factors are clearly in evidence and their working cannot be said to be in the direction of higher prices of securities.

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In Canada call loans are quoted 6 p.c. as heretofore, in Montreal and Toronto; and rates for commercial advances are firmly maintained. Needless to say financial Canada has a considerable interest in the results of the presidential election just concluded. The trade between the Dominion and the big Republic may be importantly affected by tariff changes made by our neighbors. That these changes will be sudden or drastic is not to be expected. President-elect Wilson has declared that the work of revision will be carefully carried out and that the greatest consideration will be given to the business interests. Then it is to be remembered that there is a powerful section of the Democrats who are opposed to drastic tariff revision. So Canada will have to wait patiently and see what steps are taken at Washington. If it happens that the bars against American imports of our foodstuffs are abolished or sensibly lowered, a number of Canadian industries will be able to do an enlarged trade with the United States.

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Canada is also watching very closely the progress of events in Europe. The high bank rate in London and the unsettled condition of the London market is serving to check the issue of our securities. Many corporations and municipalities which had expected to get funds there for enterprises taken in hand by them, are seriously inconvenienced by the situation; and it is to be hoped that the transatlantic skies will clear shortly.

WESTERN IMPRESSIONS.

Mr. James McGregor, manager for Canada of the Commercial Union Assurance Company and of the Palatine Insurance Company has returned to Montreal from a western trip taken in company with Mr. Henry Mann, of London, England, secretary of the Commercial Union. The two gentleman visited all the leading centres in the West, including Winnipeg, Regina, Saskatoon, Edmonton, Calgary, Vancouver and Victoria, returning through the United States via Seattle, Portland, Ore., Salt Lake City, Denver and Chicago. Mr. Mann has now proceeded to New York, en route for home.

In Mr. McGregor's view, the great optimism which is to be found everywhere in the Canadian West, is fully justified by the healthy business conditions. Great developments were found to be in progress in all the cities visited, a point which particularly impressed itself being that in each of the leading centres, a large number of the banks are to be found located in palatial premises of their own while trust and loan companies and other financial institutions are also erecting at the present time many handsome premises. In the course of their trip, the visitors met a large number of old country financiers and others, who were engaged in seeing the western country for themselves with a view to future financial and business developments.

THE BANKS' CAPITALS AND REST FUNDS: TWELVE MONTHS' PROGRESS.

A comparison of the banks' paid-up capitals and rest funds as they were at September 30, 1912, the date of the latest official returns, and as they were at September 30, 1911, shows that during the twelve months the banks have been actively engaged in the extension of their resources in this connection and that they have made substantial provision for their increasing business. During the twelve months, the banks' paid-up capitals were increased by the net amount of $9,302,358 to $110,694,638 or by 9.17 p.c., this advance comparing with one of $4,902,031 in the twelve months which ended on September 30, 1911. The present increase includes the paid-up capital of the Internationale, which started business during the period under survey, and the adjustment which has been rendered necessary by one of the two mergers which have come into force. The Royal-Traders merger resulted in a nominal reduction of capital of just over $1,100,000 so that the September bank statement showed a net reduction of paid-up capital compared with August 31, of some $400,000, the August statement of the capital of the going banks having shown $111,098,525.

The increase of capital during the past twelve months has been a very general movement. In fact, all but six of the banks have increased their paid-up capital during the last year, and in the case of one of these six there was an important increase in the period shortly preceding the twelve months. It is well-known that in the case of some of the smaller institutions their capital account is always in process of being enlarged, but naturally the bulk of the advance has been due to the issues of new stock which have been made by the larger institutions. The subjoined statistics show that in many cases stockholders have made very heavy additions to their holdings. Apart from the changes caused by consolidations, the Royal Bank has increased its capital during the period by $1,814,000; the Bank of Montreal by $1,600,000; the Merchants by $704,000; the Bank of Commerce by $588,000; the Imperial by $564,000; the Bank of Nova Scotia by $518,000; the Bank of Toronto by $490,000; the Hochelaga Bank by $457,000; the Dominion by $386,000; and the Northern Crown by $352,000. And this process of enlargement of the capital account is going on with undiminished vigor. At September 30, at least one-half the banks had their capital accounts open, and no doubt, the next few months will see further considerable additions in this connection.

GROWTH OF THE REST FUNDS.

Substantial as has been the advance made in paid-up capital, it has yet failed to keep pace with the growth of the banks' rest funds. During the twelve months ended September 30, these funds were in-