

he is responsible for any infringement of the Banking Act, and for the return, if necessary, of every dollar of stock paid in; that the Western public have been misled by the issuing of the prospectus containing an advisory board and promotion of the prospectus; that it has been a one-man show since its inception; that there is not a man in Winnipeg of high financial standing in any way connected with the bank—and that to safeguard the interests of investors the Attorney-General's Department should take the matter in hand and issue a report on everything that has been done up to now. At the present time the bank has no standing whatever. That its ultimate end will be that of previous unreliable financial institutions is almost beyond doubt.

SOME TELLING POINTS.

The Monetary Times first brought to public notice the absurdities of the National "Bank" prospectus. This journal has followed the policy it has advocated for forty years, of advancing the cause of clean finance in Canada. The methods in the promotion of the National "Bank" have been neither clean nor straightforward. The promoters after last week's meeting should terminate their farce. Western men, with any respect at all for themselves, have no faith in, and desire no connection with the institution. The Monetary Times is not prejudiced against Western institutions, as our Western readers well know. But whenever such a patent bundle of misrepresentations and misstatements, appears in the spheres of Canadian finance, this journal will do its best to expose methods which are neither desirable nor honest.

Here are a few interesting points raised at the meeting of the so-called "Bank" last week:

Mr. Malcolm, promoter of the National "Bank":—"With regard to my personal reputation, I have always paid my debts and I don't think I have ever told a falsehood. (Laughter.) I may have prevaricated a little, but I have never told a direct lie."

Mr. Ormond:—"Mr. Malcolm's prospectuses are most cleverly written. If you examine them carefully you cannot find much fault with them, but if you take them as a whole you will find that they will induce the careless reader to take stock on the faith of the names that appear there. If, however, you will examine behind the facts there stated, you will find that they tend throughout to mislead the people."

Mr. Ormond:—"Mr. Malcolm has held himself up as a man beyond reproach. He has said he has paid his debts. Now, I ask if there is not a judgment in our office on which you are paying twenty dollars a month?" (Hisses.)

Mr. Malcolm:—"Yes, there is a judgment against me in connection with a salmon canning factory concern at Victoria. Personally, that debt was not mine at all. However, I am simply being flooded with applications from all parts of the country, from everyone who thinks they have a little debt against me. That judgment was obtained ex parte. I never received the summons myself. At least, I don't remember anything of it. It was served apparently in Victoria, and rather than have any trouble I agreed to pay that twenty dollars a month."

Mr. Ormond:—"Judge Phippen last Monday told me his name had been used in a most unauthorized manner, and you have heard Mr. Malcolm use the name of Judge Phippen five times. That shows very poor business judgment on the part of Mr. Malcolm. In fact the whole thing, to my mind, shows that Mr. Malcolm's view has been to influence others by using names in the way he has."

Mr. Malcolm:—"I don't know that I have much to say to the Monetary Times."

Mr. McLean:—"I want to ask Mr. Malcolm if A. F. Banfield is on the Advisory Board of this new bank?"

Mr. Malcolm:—"No."

"Is W. M. Gibson?"

"Yes. Well, we never really had an Advisory Board."

Mr. Malcolm explained that it was desired that the bank should go ahead. The prospectus Mr. McLean had been reading from had been withdrawn.

Mr. McLean then asked if W. G. McLaughlin, Wm. Pearson, George Craig, and others were on the board, and was informed by the promoter that they were not. "Then," said Mr. McLean, "I have a duty to perform. I have a copy of a prospectus which was sent broadcast through the West giving the names of an advisory board of a bank when no bank ever existed, and the board are not responsible for the prospectus."

A Voice:—"My friend, here is the Monetary Times."

Mr. McLean:—"Well, bringing up that question, the Monetary Times has taken the stand that this business was illegal and a farce, and that it was not organized according to Canadian law, and that according to Canadian law you

cannot receive applications for stock. Mr. Malcolm admits that no charter has been secured for this bank. Last June I went to London and met Mr. Cooper, and he told me that no faith whatever could be placed on this prospectus. The matter is of great importance to the West, gentlemen, but we have to have that institution come to us from a legal standpoint, and there must be a prospectus that will stand the criticism of every individual in Western Canada." (Hear, hear.)

Mr. McLean:—"I am a Winnipegger, and have been for several years in Western Canada."

"Are you a shareholder of the National Bank?"

"I am not such a fool."

"Are you a subscriber?"

"I would not subscribe a dollar."

A FREAK FLOTATION.

Says the Calgary Herald: "The methods adopted by Mr. F. H. Malcolm to float a new chartered bank remind one of an acrobatic performance under colored lights. The literature sent out would do justice to the promotion of a new corn salve while the attractions offered to subscribers range from the privilege of balloting for a corporate name to riding in a special train to Winnipeg."

"The prospectus reads more like one of Duncan Marshall's stump speeches than a sober appeal to reason, while the figures given and the prospects held out are as irresponsible as the utterances of a spieler who advertises the web-footed monkey before a circus-tent."

"It is stated that the bank has already a number of shareholders, although there is no bank as yet. The institution is not incorporated, it has no title, it has no provisional directors. It is simply a piece of fruit-cake eaten late at night and transformed into the distorted phantoms of a dream."

"It is likely that Mr. Malcolm in his flotation methods is travelling near the edge of the law if he has not actually overstepped it. Certainly his financial performances would be humorous if they did not cost so much money. The flotation of the proposed new Canadian bank forms an interesting study in human credulity."

MACHINERY INDUSTRY IN JAPAN.

A tabulated statement, prepared by the Japan Chronicle, and incorporated in the report of the commercial agent for that country, shows the growth of the machinery industry in that country since 1896. The table* follows:—

	Steam Engines.	Electric Dynamos.	Locomotive Engines.
1896	818,241	14,094	1,620,768
1897	1,308,173	167,628	4,235,617
1898	697,173	91,414	4,282,502
1899	327,144	12,566	1,968,374
1900	773,255	309,195	1,089,209
1901	1,095,906	388,716	1,749,408
1902		473,084	12,114,323
1903	989,873	836,653	2,267,472
1904	1,710,914	1,266,186	2,291,327
1905	2,633,033	2,455,424	2,466,561
1906	2,162,123	1,408,315	1,659,951
	Lathes.		Others and Total.
1896	73,538		12,944,669
1897	192,672		22,347,432
1898	243,863		21,114,104
1899	331,070		9,561,246
1900	231,405		13,930,302
1901	709,103		16,738,947
1902	473,084		12,114,325
1903	178,109		13,213,072
1904	827,615		14,757,884
1905	3,349,617		27,954,226
1906	1,120,405		27,040,554

At the end of 1900 246,000 was the aggregate horsepower industrially employed, and, according to the commercial agent, it is now about 300,000. This figure is not very large, but the amount of power used has quadrupled during the past ten years, and it is expected that the ratio of increase will continue.

* The figures are given in yens, the unit being equal to 49.8 cents.