

years of disaster the banks were not spared, and the Bank Act was tested most thoroughly, resulting in two important amendments, one making the bank note a first lien upon the assets, and the other providing for the sale of real estate not being bank premises within seven years of its acquisition. The wisdom of this proviso, coupled with the provision that banks should not deal in real estate, but merely take it when necessary in payment of a debt, was shown by the fact that it was the absence of just such provisions in the Australian charters which led to the frightful disasters there, many years ago.

The act which expired in 1900 was passed in 1890, and the preceding year was devoted largely to a discussion of the needed reforms, particularly in connection with the note circulation. The continued expansion of internal trade throughout the Dominion rendered unbearable the discount to which bank notes were subject at a distance from their place of issue, made it very necessary that they should be redeemable at par at least, at the leading centres, and the lessons of bank failures led to the demand for some machinery which would prevent bank notes dropping to a discount in the event of a failure, the discount being caused not by especial doubt as to the ability of the bank to redeem the notes ultimately, but by the delay in redemption.

Hence the Act of 1890 provided for the bank circulation redemption fund for the addition of 6 per cent. to the face value of the notes of a failed bank between suspension and redemption, and for the redemption of the notes of any and all banks on demand at the leading cities of the Dominion. And while previous acts had authorized banks to take over their own stock from defaulting debtors, the Act of 1890 provided that stock so taken over was to be disposed of within one year. An important change was also made in clauses relating to loans on warehouse receipts, etc., it being legal to take such receipt from a merchant, on his own goods, in his own premises, a decided advance upon previous practice and greatly in the interests of trade. Minor changes were made, in addition, and an attempt was made to codify the act more satisfactorily than previously.

From this short sketch of the development of the Bank Act it will be seen that great pains have been taken in perfecting it, that hasty or partizan legislation was not favored. The annals of the Canadian Parliament are full of the waifs and strays of theories which, from time to time some one or other of our budding statesmen has attempted to get adopted in the Canadian system.

There is the Government's own proposal to provide for a fixed reserve of cash, hoist by its own petard, it having been conclusively proved that a fixed reserve that could not be touched was no reserve at all, except possibly to the liquidators. And far back in the years, around 1884, sits, shivering, forgotten, even by the farmer, the old,

old proposal to give the farmer cheap money by some hocus pokus with fiat money and possible advances on his land.

We propose in future articles to deal with some of the exploded proposals of amendments to the Canadian Bank Act, as a review of these tattered delusions may prevent sensible men taking them up again.

MR. H. M. LAMBERT RETURNS FROM THE WEST.

Mr. H. M. Lambert, Canadian manager of the Guardian Insurance Company, has returned to Montreal after an absence of four weeks, during which time he visited important agencies of his company in such centres as Vancouver, Victoria, Moose Jaw, Regina, Winnipeg, and Calgary. He states that in common with most other places, there is a certain amount of unrest prevailing throughout the West and North West, due to labour conditions and the high cost of living. He is, however, hopeful about the future prosperity of the West upon the return of normal conditions. The big increased acreage expected under crops in the Northwest this year, will probably result in one of the largest crops ever reaped in Canada. This would be a strong factor in the removal of many unsatisfactory conditions that may exist.

Mr. Lambert states that there is an entire absence of vacant houses in any of the large cities visited, and financial conditions are generally sound. The building trade is, however, very slack, which may be attributed to the natural reluctance of contractors to undertake construction work, owing to the high price of both material and labour.

TRAFFIC RETURNS

Canadian Pacific Railway

Year to date	1917	1918	1919	Increase
March 31.....	\$30,465,000	\$32,154,000	\$35,770,000	\$3,839,000
Week ending	1917	1918	1919	Increase
April 7.....	2,830,000	2,984,000	2,921,000	*63,000
" 14.....	2,833,000	2,935,000	2,868,000	*67,000
" 21.....	2,708,000	3,016,000	3,037,000	21,000
" 30.....	3,665,000	4,072,000	3,954,000	*118,000

Grand Trunk Railway

Year to date	1917	1918	1919	Increase
March 31.....	\$ 13,532,631	\$ 9,443,876	\$14,003,850	\$4,599,974
Week ending	1917	1918	1919	Increase
April 7.....	1,215,768	1,012,494	1,274,553	262,059
" 14.....	1,103,119	1,058,517	1,263,483	204,966
" 21.....	1,085,931	1,012,494	1,248,310	235,816
" 30.....	1,481,293	1,518,742	1,571,191	52,449

Canadian National Railways

Year to date	1917	1918	1919	Increase
March 31.....	\$14,835,731	\$19,571,851	\$4,742,120
Week ending	1917	1918	1919	Increase
April 7.....	1,569,763	1,450,444	*119,319
" 14.....	1,671,776	1,583,458	*88,318
" 21.....	1,686,046	1,561,366	*124,680
" 30.....	2,258,305	2,314,364	56,059

*Decrease.