

ada" were reduced last month from \$65,453,904, to \$61,453,314, a decrease of \$4,000,590. Whether this was owing in part to the protest raised against such large funds being used abroad by Canadian banks, is not ascertainable. Since June, 1902, the foreign loans of our banks have decreased \$11,032,848; the home demand having necessitated a curtailment of these outside loans. Since February last, the discounts in Canada have advanced from \$331,646,220 up to \$363,329,721, an enlargement of \$31,683,501 in the course of four months. This makes a record.

If the banks enlarge their business during the next year in the same proportion they did between June, 1902, and June, 1903, their aggregate capital will be very much smaller in proportion to their business than it ever was. Last year, up to 30th June, the total capital of the banks was increased by about 10 per cent., whereas, their loans were increased by over 11 per cent. Since February, the paid-up capital has increased 4.07 per cent., and the loans in Canada have been enlarged by close upon 10 per cent. The tendency is evidently towards the active business of the banks expanding in a higher proportion than the increase of paid-up capital.

ENGLISH BANK AMALGAMATIONS AND CHANGES.

The process of amalgamating the London banks is still going on. Already some of the most eminent titles of British banks have disappeared owing to absorption. The Union Bank of London, which only a short time ago took over the business of the bank so well known as "Smith, Payne & Smith," is reported to be on the eve of amalgamating with Prescott's Bank, the old title of which, Prescott, Dimsdale & Co., is so familiar. According to the respective statements of the Union Bank and Prescott's for 31st December last, their position stood as follows:—

	PRESCOTT Dec. 31, 1902.	UNION BANK. Dec. 31, 1902.	Combined. \$
Capital paid up.....	13,175,000	2,514,500	15,689,500
" subscribed.....	85,000,000	7,807,875	92,807,875
Reserve fund.....	5,000,000	1,207,260	6,207,260
Deposits and current accounts.....	128,233,760	29,066,810	157,300,570
Total liabilities.....	164,225,885	34,279,045	198,504,930
Cash in hands and at call	51,647,095	11,370,090	63,017,185
Investments.....	24,040,010	4,802,840	28,842,850
Discounts and loans.....	89,989,529	16,197,645	106,187,174

In two features these returns differ widely from the chartered banks of Canada. Our banks have the whole of their subscribed capital paid up, or in course of being paid, whereas the Union of London has only 15½ per cent. paid up, and Prescott's 32 per cent. Taking the whole of the English Joint Stock Banks together their aggregate subscribed capital, at end of 1902, was \$1,126,100,000, and the amount paid up was \$310,446,500, or only 27½ per cent. of the amount subscribed.

Since the end of 1899, the number of English banks

has declined from 88 to 69, but the number of branches and sub-branches has increased from 3,588 to 4,157. The London City and Midland Bank has the largest number of branches, viz., 432, against 217 in 1899; Lloyd's comes next with 302, compared with 265 in 1899; the National Provincial, which used to stand much higher in this respect, has 213 branches, an increase of 28 in the last 3 years. Since 1899, the following changes have taken place in business of the English banks:

	1903.	1899.	Increase since 1899.
	\$	\$	\$
Subscribed capital....	1,126,100,900	1,069,878,000	56,222,900
Paid up capital.....	310,446,500	301,421,695	9,024,805
Reserve fund.....	185,592,800	161,510,530	24,082,270
Deposits and current accounts.....	3,327,696,480	2,959,816,945	367,880,435
Total liabilities.....	4,152,634,270	3,714,499,900	438,134,370
Cash in hand and at call.....	971,213,400	830,399,225	140,814,175
British Government's sec's	471,613,160	398,664,500	72,948,660
Bonds, stocks, etc.....	358,865,090	365,889,805	Decrease
Total investments.....	830,478,160	764,554,305	65,923,855
Discounts.....	237,576,885	211,724,800	25,852,085
Advances, loans, etc....	1,938,171,245	1,760,423,810	177,747,435

The banks of Scotland and Ireland remain as they were years ago, save in the extent of their business, and number of branches. As compared with 1899, the Scottish banks stood as below at end of last year:—

Bank of Scotland.	1903.	1902.	Decrease since 1899.
Number.....	11	11	None.
No. of branches.....	1,115	1,178	Decrease
	\$	\$	\$
Capital subscribed....	145,815,700	145,785,000	30,700
Capital paid up.....	46,580,350	46,065,000	515,350
Reserve fund.....	36,841,120	32,152,275	4,688,845
Deposit and current accounts.....	534,305,560	493,122,600	41,182,960
Total liabilities.....	640,837,770	638,145,815	2,691,955
Cash in hand and call.	130,158,325	115,078,695	15,079,630
British Govt. sec's....	50,441,235	48,589,115	1,852,120
Bonds, stocks, etc.....	114,708,845	108,134,395	6,574,450
Total investments.....	165,153,080	156,723,510	8,429,570
Discounts.....	77,360,045	82,761,715	Dec. 5,401,670
Advances, loans, etc....	280,076,235	250,347,005	29,730,230

It is a matter for surprise that the banks of Scotland reduced their discounts by so large a sum as \$5,401,670 between end of 1899 and 1902. The decrease would have been much greater had not the discounts of the Royal Bank of Scotland been increased by \$4,071,570. The probability is that a considerable amount of discounting business was acquired by the Royal at the expense of the Clydesdale Bank and the National Bank, though both these banks enlarged the business classified under the heading "Advances, Loans, Bills and other securities."

The returns of the banks of Ireland at close of last year, and of 1899, show as follows:—

Banks of Ireland.	1902.	1899.	Increase since 1899.
Number.....	9	9	None
No. of branches.....	685	580	105