

RESPONSIBILITIES OF AUDITORS.

The Chatham creditors of the Standard Reliance Corporation were informed by G. T. Clarkson, the liquidator, that he as auditor in 1914 objected to the manner in which the affairs of the Corporation were being conducted and resigned his position. If we recall correctly auditors had similarly resigned their position in connection with the affairs of the defunct Dominion Permanent Loan.

There may be much to commend the course taken by these auditors but we believe that there is a question as to whether they and their successors discharged their full duty. We have looked up their reports to the shareholders and fail to find that they reported anything of what they admitted they knew. And it is to the shareholders, we hold, that they are responsible.

The auditors of a company are appointed by the shareholders, usually at the annual meeting. Custom seems to have established the rule that they shall work under the direction of the directors and report to them. We believe that this does not provide the shareholders with the protection to which they are entitled. If they appoint auditors to represent them they have a right to have a report from them as to any irregularities. Merely satisfying the directors does not go far enough.—Grain Growers Guide.

JULY BANK CLEARINGS IN NEW YORK HIGH.

Bank clearings in New York City for July aggregated the enormous sum of \$21,874,629,840 or 10.7 per cent. larger than the total for June and 42 per cent. over July, 1918.

"Active stock speculation, large bond sales, big deals in financial lines, notably the floating of large credits to Europeans and of new enterprises at home; active domestic trade, busy industry and record foreign shipments are all apparently reflected in the immense July bank clearings totals, which exceed anything ever before recorded at or outside New York. Clearings, in fact, took a tremendous jump forward, the total for that month at 132 cities being \$37,181,324,315, a gain of 9.6 per cent. over the hitherto record total for June, of 45 per cent. over the low water mark of the year, in February, of 31.3 per cent. over July a year ago, and over two and one-half times the total of July, 1914.

Pat and Mike were obliged to halt their cart and make way for a funeral procession. While looking at it Pat suddenly remarked: "I'd give \$500 to know the place where I am going to die."

"Well, and what good would it do you if you did know?"

"Lots," said Pat; "sure, I'd never go near the place."

TRAFFIC RETURNS.**Canadian Pacific Railway**

Year to date	1917	1918	1919	Increase
June 30.....	\$69,875,000	\$70,213,000	\$74,847,000	\$4,634,000
Week ending	1917	1918	1919	Increase
July 7.....	3,101,000	2,787,000	3,120,000	333,000
" 14.....	2,867,000	2,688,000	3,325,000	637,000
" 21.....	2,950,000	2,644,000	3,202,000	558,000
" 31.....	4,007,000	3,801,000	4,591,000	790,000

Grand Trunk Railway.

Year to date	1917	1918	1919	Increase
June 30.....	\$30,501,564	\$22,972,154	\$28,581,242	\$5,609,088
Week ending	1917	1918	1919	Increase
July 7.....	1,297,003	1,093,462	1,048,962	Dec. 44,500
" 14.....	1,379,293	1,130,800	1,238,903	108,103
" 21.....	1,358,019	1,114,799	1,316,805	202,006
" 31.....	1,907,465	1,994,902	2,417,076	422,174

Canadian National Railways.

Year to date	1917	1918	1919	Increase
June 30.....	\$35,445,231	\$40,009,585	\$45,564,354	\$4,564,354
Week ending	1917	1918	1919	Increase
July 7.....	1,424,684	1,653,564	228,880	
" 14.....	1,506,147	1,599,242	93,095	
" 21.....	1,561,06	1,886,448	125,385	
" 31.....	2,241,405	2,718,148	476,743	

Canadian Banking Practice

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