

Currency Expansion.
United States

As a result of a three days' conference in New York, between committees of the American Banking Association and the New York Chamber of Commerce, a bill will be submitted to Congress at its next session, providing for the expansion of the United States currency. All the members have been pledged to secrecy regarding the nature of the proposed legislation, but it is only reasonable to suppose that it will be somewhat upon the lines laid down by the Convention of American Bankers at St. Louis. The Convention suggested two alternative schemes, which have already been discussed in these columns.

SIR FREDERICK BORDEN'S EDUCATIONAL PROPOSITION.

Sir Frederick Borden is negotiating with the educational authorities of the Provinces with a view to securing a uniform system of physical training in the schools acting in conjunction with the Department of Militia. He also wants every Canadian school-boy over twelve years of age to have the opportunity of learning to shoot. This is not a new idea of Sir Frederick's. He has already laid the matter before Parliament and is evidently very much in earnest in bringing about the adoption of what he rightly regards as the cheapest and best system of national defence. In this connection the remarks made by Sir Richard Jebb in a lecture delivered by him yesterday before the Royal Colonial Institute are interesting. His conception of an imperial alliance of the component parts of the Empire, involves each partner state giving its young men rudimentary military instruction, entrusting its home defence to an efficient citizen army, supplying contingents to an imperial striking force and furnishing a squadron to the imperial navy. It is rather surprising to find the Imperial Government at this time throwing cold water upon the suggestion made by Sir Howard Vincent, that following the example of Canada and other colonies' official recognition should be accorded to school cadet corps in the United Kingdom. Most military authorities are now agreed that universal military training and an extension of the volunteer system are the only alternative to the adoption by England of the European system of conscription.

There is another aspect of Sir Frederick's proposition which should strongly commend it to the people of Canada. A system of physical training in the schools would do much to improve the general health and physique of the rising generation of Canadians. The boy who has in him the making of a good soldier has also in him the making of a good citizen.

THE DOMINION IRON AND STEEL AND DOMINION COAL COMPANIES.

The misunderstanding between the Dominion Iron & Steel and Dominion Coal Companies will we have, no doubt, be settled in the near future, for the principal shareholders in both companies are largely identical and no less than seven of the directors of one of the companies are also directors of the other. The interests involved are too serious for a settlement to be long deferred. It should not be difficult to interpret the terms of the contract which were evidently very carefully drawn up. We always considered that the Steel Company got the best of it in every respect, and we think that this view will be borne out by those who purchased stock in the coal company when it was in the vicinity of 130 or 140, and when it was expected that it would reach a price that would place it on a five per cent. basis, which would mean 160, for it will be remembered that the dividend was guaranteed by the Dominion Iron & Steel Company at the rate of eight per cent. per annum. It was, however, shewn that the earnings of the Coal Company were anywhere from ten to fifteen per cent. per annum on the common stock, and for this and other reasons put forth at the time, that it would be a good thing to separate from the Steel Company and terminate its guarantee of eight per cent., since which time one solitary dividend for a half year at three per cent., has been paid to the shareholders of the Coal Company. What a transformation!

The Coal Company's stock naturally fell from 140 or over to between 60 and 80, which, of course, for a non-dividend-payer is quite a high price. We are tempted to recall these reminiscences, because it is difficult for the ordinary individual to appreciate the situation. It is quite apparent that the Dominion Iron & Steel Company has got the best of the bargain for it gets its coal supply at \$1.24 per ton, which is a ridiculously low price, and it is quite evident that there is no money, in it for the Coal Company, quite the reverse, when it is considered that the expenditure has always been very heavy in connection with development work. A large portion of this must have previously been charged up to capital account, but this could not go on for ever. Both of these properties are good and should be a success under proper management. We do not pretend to say, that they are not well managed under existing circumstances. But that there have been extravagances and mistakes in the past every body will admit.

The directors of the two companies met in Montreal on Thursday, and correspondence was exchanged tending to a temporary settlement of the matter at issue between them. The Steel Com-