

Returning to the condition of bank discounts and loans up to 31st of July, it is noticeable that after expanding in April, May and June, to the extent of about five millions they receded to nearly the same figure at which they stood at the end of March, viz.: \$223,000,000. This sum, however, is a very large advance on the amount of a year ago, which was only \$209,000,000.

It is a great satisfaction that good crops generally have been realized in Ontario. It is a matter of great gratification that the crop of Manitoba has been generally speaking a good one, and in some places the best for years.

If a reasonable price is obtained for the crop generally, it will, of course, add to the permanent wealth of the country, unless indeed the spirit of hopefulness before spoken of develops into extravagance.

Our usual comparative statements are herewith given, and we call the careful attention of our readers to them :

ABSTRACT OF BANK RETURNS.

31st July, 1897.

[In thousands.]

Description.	Banks in Quebec.	Banks in Ontario.	Banks in the other Prov's.	Total.
Capital paid up	35,015	17,292	9,645	61,952
Circulation	15,813	10,774	6,122	32,709
Deposits	104,122	79,995	31,147	215,264
Loans, Discounts and Investments	117,030	84,195	38,700	239,925
Cash, Foreign Balances (Net), and Call Loans	44,801	29,722	11,717	86,240
Legals	7,532	5,704	3,403	16,639
Specie	4,029	2,708	1,745	8,482
Call Loans	4,759	9,878	1,577	15,714
Investments	7,943	16,484	6,227	30,654

31st July, 1898.

[In thousands.]

Description.	Banks in Quebec.	Banks in Ontario.	Banks in the other Prov's.	Total.
Capital paid up	35,321	17,334	9,648	62,303
Circulation	17,979	12,055	6,519	36,553
Deposits	109,350	93,331	34,291	236,972
Loans, Discounts and Investments	125,575	98,317	40,914	264,806
Cash, Foreign Balances (Net), and Call Loans	44,277	30,918	12,394	87,589
Legals	7,066	5,211	3,746	16,023
Specie	4,468	2,974	2,024	9,466
Call Loans	6,945	13,216	1,724	21,885
Investments	10,497	25,005	4,795	40,297

Government Savings Banks	\$49,668,000
Montreal City and District Savings Bank	10,314,000
La Caisse d'Economie, Quebec	5,747,000
Loan Companies, 1897	20,000,000
	\$ 85,729,000
Bank Deposits	236,972,000

Total Deposits of all kinds \$322,701,000

GOVERNMENT CIRCULATION.

Small	\$ 8,459,688
Large	14,860,550

\$23,320,238

Gold held, \$11,955,584 = 51.26 per cent.

TEXTILE FABRICS UNDER THE PREFERENCE CLAUSE.

The discount of 25 per cent. allowed from the customs duties on goods of British manufacture is causing a remarkable development in textile imports from the United Kingdom. The shipments forwarded the first week in August are said to have exceeded all records, from the Mersey alone £87,000 worth of woollens and worsteds were exported to the Dominion. Colored cotton goods have also been sent forward in large quantities. In the month of July the principal textile imports into British North America as compared with those of July, 1897, were as follows:

	July, 1897.	July, 1898.
Cotton piece-goods, bleached, yards.....	95,800	81,500
do. unbleached	1,972,900	1,697,000
Piece-goods, printed	522,500	991,700
do. dyed	829,500	909,100
do. mixed	1,798,100	3,223,000
Jute manufactures	1,270,300	1,285,500
Linen "	746,600	1,232,600
Woollens	261,400	550,000
Worsteds	1,519,500	1,463,600
Carpets	110,900	152,500

The total textile imports of July, 1897 were 9,127,500 yards as against 11,586,500 yards last month. That the Government is prepared for attempts to evade the customs tariff law through the preference clause is seen in the strict requirements of evidence that goods are really entitled to the 25 per cent. discount. It seems almost impossible that anything more than isolated attempts would be made to send continental merchandise to Canada under the cover of the British preference. Textile authorities in the United Kingdom unite, however, in the opinion that it will require great vigilance on the part of the customs officials to prevent this practice. A correspondent writing from Bradford says: "The fear that German dress goods may be consigned to Canada by way of English ports in order to obtain the advantages of the 25 per cent. preferential duty has been confirmed. It is quite clear that German houses are making arrangements to defeat the Canadian customs by having goods consigned to English and Scotch centres, such as Bradford, Manchester, and London chiefly, and thence reforwarded to the Dominion." On the same subject the Manchester correspondent of the Draper's Record says: "It should now become the business of those concerned to be on the lookout for any attempts at introducing foreign goods into Canada by surreptitious methods, the probable nature of which it is not necessary to indicate here. British shipowners, with recollections still vivid as to the effects of the Merchandise Marks Act upon their trans-shipment trade, will possibly not be indisposed to wish well to such German houses as may decide to despatch goods up the St. Lawrence by way of the Thames or Mersey." For the next few months the tariff law will be on trial. A reduction of one-eighth was, from all accounts, not sufficient to lead to fraud, it remains to be seen whether business morals are sufficiently strong to withstand a greater temptation.

THE DIRECTION OF BRITISH TRADE.

Within the past few years the relative importance of Great Britain's trade with her colonies and foreign countries has been the subject of much consideration. The importance of this subject has grown out of the request that the mother country give colonial products a preference in her markets. The tables appended to the last British Board of Trade returns show with what countries the principal movements for the first six months of the year, as compared with the same period in 1897, have taken place. The following is a summary of the total trade carried on between British possessions and foreign countries respectively:—

	First Six Months.	
	1898.	1897.
Imports from—		
British possessions	£47,603,700	£46,901,100
Foreign countries	188,321,300	178,516,900
Total	235,925,000	225,418,000
Exports to—		
British possessions	40,085,100	38,817,700
Foreign countries	72,423,100	78,592,700
Total	112,508,200	117,410,400

The colonial trade was larger in 1896 than in 1897, the imports from British possessions in the former year