

vidual hardships are not of much weight with him; that present circumstances are exceptional; and that the offer stands "until further notice." On the other hand, we find that our Western banks are fond of produce accounts, for it gives them circulation as well as profit; that they are not harsh with customers in the matter of renewals; and that, being local institutions, they favor local interests. It is questionable, therefore, whether the inducements held out by Mr. King exceed the hazard one would necessarily encounter in yielding to them.

We come now to the last or personal leg it is well shaped and fully developed. From all that we can see, we conclude that Mr. King has a very large crow to pluck with Western banks, and has selected the present scheme as the best means of annoying them. Mr. King's propositions may also have certain advantages for Montreal, which might very properly form the subject of consideration by Toronto shippers.

While we entertain the opinions already expressed, respecting Mr. King's motives, we are not blind to the advantage of having more money thrown on this market, and liberal terms offered to a large business interest. Other banks have stuck to their seven per cent. with a fidelity which is remarkable, in spite of the fluctuations in the value of money. Why charge seven per cent., when money is only worth five or six? This question must soon be answered. The blame for this, seven per cent. constancy, must be laid on the usury laws, in the first place, and in the second, on the fondness for groove movements which characterises banks. We fail to see why such an incorrect system should obtain any longer. Were it replaced by a system more in consonance with true business principles, such specious schemes as that of Mr. King would have as little practical, as they are likely to have, political effect.

The *Leader* states, "on pretty good authority," that the Bank of Montreal does not intend to confine its operations to railway receipts and bills of lading, but that short dated paper or warehouse receipts of an acceptable character will be discounted at five per cent.; and also, that it is the intention of the managers of this bank to negotiate first-class mercantile paper at the branch here, under certain circumstances, at five per cent. If this be correct, the other banks will, of course, follow suit.

GORE BANK.

It appears that the arrangement come to between the Bank of Commerce and the Directors of the Gore Bank does not give entire

satisfaction. Two of the Directors of the latter, viz., Messrs. Martin and Hendrie, have issued the following circular:

A majority of the Board of this Bank has decided to accept an offer of amalgamation made by the Bank of Commerce. The proposed amalgamation will be offered at the adjourned meeting. We believe that the acceptance of the offer by the majority of the Board is contrary to the meaning and spirit of the resolution proposed at the annual meeting, and is not binding on the shareholders. It will require an Act of Parliament to give effect to any amalgamation; this cannot be obtained till the next session of Parliament, which is not likely to meet for many months hence, and during this interval the business of the Bank must be carried on and its organization kept up.

We do not propose now to enter into a discussion, either as to the terms of the proposed amalgamation or the manner in which the negotiations have been conducted; but will be prepared to give full information on these points at the meeting. We ask the shareholders to attend in person the adjourned meeting, to be held on the 31st inst., and after hearing all that will then be said in favor of the respective plans, decide for themselves. We append a copy of the resolution above referred to: Moved by Amelius Irving, seconded by James Watson, that the following gentlemen, viz., Messrs. T. C. Street, J. Davidson, D. Campbell, Wm. Murray, Montreal, (***) Dr. McQueen and Dr. Billings, be a committee to confer with the Directors upon any changes in the affairs of the Bank, which may be proposed between this day and the adjourned meeting, to be held on the 31st August next. Carried.

It is said that Mr. King is ready to make a better offer than that of the Bank of Commerce. However that may be, the new agitation is raised by those in favor of the continued existence of the Gore, among whom Mr. Irving is prominent. This gentleman's breach of faith has not raised him in the opinion of his fellow shareholders.

MR. YARNER received \$550 from the Royal Canadian Bank for his report.

MR. KING was in Toronto on Wednesday. It is said he went up to Hamilton for the purpose of making a bid for the Gore Bank business.

PRODUCE DRAFTS.—The Bank of British North America has caused to be issued an announcement similar to that of the Bank of Montreal, else where referred to.

THE fall trade, which is now in immediate prospect, promises well. A most salutary change has come over the views and feelings of the wholesale trade of Toronto within a recent period. Every one is hopeful. A decided reaction from the extreme depression of the last nine months has set in. Toronto expects to do more of the Ontario trade than ever before; preparations are made with that object in view. The many advantages our traders now possess place that trade within their grasp, and we believe they have the necessary enterprise to lay hold of it.

THE Directors of the Toronto, Grey and Bruce and of the Toronto and Nipissing Railways have published a correspondence with Mr. G. Laidlaw,

in which they offer Mr. Laidlaw, in consideration of his valuable services in connection with those projects, \$10,000 paid-up stock in each of the roads; and also offer him the post of Managing Director for one year at a salary of \$5,000 for each of the roads. These handsome offers Mr. Laidlaw has declined, chiefly on the ground that he had pledged himself to the municipalities that he would not accept a gift of stock or become Managing Director, or take a contract in connection with the roads. Mr. Laidlaw has, however, accepted a directorship in both companies, on the ground that his withdrawal is regarded by leading gentlemen connected with the enterprise as a breach of faith.

THE *New York Shipping List*, in an article on the trade with the Dominion, advocates the adoption of a Zollverein between the two countries; or, in other words, one line of custom-houses, one tariff of customs on imports, exports and transit—the revenue derived from these sources to be divided up among the parties to the Zollverein in proportion to population. The journal quoted thinks this would be better than any reciprocity treaty that is likely to be adopted for a good while to come. Every one knows it is a great pity to have a trade, our share of which exceeds \$30,000,000, hampered and shackled as the trade with the States now is. Between two contiguous countries, peopled by the same races and speaking the same language, having so many instruments of profitable exchange, it is a pity that a better arrangement could not be worked—an arrangement that would expand rather than cramp commercial intercourse. But so it is. Under liberal trade regulations, the exchange of commodities would double in a very short time; as it is, they can only dwindle down, as in 1868, at the rate of 10 per cent. per annum. The Zollverein idea will not do. It is inconsistent and inharmonious with the political aspirations of the people of the New Dominion. Between a number of small unambitious German States, surrounded by powerful and jealous neighbors, it is all right; but in our case a Zollverein would be but the entering wedge to aggression, and, if possible, absorption. We want a fair and square reciprocity treaty; nothing more and nothing less.

MONETARY INTELLIGENCE FROM NEW YORK.

A well-informed correspondent writing under date New York, August 23, furnishes us with the following:—

It is now pretty generally known here, that important changes are about to take place in the management of one of the Canadian banking institutions doing business in New York. The recent heavy, and somewhat sensational operations of one of your banks has created a local interest and much popular speculation in regard to fresh movements of your financiers. Mr. Walter Watson, for some years back, the manager of the Bank of British North America, in New York, and formerly of London, Ontario, it is understood, has tendered his resignation and becomes connected with the banking house of Morton, Bliss & Co. He is recognized as a very affable and able busi-