

## THE CRY AGAINST COMBINATIONS.

It is frequently said nowadays, that combinations of organizations engaged in the same line of business may, if they choose, control that business and by destroying competition have the general public, the consumers, at their mercy. As a theoretical possibility, the objection has weight; but in ninety-nine cases in a hundred it is fruitless, because as a matter of fact, competition is not destroyed. There will always be a vigorous few who will not for various reasons go into a general combine. Then again, capitalists are not fools and know very well that the moment any combination becomes an oppressive monopoly, freely competing companies with plenty of capital to back them will rise up. The world is too large and brains and capital too plentiful for any business combination to continue extortion long, and in addition there is the universal law of supply and demand. Under these circumstances, a governmental attempt to interfere with legitimate business combinations to the extent of interfering with vested rights and constitutional privileges would be little short of tyranny.

The simple fact is that in numerous cases, honest combinations,—and the law should take care of dishonest ones—are a positive benefit to the general public. Co-operation in conducting the operations of a number of railways or woollen mills or insurance offices may be quite as economical as co-operation among an association of individuals engaged in pursuit of a common object. A better service, cheaper goods or more reliable insurance, coming as the result of combined experience and associated talent, is in the public interest and a positive good. Combinations in various lines have been known before now to do excellent service in the interest of the people by crowding out weak, unsafe concerns seeking public confidence and in exposing shams. The stronger any company is the better it can serve the public, and the combining of several individual companies, so as to work together on plans and by methods approved by the united wisdom and experience of all, is only a larger application of the same truth. The closer that varied experience and ability are associated in the general conduct of any line of important business or any profession, the better the results which are attainable. No objection is raised to the combination of doctors, lawyers, school teachers or electricians for mutual benefit and the better direction of their affairs. The same principle holds good in the conduct of important lines of business. The fact is the cry against combinations is largely kept up by politicians who have axes of their own to grind.

The Merchants Bank of Canada announces that it is opening two new branches in Ontario, one in Almonte and the other at New Toronto.

## THE AUGUST BANK STATEMENT.

Notice deposits of the banks crossed the \$800,000,000 mark for the first time in August, their total reported at the end of that month being \$806,774,687, a gain during August of \$17,410,777 and for the twelve months of \$114,194,061. Demand deposits were up by \$11,359,087 during August to \$443,317,275, showing a twelve months' increase of \$109,295,101. Deposits abroad decreased during the month by \$30,378,515 to \$140,789,100, the payment of the Dominion's one-year notes falling due in New York in August, possibly having something to do with this fact.

Current loans in Canada decreased slightly to \$739,938,513—over \$18,000,000 less than at the corresponding date last year. Current loans abroad are up \$4,200,112 to \$66,556,371. Canadian call loans show a decrease in August of just over a million to \$86,351,216, at which figure, however, they are \$14,495,651 higher than at the corresponding date last year. Call loans abroad decreased during August by \$5,741,381 to \$171,380,353. At this level they are, \$50,772,676 higher than a year ago.

The figures indicate continued increases in liquid resources throughout the country, and a redemption of bank indebtedness equal to or slightly in excess of the current demand for commercial loans. Under these circumstances, the success of the War Loan is not surprising.

## THE DOMINION'S REVENUE.

To the end of August—five months of the current fiscal year—the Dominion's revenue reached \$84,185,808 against \$60,089,196 in the corresponding five months of the last fiscal year. Customs revenue for the period shows a growth of over 50 per cent., from \$35,520,185 in 1915 to \$53,029,772 in the present year. Other detailed comparisons are as follows:—Excise, \$9,770,130 in 1916 against \$8,417,075 in 1915; post-office, \$6,950,000 against \$6,599,780; public works, \$10,442,916 against \$3,488,294. Expenditures on current account for the five months are about the same as last year—\$38,906,257 against \$38,870,712. Capital expenditure, other than war expenditure, for the period was only \$8,379,180, against \$13,898,650 in the corresponding period of 1915. War expenditure for the five months was \$76,310,719 the August expenditure alone being \$24,986,259.

## MR. J. D. G. KIPPEN.

Mr. J. D. G. Kippen, formerly assistant manager of the Montreal office of the Merchants Bank of Canada, has been appointed Montreal manager in succession to Mr. D. C. Macarow, recently appointed general manager.

Mr. Kippen has had a wide experience in the banking field and possesses in a marked degree all the qualifications for this important post. Customers of the Bank have heard with pleasure of Mr. Kippen's well-deserved promotion.

War claims paid by English and colonial life companies during the first two years of the conflict are estimated at approximately \$42,500,000.