

Notes on Business.

Bank of England's Rate. The Bank of England's rate of discount was reduced yesterday from $3\frac{1}{2}$ to 3 p.c. The $3\frac{1}{2}$ p.c. rate had been in force three weeks. A move downwards had been regarded as a possibility on this side owing to the influx of gold and the return of cash from the country having greatly strengthened the Bank's position during the past week.

Ontario to Borrow. The Provincial Government is to take power to go again to the great money markets to borrow upon the credit of Ontario. In a brief statement to the Legislature Hon. A. J. Matheson announced that it had been decided to float a loan for five and one-half million dollars to meet necessary expenditures during the year and to provide the administration with a working capital. The approval of the House was asked for a bill which the Provincial Treasurer introduced, providing for the raising of the money.

British Columbia's Companies' Act. The much criticised British Columbia Companies' Act is being amended in some minor particulars, which will relieve companies doing business in the Pacific Province of some expense. They will be relieved of the necessity of advertising in local newspapers; while the registration fee for mortgages will be lowered. Mr. Bowser, the Attorney-General, made a spirited defence of the Act, which he claimed, had not compelled a single company to refuse to do business in the Province or to retire from business. Since the Act went into force 443 companies have been registered in the Province, from which the Provincial Government has received \$129,082 in license fees.

Fire Companies in Minneapolis. The disastrous fire at Minneapolis on Sunday, by which the Syndicate block was destroyed with an estimated loss of \$1,000,000 is a serious matter apart from the actual loss, since it appears likely to accelerate considerably the tendency, which has lately been in evidence, of fire companies to get out of the State of Minnesota, owing to the continued heavy loss ratio there. The serious results of a continued movement of this kind are palpable. Apparently, in the present instance, the fire department was unable to check the flames which went from one end of the block to the other in spite of fire walls. The building was 30 years old, and had been the scene of several fires. The disaster is not without its lessons elsewhere.

More French Capital Coming. Evidence accumulates almost daily of the great interest in Canada which is now developing among French investors. The new French Canadian bank, is a striking instance of confidence in the part of Parisian capitalists in the Dominion, but there are other less showy developments constantly taking place, which even

more clearly show the trend of opinion in the French financial centre. This week, it is announced that a Company has been formed in Paris called the Compagnie Française d'Etudes au Canada. This Company is intended to develop and finance mining and industrial propositions in the Dominion, and thus marks a development in the policy of French capitalists with regard to Canada, their interests having almost entirely been confined up to the present to purely financial ventures. The President of the new Company is M. Georges Martin, formerly president of the board of control of the Comptoir d'Escompte, and the board includes also several other prominent French bankers.

The New French-Canadian Bank. The bill to incorporate the proposed Banque du Canada will come before the Banking and Commerce Committee of the Dominion Parliament next Wednesday. From one point of view the most interesting development in connection with this application is the question of the Bank's name. That it will go through unchallenged is unlikely, and the probabilities appear to point to the promoters of the Bank being required to choose another title. Nor should it be considered a hardship, if the case is thus decided. It is, no doubt, of some importance to a new Bank that its name should be of an appropriately distinguished character, but circumstances do not justify in the present instance the granting of such a title as that of Bank of Canada. The associations of such a title—Bank of England, Bank of France and others—are calculated to give a false impression of the Bank's position in the Canadian banking world. The real importance of the new Bank in its sphere will depend upon other things than its title; and a financial institution which has received so substantial a backing at its establishment can well afford to trade under a title to which there cannot possibly be objection.

Important Insurance Case. The Prudential Insurance Company of America state that they will carry to the Court of Errors and Appeals the decision in the Blanchard suit. This was brought to restrain the Company from further paying to its old non-participating policyholders any benefits greater than those called for by their policy contracts, to restrain the carrying out of a resolution passed by the directors, adding an average of 10 p.c. to the benefits contracted for in new participating policies issued after January 1, 1907, and to compel the Company to divide among the stockholders the whole or part of the accumulated surplus. The New Jersey Court of Chancery's decision is in favor of the Company on the first two points, but orders that the Company's surplus to the extent of \$2,500,000 should be distributed by way of a dividend among its stockholders. It is against this decree that the Company will now appeal.

THE EASTERN TOWNSHIPS BANK has opened a branch at Victoria, B.C., under the management of Mr. R. W. H. King.