"Now national capital, the savings of the country at large, cannot be kept active and productive if the people into whose hands these savings accumulate have not complete confidence in the national banking system. If money be hoarded, instead of invested in savings accounts, all enterprise and industry would be brought to a standstill. In a new country every dollar of capital must be kept busy, made to do the work of two or more dollars, if possible, and under the present banking system, enjoying the full confidence of the people, a dollar of any Canadian capital is never allowed to become idle money. Recent amendments to the Bank Act have, therefore, been towards making bank deposits more secure, and guaranteeing the full value of Canadian bank notes through every possible contingency of financial stress.

"'The only virtue which our Canadian banks possess,' our critic declares, in conclusion, 'is that as a general rule the depositor is pretty well protected.' If that measure of protection is to be maintained the bank, as a lender, must protect itself with some measure of the caution devised for the protection of the depositor.

"As deposits are withdrawable on demand, investments of these deposits by the bank should be made largely in readily negotiable securities that have a stable value among the community. Yet this consideration for the protection of the depositor does not operate to foster a want of consideration for the needs of the borrower. A bank cannot thrive by deposits alone. If it cannot lend in the same volume that it borrows a bank will be paying interest on idle money. Where a small new branch is established at an expense for maintenance and operation of say $5,000 the year, that means that approximately $165,000 must be received on deposit, or loaned, during each year's business, to make the branch carry itself. And as the new branches opened in the west are rather outlets than intakes, it means that their managers must be lending money to customers in the required ratio, or be operating their offices at a loss.

"The Canada Bank Act is not so much a piece of legislation as it is a form of constitution. It is not a code drawn up by law-givers, but a system for regulating our internal financial affairs that must be revised and amended with unremitting frequency in order to meet changing conditions. The present act, on external evidences, appears to meet in some degree the requirements of both high and commonplace finance. American bankers commend in it the feature of "elastic currency," which automatically provides an adequate circulation of money to meet the varying demands for crop movements and trade expansion; while the casual visitor to our country has noted, with some amusement, that 'in Canada they pay their laundry slips with bank cheques.'

"The fullest discussion of the Canada Bank Act is now in order. It is before the country for decennial revision, and, aside from this, Canada's participation in the war has introduced new problems in finance that affect the banks no less than the borrowing and investing community. Intelligent discussion is now wanted to avoid wasteful and disconcerting experiments. But a profitable discussion will not be invited through hasty criticisms, inaccurate deductions and clever, but ill-considered attempts to throw ridicule on the subject."

ALBERTA RURAL CREDITS UNDER WAY

A number of rural credits societies have already been organized in the province of Alberta. The necessary legislation was passed more than a year ago, but nothing was done in the way of organization until recently. Mr. C. H. Gifford, general secretary of the Manitoba societies, has been in Alberta assisting in getting the work started. The first to be formed in Alberta was the Bertawan Society, to which the Union Bank, through its Alsask branch, advanced $35,000. Three or four others have also been organized.

The nineteenth annual convention of the Union of Canadian Municipalities is to be held in Kingston, Ont., on August 12th, 13th and 14th.

COBALT ORE SHIPMENTS

The following is a statement of the shipments of ore, in pounds, from Cobalt, for the week ending June 13th, 1919:—

Hudson Bay, 64,100; La Rose, 132,657; Mining Corporation of Canada, 326,638; Coniagas Mine, 162,128; McKinley-Darragh, 167,682; Buffalo Mine, 176,000; total, 965,105.

The total since January 1st is 10,605,133 pounds, or 5,302.5 tons.

TRUST AND LOAN COMPANY OF CANADA

According to the annual report of this company for the year ended 31st March, 1919, the amount received from the interest account in Canada was £218,073, or slightly less than last year. Total income was £264,831. Expenses were higher and a net profit of £110,062 was carried down in comparison with £126,892 last year. The sum of £10,000 was appropriated to contingencies account, provision was made for the income tax and a balance of £99,877 carried forward into next year's revenue account. A dividend at the rate of 7½ per cent. per annum was paid in June, 1918, out of the balance brought forward from the year ended March 31st, 1918.

Total assets are now £3,902,840, or slightly less than last year. The funds are invested principally in mortgages in Canada. The amount of debentures and debenture stock outstanding showed a decrease. The statutory reserve fund is now £600,314, compared with £600,000 last year.

COST OF BREAD LOWER

The cost of Living Branch has submitted its April report to the Hon. Gideon D. Robertson, Minister of Labor, showing the production and cost of bread in the chief cities of the Dominion, as shown by bakers' reports for the month. Labor trouble existing in the West prevented the receipt, in some instances, of the usual statements for the costs of bread in that section of the country. Reports from other cities came in as usual and these records show that the bakers throughout the Dominion are making a study of the costs of production.

Taking representative districts from coast to coast the report shows a slight increase of 1.23 per cent. in the quantity of bread consumed during the month. The average cost of the flour used was $10.74 per barrel, a decrease of ten cents per barrel from the figures for the previous month. This decrease has evidently been brought about by competition between the millers for western business and also by the fact that the Maritime Provinces have procured, at a reduced figure, flour from lots destined for export but not shipped owing to lack of shipping space. This export flour was fully equal in quality to that for which the bakers have been paying higher prices. The yield of bread per barrel of flour used averages 265.4 pounds.

Comparing these costs with those of the previous month, seventeen districts show a small decrease and eleven show a slight increase. The average price per pound shown for the Dominion for April is 6,854, while for March the figures were 6,842. A slightly lower yield per barrel, together with increased costs of baking and delivery, may account for the increase per pound. Using one barrel of flour as the standard of comparison the result is as follows:—

	March.	April.
Flour per barrel	$10.84	$10.74
Ingredients per barrel	1.47	1.41
Baking per barrel	1.65	1.75
Delivery per barrel	2.78	2.83
Management and fixed per barrel	1.48	1.46
Total cost per barrel	$18.22	$18.19