while the population increased twenty-six per cent., the foreign trade increased ninety per cent., a fact which may well console us for the moderate increase of population; for the same number of people are producing far more than double what they did twenty-five years ago. But this comparison is much stronger and more favourable if we look at the extraordinary increase in the actual moneyed wealth of the people as indicated by bank deposits. In 1879 these amounted in all to $79,000,000, while by the last bank statement they had increased to $345,000,000, not including deposits held by the banks outside of Canada. Thus, while our population increased in that time twenty-six per cent., their moneyed wealth, as measured by deposits alone, increased 340 per cent. This, however, is not all, for everyone knows that increase in other kinds of wealth has also taken place on a very large scale."

The practical bearing of these statements was then shown by the relative position of the banks in earlier days and to-day. Then the bank's resources were almost wholly used for discounts and loans, their reserves being a mere fraction. "Now, the banks," said Mr. Hague, "are in an immensely strong position to meet inpending liabilities." He considered that, in the great mass of discounts and loans,

"I am well aware that advances may not all be sound that rest on merchandise; and, in fact take any kind of such advances that you please, there is a certain proportion of them that are likely to have some element of unsoundness in them. Mercantile articles constantly fluctuate in value, and leakage of unsound accounts will occur in every merchant's business. But I do not think up to the present there is as much as would cause serious embarrassment to banks, whatever they might do to the mercantile community; and there is, I am sure, far less of recklessness in trade than there formerly was. Supply accounts are very much fewer and on a very much more restricted scale than formerly. Our exports are now mostly on the basis of sales, instead of goods being sent on consignment to take the risk of the market. Credit in the wholesale trade is far better understood than formerly, and on the whole, manufacturing is carried on more conservatively than formerly, though, no doubt, there is something to be learned yet. Now, with regard to the future, of course reverses must be expected, yet it is undoubtedly the case that the power of the banks, as a whole, to meet these, has enormously increased during the past twenty-five years."

Some words of caution followed and intimations as to the signs preceding and the causes of a reverse of prosperity. The Merchants Bank of Canada was declared to have "immense resources at its disposal for new business," as "advances and accounts of a satisfactory character if offered, could be undertaken." The Address will, it is hoped, be published in a permanent form along with previous ones that were very highly valued by bankers and the mercantile public both in Canada and Great Britain. It seems a matter of regret that arrangements were not made for continuing Mr. Hague's official connection with the bank which owes more to his services at a dangerous crisis and through the years when its credit and business were being rebuilt and extended than has ever been fully realized.

A BRITISH TRADE VICTORY.

An example of what can be done in foiling the efforts of Americans to capture British trade is furnished by the formation of the Imperial Tobacco Company of Great Britain and Ireland, Limited, with a capital of fifteen millions sterling. The thirteen firms which this amalgamation comprises united their forces last autumn in defence of the great industry which the American combine had resolved to control. The thirteen firms mentioned control, and will continue to control, what may be called the cream of the tobacco trade in the United Kingdom. The Imperial was formed a short time after the president of the American syndicate began operations in England last year by adopting the same tactics which had made him prominent in the United States. Having bought out a tobacco factory at Liverpool he began to reduce the prices of some of the articles produced there, and offered, at low prices, certain goods which the public were prepared to buy, the offer being conditional on orders being given for other articles which the public did not want. He next cut down the prices of nearly all his American manufactures—by as much as 40 per cent. in some cases. The British shopkeeper and the British smoker did not appreciate this generosity. The goods met with a poor sale. Those manufactured in the newly-acquired Liverpool factory decreased in consumption notwithstanding their reduced price. Then he resorted to advertising on a scale of prodigality rarely, if ever, equalled. Still the British smoker remained unmoved, except that he began to grow suspicious at the lavish advertising, shrewdly opining that money thus disbursed was expected to be recouped by him in some shape or other, and believing also that the goods so extravagantly "puffed" were inferior in quality. With the British smoker it is quality that tells, and the average Britisher is always ready to pay a fair price for a good article. Another point on which the American had not reckoned was the patriotism of the Briton, which, when satisfied as to quality, leads him to prefer home-made goods to foreign goods. The American tobacco syndicate is, there-