

trade in progress, but advices from the interior report mercantile collections easy and money fairly abundant.

There seems to be pretty firm unanimity among writers on wages in Great Britain, that wages are too high generally, and that there must be a fall before manufacturers can make money. It has been proved that the operative is better off now than ever before. His wages are a little less, perhaps, but he was never able to buy food so cheaply: such articles as flour, bacon, butter, cheese, sugar, and such other necessities, as woollens and cottons. So when the workingman strikes for more wages, or shorter hours, at the same wages, he is doing all he can to hamper the employer. Such a policy affects not only the individual employer but the nation.

Owing to so many of our Canadian cotton mills giving up the manufacture of greys and whites, and going into making varieties the concerns which kept to the plain cottons are now doing best. Mr. Gib on, of New Brunswick, appears to have been saved from loss by the divergence to varieties, and there is now room for him on the plain goods. It would be very misleading to conclude that all is plain sailing in this connection, however. The danger of over-production and swamping the market is an ever-present one so long as the capacity of machinery is in excess of possible consumption.

BANK MEETINGS.

The public has been enlightened, by the proceedings at the last meeting of the Bank of Commerce shareholders, concerning several items of the bank's assets, which had only been darkly guessed at. Reasons why Commerce stock long remained so low relatively to other bank shares are found in the explanations of the president. Losses have been made through "highly respectable parties," who were "perfectly responsible in a legitimate way," but who had gone far astray in the pastures of Manitoba and the remotenesses of the North-west, and their speculations resulted disastrously for themselves and the bank which made them advances. The British Canadian Timber and Lumber Company's account is another of those affairs in which a bank is always open to risk, no matter how carefully they may be entered upon. Something has long been known as to the true inwardness of this malodorous concern; how adroitly the wires were pulled to "fool them Scotch fellers," and how the quantities and values of supposititious standing timber were overstated with the airy freedom and frequency of Jim Smiley's bets. Well, the timber limits and stores held as security for some few hundreds of thousands advanced, were declared by the company to be worth close upon a million. The limits brought at auction little more than a fifth of their stated value!

Such are the principal elements of loss, according to the report. The main question now is, has the management written off enough to get rid of the dead substance? It would have been better, of course, and

the reduction of dividend might have been avoided, had provision been made earlier for these losses. Still the shrinkage in the securities mentioned could not be determined until they came to sale. But now the directors make the declaration that all losses sustained and probable losses are fully covered. There is, further, no ambiguity about the statement made in the report that the business of the bank is sound, legitimate and active, nor any lack of definiteness in the president's assurance of confidence in its future.

The changes made in the board of direction deserve attention. Principal among these is the retirement of the Hon. William McMaster from the presidency, a step dictated by his advancing years and his state of health. Many who recall how, twenty years ago, and more, the retiring president went up and down this province, travelling by night as well as day, canvassing, persuading those who had idle capital to found a bank here in order that Ontario should not be solely dependent upon any other province for its banking facilities, will feel regret for the ailments which, in his case, compel retirement. Mr. McMaster's name and reputation have undoubtedly done much for the institution of which he was the main founder. Energetic, resolute, just, he possessed qualities which command confidence as well as admiration. And he has had the satisfaction of seeing the institution for which he labored so long, achieve a proud place among the banking concerns of the country, affording as it does loans and discounts to the extent of sixteen to twenty millions of dollars annually.

His successor, well known in business circles, though not actively in banking, mounts at one stride into directorship and presidency. And he is a style of man whom any bank might well wish to get upon its board. Mr. Darling possesses administrative ability, for so young a man he has had an unusually varied business experience, and he is a marvel of methodical industry. It was a signal mark of honor to be chosen unanimously to the post by a group of men almost every one of them his senior. There are men upon the present board who have strong individuality, and who are little likely to surrender their independent judgment. It is not always an advantage to an institution to have it made a vehicle for one-man power, however strong the man. The others, whose names are newly added to the increased list of directors, are successful business men of good reputation. Mr. Cox, for example, has made himself known in financial matters on both sides of the Atlantic, and Mr. Davidson has won his spurs as a wholesale grocer.

The increase of more than one-half in loans and discounts made by the Standard Bank, in its last statement, as compared with the previous year, is one which indicates active movement. That it was also fairly successful movement may be gathered from the net profits, which are stated at \$104,000. Of this sum, dividend absorbed \$63,000 and \$40,000 is added to Rest, which receives a further addition of equal amount from premium on shares taken up. The capital is now a round million paid up and the Rest account \$300,000. Deposits exceed

two and a half millions, and circulation is close upon half a million, while discounts and loans have reached three millions and a half. These are handsome figures; and when one remembers the circumstances in which this bank was placed, almost at the outset, it will be admitted that the administration has been judicious which, in ten years, has brought about such results and made so good a reputation for the bank. We observe with satisfaction that a sum continues to be annually written off bank premises and furniture account. Attention to just such matters tends "to keep the sheet clean."

BAD BUSINESS.

The way in which business is done in Canada, between the importer and the country retailer, is unbusiness-like in many particulars. It is dangerous in others. Sitting in the street cars of a western city the other day, a commercial traveller, who was a fellow-passenger, told the writer of a transaction which had "riled" him a good deal. Said he, "I was shown, yesterday, the invoice of a wholesale house which had sold, in May last, a general parcel of dry goods to a shop-keeper in Western Ontario and dated it six months from 1st September." These goods, he added, were sold, even at a date so long ahead, at prices as close as I would quote an ordinary five or six months' parcel. A similar case, and what came of it, was told in our Summary columns last week.

Take another instance, a gentleman, whose business takes him to country districts once in a while, and who was once a shop-keeper himself, describes the case of a retail firm which, at stock-taking in May, 1885, found a stock on hand of \$12,500. Their turn-over in twelve months was under \$21,000, and yet they had on hand at 1st June, 1886, close upon \$15,000 worth of merchandise. This is a firm described by our informant as having a first-class reputation, and being run after by commercial travellers, of whom there were no fewer than sixteen in the town the firm lived in during his two-days' stay. If this firm goes on increasing its stock as above described, and cannot manage to turn over its stock twice in the year, nothing but a financial miracle can save it from embarrassment.

We have little doubt that the concern last mentioned, like many and many another, is being helped to its downfall by being over-loaded with goods, invited by circulars, coaxed and cajoled by commercial travellers, pressed by principals, offered long terms, extra terms, any terms, if only it will give an order. We have been sorry to hear the reason alleged of late for heavy stocks by retail dealers in the country: "Oh, we cannot get along now as we used to do with a stock of \$6,000 or \$8,000. Our neighbors have launched out, new shop-keepers have come in, they have all heavy stocks and, if we want to retain our trade, we have to keep up with the procession, even if we do carry one-half more stock than we feel that we ought." It is a mistaken notion. Stocks so disproportioned to the business done mean spoiled goods,