bond house representatives were sent to the board of control room where mayor Church announced that as there was not a quorum, the opening of tenders would be delayed until noon. At twelve o'clock, the financial men returned to the city hall, only to be told that the board of control were at a meeting, behind closed doors, that they would open the bond tenders in private, and that the city treasurer would digest the contents of the tenders during lunch hour, reporting to the board of control at two o'clock. At that hour, and for the third time, the bond house representatives, whose time is understood to have some value, and who by then had become thoroughly disgusted with the procedure, returned to the city hall. After waiting half an hour, the entrance of the city treasurer and his assistants with due ceremony, was observed, and half an hour later again, the bond men were told the name of the successful bidder and the price.

Surely there was not any need for such unbusinesslike methods, and that air of secrecy. The city of Toronto should open its bond tenders in public. It should publish the names of all the houses bidding and their bids. This is done by practically every city which recognizes modern methods in Canada and the United States. *The Monetary Times* understands that mayor Church is in favor of the tenders being opened in public, but that he was overruled by a majority of the members of the board of control. Mayor Church should persist in his proposal.

The city of Ottawa last week also opened bids for its bonds. This was done at a committee meeting, the bond house representatives were present, the names of all bidders and their prices were given out, and the city council held a special meeting upon the same day to ratify the sale. That is the proper way to do a city's financial business. The public have a right to the treatment which Ottawa city officials have accorded, with great advantage to their city, for so many years, and which Toronto city authorities have not yet deemed wise to adopt.

Under the "more production" campaign also comes the creation of uniformity in Canada's company laws.

TRADE AND LOANS

The controversy regarding the British treasury regulations in respect to new applications for capital in Great Britain, continues to rage. The regulations were printed in full in these columns last week. *The Monetary Times*, as then stated, is in full accord with the British treasury's action, because it is plain commonsense. The Wall Street Journal takes a similar view:—

"Without conceding that such a supposition is true," says our contemporary, "it may be pointed out that this is no time for London to be thinking of financing the world. The day has come when Britain has to save herself, and she must, therefore, conserve her resources for the great struggle that lies ahead. To win the war, and not lose temporarily some portion of her commercial advantages, is to expect too much.

"As regards New York becoming the pivot of the world's financial activity, it is to be feared that, with us, the wish is father to the thought. Europe, owing to its density of population, will always be the real market for the world's products, and so long as Europe continues to supply manufactured articles to the newer countries in exchange, the United States cannot hope to assume the role of the world's banker.

"That the United States is destined to participate more in foreign finance, there is no question."

The United States has passed its role as a heavy borrower and has now become one of the lending countries. It is interesting to recall, however, that up to 1910, that country had borrowed £688,000,000 from Great Britain.

Probably one of the most serious phases of the British treasury regulations is their possible effect upon the trade situation. The United States has already more than 60 per cent. of Canada's import trade. There are many geographical and other advantages which the United States enjoys in relation to its Canadian trade, as compared with Great Britain and other countries. There is also a decided disposition now for the United States to become much heavier purchasers of Canadian high-grade securities. This will tend to improve and strengthen trade relations between the Dominion and the neighboring republic. It is quite evident that many authorities in England are fearful of a marked development in that direction. The London Investor's Guardian, for instance, says that on all sides in Great Britain emphasis is being laid on the opportunity which exists for British traders and manufacturers to capture German trade, and in many directions earnest efforts are being made towards that end, and for all these enterprises capital, and in many cases new capital which can only be organized by public subscription, will be necessary. The government has itself initiated, and is financially supporting, a proposal to establish the dye-producing industry, to oust the German monopoly; smaller schemes will depend entirely upon the initiative and enterprise of individual traders, and "it is very desirable that no artificial restriction shall be placed in the way of legitimate efforts in this direction. Incidentally," says this paper, "if we do not make the effort to capture German foreign trade, the Americans will. We do not recognize that it is necessary to husband for the purposes of the war, the financial resources of the country as against these enterprises."

The London Financier takes a similar view, which it expresses in these strong terms: "While the treasury authorities really imagine that they are acting in the supreme interests of the nation in framing their ridiculous regulations, they are actually dealing a deadly blow at British commercial and financial interests. If what is called the export of capital is put a stop to, a corresponding shrinkage in the exports of British merchandise is unavoidable. And shrinking exports will in time involve a contraction in imports. Our overseas trade, in short, will decline, and, instead of being richer and better prepared to withstand the strain of a great war, we shall be perceptibly poorer. And for our comparative poverty we shall only have to thank the treasury and its mysterious advisers."

SURPLUS OR DEFICIT?

"Then it will be for future generations to pay the piper for the financial tango we are now enjoying." That is how the Calgary Albertan aptly sums up the city council's and commissioners' proposal to make the street railway department show a profit by cutting down the depreciation to about 3⅓ per cent. A depreciation charge of 5 per cent. to 8 per cent. should be the minimum. One cannot transform a deficit to a surplus with only a stroke of the pen. Such bookkeeping methods are, to say the least, delusive.