

the average annual circulation in the intervening years, according to the figures upon which the *Journal* makes its comments, was less than 31½ million dollars, until March this year, when it was \$33,430,883.

Reflection might have suggested to the *Journal* some unusual cause for the circulation being greater in that year than in any year since; but they apparently seize upon the circumstance for an illustration of the alleged decadence of prosperity under a National Policy of protection. As a matter of fact, the cause of the bank notes having reached such a height in the last half of 1882 and the first half of 1883 was due to the Canadian Pacific Railway's vigorous commencement to complete the road within a shortened period, thus bringing large plant into the country, involving enlarged necessary expenditures at that time. This was an undertaking which was quite exceptional in its character, and therefore not one to be fairly included in the ordinary volume of business which might be annually looked for.

We have kept bank note circulation before our readers to illustrate the elasticity of our Banking system. The only satisfactory and important proof of the amount of the volume of trade, when gauged by note circulation, is in taking the months of September, October and November, and grouping them. The figures of other months are too liable to be affected by the variableness of the seasons or the condition of country roads. Probably the figures best adapted to prove the steady growth of the country are the deposits, the savings of the people. Note circulation is not intended as a proof of advancement so much as a test of the productions of the year.

When business is confined to smaller shipments and purchases during what is called the dull season, specie and Dominion notes will be found to run up; only a couple of months ago the amount under these headings increased over three millions during the month. The *Journal* advances a theory in regard to money, and moans a lot of phrases about bank monopolies, in a tone which reminds one very much of the prejudice which is characteristic of that section of the Western press of the neighboring country, whose monetary theories in the interest of the farming community have demanded that a prominence be given to silver, such as have well nigh swamped the interests of the very class of persons most responsible for the Legislation which Congress is now likely to repeal.

The annual meeting of the Canadian Bank of Commerce was held in Toronto last week. They started the year with a credit of \$19,549.19, the net profits ending 31st May were \$536,511.93; a dividend at the rate of 7 per cent. per annum was appropriated absorbing \$420,000.00, and \$100,000.00 were transferred to rest account. \$12,500 were written off for bank premises and furniture, and a balance carried to profit and loss

of \$23,561.12. Canada has very many bright men amongst its list of general managers of banks; but the annual addresses of Mr. B. E. Walker, the general manager of this Bank, are coming to be regarded as the most lucid, statesmanlike and prophetic utterances of each year. He always has something interesting to say, and is thoroughly educational to the mercantile community. His remarks emphasize what we have been so strongly contending recently, that there is not much ground for complaint in the condition of business in Canada as a whole. In the extent to which the farmer buys and pays for agricultural implements, Mr. Walker finds a decided evidence of prosperity, especially in Ontario, where farmers paid their paper without renewal to the extent of over 96 per cent. The review of the export trade, lumber and agricultural interests was most reassuring in its character; and he made the point that whatever loss of trade there may have been with the United States, because of the McKinley tariff, it has been far more than counterbalanced by the splendid growth of the export trade to Great Britain. Italy, as well as Australia, have had serious difficulties, largely through bankers failing to appreciate that land banking and mercantile banking are two very different things, and that the former is too risky for a legitimate banker to undertake. After referring to the lamentable state of affairs in the United States and the importance of their seeking relief through the repeal of the Sherman silver-purchase bill, he concluded by saying:—

"Looking around us, while every caution is necessary, we do not see anything in the outlook which is not hopeful for Canada. It will be strange if, when the dust has blown away, British investors do not see in our steadiness and sound financial position good reason to invest in this country some of that constantly increasing income which in the past has flowed so easily to the southern half of the world."

The following are the figures of the Canadian clearing-houses for the week ended with Thursday 2nd., compared with those of the previous week:—

	June 22	June 15.
Montreal.....	\$10,656,099	\$10,622,918
Toronto.....	5,702,773	6,103,346
Halifax.....	943,322	1,030,743
Hamilton.....	721,431	737,060

Total clearings.... \$18,023,625 \$18,494,067
Aggregate balances last week, \$2,464,387; this week, \$2,366,669.

The percentage of net earnings on the paid-up capital and rest of the leading Canadian banks for the past year, shows results as follows:—Bank d'Hochelaga, 9.24; Traders Bank of Canada, 8.50; Imperial Bank of Canada, 8.14; Bank of Toronto, 7.70; Canadian Bank of Commerce, 7.66; Dominion Bank, 7.44; Bank of Montreal, 7.33; Ontario Bank, 7.17; Merchants Bank of Canada, 6.99; Union Bank of Canada, 6.75; Eastern Townships Bank, 6.38; Standard Bank of Canada, \$6.19; Quebec Bank, 6.19; Bank of Hamilton, 4.90.