

THE SHAREHOLDER.

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THE DOMINION GOLD RESERVE.

A BRISK controversy has been going on in the papers within a few days respecting the gold reserve for Dominion notes. As to its origin it would seem that as the rate of exchange on New York is  $\frac{1}{4}$  per cent. and the cost of transporting gold there is less than  $\frac{1}{8}$  per cent., some of our Canadian banks have been trying to get together all the gold they could for shipment. It is to be added, that some of the leading banks hold a larger amount of legal tenders than the law requires, and that Government has checked their attempts to draw out as much gold as they wanted to employ in New York, by drawing back on them against the Government deposits. *Hinc illæ lachrymæ!* It has also to be mentioned that the legal-tender issue is based on a reserve of specie—held at Montreal, Toronto, Halifax, and St. John—where these notes are chiefly issued, which, it is contended by bankers and other financial authorities, is not sufficiently large to meet such a demand as has lately been made for gold. Amongst those holding this latter view are a well-known ex-Minister of Finance and a number of journals inclusive of one seldom differing from the Government conclusions on any point. These are all unanimous in arguing that Government has not treated the banks fairly in not supplying all the gold they needed in the shape of an equivalent for the legal tenders which they hold, it is said, in excess of the amount they are obliged to hold under the present banking laws. In defence of the action of the Government, however, it is maintained that the banks presented the legal-tender notes in their possession to the Government and wanted gold for them, not to meet any internal crisis, but simply in order that with the gold they might advance their interests in the New York money market. This, it appears, the Government did not see in the same light, and it even went so far as to regard the whole position as "one-sided."

As the champions of the Ottawa party contend, it is no part of the business of the Dominion Government to facilitate outside speculative operations by the banks, especially if the transference of so much money to New York would have a tendency to diminish the accommodation afforded our own people. They sum up by the argument that the practical test of the last forty days has shown that the reserve of gold held by the Government, taking into account the rapidity with which the reserve can be strengthened nowadays, is ample for even an abnormal state of affairs. But, to prevent the possibility of any monetary disturbance, and to avoid giving any opportunity for a panic, the Government has this week imported from England \$1,000,000 in gold. Thus matters will be kept straight for the present, and time allowed for all parties to discuss this subtle problem thoroughly and dispassionately. Just at present the temptations of large profits have a good deal hindered a calm consideration of the question on its mere merits, by one side of the controversialists at least.

[Since the above was written, and as we go to press, there is an untraceable rumor in financial circles that the presence of Mr. COURTNEY, Deputy-Minister of Finance, in this city, is in connection with a contemplated withdrawal of the Government deposits in the various banks, the intention of the Department being to convert them into bullion, and use them in keeping the Government reserve up to the required strength of 40 per cent. of the circulation of legal tenders! It is further reported, on no better authority, that the Bank of British North America has contracted with the Government to supply a second instalment of bullion equal, in round figures, to \$1,000,000.]

THE ONTARIO BANK.

THE Ontario Bank has just issued in advance the statement to be laid before the shareholders on the 17th inst. Mr. HOLLAND is doing all that we claimed for him in bringing up the Ontario to a foremost place among the banking institutions. At the time he took the helm matters wore a serious aspect, and he was said to be a bold man who would undertake to save such a wreck. Yet to-day the Ontario has a Rest of \$425,000 on a capital of \$1,500,000. There is no fiction about the Rest. Every penny of it is there. In some cases in history it has taken a long and fruitless hunt to find either capital or rest. It must be gratifying to the shareholders to see confidence restored, and that depositors show their faith by depositing, without interest, \$1,976,611.46; and at interest, \$2,164,777.68. Another item we are glad to notice—the debts not specially secured amount only to \$8,590; assets immediately available, \$1,426,266.24. Altogether the Ontario shows a most healthy statement, and with one or two changes in its outside offices the shareholders have nothing further to wish.

THE BUNTIN CASE.

THIS matter has been under investigation at the Police Court on several days since our last, and its further consideration is postponed till next week. Such being its position it would be obviously out of place for the press to comment upon it or in any way anticipate what the probable result will finally be. It is not improper to mention, however, that the private prosecutor declares under oath that his object in taking these proceedings was, in his own words, "not to endeavor to force the defendant to buy up my claim against the bank, but rather to make him, along with others who have mismanaged and grossly allowed my money to be lost, to be made by law to refund my loss as well as others, as well as to secure the general punishment they should receive from justice when their gross acts of mismanagement are exposed." The same witness further declares, "I did not authorize my lawyer to approach the defendant with a view to a settlement after I had made my deposition." On the other side some reliance for a dismissal of the charge seems to be placed on the fact that the defendant, before these criminal proceedings were taken, had tendered back to the Bank the full amount in question and that the liquidators had received it. To what extent, if any, this tardy surrender will be accepted as a full condonation is just the point which the law has now to decide. It appears certain that Mr. BUNTIN, in presenting those two fatal cheques, did not know they were loaded to the muzzle with possible criminal penalties that it would be very unpleasant to have to be called upon to meet. He must quite realise by this time, however, that his position is at the best a most humiliating if not also a very precarious one. But be the issue what it may the whole incident will be productive of much future good if burdened with not a little present ignominy to the defendant. It will at all events convey a lesson which succeeding directors are not likely to forget, and will teach them that they may not recklessly tamper with other people's property and then hope to escape scatheless from the results of a ruin to thousands which their own infidelity to the trusts they have assumed has mainly brought about.

GOOD CROPS AHEAD.—Let us all be thankful for the unbroken reports, from every point of the compass, of the promise of excellent crops this year. The verification of these cheerful prognostics is calculated to bring joy to every household in the land, from the wealthy to the most humble. It is calculated to start all the factories again on a profitable career, giving employment to thousands who have passed a dreary winter on very short commons indeed. It should impel the great railways, too, into all their old-time activity, and thus, it is to be hoped, restore once more a satisfactory balance-sheet.