

worth pursuing, looking at the miserable amount of deposits." "The greater portion of their capital was to be removed from Canada to other places where a higher rate of profit could be obtained."

The Bank of B. N. America has discovered a "depreciation of £10,000,—or about \$50,000—in its property securities alone. It is pertinent to ask why Canadian Banks have not yet discovered the amount of the depreciation in their "property securities."

If it had only been the depreciation in the *property securities* the Bank of B. N. America would not have decided to remove their Capital from Canada, but that is only a small portion of the depreciated securities contained in the \$5,636,646 set forth under the head of "Discounts" and "\$225,966 of other debts due the Bank." The next complaint is the "miserable amount of deposits" which amount to \$2,053,807 on a capital of \$3,017,333. One thing is certain, if they consider the amount of deposits are small, the Bank has made full use of them, for extraordinary as it may appear its monthly statement of May 31st shows that it has loaned within a fraction of \$600,000 more than the whole amount of its capital and deposits put together, and has besides \$807,578 of Bills in circulation. Their losses and the miserable amount of deposits has at all events determined them to remove the "*greater portion of their capital from Canada.*" We wish them all prosperity in their efforts to find it in Canada, they have forgot to notice that all the Banks in Canada, with their own, have not money enough to pay its deposits and replace its capital, they have forgot to notice that they have only \$640,796 in money to redeem their \$807,597 of bills in circulation, and that besides they owe \$729,136 for deposits not on interest.

A Bank without *money capital*

ceases to be a money Bank. The Capital brought to Canada by that Bank, all its deposits on interest, and nearly \$100,000 of its deposits, not on interest, have been sold to go to England to pay for the goods imported into Canada, and when the Directors want to find it they may as well look for it in their own Country, to which it has been sold and removed in advance of their calculations.

The expressed intentions of the Directors to remove their capital is a warning to their customers that they should not depend upon it any longer, and if they do not pay up promptly they may expect to have a visit from the Sheriff. The Bank of Montreal is going to pursue a more "conservative policy" which simply means that they too intend to contract. The City Bank is closing up some of its offices and thus pursuing the same course. "Other Banks are changing the managers at various Banks and Agencies so as to cut off their customers whom they have financially bled of their strength, and we have before us in the facts cited a deepening of the shade of the approaching night of commercial disaster and ruin, when the bottom will be found to have disappeared, as it did during the last commercial crisis, when the Banks will be sweated in return for all they have sweated out of their customers.

To show that in the coming crisis the Banks will reckon not, to ruin their customers to save their own existence, we can give an instance cited to us of a party in this city, who had endorsed heavily for his friends to a Bank above referred to, and had to pay their notes, finally one of several thousand dollars had to be met, the endorser offered to pay one-third of it down and the balance in two short payments, the offer was promptly refused by the manager, the party thinking it rather hard treatment after meeting all former notes in full,