

perity is to be restored. This change of feeling has aroused great hopes as to the prospects of higher freight rates and of abolition of certain expensive laws recently passed.

BUSINESS CONDITIONS SATISFACTORY.

The business conditions in Canada are moving satisfactorily. The failure of the Bank of Vancouver has been expected for some time and is taken as the removal of a weak spot. Call loans in Montreal and Toronto are 6 to 6½ p.c., and commercial discounts, 6 to 7 p.c.

Bank rate in London is 5 p.c. In the open market call money is 1 3-8; short bills, 2 7-8; and three months' bills, 2 7-8. No change has occurred in the continental rate. The Paris market quotes 4, and in Berlin 6¾ is the rate. Bank of France rate is held at 5, and the German bank quotes 6. Money on call at New York is steady at 3¼ to 3¾—most of the business being done at 3½. Time money is firm: sixty days, 4 to 4¼ p.c.; ninety days, 4 to 4¼ p.c.; six months, 4¼ p.c. In their Saturday statement the clearing house banks at New York showed increase of \$2,550,000 in loans, increase of \$6,300,000 in net demand deposits, increase of \$1,100,000 in net time deposits, decrease of \$5,000,000 in circulation, decrease of \$2,900,000 in reserve in vaults and in federal reserve banks. The surplus reserve decreased \$2,470,000, and now stands at \$16,992,000.

FEDERAL BANK'S POSITION.

The changes in the position of the Federal Reserve Bank of New York were as follows: deposits decreased, \$1,464,000; notes outstanding decreased \$248,000; discounts decreased \$1,023,000; and cash decreased \$1,000,000. Taking all the federal reserve banks at the close of the week, there was an increase of \$400,000 in the discounts. However, the total amount discounted by the reserve banks was only a little more than \$10,000,000, and the total amount of their notes in circulation is less than \$3,500,000. These are comparatively small figures, and in regard to discounts and circulation the new banks will have to show pronounced development if they are to make reasonable profits on their capital stock. Of course the banks are young and this business may show satisfactory increases in the next few weeks.

Press notices and dispatches as collated by the bonding department of the Fidelity & Casualty Company of New York, indicate for the month of October, 1914, the following defalcations:

Beneficial associations.....	\$ 64,633.00
Banks and trust companies.....	182,250.00
Public service.....	413,177.00
General business.....	115,940.11
Insurance companies.....	212.19
Court trusts.....	2,091.50
Transportation companies.....	127,883.65
Miscellaneous.....	25,147.25
Total.....	\$931,334.70

THE FINANCE MINISTER'S CONFIDENCE.

(Continued from front page.)

for farm products, less consumption under the influence of thrift and in the future, our borrowings in London for the purposes of the war—our first business until it is over. Besides these there are the war orders of the British and other governments, and later on there will be borrowing abroad on a reduced scale as the money markets become easier. "By all these means," said Mr. White, "Canada is taking and will take steps, no doubt unconsciously to the great body of her citizens, who work by sure instinct, to meet the subversive conditions created by the war and the large adverse trade balance, without resorting to gold exports."

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The Minister of Finance agreed with other students of the Canadian position in emphasizing the necessity of greater production. But after all the recent dissertations on this subject, it would now be more to the point if those who speak on this subject would insist that increased production does not necessarily mean the spreading of energies over a larger area. The policy of spreading our energies has been followed a good many years in Canada. One of the results of it is that the average wheat yield per acre from our virgin soil is considerably lower than the average yield in Great Britain—an old country that has been farmed for certainly a thousand years. Education of course is a slow process at best, and the increase in production is wanted at once, so that the increased area being put under cultivation in the west this year is legitimately a matter for congratulation. But sight needs to be kept of the fact that in many lines of industry, of which agriculture is only one, our present methods are wasteful and that a vast increase of production could be made without seeding another acre of ground or adding another machine to our plants, were scientific methods now generally known widely disseminated and followed, and an end put to waste. Twenty bushels of wheat grown on one acre of land count in the re-adjustment of an adverse trade balance as much as twenty grown on four, and in the long run the larger yield from the smaller area will be a good deal the best for the economic prosperity of the Dominion as a whole.

CANADIAN LIFE INSURANCE EXECUTIVES IN NEW YORK.

The Canadian life insurance executives attending the annual meeting of the Association of Life Insurance presidents in New York City included the following:—Messrs. H. C. Cox, president, and C. R. Acres, secretary, Canada Life; L. Goldman, vice-president and managing director, North American Life; T. B. Macaulay, managing director Sun Life; T. H. Purdom, president Northern Life; and J. F. Weston, general manager, Imperial Life.