

any day; the Senate has declared for ways as regards the subversion of and the Commons patently feels that it, and henceforth, there will be closer rate Bills, alleged to be for the general

ada. care will not get rid of the double- that remains—unnecessary, expensive, overlapping; and unnecessary, expensive centralization. There is a Dominion Rail- that satisfies nobody, and an Ontario which railways are hurrying to avoid. of the public is the paramountcy in rail- the present situation magnifies the diffi- s the advantages of wise regulation. ny company laws as there are Pro- rise to have an all-Canadian tariff, it the law for keeping business from de- canary. Our system of public works centralization and a grafting which drastic revision can abate. While the must bear the expense of sundry w country, a method should be devised ability is localized and supervision rom party influences. The predomi- right is the right to be well and eco- d. At present the Provinces are as they can into the Federal purse sponsibility. The Dominion Govern- enditure on expenditure until the cost is likely to exceed per head of the den placed on the people of the United maintain a great army and the most

s not an infallible guide to diagnosis olitics, but it is a pretty accurate ther- quest for little grafters the broad cur- and Provincial finance may easily be ion expenses are over a hundred But current working expenses are, as ree-fourths of that, and include the s. Still, twelve dollars apiece from and child is a big sum. It promises value received seems to diminish as ses. That is bad politics and worse ill not be cured by leaving Provincial and obscurity.

LOANS EXCEED DEPOSITS.

stringent and disturbed conditions of make the last published bank state- terest. Business men were said last g persistent demands for the loosening se strings. But the real strength of was not recognized until the March ed. In February, current loans in record of \$562,600,000. Last month d to \$579,000,000. Prosperity has ry business man to call for money. the banks checked this demand, the been several millions larger. Trade coast to coast, new markets are being mmercial men are endeavoring to keep This is a difficult task. Winnipeg loans for civic improvements, as have palities. The real cause of the delay ts contemplated by the Grand Trunk n, Ont., is due probably to the strin- tion of the Montreal tracks, too, is ver for a year, when it is hoped the ne less acute. The financing of some w railroad in Ontario has been post- vement in the money market occurs. made and negotiations have reached age.

table shows the growth of current nce September. The first percentage

column represents the change since 1905. The second percentage figures show the monthly change in 1906:—

	1905.	1906.	Comparison 1906 with 1905.	Monthly change %
August	\$437,440,914	\$507,943,194	+16.1	—
September	443,011,879	515,213,110	+16.3	+1.4
October	450,413,017	531,019,479	+17.9	+3.1
November	457,008,145	538,695,115	+17.9	+1.4
December	458,355,366	548,684,480	+19.7	+1.9
	1906.	1907.		
January	\$451,207,327	\$550,938,838	+22.1	+4
February	485,706,908	562,678,044	+15.8	+2.1
March	475,032,442	579,057,554	+21.9	+2.9

Call loans in Canada on March 31st showed a decrease of \$666,320 from the end of February, and were \$3,291,971 less than at the corresponding date of last year, while call loans outside Canada showed a decrease of \$4,607,704 from the end of February, and were \$3,976,898 less than at the corresponding date of last year.

For the second time in ten years loans and discounts in Canada have exceeded the deposits. In one sense this shows that money is not scarce. The depositor has held his savings and strengthened their potentiality with loans. The fact that loans exceed deposits is due largely to the blockade in the West. The smoothly-running wheels of finance have become a little out of gear. The distribution of cash resources is not as even as some would desire. Money has accumulated, and, by the stress of circumstances, become unavailable in those channels in which it usually flows. The situation is more curious than serious. Naturally, bankers will exercise more discretion just now in the matter of loans. Big loans are necessary for development. But loaning, ad infinitum, is paramount to lending a lad unlimited cash without knowing exactly how the boy will invest it. It will be necessary for those who desire to extend their business at the present time to do so economically. There is a limit to the loaning of money. It is only excessive money-lending that will create an unpleasant situation.

The banks have felt the strain in two ways. Not only have their loans increased, but several millions of deposits have been withdrawn. This is due largely to the rush of bargain hunters into the stock markets. Low prices on the Stock Exchange act like a magnet to bank deposits. This is especially so now. The average man has become a speculator for the time being anyway. There are people speculating now whose money would be far more safe with the banks.

Public deposits in Canada at the end of February stood at \$574,789,435. Last month they had decreased to \$567,937,052, a loss of \$6,852,383. The following table shows the rise and decline in the total deposits in Canada for the past six months:—

	1906.	Change.	Change %.
October	\$572,318,252		—
November	583,608,906	+11,380,654	+1.9
December	590,908,664	+7,299,758	+1.2
	1907.		
January	575,556,984	-15,351,680	-2.5
February	574,789,435	-767,549	—
March	567,937,052	-6,852,383	-1.1

It will be seen that up to December the total deposits showed a steady increase. Since then a big decline has occurred. In the last three months of 1906 the deposits increased \$18,590,412, or 3.2 per cent. In the first three months of 1907 they have decreased \$22,971,612, or 3.8 per cent.

Real estate and Cobalt account for more money than is generally supposed. Money usually is invested for profit. Opportunities for the small investor have been numerous recently, and he has not been slow to take advantage of them. This has upset calculations a little.

OLD AGE PENSIONS.

Whilst Mr. Asquith, Chancellor of the Exchequer was earmarking \$9,000,000 for some future Old Age Pensions Bill for the English Liberal Government last week, Sir Richard Cartwright was speaking in favor of a similar measure in the Canadian Senate. Apparently, the English Chancellor contemplates providing pensions for all indigent old people, regardless of any payments from these people. The Canadian Bill prepares for an annuity to those who have made some provision for themselves. Mr. Asquith referred to his old age pension as an honorable relief. A member of the Senate argued in favor of the Canadian measure by terming a pension a demoralizing influence.

Attempt has been made to condemn, with the aid of Mr. Asquith's speech, the Dominion's attitude. The conditions surrounding the different proposals are different. Canadians have been fortunate in their heritage. Whether they were born in this new country or crossed the ocean, they enjoy opportunities for employment and financial gain on easier terms than in older lands. The immigrants, who have left home and friends, and it may be a land superior to Canada in matters of art, education, and refinement, come here to obtain a better return for their labor. Generally speaking, in a few years, with the opportunity to earn a competency, they develop a desire for financial independence and an increased dislike of anything savoring of charity or paternalism.

Canada, fortunately, knows little of warfare, which in the older countries has done much to popularize pensions. There is nothing inconsistent in the apparently opposing views of the English and our own statesmen. Conditions in England may make pensions more justifiable and necessary than in this country. To adopt a law for necessitous old age in Canada, also applicable to England, would be demoralizing, inasmuch as we have practically no one to draw the pensions. And the creation of the pauper is undesirable.

Sir Richard's bill to empower the Government to sell annuities appears to be a sensible proposal, assuming the wisdom of Government action—which is open to question. His proposal is that, figuring interest at the rate of $3\frac{1}{2}$ to $3\frac{3}{4}$ per cent., a man who began making payments to the Government at the age of 20, at the rate of 25 cents per week, would at the age of 60 have an annuity of \$120 per year, and, if he deferred drawing the annuity till he was 65, receiving no payments between 60 and 65, he would receive an annuity of \$200. The annuity table would look something like this:—

First payment at age of	Premium weekly.	Annuity at 60.	Deferred till 65.
20	25c.	\$120	\$200
25	30c.	"	"
30	35c.	"	"
35	50c.	"	"
40	70c.	"	"

Thus, for payments of from \$13 to \$36.40 per year, for periods ranging from 40 to 20 years, one would be entitled to receive annually \$120 for the balance of life. If the annuitant died before the age of 60, the amount paid would be returned to his heirs.

Objection may be raised to Sir Richard's proposition by banking and insurance companies. Sir Richard claims his scheme will not interfere with them. In this he is inconsistent. The bank statement should, he says, show that Canadians with money which they were not able to invest in security in a bank at a higher rate than 3 per cent. were saving it for their old age. The Government annuity would give them perfect security and greater interest. Here, at least, the annuity would certainly encroach upon banking business. The amount of money invested for the object mentioned at present is upwards of \$150,000,000.

In speaking of the annuity as a provision for old age, Sir Richard was using an effective argument of the insurance agent, as he also was when saying that,