

otherwise. And equally true, that many who continue in business to-day would be far better if they closed up their stores and entered into the service of others again. This has often been said before; there seems, however, some strange fascination about entering upon business as a principal, and people constantly make up their minds to encounter its risks, notwithstanding the innumerable warnings that there have been from past failures.

The one consolation, and it is a practical one, is that we are probably better off than our neighbors and friends. That the year 1894 was one in which little money was made in business in the United States, goes without saying; nor were things very much better in the United Kingdom. Stagnation has been the rule in nearly every line of business, and nearly all traders complain that business is overdone. Competition is as keen across the Atlantic as it is here; and the complaint is that there are too many engaged in business for the volume of business to be done.

In the great cotton spinning town of Oldham, in Lancashire, where nearly all the business firms are now merged into joint stock companies, nearly the whole of these companies report either no profits at all or a downright loss. In that town, it is said, there are more spindles than in all the factories of New England put together. There are in fact sadly too many for the interest of the proprietors and stockholders. A large part of the business of this town has been carried on for years solely for the benefit of the workpeople. And a paragraph on another page relates how unprofitable the English ironmasters have found last year's business. The cotton mills of Canada have settled down into a steady line of manufacture, with reasonably steady profits. Good management, economy and an absence of unreasonable competition have resulted in reasonable returns to the stockholders in the mills, while it is certain that the article is produced at as cheap a rate as could reasonably be desired. But business in the sugar refineries has been bad, and is so still.

There is one thing that Canada can always be congratulated upon, that is the stability of her currency. That currency has always rested upon a solid basis of gold. We have never been tormented with foolish theories about silver as a foundation for currency. No body of bi-metallists have appeared amongst us thrusting their foolish theories into public notice. Silver has not become a disturbing factor in our politics. Our Government has never been guilty of the extraordinary folly of accumulating immense vaults full of silver which it does not want and cannot use. In some respects we are fortunate in having no immense silver mines, for silver is a disturbing factor in the currency position all over the world. In India and the East generally, the decline in silver has been productive of serious consequences to the great banks doing business in these regions, as well as to the officers of government and other employees who have seen their salaries—even if nominally increasing—steadily diminishing in purchasing power for years. From all such complications we are happily free.

In entering upon a new year, one of the most pressing questions will be with wholesale houses as to the amount of credit they are to extend to their customers. There can be no doubt that under pressure of competition credit has been much abused of late years. The intimate connection between the length of credit and the total amount of credit to one person is not always perceived. If credit was cut down from six months to four, the average amount of risk to each customer would be reduced one-third. Losses by bad debts would be reduced in the same ratio, and a far easier state of finances would generally supervene. If the losses and misfortunes of the past year lead to a thorough

reform in this respect, they will not have been suffered in vain.

## ABSTRACT OF BANK RETURNS.

31st December, 1893.

[In thousands.]

Description.	Banks in Quebec.	Banks in Ontario.	Banks in other Prov's.	Total.
Capital paid up .....	34,721	17,667	9,709	62,099
Circulation .....	17,118	11,980	5,320	34,418
Deposits .....	88,303	67,464	23,509	179,276
Loans, Discounts and Investments .....	111,249	80,512	33,803	225,564
Cash, Foreign Balances (Net), and Call Loans .....	36,986	23,159	6,265	66,410
Legals .....	6,039	4,749	2,499	13,287
Specie .....	4,093	2,266	1,332	7,691
Call Loans .....	5,321	8,042	873	14,236
Investments .....	7,453	8,967	3,444	19,864

31st December, 1894.

In thousands.

Description.	Banks in Quebec.	Banks in Ontario.	Banks in other Prov's.	Total.
Capital paid up .....	34,806	17,691	9,186	61,683
Circulation .....	15,748	11,400	5,227	32,375
Deposits .....	94,604	72,407	25,286	192,297
Loans, Discounts and Investments .....	109,863	77,172	35,132	222,167
Cash, Foreign Balances (Net), and Call Loans .....	42,400	30,461	6,294	79,155
Legals .....	6,859	5,741	2,609	15,209
Specie .....	4,178	2,802	1,038	8,018
Call Loans .....	6,560	10,360	871	17,791
Investments .....	7,126	9,915	4,441	21,482

## DEPOSITS.

Government Savings Banks .....	\$42,855,456
Montreal City and District Savings Bank .....	8,885,718
La Caisse d'Economie, Quebec .....	4,785,296
Loan Companies, 1894 .....	19,000,000
	75,526,470
Bank Deposits .....	192,297,000
Total Deposits of all kinds .....	\$267,823,470

## GOVERNMENT CIRCULATION.

Small .....	\$ 7,553,293
Large .....	13,688,550
	\$21,241,843

Gold held, \$9,470,918, or.....44.58 per cent.

## CANADIAN CHEESE.

The value of a good reputation for trade products is a very definite quantity, and may be as important, relatively, to a nation as to a man. Pains must be taken to ensure the continuance of conditions that formed this reputation, if it is to be maintained. And, what is more, the aims or acts of competitors must be kept in view, and the improvements that time or change suggest should not be ignored. This, or something like it, appears to have been in the mind of Mr. Pattullo, president of the Western Ontario Dairymen, when he spoke on the occasion of the convention at Stratford last week of their association. Canada has a good reputation for cheese, and exports a great quantity of it. Let her take pains to keep up, nay even improve, the quality of the article, rather than too hastily extend the industry. This is the advice of Mr. Pattullo in view of the stimulus given to cheesemaking in other countries by the success of Canada. Overproduction is to be feared as a result of this stimulus. "There never was," he says, "a time in the history of the trade when it was more necessary to be alive to the feverish spirit of competition abroad, and to guard the position which we hold against all who, by honest endeavor or otherwise, seek to equal us in the English market."

Reviewing the past twelve-month, its lesson to salesmen is found to be that they should endeavor to sell their cheese as early as possible in the year, especially the make of the first months of the season. And good reasons are