

circumstances which led to recent changes, among which was the withdrawal of the agency from Montreal, to be highly satisfactory. A dividend of 3 per cent for the year has been declared, and the circulation and deposits afford evidence that the bank enjoys a large share of public confidence. The meeting was addressed, both by Mr. Nordheimer the president, and Mr. Yarker, the general manager, and we commend their remarks to the attention of our readers.

THE ONTARIO BANK.

The statement of the Ontario Bank is very satisfactory, the profits aggregating 10 per cent of the capital, 4 per cent of which has been added to the rest, and 6 per cent paid in dividends. The rest is now over 32 per cent of the capital, and the circulation and deposits over five millions. Under all the circumstances of a depressed trade the report will, we feel assured, be deemed satisfactory.

THE VILLE MARIE BANK.

The report of the Ville Marie Bank will be found elsewhere. It refers to the rather notorious Belgian case, which was frequently brought under public notice during the year, and which was said to have originated in the abstraction of securities, the property of an ecclesiastical corporation. An action had been commenced against the bank, which led to an action by the Bank against the plaintiff, and the recovery of five thousand dollars damages. We are glad to learn from the report that the business of the bank continues to improve. The circulation and deposits are quite equal to what might be expected from the capital of \$464,300.

THE JACQUES CARTIER BANK.

This old institution seems to have done a fair business during the past year. The profits were about 8 per cent on the capital of \$500,000, of which 6 per cent was divided. There is a reserve fund of \$140,000, and \$15,308 at credit of profit and loss. The meeting was harmonious, and general satisfaction was manifested at the result of the year's business.

THE BANK OF TORONTO.

The statement of the Bank of Toronto shows the very handsome return in the year of 12½ per cent on the capital, of which \$50,000 was added to the rest, while \$200,000 was applied to the half-yearly dividend of 4 per cent each and a bonus of 2 per cent. The overdue debts unsecured are under \$6000. The shareholders are to be congratulated on the result of the year's operations, and on the prosperous condition of the Bank.

OUR COMMERCIAL POSITION.

The Montreal *Herald* is of opinion that "Canada certainly occupies an "unfortunate position in this respect," that is to say, on the assumption that Canada will not be permitted to discriminate in favor of one British Colony against another. The *Herald* claims "the right to do what the people of England are doing," but we have very great doubts whether the *Herald* comprehends exactly what the people of England are doing. Our contemporary asserts that "Great Britain will not negotiate treaties except "for the special advantage of her own "interests, which do not harmonize with "ours." Such a statement should be accompanied by proof. We ask our contemporary to name a single instance during the last thirty years in which Great Britain has discriminated in favor of any foreign country or of any one of its own Colonies. Great Britain certainly has entered into treaties, the leading principle of which was that all countries should be placed on the same footing. What more can be desired by any reasonable man? We claim the right of imposing such duties on imports, as we think most for our own advantage; and although our duties discriminate in favor of our own industries, and against those of the mother country no objection has been made by the mother country, which, nevertheless, admits all our exports duty free.

There are persons of whose opinion the *Herald* is an exponent, who would like that Canada should be permitted to do what Great Britain would not dream of doing, viz., to discriminate in favor of some one or more colonies, or it may be foreign countries, and against other colonies and even the mother country. This is what the *Herald* calls insisting on our rights, while, so long as we act on the same principle, as the mother country "we remain in an inferior position." It is rather amusing to read the *Herald* enquiring "why should we encourage farmers to raise surplus crops and cattle if we are "not to be permitted to find foreign "markets for them?" when we have perfectly free admission to the very best market in the world for our surplus products. It is extraordinary that the advocates of discriminating duties should fail to realize the consequence of their imposition, which would be most assuredly retaliation by all the countries against which we should discriminate to such a degree as would entail exclusion from all foreign markets, and even from our sister colonies if they were discriminated against.

BANK ISSUES.

When noticing the meeting of the Merchants Bank we intimated that we would take another opportunity, of directing attention to Mr. Hague's views on the subject which was brought prominently before the public at the Bank of Montreal meeting by Mr. Smithers. Our views on this most important subject have been sufficiently explained in our last two issues, and we are glad to find that there is not, in our opinion, any substantial difference between the views of Mr. Hague and our own. We fully and unreservedly subscribe to the opinion of Mr. Hague "that this country would do "well when the time comes for legisla- "tion, to follow the lines of Sir Robert "Peel's Acts of 1844 and 1845." We differ with him to some extent in his opposition to Dominion notes, while entirely concurring with him as to the importance of making that issue perfectly secure, by adopting the principle of Sir Robert Peel's Act, and by providing for a fixed issue on securities, the excess to be held in gold. By making Dominion notes a legal tender, and by compelling the banks to hold a large percentage of their reserves in their notes, the Government has incurred a responsibility, which, as we have repeatedly pointed out, it has failed to provide for.

Mr. Hague states that "he has never been in favor of the Government of this or of any other country issuing circulating notes." He however approves of Parliament directing a banking corporation to issue notes to a fixed amount on Government security; and, further, to exchange automatically notes for gold and gold for notes. The logical inference is that in Canada, Mr. Hague would carry out the English system by selecting the largest bank, say the Bank of Montreal, to perform the duty of the Bank of England. So long as the bank of issue is confined strictly to the execution of an Act of Parliament there can be no possible danger to the public. For the defects of the present system the Parliament and the Government are responsible. As Mr. Hague has correctly pointed out, no uneasiness would have been felt if "the foundation on which the Dominion Note Act was originally based had been adhered to." The counter proposition is an issue of notes, based on the deposit of Government securities, and yet the advocates of that plan object to an issue of Dominion notes represented by Government securities and gold.

Mr. Hague's suggestion that no new bank should be authorized to issue notes,