Monetary conditions in Canada are unchanged. Call loans are 6 to 6½ per cent. and commercial discounts 6 to 7. Early in the week there was a report, apparently well founded, that the banks were to put the brokers' loans flatly at the 7 per cent. rate; but the movement has not occurred. However, it is difficult enough to get money for speculative purposes, even at the present rates. Some institutions are said to be steadily withdrawing funds from the street for the purpose of lending to commercial customers and also for the purpose of strengthening depleted cash reserves.

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The successful outcome of the operations connected with the subscriptions to the Canadian Pacific's stock issue of $60,000,000 and the payment of the first instalment, constitute a favorable point in Canadian money market matters. It is now assured that the whole amount of stock will be taken up; and incidentally the company has $21,000,000 new cash in hand for carrying on its plans. Presumably some part of this fund will be transferred to Montreal and released through expenditures or perhaps loaned on the street. In either case some relief might be experienced by the home money markets. It is to be noted that for any funds which should be put on loan the company would get very satisfactory interest rates. And as the outlook, in Canada and abroad, favors continued high rates, the interest income from the funds, pending their final disbursement, should amount to a very respectable sum.

CHANGES IN THE BANK STATEMENT.

Among the minor changes proposed by Mr. White, the Minister of Finance, to be introduced into the new Bank Act are a number of variations from the present form of monthly return by the banks to the Minister. Some of these are additional headings; others alterations of existing wordings; some appeared in Mr. Fielding's draft for the new Bank Act introduced two years ago; others are seen for the first time in the present bill. The comparisons between the present and the proposed practice of the future are interesting.

The principal changes have been made on the assets side of the banks' accounts. The headings regarding capital, rest and dividend remain unaltered and in the liabilities section the changes are not numerous. Mr. White adopts Mr. Fielding's addition of "and banking correspondents" in the column headings showing the amounts due by the Canadian banks to banks abroad, so that the one heading will now read "due to banks and banking correspondents in the United Kingdom" and the other "due to banks and banking correspondents elsewhere than in Canada and the United Kingdom." Similar changes are made on the assets side in the column headings showing the amounts due from these institutions. These changes make clear that there are to be entered under these headings amounts due to and from those financial firms and companies who transact a banking business, and act as banking correspondents, but who are not in the sense in which the word is generally used in Canada, banks. On the present form there is possibly room for legal argument in regard to this.

On the liabilities side, also, Mr. White provides for two new column headings. One of these is "bills payable;" the others "acceptances under letters of credit." It will have been noticed that in their recently issued annual reports, several of the banks have published the latter item separate from their balance sheet under a contingent liability heading. This new heading on the liabilities side is duly met by another under assets which reads "liabilities of customers under letters of credit as per contra."

Mr. Fielding's bill made a number of changes on the assets side of the account which have not been adopted by Mr. White. The headings showing the bank balances abroad were altered by Mr. Fielding to read: "assets not otherwise included at agencies and branches of the bank, and balances due from banks and banking correspondents in the United Kingdom"—or elsewhere as the case might be. The change did not appear to be a wise one. Under the present circumstances, these two columns are of value in conjunction with other facts and circumstances in showing the flow of the current of foreign capital into Canada, and the proposed change would have obscured this entirely. In Mr. White's bill, the column headings are as before with but verbal alterations. Others of Mr. Fielding's suggestions have, however, been adopted. Instead of "specie," there is the heading "current gold and subsidiary coin;" instead of "deposits with Dominion Government for security of note circulation," there is "deposit with the Minister of Finance," etc. This is followed by a new heading "deposit in the central gold reserves," which is rendered necessary by Mr. White's proposals, already detailed, for the establishment of a new gold reserve, against which the banks can issue additional circulation. "Notes of, and cheques on other banks" is separated into two headings. "Notes of other banks" is one; "cheques on other banks and cash items in transit" is another. With regard to the banks' loans, Mr. Fielding had altered the familiar form, "call and short loans on stocks and bonds in Canada" to "current loans in Canada on stocks, debentures and bonds." Mr. White retains the word "call" and includes "debentures." "Current loans in Canada" and "current loans elsewhere than in Canada" will now read "other current loans and discounts," etc. "Bank premises" has the important addition "at not more than cost, less amounts, if any, written off."

"Average amount of specie held during the month," is changed to "average amount of current gold and subsidiary coin," etc., and there is a new form appended providing for a record of branch and agency returns included in the whole return, but antedating the last juridical day of the month. Also the declaration relative to the holding of not less than 40 per cent. of the cash reserves in Dominion notes has been amended, so that this applies to the cash reserves in Canada only—a very proper provision.