

loans also have been easy: 60 days, 3 p.c.; 90 days, 3 p.c.; 6 months,  $3\frac{1}{2}$  p.c.

#### POLITICS AND BANKING.

In their Saturday statement the clearing house institutions at New York showed a good gain in reserve strength. Their loans increased \$8,500,000, but this expansion was far more than offset by the gain of \$20,800,000 in aggregate reserves, two-thirds of which occurred in the cash held by themselves. Note circulation decreased \$3,200,000 and the excess reserve increased \$15,391,000, rising to about \$136,000,000. The position of the federal reserve banks has not greatly changed. The New York institution shows a drop of \$1,000,000 in deposits, an increase of \$1,300,000 in rediscounts and a decrease of \$3,000,000 in cash. Boston and Philadelphia show slight gains in cash but Chicago shows a loss. With reference to the discount rates quoted by the federal reserve banks, they are now all on the  $4\frac{1}{2}$  p.c. basis for 30 day paper excepting San Francisco which quotes 4. The rates for longer periods are 5 p.c. straight in case of New York, Philadelphia and Boston; and from 5 to 6 in case of the others.

There is constant political pressure to have these quoted rates put down to the lowest possible level, and in various other ways the political connections of the reserve banks have made themselves felt. It is becoming clear that the bankers at the head of these institutions will have to be unceasingly watchful to prevent the encroachment of politics.

#### STEEL DEVELOPMENTS.

It appears that the American iron and steel industries have been taking interested note of the recent sales of Canadian steel rails to transportation companies in the United States. Owing to the drop in orders from Canadian sources our plants have been offering cut prices to American roads as a means of keeping their equipment employed. This, of course, is a temporary expedient, and as soon as normal conditions are restored our own requirements will absorb pretty much the whole output of the Canadian plants.

#### CONFEDERATION LIFE ASSOCIATION.

Mr. Peleg Howland, president of H. S. Howland, Sons & Company, Limited, and recently appointed president of the Imperial Bank, has been elected a director of the Confederation Life Association in succession to the late Colonel D. R. Wilkie.

Lieut.-Col. Frederic Nicholls, president and general manager Canadian General Electric Company, has been elected a director of the Confederation Life Association in succession to the late Sir William Whyte.

#### MR. ALBERT J. RALSTON.

A well-earned tribute to the work of Mr. Albert J. Ralston as managing director of the National Life Assurance Company, of Toronto, during the last ten years, has been paid by his election as first vice-president. The success of Mr. Ralston's efforts in building up the National Life is well known throughout Canada. In his ten years' management he has increased by practically 500 p.c. the insurance in force, premium income and assets of his Company. The facts speak for themselves of the energy and discretion of his administration.

#### MR. GEORGE BURN.

In the election of Mr. George Burn, general manager of the Bank of Ottawa, as president of the Canadian Bankers' Association, in succession to the late Col. D. R. Wilkie, fitting honor is paid by the bankers of the Dominion to one who is held in the highest esteem by the Canadian banking fraternity. Like so many others who have helped prominently to shape the credit structure of the Dominion and guide its financial policy, Mr. Burn is a Scotchman, having first seen the light in a Presbyterian manse at Thurso in the North of Scotland, 67 years ago. When a youth he received his first training in sound banking principles in the Royal Bank of Scotland, but at the age of nineteen, he set sail for Canada. His first fourteen years in the Dominion he spent in the service, first of the Royal Canadian Bank of Toronto, then of the Canadian Bank of Commerce, and subsequently of the Exchange Bank of Montreal.

In 1880 the directors of the Bank of Ottawa, looking about for a new general manager, decided that Mr. Burn was the man they wanted. The wisdom shown in their choice thirty-five years ago is now a matter of Canadian banking history. Not only has the Bank of Ottawa under Mr. Burn's management gone forward from year to year and decade to decade steadily building itself up on the soundest principles and conservative practice, but its executive has become known throughout the Dominion as a banker of outstanding personality, deep in the knowledge of all the intricacies of his craft, judicious in counsel, wise in policy. For many years he has been an active and valued member of the Bankers' Association, his residence at Ottawa, in addition to his personal qualifications, causing him to be in frequent demand when negotiations or communications with the Government were being carried on. His active services at such times as the periodical revisions of the Bank Act are well known. His invaluable counsel in the crisis caused by the outbreak of war in August is perhaps known less widely. But those who are aware of the extent of his services on that occasion, in collaboration with one or two other prominent bankers, know full well that Canada owes a great deal to the general manager of the Bank of Ottawa for the safeguarding of her financial structure.

Mr. Burn too has found time to write about banking—to write about it in that easy and interesting style that is only possible to those of profound knowledge. Ottawa city knows him well as a philanthropist; the links and the sea welcome him at holiday times. For the Dean of Canadian bankers, it may be hoped that there are yet many years of wise activity in store.

Bank of England rate was continued yesterday at 5 per cent.