shareholders of banks, and that this very important point, was the subject of not a little of the under-current of thought and speculation in well-informed circles at Ottawa during the Session.

Three significant bills in regard to railroads attracted considerable attention during the session, and we fancy we have not heard the last of them. They were public bills, put in the hands of private members, in other words, of gentlemen not in official position, and acting upon their own ideas of what they believed to be for the public interest. The first sought to make it a misdemeanor for a railway employe to be drunk when on duty, and also sought to compel all railways under heavy penalties, to employ some automatic apparatus known as self-coupling; the second, was called "an Act to facilitate egress from railway cars in case of fire," and proposed to compel all companies to make their car doors open outwards; and the third, more important than either of the two preceding, sought to make it unlawful for railway companies to discriminate in their charges for passengers and freight in favor of one place as against another, except the rates to be charged had previously received Government sanction. These propositions, although a little startling in their character, met with considerable favor in some quarters. We believe each of the Bills passed a second reading, and although they were what is known as "strangled" in the Committee rooms, this end was only reached on a recommendation or shadowy promise of some kind that the Government would consider the subjects during the recess. We pass no opinion on the character of these railway bills at present. We only point to them as "signs of the times" in the world of legislation, and as one of those minor features of the late Session which are of a signiffcant character.

Ths Session was one of work rather than of talk. Scarcely a party contest took place during the two months which the House sat, and almost from the opening of proceedings on the 26th March, a disposition was shown by the Government as well as by the Opposition and members generally, to get through the business as early as possible. The number of measures sanctioned by His Excellency, Lord Dufferin, at the prorogation, proves that seldom or never was more legislation passed through our Parliament in a shorter time.

BUILDING SOCIETY LEGISLATION.

Among the new powers conferred by the Act of last session, probably the most important is that which provides for the issue of a class of obligations known as debentures, based on the capital and assets of the society. This is an innovation which removes these institutions another long step from the original scheme on which the first building societies were founded. As a financial expedient it is not, however, a novelty. In the case of landed credit and other lending societies, the power has long been enjoyed and exercised, without, so far as we know, any injurious consequences resulting to the public or to the shareholders.

These debentures may be made for any sum not less than $100, and cannot be redeemable in less than one year from the date of issue. They may be made payable in Canada or in any foreign country, and in any currency. The Act rightly regards the issue of these debentures and taking deposits as being only different modes of borrowing money; and hence the Act provides that the aggregate amount of debentures issued, and the deposits of a society, shall not, in any case exceed the paid-up and capitalized (not accumulating) stock more than 33 per cent. It is also provided that the deposits and debentures together shall never exceed the principal remaining unpaid on the mortgages held by a society. This clause of the Act relates only to societies having $200,000 or over of paid-up capital, and allows them not only to increase their deposits from the former limit —75 per cent. of their capital—to 133 per cent., but supplies a borrowing power never exercised by building societies before.

With respect to other societies, that is, those having $40,000 or over, but less than $200,000 of paid-up capital, more restricted powers are assigned them. They can receive deposits to the full amount of their capital, but may not issue debentures. We presume the object of this discrimination, which was warmly opposed in the House, was that it would not be wise to give societies which were not yet fairly established the power to create and issue debentures as a means of raising money which could not be had from depositors. Indeed, there appears to be some apprehension that the power to issue debentures may be abused. For instance, they may under the influence of keen competition, be sold at a discount that no society could afford to lose, just as rates of interest for deposits become so high as to afford no profit, but perhaps involve a loss. It is impossible to say how far the Societies will avail themselves of the power to issue debentures. The older Societies, which have a large amount of deposits, may not think it worth while to create debentures to the limited sum represented by the excess of their capital over their deposits; while Societies with a small reserve might find it difficult to get purchasers at prices which they could afford to accept. Should these debentures once find a place in the market, they will probably be rated pretty much alike, although the security that some Societies afford would be very much greater than that of others. Their reputation once established, it would not be difficult to place them in the money markets of Great Britain to any reasonable amount.

As the Building Societies have practically abandoned their original character, as indicated by that name, a number of them have abandoned the name itself. They have become borrowing and lending institutions, and hence must hereafter take the general name of Loan and Savings Companies. The Freehold, the Canada Permanent, the Western Canada, and others, have had acts passed at the late session for the purpose of legalizing this change.

A clause is inserted in the Act to empower Societies to unite or amalgamate, and several following clauses specify the proceedings necessary to render such union legal and binding. We regard the form of statement required to be transmitted to the Finance Minister annually as meagre and insufficient; but as the power is conferred on that Minister to demand further particulars, we trust he will exercise it, and procure the fullest information as to the standing and business of these institutions. To this the public are entitled, in view of the large and valuable privileges now conceded. The duty of devising a form of return should be assigned to some one competent for the task; strict compliance should then be required from the Companies; and the return ought not, if it is to be of any value, to be delayed as the present return sometimes is, until it is a year old before it reaches the public.

We have now noticed the principal features of the Act, and have only to add that, if it is to give satisfaction, the reason will be that the Societies take good care not to abuse their enlarged powers. They doubtless understand that the sins of even one will be visited upon all; if an abuse arises, the power to repeat it will most likely be taken away, however much inconvenience may result to others than the offenders. Pursuing a prudent and business-like course in working out the terms of the Act, the Societies must have a greater measure of prosperity than hitherto; their operations must increase, and their standing in the public estimation improve.