

eral defence of the Empire would be received by a colonial Government would be probably influenced by the attitude of the Opposition. But the general conclusion, that the self-governing colonies ought to contribute something towards the defence of the Empire of which they form part, is too obvious to admit of conscientious doubt.

PACIFIC AND INDIAN OCEAN CABLES.

A circumstance, which may have a good effect in stimulating action looking to the laying of a Canada-Australia cable, is mentioned in English papers of a fortnight ago. It will be remembered that representatives of the Eastern telegraph companies waited upon the Chancellor of the Exchequer and the Colonial Secretary some time in June to protest against the threatened competition of the "All-British" Pacific cable, from which functionaries they did not receive much encouragement. What was said upon that occasion, it seems, has increased the long-simmering discontent with the cable companies, which is felt among the mercantile classes who are compelled to pay what they regard as excessive charges for messages to the East. This discontent was voiced by the deputation which interviewed Sir Michael Hicks Beach on July 12th, "for the purpose of drawing the attention of the Government to the anomalous and excessive charges connected with telegraphic cable system of the Empire."

The gentleman who introduced the deputation, Sir E. Sassoon, said plainly that the tariff charged by the Eastern Extension and the Indo-European telegraph companies on messages to India and our colonies in the East was universally considered exorbitantly high. Other speakers declared it was hampering instead of assisting the development of trade. These companies have heavy bonuses from the British and Australian authorities and are moreover paying handsome dividends and piling up big reserves, as a result of their high tariff. The companies in their defence complain of the plentiful use of codes, which shortens messages. But it is pointed out that there would be less coding if the charges were fixed upon a more moderate level. What the London Economist suggests is probably true, that the companies would be well advised in making reasonable concessions to the mercantile classes and to the public authorities without unnecessary delay.

FARMERS' LOAN COMPANY LIQUIDATION.

It is agreeable intelligence that a definite time has at last been set for the payment of dividend in the matter of the Farmers' Loan Company liquidation. After a conference before the Master-in-Ordinary, it has been decided that a dividend of 55 cents in the dollar will be paid to creditors on September 7th. We are authorized to say, besides, that Mr. Langmuir, the managing-director of the liquidator company, will attend in person at Edinburgh in September, and on debentures of the company being there produced, so that payment can be stamped upon them, cheques for the dividend of 55 per cent. will be issued.

The amount of assets by this time realized will justify, we understand, the payment of another dividend, of say 20 per cent., at a somewhat later date. Probably

the provisions of the Winding-up Act have interfered with the larger distribution of assets in September. And it may be said, too, that the litigation begun with the aim of establishing a preference for debenture-holders as creditors has certainly delayed the distribution. Of course, there is still litigation going on, but the Bill passed by Parliament last week will secure the liquidator and the assets of the company against any suits being begun in future which have for their object the establishing of a preference for creditors of any sort.

SUSPENSION OF LA BANQUE VILLE MARIE.

It is some years since a Canadian chartered bank closed its doors. The latest suspension, we believe, was that of La Banque du Peuple, and previous to that the failure of the Commercial Bank of Manitoba, which took place in 1893. The present case, the suspension of La Banque Ville Marie on Tuesday last, is said to be caused by the stealing of some \$58,000 from the strong box of the bank, but it may be a question if suspension would not have come shortly even had not this alleged defalcation hastened it. The information we receive from Montreal is that the bank authorities charge the paying teller with theft, and the accountant with guilty knowledge thereof; and the amount of the defalcation already established is the sum given above.

It appears that the missing money was abstracted from amongst the reserve of circulation and was effected by the use of duplicate keys. Conspiracy between F. X. Lemieux, the accountant, and J. J. Herbert, the paying teller, is alleged; and they do say that one or both of these officials had been speculating in "bucket-shops." On Monday night, 24th instant, the chief of police was notified of the defalcation, and steps were taken to secure both suspected men. Mr. Lemieux was arrested on the steps of his dwelling on Tuesday night. Mr. Herbert is still at large. The president of the bank, Mr. Wm. Weir, had been absent from the bank for some weeks by reason of illness, a circumstance which it is suggested may have aided the evil machinations of the members of the staff given above.

The question is a natural one; how should a presumed loss of \$58,000 occasion the stoppage of a bank of half a million capital? The answer given is that uncertainty as to the extent of the theft and a run upon the bank for deposits determined the directors to take advantage of a clause in the Banking Act, which allows suspension for ninety days. The position of this bank since its reorganization was at no time strong, as a reference to the monthly return of banks to the Government would show.

The Banque Ville Marie had at the end of June a circulation of \$261,870 outstanding; deposits of \$1,504,665, and other liabilities sufficient to make the total liability \$1,766,841. By way of realizable assets it held \$16,899 in specie, and \$60,163 in Dominion notes; \$180,000 in the hands of other banks; \$38,165 advanced on call loans; \$87,027 in municipal or other public securities. Here is a total of \$382,254 in what are known as readily available assets equal to rather more than 21 per cent. of the deposit and circulation liability. The circulation is absolutely provided for by the \$2,000,000 or more held by Government for the security