

refer to classes of deposit that are not recognized in the schedule of the Canadian banks returns. We find also a column devoted to "Bills Payable" in the return of liabilities not classified under any special heading of the monthly bank returns of Canada. Amongst the assets the amount of coin and bullion on hand is mixed up with "cash balances," so the amount of specie and bullion held by the Australasian banks cannot be ascertained from the bank statements. Another difference between the banks of those colonies and of Canada is that the majority of the former have their head office in London, England, whereas only one bank in Canada is in that position. This is one of the circumstances which cause so much greater interest to be manifested in England over Australasian affairs than in those of Canada, the financial bonds are more closely knit between the Antipodes and the old land, and the prosperity or otherwise of those colonies affects the Mother Country more directly than do variations in the conditions of Canada.

The greater realized wealth of Australasia is evidenced by the large amount of deposits, \$721,297,725 held by 22 banks, a sum which exceeds the total liabilities of the banks of Canada at the end of last March by \$419,748,342. We find the average percentage of the Reserve Fund of the Australasian banks in regard to paid up capital to be 25.55 per cent. as compared with 52.76 per cent. the average proportion of the Reserve Fund of Canadian banks to their paid up capital. In this feature, therefore, our banks are in a stronger position than those of our fellow colonists. The close connection which exists between the Australasian banks and the London money market is shown by the quotation in our Melbourne and Sydney contemporary of the "rates of interest on deposit in London for fixed periods," allowed by 12 of these banks, for one year deposits 5 allow 3 per cent., 4, $3\frac{1}{2}$ per cent., and 1, 4 per cent., for 2 year deposits, 4 allow 3 per cent., 6, $3\frac{1}{2}$ per cent., and 1, 4 per cent., for 3 year deposits, 1 allows 3 per cent., 8, $3\frac{1}{2}$ per cent., and 1, 4 per cent. The banks of Canada are differentiated from those of Australia by all the deposits of the banks of this Dominion being contributed by the people of Canada, a matter for the just pride of Canadians.

PROPOSED INSURANCE TRUSTS.

There is a movement afoot in New York to acquire control of a number of fire insurance companies, whose names have not been made known. There is amalgamation now in the air, which is a reaction from the movement to establish new fire companies with little regard to the openings for new business. Some of these enterprises are understood to be over-weighted with current expenses, and others are not develop-

ing as anticipated. Companies of these classes may be induced to join an organization of a trust character, in the hope to have expenses materially reduced and to acquire more business by the prestige acquired by being associated with a strong corporation. While, as a general principle, unity is strength, it does not follow, that half a dozen or so of weak fire insurance companies will, when amalgamated, constitute a strong institution. A wealthy, strong company may find advantage in taking over a weak one which has risks far in excess of its capacity, because such risks may bear so trifling a proportion to the business of the more substantial company that losses, which would have ruined the weaker one, would have an inappreciable effect on the other's resources. The New York "Commercial Bulletin" regards the projected combination of fire insurance companies as "impracticable." The stock of a really desirable company is said to be "hard to get at a price which is not much in excess of its value." Our contemporary remarks:

"It seems probable that any suddenly acquired assortment of companies are likely to prove, if cheaply obtained, a very poor lot, or altogether too dear if institutions with excellent connections. Very rarely have combinations of several fire insurance companies under one management proved successful. If those running them have been educated as brokers, and still have such interests, the companies must naturally suffer from being on the one hand used to advance them, and, on the other, failing to get the small dwelling and store business which is so important from the standpoint of underwriting profit. Naturally the movement will create quite a stir in the insurance business, but even if a dozen companies are secured they will have but little effect on the general fire insurance market. The local agents control the choice business and will put it in the strongly held and well-managed institutions. The combination companies would simply secure lines on the large or "target" risks and more or less undesirable smaller hazards. As a stock jobbing scheme, the scheme may be feasible and profitable to the promoters if they unload soon after the organization is launched; but as an underwriting proposition it seems to mean a certain loss eventually."

THE MONEY LENDERS' ACT.

The "Act respecting Money-Lenders" has been reprinted as amended by the sub-committee of the Banking and Commerce Committee. The preamble declares it to be in the public interests for the transactions of money-lenders to be controlled by limiting the rates of interest. The expression "money-lender" in this Act includes any person who carries on the business of money-lending, or advertizes or announces himself, or holds himself out in any way, as carrying on that business. The Act reads, when repetitions are eliminated as follows:—

Where proceedings are taken by a money-lender for the recovery of money lent after the commencement of this Act, or for enforcement of any agreement made after the commencement of this Act in respect of money lent, and there is evidence which satisfies the court that the interest charged in respect