

Canada'' campaign sufficient to desire Canadian nickel in the German arms which they will face.

The order-in-council looks formidable enough, but an Ottawa despatch to The Toronto Star seems to reveal a dangerous loophole. It says: "The prohibitory order, while sweeping in its terms, is possibly not so practicable of enforcement as may appear on the surface. The export to the United States is not prohibited, and there is apparently no practicable way of absolutely stopping the re-export from there to Holland, Denmark, or Italy, and thence to Germany or Austria. The main effect of the order is apparently to stop any direct export from Canada to Denmark or Holland."

If this is the case, it means that while contraband of war cannot be exported from Canada through the front door, it can go by way of the back door. And that is a serious matter.

So far as the United States are concerned, it would seem better for the nation to discard the hollow neutrality fad as it relates to commerce and finance. So far as Canada is concerned, its orders-in-council should be made effective enough that the fight for the British Empire's existence may be helped in every possible way. We all want to see the end of this war and the right end.

Put a good bond in the Christmas stocking.

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Investment funds are accumulating the world over. The war loans will not swallow them all.

### RUNNING CIVIC RAILWAYS

Seldom does municipal ownership confess the error of its ways. *The Monetary Times* has frequently given a friendly word of warning to municipalities which have thought that a town or city could not be properly considered as such unless it had a street railway. Street railway financing by Canadian municipalities would make the subject of a doleful document. Commissioner Harrison, who is in charge of the public utilities of Edmonton, and who is one of the most business-like of its citizens, has given some facts and figures which should cause local authorities in other cities to ponder. Mr. Harrison submits his figures to show "why the city should be careful in giving free tickets to any person."

Before a car starts out in the morning, he says, and before it takes in any receipts, the following fixed charges have to be met before a profit can be made for each day:

Interest and sinking fund charges...	\$650
Depreciation .....	280
Interest on overdrafts in bank .....	55
	<hr/> \$ 985
Operation and maintenance charges:	
Wages and salaries per day .....	\$900
Power charges .....	350
	<hr/> \$1,250
Total .....	<hr/> \$2,335

In other words, before the street railway begins to show a profit it must earn not less than \$2,335 per day or must carry at least 47,000 passengers per day to pay expenses. At the present time the street railway is carrying on the average 32,000 passengers per day, and is losing at the rate of \$500 to \$800 per day.

After submitting these figures, he says: "I find that our system is over-capitalized; that we have twice as

many miles of track per thousand of population as any city in the Dominion of Canada, and in many instances four times as many miles; in other words, we have extended our system far more rapidly than good business practice would warrant."

Mr. Harrison suggests the appointment of a civic committee to examine these matters, with a view to reducing operating expenses and power charges, and to refusing to extend the railway further into non-paying territory. One of the suggestions he makes seems to suggest danger—that the establishment of skating rinks and amusement parks at the end of the line may increase the traffic, and in time overcome the deficit. Investors who hold Edmonton's bonds may view civic skating rinks with suspicion.

And this time the heirs of Turkey, the sick man of Europe, will really get the life insurance.

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Every war loan put out in Great Britain has been over-subscribed—a case of the bulldog in finance.

### DOMINION TRUST AFFAIRS

The collapse of the Dominion Trust Company, of Vancouver, is a reminder that someone always has to pay the penalty of the good looking but dangerous days of wild speculation. In 1912, then, just before and just after, Canada was living such days. With trade depression and war conditions, the punishment is being exacted now in the shape of a failure here, a collapse there, and trouble in many places.

A committee has been appointed by the shareholders of the Dominion Trust Company to investigate the company's affairs. The appointment of a provisional liquidator, made recently, will continue for another month, when it is hoped that the fight for charge of the winding-up proceedings may result in a permanent appointment which will be in the best interests of the share and debenture-holders.

According to the Vancouver Sun's report of the meeting of shareholders on November 2, "in opening the meeting, President Clubb said the shareholders would be given every bit of information possible to obtain. He said in answer to a question from a shareholder if there were any discrepancies that there 'were grave discrepancies.' The statement was made that some \$243,000 of the funds of the company had been misapplied, but it was not explained in just what particular, nor how, though the responsibility, it was said, naturally rested upon the work of the late managing director, Mr. W. R. Arnold, who was killed while putting away his shotgun last Thanksgiving Day."

The subtle suggestion that the late Mr. Arnold is likely to be shouldered with the responsibility, does not look good. Too often have dead men been made the scapegoats of financial breakdowns. Mr. Arnold was the managing director, but surely the rest of the directorate were not mere dummies, taking no interest in the company's affairs, following blindly Mr. Arnold's lead and seeing no danger ahead? The public will want to know about that, and they are not likely to view with good grace any attempt to bury all the blame for this disaster with the managing director.

Let us have a thorough investigation. In the meantime, other concerns with whom rumor is busy, should examine themselves with the hope that it is not too late.