outlined a high political ideal in which Canada, and more especially Ontario as its central province, would harmonize the two great branches of the Anglo-Saxon race. The British empire may be a federation of partners, but it cannot be a self-sufficing league of nations. The congress does well to favor imperial preference. The self-governing colonies will continue to frame their fiscal policies on economic grounds, tempered by such concessions as spring from an inherent desire to strengthen the bonds—not the chains—of empire.

ANOTHER BANKER GOES TO UNITED STATES

THE appointment of Vere C. Brown to the committee of executive managers of the National City Bank of New York is still another tribute to the Canadian banking system and to the grade of training this country can give. A large number of Canadians have gone to the United States after a brief experience in Canada, but the appointment of Mr. Brown directly to one of the highest positions in the gift of this enormous institution is a recognition of the fact that those who have made good in the Canadian field are fit to take a leading place in the financial centres of the world.

The National City Bank is the largest banking institution in America, its total resources exceeding $1,000,000,000. It has 56 foreign branches in England, Belgium, Spain, Italy, South Africa, South America and the West Indies; and, through its ownership of the International Banking Corporation, a further 29 branches in India, China, Japan, the Philippines, Java, Straits Settlements, etc. Its board of directors has 24 members, including many names continentally known, such as James A. Stillman (president), William Rockefeller, J. Ogden Armour, Cyrus H. McCormick, Henry A. C. Taylor, etc. The administration of the bank is organized in thirteen divisions, principally geographical, the general management being in the hands of the president and a small committee of executive managers, of which latter Mr. Brown is made a member.

KNOWLEDGE OF COSTS IS ESSENTIAL

THE organization in Toronto last week of a "Costs Accountants Association of Canada" is a recognition of the growing value of this comparatively recent business operation. The new association will include not only chartered accountants but also all those accountants who are interested in the estimating of manufacturing and selling costs. A similar organization already exists in the United States.

Some references to this class of work are contained in a recent issue of the *American Magazine*. It is termed the the new science of cost accounting, and some interesting illustrations are given of the serious mistakes which even the larger manufacturing concerns have made in past years, owing to the fact that they were not in possession of exact information regarding their own manufacturing tests. It is told of one large United States firm that it was only when the war broke out that it learned that all its profits were being made from its foreign business and that its domestic transactions were being carried on at a loss. Having lost its foreign trade as a result of the war, it was necessary for it either to reorganize its domestic business at once, so that it would yield a profit, or wind up its affairs. In past years in the business world, there were always some estimates made of manufacturing and selling costs, but in the great majority of cases this was not done with a sufficient degree of exactness, and as a result there was considerable guesswork about it. corporations and companies did not really know from month to month whether they were making money or otherwise, and the history of failures prove that in the majority of cases they were losing.

The price of motor cars is coming down. On the other hand the price of gasoline has gone up, and those who bought automobiles at high prices are caught both ways.

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The 1920 Leipzig fair was a failure, due to lack of buyers. There is no shortage of goods in Europe, though in some parts there may be a shortage of money to pay for them.

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The price of C.P.R. stock has failed to respond to the increase in railway rates. Perhaps this good news had been more than offset by the harrowing story which the railroads told the Board of Railway Commissioners.

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"All public men in Canada are protectionists in office" is the apt remark of *Round Table* in commenting upon the premiership of Sir Robert Borden. Even a farmers' government would find it difficult to break the rule.

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Already the price of wheat, like that of most other raw materials, is coming down. Wheat for December delivery sold at $2.32 in Chicago on Tuesday, Canadian shipments being responsible for a substantial decline.

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Ford Motor Car Company of Canada shares fell thirty points on the Detroit market when the announcement of a reduction in the selling price of cars was made. This is a direct result of a slackening in demand, and forebodes a reduction in the profits of industry.

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In a special article on housing, the New York *World* says, that Canada has accomplished something in solving the housing problem. This will be news to Canadians, but there is no doubt as much truth in it as in the reported success of government housing schemes in Great Britain.

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The fact that a bond is not readily convertible into cash, points out the *Manitoba Free Press*, may sometimes be an advantage, as the owner will not find it so easy to turn it into money to be spent extravagantly. We know of some bonds which possess this virtue to the nth degree; in fact, some issues which have been placed upon the market during the past year can scarcely ever be repaid.

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The writing-down of security valuations to new market levels is disheartening to the institutional and private investor. It wipes out a substantial part of profits and of savings. It is only by this process of writing down, however, that a company's financial position can be certainly known, and those which make full provision for such depreciation will reap a corresponding benefit as values recover.

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"I remember saying in 1916 that Germany had revealed itself in such a way that we wanted no more truck or trade with it, but I do not think we can say that in 1920," said Sir James Woods in addressing the Empire Chamber of Commerce in Toronto on September 17. Did Sir James in 1916 really believe that there would be no more trade with Germany, or was he not rather taking advantage of the sentiment of the time?

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"The credit situation has continued, during the period ending September 15, to evidence in a substantial measure the improvement which had become apparent a month ago," says the National Bank of Commerce, New York, in its letter of September 22. "There has not, it is true, been any easing of credit. Banking loans have increased in response to seasonal needs; there has been no relaxation in commercial money rates; and little change in this situation can be expected until the major requirements of the crop-moving season have been met. Nevertheless, substantial progress has been made in overcoming the difficulties in the credit situation."