

the people of other countries may have caught all over the Behring Sea? And if so, what is the ground of their claim? As Behring is admitted not to be a closed sea, there can be neither more nor less than the same right to follow them there that there would be anywhere in the Pacific ocean or any other water. But with the abandonment of the claim of exclusive jurisdiction, never very firmly held, we are brought a step nearer to a solution of the difficulty. It so happens that some of the seals liable to be caught in the Pacific breed on islands which do not belong to the United States at all, and the question has been asked how an American cruiser is to know the origin of seals caught in Behring Sea. The answer is awaited.

BANK MEETINGS.

The operations of the Bank of Commerce for the year have evidently been carried on with activity and vigor, from the increase made in circulation and deposits. The bank has now forty branches, including the new ones at Toronto, Cayuga, and Waterloo, and the management is apparently not disposed to leave any desirable centre unrepresented by an agency. Net earnings for the twelve months ended with May were \$524,062, which, after paying dividend, and carrying \$37,000 forward, enables the Rest to be brought up to \$800,000.

A perusal of the address of the general manager upon the condition of the country generally, and the state of certain trades in particular, will well repay anyone. It is there shown that the variety of product which the Canadian farmer can now show enables him to stand with equanimity a failure of grain which a dozen years ago would have left him panic-stricken, if not ruined. The greatly increased importance of cattle and hog-raising, cheese-making, egg-production, the fair outlook for cereals, the great extent of our hay crops, and the prospect of barley for the English market, all are dwelt upon, with the plucky and patriotic conclusion that "Whatever may be the results of unfavorable seasons or a hostile tariff (across the Line 45°), our farmers will doubtless prove equal to the occasion."

Mr. Walker has some words of warning, too. He hints that makers of agricultural implements are indulging in too large an out-put, and while our export of these goods to foreign countries continues to grow, "it will be well if the production of implements is checked for the moment." With respect to the lumber trade also, we are reminded of what some purblind operators are very apt to lose sight of, namely, that "in many respects the market is not what it has been in the past few years." While the United States market is fairly satisfactory, the South American demand has been upset by various circumstances, and Canadian building operations are not all they promised to be. Hence, while the present condition of the lumber market is not unhealthy, it is deemed wise and indeed necessary that a further reduction of the cut should be made next year.

In his reference to the new Banking Act, Mr. Walker lays stress upon the fact that

by Sections 54 and 55 of that measure—preventing notes falling to a discount for geographical reasons, or because of suspension—"the bank-note issues of Canada have been given the one good quality of the United States National Bank notes, without incorporating into our Act any of the objectionable features of that system." It is well, too, that the importance of the regulations for the starting of new banks should be mentioned. The public needs to be reminded that the starting of a bank is a serious matter to many persons and interests besides the projectors of the bank and their immediate pockets. No mere speculator or financial merry-andrew or cheeky politician should be entrusted with the founding of a bank. And it is a satisfaction that under the regulations of the new Act this is less easy to do by such persons than it formerly was.

The presidency of the bank is resigned by Mr. Darling, who, on his vacating the chair, was presented with a flattering resolution and a sum of money, as an acknowledgment of his services. Since no mention was made at the meeting, by either Mr. Darling or any of his former coadjutors, of the reasons for this step, we shall not enquire into them. It is, however, acknowledged on all hands that Mr. Darling has worked with zeal and marked ability for what he considered the interests of the bank. The terms in which he was referred to by the mover of the resolution and the unanimous assent given to the honorarium are proof that his efforts were appreciated. His successor in the presidency, Mr. George A. Cox, formerly vice-president, is well known in Ontario as a shrewd, successful, and wealthy man. The appointment, *ad interim*, of John Hoskin, Q.C., to the directorate was confirmed by the annual meeting, and Mr. Robt. Kilgour was added to the board.

While the business of the Merchants' Bank has gone steadily on, as evinced in the circulation and discounts, the profits have not, in the opinion of the directors, been what there was reason to expect, since the severe competition in manufacturing and importing has occasioned failures of traders and losses thereby. Still, a rate of profit equal to nearly 7½ per cent. on Capital and Rest is no mean net earning. The Rest is built up to 40 per cent. of the paid capital and the Contingent Account is maintained at something over \$90,000.

In his annual address, the general manager defends with spirit the custom indulged in by the heads of our larger banks of making public the results of a yearly survey of the commercial and financial situation. And the thoughtful *resume* given by Mr. Hague will prove, to those who read it with the care which it deserves, the value of such reviews. Passing from the remarks having especial reference to the bank's affairs—the increase of its deposits, the growth of its discounts, and the building-up of its Rest out of earnings—we come to that portion of the general manager's address dealing with the general position. And here we find the conclusions on several points much resembling those of another careful observer, Mr. Walker, of the Bank

of Commerce. Both these gentlemen refer to the wisdom of curtailing production in timber; to the necessity of prudence in certain manufactures; to the growing importance of cattle and hog-raising, as well as dairy products; to the progress and increasing independence of our farmers.

Mr. Hague made a good point last year when he said, with respect to the perpetually recurring losses by bad debts, "the great drawback of our modern trading system," that "too great relative value is set, amongst us, upon push and enterprise in a trader, while the equally necessary prudence and system are left out of sight as qualifications." And he dwelt with emphasis upon the folly of the too free giving of credit by importers and by banks. The need of business training and knowledge of the country on the part of those who would be our merchants and manufacturers have been urged by this journal for well nigh a quarter of a century. And the necessity for the exercise of common sense by those who have the dispensing of credits was never greater, it seems to us, than it is to-day.

People have been accustomed to find, from the reports of the Bank of Toronto, that there has yearly been a pretty thorough "clean up" at the annual stock-taking, if one may apply to banking a phrase from a department of manufacture. For a good while the overdue debts shown by this bank have been noticeably small, and the present report is no exception in this particular. The earnings for the past year have been \$281,845, equal to more than 14 per cent. upon the capital, or over 8½ per cent. on Capital and Rest. Year by year, since 1883, the amount of profit divided among shareholders of this bank has been four per cent. semi-annually, with a bonus of two at the end of the year, 10 per cent. in all. This year that percentage has been paid in half-yearly dividends of five each, which may be taken to indicate, now that the Rest of this successful bank is equal to three-fourths of the capital, that the present rate of dividend can be regularly maintained. It is announced that a suitable location for bank premises in Montreal has been secured by purchase, so much has the business of the bank at that point grown. Another new feature is the opening of a branch on King street west, Toronto.

The fifteenth year of the Imperial Bank has been a good year for its proprietors. The bank shows even better earnings than in the previous twelve months, namely \$199,000, or over 9½ per cent. on Capital and Rest. Eight per cent. has been divided to shareholders, \$50,000 added to the Reserve, a sum written off bank premises and furniture, and the considerable sum of \$48,000 carried forward. The bank's position is strong in available assets, and there is, we observe, a decided reduction in the items of overdue debts and real estate other than bank premises.

With a capital of a million, Reserve Fund last year of \$400,000, and deposits of \$3,400,000, the Bank of Hamilton shows net earnings of \$143,827, a very creditable record. After an eight per cent. dividend to shareholders, the Rest was increased