

borrowing in Europe at extraordinary rates of interest.

Rates in Canada are unchanged at $5\frac{1}{2}$ to 6 per cent. for call loans. The terms for mercantile discounts in this country change, but very slowly. From year to year the merchants, manufacturers, etc., get their credits at pretty much the same rates. When there has been seen a gradual tightening of the monetary system, such as Canada has experienced in the past year, the movement may, when it reaches a certain point, produce a moderate rise in the average rate of interest or discount received by each bank. In the cases of many of the best accounts it is unadvisable or impracticable to raise the rate; but the bank can ask and get a better rate for new business taken by it when conditions generally are as at present. And there are usually a number of accounts, the rates applying to which may be raised in periods of dear money. In that way the average rate received by the bank on all its advances may be slightly increased. Of course this gain may be merely temporary. The period of stringency may be followed by one of cheap money in which the average rate will tend steadily downwards.

THE BANK OF MONTREAL'S MEETING.

The speeches of Mr. R. B. Angus, president, and Sir Edward Clouston, vice-president and general manager, at the annual meeting of the Bank of Montreal's shareholders on Monday, naturally divide themselves under two headings, first, the condition of affairs generally throughout the Dominion, and secondly, the position of the Bank itself. Canadian business men, and many of those, who live outside the Dominion, but have financial interests here or are concerned in some way or other with Canada's development, have long been accustomed to look to the speeches at these annual meetings for an authoritative exposition of Canadian conditions as they are, and a careful estimate of what they are likely to be in the future. The unrivalled facilities possessed by the Bank of Montreal for acquainting itself with the true position in the Dominion is backed by conservative and wise judgment, so that among the mass of judgments upon Canada, now yearly poured out, the verdict of the Bank of Montreal's President and General Manager is of peculiar interest and importance.

Both as regards the present position of Canada and the future Monday's speeches were eminently satisfactory. "The period under review," said Mr. Angus in opening, "has been marked by almost unbroken prosperity," and he was able to show in detail that, to use the subsequent words of Sir Edward Clouston, the general trade of the country is satisfactory, with a promising outlook. As

regards the western crops, the actual results have proved more satisfactory than was at one time thought possible in view of the excessive drought of June and July, and Mr. Angus quoted figures showing that the western crop yield is reliably estimated at 95 million bushels of wheat, 128 million bushels of oats, and 25 million bushels of barley and flax. Moreover, this season has exemplified one re-assuring factor with regard to the western crops, that the area under cultivation in the West is now so extensive that parts of it are differently affected by weather conditions. Damage from drought occurred in widely separated spots and was by no means uniform and the result of the harvest, although less than had been anticipated in the early part of the season, before the drought, was yet immense, considering the small population which has to share the benefits. A highly important fact, mentioned by the President, is that while the dry season might serve as a warning to more careful tillage of the soil, it could not disturb the prevailing hopefulness and contentment of the western people. While to this western country belongs the future "it may be long" remarked Mr. Angus, "before it overtakes the productiveness and wealth of the older Provinces, which in their undeveloped resources, timber, minerals and arable lands, afford abundant opportunities for expansion and settlement"—a fact, which in the present fever for the West, is liable sometimes to be overlooked.

In surveying the development of Canadian trade in its various branches, Mr. Angus found that it has been stimulated by the extensive immigration from Europe and the United States, the estimated number of arrivals during the season being from 300,000 to 350,000, and by the extraordinary expenditures on railway construction and other public works, while the rapid growth of industrial enterprises no less than the great and profitable expansion of agricultural operations, together with the opportunity of acquiring unoccupied land, render Canada a popular field for the employment of European capital. "Important transfers of money to this country," said Mr. Angus, "are of daily occurrence, and especially from England, where political and financial unrest has induced many people to seek new avenues for investment." On this point, however, Mr. Angus gave an opportune warning:—

Contributions through the Stock Exchanges and money markets of Europe to the financial enterprises of Canada have been extremely generous of late, and it is eminently desirable that the confidence thus displayed should not be abused. Some offerings have been made, it is feared, by over sanguine promoters whose statements it would be hard to justify, and in relation to schemes where the advantages to buyers are not quite apparent. It might be well to consider that, while money seeking investment is much more abundant in some countries than it is with us, there is seldom much lack of capital here for participation in enterprises that are unquestionably sound. Our friends abroad might reflect that a home market, especially