

an ordinary merchant, but the first breeze of a revulsion from a foreign source with whom his transactions may be large, or in his own territory awakens him to the responsibility of his position, and then like the experienced Captain he prepares his ship for the storm.

It is at periods of this description that the foresight, prudence, and sound judgment of the banker are exercised, it is then those abilities are called forth, which place the bankers profession on a par with the higher positions in the political and scientific world.

As an instance of the solid condition of our Canadian Banks and the confidence the public have in them, the position they maintained during the late panic, which commenced in the United States, affords ample evidence. Its extent and effect is of too recent date not to be fresh in the minds of every one; from the failure of the Ohio Trust and Loan Co., on the 21th of August last, up to the 14th of October, (about 7 weeks) it is estimated not less than 500 failures occurred, more than half consisted of large and supposed wealthy firms. Their total liabilities are supposed to be about sixty million dollars. The public confidence was so shaken that every Bank in the city of New York, except the "Chimical," suspended specie payment, and a similar loss of confidence was felt towards nearly all the Banks in the different States of the Union.

From the extensive commercial relations existing between Great Britain and the United States, so serious a revulsion could not otherwise than seriously affect the position of Merchants and Banks largely engaged in the American trade in Great Britain, the consequence was, numerous heavy failures occurred, the demand of bullion on the Bank of England, and the panic, caused a rise in the rate of interest, and of course acted immediately upon our Banks having exchange transactions with them.

The speculative and over-trading spirit that has existed in Upper Canada for the last few years, not much inferior to the same in the United States, would lead to the supposition, that it would have had a strong tendency to shake confidence in the Upper Canada Banks. But no symptoms of it appeared: although some met with large losses. They were enabled to continue their regular dividends, and allowed their losses to fall upon their reserve fund.

The losses of the Lower Canada Banks were mainly in Upper Canada. In addition to the effects of the panic, the injustice of their laws (since remedied,) whereby a debtor could assign over his effects to any one creditor, made losses, which might with more just laws have been realized.

The number of Banks in the two Provinces, (not including branches,) is fourteen. The Bank of Montreal is the oldest established Bank in the country; it was opened in 1818, and since its commencement has been steadily increasing in capital, wealth, and public confidence. As full statements of all the Banks appeared in the late number of the *Magazine*, it is unnecessary to repeat them. It will be sufficient for our purpose to give the aggregate capital, as follows:—