

BANK ADVANCES.

It may take two to make a quarrel, but one can keep up a dispute. A recent controversy as to loans to directors and advances on bank stock is already pretty well forgotten in financial circles generally, but the *World*, of Toronto, is making gallant if ineffectual efforts to resuscitate it. It holds that the advances, at all events, are immoral and harmful and ought to be suppressed. In the same paragraph it proves, however, that this cannot be done, if we understand the following sentence correctly:—"If it is not checked our whole banking system will be demoralized. The great evil is the loaning to brokers. People who own stock of a bank with which they keep an account can most if not always arrange to draw against the stock, and anyone who holds good stock of any kind can give his note and get it discounted by giving the stock as collateral. Nor could any law prevent this. Therefore it is impossible to prevent banks loaning more or less money on their own stock. Still a prohibitory law no doubt prevents it a good deal, and if the banks were prevented from loaning to brokers it is not likely that it would amount to much; and so long as it did not banks should not be interfered with." The local great guns, the *Mail* and the *Globe*, for a wonder both on the same side of a question, preserve a haughty silence towards their junior and superficially smaller rival. This may be dignified, but whether it is a well-considered policy is another question. The *World* is a clever as well as an ambitious paper, and has entered upon a field, hitherto unoccupied, which it seems likely to fill largely and profitably. It possesses, moreover, abundantly that recommendation so dear to the Western reader which the latter can only fully express by the terrible barbarism "newsy." The *Toronto World* has undoubtedly a career before it, young as it is, but it will do well to remember that pungent personalities and unsustained accusations never help forward any periodical in the long run.

THE STOCK MARKET.

THE Stock Market has been weak and unsteady all the week, with again a general decrease in sales. The minimum bank prices of last week have, however, taken all round, but little receded. Montreal, with 5,330 sales last week and 2,079 this, closed at 201½. Merchants' fell off from 2,244 to 407. Toronto, from 715 to 70. On the other hand, Commerce rose from 2,244 to 2,892, closing at 134, and Federal from 50 to 400, closing at 155½. Montreal Telegraph fell off from 4,034 to 1,435, quotations diminishing to 124½ and closing at 125½. Richelieu was in fair demand at a rise, sales having been effected at 77½, and closing at 74½. This Company declared a dividend of 8 per cent. during the week. City Passenger advanced from a minimum of 119 last week to 126 this, closing at 126, being in about the same demand as per last report. City Gas continues to exhibit a steady fall, reach-

ing as low as 179, closing at 180½, the sales this week and last being respectively 7,480 and 8,490. St. Paul, M. & M. was, however, reserved for the hardest fate of all, having been made the shuttlecock of the speculators. This is at all times one of the most variable of stocks, and while last week it was at 152, this week it got as low as 137. At New York it flickers with equal uncertainty, in face of the fact that the receipts of the line are increasing: closing price as we go to press, 140. North-Western Land was in much demand, but fell to and closed at 57s. 6d. In the present state of matters financial and commercial, our local Stock Market is a most desirable place—to avoid.

The Money Market has been quiet, but it has come to be understood that the increased rate of discount is not likely to fall just yet. The banks are indisposed to enlarge credits, so much of their capital being already locked up through previous advances. Still an abundance is ready for all legitimate commercial purposes at 7 per cent., while ½ per cent more is charged for renewals and to outsiders. The Government has once more been in the market for £100,000 sterling exchange, and is likely to be so again at intervals, thus rendering it difficult to hold as large balances in London to draw against as was the case last year, though the demand is heavier than for several preceding years. The current quotation for 60-day bills of sterling exchange is 8½ prem. for round amounts, 8½ prem. cash over the counter, 9½ prem. for demand bills. Drafts on New York at 5-16@½ prem.

MR. M. H. GAULT, M.P., announces in an advertisement that he has resigned the position of resident manager of the British America Assurance Company, of Toronto. This is a step in the right direction. We have failed to see what benefit can accrue to the shareholders by Mr. GAULT being a member of Parliament, head of a large dry-goods firm, chief agent of the Royal Insurance Company, director of the Exchange Bank, President of the Loan & Mortgage Company, and connected with several other institutions. Mr. GAULT has the reputation of being a good business man, but it is impossible that he or any other gentleman can attend to the duties required by the shareholders in so many different companies. It is about time some other people retired from positions from which the pay can be the only object at sitting—or pretending to sit—at a great many boards. Mr. GAULT has made a good beginning in the interest of the too confiding shareholders; we hope to see others follow his lead.

THE HOPE FAILURE.—Though the Hamilton branch has made arrangements satisfactory to its creditors, the affairs of the house in Montreal still remain in suspense. There was a meeting of the trustees here this week to consider its affairs. The offer made is thirty-five cents on the dollar, cash, leaving the seized goods of the firm to be

fought for by the trustees at law. The trustees, it is understood, discussed the offer to some extent, and at length decided to ask the firm to amend it in some important particulars. It is believed that they consider thirty-five cents as hardly a fair proposition, and that the firm will meet their views by augmenting the offer by five or ten cents, giving their own note to that amount. It is thought that the whole matter will now be adjusted almost immediately.

AN UNTRUSTWORTHY CASHIER.

THE press despatches say that Mr. GEO. McLEAN, the cashier of the Merchants' Bank of Halifax, has allowed Messrs. J. L. McDONALD & Co, of the same city, to overdraw their account to the extent of \$20,000, though their credit was limited to \$6,000. The latter immediately after failed to the extent of \$100,000. McLEAN has been dismissed, and, so far as he is concerned, his punishment for this shameful breach of trust is likely to end there. If we are not mistaken, the Bank of Prince Edward Island was brought to destruction under precisely similar circumstances, except that their cashier went to work on a much more imperial scale. He, too, we believe, escaped with dismissal. So long as banks behave with such culpable clemency to offenders of this class they are simply holding out a premium for the repetition of such crimes.

ON TIME.

THE Manager of the Huron and Erie Loan and Savings Co. of London is evidently a business man. Whilst depositors in most banks are only getting 3 per cent. interest, he steps forward and advertises the bonds of his Company at par, which are as good as gold, to bear 5 per cent. interest, payable half-yearly.

THE RIVAL U. S. TELEGRAPHS.—The two principal companies having made some good pickings out of the public, the lawyers are now making some very fair tidbits out of them. It is estimated that \$100,000 have been transferred into legal coffers in the shape of retainers, costs, &c., within the last four weeks. Somebody could afford to pay this if it is true, as is sworn by the experts, that the cost of construction of the Mutual Union, entered as \$10,000,000, would really have been well covered by \$4,000,000.

OWEN SOUND.—Mr. W. A. STEPHENS, of this place, in forwarding his subscription makes the remarkable statement that when he was appointed insurance agent in 1850 the nearest agency to him was 70 miles on the east, and the same distance south, while there was none in Ontario on the north and west. Our friend must feel gratified that his profession has since taken such rapid strides in his neighborhood.

A TEMPERANCE LAND CO.—The land company mania is a little off, as the brokers say. The Temperance Land Company is a good name for a bait—but there are some queer teetotallers on the directory. A