

it would seem that, despite the activity of the banks recently in increasing their paid-up capitals, the ordinary circulation is more than keeping pace with this expansion, a fact that tends to give some colour to the statements recently made that the forthcoming revision of the Bank Act will see some alterations in the basis of the banks' ordinary circulation.

It is notable that contrary to the experience of recent years there was during August an actual, though slight falling-off in the banks' current loans which at August 31, were \$852,045,624 against \$852,256,651 at July 31. In August, 1911, there was an increase in this item of \$10,918,604 and in August, 1910, of \$4,805,434. It may be that the falling off this year is due to the lateness of the western crop-moving. Mr. Bury, the western vice-president of the C.P.R., mentioned the other day that while last year's crop started to move later than ever before, this year's crop will be still later. Possibly under these circumstances credits granted by the banks for the purposes of crop-moving had not come into force by the end of August. Canadian call loans, on the other hand, show a considerable expansion last month, being about \$4,700,000 higher than in July at \$75,194,735.

Demand deposits decreased last month by \$11,437,000, compared with a decrease of \$5,862,000 in August, 1911, but notice deposits are over three millions higher than in July at \$643,663,596. It may be noted that in the last twelve months, while the paid-up capital of the banks has been advanced \$10,381,000, their reserve funds have been increased \$13,427,000. So that the ratio of reserve to capital of the whole of the banks is now 92.5 against 88.7 a year ago.

WAKING UP TO THE FIRE LOSS.

The preaching of the gospel of conservation of property from fire is apt to seem pretty slow work. Month after month and year after year, the fire waste goes on apparently unchecked. Gross examples of public indifference to the most ordinary precautions are legion, buildings which will fall an easy prey to the flames are being multiplied by hundreds, and the occasional excitement engendered by some particularly dreadful outbreak, accompanied possibly by heavy loss of life, fades away into the category of a "nine-days' wonder," without apparently a single lesson having been learned. But every now and again something happens to show underwriters and others who are engaged in this propaganda that their labour is not in vain, and to encourage them to continued efforts. In this category of encouraging signs we should place the fact that the Union of Nova Scotia Municipalities, after listening at a recent convention to an address by Franklin H. Wentworth, secretary of the National Fire Prevention Association, passed the following resolutions:—

"Resolved, That the executive be requested to prepare and submit to the government of Nova Scotia at the next session of the Legislature such draft legislation as it may deem desirable for the establishment in each town, city and municipality in the province of a fire prevention board fully empowered to make and enforce its regulations."

"Resolved, That this convention desires most urgently to impress upon the municipalities of Nova Scotia the vital importance of standardizing the hose couplings and hydrant fittings of all cities in the province, and recommends as a preliminary step the use of the coupling adapters in making present non-standard couplings standard."

When a municipal union gets as far as passing resolutions in these terms, it is obvious that some headway is being made and even if the proposed legislation fails to meet with the approval of the pre-

COMPARATIVE STATEMENT OF RELATION OF BANKS' RESERVES TO IMMEDIATE LIABILITIES.

(Compiled by The Chronicle.)

	August, 1912	July, 1912.	August, 1911.	August, 1910.
LIABILITIES.				
Dominion Government deposits	\$ 10,759,159	\$ 8,903,121	\$ 5,256,671	\$ 8,283,168
Provincial Government deposits	28,088,075	28,054,700	29,355,027	30,070,085
Deposits of the Public "demand"	360,575,425	372,012,494	311,111,668	256,613,172
Deposits of the Public "notice"	643,663,596	640,592,345	575,749,956	545,357,452
Deposits elsewhere than in Canada	78,147,556	77,838,807	71,840,723	78,815,399
Total deposits	\$1,121,233,811	\$1,127,401,467	\$993,305,045	\$919,139,276
Note Circulation	101,501,270	95,827,534	90,630,530	81,321,439
*Less notes and cheques other Canadian banks held ..	\$1,222,735,081	\$1,223,229,001	\$1,083,935,575	\$1,000,460,715
	54,627,412	58,243,316	45,569,430	36,975,704
Net Liability	\$1,168,107,669	\$1,164,985,685	\$1,038,426,145	\$963,485,011
AVAILABLE ASSETS.				
Specie and legals	131,809,933	132,338,056	121,459,963	105,902,338
Net foreign bank balances	39,614,867	43,387,135	48,664,484	57,217,349
Foreign call loans	114,847,864	117,961,437	101,713,820	100,447,288
	\$286,272,664	\$293,686,622	\$271,838,267	\$263,566,975
Percentage of Liability	24.58	25.21	26.18	27.36

*This item is deducted because it represents obligations of the banks held by themselves.