

States, "seem suddenly to have subsided into silence, and this probably because they are certain that, so far as this season's trade is concerned at any rate, they are not paying the duty."

THE MUTUAL RESERVE.

A radical change in the business of the Mutual Reserve Life Association was made known through the press last week. "It is never too late to mend," is true in a sense. But whether the present attempt to mend the Mutual Reserve's mistakes can prove effectual remains to be seen. A column or two of space in Canadian dailies is devoted to abusing the critics of this company and incidentally to reassuring its friends and policy-holders, by very lame and halting logic, as to the ability of the Mutual Reserve to pay everybody it owes. The proposition it now makes to its old policy-holders is one by which their policies may be changed to the reserve plan. It is proposed that they shall hereafter pay the regular level premium belonging to the age at original entry, the reserve for the period since then being computed and to stand as a lien against the policy, evidenced by a note for the amount, unless the insured prefers to pay the computed reserve in cash. Thus, the management boastfully says, the company will be placed "on a standard legal reserve basis," which is intended to mean that it shall become virtually an old-line company. The success of this move depends on how many of the old policy-holders will accept the proposition. Suit has been entered, by the bye, against J. D. Wells, a former vice-president of the company, and against some New York daily, for criminally libelling the company.

FINANCIAL REVIEW.

We give below a condensation of the figures of the statement of Canadian banks for the month of Sept., 1899. 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, etc.:—

CANADIAN BANK STATEMENT.

LIABILITIES.		
	Sept., 1899.	Aug., 1899.
Capital authorized	\$76,808,664	\$76,808,664
Capital paid up	64,183,377	63,826,343
Reserve Funds	29,591,769	29,341,697
Notes in circulation	\$46,682,028	\$41,446,399
Dominion and Provincial Government deposits	6,221,662	6,205,731
Public deposits on demand	97,068,793	95,264,689
Public deposits after notice	170,293,952	168,627,016
Bank loans or deposits from other banks secured	429,017	483,333
Bank loans or deposits from other banks unsecured	4,512,940	5,004,981
Due other banks in Canada in daily balances	201,817	228,246
Due other banks in foreign countries	897,526	618,882
Due other banks in Great Britain	5,194,829	4,437,249
Other liabilities	411,242	389,400
Total liabilities	\$331,908,896	\$322,704,010
ASSETS.		
Specie	\$9,263,464	\$9,442,296
Dominion notes	18,335,535	18,466,264
Deposits to secure note circulation	2,092,763	2,074,202
Notes and cheques of other banks	10,240,936	9,953,665
Loans to other banks secured	461,610	522,618
Deposits made with other banks	5,232,044	4,629,688
Due from other banks in foreign countries	29,408,462	28,315,269
Due from other banks in Great Britain	12,488,825	11,968,240
Dominion Govt. debentures or stock	4,901,401	4,946,393
Other securities	30,435,185	30,244,545
Call loans on bonds and stock	33,157,178	31,692,777
	\$156,017,403	\$152,275,987

Current loans and discounts	254,433,667	247,669,051
Loans to Dominion and Provincial Governments	1,827,436	1,981,668
Due from other banks in Canada in daily exchanges	312,115	490,258
Overdue debts	2,342,824	2,313,145
Real estate	1,687,658	1,710,865
Mortgages on real estate sold	625,126	629,634
Bank premises	6,225,058	6,041,049
Other assets	4,417,400	4,692,288
Total assets	\$427,888,875	\$417,804,124
Average amount of specie held during the month	9,350,912	9,416,553
Average Dominion notes held during the month	18,428,904	17,948,198
Greatest amount notes in circulation during month	47,131,046	42,447,841
Loans to directors or their firms	7,344,033	7,309,781

The wave of prosperity still continues to advance, and it is a welcome wave, which bids fair to be lasting, having taken its rise from the large increase in the production of the country. The growth of exports, shown by Government returns during the last three months, that are published, has amounted to no less than \$7,000,000, or about 20 per cent., and it is likely that the increase will be fully maintained for some time to come. In fact, this ratio of increase is likely to be considerably more, when the great crop of the North-West begins to be sent in quantity to foreign markets. An increase of exports is, as all are well aware, a far surer foundation for fiscal prosperity, than an increase in imports; for the latter may be indications of the development of a speculative spirit on the part of importers or an unreasonable expansion of credit on the part of wholesale houses and their retail customers alike. It must be remembered that a considerable part of our imports is purchased upon credit, and that a large expansion may only be sowing the seeds of embarrassment for a future day. But exports of our own produce are solid wealth; they serve to diminish indebtedness, instead of increasing indebtedness, and when they are, as they are now, in excess of imports, they make it certain that the payment for imports will not embarrass us.

The Bank Returns all reflect the buoyant condition of trade in the country, and particularly the large increase in the circulation, which amounts to no less than \$5,500,000, including an increase of \$300,000 in the Government small notes. Such an increase as this is unprecedented of late years. It demonstrates the fact of an enormous movement of our productions of various kinds to market. These are not only our crops of grain, for they had hardly begun to move in quantity by the end of September, but our vast dairy, cattle and mining interests, all of which are unusually active. To carry on all these operations, with such prices as are now prevailing for various produce, requires a much larger amount of circulating notes than formerly. It is quite likely that the increase of circulation for the month of October will be greater than for September, and that we should find that in the three months, ending with 30th November, a far larger volume of money was passing through the hands of the people of Canada than was ever known before. To give an idea of the relative increase this year, compared with past years, we append the following statement:

Increase of bank circulation for the month of September, during the last seven years:

1893—increase	\$1,821,000
1894—increase	3,085,000