

Toronto are quoted 6 to 6½ p.c.; and rates for mercantile discounts are 6 to 7 per cent. as theretofore. The easier tendency noted a week ago is perhaps more in evidence. When New York call loans are below 3 p.c., the Canadian markets are always affected to some extent. On the street it has been said that a considerable amount of private money has been placed at the disposal of local stock brokers, this week. One can easily understand that the big New York houses having branches in Montreal and Toronto, or some of them at any rate, would be disposed to take advantage of the 6 and 6½ p.c. rates prevailing here—particularly as the liquidation and declines in New York would have a tendency to leave them with a large amount of funds in hand, borrowed at 3 per cent. or thereabouts.

THE CANADIAN BANK OF COMMERCE MEETING.

Sir Edmund Walker, in his address to the shareholders of the Canadian Bank of Commerce on Tuesday, devoted himself mainly to suggestive consideration of cause and effect, as apparent in the present condition of affairs in Canada. What he said in that connection provides food for serious thought. But since adequate consideration of several of the subjects broached could only be given in individual articles, it is the present purpose merely to call attention to some of the more striking points made.

IMPORTS AND EXPORTS.

As on the occasion of his last address, Sir Edmund urged upon the country a course of action which will make our debts to other countries for expenditure made in anticipation of future development as little burdensome as possible. We are dealing with what is proportionately the largest immigration problem ever handled by any country, and in the excess of imports over exports and in the volume of Canadian securities sold abroad in order to settle that difference is seen the strain put upon Canada by this enormous accession of new people.

The total of our foreign trade for the fiscal year ending March, 1912, was \$874,538,000. Our imports were \$559,220,000, and our exports \$315,317,000, the balance against us being \$243,903,000, and the figures for the half year ending September, 1912, show imports on an even larger scale. The imports of iron and steel in various forms from raw material to highly complicated manufactures amount in value to \$95,000,000. Almost all these articles are already being made in Canada, but not in sufficient quantities, or not of high enough quality, to satisfy our requirements. It is to the last degree desirable that such articles should be made at home, and to the extent of say \$50,000,000 or \$60,000,000 they clearly should be. With the exception of motor cars and parts to the extent of \$7,387,000, and a few other items, the whole of this amount may be safely attributed to the erection of new structures or the opening up of new farm lands.

Sir Edmund emphasised that while our needs are mainly measured by our immigration, it is the investor in our securities who has the power to determine finally the pace of our expansion. We have, therefore, to consider not so much our needs as the opinion of the investor regarding our securities and the condition of the world's money market. "If we do this," said the Speaker, "we must conclude to restrict our building operations as much as possible for the moment, and we must expect to pay a higher rate of interest for our requirements." And he pointed out the folly of municipalities and reckless

promoters in incurring large obligations before they are sure of the necessary investor for the securities they propose to offer.

REASONS FOR THE HIGH COST OF LIVING.

That part of Sir Edmund's address referring to local as distinct from international reasons for the high and increasing cost of living, included many facts which it is well to have brought prominently forward. The condition of Canadian roads has long been a by-word, and although several of the Provincial Governments now appear to be waking up to the necessity for a more active policy in this connection, their progress seems to be at a painfully slow pace. The general inefficiency of most kinds of labour, the waste of food and a general tendency towards extravagance are all conditions obviously tending to an increase in the cost of living, but as Sir Edmund suggested, are too often overlooked, although practically everyone can help to moderate them if they choose.

THE BANK'S YEAR.

We have already alluded to the satisfactory character of the statement issued this year by the Canadian Bank of Commerce. The year's net profits reached \$2,811,806, a percentage on the average paid-up capital of 19.78 which compares with 19.70 per cent. in the previous year. The absorption of the Eastern Townships Bank with some \$28,000,000 of assets, precludes direct comparison of the newly-issued annual statement with that for last year. But that the Bank's operations have this year been on a much larger scale than formerly, the principal figures of the two years show:—

	1912.	1911.
	\$	\$
Capital Stock	15,000,000	11,697,275
Reserve	12,500,000	9,757,820
Circulation	16,422,865	12,004,650
Deposits (not bearing interest)	58,586,814	41,288,033
Deposits (bearing interest)	139,930,648	104,677,702
Total Liabilities to Public	217,768,281	166,440,532
Specie and Legals	27,454,966	25,829,694
Call Loans Abroad	9,003,590	8,420,602
Total of Quick Assets	77,229,029	67,386,578
Current loans and discounts	163,753,559	110,999,611
Total Assets	246,571,290	182,389,984

In his interesting address discussing the accounts, Mr. Alexander Laird, the general manager, stated that there was a considerable accession of special amounts in deposits, which would be withdrawn in due course, but that the ordinary deposits show a very handsome increase. While welcoming the establishment under the revised Bank Act of the new Central Gold Reserve, as ensuring that the business of the country shall not be embarrassed through lack of currency, Mr. Laird urged that as we have reached the time when the need of currency is beyond the present limits of the banks' power to supply, it is desirable that in addition to the adventitious aids so wisely provided in the new Bank Act, the banks should anticipate an increasing demand for bank-note currency by the issue of additional capital. A notable suggestion was also made by Mr. Laird with regard to the supervision of the banks:—"There can be no question," he said, "as to the importance of a strict supervision of all matters pertaining to our banks, and we should welcome any plan which makes for more efficient management and a proper recognition of the great responsibilities we are called upon to assume. We are disposed to believe that with the