

his business. The notion that a bank's function is to provide impecunious traders with money to carry on business is held by many, but it is a very irrational idea. It involves this, that a banker shall practically go into a partnership, providing all the capital and running all the risks, and the other party taking all the profits, and running hardly any risk—for he has nothing to lose. Those who charge bankers with discriminating against small traders by declining to give them a line of credit do so because they wish bankers to be partners under such absurdly imprudent conditions, as stated in the preceding sentence. But, apart from this grave consideration, this must be considered. It is far more economical, therefore profitable—far easier, therefore more attractive—to operate and manage a few large accounts than a great number of small ones. Every banker knows that he has accounts with a turnover of, say, \$100,000, or a million or more dollars yearly, that give him not as much trouble as small ones doing not a tenth, or even fiftieth, of the business. The larger the account, as a rule, the more regularly is it conducted, the smaller it is the more loosely is it managed, and the more watching it demands. The very reason why so large a number of traders never progress is because they have habits of business that would ruin a large firm, and render its account an intolerable nuisance to the bank. The strict, orderly system of finance necessary in the conduct of a large business protects a banker from the constant irritation and anxiety given him by small customers, many of whom expect their banker to do a considerable share in keeping their financial affairs in order. We have no hesitation in saying that the banks in Canada have thousands of small accounts that barely pay for the clerical labor their keeping involves. It is not so much a case of bankers discriminating against small customers, as small customers discriminating against bankers, for such customers could not get anyone else to perform any services on such unremunerative terms as do their bankers. What discrimination does exist is not against accounts because of their smallness, but because the business they offer is, from a banker's stand point, not desirable, business that is irregular, such as accommodation notes, collections troublesome to keep straight, and an undue proportion of small cheques involving far more clerical labor than the size of the account's deposit pays for. No trader's account is refused merely for being small, so long as it is kept strictly in a business-like way. Some very large accounts that began in a small way have grown to their present dimensions by the banker having recognized in his customer a man of capacity and honor, whom consequently he has encouraged, and aided. Let then those having small bank accounts, or those desirous of the facilities of one, only take care to keep their accounts free from all irregularities; let them jealously guard their own credit, they will find bankers ready to give them all the assistance which a prudently conducted business requires. A restraint of accommodation by a banker may make his customers' progress slow, but that which is unwisely liberal may prove his ruin.

THE ADVANCE IN TARIFF RATES. TORONTO

We append below the changes in the tariff rates for the city of Toronto, as discussed and decided upon by the Toronto Board of Fire Underwriters at special meetings held in their Board Room on the 11th, 12th and 13th instant. There was a full attendance of members, and the general situation in connection with the two recent fires in Toronto was fully gone into and considered.

The advance in rates is considerable when compared with the specially low figures of the old tariff, and will very forcibly bring home to the citizens the necessity that exists, and indeed always existed, for the city to be supplied with steam fire engines and such other apparatus and plant as will give it in the future reasonably sure protection against the recurrence of such disastrous fires as the two late ones. It will also remind them that the city councils of past years grossly neglected their duty, when they gave no heed: first, to the repeated reports and recommendations of their own officials of the fire department, urging upon them the purchase of engines, enlargement of water mains, etc.; second, to the representations and requests of an influential deputation composed of members of the Toronto Board of Trade and the Toronto Fire Underwriters, who in strong terms pointed out to the Council of 1894, the possibility,—nay, the likelihood—of the occurrence of just such disasters as happened this month. The citizens will also learn how false that economy was (if such were the motive) which at the time saved the expenditure of a few hundreds of dollars, and later incurred the loss to them of many thousands by fire, the imposition of a higher tariff of rates, and after all and at last involved the very expenditure for fire appliances then objected to.

It seems the Toronto rates are now similar to those prevailing in London, Guelph, Ottawa, etc., with, as regards Toronto, some extra charges applicable to high buildings, graduated according to the number of stories. Also, the 75 per cent. co-insurance clause is to be applied, on office, mercantile and manufacturing risks when not schedule rated, otherwise 20 per cent. extra to be charged. Retail stores of large area will have to submit to an additional extra. Altogether these are sweeping changes in the tariff, not, we are sure, unfairly, nor untimely made, but all the same they will be seriously felt by the citizens of Toronto. As the insurance companies are promptly paying their losses as usual, the business community must expect that continued protection of this kind must be paid for.

TORONTO, 14th January, 1895.

The following Tariff changes come into effect on and after the 15th inst.:

- 1st. That rates on mercantile and manufacturing risks (other than those rated under schedule) be increased to harmonize with those of similar risks in class "A" cities in Ontario.
- 2nd. That the 75 per cent. co-insurance clause be a condition of all insurances on mercantile, and office and manufacturing risks (not schedule rated), both building and contents, failing which, 20 per cent. extra must be charged.