

to-day. It will take time to accomplish all this, and much patience will be needed on the part of those who have obligations due them in that provinces.

Money continues to be in full supply for all legitimate purposes. No mercantile house or manufacturing company that has good security to offer can complain of the lack of funds. It has been said for a long time past that banks were becoming more careful as to the security on which they lent money, and more discriminating as to the papers which they passed. We should judge, however, that there has been only too little ground for this opinion. It seems to us that the banks very readily pass securities and commercial paper which are neither good for the borrower to offer nor for banks to accept. It is a delusion to imagine that it is for the borrower's benefit to be able to get weak bills discounted, or obtain money on poor security; for these weak bills are only weak debts due to the borrower, and they contain the seeds of what will become in many instances bad debts and losses. The bank does no service to a customer in lending money on paper, the makers of which are not likely to pay; but the competition between banks for business, has of late years become so keen that almost any trader, no matter how weak his credit, could find some bank willing to take his account and to lend him money on the poorest description of paper, and sometimes on no paper at all. This state of things has existed for some time, and the crop of losses which has ensued amongst wholesale people and banks generally is largely attributable to it; yet in spite of this we are threatened with another bank which, there is every reason to expect, will only intensify the prevailing evil. We know only too well that the management under which this new venture is to be carried on has, in the past, been fruitful in disaster, loss, illegitimate trading and commercial immorality on a widespread scale. One would suppose it impossible in any community for those who have been the authors of such calamities to rally round them the support of any number of persons who have money to lose.

To secure the support of impecunious or superfluous traders, who are always glad of new openings by which money can be borrowed with great facility is not difficult; but the whole number of the solid and respectable members of the mercantile community in every part of the country, are interested in frowning down any attempt to introduce anew bad elements into our commercial community. At any rate depositors ought to be wiser than to venture their money too readily with any new fledged, much promising institution that can call itself a bank. Before they are tempted to risk their money by depositing it in the new concern or any of its branches, persons would do well to consult judicious friends as to whether their money would be safe committed to the same keeping as was the three million dollars of the money of the community, which has already been lost.

We append our usual abstract of the returns of the banks by Provinces, and call attention to the changes that have transpired during the past year:

ABSTRACT OF BANK RETURNS.

30TH APRIL 1884. [In thousands.]				
Description.	Banks in Que- bec.	Banks in On- tario.	Banks in Mar- itime Prov's.	Total.
Capital paid up ..	36,295	18,722	6,744	61,761
Circulation	14,899	10,606	3,734	29,239
Deposits	52,903	40,267	10,767	103,937
Loans & discounts..	87,625	64,514	19,005	171,144
Cash and foreign balances (Net)...	20,149	8,555	2,034	30,738

30TH APRIL, 1885. [In thousands.]				
Description.	Banks in Que- bec.	Banks in On- tario.	Banks in Mar- itime Prov's.	Total.
Capital paid up....	36,305	18,980	6,383	61,668
Circulation	15,688	9,323	3,481	28,492
Deposits	51,451	37,585	9,837	98,873
Loans & Discounts.	90,199	62,577	16,695	169,471
Cash and Foreign Balances (Net)...	16,003	7,100	2,772	25,875

THE GRAND TRUNK RAILWAY.

At the recent meeting of the Grand Trunk Railway Company, Sir Henry Tyler made an estimate of the loss which that company had sustained, during the last half year, through the competition of the Ontario and Quebec line. He put the gross diminution of receipts at £20,000, and the net loss at £6,000, an amount which he thinks need not give the Grand Trunk Company "any great alarm for the future." Perhaps because he desires such a consummation, Sir Henry predicts that the Pacific Railway will fall into the hands of the Government; and this he professes to believe would be the best thing for all concerned, for the Government, the Canadian Pacific, and the Grand Trunk. But he might be mistaken in supposing that such a transfer would put an end to the competition which, even while belittling it, he evidently dreads. It does not follow that if the Canadian Pacific fell into the hands of the Government, it would be worked under the Public Works department. In France, the Government roads are leased, and worked by the lessees.

Any one who reads carefully the speech of President Tyler cannot fail to be impressed with the vastness of the machine which goes by the name of the Grand Trunk Railway of Canada. The last year was a disastrous one for the leading American railways. The Grand Trunk suffered a total loss of receipts of no less than £458,000, say two and a quarter millions of dollars. By extraordinary exertions a reduction of expenditure amounting to £212,000 was effected, bringing the net loss down to £246,000. The reduction of the renewal account from £100,000 to £39,000 can scarcely be classed as a saving; if renewals have cost less, depreciation goes on. The president gives, and we have no doubt deservedly, great credit to Mr. Hickson for his management, including the reduction of expenses.

In one respect the Grand Trunk seems to have had a fortunate as well as an exceptional experience; in its case, the branches have not eaten up the trunk. The branch and subsidiary lines have, as a rule, been profitable; a result of which no other railway in America, perhaps, can boast. When, twelve

years ago, the Grand Trunk found itself in an isolated position and threatened with competition on every side, it entered on the policy of acquiring side-lines and extensions; and with the experience which many other companies had had of such a policy, the hazard of the venture seemed extra great. The result has completely vindicated the bold step then taken. The president gave the profits of the various lines thus acquired for the year. The Grand Trunk and Chicago, the Detroit, Grand Haven and Milwaukee, the Montreal and Champlain Junction, the Midland, the Grand Trunk, Georgian Bay and Lake Erie, the Wellington, Grey and Bruce, and the Great Western were all directly or indirectly profitable, all directly profitable except the Wellington, Grey and Bruce. The Michigan Air Line, 106 miles long, has been worked during the year, and has of course brought a loss. The policy of absorbing subsidiary lines, which has answered so well in the case of the Grand Trunk, has been copied by the Canadian Pacific, and the fact that this has been done has been made by the Grand Trunk a great subject of complaint. But it is just as natural that the one company should desire to pursue this policy as the other. Still it is not surprising that the Grand Trunk complains of the competition to which it is, in this way, subjected. The difference between the two companies is that the Canadian Pacific is more largely aided by grants and loans of public money.

Naturally a large part of President Tyler's speech was devoted to the pooling question. To a railway president, the existence of a pool or of a series of pools is a cause of rejoicing, provided the arrangement is favorable to his own line. But so badly have the pooling arrangements of the lines leading to the sea-board worked, during the year, that the President declares the Grand Trunk would have been better off if they had not existed. The trouble is that there are more roads to do the work than there is full work for. The Grand Trunk feels this, like the others, and has been obliged to pay over on account work over and above what it was entitled to under the arrangement. That company gave notice that it would withdraw from the pool on the 1st April; but the time was finally extended to June. The old pools did not cover the whole area in which they operated; and now the attempt is to be made to prevent the diversion of traffic from points which the pools have not hitherto covered. Mr. J. W. Midgley, who has been put at the head of a new pool arranged by over one hundred railway men who met for the purpose on the 1st April, gives his idea of what ought to be done, in a letter which president Tyler read to the meeting. He says: "What I think the trunk Lines could successfully do is to form an east and west bound pool among themselves. By 'themselves' I mean the eastern trunk Lines. They would not extend west of Toronto, Buffalo, Pittsburg, Parkersburg, &c. The west-bound business could be arranged in group pools. One would include all business originating at competitive points in New England destined to points on or west of the termini of the eastern trunk lines; another all business