

—MR. MILLER, the accountant of the Agricultural Savings and Investment Society, of London, Ontario, recently received leave of absence for the benefit of his health. Instead of returning to resume his position, he wrote the company acknowledging that he had stolen some \$3,000 of the Company's money, and offering to make a statement at Detroit. Thither the manager of the company went, but without meeting Miller, whose courage seems to have failed him. It is presumed he has left Canada for the States, and he had with him, when last seen, a gayly dressed young woman, who was not his wife. He had previously sent his wife and family to Britain. The company have a guarantee bond for \$2,000 against Miller's default.

—In the month of June the United States shipped 1,086,704 pounds of refined sugar into Canada, and 2,576,370 pounds to other countries. There has been a slight falling off in the trade, principally with Britain, but the exports to this country keep up well. All the American refineries, some of which have a capacity of 2,500 to 4,000 barrels per day, are busy, and have been worked to their full capacity for the past month.

—Five shares in the Avon Marine Insurance Co., of Windsor, N. S., were sold at auction for \$350 per share. The paid-up value of these shares is \$25 each, but their market value is determined by the yearly dividends which are enormous some 160 per cent. having been paid last year.

—An action has been entered in Montreal by Mr. Thomas Kershaw, broker of that city, to recover some \$24,000 from Messrs. Bond, Bros. Complainant alleges that the Messrs. Bond broke faith with him in refusing to carry Bank of Commerce stock, by which it is presumable the complainant lost.

—Mr. Brush the Cashier of the Intercolonial Railway at Moucton has absconded, taking a considerable amount of Government money with him. The Government holds a guarantee policy for his fidelity.

## Correspondence.

### THE MERCHANTS' BANK.

To the Editor of the Monetary Times.

SIR,—The remarks in your last number respecting the Merchants' Bank of Canada, were read by me with great interest; and the truth of them must be acknowledged by all readers of your journal.

A very dangerous principle has been adopted by several of the banks in dealing with their Profit and Loss accounts. A kind of recklessness has been shown in dividing large dividends, while the amount of *net profits* does not admit of it. Take, for example, the statements published by the Merchants Bank and the Union Bank of Lower Canada. However covered up and disguised, the fact of deficiencies on the year's business of both these banks cannot be

concealed. Taking the figures given by each bank, and placing them in a clear and accurate shape (which has not been done by either of the banks named), we shall find them read thus:

#### MERCHANTS' BANK.

Gross profits to Nov., 1875..... \$ 687,691  
" " May, 1876..... 695,257

\$1,382,948

Less—Working expenses of  
year .....\$349,146  
Interest paid and reserved 320,551  
Appropriation for bad and  
doubtful debts..... 350,000  
16th div. paid Jan. 1876.. 325,402  
17th " " July, " .. 326,058

1,671,157

Leaving deficiency for year ending  
May, 1876 ..... \$288,209

The case of the Union Bank of Lower Canada is equally bad:

Profits for year ending June 30, 1876 \$ 186,455  
Add profit and loss old account.... 9,518

\$ 195,973

Less—20th Div. paid Jan.  
1876 .....\$ 69,649  
21st Div. paid July 1876.. 69,678  
Appropriation for bad and  
doubtful debts..... 204,000

343,327

Leaving deficiency for the year ending  
30th June, 1876..... \$147,354

Instead of paying eight per cent. and seven per cent. respectively, during the past year, no dividends should have been paid by these banks.

It may be remarked, with reference to both banks, that in neither of the annual reports is it declared that all bad debts have been written off. In both cases, too, the Rests have been seriously trampled upon, which should not be touched, except in extreme cases, to meet special losses, but not the ordinary mercantile risks of any current year. This mistaken course, if persisted in, must ultimately lead to most disastrous consequences.

BANKER.

12th July, 1876.

### STOCKS IN MONTREAL.

4 o'clock, July 19, 1876.

Stocks.	Lowest Point in Week.	Highest Point in Week.	Total Transac'ts in Week.	Buyers.	Sellers.
Montreal .....	187½	188	657	187½	188
Ontario .....	102½	103	400	102	104
Consolidated .....	99	99½	67	99	99½
Peoples .....	99½	99½	50	99½	99
Molsons .....	100½	100½	40	100½	100½
Toronto .....	33½	33½	25	33½	33
Jacques Cartier .....	91½	92½	185	92½	92½
Merchants .....	122½	124	805	124	124½
Commerce .....	.....	.....	.....	5½	58
Metropolitan .....	.....	.....	.....	.....	.....
Maritime .....	.....	.....	.....	.....	.....
Exchange .....	.....	.....	.....	.....	.....
Hamilton .....	.....	.....	.....	.....	.....
Union .....	.....	.....	.....	.....	.....
Montreal Telegraph .....	159	159½	263	159	159½
Dominion Telegraph .....	.....	.....	.....	.....	.....
Gas .....	.....	168	609	168	169
City Pass .....	.....	.....	.....	22½	23½
Sterling Exchange .....	109½	109½	.....	109½	109½
Gold .....	111½	111½	.....	111½	111½
M. Telegraph (xd) .....	.....	.....	.....	.....	.....

—The ratepayers of Dresden have carried a by-law granting \$25,000 to the Sarnia, Chatham, and Erie Railway.

STANDARD LIFE ASSURANCE COMPANY.—At a special general meeting held on the 28th ult., the report of the directors was submitted, in which it was announced that bonus additions had been made on the present occasion:—1. To the policies on the tontine scheme at the rate of 6s. per cent. per annum, giving additions varying from 6s. to £15 per cent., according to the age of the policy. 2. To the policies on the equal scheme at the rate of 30s. per cent. per annum since last investigation; and 3. To the colonial policies at the rate of 26s. per cent. per annum since last investigation.—*London Review.*

—The Columbian Government seems to be in earnest in regard to the construction of an inter oceanic canal across the Isthmus of Panama, and a law for the building of the canal has already been reported. The details of the enactment are quite minute, providing, among other things, that the canal shall have a capacity for ships of from five to six thousand tons; that it shall be without locks or tunnels; that its cost shall not exceed one hundred million dollars; and that it shall be completed within ten years after the formation of the company, though the president can grant an extension of four years if necessary.

—The tendency of the American drawback on sugar to attract a great part of the raw product of other countries to the United States is well illustrated in the case of the Island of Cuba. Returns received at the Treasury Department from Havana show that during the year ending Dec. 31, 1875, there were exported from the Island of Cuba 661,058 tons of sugar and 184,843 tons of molasses. This is an increase over the exports of 1874 of 49,408 tons of sugar, and 9,618 tons of molasses. Of the sugar 468,219 tons, or seventy-one per cent. of the entire quantity exported, and of the molasses 171,087 tons, or ninety-two per cent. of the entire quantity exported, came to the United States. It is to be hoped the time will soon come when Canada will receive a just share of this trade.

—The New York *Bulletin* attributes the late large reductions in American imports to the following causes: (1) a decline in prices on the foreign markets, which has diminished values as compared with quantities; (2) a limitation of importers' credits, owing to the prevailing distrust; (3) a curtailment of the ability to buy, on the part of our consumers; and (4) the competition of home products, which having declined relatively more than foreign commodities have received in many cases a preference over them. It is impossible to say in what proportion each of these causes has contributed to the contraction of trade; but it will perhaps be generally conceded that the two last have been most influential.

—Owing to the hard times and low freight rates, vessels out of Chicago and Milwaukee are loading too deep. The owners and masters want to take every bushel possible, and in their eagerness to get on a sufficient quantity to pay expenses are really overloading. This is not the case with small and medium dimensioned craft alone. The larger sail vessels and propellers are following the same course, and unless some check is put upon the practice there will be some serious disasters. Underwriters interested should take sharp note of this matter, and cause owners and masters to understand that such overloading vitiates the insurance.—*Chronicle.*

—The Ocean Marine Insurance Association of Halifax has just paid each of its forty underwriters \$500 apiece as the result of last year's operations; this makes \$2,500 paid to its underwriters within six years, and only on one occasion was a call made, which was afterwards repaid.