

pected will Mr. Charlton's argument hold.

Five modern undertakings of world-wide significance are, in Mr. Charlton's opinion, to influence profoundly both the general channels of trade and the mining industry. These are:—The opening of the Panama Canal; the establishment of an "All-Red-Route" through Canada; the completion of the Cape to Cairo Railway; the opening of Asia Minor and Persia by the Euphrates Valley Railway; and the awakening of China to modern methods.

The opening of the Panama Canal and the completion of the Grand Trunk Pacific, not to mention the linking together of the loose ends of the Mackenzie and Mann lines, will be of most vital importance to Canada. Unlike South Africa and Rhodesia, Canada has been primarily an agricultural, pastoral, and lumbering country. Mining is only beginning to take its proper place. With efficient railroad service, mining will sooner or later become not only the chief source of freight and the indirect source of numerous collateral industries, but will on its own merits overshadow all other industries with the exception of agriculture.

Many industrial, economic, and professional phases are touched upon in the paper under discussion. These are too numerous to permit of mention here. It suffices to say that Mr. Charlton, in language that is clear and vigorous rather than elegant, clothes with fresh interest certain truths that are too often overlooked. But we must not omit an expression of approval as regards his strongly worded plea for an Imperial School of Mining and Metallurgical Economics. The suggestion that an Imperial Minister of Mines is needed "to keep the heart of Great Britain in touch with mining affairs all over the Empire" is quite impracticable. Long-distance administrative offices, as witness India, are not to be desired. Canada has had her own sad experience. In matters educational the case is quite different. We cannot have too much of the spirit of free-masonry in the mining profession.

The problem of instructing working-men has been adequately attacked only in one province in Canada, and that province is Nova Scotia. Mr. Charlton emphasizes the opinion that British working-men are under-educated and, hence, man for man not up to the productive standard of their American and German cousins. He advocates the training not only of the labourer, but also of the employer. One means to the desired end is the international collection, co-ordination, and diffusion of geological, mining, and economic data.

The point that most concerns us in Mr. Charlton's paper is one that we have often enough laid stress upon. Advancement can only come with mutual co-operation. Capital is not the main requisite. Professional enterprise, official and private interchange of information, and careful, technical control of investment are the foundations upon which mining will attain the healthiest and largest future.

CEMENT.

The direct and specific charges brought by Sir Sandford Fleming against the promoters of the cement merger must not be ignored. The person whom the public believes to have been the prime mover in the whole consolidation is Mr. Max Aitken. Mr. Aitken, a Canadian born, is now a member of the British Parliament. His attainments have been widely advertised. In England he represents the typical successful Canadian. Thus, if for no other reason than expediency, the charges must be investigated, and either substantiated or refuted. Of course, there are other and better reasons. As a nation we require a thorough re-vamping of our business ethics. If Sir Sandford's allegations are true, wholly or in part, then our British cousins have just cause to conclude that Canadians are supinely willing to put a premium upon larceny and dishonesty, provided only that the scale of operations be large enough.

Canadian newspapers, irrespective of political colour, are now loudly demanding a thorough investigation. We may here allude to the fact that the first adequate summing up of the cement situation appeared in Mr. J. J. Harpell's book, "Canadian National Economy," recently reviewed in these columns.

The Toronto Globe, May 25, comments editorially upon the proposed investigation and calls vigorously for immediate action. It quotes, by the way, an editorial from the Moncton Transcript. It is instructive to note that the Transcript has pirated, almost word for word, a paragraph from Mr. Harpell's book.

On the face of things there seems to be ample ground for investigation. It will be remembered that the Canadian Cement Company was organized, under Dominion charter, with power to issue \$5,000,000 of 6 per cent. bonds, \$10,500,000 of 7 per cent. cumulative preferred stock, and \$13,500,000 common stock. With the assistance of the banks the promoters purchased outright a number of cement plants, a number sufficient to assure control of cement prices in Canada. According to Sir Sandford Fleming the amount disbursed in purchasing eleven plants and in expenses was \$16,592,250 in stock, bonds, and cash. But the total securities received by the holding company aggregated \$29,998,400. Thus there is the enormous balance of \$13,406,150 to be accounted for by the promoters. Moreover, the physical assets of the company are worth probably not more than \$10,000,000. The truth then appears to be that Canadian consumers will be called upon to provide dividends on nearly \$30,000,000, on an original investment of one-third that sum.

Light is thrown upon the situation by the request of the promoters, who still hold large blocks of common stock, to the Dominion Government for the privilege of converting the 7 per cent. preferred stock into 5 per cent. debenture stock. Obviously by this conversion some \$200,000 of annual dividends will be transferred from the holders of preferred to the hold-