

transactions, this fundamental distinction is lost sight of. But it is a vital one. It belongs to the very essence of banking business, and it is clearly understood by bankers in Great Britain. There, no discretion whatever is allowed to agents or branch managers with regard to loans or cash advances. If a man wants these, he states his business to the agent, with the security he has to offer, generally two substantial bondsmen, and the case is sent to be adjudicated on by the Directors. After this, all the agent has to do is to keep the customer within the line allowed him. It is only in the discounting of regular Bills of Exchange that agents have any discretion, and as these bills are almost universally *bona fide* and regularly paid at maturity, the discretion very rarely leads to trouble.

The case may be put in a single line. Bank agents in Britain cannot lend money; they can only discount Bills of Exchange. Here, on the contrary, agents do both, but they do it in such a way as to mystify both themselves and the authorities of the bank as to the real meaning of transactions. As to the results, they are as above stated.

Intimately connected with this subject of discretion allowed to agents is that of competition for business. Now, competition, where several banks exist in a locality, may always be expected. It is not a bad thing, *per se*; for there is a competition that is rational, sensible and kept within due bounds. There is also a competition which is irrational, stupid and dangerous; and of this latter, truth to say, the agents of banks have been guilty to a terrible degree. When the rate of interest has been driven up by such competition to a point that leaves no profit to the bank, or when the rate of discount is pushed down to a point that makes the lending simply a business of exchanging one shilling for another, it is bad enough; but a worse effect is produced when competition takes the too common form of offering far larger amounts of accommodation than is prudent.

It has not been an uncommon thing for a customer when checked by a wise and sensible banker (which check had he taken it would have been for his own good) to go over to the agent of another institution and get a promise from him of double the amount of money he could have had from his own bank. As above remarked the current phrase is "*We will give you all the money you want.*" On this understanding the account is transferred. Larger operations are indulged in, larger ventures made than ever, the result of which, nine cases out of ten, is that the customer is ruined and the bank makes a loss.

We are well aware that there is competi-

tion amongst the agents of loan companies too. This, however, can work little mischief owing to their restricted powers. If the agents of Loan Companies had a store of fifty to a hundred thousand dollars at their command we should see some curious results. But as they have no money at all entrusted to them, the force of competition, so far as they are concerned, spends itself in flattering recommendations and overvaluations. The directors, however, generally see through all this; but if ever the spirit of competition runs riot with the Board of Directors their business will be as dangerous as banking has proved. As we have observed the peculiar feature of banking is that the agent, by the very nature of his business, must have a store of money by him. He can lend it if he chooses. He can lend it in spite of orders to the contrary, as he very often has done. And until there is an entire change of system with regard to his powers, duties and responsibilities, we fear that it is hopeless to expect much change for the better in banking.

#### MANITOBA AND ITS FUTURE.

It is a fact worthy of passing note, that Manitoba and the North-West Territory are now the "land of promise" to not a few Canadians. While Quebec is sending forth her French Canadian artisans and small farmers, the Ottawa Valley her hardy lumbermen, and Western Ontario her agriculturists, mechanics, and merchants to settle on the broad and fertile prairie land of the West; far Nova Scotia, even, plants a colony of her sturdy sons in this our Western Reserve, and we may expect old Britain, and even the neighboring States to add their quota. Nor is it without a curious phase, this exodus from our older provinces to our youngest and least known. While there are elements of discontent or at least disappointment in the minds of merchants who have failed in business; of shanty men or laborers who can get no further employment in Ontario; of workmen whose trades are stagnant in the manufacturing towns; of farmers who find their progress slow and are eager for the fresh fields—while each of these finds a different cause for complaint with his lot, all are unanimous in thinking Manitoba the spot which will better the condition of each.

There is much in the condition of things in that new country to inflame the imagination and to attract capital and enterprise. Land is cheap, and easily worked; the climate is bracing and healthful; opportunities must offer for agricultural and mechanical skill as well as for the experience of the

merchant. And then there is the sense of freedom to begin in a new and distant country the battle of life again, without witnesses of former failure and out of the atmosphere of disdain and pity which supercilious former friends will not fail to show, to say nothing of the habits of economy which one who is freed from the trammels of etiquette and of keeping up "necessary style" may assume under new surroundings.

The considering of ways and means is needful, however, to the emigrant as well as to the finance minister. Let no one go to Manitoba, if he can help it, without money, for he is tolerably certain to have a hard time. This need not mean *much* money, but sufficient to maintain him there for some weeks, if not months. Again, as to the time for going: April is too early for comfort. An Ontario gentleman writes from High Bluff upon this subject, advising men of families not to start before the first of June, as the roads are impassable until then, and the weather not certain; but after that date the roads are good, the weather fine, and the nights warm. Young men might, however, venture in April or May. "If persons come to Winnipeg and cannot get beyond, it will cost them a good deal. A small room rents there for ten or twelve dollars a month. Wood costs from six to seven dollars per cord. Stock can be bought ten per cent cheaper in June than in April." This is in the main true, except that it is too much to say that roads are "impassable," though they are certainly bad. As to climate, one hears many expressions of dread of the intense cold of winter in the Prairie Province. That dread need not exist. Any one who has wintered in Quebec or Ottawa will not find Winnipeg colder, unless, perchance, he interview the thermometer, for there is a quality of dryness and exaltation in the air which makes the system able to resist the cold. The winters are long, it is true, but there are compensations. November is as gladsome as Indian summer, while the summers cannot be described, so delightful and stimulating are they. Another point, upon which those purposing to settle in Manitoba should be informed, is where the likeliest land lies. Many have gone to Garry, to Selkirk, and up about the big lake, only to find the best lots taken. Around Winnipeg, for instance, the land is held by half breeds to a very great extent. Landing at Emerson or at Dufferin, the passenger will be likely to do better, for west of Emerson, around Pembina Mountain, Pomeroy, Turtle Mountain, and elsewhere, where the land is open for settlement, and there are market towns within easy reach, as well as grist and saw mills. On the Little Saskatchewan, about Portage