

has been brought about through the release of capital, by industrial and mercantile concerns during the depression. And they say it is the idleness of this capital which has had most to do in making money plentiful. If, after so short an interval as two years, the great industries of the country begin actively to take back from the central cities the capital they relinquished, it will be only a short while before the wheels will again be forced to slow down because of a scarcity of money.

The Availability of Surplus Capital.

It is just possible, however, that real savings have accumulated during the two years at a pace faster than these critics believe. At any rate it is likely that the going of capital into industrial employment will proceed at a faster pace in America than in Europe. And, even if American industries (using the word American in its broader sense) do quickly absorb the spare cash of the central cities on this side the Atlantic, they will be able to draw, to a considerable extent, upon the capital of Europe for a while at least. In other words it is altogether likely that Europe will take a fair share of the good bonds and other securities which the best class of railways and industrial concerns in North America issue during the next year or two. It is not at all to be expected that the plethora of cash in London, Paris and Berlin, will disappear all at once.

Money Situation in Canada Changes but Little.

The money situation in Canada has not undergone any important change during the week. Call loans in Montreal and Toronto are still 4 to 4½ per cent., and, though they may possibly move up ½ a point or so when the banks feel the full force of the Western harvest, there is no strong likelihood of any sharp or important change of front on the part of the banks.

At Winnipeg this week Sir Edward Clouston assured the Westerners that plenty of money would be forthcoming for the crop moving and for financing the requirements of the business men. He also said that as the banking reserves were strong, credits would probably be supplied at a low rate of interest. Estimates of the wheat crop continue to vary, but it is pretty generally understood that the yield will exceed 110,000,000 bushels at any rate. The crop has been safely brought to maturity and much of it is cut and stacked. But it is complained that there is a serious shortage of help for the harvesting. Particularly in Manitoba it is feared that if several thousand additional men from the East are not quickly secured a part of the grain will be lost.

In an indirect way the strike of the U. M. W. A. men against the Dominion Coal Company seems to have operated to delay the payment of the back dividends on Dominion Steel preferred. The strike has delayed the settlement between the Coal Company and the Steel Company and as that settlement was to provide the wherewithal for the deferred dividends the payment of the latter is in consequence put off.

MONTREAL POST OFFICE REVENUE for August totalled \$73,470 as against \$69,150 a year ago.

From Across the Line.

NEW YORK INSURANCE LETTER.

Life Companies' Health Campaigns may Find Unexpected Obstacles—State Fire Rating—Personal Items of Interest—Special Correspondence of THE CHRONICLE.

Interested attention has been attracted by the refusal of Superintendent Hotchkiss, of the Insurance Department of this State, to allow the Metropolitan Life Insurance Company to erect out of its funds a sanitarium for the treatment of tuberculosis. It is well known that the Metropolitan Life has taken up the question of sociological conditions very earnestly, and has put several eminent scientists at work upon the various problems connected therewith. After due deliberation it decides that it could not only reduce its own mortality rate, but also do much good to the general public by the erection of an institution for the special treatment of this disease, to which is due a very large percentage of the losses which it incurs. Superintendent Hotchkiss now decides that the company has no legal right to use its funds for this purpose. The law states that a company may erect buildings or purchase real estate for use "in its business" either for immediate needs or those which are likely to arise in the near future. The Superintendent construes the law in such a way that such a use of the company's funds would be prohibited under its provisions.

The Provident Savings Life, which has recently returned to solvency and is entering a number of states for new business, is also entering upon a health campaign, and proposes to make a systematic inspection of its policyholders with a view to improving their condition in case disease is found. The plan has not yet been put into operation, but it has been tentatively put forward by President Rittenhouse, and the experiment will be watched with a good deal of curiosity.

Fire Rating in Kansas.

It is a far cry from New York to Kansas, and yet the great insurance companies having their homes or headquarters in New York are much interested in the Kansas situation. It is well known that according to the law passed not long ago the power of rate-making has been placed in the hands of the superintendent of insurance. Superintendent Barnes has now ordered a flat reduction all over the State of Kansas of 12 per cent. with some slight exceptions, and the companies are much inclined to object to this reduction and to make some concerted action to oppose it. It has all along been the opinion of your correspondent that such laws would result in a great reduction of rates, and this is the first manifestation. It may not be an unmixed evil, for if rates are reduced to a point where companies can show no profit, the unwise legislation will be repealed all the sooner.

Miscellaneous Notes.

During the last month or two there has been the usual exodus of managers and officials to Europe, some of whom have already returned, while others are still abroad. We note the following: