and of drawing drafts; or, one bank will maintain a large balance with another larger bank, this balance being part of its cash reserve, and in return will be accorded special privileges in collections, etc. Other kinds of agreements or arrangements are entered upon, but one and all of them are on a purely business basis. If one bank gives something, it invariably gets a quid pro quo in some shape or other.

Not one of the Canadian banks surrenders a jot of its independence or self-control when it goes into a contract of this kind. So far as is known, none of our banks exercises any control over any other bank. All are perfectly independent; the boards of directors and the managements run affairs purely in the interests of their respective bodies of stockholders. Indeed, in Canada a different state of affairs would hardly be tolerated. The banks are, so to speak, on the defensive all the time to retain privileges they enjoy.

In Parliament the sharp eyes of critics, none too friendly to the banking interests, are upon the affairs of the banks. Whenever they see anytl 'ng that looks to them like a tendency to monopoly or a too great concentration of control, they make vigorous attacks and call loudly for further restrictions, for the elimination or curtailment of privileges, such as note issue, etc.; and they usually get a following. Under these circumstances the bankers have wisely carried themselves so as to avoid stirring up the dogs of strife. Partly because of the strong competition that exists and partly because of their settled policy to cultivate and conciliate the public, they have exercised their rights moderately, and in a statesmanlike manner they have provided great facilities of all kinds and met reasonable demands, strengthening themselves with the people.

In this, they have taken the measures best calculated to enable them to retain what they have, and, perhaps, even to get a little more if they show good cause. Had they been aggressively active in asking for fresh concessions, had they pressed to the limit what rights they had, had the most powerful of them sought to build up giant monopolies, there is little doubt but that a struggle would have been precipitated which would have resulted in the curtailment of banking privileges, and probably of their power to aid in the national development.

Things are not the same across the border. In New York City particularly, the great bankers, or some of them, have succeeded in stirring up quite an active hostility. One of the chief causes of the popular dislike is found in the combinations that have taken place. It has been well known for a long time that two of the leading market interests controlled a chain of big banks in New York. The largest combination is that known as the Standard Oil group. It comprises the National City, the Hanover National, New York City National, Citizens' Central National, Lincoln National, Second National, Seaboard National, Colonial Bank, National Butchers' and Drovers', the Fidelity Bank, the Columbia Bank, the Greenwich Bank, the Irving Exchange National, West Side Bank, Trust Company of America, and Bank of the Metropolis. Sixteen banks in all, some of them very large.

The next important group is that called the Morgan group. It includes J. P. Morgan & Co., First National, National Bank of Commerce, the Chase, Liberty and Astor National Banks, the Guaranty, Equitable, Mercantile, Manhattan and United States Mortgage Trust Companies. These are the two most powerful combinations. There is another, a group of seven banks, controlled by Charles W. Morse.

Since the beginning of the year elections for bank directors have taken place in a large number of banks As a result another power now steps into the field. It is what is called the United Copper interest. The bank elections disclosed the fact that this interest had obtained control of seven or eight banks. The bulk of the people view these operations with dislike. A significant feature about the last of them was the active campaign instituted by competitors to secure the business of the banks thus passing into the new control.

Presumably the argument used with the customers would be: "We are independent. Our business is run on general banking principles. The bank you deal with has passed under the control of So-and-So, and it will be run in his interests. If you change to us you can depend on receiving good treatment all the time. If you stay, your accommodation may be shut off or your deposits used to facilitate the purposes of the gentleman in control." The Evening Post says the campaign was vigorously waged, "with the result that there has been considerable shifting of accounts from one institution to another." That is one straw showing that bank customers, as a rule, prefer to deal with banks that are independent.

There may be some significance, too, in the fact that the leading banks of the two big combinations show decreases in deposits during the year 1906. The National City deposits decreased over $27,000,000; the First National, nearly $11,000,000; the National Bank of Commerce, $6,500,000. Another cause operating to reduce the deposits of these banks was the monetary stringency. Call loan rates were so high as to tempt the customers of the banks to draw down their deposits and loan the money directly on the money market.

Another cause was the coming into operation of the trust company reserve law. Under the terms of this the trust companies were obliged to increase the cash held in their own vaults against deposits. A considerable part of the cash so required naturally would be drawn from the three banks mentioned. So it would not be safe to assume that the decrease of deposits was due to unpopularity; it is safe only to conjecture that it may have had some effect.

MINERAL WEALTH OF ONTARIO.

The mineral production of Ontario for the year 1906, according to the report prepared by the Bureau of Mines, shows an increase of more than four million dollars over 1905, the total output being valued at $22,221,808, as against $17,809,226 in 1905. These figures are based on the value of the minerals while in the form in which they are exported. The net value of the metallic output amounted to $13,179,162; the non-metallic, $9,042,646.

Noteworthy gains during the year were: silver, with an excess value of $2,170,212; nickel, $481,485; copper, $309,555; pig iron, $644,720. In the non-metallic group, Portland cement heads the list with an advance in production of $595,563, and the excess value of natural gas was $216,970. There was not as much crude petroleum produced as in 1905, the value falling off $126,999.

There was a considerable increase in the output of the various products from the Cobalt mines over 1905. The total output of silver amounted to 5,357,830 ounces, valued at $3,543,089, the 1905 output being valued at $1,360,503; Cobalt, 312 tons, valued at $100,000, in 1905. There was an excess in the output of nickel of 81 tons, the output in 1905 being only 75 tons, valued at $10,000. The output of arsenic was somewhat less, being valued at $1,558, as against $2,693 in 1905.

Up to the close of 1906 the Cobalt camp has produced 8,016,061 ounces of silver at a total value of $5,015,475; 446 tons of cobalt, 245 tons of nickel, 1,919 tons of arsenic. These three last-named minerals have brought little or no return to the mine owner. They are, however, estimated to be worth $150,779, $13,467, $3,596, respectively. However, the production in 1906 was very much greater than in 1905.

Taken as a whole, it may be said that last year was an exceptionally successful one, and if present indications of operations in the various mining camps are to be taken as a criterion, this year's output should sur-