

by the issue of the elections. The *MONETARY TIMES* is not a political journal, and the battles between the "ins" and "outs" on purely political grounds do not much concern it. But the last election turned to a very remarkable extent on commercial and business issues. The stability of our rising manufacturing industries was the main question in every part of the country. Even in the lower provinces, where a violent agitation of a political character had broken out, the questions brought to the front were of a fiscal and commercial character. Doubtless the people of Nova Scotia have been led to see by this time that their interest is identical with that of the rest of the country, and that what is good for Ontario and Quebec cannot be bad for them. For there cannot be a greater delusion than to fancy their chance of opening up relations of reciprocity with the United States as a separate colony, superior to what they have as a part of the confederation.

Whatever opinions may be entertained as to the course the leaders of the opposition might have taken had power been transferred to their hands, there can be no doubt as to what the course of the present government will be. They will act upon the same broad general lines of policy in fiscal and commercial matters, that have characterized their administration for some years past. All parties feel that in these respects the course of the Government is assured. And of all things, men who are engaged in business require assurance and certainty. Doubt paralyzes trade and enterprise. Men will never risk their money when there is a doubt as to the course of legislation. That such doubts existed, even amongst those whose political sympathies were with the opposition, is certain. The assurances of the leaders were everywhere taken with large reservation. They were judged not so much by what they would say under the exigencies of the moment as by the principles to which, as a party, they have long been committed. It was shrewdly judged that they would endeavor to carry out those principles as soon as circumstances admitted of it; and the judgment no doubt is right. The election was simply the expressed voice of the great business community of all parts of the Dominion saying, let things in the main go on as they are. Not that this implies approval of mismanagement, or abuses or corruption; far from it. These things are not looked upon as a part of the policy of the government, but as excrescences that may be cut off, and ought to be.

The side issue that diverted a considerable number of the votes in the Province of Quebec can only be looked upon as a temporary one. Had that issue not arisen (and in the course of affairs in Canada it cannot be considered as anything but an accident) the issue would have been determined upon purely commercial and fiscal grounds, and would no doubt have largely swelled the majority of the government.

The issue of an election is important to the commercial and financial portion of the community largely as determining who shall have the handling of commercial and

financial questions. The Finance Minister is an important personage in every Government. So is the Minister of Inland Revenue. In the former office especially it is of the highest importance to have a clear-headed and practical man of business, who not only has opinions of his own, but is willing to give reasonable weight to the representations of others. A Finance Minister who has no particular views or well-grounded opinions is a mere "reed shaken by the wind," and liable to be influenced unduly by the last word spoken to him. On the other hand the Finance Minister who is so puffed up with conceit of his own ability as to think it almost an impertinence for any suggestions to be made to him, who snubs deputations of merchants, and treats men of experience as if they were schoolboys; is, by his peculiar idiosyncrasy, as liable to damage the country's interest as the other.

During the next few years some questions of great national importance will require to be dealt with, and even during the next session of Parliament it may be a question whether the tariff cannot be improved in some respects, so as to make the National Policy even still more national than it is. It is possible that relief may be given in some directions in such a way as to promote the good of the whole Dominion. But these things cannot be handled except by men who have a clear and sound understanding of commercial questions, and who are willing to receive information and give due weight to the opinions of men of experience. The modifications we refer to of course comprehend only matters of detail and do not touch the general principles of our tariff.

It is to be hoped that the management of the national finances will be in good hands for some time to come. Of Sir Charles Tupper's ability as a politician there need be no discussion. He stands in the front rank in that respect. Whether he is an able financial administrator remains to be seen.

Money continues fairly plentiful, though not so easy as it was some months ago. A movement has already been made to advance the rate of discount from six per cent. to seven on the average run of mercantile accounts. Our own convictions upon the bearing of Government deposits on the rate of interest have been clearly expressed. The rate of interest follows, and must always follow, the law of supply and demand. But the area over which this law operates is very wide. A mere local plentifulness or scarcity of money has no effect upon the general position. And in considering rates when comparisons are made, care should always be taken to compare the same kind of loans and the same kind of security. It is a mistake to suppose that because a man can borrow on first class bonds a round sum of money, repayable at call or at a day or two's notice at a low rate of interest, that a number of mercantile bills running for various periods and of various degrees of strength and certainty of payment can be discounted at the same rate. There is as much difference in the quality of loans as there is in the quality of

different brands of flour or grades of wheat. If a miller were told that he ought to charge a uniform price for his flour, whether it was first, second or third quality he would reply that this was not according to common sense. Neither is it to charge a uniform rate for loans and discounts.

A long period has passed since money in this country was really tight. A heavy monetary pressure such as would compel the banks to curtail their discounts has not been felt for some years. But such times will come round again. Bankers at such periods have to discriminate between first, second and third class customers. It should be the aim of all mercantile people who value their good relations with the bank to get themselves into the first category.

ABSTRACT OF BANK RETURNS.

31st JANUARY, 1886. [In thousands.]

Description.	Banks in Quebec.	Banks in Ontario.	Banks in other Prov's.	Total.
Capital paid up..	\$ 35,930	\$ 17,825	\$ 8,384	\$ 62,139
Circulation	15,286	10,552	4,008	29,845
Deposits	54,775	42,456	11,649	108,880
Loans & Discounts	80,825	61,911	16,632	159,368
Cash and Foreign balances (Net)...	24,664	10,163	5,000	39,827

31st JANUARY, 1887. [In thousands.]

Description.	Banks in Quebec.	Banks in Ontario.	Banks in other Prov's.	Total.
Capital paid up..	\$ 35,204	\$ 18,250	\$ 7,804	\$ 61,258
Circulation	16,073	11,437	4,601	32,111
Deposits	53,444	46,353	12,605	112,402
Loans & Discounts	85,985	66,342	17,540	169,867
Cash and Foreign balances (Net)...	18,468	9,111	4,507	32,086

SPRING MILLINERY.

This is the busy season of the millinery houses, and the present week is one of delight, mingled with anxiety, to the milliners who come from far and near to be present on the "opening days" of our millinery and mantle importers. The wholesale streets are bright with the unaccustomed array of well-dressed women, and the warehouses are absolutely thronged with female visitors. That they are customers, too, is true of most. One may see them as he passes the windows—some, pensive as if they feared to buy too much; others eager to buy even more than is desired. Here is the experienced purchaser, who knows just what she wants and the quantity she requires. There is the novice, timid and hesitating, or else sanguine and willing to be advised in consonance with her wishes.

Sunshine or rain; snow or dust, the millinery openings will always bring a crowd, and so it has been this season. We observe that yesterday's *World* gives a list of seventy ladies stopping at hotels who are in the city for the occasion from Ontario, Quebec and Manitoba. We could undertake to say, from our observation, that several times this number must be in Toronto. And it is the same in other cities wherever fresh goods, new styles, bright colors, can be seen. New colors there