

in the bank's ordinary loans. While the growth in deposits of the banks generally during 1897-99 has been nearly 28 per cent., the growth in those of the Canadian Bank of Commerce has been more than 47 per cent.

MERCHANTS' BANK OF CANADA.

When we read in the Montreal papers of yesterday evening, with respect to this bank, that "the report was adopted, and the usual routine business transacted, after which the old board of directors was re-elected," one might suppose that the annual meeting had passed off harmoniously. But it was very far from that. Three or four shareholders objected to the report, criticized the directors, and all but abused the management because the year's showing was unsatisfactory. This report we print on page 1700. Mr Boas was down upon the rebuilding of head office, and indeed could not see any need of a bank pension fund. But whatever Mr. Boas may think about philanthropic affairs, he ought to get his facts right. He was clearly wrong in saying what he did about Mr. Hague's engagement, and the salary that gentleman is now receiving. It is only fair that it should be known that Mr. Hague voluntarily gave up part of his salary when Mr. Fyshe was appointed his coadjutor. There is another thing to be remembered to Mr. Hague's credit, that in the reconstruction times of the Merchants' Bank in 1877, he reduced his own salary, for economy's sake, in greater ratio than his subordinates.

There is more point and decidedly more weight, in the criticisms of Mr. Barbeau. This gentleman objects that the board must take the responsibility of the discrepancy between Mr. Hague's estimate of the bank's assets and that of Mr. Fyshe, amounting, as it does, to \$600,000, and that such discordant views are calculated to do the bank harm. Further, he says that eight millions is too much to hold in liquid assets, bearing low interest. As to the low value put by Mr. Fyshe upon certain assets, which is really what has caused all the talk, it is to be remembered that some assets, so valued, are yet to be realized upon, and that they are not necessarily worth only this estimate, but may bring much more. There is something to be said, too, for Mr. Hague's advocacy of taking a hopeful view of doubtful assets rather than a pessimistic one. Indeed he has said that in former years this very bank, by reason of despondent views, sacrificed certain assets which if they had been kept a few years would have realized hundreds of thousands of dollars. If the future proves Mr. Fyshe to be right, and Mr. Hague and the various branch managers concerned to be wrong, in their valuations, all the more credit will be given to Mr. Fyshe for his prescience.

It may be pointed out, lest some persons should see anything alarming in these figures, that the \$600,000 written down is less than $2\frac{1}{4}$ per cent. of the whole assets of the bank, and only 3.81 per cent. of the ordinary current loans, which approach sixteen millions. We are not among those who think that because a certain conservative policy in valuing and in dividend-paying, approved by a board of business men, has been adopted, there must be thereby involved any question of public confidence in the Merchants' Bank. Differences of opinion on matters of detail may quite

consist with a general harmony in the principles of management. Individual shareholders are entitled to express their opinions, and have done so. But the collective wisdom of a board and a managing bureau is not thereby to be turned all at once to foolishness.

IMPERIAL BANK OF CANADA.

We have already had occasion to notice the unusual earnings of this bank during the past year. They were at the rate of rather more than 15 per cent. on capital; and enabled the addition of \$100,000 to rest account, and the writing off of \$20,000 from bank premises account, after distributing nine per cent. to shareholders. It is very agreeable to observe that the meeting on Wednesday approved the proposal to contribute \$20,000 to a pension fund for officers and employees of the bank. A generous paragraph in the report refers to the loyal earnestness of the staff in working for the best interests of the institution.

Ten years having elapsed since the last increase of the capital stock of the bank was authorized, and the deposits and circulation having more than doubled in volume in the interval, the directors recommended an increase of the capital stock to \$2,500,000. This was approved by shareholders, and will be carried into effect during the ensuing year. The total assets have been swelled during the last year to \$18,845,000, and of this large sum no less a proportion than \$8,559,000 is in readily available shape. The death of Mr. Hugh Ryan, a valued director of the bank for eleven years, having left a vacancy upon the board, it was filled by the election of Mr. William Hendrie, of Hamilton. Branches of the bank have been opened in Hamilton and Listowel, Ontario, and Nelson, British Columbia, during the year.

BANK OF TORONTO.

The report of the Bank of Toronto exhibits net earnings a trifle greater than in the past two years, and after paying the usual dividend of ten per cent., a larger sum is carried forward. This was to be expected in view of the increased business of the bank, whose deposits are swelled to \$11,500,000, and whose current discounts have gone up within the year from \$10,718,000 to \$11,360,000. A sum of \$5,687,000 is carried in the shape of immediately available assets, about one-half being Government and other debentures. A branch of the bank has been opened at Rossland, B.C., as was natural in view of the considerable business connection the institution has with that region, and a branch also at Stayner. The brief address of the president, as well as the report of the directors, referred to the improved conditions of business generally. This betterment refers as well to the lumber trade, in which this bank has a large interest.

STANDARD BANK OF CANADA.

The Standard Bank has shared in the general activity of the year's business and thrift, as is evidenced by an increase in deposits, in current discounts and advances, and in total assets. The assets now exceed ten millions of dollars. As a result of increased business quite noteworthy earnings are shown, viz.: \$126,-