

municipalities for 1896 and 1895, with the amount of interest paid on loans. The table also gives the amount of the debts per head, the taxation per head, the ratio of the debts to the assessments. The official Report, which has been issued quite recently, does not give the debt returns for 1897, but we have reason to believe that, when the totals are made up, there will be very little change from 1896.

Table showing assessments, debts, taxation, with their percentage per head, etc., of all the Municipalities in Ontario.

	1897.	1896.	1895.
Total Assessments.....	\$ 803,625,376	\$ 814,917,633	\$ 821,466,136
Total Debenture debt.....	52,948,275	51,895,991	51,895,991
" Floating debt.....	6,261,394	5,834,129	5,834,129
" Debts.....	59,209,669	57,730,120	57,730,120
" Taxation.....	12,206,325	12,122,785	12,316,429
" Interest on debts.....	2,588,759	2,578,220	2,578,220
Assessments per head.....	\$403	\$413	\$419
Debenture debt per head.....	\$26.85	\$26.51	\$26.51
Total debt.....	30.02	29.49	29.49
Taxation per head.....	6.13	6.16	6.29
Ratio of debenture debt to Assessments.....	6.50 p.c.	6.32 p.c.
Ratio of total debt to Assessments.....	7.26 p.c.	7.29 p.c.

From 1886 to 1894 the assessments were raised every year from \$694,380,659, until the total of \$826,179,370 was reached, the average amount per head in 1886 being \$380, and in 1894, \$424. Since 1894 the assessments have been reduced year by year, until they came down to \$303,625,377, which is an average of \$403 per head. The rate of taxation per head in 1886 was \$4.93, and in 1893, \$6.56 per head, since which year there has been a yearly decrease down to \$6.13 per head. The debenture debt in 1886 was \$29,924,863, an average per head of \$16.37, in 1896 the total debenture debt was \$52,948,275, an average of \$26.85 per head. The Ontario municipalities, as a rule, assess local property very low, more especially in townships, towns, and villages. It would be a moderate estimate to value the assessable property in that Province as worth more than 25 per cent. of which it is assessed for. On this basis, the average value of the property per head would be \$515. The debenture debt, on this assumption, would amount to \$5.20 on each \$100 of property. So far as the floating debt is concerned it represents expenditures made for the year before the taxes are collected which have been levied to meet such outlays. The official report gives the amount of uncollected taxes in 1896 as \$5,204,734 which amounts to 83 per cent. of the floating debt, and the balance of \$1,056,660 is covered by amounts due to the municipalities for various services. In estimating therefore the indebtedness of the municipalities the amount of the floating debt may be disregarded. Towards securing the debentures and other obligations the municipalities have assets to extent of \$67,156,035, which more than cover all their liabilities. The Sinking Funds and special deposits for redeeming debentures amount to \$11,955,030, which equals \$22.66 per each \$100 of debentures. Considering then that, the Ontario municipalities re-

present a people who have an average of over \$413 of property per head for each \$26.85 of what they are liable for on debentures, and that, for each \$100 of debentures there is on hand \$22.66 as Sinking Fund and special deposits, the general financial situation of the Ontario municipalities must be regarded as highly satisfactory, their liabilities being so small in proportion to the value of the properties by which the municipal debts are secured.

THE BANK OF ENGLAND RESERVE AND THE BANK RATE.

We drew attention some weeks ago to the Reserve of the Bank of England being at so low a point as to indicate a coming rise in the Bank rate. This was announced at the end of last week, when it was raised from 3 to 3 1-2 per cent. What constitutes the Reserve of the Bank of England and how its percentage is arrived at are questions not generally understood. To ascertain the amount of the bank's Reserve from the weekly statement published, it is required to look at the return headed BANKING DEPARTMENT, wherein the amounts are severally given for "Notes" on hand and "Gold and Silver coin," the sum of these constitute the Reserve at the date of the return. Then, on the other side of the same statement, we find three items: (1) Public Deposits, which include Exchequer, Savings Bank, Commissioners of the National Debt and dividend accounts; (2) Other Deposits; (3) Seven-day and other bills. The sum of those three items constitute the liabilities of the Bank, and the percentage of Reserve is the proportion which the stock of notes and coin bear to those liabilities. Take the return dated June 28th, 1899, as an illustration.

We have there, notes, \$90,348,000; gold and silver coin, \$10,282,000, together, \$100,630,000. Then against this we have Public deposits, \$60,646,000; Other deposits, \$207,900,000 and Seven-day and other bills, \$479,000, making a total of \$269,025,000. If we divide \$100,630,000 by \$269,025,000, the quotient is 37.45, which is the percentage of the Reserve held by the Bank of England on the 28th June last. That is, the bank on that day had little more than one-third of the amount of its liabilities in cash on hand. On looking at the following comparative table showing the leading items in the bank returns at the close of June in several past years, we note how low the Reserve has fallen this summer:—

	June. 1896.	June. 1898.	June 1899.
Deposits, public.....	\$ 58,790,000	\$ 50,401,000	\$ 60,646,000
" Sundry.....	288,638,000	227,023,000	207,900,000
Notes and Coin on hand as Reserve.....	166,612,000	135,356,000	100,630,000
Percentage of Reserve to Liabilities.....	54.38	44.75	37.45
Bank Rate.....	2	2 1/2	3
Circulation.....	139,813,000	141,316,000	141,126,000
Gov't. Securities.....	76,134,000	67,437,000	66,815,000
Other Securities.....	168,407,000	163,411,000	189,635,000
Total coin and bullion on hand.....	242,426,000	197,673,000	158,307,000