

**THE ONTARIO BANK'S DIFFICULTIES.**

The announcement that the Ontario Bank was involved in difficulties came to the general public on Friday last, as a great surprise. The prompt and prudent action of the Bank of Montreal and other banks in combining to guarantee the liabilities of the Ontario Bank to the public, averted trouble in financial circles and restored public confidence. All doubts upon this point were set at rest by the display at the bank and all its branches of a notice board, bearing the simple but sufficient statement: "This is the Bank of Montreal."

The formal announcement issued by the directors of the Ontario Bank reads as follows:

"The directors of the Ontario Bank, aided by the friendly offices of the other banks, have succeeded in completing an arrangement with the Bank of Montreal whereby that institution assumes all obligations of the Ontario Bank to the public. The current business of the bank is in excellent shape. Its difficulties have been occasioned by the wrongful and unauthorized stock operations of the general manager, which have only recently been discovered. Notwithstanding serious losses from this cause, the assets of the bank are amply sufficient to pay all liabilities to the public, and the arrangement now completed permits of the continuance of the business without the loss and inconvenience to which depositors and others would have been subjected by any interruption to the business of the bank

"By order of the board."

It has been further explained that while the Bank of Montreal assumes all the liabilities of the Ontario Bank (except, of course, to the shareholders) the other banks, which have come to the rescue, have individually, each in proportion to its capital, joined with the Bank of Montreal in a guarantee to the extent of \$2,500,000 in case of any deficiency in the assets. In President Cockburn's words: "There is no longer an Ontario Bank. It is the Bank of Montreal."

As a result of a conference between the directors of the two banks, in order to comply with the Bank Act, a curator and an advisory board have been appointed by the Bankers' Association to co-operate with the Ontario Bank directors. It is stated that the curator will be Mr. W. E. Stavert of the Bank of Montreal, and the advisory board will consist of Mr. Byron E. Walker, general manager of the Canadian Bank of Commerce; Mr. D. R. Wilkie, general manager of the Imperial Bank, and Mr. Duncan Coulson, general manager of the Bank of Toronto.

The bank's difficulties are attributed by the directors to the indiscreet speculations of their General Manager, Mr. C. McGill, in the New York stock market. Mr. McGill does not deny the great

extent of his operations in New York, but prefers to call them investments.

Mr. A. D. Braithwaite, formally local manager in Toronto, of the Ontario Bank, has succeeded Mr. McGill, in the general managership.

One of the directors is quoted as saying: "I shall be very much disappointed if the assets of the Ontario Bank do not realize more than sixty or seventy cents on the dollar for the shareholders."

While the directors' opinion may not be quite realized, yet it is anticipated that after all the liabilities to the public have been paid, there will be a surplus.

Canada is to be congratulated upon having a Bank of Montreal and other banks able and willing to step in and assume the responsibilities in time of trouble of a bank of such importance as the Ontario Bank. The manner in which this transaction has been carried out, shows, if anything were wanting, the excellent condition and standing of Canadian banking.

**INCENDIARISM AND ARSON.**

Many speak of arson and incendiarism as being one and the same crime, and there is no doubt, that the results are identical, namely, the destruction of property by fire. Yet there is a distinction between the two, both as regards the incentive and the object for which the act is committed. Arson properly designated is setting fire to one's own property whereas incendiarism is setting fire to the property of others. The motive for the former is the same as robbery, that of gain, while the latter is instigated by malice against the owner of the property, or possibly against the companies insuring said property. No sane man commits arson, unless he is insured, because he would simply be injuring himself, but an incendiary may set fire to a building or stock, upon which there is no insurance to his knowledge, for the purpose of revenge for some injury or loss he has received at the hands of the owner or tenant of the property. Thus it will be seen that the crime of arson is practically confined to one individual, whose motive being clear centres the suspicion upon himself and renders the act more dangerous and more easily discovered, than is the case with incendiarism where more than one may be implicated and where the motive requires to be sought in order to trace the culprit or culprits. Again it may be pointed out that arson voids the insurance policy, but incendiarism does not unless forming part of riot or civil commotion.

Both crimes are so serious, not merely taken in connection with the acts themselves, but also because life itself is often endangered and sometimes sacrificed by those acts, that the legal punishment for such can scarcely be too severe. The man who