

The Commercial

WINNIPEG, JAN. 16, 1883.

A LOCAL CHARTERED BANK.

It has ever been, that a very considerable portion of the capital for the development of a new country has to come from the pockets of those who live in older districts, and whose interest in the work of progress is measured solely by the extent of interest secured upon investment. This is specially so with Manitoba, and Winnipeg has had reason to know, within the past few months, that such is the case. There is no reason to complain of the scarcity of foreign capital that has been invested in and around the city, but there is every reason for the commercial circles to complain of the manner in which such funds have been invested, and the small share that has fallen to the work of development.

The commercial circles of Winnipeg, and, and, in fact, of all Manitoba, have to depend almost entirely upon the banks for financial resources, and the harvest that these have before them in this city is evident from the eagerness with which each corporation is trying to secure a footing. Yet it is not to be thought that it is from any special desire to aid in the building-up of the North-west, that the eagerness is displayed; nor is it that the funds of banks are so plentiful, that new fields in which to scatter them are necessary. The business men of the city have passed through two months of a really tight money market, and their experience during that time has shown that the banks are prepared at any time to let the trade interests of the North-west suffer, to serve those of the East. In fact it requires only an overdose of stock-gambling, or some such self-inflicted monetary malady in Toronto or Montreal, to cause some banks here to stop discounting according to instructions from head-quarters, which they are certain to receive under such circumstances. Could actual figures be obtained, many would be astonished at the amount of funds that have been withdrawn from Manitoba branch banks, and the extent to which commercial affairs in this Province have been crippled during the past two months, in order to meet a time of threatened panic in the East, which was the direct result of reckless speculation. The legitimate trade in-

terests of the Prairie Province have therefore to suffer, when those of Eastern speculators, or to put it in plainer terms, stock-gamblers, require so; and such will ever be the case while the banking business of the Province remains in the hands of corporations whose head-quarters, and real interests are in eastern cities. The branches of such in this country are reduced to mere collection agencies, with liberty to receive deposits, and some are no better than parasites on the financial system of the North-west.

There is one direction in which the commercial classes of Manitoba must look for relief from this state of financial bondage in which they are now held; and that is to the organizing of one or more chartered banks, whose head-quarters will be in the city of Winnipeg, and whose interest will be centered in the commercial welfare of the North-west. Other systems may, to some extent, mitigate the evil we complain of; as for instance private banks already have, but the only permanent cure for periodical financial famines—having their origin in the east—lies in the establishment of a bank for Manitoba. It would be to the interests of stockholders and managers of such an institution, to make the welfare of the trade of the Province their first consideration, and once fairly floated, its influence in making for capital a permanent home in the North-west would be really great. Even the branches of Eastern banks would then find it necessary to enlarge their sphere of financial usefulness, to retain their patronage, and would no longer remain agencies for receiving deposits and making collections.

We understand that a move in this direction was made some time ago, but has as yet not been carried out. This movement might be revived, or if it has been lost in the wilderness of aimless speculation, in which so many really valuable commercial movements disappeared during the past year, let a new movement be set on foot. Capital for such an undertaking should not be difficult to obtain, as in connection with no prospective investment in the North-west are more security and solidity and better returns likely to be realized. Until such a bank is established, the North-west must remain a field for financial make-shifts, and the financial resources of its commerce be more or less precarious in supply.

WINNIPEG AS A WHOLESALE CENTRE.

In a former issue we noticed briefly Winnipeg's advantages as a wholesale centre, and although it is only four months since we did so, these advantages are so greatly increased, that we are justified in again calling attention to the matter.

A year ago the wholesale houses of Winnipeg, including every branch, numbered twenty-six, and a large proportion of that number have grown during the year to double their proportions then. The number now, is nearly sixty, and includes institutions that would do credit to the largest cities of the Dominion. A year ago the grocery and provision trade was represented by four houses, the value of whose combined stocks did not exceed \$300,000. At present there are nine exclusively wholesale houses in this line, and their stocks are valued for over \$750,000, at certain seasons of the year they will foot up to close upon \$1,000,000. Wholesale dry-goods and its auxiliary branches, were represented a year ago, by four houses, whose combined stocks ranged in value from \$250,000 to \$400,000 according. Eleven houses are now engaged in this business, and their stocks, at certain seasons of the year will represent an aggregate value of nearly \$1,125,000. Wholesale hardware has also received great additions, and the stock in the city now are at least double what they were a year ago, and all other branches then represented now show more or less of a marked increase.

A year ago there was no representative house in wholesale jewelry, and now two firms are doing an extensive business. No wholesale stationery house existed in Winnipeg at the opening of 1882, and now three are in full swing, and their travellers visit all settled parts of the North-west. At least a dozen branches of wholesale trade are now represented in the city, that were unknown a year ago, and the value of wholesale stocks have increased over three-fold during that time.

It is not our intention now to go into figures as to the amount of business done by wholesale houses during the year; but the above figures prove beyond a doubt, that it is now altogether necessary for retailers to make their purchases in Eastern markets, as in no city in Canada outside of Montreal or Toronto can such a varied market be secured, as in the Manitoba