

rivers and the ocean, would not be of great amount. The introduction of railways altered this condition, which indeed had been slightly changed by canals; and the steel rail in turn lessened the cost of carriage. But railroad competition with great water routes is still impossible. Our great water ways have not been made the most of, and it is not at all certain that the deepening of our canals to 20 feet would give us a much larger share of the trade which is now done in or through the United States.

That success would attend the United States gold loan of \$50,000,000 was a foregone conclusion. The bids are over three times the amount required; and yet, owing to the method of reaching the market, it cannot be called a popular loan, in the sense that a vast number of small investors, as with French loans, deal directly with the treasury. A combination of bankers in New York, Boston, Philadelphia, Chicago and San Francisco, put themselves in a position in which they thought they might, to a certain extent, dictate to the Government. This they did by making the condition that the whole loan or none of it must be awarded to them. The proper thing for the Government to do would have been to make invariable conditions on which bids would be received, and above everything it should have left itself at liberty to select the best bids in whatever amounts, and refuse all that did not comply with the conditions set. The banks, which have for a long time been manœuvring to draw gold from the Government, are willing to lend a portion of it back to the treasury, if they can make two per cent. by the operation. The *Journal of Commerce and Commercial Bulletin* attributes the embarrassment of the National Treasury to the fact that "the banks have virtually suspended specie payments," a process which began, on a small scale, in 1892, and has continued since. The result is that the Government has received only \$20,000,000 in gold for dues, where it should have received \$360,000,000. The proceeds of the present loan will soon be frittered away, the *Journal* believes, and it adds "if the banks continue their suspension, a like suspension by the Treasury is absolutely inevitable," so-called. A refusal to pay out gold to importers otherwise than in exchange for bank notes, is not a suspension of specie payment. The old question, whether the Government dues should be paid in anything but specie, may be again revived, and the present attitude of the banks may possibly strengthen the cause of the advocates of the silver fallacy. The trouble is an old one, which pressed heavily on the treasury under Van Buren's administration: the Government is not paid in a currency in which it is itself obliged to pay.

THE BANK STATEMENT.

We give below a condensation of the figures of the statement of Canadian banks for the month of October, which bears date Ottawa, 20th November. It is compared with the bank statement for the previous month, and shows capital, reserve, assets and liabilities, average holdings of specie and Dominion notes, &c. We published last week the full statement.

CANADIAN BANK STATEMENT.

LIABILITIES.		
	October, 1894.	Sept., 1894.
Capital authorized	\$ 75,458,685	\$ 75,458,685
Capital paid up	62,207,685	62,198,676
Reserve Funds	27,261,749	27,260,835
Notes in circulation	34,516,651	33,355,156
Dominion and Provincial Government deposits	4,664,442	5,615,836
Public deposits on demand	67,950,583	66,584,661
Public deposits after notice	111,885,357	111,084,063
Bank loans or deposits from other banks secured	62,645	69,603

Bank loans or deposits from other banks unsecured	2,825,031	2,654,975
Due other banks in Canada in daily balances	167,984	136,400
Due other banks in foreign countries	118,887	116,267
Due other banks in Great Britain	4,502,018	4,268,502
Other liabilities	218,628	176,700
Total liabilities	\$226,912,318	\$224,062,249
ASSETS.		
Specie	\$ 7,845,946	\$ 7,884,650
Dominion notes	15,672,011	15,682,340
Deposits to secure note circulation	1,821,271	1,823,151
Notes and cheques of other banks	7,285,166	6,469,658
Loans to other banks secured	66,661	215,072
Deposits made with other banks	4,112,540	3,807,355
Due from other banks in foreign countries	22,604,212	21,440,033
Due from other banks in Great Britain	4,216,625	3,909,120
Dominion Government debentures or stock	3,110,349	3,110,349
Other securities	18,240,485	18,794,991
Call loans on bonds and stock	16,955,122	16,207,333
Total assets	\$101,930,388	\$ 99,344,052
Loans to Dominion and Provincial Governments	562,166	439,357
Current loans and discounts	198,888,480	199,773,925
Due from other banks in Canada in daily exchanges	180,819	139,416
Overdue debts	3,363,376	3,325,559
Real estate	940,941	944,935
Mortgages on real estate sold	621,350	615,258
Bank premises	5,478,259	5,471,667
Other assets	1,796,240	1,636,627
Total assets	\$313,762,224	\$311,691,002
Average amount of specie held during the month	7,830,330	7,878,818
Average Dominion notes held during the month	15,508,194	15,648,386
Greatest amount notes in circulation during month	35,546,324	33,788,375
Loans to directors or their firms	8,045,951	8,065,752

Now that navigation is about closing, which brings to an end a large portion of the export business of the country across the Atlantic, we can look round and estimate the position, and consider what the progress of events has left us.

In many respects it is not a very cheerful outlook, for though the volume of business has been large, and in some lines very large, the profit has been miserably small, or nothing at all. This, at any rate, is certain, so far as the exports of the products of the farm are concerned, in which, by the way, ought to be included animals and their products in our Government returns of exports. For it is absurd, when we are considering what is sold year by year from the farms of Canada, to exclude the surplus cattle, sheep and horses that are fed thereon, as well as the dairy products that arise from the cattle. This, however, by the way. It is certainly to be lamented that of the tens of thousands of animals that have been spared from our farms, so little profit has been left to those who have taken the risk of buying and shipping them, and that in many cases it has been nothing but a steady course of loss after loss.

Men may cry out, in their ignorance, as they please against middlemen, but it is an unquestionable fact that the farmers of Canada have saved millions of dollars by selling to middlemen of one description and another. These men, for all they are so abused, have taken the risk of buying the farmers' grain and cattle, year after year; have gone through all the labor (and enormous labor it is) of storing and shipping and selling across the Atlantic, and have in a majority of cases come out with less than nothing for their pains. In not a few instances they have beggared themselves and their families.

In other cases where matters have not turned out as badly as this, the middlemen have had their labor for their pains, and find themselves poorer, rather than better off, after buying from the farmers hundreds of thousands of dollars worth of what the farm produces.

Bankers know these things only too well, for many a