NOTE OF WARNING FROM HENRY CLEWS

Famous New York Banker Discusses the Financial Outlook

BANK OF ENGLAND'S MOVE A BOMBSHELL

Predicts That an End Is Coming to Reckless Speculations

Apropos of the announcement the other day of the advance of the Bank of England to 6 per cent, and the news of the troubles affecting banking institutions in eastern Canada, the following circular issued by the banking house of Henry Clews & Co., New York, under date of October 20th, will be read with interest by many:

"The sudden and unexpected advance in the Bank of England rate came like a bombshell in the market. The bank rate is now 6 per cent, the highest rate since the Baring failure sixteen years ago. This step was, of course, necessitated by the impoverished condition of the Bank of England reserve, and the prospect of fresh demands upon its stock of gold from Egypt and the United States. The decline in foreign exchange in this market on Thursday was a plain intimation of our intention to draw more gold from the other side, and the advance in the bank rate was undoubtedly in sheer self defence. The consequences of this action can hardly be predicted at this writing. Its effect upon stock speculation must be unfavorable, and prices must fall more or less in consequence. We have, for the time being at least, used up all available supplies of money and our credit system is greatly extended; not perhaps to the limit of soundness, yet quite up to the margin of safety. It means that there is an end coming to reckless speculation, and that nothing but liquidation of greater or less severity can restore equilibrium.

"We have had our high rate money troubles this fall; now England and Germany are apparently having theirs. The Bank of England's supply of gold is lower than at any time for the past thirteen years and is at least $50,000,000 less than it was ten years ago, notwithstanding that during that time England has received from South Africa and Australia vast amounts. The United States and France meantime have materially increased their gold holdings. Germany's war chest is supposed to hold a very large sum of gold as a reserve in case of war. This, however, takes it entirely out of range for any other use. Russia has a vast sum of hoarded gold, which is not surpassing owing to the distrust that has long prevailed in that country, and the Russian treasury must also have a large amount of gold as a back log to provide for emergencies. Still, considering the big output of gold for the last several years, which is constantly on the increase owing to the new machinery and methods to extract it, there is an immense quantity of the world's gold to be accounted for. It is true that with the extravagance of the age in which we live, the arts in various nations are consuming a great amount; yet the disappearance of a good deal is a mystery.

"The stock market has worn a tired appearance. Occasionaly spasms of strength were infused into a few of the specialties; but these appeared to be of a purely temporary character, and it is quite evident that stocks are being quietly fed out by the large holders on every favorable opportunity. The most serious impediments to bullish operations are the political and monetary problems. The latter did show some improvement, but the prohibition of further imports by the advance in interest rates abroad will mean the shifting back of many of these loans to this side as they mature. Until the middle of January, at least, some very skillful piloting will have to be done by those who control the New York money market, if we are to avoid further serious stringency. Contraction and not expansion should be the order of the day. Crop demands seem to be at their height, and funds seem disposed to return slowly from the interior, especially in view of the general activity in business. This week special demands were made by Canada, owing to bank difficulties in that section. The amount required was not large, yet it was quite sufficient to perceptibly harden the rates for call money. Time money is somewhat easier, and this is the best feature in the entire financial situation. The political campaign is now at its height and both sides are awaiting the final outcome. Very important issues of an economic nature are at stake, and the results of the congressional elections will be quite as important and significant as the result of the contest in the state of New York. The feelings against great corporations which have abused their privileges is running high in all parts of the country; and is almost certain to express itself at the coming elections in support of the socialistic and semi-socialistic ideas which are spreading so rapidly. After elections congress will soon reopen and stock market operations will again be held in suspense until the new trend of politics can be somewhat determined. The administration seems to be resolutely aggressive in its contest against corporation misdeeds; a policy, needless to say, disliked by the leaders of our great corporations, but intensely popular with the people. Until the outlook clears in these two fields (the money market and politics) there is little prospect of any genuine improvement in the stock market. At the same time, it must not be forgotten that general business continues wonderfully active. Orders for iron and steel products arising from the activity in all forms of construction are simply marvelous. The railroads are naturally the largest buyers; and since they are forced into the iron market in order to meet the urgent demands of traffic, they simply reflect the nation's tremendous activity. In all departments of business a heavy volume of trade is being done. Merchants are generally in a cautious mood, owing to the present high level of prices, high interest rates and the fear of any sudden check in demand. Moreover, costs of production are exceedingly high, owing to the advances in raw materials and labor, and in spite of a greatly extended condition of credit, of much inflation in values, and of the reckless speculation in copper properties and real estate, there are no serious signs as yet of important business reaction. On the contrary, the outlook is still hopeful, provided prices are not pushed higher and speculation is kept within reasonable bounds.

"Our foreign trade continues of record-breaking proportions. During September our imports reached $102,000,000, a slight increase over the same time last year; while our exports amounted to over last year. This left us an excess of exports for the month of $36,500,000, or $2,500,000 more than a year ago. There was a moderate increase of exports for the month, but a large decrease amounting to nearly $7,000,000 in the shipments of cotton. A good increase, however, in shipments of manufacturers' goods left us with a favorable trade balance in September. The falling off in cotton exports is significant, inasmuch as the movement of this valuable product was largely relied upon for liquidating our foreign obligations. The excess of merchandise exports over imports for nine months of the calendar year were $290,000,000, as compared with $230,000,000 last year. This is, at least, satisfactory. The net imports of gold during September were $29,100,000, against $4,100,000 in 1905. For the nine months, the net imports of gold have been $76,000,000, as against net exports last year for the same period of $12,000,000. The gold movement during nine months of the calendar year has thus been $88,000,000 more in our favor than for the same period of 1905.

"I advise selling long stocks hereafter right up to the time of election on all the good rallies. From now on up to that period long stocks will constantly be pouring out owing to the uncertainty of the result of the election. The timid will be sellers rather than buyers meantime and in that way will be removed an important force from the bull side of the market. The market should be treated simply for the present at least as one to trade quickly in. Prices are on a pretty high level and people of moderate means are not justified in now buying on such a precipice top excepting they get in and out quick."

HENRY CLEWS.

THE LOGGING DIFFICULTY.

Government Is Now Considering a Proposal from J. S. Emerson.

It is announced by the Vancouver News-Advertiser that the provincial government and J. S. Emerson, logger and millman of Vancouver, are negotiating a settlement in connection with the suits brought against the latter by the government in which Mr. Mererson won. The entire trouble arose over the intention of Mr. Emerson to export certain logs cut on the northern mainland. Alleging that export would be in contravention of the Timber Manufacture Act passed at the last session of the legislature, the government seized over ten thousand feet of logs.

Following this action Mr. Emerson secured a writ of replevin. The government moved to set the writ aside, but judgment went against the Crown. The government then served notice of intention to appeal to the privy council next year. The various suits dragged along for a period of months, and Emerson's logs were tied up during that time. He advanced claims to damages, and declared his intention of commencing suits against the government if the privy council dismissed the appeal.

It is learned that Mr. Emerson has offered to make a settlement if the government will pay all his legal expenses and give him besides the sum of $11,000. This offer is now before the government for consideration.

CHAMBERLAIN'S NEPHEW TOURING THE WEST

Relative of British Tariff Reformer on Round the World Trip

Two young men with exceptionally distinguished connections are in the city at the present time. One is Norman Chamberlain, son of the late Herbert Chamberlain, and therefore nephew of Hon. Joseph Chamberlain, says the Winnipeg Free Press. With him is John Murray, son and heir of the great London publisher. Both are young men who are likely to be heard from in the future. Mr. Chamberlain intends to enter politics in emulation of his illustrious uncle, while Mr. Murray's connection with one of the first publishing houses of the English-speaking world, will always insure to him an influential position.

In conversation with a Free Press representative at the Royal Alexandra hotel last evening Mr. Chamberlain mentioned that they had just left Oxford university and were now making a tour through Canada, India, Japan and back through the United States. He did not expect to see England again until next June. The present occasion was the first that he had traveled outside of Europe. Mr. Chamberlain has many friends in Canada, his mother being the eldest daughter of the late Col. Arthur Williams, who succumbed to wounds received in the Northwest rebellion, and brother of Col. Victor Williams, who commanded the Northwest Mounted Police, and is now living at Kingston, Ont.

As to his uncle, the visitor remarked that he had come across reports that the statesman was very sick, which was absolutely untrue. "He has had a bad attack of the gout," he added, "but it is not enough to interfere with his leading position in his party. He is merely having a rest, and will not do anything probably until after the winter. As to the progress of the tariff policy we are getting on very well in the way of educating the working classes. Of course we do not do much in the House of Commons, because we are such a small party."

Asked as to the possibility of his uncle visiting Canada, Mr. Chamberlain said: "He has such a lot to do in England I think it would do him a lot of good if he would come. I know this, however, that Canadian opinion weighs very strongly with him."

Mr. Chamberlain commented upon the modern character of Winnipeg and said he concurred in the view of most Canadians that the Dominion had the most wonderful possibilities in the world. He had been simply amazed at them.

Mr. Murray, his friend, is the fifth successive "John Murray" to carry on the line. The publishing house was founded in 1768, and has had dealings with a host of literary men, whose names are household words.

SENTENCED FOR LIFE.

New Westminster, Oct. 24.—(Special)—Jimmy Spuzzum, a Yale Indian, was sentenced to imprisonment for the rest of his natural life by Judge Irving this evening. Spuzzum was accused of breaking into a house and raping an Indian girl under 16 years of age. This case closed the assizes here and was the only one on the list in which the accused was found guilty. The three other cases on the docket were of petty thieving and were dismissed.

PRESS OF INTERIOR APPLAUDS PREMIER

A Chorus of Approval For Manly Stand at the Inter-Provincial Conference

HE TOOK ONLY CONSISTENT COURSE

Temper of People Clearly Shows They Resent Eastern Bullying Tactics

British Columbia did not get as much money as she might have got at the convention of the provincial premiers just terminated. She still retains her honor, however, which is a very great consolation.—Ashcroft Journal.

The conference of provincial premiers at Ottawa has reached a conclusion, and British Columbia, while getting an increased subsidy of $115,000, a total of $150,000, has been "cold decked" by the Ottawa government.—Fort Steele Prospector.

By a vote of 19 to 8 the legislative assembly of Western Australia last Saturday adopted a motion to secede from the rest of the commonwealth. If British Columbia did the same with the confederation of provinces in Canada, she would be better off financially and otherwise today, and there would be no occasion for our premier to go to Ottawa and plead in vain for better terms.—Kaslo Kootenaian.

If our claims could not be clearly established, Mr. McBride was contented that the whole matter should drop. Millions of dollars in excess of anything received in return have gone from this province to swell the federal coffers and assist the forming of that "surplus after surplus" of which we have heard so much. In the face of these facts it is no wonder that British Columbia's premier refused a sop of "$30,000 in perpetuity and $40,000 annually" and insisted on referring the matter to a commission. Whatever may be the opinion as to the premier's withdrawal from the conference, it will be understood clearly by the people of this province that any subsequent increase in the offer to British Columbia was simply and sorely the result of the firm attitude taken by our representative.—Grand Forks Gazette.

Premier McBride won the preliminary struggle over better terms. Apparently there was a strong effort made by some of the eastern members of the conference to deprive British Columbia of an opportunity to present her special claims, and there is too much reason to believe that political partisanship had something to do with their attitude. But Mr. McBride stood firm, and although he is only one among many, and most of those with whom he is confronted are older and more experienced men than he, his pluck and sagacity met with their proper reward, and the exceptional conditions existing in British Columbia have been recognized by the conference. This is the first step towards success, and we congratulate the Premier and the Province upon it.—Lardeau Mining Review.

A local paper quotes approvingly an Eastern paper which represents that British Columbia's premier pleaded the poverty of this province as an excuse for asking larger subsidies, and then it proceeds in its own disengenuous way to show how the province comes to be so poor.

It will be news to British Columbia people to learn that Mr. McBride asked for anything on the plea of the poverty of the province. It will be additional news to learn that the province is poverty-stricken. Never in the history of British Columbia has it been so wealthy, so stable, so prosperous and happy as at the present time.

It was not on any of these grounds that the claim was made for fair federal subsidies. It was simply a question of justice which was so ably argued that all except the hidebound partizan press of the East recognize that fact and are prepared to admit it.—Nelson Canadian.

Fortunately for British Columbia as well as for himself Mr. McBride appeared in the more sturdy role of the champion of the case he presented, rather than that of the complacent tool of the representatives of the other provinces at the conference. The records of the week at Ottawa show that he put up a patient argument, and held out until it was apparent that there could be no agreement on the part of the jury; and then retired with the dignity of his province preserved, in order that the rest of the business of the conference might be proceeded with as required by Sir Wilfrid.

The time for the public pronouncement upon Mr. McBride's course, in our opinion, is now, when men of both sides of politics can be heard from better than during a campaign for the election of a new legislature. The matter will come up for debate at Ottawa at the session to open in November, and it is important that there should be no misapprehension during that debate of what British Columbia thinks of Mr. McBride's attitude. For this and the reasons stated above, we think it is a good idea to have the public meetings and other forms of demonstrations of public opinion at as early date as possible.—New Westminster Columbian.

CROKER DEFENDS TAMMANY.

Dublin, Oct. 24.—In the course of an interview published in the Telegraph, Richard Croker, referring to Tammany Hall and its alleged bad reputation, said: "It is a case of giving a dog a bad name, and if anyone connected with the organization, however insignificant his position, does anything dishonorable, Tammany is blamed. The reformers never did anything for New York. The great bridges, the elevated railroads, the public buildings and everything are the work of Tammany. If there is corruption, why does not the district attorney prosecute some one? Tammany Hall has succeeded entirely on its merits. It is the most democratic institution in the world. If anything is wrong with it, then something is wrong with the people themselves. It stands not only for the poor man, but also for the foreigner newly landed in America. It believes as against the Republican party that the foreigner should receive the benefits of the American constitution as soon as possible. It stands all around for equal rights."

David Spencer, Ltd.

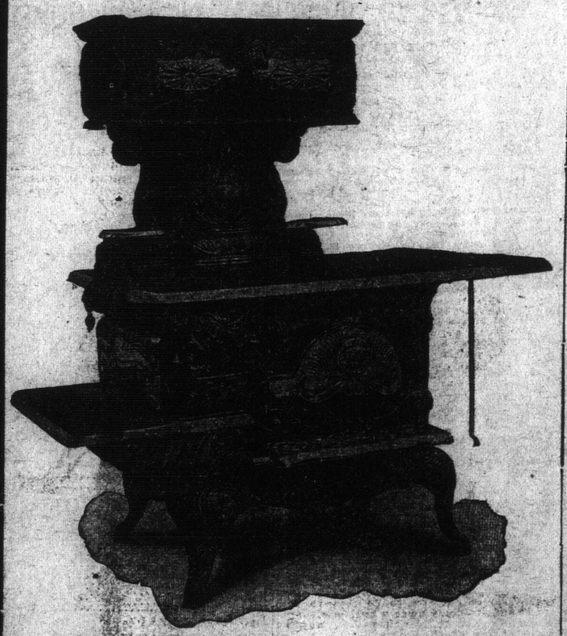
WESTERN CANADA'S BIG STORE

A New Department For Our Big Department Store

Yesterday we added a new Department to our Establishment of Many Successes. We realized that a department solely devoted to the supervision and execution of House Painting, House Decoration and The Home Beautiful would fill a long-felt want. To this end we have secured the services of Paul Beygrau, the well-known decorator, who is now in charge. Our new departure will mean much to all who desire artistic effects in the Home, as well as Comfort. It is our purpose to furnish your residence with every requirement that the skill of the trained Decorator may suggest. It will be our aim not only to give estimates and contract for exterior decoration and house painting, but also to study the most harmonious effects in interiors. The decorator will call upon you in your home at any time, will furnish you with special designs and estimates, as you may direct, absolutely free of charge. He will aid you by suggestion in your selection of carpets and furniture, and will assist you in carrying out any particutar color scheme for the most satisfactory results that his art can conceive.

Where Shall We Go for Our New Range and Heaters?

Could anything be more timely than the fact that as Winter Weather is approaching we switch the Limelight of Public Interest toward our splendid stock of Ranges, Stoves and Heaters?



Our New Venture in Stoves, made in Victoria, at right prices, has proved such an unqualified success (to our own satisfaction, and to our many gratified customers), that by selling our Ranges and Stoves at a very small margin of profit, right from the foundry, we give our guarantee for satisfaction. We do not want your money.

Our temporary Show Room, 81 Douglas street, near Yates.

THE CORONATION RANGE

Is positively the most economic range before the public today. It is furnished with duplex grates, reversible for wood or coal, or with the ordinary flat grate, when wood only is used. It is a splendid baker, and maintains an even heat, without special attention.

While the average range is fitted with but a single set of fire backs, the Coronation Range has a double set of false backs, which ensures safety to the Range in case of accident, or allows its use to be continued until the burnt out back can be replaced. The Coronation Range is presented in two sizes:

Oven, 18x20x12½; fire box for wood, 23½.
Oven, 20x22½x13; fire box for wood, 25½.

Our drawing shows the Coronation Range with warming closet attachments. Price, $38.00 and $43.00. Add for reservoirs (easily adjusted), $10.00.

Another excellent range is "THE NUGGET." Its workmanship is first class, and the material the best of its kind. It has duplex grates, reversible for wood or coal. A detachable flush reservoir can be attached to any of the many sizes in which this Range may be procured. Prices, $37.50 to $65.00.

The ALBION RANGES are so well known that much description is superfluous. The castings are heavy, and the finish plain, which is very desirable when the lady of the house has to do her own cooking. Prices are moderate, $14.50 to $40.00.

Many other well known designs and styles on view.

The Empress Air-Tight Heater

This handsome Heater is of the very latest design, and highly ornamental, and most suitable for bedroom, dining-room or parlor. The body is made of heavy planished steel, with bottom and scalloped top of cast iron. The Heater lined throughout with cast iron sectional linings, which are easily replaced at a small cost, should they at any time burn out, thus ensuring a protracted life for these stoves. The Empress Heater is made in three sizes:

18x14x20 inches deep. Price, ... $10.75.
19x15x22 inches deep. Price, ... $11.50.
23x16½x26 in. deep. Price, ... $14.00

Our assortment of Heaters is exceedingly diversified and various. Parlor heaters, The Flanklin (open grate in appearance). The Rosebud and Bertha, are a few of the many popular makes; while the Globe Heaters and "Little Dude" are ever popular for hall ways.

We make it a point to have on hand, ready for any emergency call, all parts and fittings for our stoves. Please bear this in mind.

Our temporary Show Rooms, 81 Douglas, near Yates street, are always open for your inspection.

Household Utilities in Enamelled Ware

Without the slightest desire or intention of exaggeration we claim that we now have the completest and heaviest assortment of Enamel Ware in the City. Our Mottled Blue Enamel Ware is entirely new, and really unique. It is a better ware than was ever before presented. The nickel steel bodies are heavier, the enameling process more carefully performed than formerly, and our increased care in buying and selection makes these new utensils the very best grade to purchase.

Hitherto the interior lining of enameled ware has been made of a prepared chalk, which with use and age almost invariably becomes discolored or chipped. A new departure in lining has made its appearance in these new wares—"Robin's Egg Blue"—so called from its resemblance to the original. By a novel and special process this lining is smeltered into the steel body in so complete a manner that the color remains ever permanent. It will not discolor, tarnish or wear off, and all danger of casual chipping is reduced to the minimum.

Enameled Hot Water Kettles, bodies and bottoms stamped from one piece of shot steel, 5 sizes in flat bottom style, 90c., $1.00, $1.15, $1.25, $1.35 each.
Pit bottom style in two sizes only, $1.25, $1.35 each.
Coffee Pots with enamel handles and covers in five sizes:
1½ quart, 60c.
2 quart, 65c.
3 quart, 70c.
4 quart, 75c.
5 quart, 90c.
Tea Pots, tall shape, enamel handles and covers, in five sizes:
½ quart, 45c.
1 quart, 50c.
1½ quart, 60c.
2 quart, 70c.
3 quart, 75c.
Tea Pots, globe shape (seamless bodies) enamel covers and handles in three sizes:
½ quart, 60c.
1 quart, 65c.
1½ quart, 75c.
Cream Jugs, seamless bodies, 35c. and 45c.
Tea Steapers with handles, will pour from size:
Pint size, 35c.
Quart size, 40c.
Sugar Bowl with handles, small size, 50c.
Child's Three Piece Tea Set, including cup, saucer and plate, 35c.

Dish Pans, assorted (five) sizes: 8 quart, 75c.; 10 quart, 90c.; 14 quart, $1.00; 17 quart, $1.15; 21 quart, $1.35.
Cullenders (handled) mottled inside and out, 50c.
Mixing Bowls, 11½ inch width, 65c.; 10 inch, 45c.
Pudding Bowls, deep round, 3 sizes, 15c., 20c., 25c.
Deep Flat Bottom Pudding Pans, round, 5 sizes, 20c., 25c., 30c., 35c., 40c.
Shallow Oblong Flat Bottomed Pudding Pan, 4 sizes, 25c. to 40c.
Sink Strainers, will stand or hang, 45c.
Dippers, long handles, 35c.

Skimmers, flat handles, 20c.
Sauce Pans, deep, covered, with improved round handles, seven sizes: 1 quart, 35c.; 2 quart, 40c.; 3 quart, 45c.; 4 quart, 50c.; 6 quart, 65c.; 8 quart, 85c.; 10 quart $1.00.
Sauce Pans, shallow, covered, with improved handle, 1 quart, 35c.; 3 quart, 40c.; 4 quart, 45c.; 6 quart, 50c.; 8 quart, 60c.
Toilet Ewers, 75c. and $1.00.
Toilet Wash Basins, 3 sizes, 25c., 45c., 50c.
Flat Soap Dishes with drainers, 15c.
Hanger Soap Dishes, 20c.
Bath Tub Hanger Soap Dishes, 25c
Rice or Double Boilers, 3 sizes, $1.00, $1.25, $1.50.

Pins—"The Birmingham" Steel Pins 2½c. paper.
Pins—"Eclipse Brass" Pins, 5c paper.
Pins—"Queen's Own," best English pins, 10c.
Pins—Kirby Berds Pins, 5c., 10c. and 12½c. paper.
Tape in bundles of 12 assorted sizes, 10c., 15c., 25c. each.
Hair Pins, assorted paper, 2½ each.
The Monster box 100 assorted hair pins, 5c.
Scientific, Go Head and Retinto, 5c. box.
Mending Wool, 5c and 10c. skein.
Mending Cotton, black, white and tan, 3 balls for 10c.
Kid Hair Curlers, 5c., 10c., 15c. pkg.
Beatrice Hair Curlers, 5c. box for 18 curlers.
Safety Pins, Serviceable and Conqueror. Sizes, 1, 2, 3, 5c. a card of 12 pins.
The Clinton Best Nickel Plate Pins. 1, 5c.; 2, 8c.; 3, 10c.; 4, 10c. card.
Featherbone Cotton, Covered, 10c. yard.
Featherbone Silk Covered, 20c. yd.
Collar Bone, 5c. and 8c. yard.
Dress Bindings—The trim velvet with braid edge, all colors, 5c. yd.
Plain Braid Binding, 3c. yard.

Hooks and Eyes, 2½c. card, best quality, 5c. card.
Basting Thread Spools, 1,000 yards, 10c. spool.
Klostersilk on spools, a silk and cotton mixture, all shades, 5c. spool.
Prussian Binding, 50c. dozen.
Silk Lute Binding, 50c. dozen.

A Cut in Toilet Articles for Today's Selling

100 Boxes Fine Toilet Soap. Regular price, 15c.; for 10c. per box.
100 Boxes Choice Toilet Soap; worth 20c. per box, 2 boxes for 25c.
50 Boxes Colgate Popular, at 25c per box.
100 Bottles of Perfume, assorted odors. Regular price, 15c.; for 10c.
8 Ounce Bottle of Florida Water, 10c.
8 Ounce Bottle of Violet Toilet Water, at 75c.
4 Ounce Bottle of Violet Toilet Water, at 40c.

Headache Cologne, 20c.
Perfume of all odors at exceedingly low price.

Mere Man's Necessary Needs

A well groomed man knows the value of a good glove, and how unfinished his attire is without them. Dent's gloves are always popular, and "The Driver," a heavy tan, dogskin, is exceedingly popular at $1.50.

The "West End," a medium weight, in the dark shades of tan are in demand at the same figure, $1.50.

"Spencer's Special," is a tan dogskin glove and a great seller, $1.00.

We have a full stock of silk lined Mocha's in dark browns and tan, $1.75 and $2.50.

Mail Orders Will Receive Careful and Prompt Attention