

THE SUPPLY OF GOLD,

The Transvaal to be Eclipsed.

A Washington dispatch to New York gives the opinion of Mr. Roberts, the director of the Mint, upon a very important question. He was asked as to whether the present monetary stringency in the United States signified an actual scarcity of money to meet the requirements of trade. He said:—"No possible supply of money can prevent stock exchange panics or periods of monetary stringency, because speculation and rising prices will absorb any possible increase until the pressure for ready cash is just as great upon the new plane as it was upon the old. The cry for more money is as unappeasable as the demand for more wealth. A new supply, instead of satisfying the demand, stimulates it. Men want money to buy things with—good things that they think are going higher. Given easy money in the banks and we have bankers encouraging borrowers. As a result stocks go up, and as they go up the people want to buy, and so the demand for money increases. You cannot furnish money fast enough to meet the demand of all who would like to borrow while prices are going up, nor could all the gold and silver mines in the world together keep prices going up forever."

As to the moral reflections of Mr. Roberts upon the disposition of mankind to cry for money, we have no reply to make. Perhaps the unappeasability of the demand for wealth is more observable in the United States than elsewhere. To his charge that bankers encourage borrowers when there is plenty of money, the gentlemen most concerned will probably have something to say. But Mr. Roberts will find many supporters for the opinion he inferentially gives expression to: that these same borrowers are not so well treated by their bankers when they really need encouragement and support.

However, it is the statement of the director of the Mint concerning the supply of gold that will most astonish those who are familiar with the figures of the enormous and ever increasing output of the precious metal by the companies operating in the Transvaal. He says:—

"Undoubtedly the war in the Transvaal has had influence upon our money market. Anything that disturbs normal conditions, which turns the currents of business out of the course they have been expected to follow, will affect business. With trade balances as they are our bankers early in the season had reason to expect gold imports this fall, and probably directed their business accordingly. The war has not only cut off a remittance of about \$2,000,000 per week to London from South Africa, but compelled heavy shipments the other way. Such a reversal of the regular and anticipated order makes money tight in all centers until affairs are re-adjusted to the new condition.

"The world does not depend upon the Transvaal for its stock of gold. Colorado will produce more

gold in 1900 than all North America yielded ten years ago, and this continent will yield more next year than the whole world did ten years ago. Cripple Creek is up to the record of the Transvaal five years ago, and Cripple Creek, with Alaska and the Klondike, will next year exceed the Transvaal production of 1897. The golden tide, though checked for the moment, is not going to subside."

It will be noted by our readers that the true and amiable philosophy of optimism has a follower in Mr. Roberts. He states positively that Cripple Creek, Alaska, and the Klondike will next year produce more gold than the Transvaal did in 1897. This is peculiarly the happy season of the year, and the confidence of Mr. Roberts that the disturbance in South Africa will not check the golden tide for the coming year will add to the general gladness.

THE LEGALITY OF ELECTRIC FREIGHT CARS.

In view of the movement to introduce electric freight cars on the streets of Toronto, it will be interesting to note certain legal decisions recently given in the States relating to such traffic. The judgments of American Courts are regarded with much respect in those of Canada, which is reciprocated by the judges of the United States. Whether a street railway company is legally authorized to use electric power for hauling freight over its lines is a question likely to be of great interest in the near future. The Toronto case shows that there is thought to be a class of traffic available for street cars which would be very profitable to their owners and convenient to the main lines of railway. Such conditions will, in the long run, prevail over objections which are not based upon public convenience, for, in this age, the public interest is regarded as paramount. The Appellate Division of the Supreme Court of New York recently decided that electric cars have the right to engage in the conveyance of freight as well as passengers. This traffic was conducted by the Long Island Electric Railway, and two similar lines running in Brooklyn. Action was brought to restrain the cars carrying freight. Judgment was given in favour of the railway companies, and, when appealed, the Appellate Division of the Supreme Court confirmed the decision, by which electric freight cars were legalised. The judgment was concurred in by the whole bench of five judges. In the judgment it is shown that this privilege is inherent in the right to run cars over a roadway, and it can only be denied to a street railway company by an express act of the Legislature. The power given to an electric railway company in its act of incorporation "to carry passengers and property" is declared by the Supreme Court to convey the right to carry freight. The objection that street railway freight cars would be detrimental to the public interests, by obstructing ordinary traffic, was dismissed as being