

For all, the best recognition is not the occasional special service of praise, but the all the year round, contented, happy and kindly disposition, and the humble prayer: "That we may shew forth Thy praise, not only with our lips but in our lives, and by walking before Thee, in holiness and righteousness all our days."



The Availability of French Capital. The important aid rendered by Paris last year to the monetary world-market naturally gives rise to the question as to whether France is still able to extend assistance to other financial centres. M. Lazare Weiller, a prominent financier, and reputed a somewhat close associate of Baron Rothschild, is reported in a dispatch to the Montreal Gazette as saying that while America needs money so badly, France has more than she knows what to do with. He believes it certain that despite the shock to the confidence of the investing classes there, much gold will find its way to America in the near future. Moreover, so great is the confidence of all the great French bankers in Mr. Morgan and Mr. Stillman personally, that were they to come to France to-morrow they would find 100 millions dollars in gold without the slightest difficulty.

The Evening Post of New York sums up as follows the present money situation of France, compared with that of other nations:

First: Last year's financial issues in France absorbed not more than half the country's disposable savings. In foreign countries, on the contrary, the issues greatly surpassed their power of absorption.

Second: French investments abroad already yield more than a thousand million francs annually, even after deducting the excess of the country's importations over its exports. During the coming year there will be no importation of wheat and other cereals in France, as the crops are abundant—a circumstance which will still further augment the milliard francs of excess. France, therefore, ought again to be in condition to render financial service to other nations—and to exact advantages in return.

There seems little doubt that the Dominion is wise in seeking closer trade relations with a nation having so abundant investment resources. As has been previously pointed out in these columns, closer trade relations between the two countries is certain to affect various interests denominated financial, as distinguished from those actively commercial. France is pre-eminently the nation of thrift. But its small artisans, tradesmen and especially its peasant proprietors of land are not mere savers—they are investors as well.

Financial Lessons for our Neighbours.

The need of monetary reform for the United States is emphasized by the recent decision of the New York Clearing House Association to temporarily issue loan certificates, against approved securities, for the use of member banks in settling clearing house balances. A credit currency, automatically and adequately elastic, based upon the resources of the banks (instead of arbitrarily restricted by holdings of Government bonds) would seem preferable to this emergency issue of loan certificates, which in itself is a sort of advertisement of the panic conditions which it is called upon to meet. Still, the emergency being what it was, there is no doubting that the Clearing House adopted the wisest measure within its power in thus enabling the banks to provide for the necessities of the public by leaving free for its use the cash that would otherwise be diverted into inter-bank transactions.

The Wall Street Journal in summing up what it terms "the lessons of fear" mentions a number of changes in financial and banking methods which it considers as much needed.

1. The banks and the trust companies of New York should be brought together in one association, namely, the Clearing House, subject to the same rules, and holding adequate cash reserves.
2. There should be an adequate bank statement.
3. The call money market should be subjected to adequate regulations to prevent extraordinary fluctuations in rate.
4. There should be a change in the stock clearance system so as to provide for semi-monthly cash payments of differences.
5. Some restriction should be placed upon the payment of interest upon deposits subject to payment by check, and also on reserves of interior institutions.
6. There should be some method of regulating money rates either by the establishment of a central bank of reserve and issue, or by giving authority to the Clearing House to fix a daily rate of interest.
7. The creation of chains of financial institutions by men who hypothecate their stock in one bank for loans with which to purchase control of another bank, and so on ad infinitum, must be stopped.
8. The United States Treasury should establish the system of payments by check in all of its operations.
9. There should be consideration as to whether it would be possible to establish in the banking system of the country a distinction between cash deposits and credit deposits when withdrawals are made in times of special stress.