

In the same period their reserve funds have doubled, and now amount to \$9,500,000; assets total \$116,376,819, of which \$2,500,000 is held in cash, \$12,000,000 in Dominion and other securities, and \$102,000,000 in loans as aforesaid. Against these there are liabilities of \$114,996,000, of which \$48,544,000 are debentures payable at a future time. That success has been attained by most of the larger companies of this particular class speaks well for the care and prudence shown in the management of their business, and the intimate knowledge possessed by the various advisory boards of the country and people with whom they are called upon to deal. We have heard it asserted that the existence of these loan companies is a permanent menace to the thrift of the farmer, encouraging him to extravagance of living by the ease with which he is thus enabled to borrow money for non-essential improvements. We have not been able, however, to accept this dictum as being worthy of serious consideration. As will be seen from an article in another column, the farmers of Ontario have outstanding mortgages equal to but 9 per cent. of the assessed value of their farms, a percentage considerably lower than is to be found in the corresponding figures offered for comparison by most of the States in the neighboring republic.

WORLD OF FINANCE.

FEDERAL BANK.—The liquidation of the Federal Bank is getting near the end. The depositors have been paid in full. All bills presented have been paid, and provision has been made for nearly \$18,000 still outstanding. It will be remembered that when the bank changed management, 50 per cent. of the stock was written off. On the reduced amount there has been paid a dividend of 40 per cent., and a cursory glance at the bank's statement would seem to show that there is a prospect of 10 per cent. more being got. There has been written off within the last eight months bad debts to the amount of about \$355,000, the greater part of which, perhaps \$300,000, was for interest on the Potts' lumbering company account, which, more than anything else, was originally responsible for the disasters of the bank.—*Monetary Times*.

DEFALCATIONS—It is a satisfaction to some extent that the late distressing malversations by bank officers, not numerous, but severe, are old affairs that have only cropped out now. The door is shut in Canada to weak and erring men, and in all other countries, either by their laws, or by courtesy to the United States, so that defalcation is a rare thing nowadays, and we may expect that with more vigilance and better routine discipline by boards of directors, all this class of misdoing will come to an end, except in cases of