

THE SHAREHOLDER.

MONTREAL, FRIDAY MORNING, JUNE 23, 1882.

CONTENTS OF THIS NUMBER.

The General Election.	Bank Statement.
The Merchants Bank	Foreign Insurance Co's. in
The Co-operative Society.	the United States.
The Consolidated Bank Suit	The Stock Market.
Imperial Bank of Canada.	The Federal Bank.
Obsolete Soft Money.	Bank of Hamilton.
"Winding Up."	Another Banker Gone.
A Great Canadian Industry	Rumored Amalgamation.
Threatened.	Answers to Correspondents.
The Very Thing Wanted.	The Ontario Bank.

THE GENERAL ELECTION.

THIS periodical political convulsion is at length happily over, and we may now look forward to a protracted term of tranquillity. By far the most important point at issue on Tuesday last, was whether the Canadian people would continue that scheme of protection to native industry known as the National Policy or recur to the system which it superseded. Of an interest only inferior to this was the view to be taken by the electorate of the Canadian Pacific Railway scheme, with the gigantic land grants attached, and all other privileges connected therewith. These two great subjects have long interested and more or less agitated the whole country. In the Province of Ontario, however, the excitement was intensified by matters of a purely local character. Of these latter, the two most prominent were the conflicting views regarding the Boundary Award and the feeling aroused by the passage of the Redistribution of Seats Bill (well known as the "gerrymandering bill"). With these local matters we have nothing to do more than to say that they alone suffice to account for the unexpected results of a few of the Ontario elections. But we have only to deal with those affecting national as distinguished from merely local interests. The election has resulted in the only way that could have reasonably been anticipated. When the National Policy was inaugurated, everything was down to the lowest depth of stagnation and depression. Mills and factories closed, mechanics and workmen starving amid vain efforts to procure employment, bankruptcies innumerable, commerce prostrated, and hosts leaving the country everywhere in despair. With the adoption of the protective principle all this was changed as by magic. Old mills and factories re-opened, many new ones of first-class proportions were built, work at once became and has continued abundant at an improved scale of remuneration, trade has been good, the whole people content. The prospects ahead, too, have been adjudged to be so promising that an enormous amount of capital has been invested, all of which would be inevitably forfeited by a reversal of the prevailing policy. In the face of all these facts, what possible answer was likely to be made at the polls than that which was so emphatically given on Tuesday last? Who can wonder that those great

centres of capital and labor, Montreal and Quebec, Toronto, Hamilton, London and Ottawa, Halifax and elsewhere, should go overwhelmingly against any disturbing element? Similar ideas prevailed in connection with the Canadian Pacific Railway, but were less universally prevalent, the interests affected being much less widecast. Still, it was made evident on Tuesday last that the people were determined that the construction of the line ought to be proceeded with and the railway policy of the Administration have a fair and an exhaustive trial. It has been generally felt that to give away millions of lands, valueless in themselves hitherto, was a really good bargain if it caused a considerable portion of this now waste territory to be filled up by a large and industrious population. Thus both these great features of the MACDONALD Administration have deliberately received the sanction of the people at the polls. Actuated by the same spirit a grand rebuke has also just been administered to the party attempting to loosen the ties binding us to the mother-state by advocating impracticable theories of commercial independence, being but a thin disguise for intended early separation. The country wants none of these or any other disturbing agitations. We have at present general prosperity, and the desire to improve it rather than endanger it by playing into the hands of professional politicians who have no real interests but their own in view. Our present policy of protection may or may not be theoretically sound. It may even be as rotten as the most maniacal of free-traders claims it to be. That is mere opinion, but the Canadian people know as matter of fact, and not of opinion only, that the country has bounded into a period of unparalleled prosperity under the National Policy, and they are not going to give up the substance for the most tempting shadow that all the political jugglers in existence can dazzle before their eyes.

THE MERCHANTS BANK.

THE annual meeting of the Merchants Bank has been the event of the week, it having been well understood that a large amount of wire-pulling for the presidency has been going on for some time. The battle is over, resulting in the defeat of the HAMILTON ticket, and the election of Sir HUGH ALLAN as President. At the meeting personalities among the shareholders were indulged in to a large extent, but which we fancy our readers care little about them. The question has been asked what effect Sir HUGH's election will have on the stock. For a short time no doubt it will cause a slight fall—it has already done so—but in the case of the Merchants Bank the Manager is the man. He will do his duty in every event, and therefore the shareholders need have no fear of a relapse to the condition of things when Dr. HAGUE was called in. Mr. HAGUE's remarks are singularly interesting and would advise a perusal of them not only by the share-

holders of the Merchants, but all others. A comparison with the past and present is forcibly presented when Mr. HAGUE says, speaking of the disastrous failures of the past, "the difficulties of the last five years were far more than ordinary in every banking institution, owing to the unexampled number of insolvencies that distracted the country during the first three of them, 1877, '78 and '79. The weight of those calamities fell with a force on all the banks of the country, but those which had their centre in Montreal were the heaviest sufferers. Of the eighty-five millions of insolvencies in those years we had to deal with our full proportion. I will not tell you with how many millions of the liabilities of insolvent estates we have had to deal. It would answer no purpose now. I am thankful to say the record of them is reduced to a very small sum; they are largely things of the past." Further on, Mr. HAGUE, remarking on banks in the old country, said:—"Any attempt to pass off upon a banker a bill not representing actual sales would be equivalent to forgery, and brand the person attempting it with such dishonor that no bank would deal with him again." That would be rather tough on a lot of kite people in Montreal. The profits of the year and how disposed of may be seen by the following:—

The net profits of the year's business, after deducting charges and interest on deposits, have been.....	\$762,441 83
(Provision for the bad and doubtful debts of the year is made in Contingent Fund Account.)	
Add profits brought forward from 1881.....	12,264 59
	\$774,706 42
This sum has been disposed of as follows:—	
Dividend No. 26, at 3½ per cent. \$196,550 90	
Dividend No. 27, at 3½ per cent. 199,454 28	
	\$396,005 18
Written off Bank premises and furniture account.....	20,000 00
Transferred to Contingent Fund.....	120,000 00
Added to the "Rest".....	225,000 00
Balance carried forward to next year.....	13,701 24
	\$774,706 42

THE CO-OPERATIVE SOCIETY.

AT a meeting of the directors of this Society, held on Wednesday last, J. F. NOTT, Esq., of this city, was appointed Manager. Mr. NOTT has for some time taken an active part in putting the concern in good trim financially, and the shareholders are indebted to him for valuable time freely given for their benefit. Under such a President as Mr. MATHEWS, who has had a most extensive commercial experience, and Mr. NOTT's financial knowledge, together with the best buyers to be had for money, the institution should sail on without an iceberg or an adverse gale. We hear the next instalment payable to the creditors will be paid before the time, without touching the money subscribed for the new stock.

FIRES IN THE U. S.—It appears that in six years an amount of property nearly equal to the capital invested in the entire National banking system of the United States has been destroyed by fire.