The Monetary Times

Trade Review and Insurance Chronicle

Vol. 49—No. 3 Toronto, Canada, July 20, 1912 **Ten Cents**

The Monetary Times OF CANADA

PUBLISHED EVERY SATURDAY BY THE MONETARY TIMES PRINTING COMPANY OF CANADA, LIMITED.

JAMES J. SALMOND, MANAGING DIRECTOR

F. W. FIELD, MANAGING EDITOR — A. E. JENNINGS, ADVERTISING MANAGER — P. G. CHERRY, B.A. Sc., CIRCULATION MANAGER

The Monetary Times was established in 1867, the year of Confederation. It absorbed, in 1869, The Intercolonial Journal of Commerce, of Montreal; in 1870, The Trade Review, of Montreal: and The Toronto Journal of Commerce.

Terms of Subscription, payable in advance:

Postpaid to any address in the Postal Union:

One Year	Six Months	Three Months
$3.00 (12s.)	**$1.75** (7s.)	**$1.00** (4s.)

Copies Antedating This Issue by More Than One Month, **25** Cents Each.
Copies Antedating This Issue by More Than Six Months **50** Cents Each.

ADVERTISING RATES ON APPLICATION

HEAD OFFICE—Corner Church and Court Streets Toronto.
Telephone Main 7404 7405 or 7406. Branch exchange connecting all departments. CABLE ADDRESS—"MONTIMES, TORONTO."
Western Canada Office—Room 820, Union Bank Building. G. W. Goodall, Business and Editorial Representative. Telephone Main 2914.
Montreal Office—Room 617 and 628 Transportation Building. T. C. Allum, Editorial Representative. Phone Main 8436.
London Office—Grand Trunk Building, Cockspur Street. T. R. Clougher, Business and Editorial Representative. Telephone 527 Central.

All mailed papers are sent direct to Friday evening trains. Subscribers who receive them late will confer a favor by reporting to the circulation department.

The Monetary Times does not necessarily endorse the statements and opinions of its correspondents, nor does it hold itself responsible therefor.

The Monetary Times invites information from its readers to aid in excluding from its columns fraudulent and objectionable advertisements. All information will be treated confidentially.

NOTICE TO SUBSCRIBERS

When changing your mailing instructions be sure and give your old address in full as well as your new address.

PRINCIPAL CONTENTS OF THIS ISSUE

Editorial:

	PAGE
Panama Canal Tolls	165
United States Railroads in Canada	166
Britain's Insurance Act	166

Finance and Economics:

Canada's Crop Statistics	169
Canada and the Panama Canal.—I.	170-1
Investments and the Market	173
Hudson Bay Company	174
Montreal Companies Increase Dividends	175

Stock Exchanges:

Prices of the Week	188-9
Canadian Securities in London	190

Bonds and Municipal Credit:

Municipal Financing	181
Many New Issues in London	194

Commerce and Transportation:

United States and Canadian Canal Traffic	178
Cross Ties Used by Railways	179

Insurance:

Mortgage Clause in Fire Policies	172
Insurance Notes and Happenings	180
Life Insurance and Fields for Investment	182
Prevention of Conflagrations	183

PANAMA CANAL TOLLS

There is little reason for surprise at the action of Great Britain in requesting the State Department at Washington to delay the passage of the bill for the operation of the Panama Canal until a note on the question can be presented formerly by the British Ambassador. The details of the protest are not public at the time of writing, but it is assumed that the question of the provision in the bill vesting in the president a discretion to authorize reduced tolls or no tolls for United States ships passing through the canal, is raised in the British note.

We fail to see how any but one meaning can be attached to the specific clauses in two treaties governing this issue. These are the Clayton Bulwer Treaty made in 1850 and the Hay-Pauncefote Treaty made in 1901. One clause of the former has a direct bearing on the operation of the Panama Canal. It says:—"It is always understood by the United States and Great Britain that the parties constructing or owning the same (the Canal) shall impose no other charges or conditions of traffic thereupon than the aforesaid governments shall approve of as just and equitable; and that the same canals or railways, being open to the citizens and subjects of the United States and Great Britain on equal terms, shall also be open on like terms to the citizens and subjects of every other state which is willing to grant thereto such protection as the United States and Great Britain engage to afford."

The second treaty referred to, entered into in 1901, extended the Clayton-Bulwer provisions, as follows:—"The Canal shall be free, and open to the vessels of commerce and of war of all nations observing these rules, on terms of entire equality so that there shall be no discrimination against any such nation, or its citizens or subjects, in respect of the conditions or charges of traffic, or otherwise. Such conditions and charges of traffic shall be just and equitable."

The proposal of the United States to pass its own coastwise vessels free through the Panama Canal and to collect tolls from British and foreign ships, is obviously an evasion of these treaties. They impose a moral obligation upon the United States Government to treat the vessels of other countries exactly as those of the neighboring Republic.

The British attitude this week was supported at Washington both by Senator Burton, of Ohio, and Senator Root, of New York. They declared that Great Britain had surrendered important rights at Panama held under the former Clayton-Bulwer Treaty for the pledge of "equal treatment" to all ships, given by the United States in the existing Hay-Pauncefote Treaty. The controversy they think hinges on the question of whether the United States in its pledge to treat the ships of "all nations" equally, meant to include vessels owned by its citizens, a very weak hinge.

Senator Root, formerly secretary of state, declared that The Hague Court would be called upon to settle the issue finally if the United States passed the bill with the free provisions, which he characterized as "unjustifiable discrimination against other nations." A decision against the United States by The Hague Court, he said, would undoubtedly involve this country in the repayment of millions of dollars to the owners of foreign ships, which might have been taken in as tolls at the canal.

The Monetary Times does not believe that the average citizen of the United States is in sympathy with the proposal of its government. A large section of the