

stock and bonds. We quote the remarks in full:

"The amount of capital required to be subscribed before a company could begin to act has varied in most cases from ten to twenty per cent. of the face capital of the stock authorized, but no consideration appears to have been taken of the amount of bonds permitted to be issued. Rarely more than ten per cent. has had to be paid up in cash; and in some cases, as in those of the "Ontario Central" and "Hamilton and North Western," bonuses could be included as a portion of the stock. Here are some instances of the amount of capital on which a Railway Company, has been able to begin business:

Company.	Stock.	Bonds.	Amount to be Paid-up.
Yorkville Loop Line.....	\$ 500,000	\$250,000	\$ 5,000
Guelph and Collingwood	300,000	900,000	5,000
Port Burwell and Ingersoll	100,000	530,000	2,500
Credit Valley.....	140,000	500,000	5,000
Fenelon Falls.....	75,000	250,000	4,000
Kingston and Pembroke...	1,250,000		10,000

"Nor have the qualifications of Directors been more substantial. Generally speaking, the qualification has been about ten shares of \$100, with ten per cent. paid up. But in the case of the S. S. Marie Bridge and Railway it was \$100; in that of the "Hamilton, Guelph and Orangeville," \$50; in that of the "Stratford and Huron," only \$25.

"There have been no bounds to the liberality shown in giving power to Directors and relieving them of restrictions and responsibility. By the charters of the "Trent Valley," "Credit Valley," and "North Simcoe," they are empowered to issue to themselves and others paid-up stock for services as Promoters and for Directors' fees. In the case of the "Whitby and Port Perry," aliens may be Directors.

"So with regard to the issue of bonds. In the early Acts the amount was limited by reference to that of the paid-up stock and outlay on the line. But soon the flood-gate was opened; the limit was abandoned; power was given to issue bonds simply upon the execution of contracts for the construction of the road-bed. At last even that slight barrier was swept away, and the "Erie and Huron" was empowered to issue bonds without any restriction whatever."

#### HON. MR. WARD'S MOTION ON RECIPROCAL TRADE.

The newspaper press of Canada have scarcely so much as noticed the action taken in Congress by the Hon. Elijah Ward, of New York, in favour of Reciprocity of Trade with this country. This indifference on the part of the press indicates the true feeling of our people. They do not doubt the earnestness of the well meant efforts of Mr. Ward. The letter written by that gentleman a few months ago, even if his previous actions and opinions had not been known, was sufficient to prove him to be a true friend of freer commercial intercourse between the two countries. His views are

no doubt those of an intelligent, influential, and increasing number of the American people, who will ultimately make their opinions felt in the national councils. But the people of Canada are not at present in good humour on the subject of Trade relations with the United States, and besides, see so much unsteadiness on this and other questions in Congress, that Mr. Ward's motion has excited little notice. Neither the Government nor people of Canada are likely to pay further attention to the question of Reciprocal Trade, unless direct offers come from the United States government. It is not too much to say that a sense of humiliation was generally felt throughout the Dominion at the result of the Brown-Fish Treaty, and that it would be hard to find a single Canadian who would tolerate further advances being primarily made by this country. Experience has proven that our productions are not dependent upon the markets of the United States; and never did we prosper and advance so rapidly as since these markets were closed to us except on payment of heavy duties. Both countries, we are free to admit, would probably have prospered still more in a material sense by freer trade between them; but Canadian prosperity was never greater than since the former Treaty closed, and our people have learned a lesson of self-confidence and self-reliance which cannot be over-valued. Congress decided to consider the Hon. Mr. Ward's proposition, but we expect no practical result, although the House of Representatives, having now a majority of Democrats, will no doubt be more favorable to Reciprocity than for many years past. The chances are, that after the usual platitudes by party orators in the Committee to which it has been referred, Mr. Ward's proposals will be quietly pigeon-holed, until at least the next Presidential election is over. So far as Canada is concerned, public opinion has been completely turned away from the question, and there seems to be singular unanimity in favor of shaping our commercial policy solely with a view to Canadian interests. The tendency at present is in the direction of preserving our markets for our own people, more particularly against unfair competition from the United States, and if this should lead us to what political economists regard as a narrow and more restrictive commercial policy, it is not because the people of Canada generally prefer it, but because the illiberal course of other countries is forcing it upon us.

#### BANK MEETINGS.

The Reports of the Bank of Hochelaga and Banque Ville Marie just presented at

their respective annual meetings, are of a very satisfactory nature considering the very trying experience that Montreal, more than any city in the Dominion passed through last year. Both very honestly confess to losses and difficulties, and the former acknowledges that offers of assistance had been tendered it during the gloomy period following the suspension of the Jacques Cartier Bank. There is evidence of a careful style of management also in the declaring of a dividend only  $3\frac{1}{2}$  per cent for the half-year instead of four, but we are firmly of opinion that the true policy for a new bank is not to pay away more than six per cent per annum of its profits during the first few years, and to build up a good substantial Rest. This policy is the best for stockholders individually, and for the Institution as a whole. The stock would be enhanced in value by the accumulation of the "Rest," and after a time, it would be perfectly easy to increase the dividend without much danger of its being reduced again. The London and Westminster Bank, which has for so long a period paid over twenty per cent divided only five and six for a considerable period after its organization. But these were the times when it was building up that magnificent business which is only second in the whole world to the Bank of England. And stockholders by and by reaped the fruits of this careful policy.

The French banks of Montreal are somewhat in danger from confining their business within too narrow a field. They may also fall into the temptation of grasping after too high profits and taking the inferior class of business that alone yields them. They cannot well extend themselves into Ontario and have the advantage of larger circulation and increased deposits. It would be dangerous, as it requires a special knowledge such as they have scarcely available. Their principal business must always be with the French community of Lower Canada. But with care and attention to sound banking principles, they may gradually build up for themselves a good position.

CANADA LANDED CREDIT COMPANY.—In another part of this paper may be found a complete report of the business of this Company during the past year. The net profits amounted to \$61,229, out of which two dividends of nine per cent. have been paid. This absorbed the sum of \$39,917. The reserve fund has been increased \$21,703, or nearly thirty-five per cent., and now amounts to \$40,000. The loans have also increased \$211,000, while the deposits have decreased. Borrowing upon the is-