

BANK OF NOVA SCOTIA.

The Sixty-Seventh Annual Report of the Bank of Nova Scotia, which we present to our readers in this issue, tells a story of successful management calculated to please fortunate shareholders and to evoke the admiration of bankers. Two items in the statement, apt to be overlooked by the inexperienced reviewer, testify to the absolute freedom of this model financial institution from any disposition to cling to any doubtful assets:—Notes and Bills overdue \$4,780; and Bank Premises \$36,976. That the Bank of Nova Scotia, with loans exceeding ten millions of dollars, should only have to record \$4,780 as the amount of overdue debts is more than creditable to the management; that the numerous buildings owned by the bank should be valued at \$37,000 only, is a conclusive bit of testimony to the extreme conservatism dictating the policy of the directors and manager. But these items of a remarkable statement only serve to prove its cleanliness. With evidence of strength and the intention to maintain this characteristic of its management, the report fairly bristles. Earning nearly 17 per cent. on a capital of \$1,500,000, the shareholders receive the handsome dividend of 8 per cent., amounting to \$120,000; the reserve fund is augmented by no less a sum than \$125,000; and the balance of profit and loss account carried forward is \$30,542.36, exceeding the amount of the previous successful year by \$4,000.

Although analysis of this almost unique statement reveals extraordinary strength, and surprising results in the way of percentage of profits on capital, the result cannot be attributed to the age of the bank. Although incorporated some sixty-seven years ago, the Bank of Nova Scotia has not been a stranger to adversity. But during the past twenty years, despite occasional reverses such as overtake even the best and most conservative of banks, the growth of this institution has been remarkably steady and steadily remarkable, as the comparative table below covering a period of ten years will serve to indicate:—

| A DECENNIAL RECORD. | | 1888. | 1898. |
|---|-------------|-------------|-------|
| Capital | \$1,114,300 | \$1,500,000 | |
| Reserve | 460,000 | 1,725,000 | |
| Circulation | 1,321,238 | 1,429,964 | |
| Deposits | 4,717,916 | 11,518,584 | |
| Loans | 5,658,026 | 10,971,914 | |
| Overdue Debts | 14,942 | 4,780 | |
| Real Estate | 46,039 | 5,943 | |
| Bank Premises | 106,442 | 36,976 | |
| Net Profits | 141,347 | 248,908 | |
| Transferred to Reserve | 60,000 | 125,914 | |
| Investments (Prov. and other B. nds)... | 765,969 | 1,899,416 | |
| 28 Branch Offices in 1888..... | | | |
| 36 " " 1898..... | | | |

The Bank of Nova Scotia is a prosperous, because well-managed, institution. This has been the verdict of its shareholders for many years past, and the business transacted under the management of Mr. H. C. McLeod, during the twelve months represented by the statement just issued to the happy holders of the bank's stock, has evidently proved sound and profitable as ever, and the result places this old Halifax institution well in the van of Canada's chartered banks.

PARTIES AND PRINCIPLES IN POLITICS.

In the development of the principle of self-government among the most intelligent and progressive nations of the earth, no better application of the principle, so far as actual working is concerned, has yet been devised than the system of party government. In those countries which are blessed with a population of more than average intelligence and public spirit, and with a cultivated and leisured class from which statesmen of a high order may be drawn, the party system works about as well as most human inventions. Both the people and their representatives recognize that party is but a means to an end. The issues between the respective political parties are apt to be, although not invariably, questions of broad political principle which afford room for difference of opinion and scope for legitimate discussion. Such conditions are favorable also to the development of high standards of honor and of independent thought.

Among peoples less favorably situated, and where less general intelligence is brought to bear upon great public questions, party is apt sometimes to obscure the end for which alone party has a right to exist, that is the welfare of the nation. It becomes more difficult to recognize characteristic principles in either party. The issues are apt to degenerate into squabbles for place and power, or into mutual recriminations which are mutually degrading. It is well to recognize frankly that under such conditions it is difficult for either party to allow the other a monopoly of the mud throwing. At present, the most bigoted partisan will not pretend that all the politician corruption is on the side of his political opponents, and the verdict of public opinion outside of the ranks of the partisans would probably be that it is a case of "six to one and a half a dozen to the other."

In our own Dominion, the tone of politics is neither so high as it might be nor so low as in some other places. Admitting that there is room for improvement, what are the means to be adopted to elevate the tone of Canadian politics? The most obvious remedy is to aim at an improvement in the character of our parliamentary representation. Men of brains, education and character are slow to advance or to accept accusations against the honor of other men, and they are capable of appreciating issues of a higher order. The initial mistake we make is in the selection of candidates for public office. We select men who will "run well" rather than men who will "serve well" if elected. The party which gains the reputation of being represented in parliament by men of character and ability must in the long run command the confidence of the community. Such men are to be found in both parties to-day, but they do not predominate. Electors should resent having an ignorant, stupid or corrupt candidate foisted upon them, even to the extent of voting against their party. Recent experience has shown that attempts to elect third party men or independent candidates are seldom successful, but the party whose candidates are generally