

OUR AUSTRALIAN LETTER.

Australian newspapers contain this paragraph:

"In the year 1892 the banking advances in Australasia exceeded the deposits by over 31 millions, whereas in June last the deposits exceeded the advances by 14 1-4 millions. Thus the banking situation in Australasia is about 45 1-4 millions better to-day than it was fourteen years ago. The recovery has been slow and painful, but it has been substantial."

This is a remarkable statement; but whether it warrants the jubilation the last sentence implies is to be doubted, for it is due not to the increase of deposits, for the deposits are a good deal less than they were, but to the decrease of advances, which have dropped fifty millions of pounds sterling. The figures indicate an infinitely healthier position than in 1892, but they also show a wonderful shrinking in business. The surplus of deposits also indicates the fear of investing in new enterprises. There is a tendency towards buying up Australian stock in London and bringing them here. It is a serious calamity to Australia that there should be such a lack of confidence in new enterprises, which should find a profitable investment in the development of the great resources which the country has.

In New Zealand the readiness of capitalists to invest in the bonds of the New Zealand Government is an indication of the same sort of thing—though to a lesser extent—existing in that island. Notwithstanding these enormous sums of money unused, there is a school which is in a position of great influence in the politics of this country which affect to believe that the great need of Australia is money, and who have always quoted the Government that went to London to borrow, to be expended in what have been sometimes termed "reproductive works."

The prospect for the coming year is exceedingly good. The wool crop of 1905-6 will probably return more money than Australia ever received before from it, though Australia has yet sixty-five million sheep, instead of one hundred and six and one-half millions that she possessed in 1891. The improvement in the breed and the higher prices obtained for the wool will account for the increased returns. In 1905-6 it is anticipated that there will be eight million more sheep to shear than have been shorn this year. Then again, the harvest, though smaller than the record year of 1903-4, it is estimated, will yield four million bushels more than last year. Minerals, so important a part in the production of Australia, are also bringing very high prices, and the yields are greater than the previous year.

Trade in the city is not pronounced active, but there is an increase of both imports and exports. For the first eleven months of 1904 the imports of New South Wales increased by nearly two million pounds, and the exports by over a million, but the bulk was interstate trade. The other States do not all show equal advances in imports, but the course of trade is quite as healthy. On the whole, the State revenues have for the past year improved. The States have either reduced their deficits or have had a small surplus, so that Australia faces 1906 with better prospects ahead of it than for many years.

The Canada Cycle Company is selling out its Australian business, which has hitherto been carried on by a branch office here. The company has been hampered by not having motor-cycles and motor-cars to offer to maintain the volume of business. The abandonment of its agency may not lead to the diminution of its exports to Australia, but it probably will.

H. J. Boswell, formerly of Toronto, died near Sydney on the 11th inst. His death was rather sudden, and due to heart failure. He came to Australia in 1893 with a number of Canadian agencies. Most of them were unsuited to the trade here, and hence he did not achieve the success he hoped for.

The Canadian Australian S. S. Co. is putting on the route the "Maheno," a new steamer of 5,500 tons burthen. She has turbine engines, is claimed to be the finest equipped steamer on the Pacific, and has a capacity for 240 first class, 120 second class, and 60 third class passengers. The

cabins are unusually dry, and promise to make the trip across the Pacific one of unusual comfort. She can make her four hundred knots a day comfortably. It is to be hoped that she will be so well patronized as to warrant two others to be put on the line.

F. W.

Sydney, New South Wales, 26th December, 1906.

CALGARY BOARD OF TRADE.

In no way is the vigorous business life of the Far West better indicated than in the meetings of the boards of trade in its towns and cities. That of Calgary is not far from being an exception to this general rule. Not only is it the office of a board of trade in such a live centre to perform all sorts of commercial work, but, situate in the centre of a region which is astonishing the continent by the rapidity of growth, that city has many important immigration and development problems to master. This fact is made prominent by some of the recommendations which came before the Board of Trade of Calgary at its annual meeting on the 16th inst. Some of these, for example, were that the sum of \$15,000 should be raised for publicity purposes, that the board should erect a suitable building of its own, and have a secretary on duty day and night, while another still more striking was that a determined effort should be made to make Calgary a city of 50,000 inhabitants by the year 1910—a date which surely leaves little room for laggards.

Mr. R. J. Hutchings, the president for 1905, in his retiring address, referred to the great expansion which had taken place in the business of Calgary during the past year, to its ten banks, its many wholesale houses, its foundries, soap works and other industries, the natural gas deposits of the region, and to the hope of having the Dominion Fair in their city next year. He expressed the opinion that the telephone system could not be considered complete until every residence, and every farm house in ordinary convenient districts, should be connected with one another, the present rates, however, being prohibitive as regards the popular utilization of the telephone for anything but urgent business. He considered that the future of Calgary as a great milling centre was now undoubtedly assured, its geographical situation combined with the unlimited capacity of the surrounding country for feeding and dairy farms rendering it the natural location of large flour mills. The irrigation canal, the first section of which, now completed, would throw open approximately 110,000 acres of land, was also spoken of hopefully in respect of the prospects it held forth for a rapidly increasing and dense population.

The election of officers resulted as follows: Hon. President, Hon. W. H. Cushing; president, C. W. Rowley; vice-presidents, A. E. Cross, T. Allan, J. N. Patterson; secretary-treasurer, C. W. Peterson; members of the Council: G. C. Porter, G. T. C. Robinson, W. Strong, W. M. Davidson, R. R. Jamieson, R. A. Janes, F. F. Higgs, J. S. Dennis, I. S. G. Van Wart, A. B. Cushing, — Taylor, R. C. Johnston, W. H. Connacher, A. Allan, D. J. Young, Dr. Stewart, J. J. Young, Hon. J. A. Longhead, R. C. Edwards, H. M. Cherry, C. P. McQueen, C. T. Jones, T. J. S. Skinner, E. H. Telfer, H. Nelson, O. C. Smith, C. A. Stuart.

ARE MODERN BANKING METHODS
DETERIORATING?

Discussing modern banking tendencies an English authority sounds a note of warning. In a letter to "The Times" he says (we quote from the "New York Journal of Commerce"):

"There are now only two methods by which or by a combination of which, the operations of a bank can be extended. One is the method of amalgamation, of buying up businesses 'ready made.' The other is the method of branch extension, of opening new offices in districts where the bank-