

refused to ratify it. France has a boundary dispute with Brazil, known as the Amapan boundary, which she is willing to refer to arbitration. Some of her subjects were attacked in the contested territory, and she insists that the officers under whom the wrong was done be dismissed and punished without delay. How will the Monroe doctrine behave in presence of this contingency? The fact that France and England make similar propositions to Brazil, at the same time, may not be without its significance; it is certainly significant that this occurs just after these two nations have settled an acute boundary question in another part of the world.

At a dinner given to Baron Lamington, prior to his assumption of the Governorship of Queensland, Australia, in reference to the outburst of feeling against Great Britain, in many quarters, Mr. Joseph Chamberlain, Secretary for the Colonies, while deploring the existence of the feeling, rejoiced at its expression, since the effect has been to evoke in reply a united determination of Britons all over the world to maintain their rights. From Australia and from Canada had come a natural response to the outburst of national enthusiasm at home. One proud boast he made, which other nations will do well to bear in mind. Of Great Britain and her colonies he said "We alone hold our possessions throughout the world, in trust for them [the nations] all, and admit them to our markets as freely as ourselves." The British Empire, in its different parts, has no maximum and minimum tariff; but everywhere one common tariff for all the world, including the Mother Country. It is, indeed, a proud boast; but it would no longer be true if preferential trade became the rule. In that case, the envy of rivals would be redoubled, the hatred, where it exists, intensified.

PREFERENTIAL TRADE.

Sir Charles Tupper received the hearty thanks of the Montreal Board of Trade for his address of Monday last, delivered before them on preferential trade between the different portions of the Empire; but they did not go the length of formally endorsing his views. He appears to have produced a strong and favorable impression, and probably made some converts to his view of the commercial relations which ought to prevail between the parent state and the colonies. He reports a great change in favor of preferential trade in the United Kingdom, and he is of opinion that it will soon find favor in a Congress of the Chambers of Commerce there. He pointed to the interest which Mr. Chamberlain is taking in the development of British trade with the colonies; but there is nothing to show that the Secretary for the Colonies is in favor of preferential treatment. Lord Salisbury is quoted as saying that England might have to consider whether she would not have to abandon Free Trade; it is certain that he has more recently refused to sanction any change that might be supposed to look in that direction. Canada and the West Indies, Sir Charles pointed out, take per head seven times as much British goods as the United States. The natural conclusion from this is that their freer trade induces external trade in a greater degree than does the protectionism of the United States. It is also an argument in favor of the development of such a trade; but that the whole trade of the British Empire, foreign and colonial, can best be increased by preferential duties, which would obstruct in one direction while they encouraged in another, is the question. If commercial preference between the colonies and the Mother Country must be viewed as a matter of policy, we are not without experience of its workings; from the in-

fancy of colonization down to 1846 it was in operation. It is very much in the nature of a series of commercial treaties without the most-favored-nation clause. That is its economic aspect. The political element implies mutual or joint protection. Formerly the colonies relied entirely on the protection of the Mother Country; now, if the old and abandoned trade preferences were revived, protection from external foes would have to be regarded as a common duty. Even without preference, the disposition to recognize this obligation was never so strong as at present. This feeling is a natural product of circumstances and is likely to continue to grow.

THE BANK STATEMENT.

We give below a condensation of the figures of the statement of Canadian banks for the month of December. It is compared with the bank statement for the previous month, and shows capital, reserve, assets and liabilities, average holdings of specie and Dominion notes, &c.

CANADIAN BANK STATEMENT.

LIABILITIES.		
	Dec., 1895.	Nov., 1895.
Capital authorized	\$ 73,458,685	\$ 73,458,685
Capital paid up	62,196,391	62,094,573
Reserve Funds	27,665,799	27,233,799
Notes in circulation	32,565,179	34,362,746
Dominion and Provincial Government deposits	7,194,274	8,188,906
Public deposits on demand	67,452,397	67,573,438
Public deposits after notice	119,667,176	120,264,326
Bank loans or deposits from other banks secured	12,403	28,240
Bank loans or deposits from other banks unsecured	2,959,409	2,686,202
Due other banks in Canada in daily balances	139,538	115,580
Due other banks in foreign countries..	219,541	220,985
Due other banks in Great Britain.....	4,326,912	3,704,022
Other liabilities	701,096	1,172,322
Total liabilities	\$235,238,920	\$238,316,854
ASSETS.		
Specie	\$ 8,239,378	\$ 7,349,768
Dominion notes	15,963,001	16,031,512
Deposits to secure note circulation....	1,814,624	1,814,624
Notes and cheques of other banks.....	9,115,065	7,163,592
Loans to other banks secured.....	7,403	23,240
Deposits made with other banks.....	3,650,210	3,753,426
Due from other banks in foreign countries.....	17,897,593	27,773,910
Due from other banks in Great Britain..	8,175,874	5,418,787
Dominion Govt. debentures or stock	2,830,276	2,830,276
Other securities.....	20,636,961	20,361,370
Call loans on bonds and stock.....	17,089,307	17,104,427
	\$105,419,692	\$109,624,932
Loans to Dominion and Provincial Governments	748,312	527,559
Current loans and discounts	202,088,259	202,090,122
Due from other banks in Canada in daily exchanges	153,144	127,009
Overdue debts	4,412,237	4,334,856
Real estate.....	1,332,394	1,229,819
Mortgages on real estate sold.....	550,343	579,475
Bank premises	5,651,487	5,659,868
Other assets	1,828,737	2,070,413
Total assets	\$322,184,811	\$326,226,143
Average amount of specie held during the month.....	7,710,988	7,432,092
Average Dominion notes held during the month.....	15,742,240	15,957,927
Greatest amount notes in circulation during month.....	35,014,003	36,197,769
Loans to directors or their firms	8,274,874	8,401,123

It cannot be said that the present year opens very auspiciously. Quite apart from the threatening clouds in the position of the Mother Country towards the other countries of the world—affecting us so closely as some of them do—it cannot be denied that there are many things in the financial and commercial sphere to induce conservative and