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A Startling Over-issue of Notes. The executive heads of the Canadian Bankers' Association have had no more unpleasant duty to perform than that of meeting yesterday to receive the report of inspectors appointed by them to examine into the Note Circulation Account of La Banque Ville Marie. An over-issue of notes to a startling amount has been discovered. Under these circumstances the action of the bankers in giving Mr. Courtney, Deputy Minister of Finance, immediate access to the information possessed by the Association is easily understood. The warrants for the arrest of those who are now charged with issuing false returns regarding the amount of notes in circulation testify to the intentions of the Government in this very serious matter.

Elsewhere in this issue will be found a revelation of the rottenness of the offending bank. The outlook for depositors is gloomy in the extreme. The Banking Act makes the payment of the notes issued by the Ville Marie "together with all interest paid or payable thereon," a "first charge upon its assets," and it is very doubtful if the most skillful liquidation will provide sufficient to even partially protect the unfortunate depositors. Until the report of the liquidators of the bank is made known, it is impossible to state what the assets consist of, but there is too much reason for grave misgivings and uneasiness. The action taken by the Government indicates a very deplorable state of things.

The Transvaal Trouble.

The tone of the press of Great Britain, the utterances of her statesmen and the quiet but steady pouring of men and material into South Africa all point to the seriousness of the situation in the Transvaal, and, unless the Boers submit to the demands of Mr. Chamberlain as Secretary of State of the Colonies, war is

inevitable. The Queen's speech must have been an expression of the opinion of an united Cabinet, and when, at the prorogation of Parliament, Her Majesty said the position of her subjects in the South African Republic is "inconsistent with the promise of equal treatment whereon my grant of internal independence to that republic was founded, and the unrest caused thereby is a constant source of danger to the peace and prosperity of my dominions in South Africa," it must mean that the ministers have decided that the Transvaal must submit to the demands made in the Queen's name or accept the consequences.

As there are no signs of submission on the part of President Kruger, and the Uitlanders are said to be leaving his country in anticipation of a passport law and the oppressions likely to follow a declaration of war, there would seem to be no chance of avoiding hostilities. Of the final outcome of the fighting in South Africa there can be no question, and for the sake of the people now engaged in the work of converting South Africa into a great and prosperous country, it is to be hoped that the success of the sons of the Empire in the coming conflict may be of the most decisive character. If the reiterated rumour that Great Britain has secured a concession from Portugal providing that in the event of war in South Africa we will be permitted to land troops at Delagoa Bay and march them into the Transvaal, the campaign ought not to occupy many months.

Despite the expensive Peace Conference at The Hague, the savage custom of war seems to offer the surest and speediest road to a settlement of disputes. Moreover, war will never cease while the field of battle is the field of glory, and while the renown of the successful warrior is greater than that of the citizen who scatters blessings on the world in some one of the peaceful pursuits of industry.