the Privy Council will follow. What there is to appeal is not very clear, but the object is, of course, to get the opinion of the Privy Council on the points in issue. The legislature of Manitoba has abolished Separate Schools, and the Roman Catholic minority wishes the Government of Canada to interpose to restore them; in other words, it wants the Government to perform an impossibility. The present decision is that the Government is under no obligation to make the attempt. The minority will be discontented and is not likely to forego its aims, the realization of which it is pretty certain to keep constantly in view. But as the United States manages to get along without Separate Schools, Manitoba may be expected to do so too.

The *Manitoba Liberal* calls on the Government to cut down the rate of interest on mortgages; to "enact that no mortgage on real estate and no debt to the extent [that] it is really secured by such mortgage will bear a greater rate of interest than 5 or at most 6 per cent. per annum." This suggestion has for its pretext the decline of the price of produce. The current rate of interest in Manitoba is spoken of as being 8 per cent., and, if so, it is easy to conceive that the farmer finds it difficult to pay that rate, with wheat at 45 cents a bushel. But the dishonest proposal made for his relief would, if put in practice, injure far more than it would benefit him. If he cannot make both ends meet by using borrowed capital at present rates, he would have less chance at the increased actual rates which he would have to pay for conspiring to evade the law which offered him money at less than the market value. The proposal to confiscate the difference between 8 and 5 or 6 per cent. is the natural son of Henry George's land confiscation; both mean robbery, pure and simple. It is about time that the advocacy of criminal theories was treated as an offence against society.

MORTGAGING IN THE UNITED STATES.

An interm census bulletin of mortgage indebtedness in the United States, embracing 33 States and Territories, has been published. From 1880 to 1889 inclusive, an enormous increase of mortgages took place. Starting at $539,646 250 at the former date, the figures rose to $1,381,684,380 in 1889. There is no certain method for arriving at the true figures for 1880, an estimate having had to be made for some of the States extending to about one-sixth of the whole amount. In the decade, the increase was 156.04 per cent. To understand the full significance of these figures a comparison of the increase of this form of debt with the increase of population and of wealth is necessary. If debt did not increase faster than population, the borrowers might fairly be assumed to be holding their own; if it did not increase faster than wealth, it would be reasonable to conclude that newly created capital was being transferred, by way of loan, to persons who could put it to the best use. But the ratios of increase of debt, population and wealth do not move on a common level; and it is a fact which may well challenge the attention of economists that debt increased six times as fast as population and three times more than wealth. This can scarcely be a satisfactory state of things. Most of the increase of mortgage debt is found in urban growth, stimulated probably by an abnormal development of protected manufactures. The richest State, New York, has the heaviest debt, $268 per head of the population; the lowest, $13, is Arkansas. The average in the 33 States is $118. Mortgages are less numerous in the south and the Rocky Mountain region in proportion to population than in the north. One reason probably is that it is more difficult to secure money on mortgages in these parts than in the north. That the south and the Rocky Mountain region are the richer for their comparative freedom from mortgages it would be rash to assert.

Great as the total mortgage indebtedness is, the utmost limit of this form of debt is far from having been reached. The compilers of the census bulletin put the normal limit of mortgage indebtedness at two-thirds the value, and assume that up to that limit no increase of interest would be necessary to secure a loan. It is certainly a question whether this theoretical limit is not too hgh. But, on the assumption that it is a safe limit, the real estate in the 33 States and Territories in question would bear an incumbrance 3.59 greater than it now carries. In the richest State, New York, the mortgages bear the highest proportion, 53.80, to the value. In 27 States, the proportion of mortgaged lands is nearly one-third, that is to say, 32.09 per cent., of the taxed lands; the maximum, claimed by Kansas, is 61.56, and Nebraska, with its 58.13, is not far behind.

The average rate of interest is 6.73; but this is of course not uniform, and the farmer pays more than the owner of urban and suburban properties, the difference being between 7.27 and 6.32. Distant Oregon pays the highest rate, 9.39 per cent. Massachusetts the lowest, 5.38. The rate of interest showed a tendency, not uniform, to decrease. It fell from 6.85, in 1880, to 6.43 in 1882; but it rose again to 6.82 in 1887, and in the next two years it fell to 6.52. But throughout, farm property paid higher rates than urban and suburban. The small mortgages pay the highest rates, the large ones the lowest, a rule which will be found to apply in other countries.

There is no means of ascertaining the effect of mortgaging on the fortunes of the borrowers. But it is certain that it gives a large number of borrowers opportunities which they would not otherwise possess. In 102 other counties, in different parts of the United States, 82 per cent. of the debt was incurred to purchase real estate and to make improvements. Without the money borrowed, most of the borrowers would obviously have been unable to purchase land, and would have been deprived of the opportunities which its possession gave them. The fact proves that the mortgagee in the United States, to a large estate, occupies the position that landlords fill in Europe, and if the doctrines of Henry George could be realized, the mortgagee would be a principal sufferer. The operation of mortgaging is beneficial to the borrower whenever he is able to use the money in such a way as to return him more than the interest he pays; if the return is less, he is a loser by the operation; if there is an even balance on the two transactions, the earning and the paying of interest, there is neither loss nor profit. The interest on mortgages is payable whether it be earned or not; but as a rule, it is clear that if it were not made, it could not be paid. There must be many instances in which mortgage loans give the borrower a start which sets him on the road to success.

BANKING RETURN.

The figures of the Canadian Bank statement for January last will be found in condensed form below, and are compared with those of the previous month. The statement bears date 20th February.

CANADIAN BANK STATEMENT.

LIABILITIES.

	Jan., 1894.	Dec., 1893.
Capital authorized..	$75,458,685	$75,458,685
Capital paid up....	62.103,027	62.099.243
Reserve Funds	26 580,282	26,459,815
Notes in circulation	35,571,375	34,418,936
Dominion and Provincial Government deposits....	6,821,516	6,377,276
Public deposits on demand..........	60,152,080	62,594,075
Public deposits after notice............	108,966,924	107,885,149
Bank loans or deposits from other banks secured...	......	......
Bank loans or deposits from other banks unsecured.	2,361,656	2,421,394
Due other banks in Canada in daily balances	271,184	200,476
Due other banks in foreign countries	188,480	166,966
Due other banks in Great Britain...	4,174 864	4,151.804
Other liabilities....	296,245	446,796
Total liabilities..	$213,804,414	$218,662,965

ASSETS.

Specie	$ 7,400.013	$ 7.691.331
Dominion notes....	13,918,640	13,257,292
Deposits to secure note circulation..	1,818,571	1,818,571
Notes and cheques of other banks..	6,520,505	8,323,753
Loans to other banks secured..........	....	....
Deposits made with other banks	3,082,626	3,630,883
Due from other banks in foreign countries	17,570,408	18,229,248
Due from other banks in Great Britain..........	3,356,703	3,540,220
Dominion Government debentures or stock.........	3,188.463	3,191,383
Other securities....	17,339,570	16,674,536
Call loans on bonds and stocks	14,013,729	14,236,629
	$88,209,228	$90.623,846
Loans to Dominion & Prov. Govts..	1,974,925	2,263,712
Current loans and discounts	198,037,104	200,397,498
Due from other banks in Canada in daily exch'nges	67,003	173,697
Overdue debts	3,167,026	3,040,078
Real estate........	798,381	834,480
Mortgages on real estate sold	641.712	636,640
Bank premises....	5,200 167	5,132.156
Other assets	1,461,771	1,129,385
Total assets......	$299·557,507	$304,231,696