

dency to create not a little alarm in the minds of many, who were not unfavorable to a Government convertible currency.

THE BANK OF MONTREAL MEETING.

The annual meeting of the shareholders of the Bank of Montreal was held at the banking house on the 7th June, when the report, which will be found elsewhere, was submitted and adopted. Mr. John Crawford invited discussion on two topics which he has repeatedly brought forward, one the appointment of auditors, the other the scale of votes, and the voting by proxy. The General Manager, Mr. Smithers, in the course of his remarks pointed out that when Banks had a number of branches and agencies settled over the country, the best system of supervision was inspection by trained officers of large experience, who devoted their whole time to one bank, and who had nothing to gain by keeping back anything, but who made a thorough report. Enquiries were made as to the loan to the St. Paul, Minneapolis and Minnesota Railway Company, which was the subject of many floating rumors a few months ago. As might have been anticipated, it turned out that the rumors were greatly exaggerated, and that the advances were never more than \$700,000, a good part of which was secured by receivers' certificates, while for the whole of it there was ample independent security. The loan has all been paid off, and the General Manager stated that at the date of the last return the Company had \$315,858 at its credit. The losses written off during the year amounted to \$700,000, almost exclusively in Canada, and about one-fourth of these losses were incurred during the last year, while three-fourths were connected with the business of former years. Mr. Smithers gave some interesting information as to the falling off in business. The aggregate discounts of the banks in February, 1875, were \$160,000,000, and to-day only \$107,000,000, or a reduction of \$53,000,000, while in the deposits the reduction was only \$4,000,000. The loans in the United States are either on call or on short dated paper, and are practically reserves available when required. The report, it will be observed, refers to the late Dominion Note Act, and to the increase of notes "on a very slender coin basis," which it justly considers "a matter of grave importance. This is the opinion recently given by the London *Economist*, and which we have from time to time expressed on previous occasions.

We cannot, however, concur in the

opinion that Government issues of notes are "fraught with danger to the best interests of the country." The Dominion note issue was most satisfactorily secured prior to the late issue by \$7,200,000 of Dominion debentures, and \$4,800,000 in gold, and deposits in chartered banks up to \$12,000,000, all the issues over that amount being secured by gold. If experience proved that the circulation in the hands of the public could be substantially increased, then the amount to be issued on debentures might likewise have been increased, but, as we have repeatedly stated, the great increase has been in the bank reserves, and it is not safe to rely upon so large an amount as that now held. It is not surprising that the banks should object altogether to the Dominion note circulation, but the *Guelph Herald* will perceive that their views differ materially from those which we have expressed, although we hold the opinion in common that the issue "on a slender coin basis is a matter of grave importance." The Minister of Finance will we fear regret, when it is too late that he has been deaf to the repeated warnings that have been given him. It is satisfactory to find that the bank directors are of opinion that the prospects of a revival of business are on the whole good, especially in the lumber trade. The old Board of Directors was re-elected, and Mr. Stephen was subsequently appointed President.

SIR A. T. GALT'S SPEECH.

Sir Alexander Galt has been entertained at dinner by the Canada Club of London, and has had an opportunity of delivering a speech which contains a good deal of information about Canada that must have been interesting to his audience, and which cannot but have had a beneficial influence on public opinion in England. Adverting to the large expenditure on the Intercolonial Railway, there was no attempt to fasten the responsibility for that work on the Imperial Government, but while admitting that as a commercial speculation it would not have commended itself to capitalists, it was pointed out that it not only helped to consolidate the provinces, but gave us commercial independence by enabling us to have access to the ocean during both winter and summer. The importance of our canals was dwelt upon, as well as the opening up of the North Western Territory.

The really important part of the speech was the advocacy of emigration as the best mode of removing the distress felt

in the United Kingdom from its being over peopled. Adverting to the change of Government in England, Sir Alexander said that he had been told that "he had better go home," but he could not believe that a Government that had obtained power for the purpose of ameliorating the condition of the poorer classes in England would shrink from what would be the true interest of the colony which he represented, and he, therefore, believed most thoroughly that the gentlemen who now hold office in England will be found as true to the interests of the Empire as their predecessors. We noticed with satisfaction that among other reasons which should induce emigrants to give a preference to Canada, he did not omit the important one that "they will still be subject to the Queen, not a slight advantage by any means." We infer from this statement that Sir Alexander Galt has modified the views which it is well known that he expressed a few years ago. It was stated by Sir Alexander Galt that of the two millions of people who left Britain and Ireland for America in the last fifteen years, only 250,000 have settled in Canada. This, after all, seems not an unfair proportion, however much we may desire that the immigration to Canada should be larger. There can be no doubt that the destination of immigrants to America is largely influenced by circumstances. Many go to families or connections already settled in America, their passages being frequently paid, while others are influenced by reports of the success of persons who have emigrated from the same place. When it is considered that for many years emigration from Great Britain and Ireland has been largely directed to America, it cannot be deemed surprising that the most densely populated country should obtain the largest share of the immigrants, and certainly 12½ per cent. is our full proportion.

Sir Alexander Galt has in his last sentence explained the main object of his speech. He appeals to the able men who now rule England in the hope that their sagacity and their abilities will be employed in endeavoring to see whether "a closer union of the colonies with the mother country" cannot be brought about. If some special commercial advantages, such as differential duties, were conceded, there would be an inducement to the people of the mother country to emigrate to the colonies in preference to a foreign country. This may be a plausible theory, but there is not the most remote probability, as we have more than once taken occasion to point out, of any