

The present charter is a combination of routes previously chartered under the Dominion and Provincial Governments. Charters for practically the same route, with the exception of the easterly portion, from the Peace River country to Hudson's Bay, are held by the Canadian Northern and the Alberta Pacific companies, which, however, have not done any of the construction work called for under their charters.

The Provincial Government of Alberta already has guaranteed the bonds covering that portion of the line of the Alberta, Peace River and Eastern Railway between Pincher Creek and a point west of Edmonton.

Premier Sifton, when seen at the government building expressed the opinion that 600 more miles of railway will be in operation at the opening of the next session of the legislature than when the last session was prorogued. This estimate, he added, does not include the mileage on the main lines of the transcontinental roads, now building westward, which may be completed and in readiness for freight and passenger traffic in the meantime.

Premier Sifton would not say where the lines will run. However, he intimated they will traverse undeveloped country, saying also that numerous new towns will dot the map. The additional mileage is composed solely of lines for which the province of Alberta guaranteed bonds in the acts passed by the last legislature.

THE CALL FOR INVESTMENTS.

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MARKETING OF SECURITIES.

People will do well to remember that the problem of attracting capital is largely the problem of marketing securities. The marketing of securities is no more nor less than the borrowing of money, as in a general sense securities are mere obligations to pay money in the future. In offering securities for sale, therefore, it is the seller who should be offering the inducements. Conditions must be created which make most certain that the promise to pay will surely be kept, and that the government having jurisdiction will not penalize by unjust laws the holders of these promises. Capital is passive. It must be sought and shown. It will go where it believes it will receive the best treatment. A community, therefore, desiring to sell its promises to pay and thus to secure capital for its development, should proceed after the fashion of the shrewd merchant who knows that to secure and hold customers he must sell only meritorious goods and by considerate treatment keep his customers satisfied.

TIMIDITY OF MONEY.

It is a familiar truism in economics that nothing is so timid as money. The reason for this is very apparent. The great bulk of capital or wealth which is seeking investment is in the custody of persons other than the real owners, and is impressed in an immediate or remote degree with the elements of agency and trusteeship. Even the multi-millionaires cannot personally look after their investments, and therefore, depend largely upon the judgment of trusted agents. Certainly the small investor must do this also, as he is too busy making a living to do it

for himself. The result is that the custodians in immediate charge of the capital of the country rest under a peculiar responsibility. They must "make good" or personally suffer the consequences in loss of business and of prestige and reputation as financiers. Is it any wonder that under these conditions capital is quick to detect a change in the atmosphere? Can we blame it for getting nervous when the ground is being shot up around it? If disturbances which affect it in this manner are long continued, is it not perfectly natural that it should seek other fields where conditions are more settled and where it can be more at home? There is quite a difference between "the spear that knows no brother" and the olive-branch, and it is a vain hope to expect capital to mistake the one for the other. Not only is it disturbed in any one line of endeavor by attacks upon it, but so closely are commercial and financial interests knit, that assaults upon particular interests invariably affect the general situation. Habits are easily formed. When a propaganda against one form of corporate activity is instituted, others are easily commenced. Uncertainty takes the place of confidence, with the natural result of a checked development.

There is pending at the present time in a State neighboring to New York a constitutional amendment which seeks to empower the legislature to enact laws fixing the minimum wage for any occupation or employment. If the agitation for this measure results in its adoption, the danger signal to capital will have been hoisted. If it were enforceable, no more would private enterprise feel secure in its legitimate endeavors to make profits, for the wages then paid would not necessarily depend upon the question of the margin of profit or whether there were any profits, but upon the will of the legislature. Fortunately, of course, the "due process of law" clause will still be in our Federal constitution for a while to protect rights all over this country, but what will the hint to capital be in that State if its people accept any such proposal as an expression of their desire and of their would-be will? Will it be an attractive or a repellent influence on the flow of investing capital?

Some years ago another State with plenty of valuable resources, and in need of money for its development, went to the extreme in its anti-trust frenzy of passing a law which made it impossible for the reputable and solvent fire insurance companies to do business therein, and for several years the citizens owning property could not secure decent insurance upon it; thus property was left unprotected or poorly protected at the risk of the owners instead of fire insurance companies, and investors in mortgages could not secure as the additional and usual collateral, fire insurance policies in which confidence could be placed, with the consequent result that money went elsewhere. True, conditions became so bad because of the situation thus forced that the State was compelled to modify the law, and while many of the companies returned, it will take years for the States to outlive the damage done its reputation by its hasty and ill-considered action.

COMPULSORY INVESTMENT OF LIFE INSURANCE RESERVE.

These and many other cases which could be cited, did time permit, illustrate what I mean when I say