

per lb., a difference of about \$8 per tub, or \$144 on 18 tubs. Through refusing 23½c. per lb. in the fall he has lost at least \$5 per tub, as he could not get over 15c. per lb. for the lot, which contains only some three or four packages that can be called fine. This is no isolated case, but one of very many among Canadian farmers. In Western Ontario some farmers are beginning to see the hopelessness of the situation, and have offered their poor held stock at 10c. per lb., without finding ready purchasers, and as low as 8c. has been paid by storekeepers west of Toronto. There is nothing however to create surprise in the foregoing statement of facts, as we cannot see what reasonable grounds farmers can have for expecting as much for inferior as for choice goods. Our surprise is that they get as much as they do for grease. Farmers may as well make up their minds at once that heavy losses will henceforth be the inevitable consequences of holding butter. The time was when as much could be got for poor as for fine stock, but that age is gone forever, and the sooner our dairymen adapt themselves to altered circumstances the better for their reputation and their pockets.

#### THE BANK STATEMENTS.

The abstract of the bank returns for January, which will be found at foot, shows a decrease of over two millions in the liabilities, caused chiefly by a reduction in the circulation. The assets have been reduced in proportion, but chiefly those ranked as available. There is a feature in the returns which deserves notice and which ought to be criticized. While the available assets have been reduced by over one and a half millions, the Dominion notes held by the banks are considerably in excess of what they were in December, and it appears from the Government return that the large notes of the denominations of \$500 and \$1000 are considerably in excess, while those of the smaller denominations have decreased. The banks are holding far too large a portion of their reserves in Dominion notes, the proportions being about 60 per cent in gold and 40 per cent in notes. It cannot be too often brought to the notice of the public that the policy of the Finance Minister is not only opposed to that of the English Bank Act of 1844, but to the Canadian Dominion Note Act, the principle of which was that there should be a limit to the issues on public securities, and that all issues in excess thereof should be on gold alone. That is the only safe principle on which a Government issue can be based, and the deviation from it entails a heavy responsibility on the part of the Government.

	Dec., 1884.	Jan., 1885.	Jan., 1884.	Jan., 1875.
Capital authorized.....	\$71,896,666	\$71,896,666	\$69,396,666	\$72,566,666
Capital subscribed.....	64,685,934	64,685,934	63,555,134	68,101,716
Capital paid up.....	61,605,521	61,623,800	61,474,273	62,382,810
Reserve fund (Rest).....	18,339,129	18,250,129	17,512,718	.....

#### LIABILITIES.

Circulation.....	\$31,935,933	\$29,689,047	\$30,031,077	\$25,638,657
Dom. Gov. deposits on demand.....	4,625,625	3,427,129	4,376,857	3,959,075
Dom. Gov. deposits payable after notice.....	130,000	130,000	1,790,000	5,619,896
Deposits sec'g Gov. Contracts & Insur.....	575,114	585,425	1,019,282	.....
Prov. Gov. deposits payable on demand.....	700,099	1,168,082	923,515	1,665,495
Prov. Gov. deposits payable after notice.....	1,893,511	2,593,511	3,041,381	4,802,618
Other deposits on demand.....	42,904,831	41,580,102	44,138,535	32,776,892
Other deposits payable after notice.....	49,405,040	50,027,254	53,025,977	32,287,696
Loans or deposits from other Bks. secured... Do by other Can. Banks, unsecured.....	310,296 1,113,221	290,733 1,085,684	14,000 1,276,072	..... .....
Due Banks in Canada.....	1,074,531	1,371,034	1,516,607	1,516,534
Do. in foreign countries.....	60,104	140,523	72,655	795,037
Do. in the United Kingdom.....	339,654	659,829	1,153,960	9,542,101
Other liabilities.....	306,378	264,350	345,369	425,796
<b>Total liabilities.....</b>	<b>\$135,374,939</b>	<b>\$133,012,703</b>	<b>\$142,725,187</b>	<b>\$118,321,799</b>

#### ASSETS.

Specie.....	\$7,469,757	\$7,620,850	\$7,527,338	\$6,999,835
Dominion notes.....	11,007,629	11,923,661	11,799,980	8,395,297
Notes and cheques on other Banks.....	6,100,270	4,603,216	5,591,073	4,635,209
Due from Banks in Canada.....	2,331,317	2,872,558	3,259,036	3,774,136
Due from Age's or B'ks in for'n. countries.....	12,411,218	11,905,994	17,346,687	7,421,548
Ditto in the United Kingdom.....	5,118,914	4,061,046	4,366,688	683,288
<b>Available Assets.....</b>	<b>\$44,439,105</b>	<b>\$42,787,325</b>	<b>\$40,890,832</b>	<b>\$31,910,113</b>
Gov. debentures or Stock.....	\$1,405,436	\$1,198,806	\$897,040	\$1,308,260
Loans to Dom. Govt.....	1,612,986	1,585,693	671,042	121,896
Do. Prov. Govt.....	1,517,433	701,731	1,681,060	9,845
Securities other than Canadian.....	850,898	1,781,575	1,295,784	.....
Loans on stocks, bonds, debentrs. Can. or for'n	11,929,656	11,310,296	11,933,117	10,640,448
Loans to Municipal Corporations.....	1,331,803	1,170,874	1,272,788	.....
Loans to other Corporations.....	15,878,352	15,342,666	15,360,527	2,957,426
Loans or deposits in other Banks, secured.....	493,494	480,820	207,836	.....
Loans to or Deps. in other Bks, unsecured..	247,614	308,026	152,540	.....
Discounts.....	122,109,496	122,395,531	129,959,712	137,290,107
Notes overdue not specially secured.....	3,345,543	3,536,565	2,317,914	1,234,685
Overdue notes, secured.....	3,091,569	2,027,145	2,160,590	1,562,240
Real Estate.....	1,219,422	1,242,781	1,111,848	543,781
Mortgages on Real Estate sold by Banks...	834,360	847,449	828,562	.....
Bank Premises.....	3,188,745	3,198,560	3,072,082	2,851,325
Other Assets.....	2,291,199	2,173,060	1,994,163	1,708,770
<b>Total Assets.....</b>	<b>\$215,787,512</b>	<b>\$213,088,903</b>	<b>\$224,815,446</b>	<b>\$192,138,510</b>
Directors' Liabilities.....	7,596,401	7,480,863	8,689,631	.....
Average Amt. Specie during month.....	7,421,108	7,107,429	7,275,614	.....
Average Dom. Notes during month.....	10,821,888	11,822,978	11,532,797	.....

#### TREATY-MAKING.

During a recent discussion in the House of Commons on the subject of negotiations with Spain for a more favorable commercial treaty the Hon. Mr. Mills called attention to the fact that the Colony of Newfoundland had been authorized to open negotiations with the United States with regard to a fishery treaty. A paragraph has been going the rounds of the Canadian press which states that "it is reported" that the privilege

of "negotiating directly with the Government of the United States," has been conceded to Newfoundland. We have no doubt that there are persons who for mere party purposes would contend that a delegate from Newfoundland would have more influence, if acting by himself, than in concurrence with the British Minister at Washington, but such a pretension is contrary to common-sense, and, moreover, we feel assured that if negotiations are to be opened on the subject of the Newfoundland fisheries, the arrangements