

FINANCE AND INSURANCE

WITH an authorized capital of over a hundred million dollars, The Consolidated Lake Superior Co. has collapsed because unable to meet a debt of five million, and now, papers that have printed columns of laudation on Mr. Clergue and his enterprises are going to the opposite extreme. We were never enthusiastic admirers of Mr. Clergue, but we hardly think him deserving of much that is now said about him. He is undoubtedly a great promoter, but no organizer. His conception of developing the resources of New Ontario were worthy of all commendation, and the fact that the people associated in the United States Steel Corporation have thought it good to invest large sums in the neighborhood of Mr. Clergue's enterprises, proves that he was working along the right lines.

The trouble with the Soo industries has been in mismanagement, not in misconception. Industry after industry have been begun, and without waiting to put the first on a paying basis. The scheme of a great system of co-ordinated industries was good, providing that each was made to pay, but instead of looking to this important question and despite the foreknowledge of the capital available, these various industries were left in a chaotic state of incompleteness.

We are of the opinion that in the end most of the projects begun by Mr. Clergue will pay, and pay well, and he is deserving of no little gratitude for having directed attention to the resources of our northern lands for otherwise that section would probably be still unknown.

It is regrettable that he did not combine a saving modicum of caution with brilliant promoting genius.

To whom ever the Soo works fall in the reorganization which must now follow, Canada is chiefly interested in seeing that they are made to pay. The collapse, due to no fault of the natural resources of the country or advantages of location, will, nevertheless, reflect seriously on the prospects of other Canadian industries seeking outside capital. The most effective remedy for the wrong done our reputation would be such a reorganization and management of these allied industries, either as a whole or separately, as would yield good hard money in dividends.

A NEAT little booklet is at hand issued by The Lamoille County Savings Bank & Trust Co., of Hyde Park, Vermont, for the purpose of affording the public information as to the standing and policy of the bank. "Vermont money ought to be and can be used to foster and develop Vermont industries" is a motto of the bank and in pursuance thereof no investments are made outside the State. The bank is, of course, a bank of deposit and not of issue, and as it is listed at 190 seems to have been wisely guided in the matter of placing its loans. In "a word to our depositors" the advantages of using Vermont money to build up Vermont industries is effectively and succinctly presented, and is followed by a host of newspaper comments on the standing of the bank. A brief history of the bank and outline of its policy is appended, along with a page of statistics showing the rapid accumulation resulting from small savings. The capital stock of

the bank, it might be added, is \$50,000, surplus \$50,000, and deposits, \$631,365.84.

The small local bank catering to the financial needs of the immediate vicinity is a feature of the United States banking in marked contrast with our branch bank system, and in its province of keeping local money at home for local investment, cannot be but condemned. On the other hand, facilities we have for the mobilization of the national capital from all parts to bear on the points at which the greatest necessity exists, and the elasticity of currency we secure from our system of note issue, the virtues and effectiveness of which are in no little measure dependent on the organization of our banks, are, to a great measure, lost in a system of local independent banks.

THE Dominion revenue from customs for the three months ending September 30 was \$10,888,166 compared with \$9,070,717 for the same three months last year, or an increase of \$1,817,448. The customs revenue for the month of September alone was \$3,756,705, or an increase of \$615,675 over September last year.

THE final consummation of the separation of The Dominion Coal and The Dominion Steel companies should have a good effect on both. The Steel Co. should now be provided with sufficient funds to complete the plant and develop what is undoubtedly a good proposition in spite of the excessive first cost. Coal will now be relieved of the steel incubus and in a position to be developed along profitable lines. The unsatisfactory showing of these eastern enterprises after having been launched with such promise, has been most unfortunate for Canadian industries in general, as tending to discourage the investment of the European capital we so much need at the present, and will so much more need in the future, if our dreams are to be realized. It is the more unfortunate in that in both cases mismanagement rather than lack of natural resources and facilities has been the source of the difficulty. Every Canadian will hail with acclaim the day on which the Sydney interests come to their own in the industrial and financial world.

TOO much American silver coin in Canada, was a complaint heard at the Manufacturers' Association meeting, and a resolution was passed asking the banks and the Government to take measures to secure its exodus and prevent the recurrence of the nuisance, for such it has become. There is reason in the resolution. The profit in the coinage of silver is about 60 per cent., and that profit should be the perquisite of our own rather than of a foreign government. Patriotism was also appealed to and Canadian pride was enlisted against the dimes, quarters, half-dollars and "cart wheels" that load down our pockets and irritate our tempers.

If there was reciprocity in the matter and our coins passed current across the border, we might submit to the indignity of accepting Yankee money, which is being poured into our country in greater abundance every year by the tourist route. But there isn't. On crossing the border you must pay tribute to the money changer, and we might