

that various other circumstances might arise to make it in the public interest for one bank to absorb another. It seems a pity that certain of the banks, in their eagerness for a rapid expansion, should take a course which seems likely to result in Parliament imposing fresh restrictions and perhaps legislating to prevent combination.

If the bankers could be persuaded to exercise self-restraint in this matter, there would be a greater probability of the Dominion's statute book remaining free from mischievous or questionable legislation of this kind. The number of banks in Canada capable of carrying a big commercial or manufacturing account is small enough already; and it would certainly seem to be undesirable that the borrower should be still further circumscribed. Canada has probably the best banking system in the world; and the business of banking is remarkably free from irksome legislative restraints. If the bankers could keep their desires for rapid expansion under reasonable restraint, no doubt this admirable state of freedom would endure. If not the demagogue and the bank hater will certainly become more active at Ottawa.

PROVINCIAL TAXES ON THE BANKS.

Recent articles on the subject of special taxation levied on the chartered banks by several of the provinces suggested the preparation of a composite table showing the approximate amount of provincial taxes payable by each bank in the respective provinces. The estimated amount of taxes thus levied appears in the accompanying table.

The purpose of the table is to show the full amount of provincial taxes and how the taxation is distributed. For the purposes of the article the bank statement of March 30th has been taken in order to get the amount of capital subject to tax (Ontario and Quebec, both levy on capital; the other provinces levy merely on bank branches). In some cases it is provided that the Lieutenant-Governor may reduce the tax if a bank has its head office outside the Province and a very small number of branches in the Province. That is a provision of the Ontario law. It will be seen that according to the table the Provincial Governments mulct the banks to the extent of about \$317,000 annually. This is a considerable sum for the banks to provide. They provide it, of course, through keeping their rates and charges for

Provincial Taxes Levied upon the Banks

(Compiled for The Chronicle).

Bank	Ontario	Quebec	P.E.I.	N.B.	Man.	Sask.	Alberta	B.C.	Total	Branches in Canada	Per Branch
Montreal.	\$ 6,750	\$10,710	\$ 1,500	\$ 2,200	\$ 1,800	\$ 870	\$ 1,700	\$ 4,000	\$29,510	151	\$171
New Brunswick. . . . .	.....	1,200	2,000	2,500	.....	.....	.....	.....	5,700	29	197
Quebec.	2,375	3,440	.....	.....	800	800	600	1,000	9,015	37	244
Nova Scotia.	3,125	2,990	2,000	2,400	800	600	600	1,250	13,765	80	172
British.	3,275	3,770	1,500	1,400	1,800	1,350	1,200	2,750	17,045	85	201
Toronto.	4,350	4,040	.....	.....	1,900	1,125	1,000	1,500	13,915	101	137
Molsons.	2,725	4,250	.....	.....	800	.....	1,200	1,250	11,225	83	135
Nationale.	2,100	4,390	.....	.....	.....	.....	.....	.....	6,490	78	83
Merchants.	4,975	5,080	.....	1,100	2,600	1,150	1,800	1,875	18,580	167	111
Provinciale.	1,125	3,150	.....	1,200	.....	.....	.....	.....	5,475	42	130
Union.	4,875	3,790	.....	1,200	2,600	2,725	1,800	2,250	19,040	252	76
+Commerce.	6,975	10,950	2,500	1,100	2,600	2,075	1,800	6,000	34,000	330	130
Royal.	4,225	5,640	1,500	2,500	1,200	1,075	1,700	5,500	23,340	175	133
Dominion.	4,125	3,600	.....	.....	1,600	900	1,400	1,250	12,875	82	157
Hamilton.	3,775	.....	.....	.....	2,600	1,450	1,700	2,250	11,775	135	87
Standard.	4,325	.....	.....	.....	800	1,000	1,200	.....	7,325	105	70
Hochelega.	2,325	4,870	.....	.....	1,200	.....	400	.....	8,795	36	244
Ottawa.	3,925	2,870	.....	.....	1,800	1,025	400	1,000	11,020	89	124
Imperial.	4,700	4,110	.....	.....	1,400	1,075	1,800	2,875	15,960	116	138
Traders.	4,925	2,400	.....	.....	800	850	1,800	1,250	12,025	114	106
Metropolitan.	2,025	.....	.....	.....	.....	.....	.....	.....	2,025	38	53
Home.	1,975	.....	.....	.....	1,700	700	.....	1,000	5,375	35	153
Northern Crown.	2,775	1,710	.....	.....	2,600	1,725	1,300	2,375	12,485	103	121
Sterling.	2,215	1,200	.....	.....	1,200	.....	.....	.....	4,615	50	92
Vancouver. . . . .	.....	.....	.....	.....	.....	.....	.....	2,625	2,625	14	187
Weyburn. . . . .	.....	.....	.....	.....	.....	1,000	.....	.....	1,000	9	111
Internationale. . . . .	.....	1,910	.....	.....	.....	.....	.....	.....	1,910	7	270
	\$84,965	\$86,070	\$11,000	\$15,600	\$32,600	\$21,275	\$23,400	\$42,000	\$316,910	2,543	\$125

Note.—Nova Scotia is the only province not levying specially on the banks. The Government of Nova Scotia is, however, considering the imposition of taxes to take effect shortly.

*The tax in Prince Edward Island is based on the volume of business—1-15 of 1 per cent. of the loans and discounts, or loans and deposits with a minimum annual tax for each bank of \$1,000. So it has been necessary to arbitrarily place an amount opposite the name of each one of the six banks doing business on that Island. The estimates may not be very near the true amounts levied.

†The Commerce taxes have been calculated on the basis prevailing since the amalgamation with the Eastern Townships Bank went into effect. Some seven or eight Eastern Townships branches have been dropped, as there will be a few branches closed.