

Sarnia.....	3,247,426	6,456,014
Toronto.....	94	906
Montreal	76,084	60,383
Quebec.....	38,724	21,508
Total.....	12,323,991	14,602,087

The quantity of crude consumed in the production of the above was:—

	1871-72 Crude gals.	1872-73 Crude gals.
Guelph.....	249,080	331,360
Hamilton.....	350,710	199,889
London.....	12,792,004	12,931,262
Paris	735,756	583,971
St. Catharines.....	146,845	42,960
Sarnia.....	5,343,236	10,736,396
Toronto	14,500	247,887
Montreal.....	226,332	156,932
Quebec	75,584	13,781
Total.....	19,934,047	25,244,438

A very considerable increase in the crude used and the refined produced appears from the foregoing figures. The quantity exported was 9,635,998 gallons against 8,085,794 gallons in the previous year, showing an increase of 19 per cent. The unfavourable turn which the market took in the latter half of 1873 completely changed this apparent prosperity into a condition of the most serious depression. This will cause the figures of the returns for the current fiscal year to present a marked contrast with those we have been considering alike in regard to the commercial value of this industry and the revenue derived from it.

NEW BANK PROJECTS.

Now that Parliament has assembled a number of bills are being introduced for the incorporation of new bank projects. London, Ottawa, Port Hope, Toronto, and other places in Quebec and the Maritime Provinces are candidates for Parliamentary favors in this line, and in addition subscriptions are now being taken up for a new bank in this city. The gentlemen who are interested in these various projects are doubtless full of hope and enterprise, and look forward to the time when they will be members of boards of direction, and influential members of the community in consequence.

We should be sorry to damp the ardor of any gentleman who has such pleasant prospects before him, but as banking has a very sober, practical side to it, as well as these *couleur de rose* visions, we think it well to advise our readers of some simple considerations that bear upon the subject.

1. It is certain that at present there is no outcry, no urgent need for increased banking facilities. There have been times when such an outcry was common, and when the community was really pressed and pinched

for want of the facilities which banks supply. Some of the largest and most prosperous of banks had their origin in the urgent necessities of such a time, and they owe their success to this fact. They were wanted and when they came they filled a void, and found business waiting for them. But no such want prevails now. No community that we are aware of, no business interest, no large and important enterprise, is suffering because bank accommodation cannot be had. The existing banks have spread themselves marvellously over the country during the last few years, and now there is scarcely an important village, not to say town, but has its branch of one of our chartered institutions, ready to undertake any legitimate banking business. Any new competitors therefore will enter a field that is already well occupied. They will not find good business waiting for them but will have to displace existing interests. To do this they must offer inducements either in the shape of higher interest on deposits, or lower charges for accommodation. This will reduce net profits considerably, and may not after all have the effect of attracting business, for what one bank can offer another can also offer, and certainly institutions with their connections established have an advantage over those which are just beginning business. They will find, it is true, applicants for accommodation in the shape of disappointed and rejected customers of other banks. There are such unfortunates in the country, who cherish secret, and bitter remembrance of the manner in which their paper has been thrown out. They are ready to welcome warmly a new bank, and they will have a pride in offering it really, so-called, valuable and (in their opinion) safe accounts. Such people are in their glory when a new institution opens its doors. They can now show up the manager who had the meanness to say "no" when they last asked him for money. It was not that money was scarce, had it been so they could have borne it, but that the bank discriminates against them. This was the indignity, that the bank was lending freely enough to other people. But now all this is to be remedied. Of such customers new banks have plenty of choice. They give very little trouble about rates of discount; so that they get money they care very little what they pay for it, and they give the banks such a permanent employment for their capital that when once the money is lent to them it is lent for ever.

2. If it is replied that existing institutions are doing well, paying good dividends and accumulating a reserve fund or rest. Let it be remembered that all that are doing well

have either been in business for a long period, or they came into being at a time when there was a real call for them. Those banks which are paying more than eight per cent dividend have accumulated a very large amount of reserve fund which serves them as well as capital in its earning power. If a dividend on this portion of the property of the bank were reckoned separately it would be found that the amount divided is very little more than eight per cent. on the whole. There is this also to be considered when the question of profit and prosperity is raised that new banks entering into a field thoroughly well occupied, and having to content themselves with second and third rate business, will be exposed to a far heavier risk from bad debts. It is easy enough to lend money if the standard of risk is lowered, but it is equally easy to lose the whole profit that are made. Banks now in existence and doing well have lost year after year the whole of what they made, the result being a necessity for cutting down capital. Where this has not been the case with the whole bank, it has been true of particular branches. Every bank in Canada can doubtless point to a time when at some branch or other, the losses swept away the profits year after year. New banks coming into existence against strong competition will be exposed to this danger, and it is not at all improbable that if some of them do get so far as to commence business they may drag on a lingering existence for a few years until their losses have destroyed public confidence, and a winding up becomes the only alternative.

As to banks having their head offices away from centres of finance none know better than practical bankers under what disadvantage they labor. This, however, is a view of the subject on which there is no need to enlarge after the experience of the last twelve or fifteen years.

MERCANTILE AGENCIES.

A motion made by Mr. Domville, of Nova Scotia, for a committee to enquire into and report upon the working of these organizations in Canada, has been adopted by the House of Commons. After an investigation by a tribunal clothed with such ample powers, it is to be presumed the facts relating to mercantile agencies will be much better and more generally known, unless the enquiry should prove to be a merely formal one, as sometimes happens with Parliamentary committees. It would be unfair to assume, in the absence of direct information, that Mr. Domville's course is dictated by a hostile spirit; nor are the public concerned in that matter. There can be no objection to an inquiry into the