big cities. Naturally, of course, the demand for loans and discounts would converge to a great extent on New York city. Corporations, firms, and individuals requiring large credits turn their attention to the big market place for capital. And it is supposed that no inconsiderable part of the loss in deposits in New York resulted from wealthy capitalists drawing down their deposit balances to lend funds direct in Wall Street at the high call rates that prevailed. Such a change as is here shown in deposits and loans could not well take place without a weakening in the banks' position as regards quick assets. This is exactly what happened. The best class of liquid resources decreased $137,000,000. No doubt this circumstance, along with the fact that conditions in Europe were not such as to permit wholesale relief to come from there, played its part in bringing to pass the violent stock market liquidation in New York last month. THE CHRONICLE pointed out in a recent article that the same process of change in the bank position had been at work in Canada. Here, the disposition is to strengthen the quick assets by issues of new capital stock.

RAILWAY GROWTH IN CANADA.

If the twentieth century is indeed to belong peculiarly to Canada, possession can come only with continued development of transportation facilities. And certainly no mean start has been made. Population and trade conditions considered, the Dominion has probably shown more remarkable progress along transportation lines than any other country on the globe. Aside from the utilization and extension of its almost unrivalled waterways, railway development has advanced with uninterrupted steadiness. Until this year it was difficult for Canadians to form any exact idea as to the details of transportation development in the Dominion. The statistical branch of the Department of Railways and Canals had for over 30 years followed with but little modification the methods adopted in 1875. In July last, however, the branch was reorganized under Mr. J. L. Payne as comptroller of Railway Statistics, and his first annual report recently published is a veritable mine of valuable information regarding Canadian railroads during the past thirty years—and a mine in which difficult delving for facts is rendered unnecessary by a convenient and orderly arrangement of details. It will in future be possible, as it has not been in the past, to make accurate and far-reaching comparisons between the results of railway operations in Canada and in other countries. Beginning with the current fiscal year, schedules following those of the Interstate Commerce Commission of the United States will be sent out to the railway companies, and will form the basis of statistics compiled by the comptroller during the year.

Growth in railroad construction and traffic during the past generation is briefly told by the accompanying table, compiled by THE CHRONICLE to cover the fiscal years 1875 to 1906 inclusive. This table at once condenses and combines a number of detailed exhibits appearing in the comptroller's report.

In addition to data given in the table, the number and the relative power and capacity of locomotives and cars are other items where remarkable development has taken place since 1875. In that year the number of locomotives was 980 as against 2,931 at June 30, 1906. But this tells only a part of the story of increased motive power. In 1875 the volume of traffic was but 5,786 tons of freight and 5,296 passengers per locomotive, as compared with 19,773 tons and 9,549 passengers in 1906. A similar comparison may be applied to cars, the capacity of which has practically quadrupled during the past thirty years. In 1875 a loaded freight train of 250 tons was about the maximum, while loads of 1,500 tons are now common. The grand total of passenger and freight cars of all sorts is at present about 100,000.

Along with the marked growth in total earnings indicated by the table, it is of interest to note that, as compared with earlier years, the railroads of Canada have been steadily improving their net earnings. For the last decade the average of operating expenses has been a trifle over 69 p.c. while in the first ten years covered by the table the ratio of operating expenses to income was well on to 77 p.c.

From an analysis of the growth in freight and passenger traffic and earnings it will be seen that the development works out as follows:

FREIGHT.

Years	Tons of Freight Carried.	Increase per cent.	Earnings from Freight.	Increase per Cent.
1875	$5,670 837	....	$12,073.570	....
1886	15,670,460	176.1	21,183,967	75.4
1896	24,266,825	54.9	33,368,082	57 5
1906	57,966,713	138.8	81.433,115	144.0

PASSENGERS.

Years	Number of Passengers.	Increase per cent.	Earnings.	Increase per Cent.
1875	$5,190,416	....	$6,410.934	....
1886	9,861,024	89.9	10,261,691	60 0
1896	14,810,407	50.2	13,747,773	32.9
1906	27,989,782	88.9	33,392,188	142.9