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GREEN, WORLOCK & CO'S BANK.

Since our last Victoria has had a financial failure, the well known and much appreciated private banking concern of Green, Worlock & Co., having been forced to succumb, with assets, according to the statement of Manager Worlock, amounting to about \$610,510 and liabilities of about \$144,910. The suspension took the form of an assignment to Messrs. H. F. Heisterman, J. S. Yates and J. Colard, for the benefit of the creditors. In the announcement of the collapse the figures given showed a balance of assets over liabilities amounting to some \$165,000 and the hope was expressed that the creditors would not complicate matters by the initiation of suits or the inauguration of other legal proceedings, the assurance being given that, judiciously administered, there was more than enough to pay everyone. Subsequently Mr. Worlock is reported to have said that after all was paid a substantial balance would be left for Mrs. Green, the widow of the head of the concern, to whom the failure is most certainly a very serious matter. It would appear that since the beginning of the depression in the United States and up to the end of January last the withdrawals from the bank have been over \$200,000, a most serious reduction in the amount with which the management had to earn the amounts necessary to pay interest on deposits and working expenses.

Various causes are assigned for the crisis. One is that Wells, Fargo & Co., by whom the Bank was established early in the fifties, and with the assistance of which they had handled the mineral output of Cassiar and Golden Cariboo had recently refused some of the paper offered by the Bank. Another story says that they were carrying more paper than their capital permitted and that for some time it has been a case of the sharpest hustling to keep things going, particularly since it is now said that the purchase of the Garesche interest was the means of withdrawing a very considerable amount of working capital. Apropos to these stories there are numbers of the "I told you so" class who now say that they have long known that this was coming. But why, it may be asked, did they keep their own counsel so long and now only that the misfortune is upon us give utterance to their deliverances?

One story may be mentioned for what it is worth, and that is that an individual who had for some time been negotiating

an outside purchase, had arranged with the bank for sufficient money to make the preliminary deposit. This was to have been completed on Wednesday; but the funds not being forthcoming as arranged for, the party explained matters to the person with whom he was dealing. The latter being in a position to make very heavy demands upon the institution, became at once so urgent in his calls that he, it is said, cleared out all the resources available in the bank, which, it being impossible to replace, a determination was arrived at late on Thursday night to suspend payment and to make an assignment. This may or may not be the case, but certain it is Mr. Worlock is credited with making the statement that it was not until a late hour after the bank had closed it was concluded to shut the doors. No doubt this statement will be dealt with by the management, whether or not it should prove to be a correct one, the more so since there has been no small amount of adverse criticism passed upon the course of the institution in receiving deposits up to the close of business hours.

As to the effects of the collapse, it may be said that the people principally affected belong to the working classes, for whom the higher rate of interest given by a private banking institution had more attractions than the smaller percentage offered by the chartered banks, whose customers have the advantage of all the special protection afforded by the provisions of the Dominion Banking Act, and of the checks which under it the other banks are enabled to exercise over one another. It was only the other day that another private bank, in the county of Huntingdon, Quebec, went to the wall and the results there were of a very disastrous character. It is to be hoped that the experiences of Mr. Somerville's creditors, which are not yet over, but which have already been detailed to some extent in the local papers, may not be repeated here. There was litigation that with a properly digested insolvent law would not have been entered upon. Here, if the trustees are considered to be reliable and capable of properly liquidating the concern, let them have every assistance in their work. If not, let them be replaced as soon as possible, and let the Provincial law, with a due regard to the equities of the case, be carried out. There are, it is said, several business concerns of considerable importance interested in the matter of overdrafts. It would be the most short-sighted and disastrous policy to drive them to the wall if their transactions with the bank were honest and above board, and if there is any means of obtaining a settlement with them. If, however, they have deliberately gone to work to swindle the bank they are not deserving of any consideration; but even in that case regard should be had to those whom they might unfortunately be in a position to bring down with them.

As far as we can learn the management of the Bank is entitled to the general sympathy, and to them and all the sufferers by its fall we extend our individual expression of it. So far we do not see that, with the exercise of caution and the maintenance of confidence, there need be any fear of any very serious re-

sults being the outcome of this disaster. Most of the depositors in the Bank are in some kind of employment; but the loss of their hardly earned savings is a most deplorable one. There might possibly be, it is thought, one or two minor collapses among people who may be called to make good their drafts upon the establishment, some of which it may probably be beyond their means to meet, but if those who are not serious losers will only take thought for those who are, and do not unduly press their less fortunate brethren, the outcome of this local misfortune will neither be lasting nor far reaching.

MISREPRESENTATIONS.

Toronto wholesale merchants complain that their financial standing is being misrepresented to old country houses and as a result losses and a great deal of inconvenience have followed. Unfortunately the tendency on the other side the Atlantic is to belittle the colonies as much as possible. Some of this is attributable to occult but well understood influences in the United States, and some of it, it is said, to misrepresentations of business men here who continually complain of bad times and losses when the true policy is to look on the bright side of the case. If merchants, no matter how straitened they may be, would avoid putting on a face fitting only for a funeral or grave yard scene and would talk more cheerfully than many of them do, the appearance of things would be advantageously changed and then all of us should find that matters would go more smoothly at home. We fully expect that in connection with the bank suspension of Friday, the worst side of it will be presented by many who ought to know better. They will, no doubt, in their peculiarly miserable way, talk about business graves and commercial sepulchres, whereas their policy would be to look up and do all they can to point out the silver lining that in all verity exists behind the cloud. The matter of which we speak is only a mere circumstance; of course more appreciated here because it is at our own doors.

It appears likely that before the end of the Wiman affair is reached some very interesting matters will be made written history. What the public does not know about commercial agencies will in all probability be better understood when all the dirty linen is washed that is about to be handled in the New York courts. Some years since a Parliamentary committee sitting at Ottawa was the means of making some very interesting developments principally by the aid of those who had grievances against the system and of unwilling witnesses. Now, however when it has become a case of war to the knife between Mr. Wiman and Mr. Dun the former may feel inclined to be a little more communicative than he might be were the circumstances different. In any event the public is sure to be interested and probably benefitted by the relations of some who have a practical knowledge of the workings of these institutions;