

OUR MOTTO: "Suum Cuique."

The Mail and Advocate

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Alex. W. Mews... Editor in Chief R. Hibbs... Morning Editor

ST. JOHN'S, NEWFOUNDLAND, DECEMBER 27, 1916.

HUMAN wisdom is the aggregate of all human experience, constantly accumulating, and selecting, and re-organizing its own materials.

YESTERDAY we had a visit from two of our Volunteers, who have just been discharged as unfit for foreign service. They naturally are concerned about the future. They are married men and as they have been discharged at very short notice indeed, they are anxious to know how they can earn a livelihood. It seems to us rather a short-sighted policy that these men should be dispensed with at this season of the year when work is just commencing to be slack and opportunities of positions are so scarce. Two months ago they could have obtained something to do, but now it will be extremely difficult to find any openings. These men are told that if they are in actual need to apply to the Paymaster, but this is not the way that any man desires to live; he does not want the Regiment to support him as a Charity. The whole affair points to the grave necessity of more organization in connection with our Regiment. A Department which would keep in touch with the employers of labour or help of any sort would be able to advise at once the discharged soldier and thus he would not have any worry as to what would become of him when his usefulness in the Regiment was over, and we should not have men discharged as in this case only after a notice of a week or so. These men have signified their willingness to die for our Empire and for us, and no effort is too great for the Government to make, so that they may be assisted to a living. They have made no small sacrifice and it is imperative that we should recognize this and show that the Country is grateful and is proud of them. In our advertising columns will be found their application for positions, and until the Government make arrangements for an employment bureau such as we suggest, and which has been suggested we think, by our morning contemporary some time ago, our columns are open free of charge to any Volunteer who requires employment. We shall be glad to hear from any of our readers who have work for these two men to do, and all particulars concerning them will be furnished at this office.

AS the end of the year approaches, and stock-taking and profits are arrived at, it seems opportune to speak of the Minimum Wage, which is fast becoming a matter of concern to employees, and a matter that cannot be side-tracked by employers. We are glad to see that one firm at least have enquired into the living expenses of their employees and have come to the conclusion that a married man cannot live in any degree of comfort on less than Fourteen Dollars per week. In our estimation this is little enough and leaves nothing much over for the extra expenses that invariably crop up, such as doctors' bills, medicine, while we fear that the necessary sum for a little holiday, not to speak of the necessity of gathering a suitable library and good magazines round one, is almost out of the question. But the concession of a Minimum Wage is a good step towards the goal of profit-sharing which is gradually drawing nearer. This latter scheme is worked in some firms, with a great deal of success, and we hope shortly to see every firm giving its employees a share of profits. A certain sum from the profits at the end of the year might be put aside in order to give the employees an increase in salary, or other ways might be tried. We understand that some firms are allowing a 15 per cent increase, and allowing it from November 1st when the labourers obtained a like increase.

IT is time to throw over the idea that a man is only worth the very least that he will work for. If he is doing his best, and doing his work faithfully, he is owed a living wage and a living wage should cover more than food, clothing and shelter. These are primitive necessities. We have got beyond them and necessities include now everything that in any way administers to the mental growth and the moral well-being, as well as the bodily health of the community. Therefore education, books, art, all come under the heading of necessities. And who, knowing to our shame, how very many of our boys there are who cannot read or write, can say that we do not need such necessities now. How much better would our men enjoy the sights of England and France if they all could read. We expect that one of the questions that some of our men will ask when they return after the war is over will be: Why was I allowed to grow up uneducated? The pitifulness of the cry ought to stir us up to the absolute need of education for every boy and girl in the Island. We are glad to know that the Union platform will embody legislation that will mean a greater advance educationally than we have made before. Money spent on education is returned a hundred fold. Therefore let us go forward.

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THIS DATE IN HISTORY DECEMBER 27 New Moon—24. Days Past—360. To Come—4. St. John the Evangelist. JOHN WILKES died 1797, aged 70. A forcible, daring and original politician, who championed the cause of the people with great vigour and in spite of libel actions and being expelled from the House of Commons three times, he was re-elected with renewed popularity each time. He was elected Lord Mayor of London and in the end his opponents gave way and orders against him were withdrawn.

CHARLES LAMB died, aged 59. English essayist, whose "Essays of Elia" are characterized by great felicity of expression, much genial humour, and an ardent love both of rural life and London life. He was clerk in the office of the East India Company for 35 years.

THE GREEN GRASS UNDER THE SNOW The work of the sun is slow, But as sure as heaven we know, So we'll not forget, When the skies are wet, There's green grass under the snow. When the winds of winter blow, Wailing like voices of woe,

VARIA BY GALE

MONEY RECENT reports from the Canadian Banks are to the effect that since the beginning of the war, they have been reaping large harvests; and, presumably the branches in this country have been sharing in the general prosperity. We have already discussed the means whereby the banks reaped their profits and gave a passing notice to the question of Exchange. We now discuss this phase of the banking business at greater length, but we will not enter into the question too deeply so that our readers may be able to grasp the full meaning of the subject. Some months ago the Hon. John Anderson discussed the Exchange question at considerable length; but we doubt if the average reader was capable of comprehending the learned article offered to the public by Mr. Anderson. Exchange comes to us from the French word exchange which has a Latin origin ex, "out" and cambiare, "change," and it may mean either (1) a place for meeting (Fr. bourse) of traders, or (2) Commercial paper and the transactions to which it gives rise. In large cities we find exchanges of various kinds, Cotton Exchange, Produce Exchange, and Stock Exchange—the last mentioned being familiar to most of us who have dealings with money matters. We are now more interested in Bills of Exchange which we will discuss briefly. Bills of Exchange as a method of commercial settlement are probably of nearly coincident date with the origin of commerce. It is stated by writers on finance that bills of exchange were used in the early days at Athens, and were known among the Arabs. The Abbe Raynal says that they were known in the East Indies when the Portuguese first arrived there. Another author says there is no record of such transactions before the XIIIth century. Be this as it may, the fact remains that bills of exchange are of ancient date. Exchange depends upon the state of the "Money Market" which, by the way is simply a name; for the dealers by whom money is bought or sold—rather borrowed and lent—have no local habitation, such as is possessed by the members of the Stock Exchange or by the members of Lloyds. And further it is not money that is borrowed and lent so much as credit; credit based on gold. The money dealers who thus buy and sell credit, are the bankers, bill-brokers, and discount houses. The two classes, those who lend and those who borrow, are not divided by a hard and fast line, for both are ready to buy the use of money at one price and sell at another. The rate charged for the use of money depends to a large extent upon the demand for and the supply of money. Just at the present time we have a very insistent illustration of this, as most of those who have foreign dealings know to their costs. The Banks are the chief agents in collecting the funds to be utilized for loans and are, of course, the principal lenders. All the capital of the country, all the money for which the owners are seeking a profitable investment, is in the hands of the bankers, or we should say generally so. We have had many illustrations of the contrary since the beginning of the war. We must understand the meaning of a term mentioned above before we get any further in the explanation of exchange; we mean the term "bill broker." This is the party who buys and sells bills. As we are dealing with conditions in England chiefly we use English expressions and state conditions as they exist in England. It may be said right here that London is the world's banker; or rather it was up to the present time. Every day the bill broker or his representative calls on the banks with which he does business, and ascertains whether they wish to lend or to call in what they have already lent, or if they want to buy "bills" from him. If the banks are willing to lend money

to him at a moment's notice then the bill-broker charges for discounting bills. Thus, when the rate charged for loans is 2 per cent, the rate which the broker charges for good sight bills (i.e., bills payable on sight or demand) may be 2 1/4 per cent. Hence the brokers stand to make a profit of 1/4th per cent. on the money lent him. In international trade money is seldom transmitted; or in other words, gold (the world's standard) is not passed from hand to hand. Gold costs something for transmission in the shape of freight or expressage, insurance, etc. Thus traders resort to the expedient of bills of exchange. Let us suppose that a Brazil fish dealer owes \$25,000 to a merchant in St. John's, or better perhaps owes the amount to a London commission house, as much of our fish is sold through London brokers. They handle the trade of the local merchant for a consideration. We had a very unfortunate experience in this Colony in 1894 when a British firm acted as agent for many Newfoundland houses. The death of this agent precipitated the Bank Crash. Let us represent the Brazil merchant by A and the London agent by B. A does not actually send \$25,000 in gold to B. He tries to find somebody in Brazil to whom a similar sum is due by somebody in London. We represent this person by C. A then buys the right from C to receive that money and transmits that right to B in London who will collect it from say D. In this way the obligations are settled without the passing of any actual money between the parties. The price given or paid for a foreign bill of exchange is rarely, if ever, the same as the nominal value of the bill. This is due to the fact that one country sometimes owes more to another than the latter does to it. If England owes more to a foreign country than the latter owes to it persons wishing to transmit gold abroad will have a difficulty in buying bills payable abroad—the demand will exceed the supply, or exchange is "against it," as it is termed in financial circles. If on the other hand a foreign country is indebted to England in a greater amount than is owing by England to it, there will be an abundance of bills drawn on foreign traders, and of course, the persons willing to transmit gold will be able to buy such bills cheaply. Foreign exchanges affect the Bank rate. When the rate of discount for bills is higher in London than it is, say in New York, Paris, or Berlin, it indicates that there is a scarcity of money in the market, because probably heavy foreign payments have to be made; and there is likely to be an overflow of gold from England. This is what has been happening since the beginning of the war; so that exchange is "against England." In other words, English gold pays for a less quantity of marks or francs as the case may be. It is quite easy to understand conditions at the present time, as England is buying at an extraordinary rate to meet not only her own requirements in the prosecution of the war but also the requirements of some of the Allies. To enter into a deeper study of this question would demand more space than this column affords. The best illustration of the exchange problem is this. Suppose you have a cheque for a specified amount from England at the present time, if you take it to the local banks you will find that the value of the sovereign which before the war was stated to be \$4.86 is now around \$4.73. It may be less at any time.

STOLEN WILL, BANK BOOK AND CASH About 7 o'clock this morning Head Const. Peet and Sgt. Furlong were called to the Seamen's Institute where the office of the Manager, Mr. Jones, had been forced open this morning and a \$10 bill and \$4 in silver with a bank book with credits of about \$70 in it, and the will of one of the Volunteers staying there had been stolen from a desk where they were kept. One, Charles Oulette, a French-Canadian, also a Volunteer, who joined here some time ago, and who left the Tabasco here, was arrested and charged with the theft to-day before Mr. Frank J. Morris in the Police Court. The evidence of Manager Jones and others of the Institute was taken and showed that the man had been out the better part of the night, arriving back to the Institute at 4 o'clock this morning. The sum of \$4 in silver was found in the bed he occupied, and the evidence was pretty clear against him. The bank book and will were also found, and being convicted, he was sentenced to 3 months imprisonment.

STORMY ALL ROUND Last evening the N. E. wind which blew here all day, freshened up and by night a gale was blowing with snow flurries and it became very cold. A high sea runs outside and in the narrows and the tide was so high this morning that the water covered some of the wharves. It blew a gale on the West Coast last evening and night with snow in some places, but train traffic was not interfered with. The snow plows are ready for trains and may be necessary in crossing the Gaff Topsails.

FIGHT AT TORBAY Christmas morning some of the male residents of Torbay who had taken more liquor than was good for them had a fight, in which pickets were used. One man was hit in the head and another severely cut and was in Court to-day with his head bandaged up. He had been summoned by the local constable who did his best to preserve the peace and was asked by Mr. Morris, K.C., who presided to-day to furnish bonds to keep the peace in future.

A VESSEL WRECKED Mr. H. W. LeMessurier, C.M.G. had a message last evening stating that the French schr. "Charles Jules," on her way from Bay of Islands to St. Pierre, sprung a leak on the 23rd in St. George's Bay and ran for Port au Port Peninsula. She now lies there waterlogged, and likely to be a total wreck, near Three Rock Cove. The crew were saved and will be sent to St. Pierre.

CAN'T LEAVE SHIPS Vessels taking cargo at the various wharves to-day had much difficulty in doing so. Owing to the high sea and tide running, there is a great race at the various piers, and to keep vessels from doing damage extra moorings have to be put out. The Portia is taking freight, but owing to the surging of the ship at her pier, it can only be taken on board very slowly.

TRAIN NOTES Monday's No. 1 express left Humbermouth at 6.45 a.m. Yesterday's No. 1 express left Quarry at 7.20 a.m. Yesterday's No. 2 express left Glenwood at 9 a.m. To-day's No. 2 express leaving Port aux Basques after arrival of the Kyle.

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NOTICE!

The Second Annual Meeting of Conception Bay District Council of the F. P. U. will be held at Carbonear on Tuesday, the 9th of January next, at 3 p.m.

All Local and District Councils in the Districts of Harbor Main, Port-de-Grave, Harbor Grace, Bay-de-Verde and Carbonear should be represented. All Officers of such Councils are Members of the Conception Bay District Council.

At this Convention the matter of selecting Candidates for Bay-de-Verde, Carbonear, Harbor Grace, Port-de-Grave and Harbor Main will be considered.

The matter of establishing a Union Distributing Store for Conception Bay and the establishment of a Union Station on the Labrador will also be considered.

By order, W. F. COAKER, Chairman ex-officio. St. John's, December 28, 1916.

Conception Bay District Council of the F. P. U.

Delegates to Conception Bay District Council Meeting to be held on TUESDAY, the 9th January prox., will please note that the Reid Newfoundland Company will issue ONE WAY FIRST CLASS TICKETS to all delegates who attend the District Council Meeting. Good going January 8th, 9th and 10th, and good returning on the 11th.

MESSAGE FROM OUR BOYS

Copy of telegram received December 24th, 1916, by His Excellency the Governor from Sir Douglas Haig, Commanding the British Expeditionary Forces in France. "All ranks under my command unite with me in heartiest good wishes to the Colony of Newfoundland for Christmas and the New Year."

SIR DOUGLAS HAIG. ADVERTISE IN THE MAIL AND ADVOCATE

WEATHER REPORT

Toronto (noon)—N. and N. W. winds, generally fair to-day and on Thursday; not much change in temperature.

OPORTO MARKET

This week: Nfld. stocks ..... 19,093 Consumption ..... 3,877 Last week: Nfld. stocks ..... 16,920 Consumption ..... 6,285 Arrived—the F. M. Toro, Nordica, J. Henry McKenzie, S. Donald, L. Silver.

--JUST IN-- No. 1 King APPLES Florida Sweet ORANGES J. J. ROSSITER.

Reid-Newfoundland Co. New Year Excursion Excursion return tickets will be issued at ONE WAY FIRST-CLASS FARE good going December 30th, 31st, and January 1st, and good returning up to January 3rd. Reid-Newfoundland Co.