

through the summer should result in a steady increase of bank deposits.

The movement of note circulation will depend on the activity of trade and the demand for currency. A moderate increase can be looked for. Then some liquidation of old loans is to be expected, setting free capital for fresh advances. But with all these it will still be necessary for the banks to make important additions to their capital funds. If the country's development proceeds at its present pace they will hardly be able to look after the financial requirements of all classes of their customers unless they continue calling up fresh capital.

Several banks have recently got authority from their stockholders for large additions to their capitals. These are expected to call up new funds as they are needed, in amounts of a half million or a million. Then the regular annual additions to rests are helping to provide the much needed funds. The large increases shown in the rate of earnings to capital indicate fairly well that the new capital that is being called up will earn its share of the customary dividends.

MANUFACTURING INVESTMENT.

Growth Since 1900 of Capital Employed in Principal Canadian Manufacturing Industries.

As already mentioned in THE CHRONICLE, a recent bulletin issued by the Census Bureau shows the manufacturing production of Canada to have increased from \$481,000,000 in 1900 to about \$715,000,000 in 1905—according to statistics collated in 1901 and 1906. Remarkable as is this increase of nearly 50 p.c. within a five-year period, the growth in capital employed in manufacturing is much more marked. A supplementary bulletin issued last week shows such capital to have increased from approximately \$447,000,000 in 1900 to \$844,000,000 in 1906—an advance of \$397,000,000, or about 90 p.c. This goes far to account for tight money conditions, especially since similar expansion—though not, perhaps, proportionately so marked—has characterized the world at large, particularly during the past year or two.

That anything like the full result of this increased manufacturing equipment has not yet been experienced in Canada is evident from the fact already noted, that while capital expanded about 90 p.c., the growth in production was approximately but 50 p.c. Doubtless, this difference is in large measure due to the circumstance that many of the extensions to plant and facilities had been made within the preceding few months or were not yet completed, so that increased production in such cases had not then made itself felt. For

example, in the case of cars and car works, the ratio of production to capital in 1900 was 151, while in 1905 it was 101. Similarly, in smelting works it was 67.5 and 32.5 respectively.

Following is given a list of all lines of Canadian manufactures in the producing of which at least \$1,000,000 capital was reported in 1905 as being invested.

Manufactures	1900.	1905.
Abrasive goods	\$ 126,387	\$ 2,459,537
Aerated and mineral waters	905,741	2,106,734
Agricultural implements	18,207,342	28,409,806
Asbestos	8,621,683
Axes and tools	1,169,607	3,672,675
Baking powder and flavoring extracts	273,965	1,907,446
Bicycles	1,052,700	1,036,836
Boilers and engines	5,552,862	4,648,058
Boots and shoes	11,005,869	11,819,165
Boot and shoe supplies	356,090	785,061
Boxes and bags, paper	563,197	1,266,165
Boxes, wooden	1,631,028	1,473,007
Brass castings	1,145,403	1,025,078
Bread, biscuits and confectionery	6,996,204	10,367,797
Brick, tile and pottery	4,210,244	7,110,685
Bridges, iron and steel	1,755,379	3,341,754
Brooms and brushes	547,304	823,446
Butter and cheese	6,161,985	9,668,639
Carbide of calcium	922,000
Cardboard	235,540	828,911
Carpets	711,951	1,351,355
Car repairs	4,535,257	4,391,890
Carriages and waggons	6,615,525	9,654,926
Carriage and wagon materials	1,315,318	2,069,749
Cars and car works	2,475,602	14,248,654
Cement, Portland	891,959	8,625,240
Clothing, men's custom	5,420,144	5,287,567
Clothing, men's factory	3,843,799	6,562,452
Clothing, women's custom	2,492,118	1,879,294
Clothing, women's factory	1,051,481	4,195,814
Coffee and spices	1,044,272	1,608,812
Coffins and caskets	644,222	1,029,130
Coke	1,579,653
Cooperage	559,595	1,838,396
Cottons	18,298,699	21,938,823
Drugs	1,606,608	2,746,968
Electrical apparatus and supplies	5,267,397	14,399,666
Electric light and power	11,891,025	80,393,445
Explosives	589,450	901,955
Fish, preserved	7,992,893	7,858,248
Flouring and grist mill products	14,686,558	31,414,540
Foundry and machine shop products	16,274,645	30,351,498
Fruit and vegetable canning	2,004,915	3,480,215
Furnishings goods men's	2,821,302	3,891,032
Furniture and upholstered goods	7,399,540	11,254,566
Gas lighting and heating	7,692,101	10,282,114
Gloves and mittens	778,003	1,566,980
Hardware carriage and saddlery	418,381	1,010,833
Harness and saddlery	2,512,301	4,085,223
Hats, caps and furs	4,136,236	6,775,680
Hosiery and knit goods	3,723,197	6,682,195
Iron and steel products	9,829,560	9,071,938
Jewellery and repairs	613,053	1,627,329
Leather, tanned, curried and finished	7,300,584	11,193,851
Lime	484,812	1,820,387
Liquors, distilled	7,874,724	10,209,064
Liquors, malt	10,925,679	12,834,573
Log products	55,605,666	99,634,553
Lumber products	9,143,276	20,026,993
Monuments and tombstones	935,997	1,768,321
Musical instruments	3,990,728	5,172,176
Oils	2,431,271	3,939,308
Oil clothing	639,990	1,296,483
Paints and varnishes	2,217,059	3,115,910
Paper	7,507,819	21,260,157
Patent medicines	1,103,065	3,061,397
P'umbers' supplies	588,162	2,291,855
Plumbing and tin-smithing	4,468,296	8,532,203
Printing and book-binding	2,830,814	5,536,008
Printing and publishing	13,726,039	16,009,049
Rubber and elastic goods	1,354,321	1,240,900
Ships and ship repairs	3,156,169	3,139,403