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Commercial Credits, and all matters relating to international trade. Through the establishment of Branches in various parts of the Globe, the British Overseas Bank, Ltd., will be fully equipped to render the most efficient service to exporters and importers having large dealings abroad.

The connection thus formed will afford the Dominion Bank widely extended avenues for the handling of the foreign business of its customers.

The total assets of the banks interested in this new enterprise amount to over \$900,000,000.

COST OF LIVING REMAINS HIGH.

Notwithstanding Government intervention in its efforts to reduce prices the cost of living in Canada continues to increase. The high prices, according to investigators, are the cause of unrest and strikes throughout the Dominion.

The average cost of 29 staple foods in sixty cities in June this year was \$13.82, according to official statistics at Ottawa, as compared with \$7.35 in June, 1914.

The true remedy that will result in lifting the burden under which the whole people are struggling should come from the Government taking adequate measures to reduce the cost of the necessities of life, and place the same on an equitable basis or to a figure that can be met by reasonable wages and income of the people.

No doubt advantage has been taken of the exceptional situation of the last three or four years by producers and traders to make excessive profits. There is some remnant of the practice yet, but it is only incidental to the real cause of high prices which induce the pushing up of wages, while that adds to the actual cost of production and distribution. There are certain fundamental principles at the bottom of this state of affairs which it ought not to be difficult for intelligent persons to recognize. It should be well understood that the price of products depends upon the relation of supply and demand. If the supply is ample to meet the demand and steadily continues so there will be fair prices and profits. If the supply of any article or any number of articles falls or the demand materially rises the prices will inevitably go up. The same is true of labor and wages if the same economic law is allowed to work. Now everybody knows, in this country as well as others, that the awful war that was going on in Europe for more than four years, and in which we were participat-

ing at great expense, was not only enormously destructive of existing values, but increased the consumption of many articles while reducing their production. The production of food and other necessities for ordinary use was seriously affected in this way.

Production in the European countries so strenuously involved in the conflict was greatly reduced in these articles for the support of life, while their consumption was largely increased. This drew with irresistible force upon this country, especially after our own military camps were established and our soldiers went over by hundreds of thousands. It stimulated production here on certain lines, but it could nowhere near keep up with the consumption, and prices inevitably went up in the domestic markets as well as abroad. There was need of profit, whatever the cost, to stimulate the energy for exceptional production. Conflict and confusion, labor strikes and capital contentions which obstruct action, will bring perilous consequences that the short-sighted fail to foresee. There is great danger of it and need of the most enlightened effort to avert it. The most intelligent, well informed and energetic of leaders in the ranks of both capital and of labor should do their utmost to make the pathway clear and to light it up for the popular vision. They should march together in a united force to reach an economic victory and make the peace that has been achieved effective and secure. The result of united effort in that direction cannot be undone and its results will prove of permanent value.

FIDELITY-PHENIX FIRE INSURANCE COMPANY

The business of the Fidelity-Phenix during the first six months of 1919 shows considerable expansion, as the unearned premium reserve has been enlarged from \$11,725,307 on Dec. 31 last to \$12,589,777 an increase for the six months of \$864,470. Aggregate Assets of \$24,748,087 are shown in the semi-annual statement recently published. This is a gain of no less than \$2,443,873 as compared with the figures of the Company at the close of 1918.

The Fidelity-Phenix stands among the leading fire companies of the country, both as to its financial position, and its reputation for taking a liberal view on all matters pertaining to its policy-holders interests. Copy of the statement may be had by application to the Company's Head Office for Canada, 17 St. John St., Montreal, of which Mr. W. G. Baldwin is the manager.