

take charge of their office. After the Canadian affairs of this firm were wound up, Mr. Hague came west, and engaged with the Bank of Toronto as accountant in 1856. In a few years he was appointed to the charge of one of the branches, which his predecessor had administered but too loosely, and where he learned most valuable lessons.

A few years afterwards saw him chief executive officer of the bank, where his knowledge of banking, his habits of industry and method, his application of correct principles and business-like practices, resulted, with the assistance of a shrewd board of Directors and a faithful staff, in the sound growth and development of the institution. During the fourteen years of Mr. Hague's incumbency of the management the paid-up capital of the Bank of Toronto grew from \$800,000 to \$2,000,000, and its Res from a comparatively trivial sum to \$1,000,000, or one-half the capital.

At the close of December, 1876, Mr. Hague voluntarily severed his connection with the Bank of Toronto, on which occasion he was presented by the authorities of the bank with a testimonial in the shape of a handsome honorarium, plus a solid silver service. This step he took in accordance with what he conceived to be his duty in connection with religious and philanthropic enterprises. To these he had long given largely of his leisure hours, but now he intended to devote his whole time to the service of the Christian Church as a layman. In the following year, however, he was induced by strong pressure to sacrifice his preference for the more sacred calling, and undertake a secular task far more onerous than any that had hitherto been laid upon him. This was the extrication of the Merchants Bank of Canada from difficulties which were at that time threatening its existence.

The period was a troublous one in the financial history of the country. For several years business of nearly all sorts had been depressed; insolvencies were numerous, and the bank, which did business in the United States and England as well as Canada, had made heavy losses. Its shares fell steadily, and there were calls for a change of management. The president, Sir Hugh Allan, and the general manager, Mr. Jackson Rae, had resigned, the former being replaced by Hon. John Hamilton, and an appeal was made by a committee of shareholders and the Board of Directors to Mr. Hague to undertake the general management. He did so, in 1877. What a heavy task he undertook will be better understood when we recall the importance and the wide extent of the institution. The loans of the Merchants Bank were at this time close upon eighteen millions of dollars, the deposits nearly eight millions; the stock had long been below par, while there was suspicion that the dividends were not earned. Reconstruction and retrenchment were at once set on foot, foreign operations stopped, unprofitable branches closed. The Board of Directors and the numerous staff co-operated heartily in the reforms undertaken. It soon became evident that losses had been so serious as to impair the capital of the bank, which had stood at something over \$8,000,000. A reduction of one-third of the capital was made, parliamentary authority having been obtained, and the whole machinery of the bank was readjusted to this new scale and to the more prudent ideas of the new management. Gradually, with the improvement of trade throughout Canada, the credit of the bank was thoroughly restored, and as its business enlarged and prospered, its increased earnings being

well husbanded, since 1878 the institution has paid dividends regularly, and its shares now command 160. In addition to the capital of \$6,000,000 there has been accumulated a reserve of \$2,600,000. It has twenty-nine branches covering the country from Quebec to Manitoba, as well as an important office in New York, holds deposits of eleven millions of dollars, and its total loans and investments exceed twenty millions.

The policy of weeding and pruning, restraining and husbanding, necessary during the first four or five years of Mr. Hague's regime, meant a night and day strain of labor and responsibility far beyond what ordinarily falls to the lot of the General Manager even of a much larger bank. Indeed he has been heard to say that but for the habits of close analysis and continuous work, formed in his early youth, and but for his steady reliance upon higher than human aid, he would have been broken down by the strain of those anxious and exhausting years. His constitution must have been a sturdy one, for with all the tasks imposed upon him by himself and others, his physical and mental vigor no more show abatement than does his industry. For half his business life he has been a valued contributor to financial journals, probably to none more frequently, during the last twenty years, than to the *MONETARY TIMES*. His style as a writer is direct, to the verge of bluntness, and while free from any attempt at fine writing, shows grasp of his subject, while it evinces reading and observation.

Mr. Hague is a ready speaker as well as a practised writer. He delivered an address before the British Association for the Advancement of Science at its Montreal meeting, and he has repeatedly addressed the members of the American Bankers' Association at their annual meetings in American cities, and if we do not mistake, his addresses on these occasions have been issued in pamphlet form. Precedent is found in the practice of English bank managers for the custom which prevails among the larger Canadian banks of having their shareholders addressed at the annual meeting by the cashier or general manager, not only upon the affairs of the particular bank itself, but upon the trade of the country generally. These addresses are looked forward to with much interest by intelligent business men in the Dominion, on account of the exceptional command of data for such a review possessed by the manager of any concern with branches scattered all over the land. It is not too much to say that the addresses thus delivered annually by Mr. Hague have served an excellent purpose. His aim seems to be to make them intelligible to the business man, great or small, and to draw lessons of prudence and thrift from the errors and excesses of the past. There are some things, which, as Carlyle put it, have been said to men a thousand times, yet they require to be said the thousand-and-first time. If any one complains that Mr. Hague and his *conféres* are too didactic on such occasions—that there is no need of so much commercial advising and financial preaching—the reply is ready that so long as economical principles are violated and sound commercial practices set at naught, just so long it is the right, nay, the duty, of competent observers to speak out in correction of the evils they perceive. The subject of this notice is one who is wont to speak or write freely of commercial and banking abuses; and he does so, as a rule, in a way which, while it is reasonably free from technical terms of the theorist, shows in a marked degree the experi-

ence and common sense of the practical man of business.

In the councils of the nation, as well as in gatherings of the profession of bankers, Mr. Hague's opinions and ideas have had great weight, and particularly when, in 1868 and 1869, the Government of which the late Sir John Macdonald was the head, made an attempt to assimilate the currency of Canada to that of the United States. Mr. Hague studied the measure carefully, and became convinced that its adoption would result in heavy damage to the mercantile interests of the country and to the banks. In conjunction, therefore, with others who shared his views, both in Parliament and out of it, he organized and led an opposition, which after a strenuous contest, continued through two sessions of Parliament, proved successful. While others took an active and influential part in the contest, it is certain that but for the determined perseverance exhibited by Mr. Hague at a time when the struggle was deemed hopeless by others, the opposition would have been abandoned, and the country saddled with a system of currency entirely unsuited to its wants, and one which is now occasioning embarrassment in the United States. In 1890, when the renewal of the Canadian bank charters was again in discussion, Mr. Hague was desired by the bankers convened in Ottawa to present to the Finance Minister their views on the question of the currency. Again, in 1890, when the Government was considering modifications of the Banking Law, he arranged a conference of bankers to consider the changes proposed, and took a prominent part in the discussion that followed, and in an interview with the Privy Council on the subject.

A marked compliment was paid him in his election as the first President of the Bankers' Association of Canada, formed in 1891. The Canadian Government has shown its opinion of his sagacity by appointing him Chairman of the Royal Commission upon the reform of the Civil Service, which body has issued a report upon the subject.

Mr. Hague is among the few men in Canada who have written voluminously on banking and financial subjects. He has done much to diffuse sound principles, to bring about wise and honorable methods of business, and to promote the lasting prosperity of the country.

#### THE TELEGRAPH IN CANADA.

##### XXI.

It was resolved by shareholders, in 1877, that the capital of the Dominion Telegraph Company should be increased to \$850,000 for the purpose of completing a chain of telegraph wires in Quebec and New Brunswick, and these wires were completed before the annual meeting of February, 1879, enabling the company to make the boast that it was the only Canadian telegraph organization which connected by its own wires Ontario and Quebec with the Maritime Provinces. A report of the company expresses, about this period, the hope of an amicable settlement of differences with the new Direct Cable Company, whose predecessor had given security to the Dominion Company as stated in our last paper.

Competition in telegraphy, and depression in commerce, were telling upon the receipts of both the Montreal and Dominion companies in 1878. This was shown in the case of the latter by a decrease of \$7,244 in the gross revenue, which for that year was \$169,827, as compared with \$177,081 in 1867. This, too, in the face of a more extended system, the wire mileage having increased to 8,823 miles, and