Australia is so large a country, and the demands of the several States so diverse in character, that it is only reasonable that their borrowings should be locally arranged. In the event of the States debts being replaced by a Commonwealth stock British investors are being advised to insist upon the conversion loans being payable in gold in London, without deduction. The suggestion is in fact made that with the conversion of Australia into a paper currency country, as is intended, the Labour Ministry might attempt to pay its creditors in paper. There is also a considerable section of the party who advocate the deduction of a tax from all interest paid by Australia to British securityholders. In view of contingencies it appears highly desirable that a promise to pay principal and interest in gold should be a firm condition of Commonwealth issues.

"Goodwill" in Balance Sheets.

Friction which has arisen between the Board of Trade and certain public companies regarding the information supplied in their statutory returns will probably lead to interesting developments. The Companies Acts of 1907 and 1908 require all public companies to set forth separately the values of their fixed assets, of which Goodwill is, in many cases, by far the most important. This item has up to the present more often than not been included in balance sheets with a number of others in such a way as to conceal its individual value. The Board of Trade now insists on the discontinuance of this procedure, and has issued an instruction that each company must show Goodwill as a separate item in its balance sheet. This order is being resisted and matters have now reached such a stage, that proceedings will probably be instituted against several companies in order to test the question. Investors will await the result with interest. The necessity for enforcing the provisions of the Acts cannot be denied.

LONDONER.

London, 10th September, 1910.

From Western Fields.

The Beginning of New Towns—Activity at Kerr Robert, Sask., and Port Mann, B.C.—Prince Rupert's Assessment of the Grand Trunk Pacific—The 1909 Crop, Final Figures—A Journalist's Impressions.

The process of establishment of a new western town was well shown last week in the sale of the townsite lots of Kerr Robert, Sask., the C.P.R. divisional point on the Moose Jaw-Lacombe branch and situated at the junction of the Macklin and Wilkie branches. Fully two hundred people were present at the sale from points as widely separated as Toronto and Vancouver, Virginia, Indiana and Edmonton. High prices prevail, nearly $300,000 of property being disposed of. Some fifty buildings have been erected about a mile from the new town and these will be immediately hauled to Kerr Robert. Lumber is on the ground and building began immediately after the sale. Five hundred substantial buildings and a flourishing trade are assured to Kerr Robert in the immediate future. As a distributing centre, it is said, it has no rival nearer than Saskatoon or Regina; the country surrounding it is excellent, and as a commercial centre it has an assured future.

Another town is in the making at Port Mann, the townsite of the Canadian Northern Railway opposite New Westminster. Lots will be offered for sale at public auction next March. The townsite will be laid out on the most modern lines under the direction of landscape architects. The flat adjacent to the waterfront embracing hundreds of acres will be utilized for railway terminals and for the carbuilding works of the entire system, a plant that will employ five thousand men, as well as for roundhouses, shops, etc. A large portion of the waterfront property will also be reserved for sites for wharves, grain elevators, coalbunkers and manufacturing industries. The railway will dispose of manufacturing sites at a nominal rental and arrangements are being made for developing a waterpower for the purpose of supplying electrical energy. The residential and commercial portion of the future railway and industrial city will be located on a slightly elevated plateau, south of the waterfront and railway terminals. It is proposed to build streets before a single lot is sold; in fact buyers in Port Mann will find property there in shape to begin building operations without a moment's delay.

The Grand Trunk and Prince Rupert.

A correspondence has just been published between Mr. C. M. Hays and the Mayor of Prince Rupert, which took place some time ago, on the subject of the assessment of the company's property at the Pacific terminal. Mr. Hays' first letter said *inter alia*:—"I did not consider the railway company would be warranted in going ahead and making any further expenditures or plans for the development of the terminal until some agreement had been arrived at between the municipality and ourselves, giving us exemptions on our railway property for a period of fifteen or twenty years. I now enclose you as promised a copy of our agreement with the city of Fort William, which, like Prince Rupert, is one of the most important of our terminals, and which you will note in addition to exemption from taxes for fifteen years gave us a bonus of $300,000 cash, a valuable strip of waterfront, and rights to occupy various streets with our track."

To this the Mayor replied reporting the unanimous opinion of the council against any alteration in the assessment, or any exemption from taxation, on the ground that such action would have to be ratified by the passing of a by-law, which they were of the opinion would be defeated, and particularizing various schemes of town improvements which will cost over $1,000,000 to carry out.

Mr. Hays' rejoinder, written in Montreal on July 20, throws rather an interesting light upon the way they do things in Prince Rupert. He writes: —"We shall, of course, resist the attempt to collect taxes based on such an assessment of the property as has been returned and as emphasizing the ridiculousness of the figures returned will state that in the large cities of Montreal, with a population of over 500,000 people, and Toronto, with a population of over 300,000, where the railway has large yards and terminal properties, our total