THE SHAREHOLDER.

MONTREAL, FRIDAY MORNING, OCT. 20, 1882.

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BANK RETURNS.

WE herewith give the latest Bank Returns, as officially issued since our last:—

LIABILITIES.

	August 31.	September30.
Capital paid up	$ 59,318,111	$ 60,103,394
Circulation	31,458,191	33,953,387
Dominion Gov. deposits	11,995,597	14,015,593
Provincial Gov't deposits	2,770,132	2,563,857
Deposits to secure contracts	1,095,930	1,121,533
Public deposits	99,734,662	97,979,195
Loans from other banks	1,725,855	2,409,137
Due to banks in Canada	1,757,425	1,649,900
Due to banks in United States	62,442	409,081
Due to banks in United Kingdom	2,505,808	2,584,300
Other liabilities	337,876	176,975
Total Liabilities	$153,443,918	$156,862,958

ASSETS.

	Aug. 31	Sept. 30th
Specie	$ 7,621,363	$ 7,625,604
Dominion notes	11,545,126	11,631,977
Notes of other banks	6,222,296	6,305,463
Due from banks in Canada	3,208,671	3,925,797
Due from banks in United States	14,371,653	15,294,923
Due from banks in United Kingdom	1,541,507	661,018
Government debentures	1,157,269	1,066,869
Foreign public securities	1,544,023	1,577,345
Loans to the Government	1.734,860	1,826,997
Loans on stocks and bonds	15,931,234	17,201,011
Loans to municipal corporations	1,763,794	1,946,252
Loans to other corporations	11,209,118	11,335,723
Loans to other banks	1,033,193	1,570,743
Current discounts	141,471,143	143,890,314
Discounts overdue unsecured	1,526,138	1,522,972
Discounts overdue secured	1,756,157	1,760,427
Real estate	1,519,495	1,527,087
Mortgages on real estate sold	774,904	748,631
Bank premises	3,040,218	3,051,183
Other assets	2,086,938	2,566,404
Total	$231,059,100	$236,976,740
Liabilities of directors	$9,888,556	$9,705,81

These figures show a sustained extension of business. The subscribed capital has increased about $1,850,000, and the paid-up capital $785,000. Circulation has gone up $2,495,000, and is $2,200,000 above its amount last year. Government deposits have increased, and have risen $1,839,000 on the month, and about $7,000,000 on the year. On the other hand deposits have taken a turn, those on demand having gone down $946,000 and those on notice $808,000 during the month, though their joint amount is still about $13,400,000, higher than in September, 1881. The amount due to Canadian banks has decreased $107,000, and that to banks in the United Kingdom increased $79,000. On the other side we find the sum due by Canadian banks to have risen $717,000, testifying along with the other side of the account to an active demand on unchartered banks. The amount due from the United Kingdom has decreased $880,000, probably the effect of fall imports prior to exports. Loans on collaterals have increased $1,270,000 on the month, or $6,354,000 on the year, and stand at $17,201,000. Discounts have risen $2,419,000, and the amount due from foreign countries has increased $923,000; but it is $3,503,000 less than in September, 1881, and the increase on the month is probably due to the tightness of money in New York. In the three latter items showing an increase of $4,612,000 in loans in face of a decrease of $1,754,000 in deposits may probably be found an explanation of the tightness which prevailed towards the close of last month. Discounts have now risen $41,766,000 since September 1880, and have reached within a fraction $144,000,000. All these figures show an enormous increase in the financial operations of Canada, and the time appears to have quite arrived when we must take special care that we do not go too fast.

GOLD CERTIFICATES.

THE new issue of gold certificates by the United States Government seems to have given general satisfaction in Wall Street and to American financiers generally. As is remarked by the Boston *Economist*, a recognised authority on these matters, "What is desired for a permanent and safe system of currency is simplicity, cheapness and easy and inexpensive convertability into the medium used by the financial circles throughout the world. The gold certificates are all of these, and they, at the same time, reduce the cost of carrying balances and making exchange. So long as these certificates are backed up dollar for dollar by a separate fund of gold, and not issued when required for payment by the government in excess of gold held to represent them, they will be a help to the business community and a blessing to the country at large. But, if in times of pressure, the issuance of these certificates is allowed to exceed the fund which is held in which to redeem them, they will become of no more value than greenbacks. Their advantage lies in the fact that they are better secured; in short, secured one hundred cents on the dollar." The certificates are provided for by the new banking law, passed by the last U.S. Congress, in the act enabling the banks to extend their charters. The Secretary of the Treasury is directed to receive deposits of gold coin in sums not less than twenty dollars, and issue certificates of deposit in denominations of twenty dollars and more, corresponding with the denominations of United States notes. These certificates are receivable for customs, taxes, and all public dues, and are re-issuable. They may also be counted as part of the reserves of banks. It is expected that the result will be the concentration of all the gold in the country in the government vaults. There is, however, one marked instance in which the certificates will not find ready reception. This is in the associated banks. These banks keep for their own purposes an immense stock of gold on special deposit with the Bank of America, most of which is packed ready for shipment. The continuance of the present system will cost but little, while its advantages in times of gold exports are very great, and it is improbable that the banks of New York will give it up, and this volume of over $80,000,000 of gold will remain as a special deposit. Another reason for retaining the old system among the banks rests in the fact that the Bank of America certificates are valueless to any holder not a member of the association, while the new government gold certificates of deposit are negotiable generally. For purposes of comparisons the new system will be found of great help. It can then be estimated, with an almost certainty of being right, the exact amount of gold and silver in the country at any one time, and the exchanges and the money market can pre-suppose the rates which will be demanded. They will simplify business transactions, and payments can be made more readily, safely and satisfactorily in many ways than by the use of coin. The loss from abrasion of gold is enormous, and this will be entirely done away with. The shipment of $1,000,000 across the ocean results always in a large loss in weight, no matter what precautions are taken to keep the coin from movement. There can be no such loss in certificates, and from this point alone the new form is a matter of economy to the Government. The destruction of a certificate is a gain to the Government, and goes far to pay the expense of making the certificates, so that, aside from the advantage of the certificates to the business community, the system is an economical one, and the satisfaction which at once hailed the introduction of the new gold certificate is easily understood.

THE CHIGNECTO SHIP RAILWAY.

LONDON capitalists have just decided to give financial aid to this scheme, which will therefore be at once proceeded with. This project, it will be remembered, was the recipient of a Government subsidy towards the close of last session, and received a good deal of opposition, first on account of its novelty, but principally from political considerations. The possibility of its construction for any practical purposes was questioned and its financial failure in any case predicted. In reply, eminent English engineers undertake to build it, and English capitalists are satisfied with the prospects of financial profits which it holds out. The progress of this novel project will be watched throughout Europe and America with the keenest interest, for its success on our Atlantic coast means its adoption everywhere where such a railway could be required. If the principle is workable Chignecto it would be equally so at Pana or at Corinth, or between the North Sea the Baltic. It might possibly even be a rival to the Suez Canal itself. Howe few months will determine its merit successful some great innovations soon looked for.