

CANADIAN BANK OF COMMERCE.

The first annual meeting of this Bank was held on the 5th July. It appears by the report that, for the thirteen and a-half months during which the institution has been in existence, a profit of \$97,982.20 has been netted. After payment of two dividends at the rate of eight per cent. per annum, a balance of \$40,000 has been carried to the rest account. The character of the bank may be judged of from the dividend made in the first year of existence, the promptness with which the stock has been paid up, \$914,359 being now paid out of the authorized capital of \$1,000,000, and the market value of the stock. A proper tribute is paid to the memory of Mr. Greer, the first Cashier, one whose knowledge, business tact, energy and breadth of character commended him to all as one of the few competent to administer the affairs of a large monetary institution. The increasing trade of Toronto demanded greater banking facilities, and the success which has attended this bank has proved that the business which centres here is sufficient in volume to afford ample and profitable employment to the amount added to the available capital of the district tributary to Toronto. We believe that the management has been conservative and prudent, and its results reflect credit on all responsible for it.

ROYAL CANADIAN BANK.

When the highest officials of a public institution fall out and their dispute enlists a large number of partisans, the injury thereby caused can hardly be estimated. The immediate result of the misunderstanding, or whatever one may choose to call the affair that culminated at the annual meeting of the Royal Canadian Bank, was the defeat of Mr. A. M. Smith in the contest for the office of President, and the election of Mr. James Metcalfe in his stead. The meeting was an unusually large one and the number of votes cast shewed that something of more than ordinary interest was exciting attention. We understand that the principal objection to Mr. Smith was a heavy loss made at Cobourg, for which it is alleged he was in the main responsible. Without committing ourselves to either side of the question, we say as a friend to the institution, if that was the moving cause, that the action of the meeting was justifiable. Bank officials should be held to a strict account and we know enough of Mr. Smith to feel satisfied that he will submit with good grace to the legitimate working of the principle of strict accountability, if it be carried out in its entirety and in good faith. One of the most important guarantees held by bank shareholders is the ballot-box. Apart from the individuals concerned, we hold that the officials of our monetary institutions should be made to feel that this power will be used and that too unsparingly. It is much better when there is dissatisfaction, that it should come out and, however, much we may regret per-

sonal quarrels we cannot but think that considerations of importance demand a speedy settlement of differences in some way. Although the Bank has a large paid-up capital and has made few losses, its stock does not stand as it should. There must be a reason for this, and it is the duty of the board of directors to weigh seriously the bank's position, to search out the causes and apply the proper remedies. The bank has no less than twenty-three agencies. Let those be kept under the strictest control and whenever it is found that an agency is not prospering as it should, or an agent is found incapable, let the former be closed at once and the latter be dispensed with; we understand that some changes are now contemplated.

The report states that the profits of the year have been \$144,773; the subscribed capital has increased \$102,506; the paid-up capital \$264,633; the circulation \$178,794; and the deposits \$403,442. As the interests of the bank grow in importance, greater caution will have to be exercised, and we cannot impress too strongly on the board the necessity that exists for a careful manipulation of the bank's resources. The next worst thing to disaster, is too much prosperity. When the one produces dejection and inertness, the other leads directly to over confidence and rashness. We have spoken thus plainly on the subject out of regard for the welfare of the bank, knowing that no good is produced by ignoring or pretending to conceal what is apparent to all. Mr. Metcalfe, the newly elected President, is a shrewd business man and possessed, as we understand, of considerable means. The Cashier has tried his strength and will be in a position to prevent any departure from sound banking principles in the conduct of an institution which has proved itself of great service to the business community.

MERCHANTS' BANK.

The amalgamation of the Commercial Bank with the Merchants', whatever it may have been to the former, was undoubtedly a good thing for the latter. We can, therefore, readily understand how the diminution in profits, caused by calling in a portion of the loans of the Merchants' to meet the demands incident to the amalgamation, will be offset by the interest which the debts of the Commercial carry. The paid-up capital of the Merchants' is \$2,884,333, and shareholders are now invited to increase the capital stock to \$4,000,000. Having succeeded to the agencies of the Commercial, the Merchants' Bank has a career of usefulness open to it which its youth and vigour will no doubt duly improve.

GOVERNMENT TELEGRAPHS.

The bill for establishing Government Telegraphs in England upon coming up for its third reading, was sent back to Committee. There is an increasing opposition to the scheme, and the "unforeseen difficulties"

suggested by the *Times* bid fair to cause much delay, if not to put a stop to it altogether.

In Congress at Washington, the Committee to whom was referred Mr. Washburn's bill to establish a Government telegraph between Washington and New York, agreed a few days ago by a unanimous vote to report adversely. They regard all such schemes to draw the Government into any such business, as utterly impracticable.

ALL that portion of Supt. Barnes' Report on the Life Insurance business of the State of New York, which is of special interest to Canadian readers, will be found in another part of this paper.

Communications.

MONTREAL CORRESPONDENCE.
(From our own Correspondent.)

MONTREAL, 6th July, 1868.

The continuance of fine weather is not usually a cause of complaint; nevertheless the farmers in this Province of Quebec are beginning (and with reason) to feel seriously the want of rain, very little having fallen for some time past, and the heat has been more than usually intense. Accounts generally are that unless we have plenty of rain, and that soon, much of what appeared so promising a short time ago will be entirely lost.

The atmosphere yesterday (Sunday) afternoon was darkened by a dense smoke, and a quantity of ashes fell during the evening. It is supposed that a large fire is raging in the woods somewhere east of Montreal.

On Saturday the thermometer stood at 98 in the shade at 2 P.M., and there are five deaths by sun-stroke reported this morning in our city papers.

Finance.—The money market has ruled somewhat tighter this last week, the banks generally only discounting for their customers, with little desire to do any outside transactions,—the branches and agencies of western and Quebec banks established here, being more or less limited by instructions from head offices.

The street business is dull and confined to transactions on warehouse receipts, which are negotiated at from 12 to 18 per cent., according to the nature of the security offered.

Produce.—A fair amount of business for local use has been done in flour during the week. Sales of super are reported at \$8.25 to \$6.35 for ordinary brands. \$1.50 is about the extreme rate obtainable for wheat, for which, however, there is very little demand. A trifling consumptive demand exists for Pork. Sales of mess are reported at \$22.50 to \$23.00. There is, however, an entire absence of speculative feeling, and no apparent efforts are being made to force sales.

Groceries.—In this branch of trade very little has been done during the last week, except in Teas, in which the transactions have been of a retail character. Uncolored Japans and Twankays continue in good demand, and Blacks are inquired for.

Hardware.—No change to note in prices. Transactions very limited. Heavy goods sold at special rates, to keep moving.

Dry Goods.—Dull. Little or nothing doing.

Stocks.—The amount of business in stocks of every description has been so very limited for the last week that there is no material change to note in prices, and no sales worthy of report. The state of trade in all its branches is very little altered, as compared with last week. Two holidays occurring within this week, have retarded the usual course of business. Altogether, this week's business has been quieter than that of last, trade having been restricted to the wants of local consumers, and the stocks held are more than required to meet the wants of the country.