raising of rates by alleged steamship combine on North Atlantic. There are, however, many difficulties of legal and practical kind in the way of securing concerted and harmonious action of the three governments along this line. Anyway, the question has been broached for consideration of respective governments concerned.

FARMERS BANK AFFAIRS.

The statement of Farmers Bank affairs issued this week by Mr. G. T. Clarkson, the curator and interim liquidator, will not raise high hopes in the shareholders. It reveals the extraordinary fact that \$1,156,000, or more than twice the amount of the bank's paid-up capital, was sunk in the Keeley mine. For a bank to gamble a small sum in a good mine may be legitimate business. To risk a small sum in a prospect is dangerous. For a bank to gamble with twice the amount of its capital in an unproved mineral property in a new mining district about which little is known, should be, if it is not, criminal. The curator's statement shows that the bank and the mine were closely linked in, apparently at least, four ways—by current loans and overdrafts of \$321,100, by call loans of \$300,000, by stocks and bonds of \$535,000, and by a loan of \$621,000, for which \$1,000,000 worth of the mining company's bonds were held as security.

The nominal deficiency is figured by the curator at \$436,011. The question of a double liability call seems to hinge on the value of the Keeley mine, a sorry hinge. It may prove worthless, and in that event the deficiency will be increased to \$1,591,000. Its value might to some extent be tested by offering to gentlemen, who have disposed of their shares, these same shares. Considering the facts and figures, it would seem as though a double liability call is inevitable. As many of the shareholders will be unable to meet this, the burden will be heavier for the creditors, and may even fall upon the depositors.

In explaining his statement, Mr. Clarkson emphasizes the fact that, in addition to being the curator, the appointee of the Canadian Bankers' Association, he is also interim liquidator, controlled and directed by the courts. The winding-up Act contains full provisions for examination and investigation into all matters connected with the affairs of insolvent corporations, and creditors and shareholders are, therefore, not compelled to seek other methods of procuring information, but can, as they

will appreciate, rely upon the court to see that a proper and full investigation of the affairs of the bank is made, particularly as it is absolutely essential that such be undertaken in the winding up, no matter whether there are other investigations or not.

It is opportune to ask whether Mr. Travers, the general manager, was the Farmers Bank, and vice versa. Did the bank's president and its directors take part in the affairs of the institution, doing their duty on the directorate? If not, why did they not do so? Did the directorate sanction the various loans to the mining company? Surely the old excuse respecting directors who did not direct because they did not know, cannot again avail. The various legal proceedings which will be taken in connection with the failure are likely to have considerable effect upon the final form of the revised Bank Act.

TORONTO'S HARBOR.

A candidate for a Toronto civic chair the other day predicted that the Queen City would one day possess a harbor far superior to that of Montreal. Which only demonstrates what long wings imagination will acquire in the heat of election excitement. In his inaugural address, Mayor Geary this week was far more conservative. He noted the fact that Toronto has barely sufficient wharfage to accommodate the lake traffic of to-day, and even that is of a primitive character. This is only too true. While Montreal must of necessity become the first great national port of Canada, no reason is there why Toronto should not have legitimate aspirations to make good use of the harbor facilities with which nature has endowed it.

Last year at least two freight boats crossed the Atlantic from old countries only to find it almost impossible to unload their cargoes in the port of Toronto. It cost the owners nearly as much to get their freight landed as to pay the transportation costs. The other day The Monetary Times received an inquiry from a gentleman interested in a Welsh coal mine. He desired to ship his products to the Queen City. The poor wharfage and other accommodation at Toronto made it imperative that a recommendation should be made that the coal be shipped from Wales to Montreal and not to Toronto.

The proposal is to change the constitution of the Toronto Board of Harbor Commissioners, and it is hoped that the Dominion government will grant the necessary legislation for reorganization, and later spend the money necessary to develop the harbor and to deepen it to at least twenty-two feet, in order to meet the requirements of the vessels which are to use the improved Welland canal. The Harbor Board will then consist of five members, three to be appointed by the civic council, one by the Governor-in-Council, and one by the Governor-in-Council upon the recommendation of the board of trade. The term of office of each of the commissioners to be for a period of three years, with power of removal and withdrawal. The city is to vest in the board the management and control of Ashbridge's Bay, together with the dock property and water lots owned by the city in the harbor and along the lake shore easterly from Ashbridge's Bay to the city limits (such management and control to be subjected to any conditions or requirements the city council may see fit to impose); also the docks, shores, or beaches of the city's Island property so far as is necessary for its protection and development. The commission is to render to the city an accounting of all its financial transactions and any surplus profits derived from the commission's administration are to be deposited with the city treasurer. The commission is, moreover, to regulate and control building operations within or upon the harbor, and to construct, regulate, operate, and maintain railway elevators, and generally to take complete charge of the harbor, including the control of navigation therein. This should help the cause of better harbor facilities.