

their customers. The new capital that will be called up this year will not bring the proportion between capital and loans back to what existed some years ago, but it will enlarge the limit of the note issues to an extent that will prevent such a strain as was felt last October and some time in November when the demand for circulation was causing considerable anxiety. The tide, however, run out as heavily as it had set in, so that, between the end of October and end of December the note issues run down to extent of \$5,354,827, which was just one-half the expansion that occurred in September and October.

The bank conditions existing throughout 1902 were highly favourable for profit making. Already this has been evidenced by the statements of the two largest banks in Canada, as well as by those of several others of eminence, so that, when the whole of the banks have published their Reports for last year, it will be seen that in 1902 their net profits surpassed those of any previous years.

ANNUAL MEETING OF MONTREAL BOARD OF TRADE.

INTERESTING ADDRESS BY RETIRING PRESIDENT.

The annual meeting of the Board of Trade of this city was held on the 27th inst. A new feature in the proceedings, adopted on suggestion of the Council, was an Address delivered by the retiring President, Mr. McFee. The topics treated covered a wide field, and the thoughtful observations thereon by the President were listened to with much interest.

In alluding to the Conference of Colonial Premiers held in London last year it was remarked that it did not realize anticipations in fruitful results.

"Notwithstanding, however, this feeling of disappointment, the conference undoubtedly fully justified its existence by the affirmation of a very great principle necessary to the foundation of a permanently united Empire.

"Among the questions upon which it was desired to arrive at a mutual understanding," proceeded the president, "three stood out as of pre-eminent importance, namely, commercial relations, Imperial defence and periodical conferences. In regard to these three great problems, we find that the underlying principle at stake has in each case been realized and affirmed as the essential basis for future legislative action in the different self governing colonies."

In regard to transportation matters the President said:

"The policy of 'Canada and her resources for the Canadian people' plays an important part in the matter of transportation, and it is to be hoped that our Governments and our legislators will in future, when arranging for assistance to railway enterprises, so guard the interests of Canada that the policy of the road will of necessity, for all time to come, be

purely Canadian and that the directorates shall be composed almost, if not entirely, of Canadian citizens. A representation of the Government in the directorate of all subsidized railways would not also be a safeguard, but a fair proposition on the part of the Canadian people, whose money and land is so freely given for their assistance.

"In the Northwest Territories the second trans-continental line, the Canadian Northern Railway, has been under constant construction and bids fair to be a completely developed railway from Port Arthur to British Columbia inside of four years. The construction of this line to the eastern Canadian seaports, while not generally understood by the public, would appear to be going on in sections, which, when joined together, will complete another great line from the Atlantic to the Pacific."

He regarded it impossible to forecast as to the very great benefits which Canada will receive from the Grand Trunk Pacific Railway.

"Perhaps never before did the people of Canada begin to realize what a heritage of wealth is in store for our children and grandchildren in the vast tracts of undeveloped land in the northwestern portion of our country."

In regard to the Intercolonial, Mr. McFee expressed sympathy with the judgment on record of the Board of Trade, that its management ought to be divorced from political control and given to a commission experienced in railway work. The failure of efforts to establish a fast ocean service and to obtain better marine insurance terms was deplored;

"It is absolutely necessary for the future development of our export trade that not only a rapid mail and passenger service should be instituted without delay, but that the penalizing of the St. Lawrence route in favour of American ports by the British ship-owners and insurance companies should be effectively put a stop to. At the present time it would appear to be almost impossible to do anything in the way of providing aids to navigation in the St. Lawrence route that will be placed to our credit by these people."

In regard to fire insurance the President of the Board of Trade said:

"The past year had proved the most profitable in the last forty years for fire insurance companies, and it was hoped that it was but a forerunner of a long era of prosperity. The cost of fire insurance to the insurer throughout Canada," he continued, "and especially in Montreal, is far too high, and it is time that the question of reducing the expenses and fire losses making up the cost of insurance should be dealt with upon entirely new lines. While, on the one hand, it is felt that the army of officials living upon the premiums is an unnecessary tax, there is, on the other hand, good ground for complaint in the inadequate system of fire appliances in vogue in most of our cities, not excepting Montreal. Cheap fire insurance is one of the strong inducements to commercial enterprise of all kinds, and should be obtained even though at large expenditure of money."