

Canadian Banks' Deposits.

The total deposits in the Government and chartered banks, and loan companies of the Dominion, as shown in the tabulated statements prepared for this issue of THE CHRONICLE, amount to three hundred and thirty-five millions of dollars. The average yearly increase for the last seven years amounts to 15 3/4 millions, and the total increase for the same period exceeds \$110,000,000. The principal items of the banking record of the month of April, for the past eight years, all serve to illustrate the growth, progress, and prosperity of our country, and ought to excite pride in every true Canadian.

Union is Strength.

Some months ago, we reported the amalgamation of a London bank with one having a good connection in the Midland counties. The new institution is now known as the London City and Midland Bank, and that the union has proved a great success is shown by the report of the directors for year ending December 31st, 1898. The earnings of the combined institutions placed over \$2,025,000 at the disposal of the directors. The shareholders received 18 per cent. for the year; the bank premises fund was reduced by \$150,000; the officers' pension fund was allotted \$25,000; and a balance carried forward amounting to \$805,480. The fusion of these two banks gave the London City and Midland a capital of \$13,012,000, and a reserve fund of \$9,325,375.

As consolidation appears to be the only largely effectual method of reducing the risks incidental to excessive competition in banking, it may be none too soon for some of the Canadian banks to follow the example of the monetary institutions of Great Britain, and from the amalgamation of capital and fusion of interests gather greater strength and find a way to increase their returns.

The Canada Life Bill.

The few changes made in the bill recently discussed and passed by the Committee on Banking and Commerce, and known as the company's or stockholders' bill, may be regarded as reasonable concessions by both sides to opposing opinions; and, even if any soreness remains among the more active of the combatants, it is to be hoped the shareholders and policyholders will now accept the situation and combine to advance the interests of the Canada Life.

The Hon. Mr. Fielding's objections to the policyholders' demand for a limitation of the voting power of shareholders were sustained. He contended that such limitation would be as unreasonable as interference by depositors in a chartered bank with the control exercised by its shareholders. However, to offset the defeat of the policyholders in this particular, the Hon.

Mr. Foster succeeded in reducing the voting qualification of policyholders from \$5,000 to \$3,000. A resolution to retain the head office of the company at Hamilton, was defeated, but peace was restored by an amendment giving any special meeting power to remove from Toronto to any other place in Canada.

An effort to deprive directors of the right to determine the amount of dividends they could declare was, very rightly, regarded unfavorably.

Altogether, few will be found to regret that the Canada Life Bill was so thoroughly dissected by such an excellent committee as that on Banking and Commerce. The company's policyholders all over the Dominion will now be represented by six of their number on a directorate of fifteen, and, for the sake of the commonwealth, and the reputation of an almost national institution like the Canada Life, faction fighting must now cease.

The Banking Act. An Amendment.

As a sign of the times, and as an indication of the progressive spirit animating Canadian bankers in pursuit of business, the recent application of the Bank of Nova Scotia to the Dominion parliament for permission to issue sterling bills in the island of Jamaica, is remarkable. Twenty-five years ago, only the principal cities, and a few towns in each province, enjoyed banking facilities. Now, throughout the length and breadth of the country, branches of chartered banks have been established, until every little village and hamlet can boast of having some financial institution within a reasonable distance of the parish church and the school-house. Having occupied every bit of territory from the Atlantic to the Pacific, our bankers are now pushing into the mining camps of the frozen north and into the regions lying between the tropics.

Realizing the extraordinary expansion of the business of Canadian banks, the Minister of Finance has very wisely introduced a bill to amend the Banking Act. Instead of asking permission from parliament for the Bank of Nova Scotia to issue sterling notes in Jamaica, the Hon. Mr. Fielding desires to make a general amendment to the Banking Act, which will provide for the issue of notes in the currency of any particular possession of the British Empire in which a Canadian bank may open for business.

That the establishment of branches of Dominion chartered banks in the principal cities of the United States and in the West Indies is of great use to Canadian trade, and must result in an extension of our business with the West Indies, seems incontrovertible. Yet discussion of the proposed amendment in the Banking and Commerce Committee may provoke opposition from those who contend that the employment of the deposits of the people in attractive markets elsewhere tends, at certain seasons of the year, to restrict Canadian enterprise by denying it financial support. However, any debateable question can safely be entrusted to the committee now having the bill in charge.