

\$146,000 is transferred to the reserve fund, raising this fund to \$2,920,000, equal to 60 per cent. of the paid-up capital; \$73,000 is devoted to the Bank's premises account; various allocations, amounting to over \$22,000 are made to the officers' widows and orphans fund, pension fund, and life insurance fund, and finally, a 5 per cent. bonus is allotted to the staff. There is then left a balance to be carried forward of \$93,447, a slight increase upon that of a year ago.

#### THE BANK AND ITS STAFF.

One of the notable facts regarding the Bank of British North America, which is of importance in regard to its future, is the excellent relations existing between management and staff. As already noted, liberal allocations are made each year to the various funds for the benefit of the staff, and the cordial way in which their services were recognised at the annual meeting cannot but have an excellent effect in stimulating their spirit of loyalty and service to the Bank. Naturally, at the recent meeting, reference was made to the important change in the general management of the Bank in Canada which took place a few months ago, when Mr. H. Stikeman retired, and Mr. H. B. Mackenzie was appointed as his successor. An exceedingly handsome and deserved tribute to the services given by Mr. Stikeman to the Bank was paid by the Chairman (Mr. C. W. Tomkinson). "Good as was the credit of the Bank of British North America in 1894, when Mr. Stikeman took over the general management," he observed, "we believe it stands even higher to-day, and were the cause of this result to be sought, it might fairly be replied that it was in large measure due to Mr. Stikeman's efforts." At the same time Mr. Tomkinson expressed the directors' confidence in Mr. Mackenzie, to whom also a shareholder paid a deserved compliment as "a man of extraordinary capabilities and of boundless energy, always extending the greatest courtesy to all those with whom he came in contact." That under his management the fine traditions of the Bank will be continued and its business enlarged upon the sound lines which have always distinguished it, those familiar with Mr. Mackenzie's work in former positions have every confidence.

#### EXTENSIVE BUILDING OPERATIONS.

It is interesting to note that the Bank is at present engaged on extensive building operations throughout the Dominion. Not only is the erection of the magnificent new head office in Canada, located in St. James Street, Montreal, on an historic site, which has been owned by the Bank since 1842, being actively proceeded with, but handsome new offices are also being built by the Bank at such widely separated points as St. John, N.B., and Edmonton, Alta. These facts are an indication of the confident expectations of the directors and management regarding the future business of the Bank.

#### THE PROGRESS OF THE BANK ACT.

It is amusing and not altogether uninteresting, to notice the difference in tone between the utterances of those banking experts and others who have lately been giving evidence before the Banking and Commerce Committee and the speeches of various members of Parliament on the subject of the Bank Act. The difference is an unconscious revelation of the wide gulf which lies between those who know what they are talking about and those who, as there is plenty of evidence to show, do not. The representatives of the western grain growers, from whom, if from anyone, it was to be expected that revolutionary suggestions would come, were mild as milk in comparison with the "friends of the people," who a few weeks ago, were denouncing the iniquities of the banks in the House of Commons and inventing the most fantastic additions to and substitutes for the existing Canadian banking system. Let us recall some of these weird proposals. The establishment of the United States system (or lack of system) of local banks was one idea; the mutual guarantee of bank deposits (as is done in wild and woolly Oklahoma) another. A third man wanted to take the three largest banks (with or without the willing consent of the proprietors did not appear) and by means of the biggest merger yet thought of in Canada, produce a Bank of Canada. Several averred that a "money trust" had the country by the throat or bound hand and foot—they were not quite certain which. Another had the delightful idea of making money easier by simply issuing some hundreds of millions of Government notes. And there were other ideas propounded of an equally ridiculous character.

An extraordinary change has come over the scene since the bill went before the Banking and Commerce Committee. These visionary proposals have hardly been heard of. The western rising against the tyranny of the banks, which perfervid orators assured us, would sooner or later overwhelm all the eastern financial interests in a common doom, has dwindled down to a complaint against the rates of interest charged in remote districts and a request that the Minister of Finance would see about establishing agricultural credit banks. So far from anything revolutionary being on the tapis, the discussions have been mainly concerned with differing views of various details of the present system and of the modifications which it is proposed to introduce by the new Act—details like the question of an external audit or inspection, and similar questions.

On the whole, the course of events would seem to encourage the view that the present revision of the Bank Act will be safely accomplished without the addition to the present system of some or other of the ridiculous proposals which have from time to time been mooted. Fortunately, common sense still counts for something.