

week. The *Journal of Commerce* mentions that the new Underwood tariff which has just passed the House of Representatives, has affected the exchange market quite noticeably. Imports at New York have been steadily falling for some time in anticipation of the going into effect of the lower schedules of the new tariff. And in consequence the importers' purchases of bills have been sensibly reduced. Presumably, however, the merchandise imports have been merely delayed; and immediately the new law becomes effective the flood of goods, now held back, will pour in at the principal entry ports. Exchange dealers have been obliged to keep this contingency in mind.

#### ANOTHER RAILROAD SUIT.

The Washington Government is now preparing to launch a suit against the hard coal railroad combination under the Sherman anti-trust law. The ostensible object is to break up the coal monopoly and presumably bring about a decrease in the prices of that useful commodity. Judging by the results of other government suits undertaken with the same object of reducing prices, it is very much open to question whether the consuming classes will obtain any relief through the spectacular proceedings of the attorney general's department. That is to say, even if the Government wins at all points against the Reading Railroad, householders may have to pay the same high prices for their coal as they pay to-day. It is possible to speak with more confidence about other consequences of the suit. One may rest assured that the thousands of small investors who hold the securities of the corporations which are now attacked will be subject to considerable uneasiness, and perhaps they will be severely punished through the depreciation of their stocks. The investing classes generally will be further intimidated; as no one can tell where the next blow will fall. Granting that the combinations that are attacked are contrary to the Sherman law and, therefore illegal, it yet appears that the government is doing more harm than good through its persistent attacks on the property of the various large bodies of railway stockholders.

#### RESERVES IN CANADIAN GOLD.

In the course of a recent discussion in the House of Commons at Ottawa, *apropos* of the operations of the Canadian mint, an interesting statement was made by Hon. W. T. White, Minister of Finance, regarding a suggestion that the large reserves held by the Government should be in Canadian coin rather than in coin of the United States. He said in part:—

At the present time, the gold reserve in the offices of the Assistant Receiver General represents the amount of gold deposited by the chartered banks of Canada in exchange for Dominion notes, either the small notes or those of large denominations—"legals" as they are called. In other words, these reserves of the banks are practically carried in the offices of the Receiver General. The total gold so held is in excess of \$100,000,000, and of this \$90,000,000, I am informed by the controller of the treasury, is in American gold. The reason for this is obvious. It is only within recent years that we have minted Canadian gold. New York, being like London an international money market, a centre of exchange for America, it is very natural that the gold

held by the banks should be principally American gold rather than British sovereigns. American gold is legal tender in Canada, though Canadian gold is not legal tender in the United States. So, the advantage to the bank in holding American gold is that it is legal tender here and can be exchanged for American notes, and it is legal tender also in New York and can be used to meet their obligations there.

#### RE-COINAGE VERY EXPENSIVE.

That gold is of the same fineness as British sovereigns. To meet the point raised by my hon. friend from Yukon, we should have to melt that gold down and recoin it into Canadian coin. For, if you send it to the United States to exchange, what do you get back? You cannot go any further; gold is the ultimate. You could only get back exchange or else get other American gold coin—you could not get Canadian coin. The cost of recoining this gold would run into large sums of money. I had the controller of the currency go into that and give me the figures. Those figures I have not here, but I will ask the House to accept what I say, that a very heavy sum would be expended in recoining these American coins into Canadian coins. So, even if the banks could make as good use of the gold in this other form, there would be difficulties in the way. And they could not in every case make as good use as they can of the American gold, for the reason I have given, that our coinage is not legal tender in the United States while American coinage is legal tender here as well as in New York.

#### THE BANK OF MONTREAL.

The Bank of Montreal's profits for the six months ended April 30, were \$1,209,646, an increase of some \$63,000 upon the corresponding half-year of 1912 when they were \$1,236,339 and equal to 8.12 per cent. upon the paid-up capital or 16.24 p.c. for the year. The total available on profit and loss account, including balance forward at October 31 last, of \$802,815, is \$2,102,461. Of this amount two quarters' dividends at the rate of 10 per cent. per annum absorb \$800,000 and the one per cent. bonus payable on June 1st next, \$160,000—in all \$960,000. Bank premises are provided for by an allocation of \$250,000, and the increased balance of \$892,461 is carried forward.

#### THE BANK'S BALANCE SHEET.

The following are the leading figures of the Bank's present half-yearly balance sheet in comparison with those of the corresponding half years of 1911 and 1912:—

	1913.	1912.	1911.
Capital Stock ..	\$ 16,000,000	\$ 15,975,220	\$ 14,400,000
Res.	16,000,000	16,000,000	12,000,000
Circulation ..	14,429,494	14,018,850	12,903,684
Deposits (not bearing interest) ..	45,599,750	49,276,602	37,933,857
Deposits (bearing interest) ..	160,838,958	143,575,077	138,365,218
Total Liabilities to Public ..	220,981,860	206,989,430	189,327,376
Specie and Legals ..	22,261,855	21,523,749	20,176,935
Call Loans Abroad ..	63,880,672	59,283,009	46,732,106
Bank Balances ..			
Abroad ..	13,646,287	17,556,569	14,115,517
Total of Quick Assets ..	120,512,081	120,667,610	104,243,624
Current loans and discounts ..	129,457,033	115,157,030	111,863,185
Total Assets ..	254,435,045	240,222,956	217,159,674