may not follow. Proposals looking to a compromise of the boundary dispute have been made, at different times, during the last half century by both countries, which, not being acted upon, are not now held as binding on either party. The fact that the Schomberg line, which, when made, was in part repudiated by the British Government, is no reason why it should not, in some part, be insisted on to-day. Much of the territory that has been in dispute, Venezuelan advocates aver, has never been explored by white men. How then did it become the property of Spain, from which Venezuela claims to derive its title, or of Holland, whose successor England became? There is one way in which this might be done, according to a rule then recognized, and that is that the owners of the mouths of rivers had a right to all the territory traversed by those waters. But this claim acquired additional strength and was in fact beyond impeachment, when followed by actual utilization. Would not British subjects, by working the rich gold field on the Cuyan River, according to this ancient rule, have made good their title, if actual occupation and utilization had been necessary to perfect it? However, the question of title is not directly connected with the present demand made by Great Britain on Venezuela.

FINANCIAL REVIEW.

We give below a condensation of the figures of the statement of Canadian banks for the month of September. It is compared with the bank statement for the previous month, and shows capital, reserve, assets and liabilities, average holdings of specie and Dominion notes, &c.

Canadian Bank Statement.

LIABILITIES

	Sept. 1895.	August, 1895.
Capital authorized	$ 73,458,685	$ 73,458,685
Capital paid up	61,780,328	61,704,458
Reserve Funds	27,158,799	27,083,799
Notes in circulation	32,774,442	30,737,622
Dominion and Provincial Government deposits	9,511,782	8,395,441
Public deposits on demand	67,774,818	67,386,516
Public deposits after notice	116,634,486	115,716,526
Bank loans or deposits from other banks secured	17,115	1,051,722
Bank loans or deposits from other banks unsecured	2,818,077	2,780,631
Due other banks in Canada in daily balances	144,943	144,655
Due other banks in foreign countries	171,861	206,473
Due other banks in Great Britain	3,868,060	4,027,049
Other liabilities	358,879	294,362
Total liabilities	$234,074,548	$230,741,064

ASSETS.

	Sept. 1895.	August, 1895.
Specie	$ 7,575,318	$ 7,375,298
Dominion notes	15,960,092	15,180,545
Deposits to secure note circulation	1,814,624	1,814,624
Notes and cheques of other banks	7,818,012	6,135,949
Loans to other banks secured	17,115	464,760
Deposits made with other banks	3,634,362	3,391,456
Due from other banks in foreign countries	26,690,316	26,565,856
Due from other banks in Great Britain	6,373,183	6,339,165
Dominion Govt. debentures or stock	2,687,044	2,687,044
Other securities	19,500,082	18,618,071
Call loans on bonds and stock	17,096,695	16,766,317
	$109,166,843	$105,339,085
Loans to Dominion and Provincial Governments	365,281	445,922
Current loans and discounts	197,729,334	197,526,285
Due from other banks in Canada in daily exchanges	236,517	173,182
Overdue debts	4,538,140	4,324,234
Real estate	1,242,741	1,134,046
Mortgages on real estate sold	608,441	621,721
Bank premises	5,657,926	5,636,046
Other assets	2,236,292	2,241,162
Total assets	$321,881,711	$317,441,375

Average amount of specie held during the month	7,490,649	7,499,086
Average Dominion notes held during the month	15,652,332	12,229,776
Greatest amount notes in circulation during month	33,153,175	31,781,850
Loans to directors or their firms	7,941,317	7,687,676

We referred in our last review to the sluggish movement of circulation, than which there is no more reliable index of the course of business in several directions, and especially in the amount of money paid out to the farming population of the country. The increase in the circulation during September was $2,037,000. For the previous September it amounted to fifty per cent. more, viz., $3,085,000. A certain part of this diminution must be traced to the lower price which has prevailed for cheese during the present season. The difference between six cents per pound and ten cents per pound although it sounds trifling when spoken of as so many "cents," yet really amounts to millions of money when spread over such a large area as the whole cheese production of Canada.

The profit to the farmers of the country this year has not been as much as usual—that is, the *direct* profit. But there is an indirect profit in the dairy industry which should never be lost sight of, viz., that the deterioration of land, which so often takes place in the process of cropping, is prevented. In fact the cultivation of the dairy industry by a farmer rather improves his land than otherwise. Even in seasons like the present, therefore, a certain benefit has resulted to the farming interests from the manufacture and shipment of cheese.

But as to butter, there is scarcely a word to be said, except in the way of hopefulness and congratulation, and this especially in the Province of Quebec. There can be no doubt that this province is peculiarly well adapted for the production of cheese and butter from its numerous small streams and fine pasture lands. The hilly parts of the country are particularly well favored in this respect. There has been a most undoubted improvement in the quality of the butter produced in that province during the past few years, and it only requires a development of the creamery system to bring about, in the future, a steady stream of exports to Europe. The authorities of the province are thoroughly wide awake in regard to this matter, as was strongly evidenced by the remarkable address by the Quebec Minister of Agriculture at the Bankers' Conference held at Quebec, a full report of which was given in one of our recent issues. The facts and figures there presented are worthy of the most careful study.

The movement of the crop in Manitoba had scarcely been of sufficient magnitude up to the end of September to produce much effect upon the bank circulation. But there can be no doubt that a very large amount of money will be paid out during the present month, and will again demonstrate, what has so often been demonstrated before, with how little disturbance to the general financial position a vast crop of grain can be moved to market by means of our system of circulation.

It is very satisfactory to note that the process of threshing seems to have resulted in higher estimates of the total yield of the North-West. Since threshing began, the estimate of the yield of wheat has been increased from twenty-five and a half bushels to the acre to thirty-one bushels, or about five million bushels more in all. Of coarse grains the estimate has been increased eight million bushels. The effect of this large crop on the general mercantile position in Manitoba will not be as rapid as many might expect. But it cannot fail make itself perceptible in time.

The value of the production of the North-West this year is certainly double what it has been for several years back.