

taken place. But, on the whole, the probability is that it has been well distributed over every part of the country, and every Province of the Dominion. For, in truth, evidences of general growth and prosperity in all branches of business are striking enough. True it is that there have been disastrous losses to individuals, owing to the fall in mining stocks, but, as was most pertinently observed at the recent meeting of the Bank of Commerce, "*dealing in mining stocks is not mining.*" It is therefore no evidence of a bad condition of things in mining generally, when inflated figures, based on nothing but anticipation of the future, are made to conform to solid realities. No doubt these losses are unfortunate so far as individuals are concerned, and it is somewhat pitiable to see cases where the well-earned savings of a lifetime of industry have been dissipated in ventures outside the line of ordinary business. Still worse are cases where funds subject to trusts, express or implied, and which should have been invested with the care that trusts call for, have been employed and lost in the same way. Such things however always accompany any great mining developments, and pity it is that the lessons of former calamities are apt to be so easily forgotten as they have been with us.

ABSTRACT OF BANK RETURNS.

29th June, 1900.

[In thousands.]

Description.	Banks in Quebec.	Banks in Ontario.	Banks in other Prov's.	Total.
Capital paid up	35,022	18,967	10,746	64,735
Circulation	22,057	15,718	7,802	45,577
Deposits.....	131,283	113,976	42,742	287,661
Loans, Discounts and Investments	150,394	123,113	52,442	326,160
Cash, Foreign Balances (Net), and Call Loans	48,582	32,205	13,327	94,014
Legals.....	8,352	6,321	3,451	18,035
Specie	4,277	3,267	2,641	10,185
Call Loans.....	9,999	15,646	3,627	29,272
Investments	11,180	19,530	5,540	36,255

29th June, 1901.

[In thousands.]

Description.	Banks in Quebec.	Banks in Ontario.	Banks in other Prov's.	Total.
Capital paid up	35,711	23,885	8,298	67,095
Circulation	22,658	19,069	7,394	49,119
Deposits	157,552	145,895	44,441	347,888
Loans, Discounts and Investments....	163,157	155,079	51,305	369,541
Cash, Foreign Balances (Net), and Call Loans	71,327	42,583	15,880	129,810
Legals	8,516	7,754	2,817	19,088
Specie	4,941	4,469	2,382	11,695
Call Loans	47,485	19,662	7,623	74,772
Investments	19,444	28,519	9,005	56,973

Government Savings Banks	\$ 54,317
Montreal City and District Savings Bank	12,660
La Caisse d'Economie, Quebec	6,581
Loan Companies, 1900	20,000
	—\$ 93,558
Bank Deposits.....	347,882
	\$ 441,440

GOVERNMENT CIRCULATION.

Large	\$ 17,736
Small	10,162
	\$ 27,898

Gold held, \$14,557 or 50 per cent.

In considering the expansion of business, our thoughts are very naturally turned towards the glowing reports that have been received of the crops in the Northern District. Up to this point the outlook is cheering indeed; but all experience in that region warns us to beware of basing any action upon crops that are yet to ripen and be reaped. Prospects almost as good as prevail now have in former

years been hopelessly blighted by the formidable destructive forces of nature which nothing can guard against. Frost, rain, hail, may yet come and sweep over the whole region with destructive violence. Drought is not now to be feared, but its contrary is. And though frost has been much less in evidence of late years than formerly, no one can tell what forces of cold may yet be developed. In saying all this we are not indulging in a strain of mere pessimism. A wise caution is not pessimism. It is perfectly consistent with a hopeful and even optimistic view of things to be careful how we take for granted that the promise of such a crop as is now on the ground will be fulfilled.

It may be a question with some whether the present expansion is healthy, or whether it has not passed the limits of safety and will be followed by a heavy reaction. Our impression is that up to this time, at all events, the expansion has been healthy. It may be taken as an axiom that all expansion is healthy which is based upon production. The exports of a country are the true test of sound prosperity. It is not the total volume of trade, but the amount the country produces within itself, that is the proper measure of the reasonableness of expansion or otherwise. Imports may be speculation, often are. Imported goods are largely bought on credit, all of them practically are with the exception of raw materials, and we know by only too bitter experience that at times we have imported more goods than we could pay for without embarrassment. But when we come to production and the export of that production we are on solid ground. Expansion of banking figures that rest upon this basis we may depend upon it will not be followed by any revulsion.

AN EXPRESSION OF OPINION ON RECIPROCITY.

At a special meeting of directors of the Merchants' Association of New York, held a week ago, the subject of reciprocity between Canada and the United States was discussed, and the following preambles and resolutions adopted :

Whereas, The manufactured products of the United States are constantly increasing and are already exceeding the demands of home consumption; and

Whereas, This overproduction is a serious and growing menace to the commercial interests of this country; and

Whereas, The opening of foreign markets upon such terms and conditions as will enable the manufacturers of this country to dispose of their product advantageously therein will furnish a preventive for this threatening evil; and

Whereas, The opening of the Canadian market, which lies so near and with which communication is so direct, would be a long step in providing an outlet for our surplus products; now, therefore, be it

Resolved, That the Merchants' Association of New York hereby urges upon the President and Congress that such immediate and effective steps be taken as in their judgment will result in the consummation of a mutually advantageous reciprocal trade agreement between the United States and Canada.

Commenting upon this expression from so influential a body of merchants, and upon the fact that many American commercial bodies have endorsed the suggested measure, the "New York Journal of Commerce" says: New England is profoundly interested in increasing trade with the Dominion. This city is not less so. The Lake cities are, if anything, more interested in Canadian trade than New England is. If the balance of trade, which the protectionists regard with superstitious veneration, is to guide, every effort ought to be made to encourage and promote trade with Canada, which buys more of us than we do of it. There is a small agricultural interest in opposition, although Canada is a good customer for our farm