

Mr. Meade's proposal that power should be given to the insurance companies' salvage corps to immediately set about putting the salvage into the best possible state. Such action on the part of the companies might be construed as accepting abandonment of the salvage, but technical difficulties of this kind should not be insurmountable. In these days of intense competition the prospect of effecting even small savings in the general outgo is not unwelcome. Wise economy in managements leads to a tangible result in a reduced expense ratio, and though it is not so easy to trace the exact result of salvage operations on a fluctuating quantity like the loss ratio, the subject seems to be deserving of more attention than has hitherto been bestowed upon it.

BANKING DEVELOPMENT, 1899-1900.

We present in this issue a table showing the development of the banks in Canada between 1st May, 1899, and 1st May, 1900. In the table will be found the percentage of each item of deposits and loans to the paid up capital of the several banks, with the percentages of the totals for each province. Each Province is credited with only those banks whose head offices are therein, as is done in the official monthly returns. This, of course, gives no information as to the actual banking business done in those Provinces which have the head office of any bank with branches in another Province. The percentage in the table is the percentage of the several items of deposits and loans to the paid-up capital. Thus on the first line we have the bank of Toronto with \$11,830,302 of deposits, which are equal to 591.50 per cent. of the paid up capital of \$2,000,000. It will be noted that banks which increased their capital last year were all not able at once to increase their business proportionately. This could not be expected, but the following comparison between the increase of capital and increase of discounts shows how very much greater was the increase of discounts than that of paid-up capital.

Bank	Capital paid up, \$ 1900	1899 \$	Increase of Capital, \$	Increase of Discounts \$
Imperial	2,500,000	2,000,000	500,000	1,233,040
Hamilton	1,703,212	1,476,900	226,300	1,590,478
Ottawa	1,850,370	1,500,000	350,370	3,363,242
Traders	1,000,000	700,000	300,000	719,657
Hochelaga	1,499,660	1,247,610	252,050	1,116,947
Molson	2,366,805	2,000,000	366,805	1,875,474
Bk of Nova Scotia	1,828,200	1,593,800	234,400	2,122,210
Merchants Bank of Halifax	2,000,000	1,543,300	456,700	3,117,994
Union	659,875	500,000	159,875	863,673
Halifax Bkg. Co.,	505,720	500,000	5,720	279,693
Totals	15,933,842	13,061,610	2,873,220	16,282,408

A salient feature in the table is the much lower percentage of the increase of deposits as compared to capital than the increase of current loans compared to capital, which is a feature promising well for profits. Altogether the year covered by the table is the

most remarkable in our banking records. We trust however, great as the expansion and development of favorable features, that these will be exceeded in future years.

THE CANADIAN BANKING SYSTEM WANTED.

At the meeting of the Pennsylvania Bankers' Association on Wednesday last, A. B. Farquhar spoke on the topic, "Error and Truth About Banking and Finance," part of the address being as follows:

"In planning a permanent currency system, we should be largely guided by the experience of other countries that have had a similar problem to meet. If there is one trait which more certainly than any other distinguishes the opponents of currency reform, it is a determination to ignore the recent experience of Canada. Our northern neighbours have had a national banking system of their own for more than twenty years. They unanimously like that system and every year's additional trial of it confirms them in the belief that it is just what a vigorous, enterprising, developing country wants. The figures they set before us make a handsome showing. Their notes in circulation have never sensibly exceeded half the paid-up capital. The assets, on which these notes are a first lien, are eight times the amount of the notes, and there is the additional security of an extra liability of stockholders to the full amount of their investment.

"Here we have at least the appearance of immovable security. Whether the reality goes with the appearance, experience and not ciphering must tell us. But when we remember that those banks have not been untried, that they have passed through more than one season of business depression, and are none the worse for it, we find good reason for crediting them with solid staying power, as well as capacity to satisfy the Canadian taste. There have been no serious money panics in Canada and no suspension of specie payment during the past fifty years. Their more liberal banking laws, encouraging branch banks enable the people in the far West to borrow money, at the same rate as those in the East."

THE PREMIER WITHDRAWS.—A change in the advertisement of a leading legal firm in Winnipeg is caused by the retirement therefrom of the Hon. Hugh J. Macdonald, Q.C., on his becoming Premier of the Province of Manitoba. The firm will in future be styled: "Tupper, Phippen & Tupper," and they are the solicitors for the Bank of Montreal, Bank of British North America, Merchants Bank of Canada, National Trust Company, Canada Life Assurance Co., Edinburgh Life Assurance Co., Canadian Pacific Railway and the Hudson's Bay Company.