

the Germania Normanby for \$800. *Campbellville*, 26.—Dwelling of Mr. Elliot destroyed. *Belleville*, 27.—Dwelling-house and barn owned by Hon. Robert Reid near Shannonville destroyed. Loss \$1,500. *St. Catharines*, 29.—Residence of John Riardon, paper manufacturer, mostly destroyed. Loss nearly \$10,000, fully insured. *Port Elgin*, 30.—German Baptist Church burnt. Loss \$800. *Hamilton*, 30.—Unoccupied house owned by Mr. J. B. Young destroyed. Insured for \$2,000 in the Canada Fire and Marine. *Hamilton*, 30.—Residence of Mr. Fuller damaged to the extent of about \$200; insured. *Hamilton*, 31.—Building occupied by the Farmers and Traders Loan Association damaged. Loss about \$200; insured.

QUEBEC.

Quebec, 28.—House occupied by Mr. Binet, shoemaker, damaged. Insured for \$1,000 in the Sovereign. Building owned by Mrs. Chapeyron insured for \$2,400 equally between the Quebec and North British and Mercantile offices. *Quebec*, 29.—Two storey house occupied by Mr. Bolduc, watchmaker, Mr. Mincee, Mr. Rogers, Mrs. Moisan, and Mr. Matte, with contents destroyed. The building was owned by Mr. O'Regan, and was insured for \$1,500 in the Sovereign, and \$1,000 in the Royal; other insurances are: Bolduc \$500 in Quebec office, Matte \$600 same office; Rogers \$400 in Northern; Mincee \$500 in Royal. *Montreal*, 31.—The premises occupied by Messrs. Major & Gibb, wire workers, Côte St. Paul, destroyed. Loss about \$5,000; partially insured.

NEW BRUNSWICK.

Gibson, 26.—School house with contents destroyed. Loss about \$2,500; insured in Citizens for \$1,000. *Portland*, 31.—Dwelling of Daniel Murphy with contents destroyed, also the dwelling and barn of James Brydon. Insurance, Murphy \$800, Brydon \$500, both in the Lancashire.

Correspondence.

THE BANKING MEASURE AND THE CURRENCY.

To the Editor of the JOURNAL OF COMMERCE:

SIR,—The great importance of the subject which I have prefixed to these remarks must be my apology for troubling you with another letter. I am most reluctant at a time when, in my opinion, the advocates of a convertible currency should stand shoulder to shoulder in defence of their principles, to enter on a controversial discussion on what may be considered minor points; but nevertheless I must enter my protest against the acceptance by the *Monetary Times* of the very extraordinary and most objectionable proposal which it is said is to be embodied in the new Banking Law, viz., to make the bank circulation a preferential claim on the assets of a bank. It is true that the *Monetary Times*, while accepting the proposal, gives reasons that appear to me conclusive against it. It admits that "this change will give rise in the minds of depositors" to considerations which, though they will not affect "strong banks," will "shake confidence" in weak ones. The scheme is objectionable, because preferences should not be given to one class of creditors over another. But I may go further and point out that the tendency of such preferences would be to cause a run by depositors on every occasion of a rumor of loss, and that it would hold out to those who were inclined to place confidence in a bank, that their reward would be that their claims would be postponed in favor of those who made the first rush to secure themselves. A more indefensible proposition could not be conceived, and the wonder is where the suggestion came from. As the *Monetary Times* observes, "the change will alter the position of depositors, and make theirs a deferred claim." Is it, we ask, expedient that additional induc-

ments should be offered to depositors to place their money with loan companies, or, at all events, to withdraw it from the banks? The *Monetary Times* admits that it is possible (he might have said probable) that under the operation of this proposed preference "the principle of natural selection will in time eliminate some of the weaker banks, and leave the stronger masters of the field." It is not a very pleasant prospect to look forward to, and I sincerely hope that the banking interest will leave no stone unturned to prevent the introduction into the Banking Act of what I can only term, though I do so with reluctance, a fraudulent provision. All preferences given to one class of creditors over another are fraudulent. If it be expedient in the public interest to prohibit the banks from issuing notes, let the currency be constituted solely of Dominion notes, ample time being given for the gradual withdrawal of the bank issues, but let us have no such principle embodied in an Act of Parliament as that one creditor shall have a preference over another.

As I have been led to notice the article in the *Monetary Times* I may observe that I read with surprise the remark that the Government "is said to have contemplated the establishment of a Bank of Issue among its possible reforms." It is rather remarkable that a financial journal should be unaware that a Bank of Issue has been in existence for nearly ten years. What are the Dominion notes, I would ask, or what Bank of Issue has ever been contemplated but an extension of the Dominion notes? I own that I also read with some surprise the statement in the same article that the English Bank of Issue, established by Peel's Act, had been "reproduced with modifications in the American National Bank System." I admit that the term "modification" does not convey any very precise idea of what is meant, but there has actually never yet been the least attempt on this continent, unless the abortive one of Lord Sydenham in 1841, to carry into effect the principle of Sir Robert Peel, concurred in by Jones Lloyd (Lord Overstone) and Ricardo, which is, that a fixed safe amount should be established by law, to the extent of which notes may be issued on national securities, gold being held for all issues in excess of the prescribed limit. As I have had occasion to notice the last number of the *Monetary Times* I will avail myself of the opportunity to acknowledge the good services rendered by its correspondent "H" in pointing out the imminent danger that impends of our drifting into an irredeemable currency.

A CONSTANT READER.

Financial and Commercial.

GENERAL MARKETS.

THURSDAY, April 1, 1880.

The near approach of the season of open navigation is naturally attended with dullness in general trade, all who can do so putting off dealings until spring freight rates are established. The aggregate business of the week is consequently not large, and the different markets are lacking in interest. Dry goods are at a stand still, so far as new business is concerned, and some complaints of the times are again heard, but the trade as a unit is well content with the situation, both the retrospect and prospect being very good. A further advance in domestic woollens, and fresh advices of strength abroad, are the special features of the week. Hardware is weak, and prices are lower, but holders represent themselves as quite satisfied that the downward turn is merely reactionary and temporary. The committee visiting Ottawa to procure a definition of market value

favorable to the interests of importers of low-priced goods returns well pleased with the reception met with at the hands of the Minister of Customs, albeit the interview appears to have been of the approved non-committal character on the part of Government's representative. Hides are up again \$1 per 100 lbs., and the market is decidedly strong, but the change is rather nominal than real, since, as we have before noticed, buyers at present figures, and even a fraction above them, have been seeking supplies without avail throughout the period of supposed decline. Leather is firm for all descriptions, and the tendency of prices is accounted upward. Quite an active demand has sprung up for sole, and black leather as well, and in some quarters the pressure of business keeps all hands at their best efforts. Wool is unchangingly firm, and the trade is disposed to talk higher prices. The feature of the week is the auction sale, the particulars of which are given in the report of that market. New butter is in market in limited quantity; it does not attract special inquiry. The season has become most favorable for maple sugar production, and prices are easy in consequence. In the grocery trade the tea seizure is the absorbing theme, as to which the facts, so far as known, will be found reported in another column. Various opinions are current as to the merits of the question, but the issue involved is generally held to be no more serious than a possible violation of law to be rectified by the payment of the extra 10 per cent. duty demanded by the customs authorities. Money tends towards greater ease, with rates unchanged from last report. Sterling Exchange is lower, at 9c to 9½ premium for 60-day bills, and the usual fractional advance for counter business. The bulls and bears of the Stock Exchange have had two holidays, instead of one or none like ordinary folk, and, in consequence, a very light business is recorded for the week. The weakness noticed in our last report has quite disappeared, giving place in some instances to improvement and strength. City Gas, in its usual erratic fashion, dropped down 4 per cent., and quickly recovered the entire decline, constituting the special exception to a sober, steady market. Richelieu Navigation has been noticeably strong, reaching an advance for the week of fully 3 per cent. The following summary gives the opening, highest, lowest and final sales for the week, with the totals of shares dealt in: 161 Bank of Montreal, at 139 to 138½ to 139½ to 139; also 25, at 134 ex-dividend; 152 Merchants, at 94 to 95; 20 Eastern Townships, at 99½; 8 Toronto, at 124; 25 Jacques Cartier, at 69½; 35 Ontario, at 77½ to 77½; 3 People's, at 69; 435 Montreal Telegraph, at 94½ to 94½; 80 Dominion Telegraph, at 65; 246 Richelieu Navigation, at 41 to 42½; 185 City Passenger Railway, at 94½ to 95; 471 City Gas, at 118½ to 115 to 119 to 118½. At the morning board to-day a quiet, strong market obtained, and better prices were made, but at the second session the improvement was quite lost and gave place to weakness and inactivity. Sales were as follows: 80 Bank of Montreal, at 140 to 140½ to 140; also 75, ex-dividend, at 135 to 134; 220 Ontario, at 77½ to 77½; 2 Molsons, at 80; 71 Merchants, at 94½; 220 Montreal Telegraph, at 94½ to 95 to 94; 100 Richelieu Navigation,