we may be brought face to face with the same condition of affairs again.

To Increase Literary Work.

"There is only one other matter I wish to refer to, and that briefly. The active condition of affairs makes it difficult for your executive to attend to more than the purely business part of the association, which has increased considerably with its new duties, and there is a grave danger that one of the most valuable objects of the association, especially to the younger element, the literary side, may be neglected. It is, therefore, intended to appoint a committee to consider what steps should be taken to carry on that part as a separate branch."

Officers Elected.

The following officers were elected:

Honorary Presidents—Lord Strathcona and Mount Royal, George Hague, Montreal.

President—E. S. Clouston, general manager Bank of Montreal, Montreal.

Vice-Presidents—D. Coulson, general manager Bank of Toronto, Toronto; H. Stikeman, general manager Bank of British North America, Montreal; J. A. Prendergast, general manager Banque d'Hochelaga, Montreal; George Burn, general manager Bank of Ottawa, Ottawa.

Executive Council—B. E. Walker, general manager Canadian Bank of Commerce, Toronto; Thomas Fyshe, general manager Merchants' Bank of Canada, Montreal; D. R. Wilkie, general manager Imperial Bank, Toronto; Thomas McDougall, general manager Quebec Bank, Quebec; James Mackinnon, general manager Eastern Townships Bank; W. E. Stavert, general manager Bank of New Brunswick; James Eliot, general manager Molsons Bank, Montreal; P. A. Lafrance, general manager La Banque National, Montreal; H. C. McLeod, general manager Bank of Nova Scotia; T. G. Brough, general manager Dominion Bank, Toronto; E. L. Pease, general manager Royal Bank of Canada.

The report submitted from the Winnipeg Section of the Association contains facts and figures of great value. It speaks, too, of the scarcity of circulation, which is causing much inconvenience.

AFFAIRS IN AUSTRALIA.

The fight over the tariff is finished, and, as finally passed, it is a moderate one compared with those in existence in five out of the six states of the Australian Commonwealth. The evidence is that in four of the states the reduction has helped in the creation of serious deficits and incidentally in forcing the Governments to adopt a policy of economy in their administration new on this continent. New South Wales gets a return which adds a million and a quarter to its revenue. There were some, not many, who hoped that the tariff would lead to a reduction of taxation in other directions, or at least a lessening of the borrowing habit. Every penny will be spent, and though the treasurer hopes to have a slight surplus next year he about holds the monopoly of that hope. In Victoria the prospective deficit was so enormous, about three million dollars, that it startled the people into activity. It put a reforming party into power, and at the recent election gave that party a majority of 37 in a house of 95. The Opposition had the support of a combination of the employees of the Government, a vast force whose emoluments had been reduced, and the Labor Party. In certain of the other states some of the Government employees submitted to a reduction gracefully, as a necessity of the times. The Governor of Queensland, whose salary could not be legally touched, sent in a request to the Government to cut off $2,500 of his salary, a sacrifice that had an admirable effect. The rates of payment in the civil services of most of the states are much higher than in Canada, in the higher grades nearly double, so that a 10 per cent. reduction is not so cruel a matter as it might appear. If the era of economy can be made to extend to all Australia and be made permanent it will tend to an early improvement in trade. It will give a confidence in Australian institutions that is lacking in some quarters.

One of the hindrances to the trade from British Columbia in food-stuffs is that the large firms appear to have taken no special interest in this new development. Those approached hear that an article is bringing a certain price in Sydney and they see a chance for a pot, and quote a figure which is less than the Sydney price by the steamer's freight. They forget that the price quoted is to the retail dealer, that in addition to the steamer's charge there is wharfage, cartage, storage and the other incidental expenses of conducting a business. Moreover, if the Australian buys in British Columbia he must have a margin for a fair profit, and also one to cover the risks of the venture, which in a first business is high. If the Canadian will take this risk the Australian will do the business on a commission and let the Canadian have the profit. The Canadian wants the latter without the former. Expensive cabling has been done between this country and yours over wheat, oats, barley, frozen hogs and butter. So far the only result has been the sale of a little butter. Still, something may come out of it all before the year is over. Just now it looks as if the trade will go to the United States.

Sydney, New South Wales, Oct. 7, 1902. F. W.

DIRTY BILLS AND LIGHT SILVER.

It is a frequent experience of merchants in city or country to have dirty, torn, and bad smelling bank bills or Dominion notes come into their hands. And many a time we have heard the storekeeper blame the banks and the Government for circulating such disgraceful currency. That was his mistake, for neither the Government nor the banks are anxious to force dirty bills on the people. It is the people who keep them circulating when they might hand them in to the banks to be exchanged for fresh ones. Mr. Creighton, the Assistant Receiver General at Toronto, writes to the press suggesting that all holders of Dominion notes, whose day of beauty and cleanliness is past, hand them to a bank or to any assistant receiver's office, for exchange. Of these functionaries there is one in every province; their offices are at Halifax, St. John, Charlottetown, Montreal, Toronto, Winnipeg, and Victoria.

Another point well worthy of notice is made by Mr. Creighton in reference to mutilated and defaced silver coins. Plenty such coins are in circulation, and he thinks their circulation would soon be stopped if people were aware what severe penalties they make themselves liable to by passing them. And he quotes sections 468, 469, 475 and 476 of the Criminal Code. These show that a man who impairs or lightens any gold or silver coin is liable to fourteen years' imprisonment; that it is an indictable offense to stamp names or words on a coin; that anyone circulating coin so stamped may be fined ten dollars. But the most startling, and probably the least known penalty is that in section 475, which reads that everyone is "liable to three years' imprisonment who utters, as being current, any gold or silver coin of less than its lawful weight, knowing" that it has been impaired or lightened otherwise than by lawful wear. The easiest way Mr. Creighton urges, for a person into whose possession any of these mutilated or defaced coins have come, to get rid of them, is to sell them to a jeweler for old gold or silver. But if the person does so at a loss, who shall reimburse him? And whose duty is it to detect the stamper or impairer and punish him?

OVERCAPITALIZATION.

Editor Monetary Times:

Sir,—In two months the common stocks of four Canadian corporations, Canadian Pacific, Dominion Coal, Dominion Steel and Nova Scotia Steel, have shrunk in value $24,000,000. Prices on our local exchanges are, of course, largely influenced by conditions in New York and Boston. The heavy declines in all stocks there have been attributed to the demand from the West for currency, and to this cause have been added, from time to time, Treasury absorptions, poor bank statements, rising exchange and the fear of gold exports,