form in the city awaiting issue. A good deal of nervousness has been created by the railway strike in France, because it was feared that it might extend to other industries and possibly to England. The opportunity to create a strike on the South Eastern and Chatham Railway was unique, and it is at least to the credit of the union officials that they did not succumb to the temptation. I know that such an occurrence was contemplated by the officials and that during the strike movement in Paris there were daily meetings of the directors of the South Eastern and Chatham Railway in London. It is undoubtedly this feeling of unrest in the labour world which is making the investment markets move with some uncertainty at the present time.

Cotton Bills of Lading.

The English papers are not paying much attention to the difference of opinion between British and American bankers over the cotton bills of lading question, but there is no doubt that the position causes grave anxiety in the minds of bankers, cotton spinners and all who are concerned in the cotton bill business. Sir Edward Holden is a banker in whom the London business community has implicit confidence, and whatever attitude he adopts, whilst in New York, towards the American bankers will doubtless be supported on this side. I find a desire among bankers not to talk about the situation, but I gather that the views of London bankers would be met by the passage of a Bill through the U. S. Legislature making the railway companies responsible for the genuineness of the bills of lading.*

"Consols to Bearer."

The fact that bankers will be compelled to write their holdings of Consols down to 75 is again directing public attention to the low price to which Consols have fallen. Investment and banking companies who keep about £100,000 of their reserves and deposits in Consols have thus been compelled to write down their holdings from £113,000 to £75,000 or a loss of about £38,000. As this loss has been incurred owing to investment in the premier security of the Empire, it is justly felt that they have a grievance against the Government which does not do anything to remedy the situation. I am led to believe, however, that 1911 will not pass without a proposal for the improvement of the price of Consols being introduced by the Chancellor of the Exchequer. The scheme will probably be based upon the German method, with the introduction of such amplifications as may be advised by the bankers of the City of London. At present a small investor can put from £10 upwards into Consols through the medium of the cumbrous machinery of the Post Office. It is not every small investor who wishes to expose his private investments to the gossip of the village post office clerk, and it is suggested that Consols should be purchasable over the counter of the Post Office to such amounts as the buyer may desire, and as the bonds would, following the Continental system, be to the bearer, there could be absolute privacy in the arrangement. Moreover, and this is the most important part of the scheme, Consols would be standardised at par value, that is, it would be made illegal for anyone to buy or sell Consols except at par, thus constituting Consols a safe investment so far as capital security is concerned. Of the safety of the interest on Consols no one has ever had the least doubt. The redemption value of Consols would be par, and the Government, in putting the sinking fund into operation would have to pay par for the bonds, instead of, as heretofore, buying back for 80 what they sold to the public at 100. That some reconstruction of the existing system is necessary is easily recognizable from the fact that good Colonial Government bonds are now purchasable to yield ¼ per cent. more than Consols with greater stability of capital.

* This was written before the settlement of the difficulty was announced.

Portugal and British Investors.

The course of events in Lisbon has not affected the London markets. Portuguese bonds are controlled by a Jewish group of International banks and are chiefly held in Paris, where the Bourse has been too busily engaged in watching the operation of keeping its own "house in order" to spare time to look after Portuguese affairs. When the Portuguese debt was reorganized about eighteen years ago most of the bonds were left on the hands of the syndicate of banks which conducted the operation. There is a report that the banks were approached some time ago by the revolutionary party, and that support had been promised to a Republic if established. Whether this be so or not, it is true that since the revolution there has been a decided tendency towards improvement in Portuguese bonds, and, financially, Portugal has taken a step forward.

LONDONER.

London, 15th October, 1910.

From Western Fields.

Railway Extensions—A Brewing Merger—Keeping out United States Lumber—The Tradesman and His Fire Insurance.

Sir Thomas Shaughnessy, on his visit to the Pacific coast, expressed himself as particularly interested in the growth and development of Victoria. It is understood that a number of schemes are on foot for the development of Vancouver Island by the C.P.R.

It is anticipated that the Portland Canal short line, which has Stewart as its terminus, and is being built by Messrs. Mackenzie and Mann, will be completed by the end of November. Nine miles have already been graded, and the other six are expected to be completed and the rails laid by the date named. Most of the work involved in the construction of the wharf at Stewart has been already finished.

A Brewing Merger.

Negotiations are said to be in an advanced stage for the completion of a merger of all the breweries in British Columbia. British capital is understood to be involved in the deal. The largest companies involved in the transaction are the Vancouver Brewing Company and the Nanaimo Brewing Company. The latter, besides owning breweries in Vancouver Island, is said to be in control of the new brewery under construction in West Fairview. It is stated that the interests of the British firms when the deal is completed will not