eral expenses, $22.67; in taxes, $1.24; in dividends to shareholders, 63 cents; otherwise, 82 cents, leaving $31.23 to be carried to reserve.

Net amount of risks in force increased during the year from $1,394,823,308 to $1,712,062,023, and the reserves have increased from $291,035,397 in 1918 to $321,027,592 in 1919.

THE FALLING PRICE OF WHEAT

EFFORTS of the organized farmers to maintain the price of wheat at a high level are foredoomed to failure. It is not likely that any one commodity, and least of all one for which there is such a wide market as there is for wheat, can be manipulated by the producers in this way. Only a fraction of the farmers on this continent are organized, and even if these could agree to hold up the supply, there would be some who would by force of financial circumstances be obliged to realize on their product. It is probable that the farmers of Canada, who have so strongly urged that natural forces be permitted to fix the price of all classes of goods in this country, will quickly realize the futility of any attempt of this kind.

The farmers were among the first to benefit by the rising price movement. There is nothing unusual, therefore, in the fact that the prices of farm produce have been among the first to fall. The rapidity of the downward movement has, however, been somewhat startling. Prices of a few classes of farm produce during the past few months reached their 1914 level. This means that the income of the farmer is greatly reduced, while he must still pay the high prices for the manufactured goods he buys. These in return will come down, but in the meantime the farmer is in the position in which the city worker found himself during the past few years, when the price of goods was going up much more quickly than were his earnings. The high level of income and prosperity established in the country through war conditions was only a temporary condition, but it is likely that many farmers thought it represented a real forward movement on the part of the rural section.

It will be a long time yet ere average prices reach the 1914 level. Until recently it was a common remark that they could never do so, but the rapidity of the fall during the past few months has removed this confidence in higher prices as a permanent condition. It is probable that the spectacular movements in some lines will be followed by similar changes in other lines, constituting a fairly steady decline in average prices.

ASSESSMENT EXEMPTIONS STILL INCREASING

ONE of the main causes of municipalities' financial difficulties is the freedom with which exemption from assessment has been granted to industrial, religious and educational institutions. While all cities have a substantial exemption list, Montreal is the most conspicuous example because of the great amount of property owned by religious corporations in that city. Assessments which have just been completed for that city show a gross total of $889,544,067, from which the immense sum of $225,190,483 is to be deducted for exemptions, leaving a net assessment of $664,353,584. The amount exempted is greater than the previous year by $676,612.

There are, of course, always arguments which can be presented for exemption of properties such as the above. The plea of public service is one which can readily be advanced. But the public service of the industry, the school or the church does not compare with the public service of the taxpayer, who must meet the shortcomings of institutions which are not self-supporting because they do not pay their share of the cost of running a city. Municipal finance would be sounder and municipal taxation would be more equitable if there were no exemptions of private property, whatever the purpose to which it is applied. There are none of these institutions which are not private in the sense that they serve a special class, which consequently benefits by the amount of taxes from which the property is exempted. The patrons of a municipal waterworks, electric light or street railway service have just as good a claim to the free use of these works as have the owners of property to the free use of the numerous facilities for which no fee is exacted from the consumer.

CENTRAL RAILWAY METHODS CRITICIZED

Deliberate tampering with books, and juggling of accounts, was found by Dr. Charles Morse, registrar of the Exchequer Court, in his examination of the affairs of the Central Railway Company of Canada. Claims filed against the defendant company amounted to something like $3,000,000, while the moneys paid into court were $93,170 by the Dominion government as the purchase price of rails belonging to the defendant railway company and used during the war, and a further amount of $21,250 from the sale of the steamer "Empress," which operates on the Ottawa River, and the property known as the Queen's Wharf property in Ottawa.

The chief claim against the company was made by Charles N. Armstrong, of Montreal, president of the company, who asked $109,947 as remuneration for services rendered and expenses incurred on behalf of the company from 1911 to 1917.

The report of the registrar is a denunciation of the methods employed in the administration of this company. Armstrong, says the report, received monies on behalf of the company and seems to have helped himself to them. A debit entry of $229,999 was changed in the company's books to a credit entry for the same amount. Concerning this, the registrar says: "I doubt if the deliberate tampering with the books of the company by Blagg (accountant for the Ottawa River Navigation Co.) at the instance and in the interests of Armstrong has any parallel in the history of corporations in Canada. Armstrong's claim for priority is refused, as also is the claim of Senator Domville for $20,000.

NEW COAL COMPANY IS ACTIVE

Welton-Henderson, Ltd., the new coal corporation which was recently formed to carry on mining operations at Minto, N.B., are preparing to materially increase their output. The company are now operating two shifts, and will soon have a third under way. Their present output is about 50 tons daily, and by early in the new year it is expected to have the quantity increased to between 125 and 150 tons daily, and to make further increases later on. Miners' houses are being built and the development generally pushed along.

Contracts which the company have with the Fraser Companies, Ltd., take their entire output. At their Edmundston pulp plant the Frasers are now using upwards of 150 tons of coal daily, it is said, and the quantity will be further increased when the extensions of the plant there are completed early in 1921. At a meeting held recently officers of the new corporation were elected as follows: President, Harvey Welton, Minto; vice-president, Archibald Fraser, Fredericton; general manager and secretary-treasurer, John Henderson, Minto. Mr. Henderson, the general manager, was formerly manager of the Minto Coal Company, and it was largely due to his efforts that that company became the leading producers of coal in the Minto area.

The British American Bond Corporation, Limited, due to growing business, has moved to quarters recently vacated by the Whalen Pulp and Paper Co., on the top floor of the Merchants Bank Bldg., corner of Pender and Granville Sts., Vancouver, B.C.