

THE MARCH BANK STATEMENT.

Possibly the most interesting feature of the March bank statement is the increase in current loans in Canada. The advance over the February figures was \$13,297,192, including the loans to municipalities and other public authorities, and as these latter were increased by just over one and a half millions, the advance in loans to the business community was actually about \$11,700,000. March is naturally a period of expanding credits owing to the preparations which are being made on every hand for the renewal of industrial activity at the close of the winter. So that the significance of this advance might easily be over-stated. However, the corresponding increase in current loans in March, 1913, was but \$8,400,000, and bearing in mind the heavy contraction during recent months in these loans, the present up-turn is encouraging. Between last August and January current loans decreased approximately \$45,000,000; in February they were stationery, there being only the slight gain of \$129,000. So that the March movement is the first cheerful sign in this direction for a prolonged period.

NOTICE DEPOSITS AT RECORD LEVEL.

Of considerable importance also is the steady advance in notice deposits, the recent trend of which is discussed more fully on another page. These are reported for March at the record level of \$646,143,604, an advance of \$5,216,474 on the February figures and a gain of approximately \$2,500,000 on the previous record figures reported in August, 1912. Even allowing for the fact that these deposits may include a considerable amount of special deposits, monies thus temporarily employed pending their transfer into some form of permanent investment, the figures recorded may be considered as giving matter for considerable satisfaction in view of the strenuous times which have been passed through in the last eighteen months.

Demand deposits were \$8,000,000 higher in February, this increase being in part a reflection of the increase in current loans.

HIGH FIGURES OF FOREIGN CALL LOANS.

In another respect also, foreign call loans, the March statement sets a new record. These are reported at \$145,218,223, an increase of just over \$4,000,000 on the February figures. Of this amount, no less than \$90,356,458 are reported by the Bank of Montreal. While there was this further advance in the Bank's foreign call loans, their foreign deposits show a decline from February of \$5,000,000 to \$114,523,736, at which figure, however, they are nearly \$17,000,000 higher than at the corresponding date of 1913. Payment of the second instalment on the C.P.R.'s note issue and the issue of new loans in London, including a Dominion loan, would account for the continued high level

of these foreign deposits. The foreign call loans forming an important part of the banks' first line of reserves, their maintenance at the high level mentioned indicates that the banks' are maintaining a particularly strong reserve position.

CIRCULATION AND HOME CALL LOANS LOWER.

Slow conditions in business are indicated by the decline in circulation which fell \$715,000, as against a gain of nearly \$5,000,000 in March, 1913. Canadian call loans are also lower by \$2,286,362, the decline being a reflection both of the banks' policy in declining to lend on stock collateral, and of the fact that private funds to some extent have been lately replacing bank funds in brokers' loans.

HOW THE TRUST COMPANIES' BILL STANDS.

Changes in the trust companies bill made in the Banking and Commerce Committee were outlined to the House of Commons, by Hon. Mr. White, who submitted the measure for further legislative progress. The original draft proposed that a company could invest forty per cent. of its original capital in office premises. This has been amended to thirty-five per cent. of its paid-up capital and reserve. Another amendment was to the effect that not more than twenty per cent. of the stock of any bank or similar incorporated concern could be acquired as an investment. The remainder of the amendments, Mr. White said, were merely designed to strengthen the act.

Mr. J. G. Turriff asked if the Minister had taken up with the Provinces the question of the incorporation of trust companies. Many companies in the West had secured Provincial charters with exceedingly small capital and without proper safeguards. He instanced one company which had only \$5,000 capital. He thought this was a question which should be taken up by the Minister.

Hon. Mr. White argued that the Dominion and Provincial Governments both had jurisdiction. He was afraid to make a move lest it should be interpreted as interference and resented.

Sir Wilfrid Laurier feared there would never be complete satisfaction till the respective rights of the Provinces and the Dominion were finally determined. With this end in view the Liberal Government had placed the matter in the hands of the Supreme Court for interpretation and proposed to carry it forward.

Mr. White replied that the decision of the Supreme Court in favor of the Dominion now stood for appeal.

Arrangements have been virtually completed for the establishment of a bank clearing house at Peterboro', Ont., for the business of the eight banks there.

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In the list of insurance policies on the life of the late Hon. George A. Cox, published in our issue of March 27, there was accidentally omitted a policy for \$8,000 in the Great-West Life, taken out some seventeen years ago.