

to \$10,589,450. In case of the banks alone the cash loss was \$32,100,000, the loan contraction \$8,500,000, and the decrease of surplus \$22,250,000. The stock market has been dull and featureless, traders evidently marking time until the long-delayed decision of the Interstate Commerce Commission in the freight rate case is available. The criticism has been made that the apparent inability of the Commission to make up its mind in this case within a reasonable time indicates that this method of regulating railway rates is proving to be a failure. In the meantime, the second and third grade American railways continue to default interest on their bonds, and to pass or reduce their dividends, and the earnings are not showing any marked signs of improvement. However, the market's opinion seems to be that the recent declines and long continued depression have discounted or more than discounted all these unsatisfactory developments. With reference to the Federal Reserve banks further delays have been experienced owing to the difficulty of getting the Senate to confirm President Wilson's appointments to the Federal Reserve Board. It is not now thought that the new banks can be ready in time to finance this year's crops.

THE FUNCTIONS OF THE PRESS.

Power is correlative with responsibility; the degree of the one is the extent of the other. The moral utility, and the beneficent influence of power is proportionate to its being exercised under the consciousness, and under the control of a sense of responsibility. Whenever this connection is ignored the bonds of civilized so iety are relaxed. All vice and crime are manifestations of power being exercised without the restraints of moral responsibility. One of the greatest of powers is the Press, which is the power of powers, as it makes, and unmakes Governments, even dynasties being subject to its will, and Presidents elected by the force of its advocacy. Within the 20th century the tone of journalism has been elevated by its conductors realizing their responsibility as the moulders of public opinion, the guiders of public conduct; and the exponents of public policy. Being so inspired, the virulent personalities which dishonored the Press of earlier years, are now never found in the editorials of reputable journals, which latter are quite numerous enough. In spite, however, of the educational advancement of the last half century there are not a few persons so naturally coarse, or malicious in nature, as to find a degraded pleasure in vulgar personalities. They enjoy scandal just as swine enjoy garbage. Unfortunately, in the general uplifting of the people by our school system, there have been a few persons sufficiently educated to write for the class of journals who pander to the vicious tastes, and malevolent dispositions of their own class. Journals under the control of men like this are both morally, and pecuniarily irresponsible; morally so because their conductors are without moral instincts or princi-

ples, and pecuniarily so because their enterprise fails to secure popular support. Having so failed they are continually making spasmodic efforts of a hysterical kind, to attract public attention. They remind us of some medical man who, having disgraced his profession, has been driven by want to s'and at street corners, and attract a gathering of possible customers for some nostrum, by such sensational tales and gestures as please a rough crowd. The function of the Press as a collector and distributor of news is ignored by such journals. Items are published not because they are true, and new, but solely because they are sensational. Veracity having no value in such quarters, no pains are taken to secure it. A malicious falsehood that will cause a stare at the bulletin board, or produce a momentary street excitement, is a rich morsel for such a journal. Especially is an item valued when the slander is likely to annoy or damage a political opponent, or a non supporter. The cleaner the wall the more conspicuous is any mud thrown for its defilement. Hence a newspaper of the lowest class takes delight in placing large headlines over a mendacious calumny concocted by some baby financier, or infantile partisan, to injure some of whom he is jealous, outside the party the paper so ignobly serves. We may say, so inefficiently serves, for the public intelligence is now too highly developed for its judgment to be swayed by slander, however ingeniously its falsity may be concealed. Self-interest, common business principles, are a sufficient warning to men of common sense against the policy of personal detraction, for the pursuance of this policy has never built up one influential, prosperous journal, but it has wrecked scores of newspaper enterprises.

HELPING OUT SALEM MUTUAL.

The announcement in the Journal of Commerce last week that ten of the Massachusetts dwelling house mutual companies are arranging to reinsure a large part of the business of the Salem Mutual Fire Insurance Company on exceptionally favorable terms to enable it to avoid assessing its policyholders has attracted attention.

Underwriters readily see why this action is taken, but it is not clear to them that these other mutual companies have the right to sell reinsurance to the Salem's policyholders at a much lower price than they charge their own. They say it looks like making their policyholders pay for enabling the Salem to dodge an assessment.

ST. PAUL FIRE AND MARINE INSURANCE COMPANY.

The St. Paul Fire & Marine has increased its capital stock from \$500,000 to \$1,000,000 by transferring \$500,000 from surplus to capital account. The company also proposes to increase its special reserve fund under the safety fund law to \$500,000.

This reputable American Company has been operating in the Canadian field of recent years, and has become deservedly popular for its honourable and liberal treatment of policyholders.

Its assets amount to about \$9,500,000 with a surplus to policyholders of nearly \$3,500,000.