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Banking, Insurance and Finance

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A TIME FOR SILENCE OR DISCRETION.

Saith the Preacher: "To every thing there is a season, and a time to every purpose under the heaven—a time to keep silence, and a time to speak." If ever there was a time for babblers to be reticent, surely it is the present. A situation involving thousands in ruin, threatening millions with privation, hardship, and suffering, has been brought about in the United States mainly by irresponsible chatter. With more money in the country than ever before in its history, the cry goes up for "more money, more money," simply because a lot of thoughtless talk in the press, and on the platform, has for the time being deprived money itself of the circulating vitality which is more than nine-tenths of its value to the community. Is it too much to ask of our press and of our public men, that they should patriotically refrain from imitating the blundering stupidity that has produced such dire results in the United States?

We are reminded of this condition of affairs by the receipt of a communication inviting our opinion about the draft bill of the Royal Commission with regard to the insurance companies. Our opinion is that the Government will be much to blame if it allows the introduction of any legislation on this subject next session. Altogether apart from the merits of the proposed measure, the time could not be worse chosen for letting loose a flood of irresponsible chatter in Parliament and in the press, regarding the Canadian insurance companies, which are among the soundest and most faithfully administered financial institutions in the world. There will be scores of orators and newspaper writers anxious to adopt the Rooseveltian role. Men without the brains, or the patriotism, or the good faith of a Roosevelt, but eager to share the cheap notoriety which the President has got by running amuck among the financial and industrial institutions of his country. We could almost undertake to name in advance the yellow journals, and the yellow politicians of Canada who would compete with each other for the memorable distinc-

tion. The other day a yarn was published (only to be contradicted the next day) that Mr. Fielding had been arranging to assist the Canadian banks in financing the crop movement in the West. The only foundation for the yarn was that Mr. Fielding had certainly paid a visit to Montreal, and the reporter saw in the fact some analogy with the visits of Mr. Cortelyou to New York. There is little similarity between the banking systems of the two countries. There is in the United States nothing like the elastic currency system of Canada. The Canadian banks are not under the necessity of looking to the Government periodically for assistance. Best of all, the Canadian banks long ago made ample provision for financing the crop movement and are under no need of assistance. The story about Mr. Fielding simply suggested an analogy between the American and Canadian financial situations which has no existence in fact and the suggestion of which is as mischievous (not, of course, in intention, but in its tendency) as it is imaginative. The general consensus of opinion among American bankers is that their banking system is highly defective in times of emergency and many of them are pointing to the Canadian system as a good model for reasonably close imitation. The most striking feature of the financial situation to-day is the contrast in the conditions prevailing north and south of the line respectively. The danger that would arise from a sensational discussion in Parliament or in the press of legislation affecting Canadian financial institutions would be that too many amateur Roosevelts would not only discover themselves, but would also discover all sorts of wonderful, totally unsuspected, and absolutely impossible, resemblances between things American and things Canadian. When we come to think of it, the Insurance Commission had no reason whatever for its existence, beyond the fact that they had had one in the United States. A mighty bad precedent to follow.

ESTIMATES VARYING FROM \$1,750,000 TO \$5,000,000 have been submitted to Toronto's Board of Control in connection with the proposed municipal plant for distributing Niagara electrical power. A \$2,500,000 estimate for a "partial service" is likely to be submitted to the rate-payers at the next municipal elections.

Toronto should study well the pros and cons before committing itself. Instead of the city going to the expense of practically duplicating the existing plant of the Toronto Electric Light Company, it would seem possible that the plan disinterestedly suggested by Mr. E. B. Osler might be adopted, whereby the city should enter into some such arrangement with the Electric Light Company, as has proved satisfactory in connection with the Consumers' Gas Company.