

experience of the other two. What is the inference from this? Clearly that Tom, Dick and Harry, young and middle-aged, have been speculating on the stock exchange and needed more money to make up their margins. How dismal the feeling of a mother who upon the death of her husband in 1904 expects \$2,500 from a life company to help her in the battle with the world and finds that she has only \$1,000! The remainder had been borrowed by her husband on the security of his policy. He had cheated his widow and family—with the best intentions in the world, no doubt—to speculate in stocks, and the burden of his error falls upon his family.

Among the many communications, both of enquiry and suggestion, which have come to the Monetary Times since the stoppage of Ames & Co., we print the following from a manufacturer in a town of Lambton County, Ont. It serves, just as the St. Thomas fiasco serves, to show how communities become "infected with the purchase-on-margin bacillus," as a Toronto doctor phrases it:

The Editor.

Sir,—Many in this little town are going wild over Douglas & Lacy stocks. I understand that there is some \$40,000 invested in such stocks. Preachers, school teachers, merchants, mechanics, etc., are all trying their luck, and there will be great disappointment if we are not all made rich before the snow flies. Have you a word of warning or encouragement for our people? The writer may be old-fashioned, but he looks upon such investments with suspicion, having been a constant reader of the Monetary Times for about 30 years. I enclose you a clipping from our local paper of this week.

The clipping spoken of is a paragraph written and signed by an "inspector" in the employ of the stock-broking firm named, giving details of several speculative transactions with profitable results—of course he does not mention any of the unprofitable deals. They are said to have a sort of reserve fund, out of which losses are recouped wholly or partially. Such arrangements are all very fine on paper, but they are speculative, and therefore dangerous.

#### FURTHER ADVANCES IN COTTONS.

Until a few days ago it was thought by some people in the dry goods trade that much of the high cost of raw cotton was due to speculative manipulation, and that it would be shown before long that the crop did not promise so badly as some parties were endeavoring to indicate. The United States Government crop report of last week, however, showed that such hopes were doomed to disappointment. The cotton crop, according to the latest advices, continues very backward, the abnormally low temperatures having caused slow and poor growth. Insects, too, have done considerable damage. The result of this condition of things continues to make itself felt in enhancing prices, to which there seems to be no end. The latest changes in prices of textiles we hear of are in ticking, which has advanced  $\frac{1}{4}$  c. to  $\frac{1}{2}$  c. per yard, or 5 to 10 per cent.; cottonades, which have gone up 5 to 10 per cent.; flannelettes, Saxonomies, shirtings, etc., 15 per cent.; denims 10 per cent., and some lines of shakers about 5 per cent. All lines of yarn also have gone up about 5 per cent. It is not unlikely that, unless some radical change in the position of raw material takes place, further advances in these cotton fabrics will be made, for it is pointed out that the cost of the finished article is in many cases still considerably below the parity of raw cotton. Some lines of white, bleached and grey cottons have already gone up, and others are likely to follow suit, while an increase in the price of linings is looked for shortly. That the increase in the value of the above lines of cottons is not unreasonable may be judged from the fact that the prices which prevailed until last week

were based on raw cotton purchased at  $8\frac{1}{2}$  c. to  $9\frac{1}{2}$  c. per pound, while the present price of the article in New York is between 12c. and  $12\frac{1}{2}$  c.

One would expect that the long series of upward movements in the prices of cotton and dress goods would have led to some curtailment in the demand. But this cannot be said to have proved to be the case. Business has been fully up to normal in extent, and, especially of late, all articles required for summer use have been in even more than average request. The fact is that the goods chiefly affected by the rise in cotton are precisely those which people cannot do without except at great inconvenience and, while conditions generally are so prosperous as they are at present throughout the Dominion, they do not see the force of putting themselves to that inconvenience. Business therefore keeps up well.

#### IMPROVED ROADS.

A very gratifying phase of the recent improvement in circumstances and methods among the farmers of Ontario is the wide-spread movement in favor of good country roads. And it has come about inside of a dozen years. The old fashioned and fruitless statute labor system is being steadily discarded. The latest reports show that 140 townships in Ontario have abolished statute labor and substituted the commuting plan by which the work of repairing and improving the roads is placed under control of one or more commissioners. In the whole province there are about 370 townships, so that fully 40 per cent. of them have changed from the old to the new plan. In addition to this, we learn from the "Farming World" for June, other townships, while continuing the statute labor plan, have special commissioners instead of pathmasters to see that the work is properly done. There are grading machines in nine out of ten of the townships, and in many districts rock-crushers and other modern road-making machinery. Good Roads Associations, Government help, and a sensible and energetic chief instructor have done excellent work in bringing about this marked improvement.

What it means to the province to have its roads universally reformed in accordance with a system which has been shown to be economical, will soon appear. Time will be saved, for weltering at a walk through mile upon mile of muddy road runs away with the hours of a day. Wear and tear of horses and vehicles will be saved, for many a wagon has been broken in ruts and the life of many a good horse shortened by over-straining in a clay road. Besides, proper grading and the surface finishing of country roads will enable the drawing of heavier loads to market, and this, the farmer perceives, means money to him. Comfort and health are further considerations which it used to be thought a farmer had no right to: discomfort and hardship were long deemed to be the natural and inherited right of himself, his wife, and his family. This long-enduring tradition it was which induced the late Bill Nye—after a lengthy and pathetic enumeration of a farmer's troubles and the privations of womenkind in a farmhouse—to exclaim as a humorous but comprehensive summing up: "Damn a farmer, anyway!"

The necessity for improved roads is attracting attention in the Maritime Provinces also. Our Halifax correspondent has referred to it, and we have heard from time to time of efforts made with partial success, to arouse farmers to co-operate with those who see the need for reform. A correspondent of the Morning Chronicle made, a week or two ago, a forcible plea continuing, apparently,