



Huron Indian Chapel of which the walls were built about 1678.



AN ANCIENT GARMENT.

Chasuble at the Indian Church, Lorette, said to have been presented to the Huron Indians by Madame de Maintenon and Ladies of King Louis XIV.'s Court.

## The Village of Indian Lorette

NINE miles from Quebec City, on the line of the Quebec and Lake St. John Railway, is the village of Indian Lorette, near Lorette Falls, which some consider more beautiful than even the Falls of Montmorenci. But the tourist will postpone seeing the Falls till he has seen at least one thing that gives this Indian village a curious distinction. That is the old Indian chapel, feature pictures of which are shown herewith.

This old chapel is a perfect picture gallery of interest. It has the quaint character of a museum combined with the charm of a sanctuary where still the picturesque descendants of the once famous Hurons gather to worship, singing in two choirs as

related by Charlevoix, "Men on one side, women on the other, prayers and hymns of the church in their own language." The chapel is the same model and dimensions as the well-known chapel of Santa Casa, from which a replica of the statue of the Virgin Mary was sent to Lorette. Indeed Lorette chapel is the repository of more historic relics from old France than any other church of its size in America. Away back in 1621 the Court of France sent over to the Huron Indians a statue of St. Joseph; also two chandeliers, two vases, and a crown, all of pure and highly chased silver. The splendid altar cloth, embroidered by the ladies of the court of Louis XIV., was sent to the Hurons

of Lorette by the great monarch whose famous saying, "L'etat c'est moi," has become a proverb. The brass railing under the altar cloth was presented by a wealthy Frenchman. Nowhere else in Canada, perhaps, could be found so many of the historical relics which long before the conquest of New France by the English, linked up French Canada with the court and the country of France. Indian Lorette is a quaint epitome of what it feels like in this swirling commercial age to forget commerce and contemplate for a while the poetic significance of old Canada. And the scenery, always sublime, is as beautiful now as it was in the brave days of the Hurons. Settlement has not spoiled it. The charm still lingers for the bustling tourist who, if he visits any of the environs of Quebec City, must surely visit Indian Lorette.

# Prices and Prosperity

## Third Article—Effect of Rising Prices on Thrift

By G. I. H. LLOYD

THE analysis of retail prices contained in a previous article demonstrated that in Canada during the past two years the cost of food has been advancing at the rate of about 6 per cent. per annum, and I estimated that the average cost of necessary family expenditure, taken as a whole, has risen 4 per cent. per annum during the same period. I wish now to enquire what is the effect of such a movement on the opportunities for saving and on the inducements thereto.

The first point to consider is the relation between this increasing cost and the rate of return on money put by. The situation in a nutshell is this: if I save a hundred dollars from my income the Savings Bank pays me three dollars a year interest, but since general costs advance 4 per cent. in the same period, I find that my \$103 will only buy as much as \$99 a year before. I am therefore losing one dollar a year in value for every hundred dollars I save. Thrift, so far from being encouraged, is actually penalized. Virtue is not even allowed to be its own reward, but must suffer a tax of one per cent.

At first sight it would seem as if the only way to get full value for current income were to spend it as soon as it is received. Is there any way of avoiding or mitigating this unpleasant and undesirable conclusion?

Let us analyze the situation a little further. Rising general prices imply depreciation of gold—

we can best interpret the movement by thinking of money as gold, and recognizing that gold is becoming cheaper, that is, more abundant in relation to other commodities. More gold is thus continuously required to exchange for a constant amount of other goods. To deposit in a bank is equivalent to storing away gold, and to store away gold is to hoard a wasting asset, one that is steadily losing its power in exchange. When prices are rising as rapidly as at present, bank interest does not even make good the depreciation in purchasing power.

Surely, then, it would be better to hoard something else rather than gold! If we study the movement of wholesale prices for the years 1901 and 1911, during which period, owing to the depression of 1907-9, the average rise was only about 2 per cent. per annum, we shall find that the different commodities moved at very different rates. Some depreciated absolutely, or at least relatively to gold; some rose relatively to gold, but less than the general average of wholesale commodities; some rose rather faster than the general average, and therefore gained in power of exchange; lastly, there were some which rose so rapidly that the storage of them would have yielded a very handsome annual profit over the whole period. The easiest goods to store would probably be the metals; but the hoarding of these would have

proved a losing game, since all the important metals, except tin, have fallen in value faster than gold. Silver, for example, fell 11 per cent. in value, while general prices rose 19 per cent. In other words, while it took 119 ounces of gold in 1911 to buy as much of commodities in general as 100 ounces would buy in 1901, it would cost 134 ounces of silver to buy as much in 1911 as 100 ounces were worth ten years earlier.

SUPPOSE, now, we make a list of various commodities showing the change in the purchasing power of each during the ten years in question, and consequently the gain or loss that would have resulted if our savings had taken the form of hoarding a particular commodity:

Purchasing power of various commodities in 1911, as compared with 1901.

	Per Cent.
Gold .....	84
Silver .....	75
Lead .....	75
Pig Iron .....	73
Brass .....	68
Copper .....	61
Tin .....	120
Crockery and glassware .....	71
Lumber, all descriptions .....	121
Lumber, pine, No. 1 cuts, Toronto .....	155
Hides and leather goods .....	104