

The Free Press, LONDON, ONT.

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FINANCIAL BLIZZARD IN OLD LONDON.

Those who observed "the signs of the times" were not surprised to learn from the cables of yesterday that a financial crash had occurred on the London Stock Exchange. An institution, known as the "London & Globe Financial Corporation" was compelled to suspend payment, the fact creating an unusual stir amongst the brokers and financial manipulators generally. Under ordinary circumstances such a collapse would easily have been discounted, but, coming at a time when Britain's financial affairs are unduly strained, owing to the gold demands from South Africa, it may lead to serious results. Up to Saturday night the failure of thirteen brokerage firms of eminence was announced, with more to follow. Naturally, a sort of semi-panic results; the cry, "run for gold" was circulated, and all cautious men are engaged in preparing for the worst. That a serious stringency in the money market must of necessity follow this failure is but the echo of past experience in similar crises. Unfortunately, the Bank of England is not in a condition to come to the relief of persons and firms temporarily crippled, but solvent at bottom, if they are not compelled under the stress of a financial gale to sacrifice their securities by forcing them on the open market. The last statement of the National Bank made last week was of a pessimistic character, the bank's gold reserve to liabilities having receded to 37—a drop of ten points from the point it stood six months since. Advantage will of course be taken of the Bank of England's liability to come to the rescue, and doubtless all securities not thoroughly fortified, will take a drop. In such a case the "bulls" are powerless, and the "bears" have their innings. Yesterday, being the last day of the year and the century, and to-day being an universal holiday, pause may be given for the wise-heads to meet and consider what steps can be taken to avert a general smash-up of the stock market and money market. All financial institutions are in favor of the adoption of plans for relief rather than witness a repetition of the disastrous times of the great Baring smash. The greatest wisdom will be necessary to avert a general explosion.

So far as Canada is concerned it is not to be expected that the crisis will injuriously affect our credits. If our monetary institutions have been prudent during the past few months in discouraging expansion, in discouraging the undue importation of foreign goods, of declining to bolster up weak companies of every description, there need be no occasion for alarm, particularly as the balances in Europe are in our favor. In view, however, of the distrust which will naturally be felt in England on all sides, our leading financial magnates will be justified in exercising unusual caution till next spring. That gold will be in heavy demand for many months to come is obvious; for Great Britain, with the South African war in a critical condition and the China muddle looking dark, her financial resources will necessarily be strained. Indirectly, this state of affairs must have a reflex influence upon Canada, and if we are to escape a stringency here extreme caution must be exercised.

As to the United States, particularly New York, a sort of "wild-cat" speculation has seized all classes since the 4th of November, when President McKinley's re-election was assured. Then the flood-gates were opened, and an extraordinary burst of activity on the N. Y. stock exchange was witnessed. Everyone who had saved money during the prosperous times seemed crazy to speculate for the rise. A financial authority asserts that last Saturday week over a million shares changed hands, and during the week bonds to the par value of thirty millions were sold. The same authority gives the following list of shares sold during the week in question, totaling 7,959,427 shares of every description, from 16-22 December—Monday, 1,487,686 shares; Tuesday, 1,955,916 shares; Wednesday, 1,423,339 shares; Thursday, 1,539,369 shares; Friday, 1,246,887 shares; Saturday, 1,006,179 shares. Nothing approaching such a speculative boom is recorded in the N. Y. stock exchange annals. This traffic in securities of all kinds had its influence on the value of stock exchange membership, a seat in the exchange which in 1897 was sold for twenty thousand dollars being resold for fifty thousand last week!

Were all these frothy transactions based on gold there would be witnessed a terrible smash-up in New York, and even as it is we may expect to hear of a great general slump for the next two weeks. "Gold," however, cuts but a small figure on the New York stock exchange speculations, paper being the article used. In consequence of the bill which passed Congress last spring, enabling national banks to start anywhere on a capital of \$25,000, a vast quantity of paper bills has flooded the country. Banks are established by the deposit in the Treasury at Washington of 2 per cent. bonds, and national bank bills are issued to the same amount as the bonds. This is paper upon paper. Then these bills are not redeemable in gold coin, and if a bank collapses the Washington Treasury simply sells the bonds of the defaulting bank.

Circulating medium of bank bills based on bonds with no gold behind to redeem them. Under the banking system of Canada, as is well understood, our bank bills are redeemable in gold on demand. Our American cousins think this "too slow," they demand plenty of circulating medium wherewith to "do business," hence the extraordinary inflation of stocks and bonds of every description, which amazes—astounds—those outsiders who conduct their banking institutions on the gold basis. How it will all end in the States it is impossible to foresee. Undoubtedly the banks and the Government have plenty of gold locked up. At Washington, the Government gold reserve is \$13,000,000, and the floating gold in hand is \$95,000,000. The banks, too, are "well fixed," so far as gold is concerned. No British, Continental or Canadian speculator would dare invest in American stocks and bonds at the prices they have now reached owing to the inflation which has occurred during the past two months. Those who stick to their legitimate callings and leave speculation alone are likely to save themselves from serious consequences in the near future.

RAILWAY FREIGHT RATES

In an address to the Fruit Growers' Association, Mr. Alex. McNeill, of Walkerville, spoke strongly concerning discriminating freight rates, and commenting on his speech the Windsor Record says:

The same discriminating rates against Canadians, we are told, prevail in all kinds of farm produce. It is high time for this Government to provide a remedy for such objectionable and unfair treatment to Canadian shippers. The appointment of a railway commission has been urged upon the Government for years, but so far without success. It may be that such a commission, no matter how extensive the powers given to it, may not be able to cope with shrewd and unscrupulous railway tariff-makers, but it can, we are convinced, bring about a great improvement in the rates of transportation to which Mr. McNeill draws attention. The a, preaching session should not be allowed to go past without dealing with this question of railway discrimination by a commission or in some other way. A commission is our preference at present.

It is difficult to discuss the matter without specific instances, but it is clear as a general principle that railways, as common carriers possessed of a public franchise, should not have the privilege of making discriminatory rates. Whether a commission would better matters would depend largely upon who composed the commission.

EDITORIAL NOTES.

Speaking of the heroism of Nurse McDonald, whose action drew the praise of Lord Roberts, the Toronto Globe says:

The Canadian nurses have acquitted themselves as well as their brothers. Has there ever been any occasion in history when it was otherwise? A woman may scream at the sight of a mouse, but in a crisis the average woman has got just as much grit and nerve as the average man, and she will bear just as much hardship. The women of Kimberley and Mafeking were as brave as the men.

After all, General Roberts has cause for thanksgiving—that he was allowed to eat his Christmas dinner in England, instead of behind a Boer stockade.—Buffalo Times.

General Roberts did not eat his Christmas dinner in England, and the Boers have no stockade. Apart from these two facts, the "Times" statement may be all right.

The Earl of Hendrick, to whose appointment as Under Secretary to India Lord Rosebery took exception, on the ground that he was connected with the London Stock Exchange, has made an explanation. He had been left without a shilling and decided to embark on a career in the city. He could not, he said, afford to cut off his connection with the business world for the sake of a few years in office, but he had resolved to take no active part in the transactions of his firm whilst he retained his position in the Government; and in order that this withdrawal might be properly carried out, he had obtained permission to defer taking up his new duties till the beginning of the year. In case the Prime Minister might have been convinced by Lord Rosebery's arguments he had offered to resign, but had not been permitted to do so. How many members of a Canadian Government would we have left if all were to abandon their business connections?

Wireless telegraphy is apparently yet in its infancy, and experiments are constantly going on, so that one can scarcely conjecture where it will all end before the end of the century which we begin to-day. The latest reported experiment took place at Southend, England, where a party of scientists, sailors, and others proceeded eight miles out to sea, and exchanged signals with a station at Shoeburyness. The steamer had a pole attached to the mast, whence the messages were cast into the air, and received by the mast on shore at Shoeburyness. Rain was falling, but there was only slight wind. By Mr. Gardiner's invention, automatic signals are sent into the air, and if there is a vessel, fitted with a receiver, within seven miles the "dangerous locality is signalled"—"Cassocks," "Manacles," "Bell Rock," which, printed in the Morse code, accompanied with the ringing of a bell, would inform the captain as to the exact position he was in. The experiments were so far successful that the telegraphic messages were safely and correctly received.

We have had them at Windsor and Point Edward for years. These, however, are not to be compared for extent with what is called the most interesting portion of Russia's great railway, the steam ferry across Lake Baikal, in Central Siberia. The lake has an extent of 4,000 square miles, and is more than twice as wide as the English Channel at Dover. In places it is as deep as 4,000 feet, and parts of it have never been plumbed. It is surrounded by some of the hardest mountains which a railway engineer could encounter. The plan of the Trans-Siberian Railway includes a line to connect the two lake terminals, but the enormous difficulty and the expense, which is not matter to Russia at the present time, of constructing such a line conspire to indefinitely postpone its completion.

A minister at a conference at Newbern, North Carolina, declared it to be sinful for any young couple to "do any courting on the Lord's Day." Without entering into the merits of the question, it might be pertinent to ask the reverend gentleman how he would propose to prevent it.

Mr. Alfred Harmsworth, of the London Daily Mail, has written an article for the North American Review on the twentieth century newspaper. Mr. Harmsworth's leading idea is that newspapers having enormous financial resources will be published simultaneously at various points throughout the country. Such papers would be absolutely valueless as indicative of public sentiment or opinion. That can only be formed or ascertained by a free interchange of thought and frank discussion of points of difference. The world at large is too far advanced to accept the dictum of any one, but reasonable men will listen to everybody and form their own conclusions.

Sir Henry Irving frequently makes speeches from the stage. To an audience in England he recently said:

I see that a clergyman is contending that a frog on the stage does not pay. If he had said that ar does not always pay he would have stated an elementary truth, but no more elementary and no more truthful than the proposition that the commercial drama does not always pay. It might be said that if the sole object of life is "to make it pay"—that is, to make money—then perhaps it would be better to throw ar to the winds. No artist who looks solely to the commercial side of it. Taking a purely commercial view of it, we should never have had a Murillo or a Michael Angelo.

Frogs in Korea do not hop or jump. They walk like well-ordered animals, quietly placing one foot after the other until they arrive at the end of their journey. It is an amusing sight to one who has always seen the frog of America jump.—Baltimore Sun.

Just as a mere matter of natural history, the frog of America does not always jump. He will jump at a fly or anything that he wishes to catch quickly—a piece of red flannel is good frog bait. At the American frog can walk and do so when he thinks he is unobserved. If you do not believe this, come time next summer lie still for some time beside a frog pond and you will discover that it is true.

This is the first day of the new year, and the first day of the twentieth century. There are still a few people who argue that the new century began a year ago, but the proof to the contrary is simple to all who are clear-headed. Reduced to its simplest elements, the proof is this:—The world began on the first day of the first year. The second year began on the first day of the second year. So it went on till one hundred years were completed. That ended the first century. Each succeeding hundred years completed another century, till the nineteenth century was completed at the end of the nineteenth year. Of course, speaking of the beginning of the world, there is merely an illustration. We mean the calendar A. D., as we understand it to-day.

Apologies for the aldermanic nominations, it may be said, while there is of councilors there is wisdom, there is a multitude of nominations there is confusion, and he is a being mad who can pick the twelve men who will compose the Council for the year that begun this morning.

Now comes Mr. Cudahy's opportunity to prove the stuff he is made of. He paid \$25,000 for the ransom of his son, and then promptly offered another \$25,000 for the arrest of the abductors. Now he is threatened with death if he does not withdraw the offer. If Mr. Cudahy were to promptly double the amount he offers; he would stand before the world as a man of "sand." Nobody blames him for yielding to the blackmailers to save his boy—it was inevitable. Every right-thinking man would serve as a bodyguard in his effort to bring the miscreants to justice.

A boundary dispute has been settled by arbitration between French Guiana and Brazil. What each claimed and what each got is a matter of small importance; the main thing is that the matter was settled without war. Many wars have been fought for more in actual cash than that is fought for, and in some cases the disputed territory is big enough to make a cemetery.—Toronto Globe.

Great Britain and the United States have settled their questions by peace.

The Birth of the New Century.

BY MRS. W. Y. BRUNTON.

Borne on the wings of storm and strife,
The new born century appears.
Lo! The young giant springs to life
Mid widows' sighs and orphans' tears;
Oh! Conquest dearly, sadly bought,
Our best and noblest sons laid low.
Brave hearts, while gloriously they fought,
The touch of fame was quenched in woe.
Oh! Peace on earth, good will to men,
When will the holy theme prevail
And history's fair untarnished pen
Cease to record her blood-stained tale?
In our dear land, so vast, so wide,
We gaze o'er mountain, lake and plain;
We view with solemn love and pride
The products of man's teeming brain.
Yet still ambition seeks to climb,
And knowledge higher wings her flight.
In this new century, who shall say
-What vast achievements may arise,
Born from inventions' powerful sway,
Which strives to grasp the glorious prize.
As in a mirror held by time,
We seem to see the shadows pass,
Mysterious future, may no crime
Sully the surface of the glass.
Oh! mighty progress, heaven-born maid,
Whose arm triumphant parts the veil
Of superstition's envious shade,
And spreads her banner to the gale;
May thy clear voice with clarion tone
In future years thy power proclaim.
Then shall the nations cease to groan
'Neath flash of sword and cannon's flame.
Peace, Gentle Goddess, o'er the world
Shall softly wave her snowy wing;
War's crimson flag shall be unfurled,
While songs of praise the angels sing.

few inches of territory more or less either way is of no consequence except for custom house purposes or where extradition proceedings are concerned. A man taking a quiet stroll on the eastern boundary of Manitoba could easily wander into the adjoining state and never notice the fact. The boundary is only an imaginary line.

A New White Lead Process.

From the London News.

Prof. Gustav Bischof, formerly Professor of Chemistry at Glasgow University, has for years been engaged upon perfecting a process of manufacturing white lead which differs from all previous patents, and which, from points of health, cost of production, economical use, uniformity of quality, and rapid production, claims to eclipse anything of the sort hitherto obtained. The process which was yesterday publicly illustrated at the experimental works established in Hythe Road, Willesden Junction, consists in the conversion of lead into litharge by the usual plan in an oxidizing atmosphere. The oxide of lead is then ground in a dust-proof mill, and is next converted into the sub-oxide of lead by heating it to a temperature of nearly 260 degrees C. in a current of water gas. This gas consists of a mixture of hydrogen with carbonic oxide and some carbonic acid. The ground litharge is carried continuously by dust-proof elevators and conveyors, to the top of the "reducers," and the sub-oxide escapes below. When the required quantity of the sub-oxide has been collected it is transferred to a mixing mill and continuously stirred until oxidation and hydration have taken place.

We have it on the authority of Prof. Ramsay that its manufacture is not injurious to the health of the workmen employed in its manufacture; that it is equal to ordinary Dutch white lead, and that it can be produced at a considerable profit. Thus a new departure has been made in an industry which has existed for centuries.

BUFFALO'S HUNDRETH BIRTH-DAY.

Buffalo, N. Y., Dec. 31.—The advent of the 20th century, the celebration of the one hundredth year of the existence of Buffalo and a demonstration of enthusiasm for the coming Pan-American Exposition, were combined in a grand celebration to-night. In responses to his messages of greeting to the mayors and prominent citizens of the principal cities in the United States and Canada, Mayor Conrad Diehl has received hundreds of replies.

SMALL-POX IN NEW YORK.

New York, Dec. 31.—Four new cases of small-pox were reported to-day to the Board of Health.

CANADIAN

The total of the Canadian patriotic fund now reaches \$336,653.97.

It is definitely understood at Halifax that Hon. L. J. Power will be elected Speaker of the Senate.

The Montreal lotteries and policy shops were closed up last night as a result of the new law prohibiting all gambling institutions.

Alex. Palmerson was yesterday fined \$40 at Belleville for killing his horse, which had bawled, by hitting it on the head with a wagon stake.

Ernest Wallace was yesterday sentenced at Belleville to fourteen years in the penitentiary for assault, occasioning grievous bodily harm to George A. Zuffelt.

Willie Quarrie, the little son of Allan Quarrie, of Oak Lake, Man., died very suddenly this morning from what appears to be acute poisoning. No cause can be given.

The Session of Bank street Presbyterian Church, Ottawa, has decided to call Rev. Thurlow Fraser, of Queen's University, to assist Rev. Dr. Moore, pastor of the church. The assistant's salary will be \$1,000 a year.

Adolphus Belval, an old country Frenchman, shot himself in a house on Cadieux street, Montreal, Saturday night, owing to unrequited love. Belval was removed to the hospital where the bullet was extracted, and it is expected he will recover.

Mrs. Decker, of Boston, who is visiting in Winnipeg, Man., has just returned from Dawson City. She has been in the Klondike for the past three years and has acquired several valuable properties. Mrs. Decker says she likes the Klondike as a country to live in, and after spending some time at her old home in Boston she will return.

The dredge Ottoman, belonging to the Gilbert Brothers, is being repaired at the Iroquois, Ont., dock, and last evening, while a pair of horses belonging to W. C. Binion were hauling a heavy piece of iron from the wharf, the ropes supporting the derrick broke, and the boom, a heavy double oke, fell, killing both horses instantly. Mr. Binion's son, who was standing by, was injured, and the derrick seriously damaged.

Bank robber owned bonds. Kingston, Ont., Dec. 31.—Pare, the bank burglar in the penitentiary here, is said to have willed \$20,000 of railway stock to his sister prior to his being operated upon and a leg amputated. He held \$32,000 in bonds.

MANSLAUGHTER. Ottawa, Dec. 29.—The coroner's jury to-night gave a verdict of "manslaughter," with extenuating circumstances, in the case of Emery Carisse, who stabbed Joseph Laurence.

SMALL-POX IN THE JAIL. Wichita, Kansas, Dec. 31.—The county jail has been closed on account of small-pox.

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