

JUNE BANK STATEMENT REVEALS SAVINGS WITHDRAWALS

Recent Speculative Period is Being Adjusted — Current Loans for Legitimate Business are Maintained

	June, 1912.	May, 1913.	June, 1913.	Year's inc. or dec.	Month's inc. or dec.
Deposits on demand	\$373,500,189	\$364,159,642	\$362,769,928	—2.8	—0.3
Deposits after notice	631,317,687	630,755,603	622,928,969	—1.3	—1.2
Current loans in Canada	848,940,089	898,959,650	899,260,009	+0.5	+0.0003
Current loans elsewhere	34,254,568	37,691,786	36,894,681	+0.07	—0.02
Call loans in Canada	68,701,855	69,982,540	68,642,377	—0.0008	—0.01
Call loans elsewhere	120,569,812	96,151,209	89,363,520	—0.2	—0.07
Circulation	102,011,848	102,997,936	105,697,629	+0.03	+0.03

The above are the principal changes in the bank statement during the past month. The most notable feature is the decrease in deposits. During June, those on demand declined about \$2,000,000, or 0.3 per cent., and were \$11,000,000, or 2.8 per cent, less than a year ago. The decrease in savings departments was more significant. The month's decline was about \$8,000,000, or 1.2 per cent., and the year's loss approximately \$9,000,000, or 1.2 per cent. Savings deposits have for so many years made continuous expansion, that a decrease is quite unusual. It indicates that fairly substantial inroads were made on their bank savings by depositors last month, undoubtedly partly to meet payments falling due in real estates and other speculative ventures. The withdrawals are a natural outcome of the recent speculative orgie in Canada just as is the recent increase in loans on life insurance policies.

Current loans in Canada are slightly larger than a month ago, a sign that legitimate business is in a healthy state. Current loans abroad and call loans at home and abroad, all show slight decreases. Circulation exhibits an increase of approximately \$2,000,000.

The following table shows the course of the domestic deposits accounts for the past thirteen months:—

	On demand.	After notice.
1912—June	\$373,500,189	\$631,317,687
July	372,012,494	640,592,345
August	360,575,425	643,663,590
September	374,368,917	640,536,652
October	383,814,572	640,097,928
November	376,829,372	635,810,703
December	379,777,219	632,641,346
1913—January	354,518,964	635,000,056
February	349,661,830	630,467,518
March	357,756,659	630,434,708
April	365,340,002	631,160,280
May	364,159,642	630,755,608
June	362,769,928	622,928,969

Total deposits in June were \$985,000,000, falling short of the billion dollar record established and maintained in 1912. Demand deposits have shown slight declines for the past two months, although larger last June than in January. They are considerably smaller than a year ago. Savings deposits have also shown a downward tendency in recent months, but this is only a temporary feature. The department's record for the past four years is given in the following table compiled by *The Monetary Times*:—

	On demand.	Afer notice.	Total.
1909	\$226,480,468	\$455,178,476	\$681,658,944
1910	263,417,539	534,432,054	797,849,593
1911	309,804,854	564,867,554	874,672,407
1912	373,500,189	631,317,687	1,004,817,876
1913	362,769,928	622,928,969	985,698,897

From 1909 to 1912 total deposits made a continuous gain. It has remained for the current year to record the first de-

creases in recent years. Demand deposits have increased over \$100,000,000 since 1909, although the June figures compared with last year show a decline of \$11,000,000. Savings deposits are nearly \$200,000,000 greater than four years ago, despite the loss of \$8,000,000 when last month's total is compared with that of June, 1911.

The following table shows the trend of the Canadian loans accounts for the past thirteen months:—

Loans.	Current in Canada.	Call in Canada.
1912—June	\$848,940,088	\$68,701,855
July	852,256,651	70,407,734
August	852,045,624	75,194,735
September	859,341,193	72,205,261
October	879,676,655	73,959,866
November	874,721,593	70,668,521
December	881,331,981	70,655,661
1913—January	874,705,616	71,376,510
February	882,112,726	71,286,799
March	890,513,446	70,731,030
April	898,964,181	69,757,912
May	898,959,650	69,982,540
June	899,260,009	68,642,377

Current loans in Canada are \$50,000,000 greater than in 1912, a pleasing fact. Call loans in Canada are about what they were a year ago.

The following table shows the expansion of loans, at home and abroad, during the past four years:—

	Current loans in Canada.	Current loans elsewhere.	Call loans in Canada.	Call loans elsewhere.
June.				
1909 ..	\$535,212,269	\$33,493,171	\$52,617,696	\$115,254,868
1910 ..	649,145,920	38,171,443	61,598,958	130,173,902
1911 ..	717,869,386	33,557,617	61,507,268	97,865,400
1912 ..	849,940,089	34,254,560	68,701,855	120,569,812
1913 ..	899,260,009	36,894,681	68,642,377	89,363,520

Current loans in Canada have made great strides since 1909, having increased from \$535,000,000 to \$899,000,000. Current loans abroad have been maintained at about the same total. This also applies to call loans in Canada. Call loans abroad were smaller last June than in any June of the past five.

Commenting upon the Canadian banks' call loans abroad, an English writer says:—"At a time such as this, when the world is experiencing some difficulty in obtaining supplies of new capital in consequence of the political situation in the Balkans and the indisposition of Continental and American investors to place their capital freely, the existence of these large Canadian balances in New York and in London gives a measure of confidence to the Canadian people which otherwise they could not enjoy."

The June bank statement reflects that Canadians are feeling the pinch of tight money, but that legitimate business is not suffering to any great extent, as yet.

The Canadian Press has been informed that a contract of over £1,000,000 has been signed for the construction of a railway and new harbor on the west coast of Ireland in connection with the All Red route scheme, which the Canadian Government has now approved. The railway will run from Collconey to Blacksod Bay, county Mayo, which is to be the port for steamers, which will make the run to Halifax in three and a half days.

Track has been laid on the Canadian Northern Railway for a distance of 127 miles east from Port Arthur and 150 miles west from Sudbury, according to Contractor Foley, of Foley Brothers, who have the contract for the construction work. Some forty miles of grading on the line has been finished and the work is progressing rapidly. A new feature of the work was the use of automobiles equipped to run on

the track, which were used to draw cars to take the men to and from their work.

Mr. Hugh Blain, of Toronto, read a paper at the Dominion Wholesale Grocers' Guild at Quebec, recommending that the guild should suggest to the government the formation of an independent trade and commerce commission that would contest trade combinations and govern rates of transportation, commissions, etc., with manufacturers on a fair and equitable basis to all concerned, and to which the wholesale trade in general could apply in matters relating to their business. The election of officers for the ensuing year resulted as follows: President, Z. Hebert, Montreal; vice-presidents, Quebec: Armand Chaput; Ontario, J. M. Dillon, London, Manitoba, R. R. Wilson, Winnipeg; Alberta, John Howe, Calgary.