

then about \$10,000,000 have increased by seven-fold and are now over \$70,000,000. We tender our hearty congratulations to Sir Thomas Shaughnessy, K.C.V.O., upon the success of the great institution he rules so well and upon the latest honours conferred upon him by His Majesty.

#### **Municipal Taxation of Civil Servants.**

The City of St. John, N.B., is this year going to test its right, and in so doing to test the right of other Canadian cities, to collect municipal taxes from employees of the Dominion Government. The Government has no more right to exempt civil servants from municipal taxation than it has to exempt them from the payment of grocers' bills or butchers' bills. Provided always, that the city does not undertake to levy taxes upon the income derived from salaries paid by the Dominion Government. Civil servants are not a sacrosanct caste. From a municipal point of view they are ordinary citizens, and when the ordinary citizen pays his municipal taxes, he is presumed to get value for his money. Under our constitution, not even Parliament can give any man the right to demand fire and police protection, street paving and lighting or other municipal service without paying for them.

#### **Contraband of War.**

From the Hague it is announced that at the Peace Conference Great Britain is prepared to abandon the principle of contraband of war. In other words to recognize absolutely the rights of private property in belligerents. To define "contraband of war," is yearly and almost daily becoming more and more difficult. Practically it is to-day impossible. Under the conditions of modern warfare what on earth is not contraband? Iron, steel, lead timber, chemicals galore, food of every kind, canvas, silk, horses, mules, cattle, coal, gold, silver, money itself, the very sinews of war? Hardly a thing can be mentioned, that may be or may not be, according to circumstances, contraband of war. Great Britain is big enough and strong enough, to take from her enemy (but not to confiscate) whatever she wants, or whatever she doubts the purpose of. She can pay the private owner and collect the bill from the nation in the general settlement.

#### **Flour Milling in Vancouver.**

Vancouver naturally considers it an epoch-making event that flour-milling is now an established industry of the city. A short time ago the first grain ever milled in Vancouver went into the grinders at the extensive plant of the Vancouver Milling & Grain Company. At present the home market is counted upon to use the entire output, but doubtless a large export trade will follow later.

#### **THE DOMINION IRON & STEEL AND DOMINION COAL COMPANIES.**

As announced to the shareholders, the directors of the Dominion Iron & Steel Company have postponed until further notice the holding of their annual meeting, which was called for to-day Friday, the reason stated being to prevent any possible embarrassment of the company's position in its dispute with the Dominion Coal Company. There are many rumours in circulation in connection with the settlement of the differences between the two companies and which naturally cause a certain amount of feeling on both sides, to say nothing of the serious loss to the Steel Company by the delay of the settlement, pending which it has to secure its coal elsewhere at comparatively high prices. As might be, there are all sorts of rumours afloat, such for instance, as a change in the directorate involving a suggested change in the management. We have the best of reasons for stating that so far as the president of the company and those who are supposed to be his opponents, including Mr. James Ross, are concerned, there is no truth in the rumours regarding Mr. Plummer. He took hold of the Steel Company, when it was in a peculiar position and through his pluck and energy, backed by the directors, more especially Mr. Fred. Nicholls, the company was brought out of the critical position it was in and brought to its present condition. Mr. Plummer worked night and day and severely taxed his health.

We have always said that the men comprising the directors of those two companies, the financial heads of the Dominion, would come together and arrange this matter upon an equitable basis. But even with such able directors, there is always bound to be a certain amount of friction and many details have to be arranged, before unanimity of opinion can be hoped for. There are two sides to every question and this is no exception to the rule. It is wonderful how side issues will dim to a certain degree the vision of the ablest men. However, coming to the main question, it would seem to an outsider that it is one which is capable of arrangement as well as one which requires permanent settlement, not only in the interests of the two companies, but for the sake of the many large interests in the Dominion affected by the dispute. There are two points at issue, the one legal, the other business, and we are afraid that too much attention has been given to the legal and technical aspect of the case. As to whether the coal being delivered was from a particular seam or a continuation of that seam, or was of a quality required by the contract, is a matter with regard to which there are grave difficulties in arriving at a decision. Coming to the question of price, there is no doubt, but that the price is obviously subject to modification. As to whether there was hasty action on the part of one company or the other, that is a matter that we need not dwell upon. The long legal fight, no matter how it might end, would be of doubtful value and would not pay either company. It will pay both sides infinitely better to modify the price, which we understand