IMPERIAL BANK OF CANADA.

The twenty-fourth annual meeting of shareholders of the above institution was held at Toronto, on the 31st inst., and those present thereat had the pleasure of receiving from the directors one of the most satisfactory reports issued by any of the chartered banks during the past prosperous financial year. The net earnings of the bank for the twelve months which terminated on the 31st ultimo were $302,676.30, an increase over the preceding year of no less an amount than $113,000. Adding to the net profits the balance of profit and loss account, $78,089.87, placed $380,766.17 at the disposition of the directors. The statement shows the following appropriations:—

Dividends and Bonus..	$180,000
Transferred to Rest Acct..	100,000
Written off Bank Premises.. ..	20,000
Balance carried forward..	80,766.17

The preparation of such a balance sheet must have been a pleasure to the officials; the results recorded must have been extremely satisfactory to the general manager; and the directors must have been delighted to meet the shareholders for the purpose of presenting such an imposing array of figures. With such evidence of successful management confronting them, it was not likely that the shareholders of the Imperial Bank would reject any recommendation made by the directors, and, as the latter advised an increase of $500,000, in the capital stock for desirable business purposes, the meeting very properly approved thereof. In recognition of good and successful work on the part of the staff, the shareholders also authorized a contribution of $20,000 to the Pension Fund of the bank. About the necessity of this provision for officers and employes, the shareholders of the Imperial Bank very sensibly entertain no doubts, and their generous action in assisting to place such a fund on a substantial basis is recommended to the attention and consideration of cavilers at such appropriations.

The progress of the Imperial cannot be better illustrated than by the following comparative table showing the changes in the principal items of the general statements of the present and the past year.

	May 31st, 1898.	May 31st, 1899
Net Earnings................	$ 231,000	$ 302,000
Rest Account	1,200,000	1,300,000
Loans........................	8,132,000	9,670,000
Deposits....................	11,300,000	13,600,000

Mr. Wilkie, the general manager of the Imperial Bank of Canada must have signed the statement recently issued to his shareholders and the public with pride and pleasure. It will not fall to the lot of any of those who control the business of the chartered banks of Canada to sign a much more satisfactory record of progress and profitable dealing.

THE BANK OF ENGLAND RESERVE.

The low figure to which the reserve of the Bank of England has fallen this month is exciting considerable discussion. The policy of the joint stock banks relying so much, as they have been accustomed to do, upon the Bank of England for a supply of gold to replenish their very scanty stocks, is being subject to sharp criticism. Were all the country banks in England to publish the amount of gold they have on hand, once a month, along with other details of their business, there would be very general surprise, and probably some alarm, over the smallness of the amount. As a rule, their reserve of specie is very much below that of the average held by Canadian banks. Indeed, in manufacturing towns, after the payment of the cheques for wage money on Friday and Saturday, it is not unusual for an English bank to be almost cleared out of gold and silver. On Monday morning the stream of specie sets in, and there is a very small demand for it, until wages day returns. When the stock is too low for Friday's and Saturday's usual demands, recourse is had to the nearest branch of the Bank of England where it is expected, as a matter of course, that an ample supply of gold is always, available. The present stock held by the Bank of England is about 7 millions less than in June, 1898, and 18 millions less than three years ago. The proportion of the Bank's reserve to liabilities is considerably below the average for many years. Since 1885, the percentage of reserve has only fallen as low in June in three years. In 1886, it stood at 37.15 per cent.; in 1888, 38.75 per cent., in 1893, 39.25 per cent. In the other years the percentages were:—

1899....39.40	1895....65.25	1890....42.00
1899....46.85	1894....67.40	1889....41.00
1897....51.00	1892....43.12	1887 ... 45.75
1896....59.15	1891....40.12	1885....50.75

It will be noticed that after 1890-91, the percentage of the reserve rose, the experience of those years in which the Baring disturbance occurred, having shown the necessity for higher reserves. But now the percentage is much lower than has been deemed wise for many years. If the joint stock banks in the country have become less dependant upon the Bank of England, as some affirm, there is no such need as there once was for high reserves. But, as there is nothing to compel the country banks to keep up their supplies, of specie, the policy of the Bank of England in keeping such a small reserve is condemned as imprudent. With so large an excess of exports from the States over imports, chiefly in its trade with Great Britain, the outflow of gold from this side to England is not likely to be large, as there are goods being sent equal to meet what liquidation are required. Still, gold is being exported from the States to Europe, but it does not seem to reach the Bank of England, or, if it does, it is barely sufficient to offset the drain which has been going on for some months. Since June, 1898, while the Bank of England has lost 18 millions of dollars of gold, the Banks of France, Austria, Germany, and