

To any one whose sense of humor enables him to find a source of harmless merriment in the proceedings of the British parliament, the spectacle of Mr. John Dillon and his followers rising against an otherwise united Empire is diverting. Mr. Dillon is the gentleman who, during the ante bellum exchange of diplomatic notes between the United States and Spain expressed the opinion that the former country should "mind its own business." The Independent Irish League very promptly objected to his thoughtless utterances, and desired to be known as being in sympathy with a country which, if it obeyed Mr. Dillon's high behest, would never have been the main support at one time of the agitation in Ireland. Mr. John Dillon seems to be afflicted with a whirling in the head, a dizziness, an obliquity of vision, whenever something serious confronts the British Empire. But he and his followers only represent themselves. The true Irishmen are contentedly working in the shipyards, the factories and the fields of Erin; or are fighting the enemies of their country whenever and wherever they may be found. Surely, Mr. Dillon and his party do not wish to be numbered among the latter when serious work is to be done.

AMERICAN BANK RESERVES.

In our last issue appeared an article upon the question of the adequacy of the cash reserves held by Canadian chartered banks. We referred therein to the different attempts made in the past to compel the banks to hold always a fixed percentage of resources to liabilities, and also expressed the opinion that mechanical rules are of little value compared to administrative capacity and probity of character. We asserted that the capable, honorable manager makes for himself better laws than any Government could pass or enforce, and the incapable and dishonest banker will go wrong despite whatever legal restraints ingenuity can devise.

That a somewhat similar opinion is entertained by our American neighbours is shown by an article on "The Law of Bank Reserves," published in the New York "Commercial Bulletin" of Monday last. The writer says:—

"The law regarding the reserves of National banks is a not very wise effort to substitute a statutory regulation for the discretion of men upon whose own heads primarily the results of recklessness or incapacity would fall. Yet the law is by no means the inflexible regulation that the London 'Statist' supposes it to be. That paper has made this same mistake before. In its issue of October 7 it says: 'In all the reserve cities, which may roughly be said to include all the great cities in the country, the clearing house banks are bound to keep one-fourth of their deposits locked up in their vaults absolutely idle, and no emergency, however great, justifies the banks in drawing upon the sums thus locked up.'

"Our financial legislation is defective enough, but it is not quite so foolish as to require a reserve which can never be used. If 'no emergency, however great,' justifies a bank in using its reserve, the reserve is utterly inert, and serves no purpose whatever. The law does not stultify itself to such a degree as that. It provides that if the reserve falls below the minimum the bank 'shall not increase its liabilities by making any new loans or discounts otherwise than by discounting or purchasing bills of exchange payable at sight, nor make any dividend of its profits until' the reserve has been restored. But the only penalty provided for this is that the Comptroller may notify a bank to make its reserve good, and if it fails to do so within thirty days after the notification he may, with the concurrence of the Secretary of the Treasury, appoint a receiver.

"He 'may;' not he 'shall.' The bank has thirty days, not from the time the deficiency in the reserve occurred, but from the time of the Comptroller's notification, which he may not send at all if he does not think the circumstances justify it in which to make the reserve good. This is quite sufficient time in most cases, because acute demands for money are usually of brief duration. But if the bank fails to make its reserve good within thirty days, there is nothing further that the Comptroller can do except by consent of the Secretary of the Treasury with which he may put the bank in the hands of a receiver. But there is no mandate that he shall do so; it is within his discretion, and that discretion is still further limited by the discretion of the Secretary.

"During the past summer the surplus reserve of all the clearing house banks fell to a quarter of a million dollars. That is sufficient evidence that many of the banks had reduced their reserve below the minimum. Yet the situation of the money market was not critical; the emergency was far from being the greatest that could occur. It was, however, sufficient for several of the banks to draw on their minimum reserve, and the Comptroller of the Currency took no steps in the matter, except that he may have notified the banks to make their reserves good within thirty days. In July and August, 1893, there was a deficiency in the reserve of the clearing house banks in the aggregate all of the time, but the Comptroller did not interfere with the banks. The occasion justified their course. The law is a rather clumsy effort to prevent imprudence, but it does not defeat itself and make the reserve of no use whatever."

COPPER COINS AS SCRAP COPPER.—The use of copper coins as scrap copper is announced from America, that country having imported from Bombay and Calcutta nearly 10,000 bags of these coins, having a total weight of 250 tons. At the present high price of copper these coins are worth more than their face value, but several pounds of them can be obtained in India for the price of one pound of copper in America.—"Work."