

In British Columbia the prosperity of the past few years has continued without showing signs of abatement. These satisfactory conditions may be ascribed somewhat to the railway construction which is in progress, and which is likely to continue for some years to come, but there has been a steady influx of population, a continuance of which it seems reasonable to expect.

The London manager of the Bank of Commerce thinks that the coming year does not hold out much prospect of any improvement taking place from the viewpoint of the borrower. Even if European politics are settled in a satisfactory manner, the demand for new capital by the newly arisen States in the Balkans will add to the burden under which the money market is laboring at the present time. He expresses the hope that the securities of the Canadian provinces will be included in the list of those approved by the National Insurance Commissioners of Great Britain.

Sir Edmund Walker discusses in his address so many interesting points that we must content ourselves here by referring readers to its publication elsewhere in this issue. He contends that the proposed central gold reserve will relieve apprehension of a scarcity of currency at a time when the emergency provisions are not operative. He discusses counteracting influences at work against the money stringency. Other matters dealt with in the usual thorough manner are Canadian borrowings in London, the cost of living and the mitigating effect thereon of good roads, and the general development of the country.

FARMERS AND THE BANKS

Little has been heard from the bankers of Canada respecting the proposed amendments to the present Bank Act. Mr. Duncan Coulson, president of the Bank of Toronto, has broken first the official silence. At the annual meeting of the bank, he discussed the feature in the proposed act relating to loans to farmers. A clause has been added to the act permitting banks to make advances to them on the security of grain and cattle in their own possession, enabling a pledge or an assignment to be taken as security. While Mr. Coulson admits it is but right that farmers should have privileges enjoyed by others, he thinks that too much importance should not be attached to the benefits this clause of the act may afford. Such advances, even though accompanied by security under the act, must rest largely upon the responsibility of the individual borrower. The grain given as security remains in his custody, and, therefore, the personal element must be largely considered. At present advances are made to farmers without this security, and as freely, he thinks, as they will probably be made with it, and, considering the number of banking offices there are in the West, and the competition that exists between banks, the cases should be few in which responsible farmers do not receive the accommodation to which they are entitled.

The same clause was discussed this week by Mr. Alexander Laird, who thinks it will undoubtedly be of great advantage in many instances, and will at least legalize the practice already quite common, and probably tend to prevent hasty marketing of produce. As a matter of fact, large advances are made to farmers on the security of notes and actually upon what they possess in the way of products of agriculture, and their reputation of honesty and ability, always an essential consideration when lending money.

Good reputation, to a banker, ranks almost as high as, if not equal to, his security. Mr. J. P. Morgan emphasized that point in his examination before the Money Trust investigating committee in the United States. Honesty in business is a sure way to magnetize bank funds. It applies as much to the farmer as to the merchant.

SILENCE PERSISTS

For more than two months Judge Leet has had under consideration charges made against officials of La Banque Internationale and heard by him in private. Correspondence on the part of *The Monetary Times* with the Department of Finance, the Department of Justice and with Judge Leet has, as yet, failed to penetrate the lengthy silence. The Minister of Finance in a letter to *The Monetary Times* lightly dismisses the matter by stating he has no authentic information as to it. We would respectfully suggest to the Minister that it appears to be time for him to obtain some authentic information. An inquiry addressed to the Minister of Justice remains unanswered, and we would respectfully suggest that the Minister should see that justice is given to the public by the publication of Judge Leet's long-delayed decision.

On November 19th, Judge Leet had the matter under advisement, and "at the moment" could not "say how soon judgment would be rendered." We would respectfully suggest to Judge Leet that two months seems to be a sufficiently lengthy period to have such matters under advisement.

While the Department of Finance has no authentic information, while the Minister of Justice is silent and while Judge Leet continues to have the matter under advisement, wild guesses continue as to what occurred at the bank. While almost unanimous silence persists regarding the charges, gossip as to what might have occurred at the bank is heard day by day. *The Monetary Times* has previously stated that Canadian banking and Canadian credit are injured by this continued silence, and we have previously asked, What really did happen at the bank and what is the judicial finding? We still await an answer.

GROWING FLAX IN CANADA

Flax is one of the most interesting crops grown in Canada. It is a popular crop for the new settler, especially in Saskatchewan, as quick returns are possible and it is the most suitable crop for new broken land. Preliminary estimates of this crop show that in 1912, flaxseed upon a greatly increased acreage of 1,677,800 acres (allowing for deduction of non-productive areas) was expected to yield 23,145,000 bushels, or at the rate of 13.74 bushels per acre, figures which compare with a total of 7,867,000 bushels from a productive area of only 682,622 acres in 1911, when, it will be recalled, so large a proportion of the area sown in the Western provinces was not harvested in consequence of the late and stormy season.

Number one Northwest flax of Canada is generally conceded to be the finest in the world.

The following figures show the rapid increase in the cultivation of this crop in Canada during the past four years:—

	Acres, area.	Total yield, bushels.	Total value.
1908	139,300	1,499,000	\$1,457,000
1909	138,471	2,213,000	2,761,000
1910	476,877	3,802,000	7,898,800
1911—Area sown . . .	1,131,586	12,921,000	19,467,000
1911—Area har- vested	682,622	7,867,000	11,855,000

These figures show increases of 390 per cent., 424 per cent., and 713 per cent. in acreage under cultivation, total yield and total value, respectively.

The average price per bushel has increased from 97 cents in 1908 to \$1.50 in 1911. In 1910, the figure was \$2.07 per bushel.

The yield per acre in the past four years compares as follows:—