

building railroads, telegraph lines and for the general opening up of the country. At the present time, she is said to be negotiating for an additional loan of \$100,000,000 to further her development plans. Forty years ago, Japan was even more backward than China is to-day. In those forty years she has awakened from her centuries of sleep, adopted Western ideals and expanded her trade at a rate never before equalled in the history of the world. If China with her 400,000,000 is to duplicate the showing made by Japan, the increase in the volume of business is almost beyond comprehension. Canada, through her geographical relation to China, stands the best chance of reaping a large proportion of the new trade. This country is the shortest line between Europe and Asia and, in addition, our immense wheat fields will probably be called upon to supply the Chinese with flour. It is an encouraging sign to see Canadian manufacturers and business organizations alive to the commercial possibilities of the Orient. In this work they should have every possible governmental assistance.

MOLSONS BANK ANNUAL.

The annual meeting of the Molsons Bank, held in Montreal this week, was of more than ordinary interest. The past few months have been marked by unusual tightness in the money market and to a considerable extent by a slight slackening up on the part of business. For this reason, there was unusual interest in the showing our banks were expected to make. The Molsons Bank is the first of our financial institutions to hold its annual meeting and in a measure the showing made by this bank can be taken as an index of the prosperity of our banking institutions. On examination, the statement shows that the net profits for the year were \$694,356 compared with \$684,779 for the previous year, showing an increase of over \$9,500. In view of the fact that the year 1912 was one of unusual prosperity, the showing made by Molsons Bank during the present year is all the more commendable. The earnings made by the bank were equivalent to 17.36% on the paid-up capital against 17.10% during the previous year.

Our Canadian banks have come is for a good deal of praise for the satisfactory way in which they have handled the financial stringency during the past few months. The country had been enjoying a period of unprecedented prosperity, but accompanying this was an excessive speculation in real estate and in stocks. With the outbreak of the Balkan War and the curtailment of loans in Great Britain, a large number of speculators were badly caught and to a lesser extent

business men in all ranks of life felt the pinch. Our banks saw the stringency coming and began to call loans and husband their resources with the result that when the stringency was at its height, there was no real suffering among legitimate business enterprises. The banks did not deny credit to worthy undertakings, but rightfully shut down on all unwholesome enterprises. Canada, thanks to her excellent banking system and the shrewd foresight which characterises her banking men, has weathered the storm successfully and to-day is on the eve of more prosperous times. The showing made by the Molsons Bank is indicative of what may be expected from other banking reports as they appear.

GROCERIES NORTH AND SOUTH OF THE LINE.

In "The Epicure"—a grocery paper published in Boston—there was enclosed in this week's issue a leaflet entitled "Lower Cost of Living." The reader's attention was called to reductions on a long list of groceries and food stuffs, which undoubtedly proved welcome to the housekeepers in Boston and the New England States. There also appeared this week a statement in the New York papers showing that the cost of living in the Metropolis had shown a considerable decrease owing to the fact that many lines of groceries were lower than they had been before the recent tariff changes took place. From Chicago comes a report that thirty car loads of freshly dressed meat aggregating 1,150,000 lbs. reached Swift & Co. from Canadian sources. From Maine comes the statement that the first day after the new American tariff went into effect twenty-five car loads of Canadian potatoes were shipped from Carleton County, N.B., to the United States. These are only isolated statements gathered from widely distant points, but their meaning is significant, especially in view of the mounting cost of living in Canada. We cannot send our meats, potatoes and other commodities to the United States and escape unaffected. The Canadian consumer is paying more and more for his commodities as a result of these shipments to the United States.

To go back to the statement of "The Epicure," which called attention to the lower cost of living in Boston, we find in contrast to that, the "Canadian Grocer", in its last issue, printing a table showing the advance in the price of groceries in Montreal for the past 23 years. With the exception of sugar and lemons everything in the list of twenty-four commodities mentioned has shown a marked increase.

In some cases the cost of commodities has advanced as much as one hundred and seventy per cent. while advances of fifty per cent. are common. The regrettable feature is that while