

He fought hard and fairly successfully for the truth as he saw it. In the end, he was wounded in the house of his friends. Perhaps he was not an adaptable man, perhaps he might have accomplished more by smoother methods, but when he left the Service, he carried an unstained escutcheon. If he bore a broken spirit, it was not because of a duty overlooked or ill done; it was only that he found the forces against him too strong. Some men do a small thing and are accounted great; other men do many great things and receive no loud acclaims. Mr. J. Lorn McDougall was in the latter class.

UNITED STATES JUSTICE

IN some ways, the United States is able to set an example to Canada. A corrupt politician or a low-grade candidate for public office is usually treated more frankly in the Republic than here. The press has greater courage in such circumstances. Over here, we seldom tell the "bad truth" about a man until he is defeated and we are sure that it cannot do any harm. When it comes to criminal law and criminal justice, it is harder to see that we have any lessons to learn from them. The acquittal of Thornton Jenkins Hains for complicity in a murder by his brother prompted by private vengeance, and the public demonstration which afterwards occurred would seem to indicate a looseness of morals in New York State almost equal to that in the lynching districts. This verdict, following as it does on the Thaw verdict, would seem to prove that in the United States killing is no murder.

That such a doctrine will long prevail in that country, no one may believe. The bulk of the people in the United States have shown in other ways, that their ideas of right and wrong are fully equal to the best Anglo-Saxon ideas. These failures of criminal justice to punish law-breakers cannot but arouse the people to the necessity for some sort of administrative and judicial improvement. The citizens of New York State, who so distinguished themselves by sinking party differences and voting for the re-election of a great moral and legal reformer such as Governor Hughes, are not likely to tolerate many such unfortunate affairs as the Hains and Thaw cases. Private vengeance was abolished over a century ago and it cannot be revived amidst Western Civilisation.

SPORT AS A NATION BUILDER

NOTHING appeals to the average Anglo-Saxon so effectively as his sport. His business is a means to an end; his sport is a large part of his real life. So whether he finds his habitation on the green fields of merry England, beneath the stars of the Southern Cross in Australia, or amid the wheat fields of Our Lady of the Snows, he feels "the tie that binds" in the stories of the deeds of athletic prowess of his countrymen. And it is this same feeling that from time to time draws a Canadian curling team to Scotland, a Canadian lacrosse team to Australia or leads a merry bunch of bowlers across the ocean to test the hospitality of followers of ye ancient game in Great Britain and Ireland.

Are these trips productive of anything besides the pleasure they bring? Did not the Olympic lacrosse team bring back a respect for the fairness and good sportsmanship of Englishmen that years of business visits would not bring? The Briton is naturally reserved and he keeps his distance in business relations. It is only in sport that he forgets himself and shows himself as he really is—a rattling good fellow at the bottom. And since the return of that Olympic lacrosse team, have not the English newspapers been shouting its praises? That trip did as much to draw the people of two parts of the Empire together as even the preferential tariff.

And take the visit of the Canadian curlers to Scotland. It is some years since the Scotchmen sent a team to Canada. They took home with them an entirely new conception of the Dominion and friendships that no time can wipe out. They learned that the sons and daughters of the Empire living in its remote parts are the same people as themselves, with the same tastes, the same ideals and the same love of the old Union Jack. They were made to feel that in Canada they were still at home. And even now they are making the Canadians feel that they are at home in Scotland. It is the beginning of a lasting friendship between two large communities in widely separated parts of the Empire. For you do business with all classes of people; but you only take your pleasures with your friends.

BRITISH CONNECTION AND BRITISH CAPITAL

THERE is one advantage in our British connection which is seldom mentioned in the public press and more seldom in academic discussion. That advantage is the possibility of selling our bonds in the British market. Only a small percentage of people would know a bond if they met it, and a still smaller percentage realise how absolutely necessary to Canadian progress a bond market is. Yet Mr. E. R. Wood, vice-president of one of our large security corporations, says: "In this crucial stage of our development I venture to say that the reputation of our securities is of greater moment than the reputation of our material products, important as that must always be."

For example, how could the Ontario Government finance its hydro-electric power undertaking if it could not sell its bonds in London? Manitoba bought out the Bell Telephone Company with British gold. Every city in Canada sells its bonds in London to get money to put in new water-mains, water-pumps, and to make necessary civic improvements. The two new transcontinental railways are being built with money obtained from Great Britain largely.

The enquiring reader will naturally ask for the figures and the percentages. In 1908, Canada sold securities to the value of nearly two hundred millions of dollars, the highest in our history. This was made up as follows:

Government bonds	\$ 77,598,500
Municipal bonds	47,433,911
Corporation bonds	71,325,000
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	\$196,357,411

This was quite an appetite to satisfy. It will be noted that the governments and the corporations required about the same amounts, while the municipalities were much more modest. These bonds were sold in three markets, the Canadian, the United States and the British. None of the government bonds were sold in the United States and very few of the corporation securities. They took a small quantity of municipal bonds. At home, municipal bonds are very popular, but government and corporation bonds do not sell so well. The result was that the United States took $3\frac{1}{4}$ per cent. of the two hundred millions, Canada $12\frac{1}{2}$ per cent. and Great Britain $84\frac{1}{4}$ per cent. Surely this is as strong an argument in favour of British connection as the British navy!

Some one will answer that Canadian securities could be sold abroad even were she an independent nation. This is true in a degree. Canadian bonds would still find access to the British market, no doubt, but not in such quantities nor at such prices. If Canada were independent, many enterprises which have been financed from Great Britain would still be dreams of their promoters and much of our boasted progress would be yet unsung. Our banks could not perform the work. They have deposits of 626 millions, and current loans of 515 millions, the balance being their reserves mainly. The banks are looking after current commercial needs, and less than eight per cent. of their total assets are in the form of bonds such as we are discussing. The loan and the trust companies have assets of 207 millions, but their chief form of investment is mortgages. Instead of buying securities, they go abroad to sell their own debentures. The insurance companies hold securities of 237 millions, and of these 34 per cent. are Canadian bonds; indeed, the insurance companies are the largest purchasers of bonds in the home market. Beyond these institutions there is only the private investor. He prefers real estate, mortgages, bank stocks and other forms of quickly convertible as well as somewhat speculative investments. These bring him better returns than ordinary bonds.

This review will show that Mr. Wood is fairly well justified when he says, in the address already referred to:

"It is, therefore, obvious that for great permanent investments necessary in railway development, in providing power, light, heat and other public and municipal services and in meeting the needs of the Dominion, provincial and municipal governments, we must apply to the world's financial centre. That this has been the situation in Canada, during the period of our general development, is shown by the volume of Canadian bonds now held in Britain.

"In November last the Dominion Government had bonds outstanding in Great Britain to the extent of \$239,198,205 and temporary loans aggregating \$15,606,333, a total of \$254,604,538. The Canadian provinces, according to statements furnished us by the various Provincial Treasurers, have a bonded debt in Great Britain as of December 31st, 1908, amounting to \$47,297,700. Of the entire present bonded indebtedness of Canadian railways, an amount in excess of \$500,000,000 is held in Great Britain; the total bonded debt of these three classes of borrowers being over \$800,000,000."

Seeing that Great Britain has aided us to the extent of a billion of dollars working capital, that she is the greatest purchaser of the goods which we have to sell, it behooves us to check the ignorant young man who in his enthusiasm talks of Canadian independence, and also to check the equally ignorant enthusiast who believes that the United States is our most important commercial ally. It is the Government of Great Britain which has given us a constitution, the mothers of Great Britain who have given us citizens, and the capitalists of Great Britain who have loaned us the money with which we have made Canada attractive.