

favor of the suggestions thrown out by Sir Charles Tupper. If he does nothing else, Mr. Vincent will be able to learn something about the extent to which his views on the trade question find countenance in Canada.

The investigation before the Tarte committee is being pushed with energy, and it is evident that the Government, not less than the committee, is determined that it shall be thorough. The question of the resignation of Sir Hector Langevin has been raised, and it will have to be decided when the rebutting evidence has been put in. It was open to Sir Hector to have acted before, but he prefers to wait, apparently insists on waiting, till evidence for the defence can be heard. A bad state of things in the Public Works Department has been shown to exist, several engineers and other officials being implicated. In this department there is most room for corruption, and here, accordingly, it is found. The guilt or innocence of the head of the department cannot be decided on till all the evidence is heard. He is under accusation, but interviewers connected with the morning papers have extracted from him the reply that he will come out all right. We ought not to have long to wait now for the upshot.

#### BANKING REVIEW.

The figures of the Canadian bank statement for June last will be found in condensed form below, and are compared with those of the previous month. The statement bears date Ottawa, 17th July:

##### CANADIAN BANK STATEMENT.

	June, 1891.	May, 1891.
<b>LIABILITIES.</b>		
Capital authorized..	\$75,258,665	\$75,258,665
Capital paid up....	60,742,365	60,480,392
Reserve Funds ....	23,007,678	22,853,789
Notes in circulation	31,379,886	30,917,214
Dominion and Provincial Government deposits....	6,709,293	6,198,789
Deposits held to secure Government contracts & for insurance companies .....	89,062	89,062
Public deposits on demand.....	59,383,409	56,522,473
Public deposits after notice.....	83,249,806	84,679,400
Bank loans or deposits from other banks secured...	249,000	234,000
Bank loans or deposits from other banks unsecured.	2,240,452	2,051,923
Due other banks in Canada .....	791,546	790,688
Due other banks in foreign countries	141,340	108,847
Due other banks in Great Britain...	3,841,322	3,280,852
Other liabilities....	262,382	658,385
<b>Total liabilities..</b>	<b>\$188,337,504</b>	<b>\$185,531,633</b>
<b>ASSETS.</b>		
Specie .....	\$ 6,673,974	\$ 6,767,167
Dominion notes....	10,734,520	10,789,413
Notes and cheques of other banks..	7,270,397	5,996,309
Due from other banks in Canada.	3,856,907	3,730,957
Due from other banks in foreign countries .....	15,289,185	16,100,153
Due from other banks in Great Britain.....	1,805,893	1,295,804

Immediately available assets.....	\$45,630,876	\$ 44,679,803
Dominion Government debentures or stock.....	2,482,765	2,505,156
Public securities other than Canadian.....	6,605,085	6,603,916
Loans to Dominion & Prov. Govts..	2,672,987	2,476,567
Loans on stocks, bonds, or debentures...	16,309,409	16,064,807
Loans to municipal corporations ....	5,368,955	4,669,649
Loans to other corporations .....	26,961,384	27,056,214
Loans to or deposits made in other banks secured....	368,925	529,288
Loans to or deposits made in other banks unsecured..	408,266	331,541
Discounts current..	151,211,660	151,181,199
Overdue paper unsecured.....	1,443,568	1,261,679
Other overdue debts unsecured.....	77,301	64,194
Notes and debts overdue secured...	1,320,202	1,282,657
Real estate.....	1,003,218	983,608
Mortgages on real estate sold .....	814,029	786,962
Bank premises....	4,303,362	4,269,408
Other assets .....	2,509,151	2,454,554
<b>Total assets.....</b>	<b>\$269,491,153</b>	<b>\$267,201,211</b>
Average amount of specie held during the month .....	6,650,442	6,668,292
Av. Dom. notes do..	10,691,416	10,601,033
Loans to directors or their firms....	6,579,121	7,090,636

There seems to be in men's minds a general hope and expectation of improved times for business. It could scarcely be otherwise with such fine crop prospects as prevail at present. Other industries, both of farm and forest, are doing fairly well, and if good crops of grain and fruit are secured there will undoubtedly be a good foundation for the hope of better times. Not that we can speak of the country generally as passing through really difficult times; far from it. But it is some years since we had a really busy and prosperous year for the whole Dominion. And certain branches of trade, especially the importation of dry goods, have undoubtedly been suffering heavily. The number of firms in this trade that have failed and gone out of business during the last three or four years is exceptionally large, and the fact that nearly every case of failure has been followed by a closing up of business shows that those who were in the trade, and not making a success of it, were by no means inclined to risk another venture in so unpromising a field. It goes without saying that the trade was largely overdone. There were far too many persons in it for the quantity of goods consumed in the country, and far too little capital, in many cases, for the amount of business attempted. The prospects of those who remain in business have certainly been improved by the clearing out that has been going on. It only remains to get the credit question dealt with in a rational manner for this great industry to be as prosperous as it has ever been.

Meantime the discounts of the banks are steadily mounting up, as will be seen from the following comparison:

Total loans and discounts at close of June in each of the following years:—

30th June, 1886.....	\$168,000,000
" " 1887.....	173,000,000
" " 1888.....	176,000,000

" " 1889.....	194,000,000
" " 1890.....	198,000,000
" " 1891.....	206,000,000

There have been one or two periods of 'leaps and bounds,' as can be seen here. From 1887 to 1889 there was an increase of \$21,000,000. Between 1889 and 1891 a still further increase of \$12,000,000 took place. If we could be satisfied that such increases as these were called for by expansion of profitable business to the same extent, nothing would be more gratifying. It is almost impossible, in the absence of statistics, to arrive at any certainty with regard to this. But the probabilities are much against it. It is much more likely to be occasioned by the carrying of too heavy stocks by over-burdened merchants; such for example as is the case in the timber trade, where the excessive production of last year and the year previous is still manifesting itself in masses of unsold merchandise. It is quite likely, too, that a good deal of this increase is really attributable to the renewing and carrying over of unpaid bills and accounts; which in itself is a symptom of short crops in past years in various localities, and the consequent failure of farmers and storekeepers to discharge their debts. This is the time of year when the means of discharging foreign indebtedness should be accumulating in the shape of exportable goods in our seaports or on ship-board; and there ought to be, if the condition of things is healthy, a considerable reduction in the total volume of discounts during the next few months.

Even the advances required to move the crop ought not to prevent such a movement taking place. For these advances in the early fall are generally of short date, and speedily turned into foreign exchange of one kind or another, while this movement enables long-standing bills to be discharged and too oft-renewed paper to be paid.

There is not so much connection between the amount of deposits and the amount of discounts as is sometimes supposed. A large part of the money deposited in banks belongs to a class of people who are not in business and who never discount. But as an evidence of accumulating savings on the part of the class amongst us who do steadily accumulate, it is interesting to notice how large the increase in deposits of late years has been. The ensuing comparison brings out this matter quite clearly.

Total amount of deposits at undermentioned date:

30th June, 1885 .....	\$105,000,000
" " 1886 .....	113,000,000
" " 1887 .....	114,000,000
" " 1888 .....	129,000,000
" " 1889 .....	136,000,000
" " 1890 .....	136,000,000
" " 1891 .....	149,000,000

This shows a steadily accumulating wealth on the part of a very large number of the people of Canada, and when we add to the total of bank deposits \$70,000,000, which is about the total of deposits held by the Government, the loan companies and the savings banks, we must see that for a small population, the amount of accumulated cash savings is very considerable. It does not of course compare favorably with the accumulated deposits of old and wealthy communities like England and