

last, we think conclusively prove that much of this augmentation was natural and not forced, although it may have been somewhat overdone, a blunder, if such, which can easily be remedied in 1873. To meet the demand referred to, the paid-up banking capital has been increased by nearly \$9,000,000. Circulation has increased \$2,000,000, and all deposits, \$500,000, the change in the latter accounts being a withdrawal of \$1,500,000 of Government, while general deposits have been augmented by \$2,000,000, making a difference in favour of 1872 of the amount above stated. Added to the discounting power, were also \$4,000,000, which were called from foreign agencies. These amounts, with the reduction of other minor accounts, exceed \$16,000,000. It will thus be seen that the business of the country has not been done on a false basis, and these figures do not include the increase in government circulation, which was about \$2,500,000 on the 31st Dec. last, in excess of 1871. It is a fortunate circumstance for commercial men that we have passed from the old days of reckless bank management. No Monetary concern in this country which had close association with hungry politicians ever succeeded. We have had ample and very dear experience on this head. But 1872 closed with our banks (with one or two exceptions) in high favour with the public, and most of their shares at a premium corresponding to their reserve account, which, in the case of many has been swelled up to a considerable amount. The condensed table which will be found below, marks the management of our banks very creditably, the overdue debts unsecured being about \$400,000 less than in Dec. 1871. The value of real estate, not bank premises, has also been

reduced \$100,000; and assets, not specially mentioned, and not likely to be of the choicest kind, have been reduced \$600,000—in other words, over \$1,000,000 have been saved out of doubtful accounts. As a great cause of our financial success we must not omit to recognize the greatly increased wealth of the agricultural people, the harvests of the past three years having been fully average ones, and the prices realised for cereals and lumber having been above the average of the previous three years.

Statement showing the capital subscribed, paid up, general liabilities and assets, on the 31st December last, compared with the corresponding period of 1871:—

CAPITAL.		
	1871.	1872.
Subscribed. ....	\$ 40,567,656	\$53,281,216
Paid up. ....	38,542,029	47,282,759
LIABILITIES		
Circulation ....	\$23,000,000	\$25,000,000
Gov. Deposits..	9,038,163	7,431,658
Gen. Deposits..	47,393,347	49,353,820
Other liabilities.	1,887,374	2,981,621
Total. ....	\$81,318,884	\$84,767,099
ASSETS.		
	1871.	1872.
Specie. ....	\$6,526,072	\$5,801,144
Dominion Notes.	6,719,418	7,685,310
Notes of other Banks. ....	2,911,005	3,727,461
Balance due from Banks, Canada	1,903,914	1,747,543
Do. not in Canada	14,164,875	10,109,588
Gov. Debentures.	1,437,870	1,328,168
Loans to Govt..	1,219,891	508,252
Do. Corporations	1,807,710	2,415,281
Bills discounted.	85,070,654	104,897,465
Notes overdue not secured...	1,375,517	994,502
Overdue Debts not secured...	1,115,251	1,315,571
Real Estate, not Bank Premises	793,972	697,763
Bank Premises..	1,735,584	1,939,301
Other Assets....	2,099,749	1,472,563
Total. ....	\$128,881,489	\$144,639,915
The figures showing the extent of our		