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TO OUR READERS.

The present number of this Magazine closes the First Volume, and covers the six months extending from April to September. Our subscribers can now judge whether the promises made in our Prospectus have been fulfilled.

It was not, we confess, without hesitation that the work was entered upon, in view of the numerous weekly journals devoted to Finance and Trade, and which seemed to us largely to occupy the space which this publication is intended to fill. The publisher, however, was encouraged to undertake the work by the assurance of bankers and others, that no weekly journal contained complete reports of the many incorporated companies now doing business in Canada, and that, even if such were the case, these weekly papers were, from their nature, altogether too bulky to be bound in a handy volume for reference or the library.

The Volume now complete contains the annual reports of thirty-one banks, eighteen loan companies, besides the reports of forty other incorporated companies, the majority of which are listed on Canadian stock exchanges; so that investors in all classes of securities will be able, when the next volume is completed, to put their hand upon the report of any Canadian incorporated company of importance in which they may purpose to invest. And if the Magazine is destined to succeed and become permanent, it will grow more valuable from year to year by furnishing data for comparison with former years.

It will be readily understood that in undertaking such a work the Proprietor has assumed a task of considerable anxiety as well as of responsibility, and he relies upon the support as well of our financial institutions and insurance companies as of investors generally.

EDITORIAL COMMENT.

MONTREAL, 24th September, 1891.

MONEY AND EXCHANGE.—The money market, both here and at other financial centres of the Dominion, has exhibited several important features of late, which should tend to greater activity in the early future, mercantile demands having increased under the circumstances incidental to the season, and call money finding free employment on the stock exchanges. Rates, however, while inclining to firmness, remain unchanged, and ample funds are still at the disposal of borrowers. During October and the following months a pronounced advance in the price of money may reasonably be looked for, the requirements of the crop movement necessitating a larger supply than usual to enable dealers to purchase and hold over until navigation re-opens the immense crops that have been harvested. When the note circulation then returns for redemption—a circulation that will undoubtedly expand from \$8,000,000 to \$10,000,000 during the intervening period—the usual tightness will be felt, but the shipments abroad will be so heavy that the banks should redeem without any very serious drain on their cash reserves. Still, caution and a watchful conservatism will undoubtedly be a more pronounced feature of the money market for some time to come. The business outlook is more than promising; the abundant harvest lately garnered in throughout the country having suffered but little during the process either from frost or heavy rains. Prices of farm produce range higher than for some years past, and the prudent farmer who accepts the certainty of to-day rather than holds off for the problematic prices of to-morrow should reap a rich reward from his labors of the past year. The general state of trade and industrial enterprise is fast recovering from the lethargy into which it had fallen; the brightening prospects giving a stimulus to business operations which is being universally felt, and

from all sections of the country reports are being received, indicating the slow but sure improvement in the situation. Next to these facts and indications of a general recovery the larger volume of transactions on the stock exchanges calls for notice—a firmer tone being observable and operations covering a wider field—the recent listing of new stocks offering a greater sphere for speculation. These new stocks—Commercial Cable, National Cordage and Grand Trunk first preference shares—are all active features on foreign exchanges, and their manipulation by investors and speculators is enuring to the benefit of such brokers as content themselves with operating on commission. On the Montreal Exchange, especially, the activity we have noted has been notably apparent, transactions during the week ending September 19th showing an increase of \$2,619,627 over the corresponding week of last year, as follows:—

	1891.	1890.
Listed Stock.....	\$343,076	\$110,194
Unlisted do	40,631	44,037
Bonds and Scrip.....	2,993,290	604,049

Comparing the volume of business from the 1st January to date, during each of the two years, the activity of the past week becomes the more remarkable.

	1891.	1890.	Decrease 1891.
Listed Stock.	\$5,024,397	\$6,187,393	\$1,162,996
Unlisted do	1,352,512	1,718,125	365,613
Bonds and Scrip.....	41,693,255	57,137,377	15,444,122

Proceeding to review the bank statement for August, which appeared as an extra to the *Official Gazette* on Monday, the 21st inst., the changes calling for notice clearly indicate the advent of a new era, showing that even at this early stage the prospects of a very active year's business are making their presence felt. Circulation has experienced an expansion of \$1,432,888, and the probabilities are, as we have already said, that within two months a maximum of \$40,000,000 will have been reached. There is an increase in the total assets of the banks of \$2,807,705, and an increase in the total liabilities of \$2,181,484. The net accumulations of the month show \$626,221. Current deposits have decreased \$443,470, while there is an increase of \$1,022,247 in deposits payable after notice, or a net increase in public deposits of \$578,777. Balances due to Provincial Governments have increased by \$1,464,151, a

change which it is difficult to understand, unless on the supposition that the Provincial Government at Quebec had drawn a portion of its Paris loan and placed the proceeds with the Bank of Montreal, the bank in which this increase appears. In such event it is made apparent that the banks which so readily made public the dealings of the Government with contractors and others will not be favored with provincial deposits as in the past. Balances due to other banks in daily exchanges had been reduced from \$531,034 to \$399,590, while balances due from banks in daily exchanges were reduced from \$1,757,464 in July to \$507,255, or a reduction of \$1,250,209. This large reduction is no doubt due to a circular issued by the Government last month, explaining how the entries should be made under that item, and which required the Clearing House exchanges to be entered under "Notes and Cheques of other banks." The balances due to banks in foreign countries were reduced by \$137,745, while the amount due by such banks had increased by \$717,857, and stood at \$17,440,197. This item, of course, refers to balances in the United States banks and loans made by the agents of Canadian banks in that country. The balances due to banks in the United Kingdom had also been contracted to the extent of \$684,828, and stood at \$2,227,946, while the balances due by banks in that kingdom to Canadian banks had increased from \$2,635,593 to \$3,875,418. A curious incident in the return is an increase of \$171 in the deposits with the Dominion Government for the security of the note circulation, \$121 having been made by one bank and \$50 by another.

Call loans on bonds and stocks showed an increase of \$979,903, and stood at \$11,640,809, while current loans had increased by \$460,647, and stood at \$184,106,324. There was an increase of overdue debts of \$144,880, which it is somewhat difficult to understand, as no serious failures have taken place during the month. There was an increase of capital of \$63,647, which, being deducted from the net accumulations of the month, leaves net earnings of \$562,574. Turning to the Dominion note circulation, the statement for August shows a further expansion, the total having reached the large figure of \$16,659,765, an increase of \$90,344 over July, a considerable portion of which increase was in \$1.00 and \$2.00 notes. This increase is likely to be further augmented as the season advances.

Abroad, the money markets of the world are stiffening; the Bank of France is fast losing its gold and silver reserves, with heavy

payments still to make in the early future, while the Bank of England has to-day raised its rate of discount to 3, a rate that will likely be further advanced if the outflow of gold continues. In New York call money is quoted at 6 per cent., indicating the drain of funds to the West for harvest purposes. Sterling exchange continues quiet, in spite of the fact that the Government has been in the market with £50,000 60 day bills, but a steady tone prevails.

Clearing House returns show a decided advance on previous figures both here and in Toronto, a reflection of the active movement characterizing banking operations. On another page we present the clearing returns of the city of Halifax, thus completing the list of Clearing Houses operating in Canada. This further evidence of a desire to furnish the fullest and latest figures obtainable on financial matters will commend itself to our readers, and ensure a continuation of the warm support this journal has already received in the monetary circles, not of Canada alone but of England and the United States as well.

DOMINION METHODS OF FINANCE.—A correspondent, writing from Liverpool, seeks information as to the method in which government accounts are kept, the amount and origin of the public debt, and the present and past history of Dominion finances. To answer these enquiries in detail would encroach rather seriously on the limited space at our disposal, but being of almost universal interest, and but seldom referred to in the public press, we will discuss the questions in a general way, suggesting the Statistical Year Book of Canada as a source of further information if such be desired. This work is now in its sixth year of issue, and is published by the Department of Agriculture, being the compilation of Sydney C. D. Roper, one of the ablest statisticians in Canada. Government receipts from ordinary sources of revenue are paid into what is called the Consolidated Fund, and payments therefrom are made to cover the ordinary expenses. These receipts and payments, therefore, constitute what may be considered as the regular income and expenditure of the country; receipts and expenditure from loans and all other extraordinary transactions being excluded. The ordinary revenue is derived from a variety of sources, which may, however, be classed under two heads: Taxation and Other Sources. The amounts raised by taxation consist solely of customs and excise duties, aggregating about 80 per cent. of total revenue, while those raised from other

sources consist of money derived from the postal service, government railways, public works and so forth. Ordinary expenditure provides for interest on the public debt, sinking funds, provincial subsidies, the cost of revenue collection and the current expenses of the country. In sixteen years out of the twenty-four since Confederation there has been a surplus of revenue, and in the remaining eight an excess of expenditure. The total amount of surplus during these years has been \$42,906,752, and of deficit \$16,854,849, being a net excess of revenue over expenditure of \$26,051,903. These figures are based on the assumption that the surplus for the fiscal year just closed (30th June, 1891) has amounted to \$6,779,960, as shown by returns at that date, but these figures will call for correction when the final returns are published. The largest revenue ever collected was during the previous year (1890), when a total of \$39,879,925 was reached, or an increase of \$26,191,997 over that of 1868, the first year of Confederation. For the now current year the estimated revenue is placed at \$37,500,000, a sum still sufficient to produce a satisfactory surplus in view of the avowed intention of the Government to confine expenditure within the narrowest limits consistent with the efficiency of the public service. The cause of this apparent decline in the revenue for 1891-2 is to be found in the recent removal of the duty on raw sugar, and does not proceed from any estimated falling off in the ordinary sources. The fact of such an important change being possible in the tariff, without any great readjustment, indicates very clearly that expenditure has been of less rapid growth than revenue, a truth that the figures at hand plainly demonstrate. Estimated by percentage, it can be shown that the expenditure of 1890 was 167 per cent. larger than that of 1868, while the revenue increased 191 per cent.

Having thus briefly considered the method of Dominion accounting and the financial history of the years since Confederation, we proceed to the question of the Public Debt. The gross debt of the Dominion as returned on the 31st August last (1891) amounts to \$290,508,093, against assets of \$53,988,418, making the net debt \$236,519,675, equal to 6½ years of revenue. At Confederation the gross debt amounted to \$93,046,051 and the net debt to \$75,728,641, so that recent figures show an average yearly increase approximating \$7,000,000. Of late years, however, there has been some sort of equilibrium maintained between expense and income, taking in capital expenditure as well as expenditure

on Consolidated Fund account, as appears from the figures for 1890, which show a mere nominal increase in the net debt of \$3,170. The increase during 1891 was somewhat larger, but this is to be accounted to the reduced surplus available from ordinary revenue, consequent upon the extraordinary charges incidental to the late elections and the taking of the census. As to the principal objects upon which the public debt has been expended, these may be summarized as follows:—The assumption by the Dominion of the debts of the various Provinces on their entering the Confederation; the construction of the Intercolonial and Canadian Pacific Railways and other public works; the enlargement and improvement of canals, harbors and rivers; and the acquisition and management of the North West Territories. The total Provincial debts assumed or allowed have amounted to \$109,430,148, leaving the sum of \$127,089,527 as the actual net liability created by the Dominion since Confederation. Of this amount the Canadian Pacific Railway absorbed \$61,940,581; the Intercolonial and connected Railways \$42,727,034; and Canals \$33,868,296 (figures to end of fiscal year 1890), a grand total of \$138,535,911, which actually exceeds the net liability, apart from Provincial debts assumed. The excess has been drawn from surplus revenues, to which also all other public works must be assigned. In all, the amounts expended on public works in Canada to 30th June, 1890,—by the Dominion since Confederation (including expenditure charged to revenue), and by the Provinces prior to 1867,—aggregate \$251,867,814, of which \$188,232,722 was disbursed by the Dominion Government. At that date the total expenditure in excess of increase of debt since Confederation was \$23,076,505. Space will not permit of greater detail than the above, interesting though the subject matter be. We have endeavored to give as brief a resumé as was possible of the objects of this comment, and may refer to the subject again as opportunity offers. If by thus summarizing the main features of the financial history of the Dominion we have satisfied the enquiry of our English correspondent, and have at the same moment made of greater interest to the general reader the monthly government returns which have found and will continue to find space elsewhere in these pages, one of the aims we seek to attain will have been successfully accomplished—to satisfy by accurate information any enquiry of general financial interest, and to enable the general reader to study with increasing interest the otherwise dry figures which engross the attention of financial men.

GOVERNMENT LAND GRANTS.—A manifest injustice has been done to Manitoba and the North West Territories, by the wholesale deeding away of public lands to subsidize projected railways. A timely article which appears in the last issue of our interesting contemporary, the *Winnipeg Commercial*, enters a very vigorous protest against the policy of the Dominion Government in this respect, a protest which well deserves the space we have found for it elsewhere. The return referred to as having been brought down at Ottawa within the week, showing that 42,000,000 acres of land in Manitoba and the territories have been thus granted to railways to date, has escaped our observation; but taking the figures as approximately correct, the increase within the past year is so remarkable that no terms should be considered too strong in which to denounce the injustice. Statistics make it appear that up to the end of the fiscal year 1890, grants of land made to eighteen companies in Manitoba and the North West Territories amounted to 24,425,333 acres, of which quantity 31,058 acres had then been patented. The average grant was 6,400 acres per mile, and the estimated number of miles subsidized was 3,289. Since June 30, 1890, therefore, if the figures of our contemporary are correct, no less than 18,000,000 acres, approximately, have been thus withdrawn from free settlement. Surely the figures of 1890 at our hand are incomplete, or the 42,000,000 referred to include colonization company grants as well as railway subsidies. Estimated at \$3.57 per acre,—the present valuation placed on their unsold lands by the Canadian Pacific Railway,—this vast extent of territory equals a money subsidy of \$149,940,000 contributed to entirely by the people of the North West. The figures may well make us pause. It is true that only a few paltry acres have as yet been patented, but equally true is it that the best lands of the Dominion have been tied up from settlement; retarding development where late events have shown the greatest heritage of Canada to lie. Fortunately, there is yet time to remedy the threatened evil, and our contemporary well voices the sentiment of thinking minds in both the East and West when it says: "Not only should the custom of granting lands cease at once, but an effort should be made to repair some of the injury already done. In cases where corporations have not earned the lands granted them, they should be held strictly to the conditions upon which the grant has been given, and any failure to fulfill these conditions should result in every case in the forfeiture of the lands.

If in some cases it might seem unduly harsh to deprive some corporation of a land grant, some equivalent subsidy might be given, but in every case the land grant should be forfeited. An effort should also be made to induce some of these corporations to relinquish their lands for some other consideration or concession. It would pay the Government to buy back the lands rather than have such an evil inflicted upon the country."

THE ST. CLAIR TUNNEL.—An international work of great value to the commercial interests of the Dominion, and reflecting no little glory on the technical skill of Canadian engineers, has just been completed in the tunnel which connects Port Edward with the sister town across the St. Clair River. Engineering difficulties of considerable moment have been overcome, and Canada now claims the only tunnel in the world 20 feet in diameter, so constructed as to carry a railway under a river. To Mr. Joseph Hobson, an engineer, who "has never been outside of Canada to profit by advantages and education," as Sir Henry Tyler said,—as if the Dominion, with its vast public works, offers no sufficient school of education—is due the credit of bringing this important work to a successful issue, an issue that was finally crowned five days since with imposing international ceremonies. The total length of the tunnel and its approaches is 11,553 feet, the actual tunnel under the river being 6,025 feet long. It is lined throughout with solid cast-iron plates, bolted together in segments—each segment being five feet long, eighteen inches wide and two inches thick, with flanges five inches deep, the whole lining weighing together 28,000 tons. The bolts and nuts for connecting the segments together weigh 2,000,000 pounds. The permanent way through the tunnel is laid with steel rails weighing one hundred pounds to the lineal yard. The interior diameter of the tunnel is twenty feet, and ample means have been provided for thorough ventilation and for lighting it throughout, when required, by the electric light. The road is practically level under the river, with approaches at each end on gradients of 1 in 50. The greatest depth of water over the top of the tunnel is 40½ feet and the minimum depth is 15 feet. At the ends of the approaches are junctions with the Grand Trunk Railway on the Canadian side and the Chicago and Grand Trunk Railway on the American side of the river. In connection with these junctions ample ground has been levelled and prepared, and shunting sidings to

the extent of ten miles have already been laid on each side of the river. The tunnel was constructed by means of heavy wrought iron shields, with sharp edges, fifteen feet three inches long and twenty-one feet six inches in diameter. Each shield was pushed forward by 24 hydraulic rams, the barrel of each ram being eight inches in diameter, with a stroke of a little more than eighteen inches. Each ram exercised a force of 125 tons. From the date when the shields were first lowered in position at the portals to the meeting of the shields in the tunnel—one-quarter of an inch astray—the time occupied in constructing the tunnel was twelve months. The cost of the tunnel proper was \$1,460,000. The opening ceremony was somewhat marred by the introduction of political sentiment, unwarranted by the occasion. Mr. Wiman, who represented the commercial interest of the city of New York, exposed himself unadvisedly to severe criticism at the hands of Mr. Harper, who, in voicing the minds of the majority of the Canadian people, did so in a manner which drew its greatest force from the aptness of the language in which it was couched.

THE GOVERNMENT IMMIGRATION POLICY.—Mr. Mackintosh, M.P. for Ottawa, whose virtual condemnation of the Government Immigration policy during the census debate is perhaps fresh in the minds of the public, has been interviewed as to the policy he considers most likely to benefit the Northwest and Manitoba, so far as securing population is concerned. His ideas offer food for reflection, if, indeed, they do not entirely accord with those of the majority of the Canadian people. "It must be manifest to any thinking or observing Canadian," he says, "that we have been paying for something which was not delivered, or at least did not remain delivered. Every year since 1874, when large amounts were voted for immigration purposes, there has been an arrival record of from 39,000 in that year to 133,600 in 1882 and 75,000 in 1890. In 1874 the Dominion expended \$251,120, the highest point reached being \$431,497 in 1884. The amounts were gradually reduced, and in 1890 Canada expended only \$127,303, or, according to the returns of 75,000 immigrants, \$1.69 per head. In 1876, the arrivals, including customs, were stated at 25,633, expenditure \$284,065, or \$11.12 per capita. So you see neither party from a political standpoint appears to have realized that something more than mere expenditure was necessary, namely, a systematic organization of forces, working in a given direction and for a given purpose.

My belief is in a vigorous policy, not a weekly or monthly spasmodic effort, but one based upon practical business principles. I would favor a permanent board of immigration and commerce in England, with correspondents reporting direct to a given centre; this would mean rapid work, non-pigeon-holing of important documents, and the active co-operation of Mr. John Dyke, the agent at Liverpool, and a very able man. With Sir Charles Tupper's supervision, such a board would prove immensely serviceable to the Dominion. Emigrants could be consulted, congested districts visited and Imperial channels utilized. More than this, such an organization would carry weight, be consulted in trade matters, investigate and report upon special markets for special commodities. In my humble opinion, such a Board should be supplemented by a change in the policy of expending money. Fully seventy-five per cent. of certain classes of immigrants is going into the Western States, and receives assistance, not from the States, but from relatives in localities, there select a homestead, borrow the money, send it to friends, and thus stand no chance of losing the settler, for he goes direct to his new home, and pays back the borrowed money by instalments. I would arrange with the Province of Manitoba and also have an ordinance passed by the Northwest Assembly, allowing certain districts to issue debentures to a limited amount; this could be utilized for borrowing a given amount from the Dominion Immigration Fund, under certain well defined restrictions—and the responsibility of populating that country to some extent thrown upon the local authorities themselves. Settlers who desired to send for friends or relatives could give necessary security, a voucher be issued for the requisite money, the land entry be made, and the settler protected from interference on the part of rival land agents from the United States. I am convinced that \$250,000 per annum might be made to work miracles in the direction of immigration, should the English Board be carefully selected and the Northwest co-operating interest put forth reasonable exertions. So soon as immigrants had settled and become producers, the municipality would receive a rebate. But the whole scheme would mean work, unceasing, untiring work. Great Britain purchases over \$430,000,000 worth of products Canadian farmers are able to supply. Why should they not do it? A Board of Commerce would be in a position to issue weekly bulletins concerning trade and trade requirements; it would bring about communications between producers and consumers, suggest improve-

ments, and in every respect work in unison with Canadian enterprise. There is no reason why Canadian butter, eggs, cheese, cattle, horses, two-rowed barley and a score of other products should not command the markets of England. In fact, I think it would be a wise thing for Canadian maltsters to be sent to England to test our six-rowed barley, as the English maltster does not appear to understand it. Prejudice, however, in this direction would be difficult to remove. Be that as it may, I am firmly convinced that these hurried replies might be crystallized into a practical and successful policy for the furtherance of Dominion interests."

THE CENSUS OF 1891.—The census returns have been generally looked upon as disappointing, showing an increase in the population of Canada during the decade just closed of 498,534, being at the rate of 11.52 per cent. in comparison with the 17.31 per cent. of the previous decade. The value of these figures would be enhanced if the reliance placed on the returns for 1881 was of a less re-assuring nature, but unfortunately there is no positive evidence that any considerable over-estimation was made under the imperfect organization of 1881. Proof, however, is not wanting that the present census returns were not taken with that degree of accuracy which a different system might have ensured. In that section of the Dominion extending from Ontario westward to the Pacific Coast, the population has increased from 168,165 to 340,684, or 102.58 per cent. The population of the Province of Ontario numbers 2,112,989, showing an increase of 9.65 per cent., and that of the Province of Quebec 1,488,586, an increase of 9.53 per cent. The population of the Maritime Provinces—Nova Scotia, New Brunswick, and Prince Edward Island—has remained nearly stationary, being now 880,905, or an advance of only 1.17 per cent. on the figures for 1881. The accuracy of this latter statement is being vigorously questioned by these Provinces, but in view of the fact that the census returns of Maine and Vermont show a proportionately greater falling off, this may be taken to indicate the westward trend of population. Montreal still holds the position of having the largest population of the cities of Canada, the figures being 216,650. Toronto comes next with 181,220, then Quebec with 63,090, Hamilton with 48,980, Ottawa with 44,154, and Winnipeg with 25,642. In Toronto the progress has been marvellous, the population having more than doubled

itself in a decade, while Vancouver, the Pacific terminus of the Canadian Pacific Railway, the site of which five years ago was a primeval forest, has a population of 13,685. If the statements presented are disappointing in the aggregate, so far at least as regards the number of our population, comfort may still be taken from the remarkable growth in the wealth of the country during the period now closed by the census. When the figures come to hand the proportion of wealth to population will be found to have marvellously increased, a greater proof of a nation's prosperity than mere increase in numbers. Five millions of a united and thrifty race, characterized by enterprise and self-reliance, and capable of opening up the vast resources of their country, need not look to census returns for arguments to prove the certainty of their future greatness. Arguments drawn from such a source are of use only to the shiftless partizan, who wishes to persuade himself against his better judgment. We present herewith the result of the returns by Provinces for 1871-1881 and 1891.

	1871.	1881.	Per Cent- age.	1891.	Increase in Decade.	Per Cent- age.
MARITIME PROVINCES :						
Nova Scotia.....	387,800	440,572	13.61	450,523	9,951	2.25
New Brunswick.....	285,594	321,233	12.48	321,294	61	0.02
Prince Edward Island.	94,021	108,891	17.19	109,088	197	0.18
Totals.....	767,415	870,696	13.45	880,965	10,209	1.17
ST. LAWRENCE :						
Quebec.....	1,191,516	1,359,027	14.05	1,488,586	129,559	9.53
Ontario.....	1,620,851	1,926,922	18.88	2,112,989	186,067	9.60
Totals for group....	2,812,367	3,285,949	16.83	3,601,575	315,626	9.65
WESTERN PROVINCES :						
Manitoba.....	25,228	62,260	146.78	154,442	92,182	148.01
Assiniboia, Alberta, Sas- katchewan.....	18,000	25,215	41.75	61,487	35,972	140.98
British Columbia.....	33,586	49,459	47.26	92,767	43,308	87.56
Unorganized.....	30,000	30,931	3.10	32,168	1,237	4.00
Totals for group.....	106,814	168,165	57.43	340,864	172,699	102.19
Total population.....	3,686,596	4,324,810	17.31	4,823,544	498,534	11.52

ONTARIO EXPRESS COMPANY.—The Act confirming the charter of the Ontario Express and Transportation Company, recently passed at Ottawa, contains a clause, relieving shareholders of all liability on their shares if within thirty days after notice of the first call made subsequent to the passing of the Act, they surrender their shares to the company. The clause reads as follows:—Notwithstanding any thing in this Act, no person now owning or holding any share in the capital stock of the Company shall be liable to pay any call or calls hereafter made on such share, if within one month after notice to him of the first call made subsequent to the passing of this Act, he gives written notice to the company that he surrenders his shares, whereupon such shares shall be forfeited to the Company and his liability in respect thereof shall cease. A second call is now about being made, and we would draw the attention of our readers to this provision, as we understand no copies of the Act have as yet been distributed among those interested in the Company. It will be noticed that no provision is made for the return of the ten per cent. already paid in, should a shareholder avail himself of his option and surrender his stock. This, it would appear, will remain forfeited to the Company in return for the privilege of withdrawal. There is no special hardship in such a forfeit. Having secured its charter and being now in a position to proceed with the conduct of its business, free of all doubt, there remains no sufficient reason to anticipate an unsuccessful issue to the object of the company. It is under capable administration and should have a prosperous future.

THE WAR IN CHILI.—With the capture of Valparaiso and the subsequent flight and suicide of Balmaceda ends another of those internecine wars for which the publics of South America are somewhat noted. In this particular instance, right and justice have asserted themselves, and the intrigues of a would-be dictator have been brought to nought through the patriotism of a Congress whose constitutional rights were being trampled upon by the constitutional head of their country. The late ex-President of Chili, Balmaceda, was elected to that office in 1886, after having distinguished himself as a member of the House of Representatives and as Minister of State. During the first years of his administration

he was discreet, conciliatory, and attentive to the voice of public opinion, and succeeded in reuniting the Liberal party, which, in the heat of the campaign resulting in his election, had become divided; but, intoxicated by the exercise of power, he was loath to surrender it. As he could not hold office for a second term he determined to enjoy all its substantial fruits by forcing into the presidential office a creature of his own selection, who would be merely a *locum tenens* while he would be the real President of the Republic, and be able to elect himself for the succeeding term. With far casting diplomacy and intrigue, therefore, he put in operation all the influence of his office and administrative machinery to effect his purpose; with the result that a conflict of authority arose, which terminated in the President issuing a proclamation in which he declared his inability to carry on the Government in accordance with the constitution, and therefore, by virtue of his own will, he would thereafter dispose of the public funds and support the army and navy without reference to the constitution and laws. After this public declaration, is it any wonder that the nation was profoundly alarmed for its liberties? At this crisis Congress resolved to exercise the powers conferred upon it by the constitution. This it proceeded to do, and declared that Balmaceda had ceased to be the President of Chili. Mr. Balmaceda refused to submit to the decree of Congress removing him from office, and, supported by a portion of the army, and by his creatures in the executive offices, whom he had mindfully appointed for this emergency, prepared to maintain his Dictatorship. On its part, Congress appealed to the people and to the public functionaries to give effect to its resolution of his removal from the Presidency. Here we have the history of the causes and origin of the civil war in Chili. The fleet, as well as the most distinguished officers of the army, immediately placed themselves at the disposition of Congress. In virtue of the resolution of that body a "junta" of provisional government was formed, consisting of the commander of the fleet, the Vice President of the Senate, and the President of the House of Representatives. On various occasions the representatives of foreign Governments at Santiago made proffer of their services, as mediators, between the contending parties to the unhappy conflict. Their good offices were, however, unproductive of any favorable results, as Mr. Balmaceda, framing pretexts,

declined to formulate any compromise, or to express any opinion as to a practical basis for the settlement of the questions at issue. The intervention of the English and German Ministers, accepted by the Junta, was followed three days later by the unexpected attack by means of torpedoes, planned and ordered by Balmaceda, on the vessel Blanco Encalada, causing the death of more than 150 Chilian sailors. The later incidents of the struggle, terminating, on the 31st of August last, in the capture of Valparaiso, the flight of Balmaceda, and the complete triumph of the Constitutional party are fresh in the minds of our readers.

RAILWAY RATES.—Press despatches from London convey the intelligence that after five years' unceasing and very costly struggle, in and out of Parliament, against the public demand for a revision of railway tariffs, the English railway companies have obtained a new system of rates, the exact value of which to their shareholders or to the trading community remains to be proved. The enormous diversity of the rates, amounting to scores of millions, renders a comparative estimate of the changes from the old tariffs an almost impossible task. But the revised schedules are not to be enforced before August of next year, giving ample time for the exceedingly complex process of revision to be carried out. Lord Colville, chairman of the Great Northern, frankly said: "The revision leaves entirely aside the passenger traffic, dealing solely with freight rates. To the foreign trader—American or European—an important practical feature of railway administration under this recent legislation is to put a stop to preferential or discriminating rates. The evidence offered in Parliament by the Railway Rates Committee and other trades associations, against low rates of carriage on foreign goods, led to a series of stipulations under which the railway companies are constrained to carry local traffic. Under the Railway and Canal Traffic Act, the railway companies may still contract to give what minimum rates they choose to American through traffic, but the local trader can claim a proportionate reduction on the local rates. Thus the law stands; but whether the intelligent foreign trader can arrange for some advantage through private rebates is open to question. The sum and substance of the provisional order issued by the joint committee, and under which the revision is proceeding, was described by Mr. Giffen of the Board of Trade, one of the best author-

ities on the subject. The order, he says, provides for a new classification, applicable to all goods, and having new maximum rates. The companies can no longer deal with freight charges on the old loose system. They cannot cancel rates now, but must work within the maximum. They can contract in consonance with the maximum, but if they make a contract with one man they must give other contracts on the same conditions. If the companies have lost some advantages under the new classification, they have gained in being confirmed in their demand for terminal charges—that is, charges levied for loading and unloading, station accommodation and cartage. It is probable that the public may find that these six years' fight in Parliament has left the actual working rates untouched, and may come again to the Board of Trade to have the rates question re-opened.

ENGLISH RAILWAY RETURNS.—The position of railway property in the United Kingdom, says a recent cable, is not encouraging. The returns for the past year, just issued, show that this great interest, whose paid up capital now amounts to £900,000,000, is not sharing and has not shared in the flow of national prosperity. The increase in the gross receipts of the railways in the United Kingdom was nearly £3,000,000, but this was more than absorbed by the growth of the working expenses. The proportion of net receipts to paid up capital fell away during 1890 from 4.21 per cent. to 4.10 per cent. The proportion of working expenditure to total receipts has been 54 per cent. for 1890, as compared with 52 per cent. for the four preceding years. The first half of the current year has presented the same features. Increase in gross revenue with current excess in expenditure. The augmentation in outlay arose in no notable degree from extension of mileage or additions to plant. During 1890 only 130 miles were added to the mileage, bringing up the total open for traffic to 20,073 miles. The bulk of the increase in expenditure is due partly to the higher price of coal, but chiefly to the higher scale of wages. Labor demands—which are certain to grow instead of lessening—thus operate in several ways to diminish the dividends. Fuel and other material has to be paid for at dearer rates, owing to the increasing value of labor employed in their production, and besides this indirect drain upon the revenue, the railway employees claim and obtain a higher scale of wages. Analysis of the accounts for the first half of the present year of

the fifteen principal railways discloses an increase of 7.5 per cent. for wages in the half year. The working expenses for the same period have amounted to 55.7 per cent. of the gross revenue. Dividends consequently dwindle. Only four out of the fifteen companies showed the slightest increase in net revenue, and in only two instances was the increase sufficient to enable last year's rate of dividend to be improved upon. The sum of the position of the companies is that they have to face a future of progressive cost in labor and material, with no proportionate increase in dividend earning power. The labor demands are assuming such dimensions, and are enforced with such energy and public backing, as to leave no prospect of a reduction of outlay in this direction until the present period of prosperity slackens off and the supply of labor greatly exceeds the demand. Meantime permanently reformed methods of management must be resorted to in order to decrease the working expenses. In the discussion over the situation now proceeding among the directorates, the prominent suggestions towards these ends are retrenchment in mileages, cessation of competition for passenger traffic and some alteration in the passenger system. Although accounts have shown for years past that about eighty-five per cent. of the passenger traffic is "third class," the companies, with the exception of the Midland, have continued to run empty "seconds" and sparsely occupied "firsts" with every train. The abolition of "second class" and economy in the use of "firsts" are among the early reforms now contemplated. The adoption of larger wagons, as in America, capable of carrying eighteen to twenty tons, thus effecting a considerable saving, is also favored by some railway managers, who have already ordered the construction of wagons on the American model. But, let the administration of British railways be perfection, yet the future is not promising.

MUNICIPAL GOVERNMENT.—City government, says an exchange, is the subject of a well-considered paper in the current number of *The Century*. The writer correctly indicates the evils with which all cities are familiar, and comes to the conclusion that the only apparent remedy for them consists in depriving city councils of all executive power, paying the aldermen for their services, and fixing responsibility in the Mayor directly elected by the people. The writer believes that a city council should act as a board of directors, not as a legislature. He points out that abuses exist

under all systems, but that they are at a minimum where councils have few and limited powers of law-making, and where the head of the municipality is head of all the departments. It is better, he insists, to have few aldermen and pay them adequate salaries, than to have a large number and let them fatten on the corrupt sale of public franchises. New York put an end to this abuse by making it the law that all public franchises be disposed of at public auction to the highest bidder. There is solid truth in the remark that so long as communities expect something for nothing they will be robbed as they deserve to be. One of the most curious anomalies of the present time, perhaps, is to be seen in our cities, inhabited by business men most exact in their private affairs, and yet, in the aggregate, permitting themselves to be ruled by a system the reverse of business-like in all its workings. Until municipal government is conducted on business principles, the evils and abuses of which complaint is made will never be abolished.

AUSTRALIAN CREDIT.—The Australian colonies are fast earning an unenviable reputation as borrowers of British gold. Recent events on the London money market show an altered state of Australian credit, and the assertion that our sister colonies in the Antipodes are not only heavily but hopelessly in debt appears to be gaining credence. Criticism of their monetary affairs, indeed, goes further, and it is even hinted that they have been living for years on British loans, the obligation to repay which they may some day repudiate. As an indication of this belief, and of the extreme care with which English investors now scrutinize the resources, financial position and political methods of a borrowing community, reference may be had to the recent placing of a £4,500,000 loan by the colony of New South Wales. Scarcely two years ago a loan of £3,500,000 was successfully negotiated at an average price of 103, one point above the minimum fixed, while not later than a twelvemonth since a second issue was so successfully floated that a similar minimum was exceeded—on both of which occasions subscriptions were greatly in excess of the sums sought to be borrowed. To-day, however, when for the third time in as many years this colony presents itself on the London market, a minimum price of 95 is exceeded by a “beggarly fivepence,” and Australian banks are compelled to unite in order to ensure the successful floating of the loan. In April last, when the colony of Victoria sought to place a $3\frac{1}{2}$ per cent. £3,500,000 loan

on the market, the amount subscribed fell short of the sum required by a third, although offered at $97\frac{1}{2}$, or $2\frac{1}{2}$ per cent. less than the minimum of a year ago, when a loan of £4,000,000 was subscribed for many times over at an average of $101\frac{1}{2}$. This failure was attributed, at the time, to the disturbed state of continental bourses, and the distrust bred of South American reverses, but no such cause can now be assigned for the slight success attendant upon the more recent loan. The monetary situation has resumed its normal condition, and is, withal, sound and stable, as recent events testify. To other and more potent causes, therefore, the altered condition of affairs must be ascribed. A group of colonies whose aggregate debt to-day exceeds £140,000,000, when but ten years since the figures stood at £63,792,300, cannot continue to add unceasingly to their indebtedness without being suddenly brought to a knowledge of their indiscretion. The British investor soon learns to view with a feeling of uneasiness any such exhibition of extravagant and reckless expenditure, and is not slow to take alarm at the slightest whisper of impending doom. That our own British Columbia loan of £200,000 sterling has met with a more becoming reception speaks volumes in favor of Canadian methods of self-government; and it is indeed matter of congratulation to learn that not only was the sum subscribed greatly in excess of the amount sought, but transactions have since taken place at an advance on the price obtained three weeks ago. Canada has every reason to be proud of such of her provinces as give evidence of being in the hands of prudent and truly patriotic statesmen, but, unhappily, it has still to view the base uses to which political power may be put by mere partisans whose prudence is based on self-interest, and whose patriotism, being self-assertive, is the less to be regarded as sincere.

CANCELLATION OF NORTH SHORE BONDS.—A resolution, recently considered in Parliament, providing for the cancellation and discharge of certain mortgage bonds of the North Shore Railway company held by the Dominion Government, revives an incident in the financial history of this province which might claim kinship with the Baie de Chaleurs matter. With this memory, however, we do not identify the Dominion Government, although a present member of that Government took the leading part in negotiations which led to the transfer of the North Shore Railway to the company of which the late Hon. A. Senecal was

ostensible head. In moving the House into Committee in order to consider the proposed discharge of the bonds in question, Sir John Thompson reviewed the history of the acquisition of this road by the Federal Government, entering very fully into the declared policy of the latter in regard to the extension of the Canadian Pacific Railway to the city of Quebec, as determined by statute in 1884. It may be within the memory of our readers that this policy was to extend the trans-continental road along the south shore to a maritime harbor, and to Quebec along the north shore, connecting at that point with the Intercolonial by means of a bridge across the St. Lawrence. In order to give effect to this proposal, a sum of money was subsequently appropriated, aggregating \$6,500,000, of which sum \$5,000,000 was to subsidize the short line to the sea; and the remaining \$1,500,000 was intended either for the construction of a new line to Quebec or the purchase of the then existing railway on the north shore. Built at the expense of the Provincial Government, this latter road had been transferred to a company organized in 1882,—in consideration of the sum of \$3,500,000, which was secured by first mortgage on the line and its equipments. By the act creating the company it was authorized to issue second mortgage bonds to the extent of \$1,500,000, which it did, and shortly after disposed of its interest to the Grand Trunk Railway. It was thus matters stood when the Dominion Government declared the policy above referred to and voted the subsidies mentioned. Negotiations were then opened up with the holders of the operating road, but failed to materialize within the specified time, and the Canadian Pacific were on the point of constructing an independent line when, through the good offices of the Government at Ottawa, an arrangement was effected which transferred the control of the existing road to the Government. Of the sum voted by Parliament, \$530,000 was paid in cash to the Grand Trunk, and the remaining \$970,000 was invested in the purchase of outstanding second mortgage bonds, which to the amount of \$1,108,626 had been pledged by Mr. Senecal to the Bank of Montreal for advances made. The Government likewise assumed the prior mortgage created in favor of the province, in accordance with the terms of the original transfer. Having thus acquired the road and relieved the Quebec Government of the expenditure incurred in its construction, the Government handed over the control to the Canadian Pacific Railway, retaining a lien for the \$1,500,000 voted, for the purposes of acquisition, by Parliament.

According to the terms and conditions of this transfer, interest at the rate of 5 per cent. was to be paid to the Government out of receipts, after payment of working expenses and certain other claims, including the interest due to the Provincial treasury on the three and a half million of first mortgage bonds. If the receipts proved insufficient to meet these privileged claims, the company was freed from any obligation to the Dominion Government on the sum expended in the purchase of the road. A further condition was that extraordinary repairs should not be chargeable to working expenses, unless the consent of the Government had first been obtained in authorization. These various transactions, not having been quite in accord with the intent of Parliament in voting the \$1,500,000 subsidy, soon created a grievance, which for some years past has engaged the attention of members from the various constituencies through which the Eastern extension of the Canadian Pacific ran. The city of Quebec, it was urged, had not been made the summer terminus of the great road. Of the subsidy voted, only \$530,000 had actually been spent, the purchase of the second mortgage having been an investment, not a grant, as appeared on reference to the public accounts, and tending to prevent the development of traffic on the line. The Canadian Pacific naturally desired to ultimately acquire these debentures at a low figure, and their price would be enhanced in proportion as the earnings of the road permitted of interest being paid thereon. Moreover, the condition of the line was such that extensive repairs were necessary in order to render travel safe, and the Government having proved dilatory in authorizing these repairs, traffic and roadbed had fallen off and deteriorated. These arguments have not been without effect, if we may judge from the resolution recently considered. The proposal is to cancel and discharge the mortgage bonds thus held, in consideration of the Canadian Pacific expending \$700,000 in putting that portion of their line in good order, fully up to the standard of the main line, and generally in carrying out the avowed policy of the Government, making Quebec the summer terminus of their line.

THE EDITOR.

BANKING IN FRANCE.

If the system of banking is even now less extensive and complete in France than it is among the English-speaking races, either of the Old World or the New, it is not, therefore, to be assumed that it is at all inadequate. Difference of habits has justified quite different methods, and it is probable that any considerable number of institutions that might have been established for supplying all those banking facilities to which we are accustomed would have found themselves but very poorly supported. The Frenchman is generally thrifty in the extreme—anxious and able to save—but he likes to have his savings either in his own hands, in the hands of Government, or else invested in the most visible and solid form—in the purchase of land. Although evidently not wedded to any particular form of government, and quite ready to make a change, as to persons at least, he has unbounded confidence in the Government generally, as a sort of impersonal representative of France. On the other hand, he is little inclined in his every-day dealings to trust his fellow-citizens, except when he is induced to embark in hazardous speculations, either for the glory of an idea or by the promise of enormous profits. These characteristics are not favorable to the growth of banking, and hence the banks have not been either numerous or important. Of the three forms of banks,—banks of deposit, of issue, and discount,—the two forms have been until comparatively recent times quite unknown, except as Government institutions; and the history of banking in France is little more than the record of various attempts by the Government to supply banking facilities for the people.

The first bank was the *Banque Générale*, which was founded in 1716, by John Law, as a private enterprise. The objects of the bank were to discount bills, to open accounts of a limited nature, and to issue circulation. The notes issued were of 10 crowns, 100 crowns, and 1,000 crowns—about equal in value to the same number of dollars. Whether his bank had any considerable amount of success before, it can hardly be known, because it only lasted as a private enterprise for a very short time. Its functions were bound up with the schemes of John Law, with his West India Company, the Company of the Mississippi, and his other ambitious schemes of trade and colonization. In common with these

various enterprises it seemed for the moment to be likely to be profitable, and in 1718 the Regent, who was Law's constant protector, procured a decree from the young king, Louis XV, converting the *Banque Générale* into the *Banque Royale*. The Government repaid to the shareholders the amounts they had paid upon their shares, and thenceforward the bank became a Government institution. The capital of the bank remained at 6 millions of livres (say \$1,200,000), and the chief alteration that was made besides those of the name and ownership was that the notes were made payable in *livres tournois* instead of crowns, and were thereafter issued for 100, 1,000 and 10,000 livres (say \$20, \$200 and \$2,000). Law remained the director of the bank, and speedily involved it in all his speculations. At the time of its reconstruction its circulation amounted to less than 50 millions of livres, but in a few months was quadrupled. In order to support the enormous speculations then going on in the shares of the India Company, fresh circulation was issued in constantly increasing amounts, until, on May 1, 1720, the total issues amounted to 2,700 millions of livres (say \$540,000,000).

The bank was as little able to redeem these notes as the companies were to redeem their promises, and before the middle of 1720 the beginning of the end was in view. By the 21st of May the value of the notes had fallen by 20 per cent., and a decree of that date reduced their value by an additional 5 per cent. on the first day of each of the six months ensuing, so that by December 1st they were to be reduced to 50 per cent. of their nominal value. This decree was of course equivalent to an act of bankruptcy, and the value of the notes speedily fell far below even these reduced amounts. Early in July payment of the larger notes was forbidden, and on July 13th the notes for 100 livres were declared to be payable only one at a time. Finally, on July 17th, the bank was closed, at which time the total issues had amounted to 3,070,750,000 livres, of which 707,327,460 had been redeemed, leaving 2,363,423,540 outstanding.

Nearly fifty years elapsed before another bank of this nature was projected, and even then the *Caisse d'Escompte*, which was authorized by decree of January 1, 1767, was but little more than a name. It scarcely even commenced business, and was closed in 1769. In 1776, another bank of circulation was established, also under the title of *Caisse d'Escompte*, as even at this time the discredit attaching to the name of "bank" was still very great.

Like the *Banque Royale*, it was started as a private institution, and, like that concern, was destined to be absorbed by the Government. Its capital was nominally 15 millions of livres (say \$5,000,000), but this was only to be gradually subscribed during the six years. Its views were moderate, and its operations were closely restricted by the statutes under which it was founded. It was not permitted to borrow at interest, nor to accept bills or make any engagements payable otherwise than at sight. It was strictly limited to the business of discounting bills of exchange, and even in this the restriction was imposed that the rate of discount should not exceed 4 per cent., though a few years later this rule was so far relaxed as to permit of its charging $4\frac{1}{2}$ per cent. in times of war. No mention was made of its issuing notes, and it does not appear that any monopoly of the right of issue was contemplated or desired. The right to issue circulation was free to anyone, but for the general reasons already given, as well as from the great discredit attaching to paper money, no one was eager, and few were even willing to issue it. Although the *Caisse* was not at first in any sort an official institution, it was very soon brought into close relations with the Government.

In 1789 it was required to advance to the Government 240 millions of livres, its own capital being increased to 150 millions, and during 1789 and the following year it succeeded in making advances to the extent named. At this time the *Caisse* was more a part of the regular financial administration of the Government than a private institution, and its close connection with the State caused it to become involved in the desperate financial schemes of the ministers, and it incurred, in consequence, the hatred of the opposite party. It was finally suppressed by a decree of the Convention in August, 1793. The reason given was its inutility; but as the revolutionary Government was then extensively engaged in the business of issuing paper money by the creation of assignats, it is possible that it was suppressed partly for political reasons and partly because it was regarded as a formidable rival in the issue of circulation, whilst it may be that its good and prudent management formed too glaring a contrast to the financial methods of the Convention.

Although the issue of assignats was not exactly a banking transaction, it must have had so great an effect upon the banking operations of the time, that some description of these documents and of the conditions under which they were issued is necessary

to understand the course of development of the banking institutions of France. The idea of the creation of assignats arose in connection with the confiscation of the estates of the clergy, in 1789. The property of the church was estimated to be worth some 2,000 millions of francs (\$400,000,000); and having been confiscated to the use of the Government, an attempt was made to realize their value. In December, 1789, sales of these lands to the extent of 400 millions were decreed; but as it was quite impossible to find private purchasers, the municipalities of Paris and some other of the principal cities undertook to purchase them in gross, and assignats were issued to assist in carrying out the transaction until buyers should be found to take the land in small parcels. These assignats were secured upon the church lands, and were really assignments of some indefinite portions of them. At first they were declared to carry interest at the rate of 5 per cent., and to be redeemable within certain specified times. But in April, 1790, the interest was reduced to 3 per cent., and in September of the same year it was abolished altogether. They were really now nothing but paper money issued by the State upon the hypothecation of certain lands, and there was no longer any talk of redeeming them, except by transfer of portions of land. At first they were issued in denominations of 1,000, 300, and 200 livres (\$200, \$60, and \$40), but it was soon decided to issue some for 50 livres each. In 1791, they were issued as low as 10 sous, and in 1792 they were issued for 5 sous (say 5 cents) each. They were issued in enormous quantities during the Revolutionary period, and of course their value fluctuated very much. Even in July, 1790, they were considerably depreciated, and with every fresh issue they declined still further. In May, 1793, the Committee of Public Safety decreed fresh issues of large amounts, and their value fell during a few months from 50 per cent. to 22 per cent. of their nominal value. It recovered somewhat, but in the next year again fell from 40 per cent. to 20 per cent. In 1795, there were times when they commanded in metallic money only 1-150 of their face value, and one authority states that in January, 1796, they were only worth 1-1,000 of their nominal value. Of course their value varied very much at any one time, according to the necessities of the holder. In 1796, when there were at least 35,000,000,000 of livres (\$7,000,000,000), nominal, in circulation, and when, even in the best markets they were worth in metallic money no more than 1-300 of their face

value, an issue was made in a different form. The new notes were called "*territorial mandates*," and they differed from the assignats in that the holder could demand in exchange for them, and could obtain by summary process, a definite portion of land in actual possession. For the moment this gave them some advantage, but as the holders of assignats had always had some powers in the same direction, which they had refrained from using because of the fear of insecurity of title, the new issue soon came to be but little better than the others. With the close of the year 1796, these issues came to an end, as it was found impossible to put any more into circulation.

In discussing the merits or demerits of this episode in financial history, it must not be too readily assumed that the ignorance of the true principles of finance which was exhibited was peculiar to the Revolutionary Government. The idea that paper money can safely be issued to any extent against any actually existing values of land or goods was the error that underlay the system of John Law, and that has been upheld by many financiers since his time. It has not perhaps been at any time carried out with such recklessness as it was in the case just described, but the greater moderation displayed in other instances has not been due to any sounder principles but to less exacting circumstances. Another idea that was translated into action in the course of these issues is also one that has been held by many people since, and is held by many people still. That is, that it is possible by government decrees to impart definite values to fiat money, whether of paper or coin. If the assignats failed to be maintained at par value, it was because of the inexorable nature of economic principles, and not for lack of energy on the part of the Government. In 1793, and at divers other times, decrees were issued forbidding the sale or exchange of assignats for metallic money or goods at anything less than their face value, but such decrees did not in any way raise their value. One decree condemned any banker who might be convicted of having refused assignats, or of having taken or given them at any reduction whatever, to pay a fine of 3,000 francs, with six months' imprisonment, and upon a second conviction to 6,000 francs fine and twenty years imprisonment in the galleys. By another decree, anyone who said anything to the discredit of the assignats was liable to punishment, and the informer of the crime was to be rewarded. By yet another decree, the forms of procedure in all cases concerning the assignats were

what was termed "*simplified*," or rendered more "*revolutionary*," that is, they were to be dealt with in the most summary and arbitrary manner!—Robert W. Barnett in the *Rand-McNally Bankers Monthly*.

DISSIPATING THE PUBLIC DOMAIN.

A return brought down at Ottawa last week showed that the vast amount of 42,000,000 acres of land in Manitoba and the territories has been granted to railways, and still the iniquitous policy goes on. The majority of people will pass over this without realizing what it actually means. Comparison is therefore necessary to show the enormity of the evil which has already been inflicted upon Western Canada by this suicidal policy of dissipating the public domain in this manner. The entire province of Manitoba contains a superficial land area of 41,002,240 acres, including swamps, muskegs, or other land unfit for cultivation. A very considerable portion of this 41,002,240 acres is unfit for cultivation, whereas a large portion of the land granted to the railways has been the pick of the country. These figures must prove a startling revelation to those who have not given the matter consideration heretofore. It is indeed time to cry a halt in this business of granting the public domain to private corporations. Just think of it! One million acres more than the entire superficial land area of the province of Manitoba has already been granted to railways, and in the face of this but a small portion of the country has been supplied with railways. Take a map of Manitoba and divide the province into three parts of equal size by drawing lines across the map from east to west, and what will you find? The railways will be all in the one southern division. The two northern divisions will be without railway communication whatever. Go westward into the territories, and the portion of the country now served by railways is even less. If land grants are to continue until all parts are opened up by railway, at the same proportionate rate that it has in the past, there will not be land enough in the entire country to satisfy the railways. The railways will own all the land, and will still be unsatisfied.

The time has come when a vigorous and unanimous demand should come from the west, that not another acre of the public domain be granted to any private corporation. It is nonsense to

talk about there being plenty of land. A large portion is reserved for school purposes, the Hudson's Bay Company has a nice little slice of 7,000,000 acres, and other landed monopolies of one kind and another may be counted by the dozen, to say nothing of the large acres held by private speculators. These lands already withdrawn from the public domain are largely the pick and choice of the country. When the water surface and lands not valuable for agriculture are counted out, the portion of the public domain still undisposed of will not be so large as is generally supposed.

But it makes no difference what amount of land remains, the granting of lands to corporations or private speculators is iniquitous in principle. Were the quantity of land ten times as great as it is, there would still be every reason for denouncing the policy. The public lands should be held for the people. There is no use in trying to encourage settlement, and then following up a policy which will effectually block it. There is no use in squandering money to bring in immigrants, and then adopt a policy of creating huge landed monopolies to drive the settlers out of the country. The recent census returns were not satisfactory in point of increase in our population. They indicate that some changes in our public policy are necessary to encourage settlement, and induce our people to remain at home. The management of the public domain is one of the matters which should be considered and reformed, to this end. Eastern Canada is interested in the settlement of the west. Business people there look in this direction to find a market for their manufactures, and to extend their business. The people of the east should therefore bestir themselves, as well as those of the west, in demanding a cessation of land grants at once.

It seems strange that this land question has been allowed to slide along as it has. During the past few years, *The Commercial* has several times raised a warning voice, but the people of the west evidently fail to comprehend even to a slight extent the enormity of the interest at stake, and the terrible evil which has been fastened upon the country. It is to be hoped that the figures given above will come as a revelation to the people, and that such a demand will be made as will effectually stop this evil policy.

Not only should the custom of granting lands cease at once, but an effort should be made to repair some of the injury already done. In cases where corporations have not earned the lands granted them, they should be held strictly to the conditions upon which the grant has been given, and any failure to fulfill these

conditions should result in every case in the forfeiture of the lands. If in some cases it might seem unduly harsh to deprive some corporation of a land grant, some equivalent subsidy might be given, but in every case the land grant should be forfeited. An effort should also be made to induce some of these corporations to relinquish their lands for some other consideration or concession. It would pay the Government to buy back the lands, rather than have such an evil inflicted upon the country.

Of the vast amount of public money granted to or expended upon railways in Canada, none of it has come to Manitoba and the territories. It has been expended upon eastern roads, while the people of the west have had to pay their share of the debt incurred (and more than their share on account of the discrimination against the west resulting from the tariff) from this railway expenditure. But when it comes to a western road, the land is given away, and evil is fastened upon the people. Let an effort at once be made to check this policy, which, though not seriously felt at present, will in the future prove disastrous to the country.—Winnipeg *Commercial*.

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COMMENTARY ON THE BANK ACT OF 1890. (1)

CHAPTER III.

CHARTER RIGHTS AND PRIVILEGES.

SECT. 1.—OF THE POWER TO RECEIVE DEPOSITS.

SECT. 2.—OF CHECKS.

SECT. 1.—OF THE POWER TO RECEIVE DEPOSITS.

75. It is of the essence of the business of banking that the Bank should receive on deposit the money and funds of other persons. In receiving deposits and opening accounts the Bank is free to choose whom it will as customers from among those that offer. The receiving a deposit from a person, without explanation or understanding to the contrary, at once and without more makes that person a customer of the Bank. But no implied undertaking to allow him to continue so for any length of time exists, neither is he under any obligation to continue so. The relationship may be dissolved at any time by either party, saving the then existing liens and rights of each. (2)

76. The Bank may receive deposits from any person whomsoever, whatever is his age, status or condition in life, and whether such person is qualified by law to enter into ordinary contracts or not; and, from time to time, may repay any or all of the principal thereof, and may pay the whole or any part of the interest thereon to such person, without the authority, aid, assistance or intervention of any person or official being required. (3)

77. The total amount which may be received on deposit from any one person or firm, legally capable of entering into ordinary contracts, may of course be the subject of convention between the contracting parties, but in the absence of convention it is without limitation. If, however, the person making any deposit could not, under the law of the Province where the deposit is made, deposit

(1) Copyrighted by the Author, Frank Weir.

2) See 15 Ont. App. Rep. 609. (3) Section 54.

and withdraw money in and from a Bank without being authorized by the above-cited section of the Act, the total amount to be received from such person on deposit must not, at any time, exceed the sum of five hundred dollars. (1)

As to what persons are or are not qualified by law to enter into ordinary contracts, it may be stated generally, that all persons are capable of contracting, except those whose incapacity is expressly declared by law. (2) Consent being one of the four requisites (3) to the validity of a contract, such persons as are considered devoid of that freedom of will, combined with that degree of reason and judgment which can alone enable them to give the *assent* necessary to constitute a valid engagement, are declared by law incompetent to enter into a valid contract. Minors, married women, and persons insane or suffering a temporary derangement of intellect arising from disease, accident, or drunkenness or other causes, or who by reason of weakness of understanding are unable to give a valid consent, compose the classes of persons who in general are incompetent to acquire the rights and incur the obligations incidental to an intended unlimited deposit. (4)

78. RELATION OF THE CUSTOMER ON A SIMPLE DEPOSIT ACCOUNT.—The ordinary relation existing between a Bank and its customer, if not complicated by any further transaction than that of the depositing and withdrawing of moneys by the customer from time to time, is simply that of debtor and creditor at common law. The original and every subsequent deposit by the customer is in strict legal effect a loan (*mutuum*) (5) by the customer to the Bank, and *e converso* every payment by the Bank to, or on account of, the customer, is a repayment of the loan *pro tanto*. Wherefore it follows that the customer can never hold or charge the Bank as a trustee, *quasi* trustee, factor or agent. The Bank may of course assume any of these functions (6), and in fact it often does so; but they are all nevertheless wholly outside of the ordinary legal relationship to the depositor.

The use of the word *deposit* to specify the contract is therefore a misnomer, and serves but to confuse the popular mind. The

(1) Section 84. (2) C. C. L. C., Art. 985.

(3) *Ibid.*, Art. 984. (4) *Ibid.*, Art. 986.

(5) Francis vs. Bousquet, 27 L. C. J. 115.

(6) See Grant on Bankers and Banking, ed., pp. 5, 11; Crosskill v. Bower, 32 Beav. 86, 32 L. J., ch. 540; Shields v. Blackburne, 1 H. B. L. 158 (per Lord Loughborough. Also 15 O. A. R. 609 and 9 O. A. R. 187.

operations incidental to banking have outgrown the nomenclature at one time all sufficient.

79. If the Bank could be held in the character of trustee, it would follow that the giving of a cheque upon a Bank would operate as an assignment of the drawer's funds, *pro tanto*, and would enable the payee to demand the amounts as of right from the Bank (provided there were sufficient funds of the drawer to meet it), and upon non-payment to sue the Bank. The right of the check-holder to sue the Bank has, however, in England and the United States, after continued litigation, been conclusively denied by courts of unquestionable authority, and the denial has been based in great measure upon the fact that the Bank is not in any sense a trustee. In Canada, however, according to the law of Quebec, a depositor in a Bank transfers his rights to the holder of his cheque on the funds to his credit in the Bank, so as to confer on him the same rights which the depositor himself possesses. (1) This decision, however, did not proceed in any manner from the assumption that a Bank occupies the position of a trustee with regard to moneys deposited with it, but from the positive enactment that Bank cheques are not subject to the provisions of the law governing the sales of debts and rights of action in general, which give no possession available against third persons until signification of the transfer has been made to the debtor and a copy of it delivered. The action was brought by the plaintiff Marler against the Molson's Bank for the amount of a cheque, about \$700, signed by one Parker, which the Bank refused to pay. The defendant pleaded among other things that there was no privity of contract between the holder and the Bank, which would sustain a suit by the former, until the latter had done some act, as acceptance, by which it would have created that privity. The court said: "Does
" a depositor in a Bank transfer his rights to the bearer of his
" cheque on the funds to his credit in the Bank, so as to confer
" on him the same rights which the depositor himself possesses ?

"The check is a transfer by the depositor to a person named or bearer. Presentation alone constitutes signification. Article 2350 of the Civil Code says that, 'checks are payable on presentment, without days of grace.' After signification by this presentment, the transferee, called the bearer, is considered to be the proprietor of the claim transferred. The *lien de droit* between the

(1) Marler v. The Molson's Bank, 2 L. N. 166 (1879).

transferor and the debtor is perfected by the signification. The universal practise of Banks to pay checks on presentment, with the funds of the drawer, would constitute a law based on custom. This usage has been established in the interest and at the request of the Banks. There would be fewer deposits if depositors were under the necessity of presenting themselves in person to obtain the payment of moneys deposited. Few would accept checks if this appearance in person were necessary. There are manifold inconveniences in the system advocated in the plea of the Bank, in which the absence of *l'un de droit* is opposed to the bearer, and the Bank has no interest to oppose such want of privity. The action by the bearer is the same as that which the depositor might have brought.

“ A check differs both in law and usage from a bill of exchange. It is from this difference that the right of the bearer to proceed directly against the Bank necessarily flows. It has never been doubted that payment to bearer is a good payment to the drawer, the same as though payment had been made to himself. That shows that the bearer can give a discharge, because by the transfer he is really the creditor. Article 2351 of the Civil Code entirely confirms the principle stated. After providing that the holder of a check is not bound to present it for acceptance apart from payment, it is added, ‘ nevertheless, if it be accepted, he has a direct action against the Bank or banker, without prejudice to his claim against the drawer.’ This is simply the application of the principles and rules which govern sales of debts and rights of action. Articles 1570 and 1571 Civil Code. This is shown by article 1573.”

80. This point does not seem to have been raised in any of the other Provinces, so the question as to the rights of a holder against a Bank, without acceptance, elsewhere in Canada than in Quebec must remain an open one. (1)

81. Where the customer paid to his banker a certain sum, with the express contemporaneous stipulation that it should be used to take up a bill which he had accepted payable at the house of his banker's London correspondent, and afterward, upon the customer's becoming insolvent, and before the banker had advised his London correspondent to pay the bill, the banker appropriated the sum to meet the indebtedness of the customer to him, it was

(1) But see *Boyd v. Nasmith*, 17 Ont. App. Rep. 40.

held that the drawers of the bill could not maintain an action against the acceptor's banker, on the ground of a lack of privacy. (1) Though it might be inferred that, had the banker advised his correspondent to pay the bill, the decision might have been otherwise.

§2. In England it has been held that where money is paid in to the banker by his customer, for the express and declared purpose that the same should be paid over to a third party, nevertheless such third party can enforce no claim against the fund until the banker shall, by some act upon his own part, have come under an obligation to pay to him. (2)

§3. All the sums paid into the Bank on general deposit, by the same or different depositors, form one blended fund. (3) So soon as the money has been handed over to the Bank, and the credit given to the payer, it is at once the proper money of the Bank. It enters into the general fund and capital, and is undistinguishable therefrom. Thereafter the depositor has only a debt owing him from the Bank, a *chose* in action, not any specific money or a right to any specific money. (4) It follows that the act of deposit having been once consummated, nothing short of payment on the part of the Bank, or some act of the depositor himself, will suffice to exonerate it from the indebtedness it has assumed. The identical bag of coin or roll of bills in which the deposit was made may be stolen, before it has been in any practical manner comingled with the funds of the Bank; it may be embezzled or fraudulently misapplied by an officer of the Bank; still the indebtedness of the Bank subsists entirely unaltered by these circumstances.

§4. On the other hand, however, it appears that under certain peculiar circumstances, the customer may follow and establish his ownership of funds deposited by him, but not yet actually mingled with the assets of the Bank. Thus, when money is paid

(1) *Hill v. Royds*, 3 L. R. Eq. 290.

(2) *Malcolm v. Scott*, 5 Exch. 610; *Grant on Bankers and Banking*, 3d ed., p. 4.

(3) *Devaynes v. Noble*, 1 Mer. 541; *Bodanham v. Purchas*, 2 Barn. & Ald. 39; *Henniker v. Wigg*, 4 Q. B. (Ad. Ct. El.) 792; *Commercial Bank of Albany v. Hughes*, 17 Wend. 94.

(4) *Marine Bank v. Fulton Bank*, 2 Wall. 252; *Thompson v. Riggs*, 5 id. 663; *Bank of the Republic v. Millard*, 10 id. 152; *Ætna National Bank v. Fourth National Bank*, 46 N. Y. 82; *Carr v. National Security Bank*, 107 Mass. 45; *First National Bank v. Ocean National Bank*, 60 N. Y. 278.

in by a customer after banking hours, and is put in a separate place by itself, and not entered in the regular books of the Bank, and the Bank fails, and does not open on the next day, the necessity of failing having been already agreed upon by all the partners, the customer may reclaim his deposit and hold it as against the assignee of the bankrupt. (1) Though in another case, wherein it was shown that the bankers were in the habit of receiving, and the customer was in the habit of making, deposits after banking hours, and that such deposits were always regarded and treated by both parties as if regularly made during banking hours, and the bankers had not determined upon the necessity of failing when the deposit was made, a contrary decision was reached. (2)

(TO BE CONTINUED.)

SUPERIOR COURT JUDGMENTS. (3)

LIABILITY OF BANK DIRECTORS.

MACDONALD *v.* RANKIN.—Plaintiff is holder of 1115 shares of the old Consolidated Bank of Canada, the par value of which is \$111,500. Defendant was one of the directors of the bank at the time of the failure. The bank was formed in 1876, and was the result of a combination of the City Bank of Montreal and the Royal Canadian Bank of Toronto. The Consolidated Bank carried on business for three years, and went into liquidation in August, 1879, and up to within a few months of the failure paid dividends in the regular way of six to seven per cent. yearly. When the bank was liquidated it turned out that out of a capital of \$3,477,224 and a reserve of \$247,650.17, making in all a total of \$3,724,874.17, everything had disappeared except \$460,000. Of course this disappearance had taken place in the previous three years.

The present action is instituted against defendant Rankin for the recovery of \$150,000 for loss and damages suffered by plaintiff, owing to the defendant's neglect of his duties as a director of said

(1) *Threlfal v. Giles*, cited 2 M. & Rob. 492; *Sadler v. Belcher*, id. 489. See further, 12-Central Bk., 15 O. R. 611.

(2) *Ex parte Clutton*, 1 Fomb. 167.

(3) This decision was rendered by Mr. Justice Pagnuelo 13th December, 1890, in the Superior Court at Montreal, and the case has been taken to appeal by the defendant, where it now rests. Within the past month a similar suit has been entered in the Superior Court against Hon. W. W. Ogilvie, a second director in the Consolidated Bank, following a suit against Mr. Robert Mackey *es qualitt*, previously entered and still pending.

bank. It turns out from the evidence that in the months of May and December, 1876, 1877 and 1878, the directors declared dividends semi-annually of 3 and 3½ per cent. on the paid up capital, and signed at the same time declarations giving brilliant accounts of the bank. All these statements were made public in the Canada Official Gazette. At the time many accounts were overdrawn, notably that of Ascher & Co., through whom the bank eventually lost over half a million. Ascher's overdraft continued to grow from Dec. 19, 1876, when it was \$17,487, to June 20, 1878, when it reached \$85,000, and on Nov. 10, 1878, it amounted to \$153,529. Besides this account many others were overdrawn, amounting in all to \$1,107,000. For this large sum the bank had no security whatever except the demand notes of the parties who had overdrawn, and in the statements which the directors furnished to the Government they took these bonds to represent so much cash. All these facts were notorious, and could have been verified at any moment by any one of the directors, as all had access to the books of the bank. This system of overdrafts, whereby the bank accepted the demand notes of its customer for the amount it gave him, had a double result. It allowed its customers to pay any notes which might be under discount in the bank, and at the same time levelled the gross receipts of the bank, and the books of the latter would show a larger sum of money than was actually in cash on hand.

During the last two inspections of the Bank the cash of the receiving teller Rennie was never counted. And at these two last inspections the two directors who assisted in making them noticed these irregularities, but they took no heed. When defendant Rankin was examined he pretended to know nothing, and said that he had accepted the statements of Mr. Rennie as being truthful beyond question of doubt. Furthermore, that he considered he was merely there in order to give opinions on the desirability of proposed loans. He had never examined the books, and did not think it his duty to do so. He claimed that he was deceived entirely by Rennie, from whom he had acquired any information that he had of the affairs of the bank. This is not a valid answer, nor is it tenable at law. Rankin might have acquired all the information he desired by looking up the liability ledger. It appears, moreover, from the evidence that Rennie never gave any discounts without the knowledge of the directors, and Rankin as a director is responsible for the bad management both

of himself and other men to whom he may have delegated authority.

In estimating the amount of damage which should be awarded, the court must, however, consider not only the position of the plaintiff, who has lost money, but that of the defendant also, who is on bond to act to the best of his knowledge and judgment, and cannot be held a surety to the shareholder as to the investment made by him in the stock of the bank. At the time of the bank's insolvency the country was suffering from a commercial crisis. There is no evidence to show that all the losses made by the bank were attributable to the neglect of the defendant. The court must assess what the defendant should pay in a spirit of equity and justice, and fixes this amount at 60 per cent. of the loss suffered by the plaintiff. He was a creditor of the bank for \$111,500. He has already been paid 12 per cent. of this amount from moneys realized out of the liquidation, and is therefore entitled to 60 per cent. of 88 per cent., which makes the sum of \$58,872, and this amount, together with interest since 1882, and costs of action as taken, is hereby awarded him.

COURT OF QUEEN'S BENCH IN APPEAL. (1)

LETTER OF CREDIT—GUARANTEE.

HATHAWAY *et al.* (claimants), Appellants, and CHAPLIN (contestant), Respondent. The appeal was from a judgment which maintained the contestation of a claim filed by the firm of Hathaway & Jackson, of Boston, for the sum of \$7,968 on the Exchange Bank of Canada in liquidation. The claimants, who are large stockyard owners and cattle dealers at Boston, claimed that the bank was bound to indemnify them for an alleged loss made by them upon two shipments of cattle from Boston to Liverpool by steamships "Bavarian" and "Iberian," on the 18th and 25th September, 1883. By the contestation it was averred that there was no liability on the part of the bank, and that it could not be held by the letter of credit or telegram of guarantee relied on, both of which were beyond the powers of the bank and were given without authority. The answer to this was that in August, 1883, McShane, then a customer of the bank with whom he had deposited security, and who were to give him financial assistance, proceeded to Boston, with the knowledge of the bank, and made

(1) Present: Chief Justice LACOSTE, and Justices BABY, BÉSSÉ, BLANCHET and WÜRTELE. Montreal, September 27, 1891.

arrangements to take freight space for and load with cattle four steamships leaving Boston in the month of September, 1883; that having engaged the space he arranged with the claimants to purchase for him the necessary cattle to fill the four steamships, the claimants to be paid cash by cheque drawn against letters of credit to be given in his favor by the bank and addressed to claimants. The first and second shipments were made in due course, McShane in both cases giving claimants a letter of credit in his favor, signed by the bank to claimants to the extent of \$40,000, and then McShane giving claimants a cheque for the precise amount of the purchase of the cattle, which was in each case about \$39,000. The cattle for the third shipment was purchased and weighed in presence of McShane, letter of credit produced and delivered to claimants, and cheque given on Monday, September 17, 1883; then news came that the Exchange Bank had suspended; and it was decided, at the request of McShane, to ship the cattle, as the ship was ready to sail on the morning of 18th September, consign them, and take proceeds on account. The necessary cattle had also been previously secured for the fourth shipment, for 25th September, 1883, and on enquiry at the bank as to what should be done, a telegram was sent by the president of the bank, instructing the shipment and that the bank would guarantee the loss; that the shipment was made; that it was in the interest of the bank; that they had property and security of McShane; and the telegram was sent, and letter of credit given, in connection with engagements between claimants and McShane, in which the bank had an interest, and from which it might have derived a profit, and could not now repudiate a loss.

The court below maintained the contestation on several grounds. It was held that the claimants had failed to prove that the alleged loss occurred; the only witness examined on that point being Arthur E. Jackson, who had no personal knowledge of the loss, and only testified from the account sales received by claimants from their Liverpool agents. That, moreover, the bank suspended payment on the 15th September, 1883; that the claimants were aware of the suspension; and that Thomas Craig, who signed the telegram, had no authority to give the guarantee in question, and the bank was not bound by it. In Appeal the court held that the claim must be dismissed, on the ground that it was not sufficiently proved. It was not necessary to pronounce on the other points. Judgment confirmed, Cimon, J., dissenting.

BANKING AND FINANCIAL NEWS.

POST OFFICE SAVINGS BANKS.—The annual statement of the business done by the Post Office Savings Banks has been issued by Mr. David Matheson, Superintendent of the branch. The number of banks on July 1 was 634 as compared with 494 the year previous. The number of deposits received during 1890-'91 was 147,672, as against 154,678 the previous year. The amount of the deposits was \$6,500,372, as against \$6,599,896 the previous year. The average amount of each deposit received was \$44.02 against \$42.67. The number of withdrawals was 84,963, as against 90,151, and the total amount withdrawn was \$7,875,997 as against \$8,575,042. There were 29,791 accounts opened, as against 32,127 in 1889-90. The number of accounts closed was 32,006 against 33,499. The number of accounts remaining open on the 30th June, 1891, was 112,230, as against 112,321 at the same time last year. The total expenses of management was \$60,193, as against \$51,132 for the previous year. The exceptional increase in the cost of management for the year has been caused in part by the extra printing (\$3000) involved in carrying into effect the changes created by the recently reduced rate of interest, the introduction of another method of repaying deposits and the establishment of so large a number (140) of new banks, and partly by recognizing the expense (estimated at \$3092) of transacting saving bank business at offices where no commission is allowed, and where the work is associated with other duties jointly paid for by salary. The total amount standing to the credit of all open accounts, inclusive of interest allowed on June 30th, 1891, was \$21,738,648 as against \$21,990,953 at the same time last year. The reduced business is due to the reduction of interest.

REVENUE AND EXPENDITURE.—The Dominion statement of revenue and expenditure for August is as follows:

REVENUE.	
Customs.....	\$1,829,085
Excise.....	559,993
Post-office.....	245,000
Public works.....	406,253
Miscellaneous.....	70,721
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Revenue for July.....	\$3,111,052
	2,528,601
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Total.....	\$5,639,653

EXPENDITURE.

August	\$1,641,430
July.....	2,345,027
	<hr/>
Total.....	\$3,986,457
Surplus revenue.....	1,653,196

The revenue for the corresponding months last year was \$6,525,691, and the expenditure \$4,274,434. The net debt on August 31 was \$236,519,675, a decrease of \$506,175 in the month. The expenditure on capital account for July and August was \$351,626, as contrasted with \$712,667 last year.

CANADA IN LONDON.—The *Canadian Gazette*, under date of September 10th, reviews the condition of Canadian securities in London, as follows: Canadian Pacific shares are well above 90, and should the remaining months of the year equal expectations the Company may put as much as 4 per cent. to the dividend reserve fund, after paying 5,—3 from the annuity and 2 from revenue. The Company's 4 per cent. debenture stock is 104, and the bonds of its Canadian leased lines are par. To that level also are rapidly going the 4 per cent. bonds of the Company's American link, the Minneapolis, St. Paul and Sault Ste. Marie (generally known as "500 Consols"). This link connects the most prosperous and growing systems of the American North-West with the Canadian Pacific, and not only contributes largely to the Canadian Pacific Railway revenue, but earns a continually increasing revenue for itself. In the matter of telegraphy, the Canadian Pacific and its allies are also ahead of all rivals. Though the many thousands of miles of land lines are unstocked, the ocean service is well known in the market as the Commercial Cable Company, which again this year promises to earn about 14 per cent. This will permit of a continuance of 7 per cent. dividends, the cancellation of bonds at the rate of £120,000 a year, and large additions to reserve fund. Only one Canadian Pacific Railway investment holds back, namely, the Canada North-West Land Company. Its shares are £4, while £4 15s. is par. Once par is reached, the Company's lands will be sold for cash, and then dividends are secured. The future is perhaps greater here, says the *Gazette*, than in any other Canadian quarter.

CLEARING HOUSE FIGURES.—In presenting for the first time in these pages a record of the weekly exchanges effected through the Clearing House established in the city of Halifax, we avail ourselves of the opportunity thus afforded to review the yearly operations of the Montreal Association. Organized in the commencement of 1889, the total clearings for that year reached the very substantial sum of \$454,560,667, or a weekly average of \$8,749,243. This amount was, however, exceeded by many millions during the year following, when the operations showed a total of \$473,985,131, and ranked the association twelfth among the list of kindred associations in North America. When it is considered that stock exchange operations are cleared through the Clearing Houses of the United States, whilst in Canada the chartered banks are alone represented,—the stock exchanges having their own clearing houses or the equivalent, of which the daily balances alone pass through the bankers' association,—the position thus taken, high though it be, is but an arbitrary reference, and does not rank the metropolis of Canada in its proper place. Since the beginning of the present year, the daily clearings have shown a steady and satisfactory increase over former figures, and for the week closing September 17th, but nine American cities lay claim to having exceeded the return then presented, Kansas City and New Orleans having ceased to lead their Canadian rival in this regard. The clearings for the year up to the date of the last statement presented, September 24th, have aggregated \$354,259,155, or \$21,267,683 in excess of the corresponding returns for 1890. This gives promise of bringing the total for the year well above \$500,000,000,—an indication of the steady growth of banking operations in Canada, and the general prosperity of the Dominion. It may be of interest to note that the operations of the London Bankers' Clearing House exceeded, in 1890, even the large figures of 1889, reaching the enormous total of \$37,965,100,265, the largest sum on record. During the same period, New York claimed an aggregate of \$37,458,607,608, seven times that of Boston and nine times that of Chicago, its Western rival.

CANADIAN INTERNATIONAL STOCK YARDS COMPANY.—A movement is on foot among a wealthy syndicate of American and Canadian capitalists, to organize a Stock Yard and Abattoir company on a large scale, with headquarters in the city of Montreal. Application will shortly be made by the parties interested for the

necessary letters patent ; the capital stock being fixed at \$1,500,000. Among the proposed incorporators appear the names of Gen. Chs. C. Dodge and Benjamin F. Holmes, of New York ; William Weir, of Montreal ; John P. Wiser, of Prescott ; and Telesphore Normand, of Three Rivers,—gentlemen whose names have previously been associated with companies of a similar nature. The business of the association, which is to be carried on outside of the State of New Jersey, the affected portion of the United States, is to be the dealing in live stock, meat products and all other parts or products of or derived from live stock, and the sale of any product or element, in addition to the possession and improving of real property. We have been accorded an interview with the Montreal promoter of this company, Mr. William Weir, president of La Banque Ville Marie, and formerly president of the Montreal Abattoir Co., who thus expresses himself as to the aim of the new corporation : “ I have taken a small amount of stock in this company, because I believe it is composed of solid business men, who are putting their own money into it, and because it will be of great benefit to the agricultural population of this Province. The decision of the Government against the admission of United States cattle for slaughter in Canada will, of course, restrict for a time the business of the company, and this personally I do not regret. At the same time, should pleura-pneumonia disappear in the United States, or a treaty of reciprocity come into force with that country, I do not think England will continue to us the advantages we now enjoy. Nor will it be possible for Canada to exclude United States cattle from the West, because disease exists in a small section of the Eastern States. I find it rather curious that those who are the advocates of unrestricted reciprocity are the strongest opponents to the admission of American cattle ; but this opposition is probably more of a political than of a commercial character. At present, at all events, the farmers will be benefited by having a large and wealthy corporation competing with the exporters of live stock.”

CIVIC FINANCES.—The annual report of the City Treasurer of Montreal, together with the Comptroller's report and the Auditor's statements and certifications for the civic year 1890, has been issued. The Treasurer, in his address to the Mayor and members of the Council, states that the receipts of the year ending Dec. 31, including the cash balance on hand at its commencement,

amounted to \$5,292,094.23, and the disbursements were \$5,255,780.66, leaving a balance of \$41,313.57 to be carried forward to 1891. He has departed somewhat from the method in which these accounts have hitherto been made in showing the disbursements according to the individual warrants in each case (instead of aggregating under different heads) for facility of reference. An exception is made of the item of interest, where identification with the details of the civic debt is more important and explicit than correspondence with the vouchers for its payment. With regard to the subject of interest he desired to direct attention to the loss which arises under the existing method of carrying out those street improvements and drains which are ultimately repayable by the proprietors. These are taken on the principle of the refundment of costs to the city; but in consequence of the length of time which elapses before the assessment rolls can be got ready for their collection, a serious loss of interest is entailed, which becomes chargeable against the revenue of the year as "unforeseen expenditure," and virtually becomes an unintentional and involuntary contribution on the part of the city to these objects. In addition to this is the subject of the assessment of civic property for its share in such improvements. Two things, therefore, seem requisite and reasonable—first, that interest should be chargeable on street improvements from the date of deposit in court instead of from the date of assessment roll, and, second, that public parks and squares should not be included as contributory properties in such rolls except as regards sewers. He considers a change to be imperative in the matter of the annual appropriations, and suggests that all the work of the year (whether ex-revenue, loan, or anticipations of special assessments) should be embodied in the annual budget of appropriation, and form the total amount to be done and provided during the year. A regard for sound financial principle also calls for the provision of a working capital for special expenditure, in order to provide a permanent fund for the making of deposits in court of the proprietors' shares of street improvements, construction of small sewers and for the necessary anticipations of revenue.

BRITISH COLUMBIA CANNING CO.—The balance sheet of this association, made up to the 31st May, 1891, and submitted at the annual meeting held in London on the 31st July, recorded the results of a fairly active year's business, which netted its share-

holders a 10 per cent. dividend, and permitted of an addition of £1000 to the reserve, which had previously stood at £2000. Fishing operations in 1890 were reported from all of the company's stations to have been of a satisfactory character,—a total catch of 10,300 cases in excess of the previous year being secured at a cost per case of nearly 10 per cent. less; while the usual high standard of quality was fully maintained. The total pack of salmon, on all rivers, was in fact very heavy, and, following the large supplies of the previous year, a severe decline in prices resulted, materially decreasing the profits as compared with last season. The company has been one of the best paying industrial companies operating in the Dominion, the dividend for 1889-1890 reaching 15 per cent. The capital is almost wholly English, and is made up of £47,321 fully paid shares of £1 each, and £17,679 shares of which 75 per cent. is paid-up. Of the larger amount £30,000 are 8 per cent. preference shares and the balance is ordinary stock.

CANADIAN PACIFIC LAND AND MORTG. Co.—The annual meeting of the shareholders of this company took place in London, Eng., on Tuesday, September 1, the statement of accounts submitted showing a satisfactory position of affairs. After providing for expenses of management and all ordinary charges, the profits for the year ending June 30th, 1891, reached the substantial sum of £16,327, of which amount £5,702 was derived from profits on land sales. Adding the balance brought forward from the previous year £676, and deducting the amount distributed in March in payment of an interim 3 per cent. dividend, there remained for disposal £12,242. This has been dealt with as follows:—£7,000 has been placed to the credit of Reserve, bringing that account up to £10,000, and a final dividend of 3 per cent. has been declared, making 6 per cent. for the year, free of income tax, leaving a balance of £379 to go forward. The Directors announced that during the past year £22,700 of 4½ per cent. debentures had been issued, and they contemplate a further issue from time to time as opportunities offer. Having regard to the fact that the total amount of such issues is limited, under the articles of association, to one half the amount of the capital paid-up, the security offered is one which can be safely recommended to intending investors. The company has now a fully paid-up capital of £162,090, upon which it has paid a six per cent. dividend for some years past.

EXPANSION OF NOTE CIRCULATION.—The figures presented by the Department of Finance on the 31st August last, dealing with the paper currency of the country, are of no little interest when compared with previous returns, and evidence the marvelous growth of the Dominion since the days of Confederation. Then, the demands of commerce necessitated the issue of a paltry \$10,000,000, whereas to-day four times that amount barely satisfies the needs of the country. According to the returns, a total government and bank note circulation of \$48,671,961 has been attained at that date, of which \$37,866,401 was in actual circulation, the balance being held by the chartered banks as part of their cash reserves. The public requirements at the moment actually demanded within a million or two of the larger figures, for, in estimating the sum closely, we should perhaps deduct some such approximate amount to represent the bank note circulation then on its way back for redemption. It is interesting to compare the bank returns year by year, as regards this subject. While the banking capital has about doubled in the interval since Confederation, the circulation issued on the basis of such capital has increased four-fold, as also have discounts and deposits. We present here-with a table compiled from the yearly returns, reviewing at a glance the very large expansion which has taken place in banking circles since 1867. It is confined solely to the notes in circulation, the capital against which their issue is based, and the total assets over which they have a first privilege.

<i>Year.</i>	<i>Capital paid-up.</i>	<i>Notes in circulation.</i>	<i>Assets.</i>
1868.....	\$30,289,048	\$8,307,079	\$77,872,257
1869.....	30,981,074	8,063,198	83,565,027
1870.....	32,050,597	14,167,948	102,147,293
1871.....	36,415,210	18,339,893	121,014,395
1872.....	45,134,709	25,040,077	151,772,876
1873.....	55,102,959	29,516,046	168,519,745
1874.....	60,443,445	26,583,130	188,417,005
1875.....	63,367,687	20,902,991	184,441,108
1876.....	67,199,051	20,288,158	184,421,514
1877.....	63,923,156	18,265,356	174,375,603
1878.....	63,387,034	19,351,109	175,473,086
1879.....	64,159,427	18,090,814	170,446,074
1880.....	60,584,789	20,186,176	181,741,074
1881.....	59,384,987	26,102,368	198,967,278

BANKING AND FINANCE.

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Year.	Capital Paid-up.	Notes in circulation.	Assets.
1882	58,739,980	32,229,937	229,271,064
1883	61,404,554	32,211,945	226,803,491
1884	61,443,397	29,654,511	223,855,601
1885	61,821,158	29,692,803	217,264,655
1886	61,841,395	29,200,627	228,422,353
1887	60,815,356	30,438,152	229,241,464
1888	60,168,010	30,444,643	244,975,223
1889	60,236,451	31,209,972	255,765,631
1890	59,569,765	32,059,178	254,628,694
1891	60,742,365	31,379,886	269,491,153

AUGUST BANK STATEMENT.

	July, 1891.	Aug., 1891.	Aug., 1890.
Capital authorized	\$75,258,665	\$75,258,665	\$76,008,665
Capital subscribed	62,118,272	62,196,094	61,967,532
Capital paid up	60,875,834	60,959,481	59,881,243
Amount of Rest	23,068,184	23,155,988	21,499,034

LIABILITIES.

Notes in circulation	\$30,579,968	\$32,012,196	\$32,718,363
Balance due Dom. Govt. after deducting advances from credits, pay lists, etc.	2,898,017	2,568,088	3,598,714
Balance due to Provincial Govt.	2,857,015	4,321,172	2,779,306
Public deposits on demand.	58,996,896	58,553,420	53,874,953
Do do after notice.	84,568,962	85,531,209	77,077,061
Loans from other banks in Canada secured	189,000	185,000	254,000
Deposits payable on demand after notice or on a fixed day by other Canadian banks.	2,516,257	2,591,698	1,591,102
Balances due to other banks in Canada in daily exchanges.	531,034	399,590	.....
Balances due to agencies of bank or to other banks or agencies in foreign countries.	222,360	84,885	100,544
Balances due to agencies of the bank or to other banks or agencies in the U. Kingdom.	2,912,774	2,227,946	1,601,776
Other liabilities	310,455	288,924	141,067
Total liabilities	\$186,582,729	\$188,764,213	\$174,480,184

ASSETS.

	July, 1891.	Aug., 1891.	Aug. 1890.
Specie	\$ 6,321,846	\$ 6,455,536	\$ 6,202,574
Dominion Notes	10,805,960	10,742,885	9,558,037
Deposits with Government for security of circulation	842,904	843,075	.....
Notes and cheques on other bks.	6,237,880	7,065,222	5,853,176
Loans to other banks in Canada, secured	367,000	193,586	} 2,912,850
Deposits payable on demand or after notice or on a fixed day in other banks in Canada....	2,437,660	2,854,304	
Balances due from other banks in Canada in daily exchanges.	1,757,464	507,255	
Balances due from other banks or agencies in for. countries...	16,722,340	17,440,197	12,868,708
Balances due from banks or agencies in U. Kingdom	2,635,593	3,875,418	2,450,409
Dom. Govt. Debenture Stocks..	2,493,774	2,594,788	2,556,758
Can. Municipal Securities, and British, Foreign, Provincial or Colonial public securities (other than Dominion).....	6,299,900	6,197,789	5,943,869
Canadian, British and other railway securities.....	3,751,230	3,860,121	.....
Call loans on bonds and stocks..	10,660,906	11,640,809	15,269,507
Current Loans and Discounts...	184,566,971	184,106,324	176,040,657
Loans to the Govt. of Canada...	21,726	.....	842,878
“ to P.ovincial Govts....	1,806,368	1,564,856	509,735
Overdue debts.....	2,808,271	2,953,151	2,554,731
Real estate, other than bank premises, the property of the bank.....	1,075,910	1,084,673	1,042,885
Mort. on Real Estate sold by the bank.....	839,566	841,554	706,835
Bank premises.....	4,325,878	4,372,888	4,063,799
Other assets.....	1,452,202	1,874,409	2,739,645
Total assets.....	\$268,261,328	\$271,069,033	\$256,084,445
Aver. specie for month.....	6,391,322	6,330,690	6,513,548
Aver. Dom. notes for month. ...	10,548,041	10,687,367	9,414,213
Greatest circulation during month	32,050,696	32,566,029	.....
Aggregate of loans to directors and to firms in which they are partners	5,943,958	5,692,191	7,232,469

MONTREAL CLEARING HOUSE.

<i>For week ending</i>	1891.		<i>Corresponding Week</i> 1890.	
	Clearings.	Balances.	Clearings.	Balances.
Aug. 27	\$10,018,941	\$1,770,830	\$10,313,509	\$1,903,798
Sept. 3	9,939,934	1,480,600	9,270,065	1,550,875
Sept. 10	10,948,842	1,605,970	10,563,066	1,764,779
Sept. 17	11,419,571	1,473,159	10,747,311	1,663,622
Sept. 24	11,051,179	1,770,596	10,194,165	1,490,649

TORONTO CLEARING HOUSE. (1)

<i>Week ending</i>	1891.	
	Clearings.	Balances.
August 27	\$5,497,383	\$903,443
Sept. 3	5,824,876	1,012,894
Sept. 10	5,794,255	836,987
Sept. 17	6,036,604	747,918

HALIFAX CLEARING HOUSE.

<i>Week ending.</i>	Clearings.		
	1891.	1890.	
Aug. 29	\$1,024,019	\$1,363,863	Dec. 25.0 0/0
Sept. 5	1,096,844	1,264,276	12.7 0/0
Sept. 12	1,276,567	1,188,544	Inc. 7.5 0/0

DIVIDENDS.

The following semi-annual dividends have been declared:

BANKS.

British North America,	Rate $3\frac{1}{2}$	Payable Oct. 2
Molsons,	4	Oct. 1

LOAN COMPANIES.

Montreal Loan and Mortgage,	Rate $3\frac{1}{2}$	Payable Sept. 15
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SUNDRY COMPANIES.

Bell Telephone, (2)	Rate 2	Payable Oct. 15
Commercial Cable, (2)	$1\frac{3}{4}$	Oct. 1

(1) Of which the Bank of Toronto is not a member, (2) Quarterly.

MUNICIPAL AFFAIRS.

Moosejaw, N. W. T., has passed a by-law to raise \$7,000, by issue of debentures, for local improvements.

The rate of assessment for the city of London, Ont., is this year 18 mills, a drop of four mills from last year.

The Sherbrocke Council has passed a by-law giving a bonus of \$25,000 to the Jenckes Machine Company.

The Reeve of Port Dalhousie, Ont., has been receiving bids for \$8,150 5 per cent. debentures of Port Dalhousie village.

The county of Peterboro has disposed of \$20,000 of debentures for bridge purposes, averaging $4\frac{1}{8}$ per cent. interest, at par.

The Town of Simcoe in the county of Norfolk, Ont., has been receiving tenders for 20 year 5 per cent debentures, to the amount of \$3,000.

The Town of Lachute, Que., has negotiated a 40 year 6 per cent. loan of \$4,000. The Standard Life Assurance Co. were the purchasers, and the price paid was 101.

R. Wilson Smith, Montreal, has purchased the Calgary school debentures at five-eighths per cent. premium. The amount is \$8000, payable in ten annual instalments. Mr. Smith also holds the Calgary sewer debentures.

The assessors' return shows the total assessment of London, Ont., for 1891 to be \$15,242,107, an increase of \$40,183 over last year. The taxable assessment is \$14,867,557, as against \$14,803,854 in 1890. The population totals 31,240. Last year it was 30,705.

A by law to provide funds for a new system of water works was carried in Dunnville, Ont., by a large majority, only 10 votes being recorded against the by-law. The town clerk is calling for tenders, closing 28th September, for the construction of the proposed works.

According to the city auditor's report just issued, Quebec city's total revenue from all sources during the last fiscal year was

\$729,454.40, and its total expenditure \$1,160,805.06, the excess of the latter over the receipts being due to advances for St. Sauveur waterworks, street widening and other permanent works.

The Finance Committee of Hamilton has reduced the assessment of Copp Bros.' foundry from \$85,000 to \$71,000, the exemption being for plant and machinery. Several shareholders in the Hamilton Provident and Loan Society were also exempted from taxes on incomes derived from their stock, in view of the fact that the income of the whole institution has been assessed.

The Town Treasurer of Toronto Junction has been calling for tenders for the purchase of \$15,000 Electric Light Debentures, 4 per cents, payable in 20 equal annual instalments, interest payable yearly. Also for \$50,000 Sewerage Debentures, 4 per cents. These last debentures are part of an issue of \$150,000, which are payable in 40 equal annual instalments, interest payable yearly.

The City of Halifax has been receiving tenders for a loan of \$30,000, a sum required for sewerage purposes. Purchasers had the option of accepting either new city stock certificates or coupon debentures to run twenty-five years. Tenders were opened 18th September. A further sum of \$15,000 is required for street improvements, and bids, closing 1st October, are now open under similar conditions to the above.

Some time since correspondence was opened on behalf of the Winnipeg Finance Committee with financial firms in the east and in England, looking to the disposal of \$150,000 of 50% local improvement bonds. The result of negotiations has now been made public, and the bonds go to Hanson Bros., Montreal, whose offer of 98, without commission, was favorably received. The City will now liquidate its temporary loans from the Bank of British North America, aggregating \$200,000.

Tenders will be received by the chairman Finance Committee, Moscow, Ont., Mr. H. A. Baker, until October 15th, 1891, for the purchase of the following debentures, issued by the County of Lennox and Addington, under an Act passed in 1881, for consolidating the debt of said county: Debenture No. 22, for \$6,900, due Jan. 1st, 1903. Debenture No. 23, for \$7,200, due Jan. 1st, 1904, with interest at 6 per cent. per annum, from July 1st, 1891, payable half yearly, at the Treasurer's office, Napanee.

Two tenders were received for the new issue of debentures by the City of Hamilton. The Hamilton Provident and Loan Society offered to take them at 5 per cent., and the Bank of Hamilton made a similar offer, with the addition of a quarter of 1 per cent. commission. The latter institution has been banking for the city, and a strong fight was made to secure the acceptance of its offer. The manager was sent for, amended his tender by withdrawing the commission charge, and the Bank of Hamilton tender was accepted. The amount involved was \$256,000.

Tenders will be received up to the 16th November for the purchase of the whole or any part of an issue of debentures by the Town of Port Arthur amounting to \$75,000, a sum required for electric street railway purposes. The by-law under which these debentures are issued has been ratified and confirmed by the Legislature of the Province of Ontario, and the route of the railway has received the assent of the Lieutenant-Governor-in-Council. The debentures are issued in amounts of \$1,000 each for a period of thirty years, bearing interest at the rate of 4 per cent. per annum, payable half yearly.

The civic debt of Halifax is steadily growing. At the date of the last annual report, the entire funded debt, including the Water Department and the Public Schools, amounted to \$2,022,578.56. During the past year, additions were made for sewerage, \$55,000; for water extension, \$10,000; widening Campbell Road, \$2,800; dry dock, \$5,000; and for sundry street improvements, \$10,000; in all \$82,800. The Commissioners of Schools have also added considerably to the debt for school premises, and the total debt of the city is now stated to be:—For general purposes, \$1,100,427.98; for Water Department, \$811,906.48; for Public Schools, \$231,144.06; total, \$2,143,478.56. The rate of taxation this year is \$1.45.

The by-law of the village of Roxton Falls, Que., granting a bonus of \$25,000 for the establishment of a hosiery and underwear factory, has been carried unanimously, 58 voting in favor and none against. Mr. Terrasson de Renardives, a French capitalist who has lately come to this country, is to be the recipient of the bonus, which will be paid in instalments of \$3,000 per annum for the first three years, and \$2000 per annum for the last eight years. The payment of the subvention is made dependent on the operation of the factory and the employment of 100 hands the first year and 150 hands the second and subsequent years. In addition the

municipality is, to provide the site of the proposed factory at a cost not to exceed \$1,850. It is a condition of the by-law that the factory shall be erected and equipped with the proper plant ready to go into operation the 1st of October, 1892.

The reckless way in which unnecessary works are being undertaken just at present in Toronto is the text of homilies by financial critics. "Because the banks are advancing temporary accommodation freely, and \$1,500,000 of taxes have been collected without difficulty, there is an increasing disposition," says one, "to make things lively all round that can only end in a recurrence of the financial straits of last year. No one disputes that Toronto can pay all her bonds. What many citizens object to is the manner in which, so long as we can borrow, the money is applied to wildcat schemes, to opening and paving streets that will not be needed for twenty years. There can be no doubt that the unloading upon the market of over \$4,000,000 of Toronto bonds during the next year or two will be a difficult and, in one sense, a hazardous piece of financing. If the present reckless rate of expenditure is maintained, it will hardly be possible to present a grave depreciation of the value of the debentures."

The City Treasurer of Montreal has submitted some "figures" to the Finance Committee, showing the present financial position of the city. There were three tables. The first presented the disposition of the 1888-90 loan of £1,440,000, which he calculates to yield \$5,715,000. This, by the end of the year, will be all gone, as well as \$350,000 of the next loan, being expended as follows:—

Floating debt of previous years paid off in 1888.....	\$ 500,000
Funded debt redemptions.....	709,911
St. Gabriel Ward debt.....	40,283
Flood prevention expenditure.....	168,845
Expended on various civic properties.....	32,580
City's share of Wellington street subway.....	30,512
City's estimated half of widening St. Lawrence street.....	356,140
City's estimated half of widening Notre Dame street (centre).....	336,000
Road department loan expenditure in 1888, 1889 and 1890 for permanent pavements, etc.....	1,099,395
Water department loan expenditure in 1888, 1889 and 1890 for pipe-laying, etc.....	899,922
Funded debt redemptions in 1891.....	691,551
Road department estimated loan expenditure in 1891 up to date..	815,687
Water department loan expenditure for 1891 up to date.....	384,344
Total.....	\$6,065,000

Besides having engaged to expend \$350,000 more than it has money for, the Council has anticipated the expenditure of an additional \$4,000,000, as follows :—

Amount of excess over previous loan already spent.....	\$ 350,000
Tail race bridge.....	10,000
Market cattle sheds.....	10,000
Fire and police stations.....	55,000
Preliminary work on harbor improvements.....	40,000
Denonville ramp.....	40,000
Street widenings—Notre Dame east, Bleury, Inspector, Cathedral, Beaudry, St. Catherine, Labelle, Nellada, Lagauchetiere, Coleraine, Duquette, Pantaleon, Milton, extension of Viger square, St. James, St. Antoine, payable by proprietors, but for which the city has to provide the money.....	1,690,500
Street widenings—City's share of estimated cost for above streets.	369,000
Opening of St. Lawrence street to the river, one-half to be paid by proprietors, and the remaining half by the city, but for which city has to deposit or spend the whole cost.....	400,000
Harbor improvements, balance.....	960,000
Total.....	\$3,924,500

Of this last \$4,000,000, nearly \$2,000,000 is for street widenings, and will be returned by proprietors eventually. Mr. Robb further calculates that the amounts required for laying pipes by the Water Department in these and other streets, as well as for small sewers, will increase the \$4,000,000 to nearly \$5,250,000. There is also the city's share of the re-assessments for extending Logan's Park, Park Avenue, etc. As for the borrowing power still available, there is about £600,000 left with a prospective addition in 1892 of another £400,000, making about \$5,000,000 in all.

The last table deals with the sum needed to meet the city's engagements to the end of the year \$4,000,000, with a probable collection of only \$2,000,000, leaving \$2,000,000 to be borrowed.

Temporary loans maturing in October and November.....	\$1,100,000
General and ordinary expenditure of departments.....	1,000,000
Old coupon bonds maturing this fall.....	450,000
Road department special work \$815,000, less paid to date \$215,000	600,000
Water dep. special work, \$375,000, less \$185,000 paid to date.....	200,000
Small sewers, 1891, yet to be paid.....	75,000
Fire department, for new stations.....	55,000
Market department, for new cattle sheds.....	10,000
Lagauchetiere street expropriation.....	26,000
Estimated expenditure for expropriations on streets now pending	500,000
	<u>\$4,016,000</u>

To meet this the city will have :

Balance of proceeds 1888-1890 loans yet to be received.....	\$ 200,000
Cash in hand.....	200,000
Revenue of 1891 yet to be realized, say.....	1,500,000
Probable collections from street improvements.....	50,000
Probable collections from small sewers, say.....	50,000
	\$2,000,000
Totals.....	\$2,000,000
Balance required.....	\$2,000,000

The Committee in discussing the question decided to ask Council for permission to make loans without its special permission. Loss of time and the discussion consequent makes the present method, they said, disadvantageous to the city's interests. They will also ask for the repeal of the three per cent. interest by-law, making future issues of bonds bear interest at four per cent. They also want to issue redeemable as well as permanent bonds.

MISCELLANEOUS BANKING AND FINANCIAL ITEMS.

QUEBEC.

La Banque Ville-Marie has closed its branch at Hull, P.Q., and transferred its business there to La Banque Jacques Cartier.

La Patrie is informed that while in London, Ald. Prefontaine of Montreal was successful in placing bonds of the Roman Catholic School Commissioners of Montreal at 99 cents on the dollar. These bonds bear interest at the rate of 4 per cent.

At the Labor Congress recently held in Quebec a resolution was adopted to the effect "that the small amount of money in actual circulation is much too restricted for the extension of our commerce, and is ruinous to our credit; that it is necessary that the execution of public works be continued by the Government, as when terminated they will be not only for the good of the country but a source of revenue; that in consequence the Federal Government should issue additional paper money redeemable in 30 or 50 years, in sufficient quantity to cover the cost of said public works, or to subsidize them if paid for by municipalities."

Mr. L. G. Macdonald, advocate, of St. Johns, Que., on behalf of certain shareholders of the defunct Consolidated Bank, has, through Messrs. Barnard & Barnard, taken an action for \$200,000 against Hon. W. W. Ogilvie, one of the former Directors. The shareholders say that they hold the Directors individually and collectively responsible for the collapse of the Bank, which is now in liquidation, and some time ago judgment was obtained against Mr. John Rankin, one of the Directors, for \$60,000, which amount, however, it is held, has not yet been realized. Suit was also instituted against Mr. Hugh

Mackay, another Director, on the same grounds. It was at one time expected that the Directors would put their heads together and settle the dispute amicably, but as they have so far not come to any agreement steps will be taken, it is said, to sue the remainder of the Directors separately and in turn.

ONTARIO.

The deposits in the Government Savings Banks for August amounted to \$286,218, and the withdrawals to \$370,119.

Those who handle money should look out for counterfeit American dimes and quarters, which are quite numerous at present.

Mr. Godfrey Bird, formerly teller at Gananoque, who for some years has been on the inspectors staff of the Bank of Toronto, has been appointed manager of that bank's branch at Gananoque.

President Howland, of the Imperial Bank, who has been on a tour of inspection west, talks enthusiastically regarding Manitoba's magnificent crops, and believes that the province is in for a great boom.

Mr. J. L. Gower, manager of the Bank of Toronto, Peterboro', was stricken with paralysis of the brain, while spending his vacation at Stoney Lake, and has since succumbed to the disease. His loss is deeply regretted.

Messrs. Pringle and Stevens, manager and teller of the Bank of Toronto at Gananoque, are to be transferred to the Brockville branch. Thomas F. How, at present manager of the Brockville branch, is to be moved to London, Ont.

Counterfeit Dominion notes of the 1878 \$1 series are reported in circulation. Their appearance was first heralded from Hamilton, and the further information given that the execution is faulty and that no one should be deceived by the imitation.

On the expectancy that the Dominion Bank will declare a half yearly bonus of 1 per cent., thus making the stock pay an equivalent to a yearly dividend of 12 per cent., the stock of that institution has lately shown great strength on the Toronto Exchange.

The Hamilton Light and Power Company is going to spend \$30,000 or \$40,000 improving its system. Work has been commenced on a new power station at the corner of Main and Catharine streets. New dynamos, two new twin engines of 600-horse power each, and other new plant will be added.

Mr. C. H. Appleton, who was arrested in Toronto some time ago on the charge of having obtained money by false pretences from the Western Bank at Tilsonburg, was acquitted by the magistrate of that town, the charge against him having been withdrawn. Mr. Appleton now claims \$10,000 on the plea of false arrest, and has had a writ issued against the bank for that amount.

Serious trouble is said to be brewing between the Toronto Electric Light Company and the Incandescent Electric Light Company. The former company devotes most of its attention to street lighting, but still supplies a good

deal of light for private use. The Incandescent now wants the Toronto to give up the latter branch of its business, and confine itself entirely to the supplying of electricity for the streets. This the Toronto company refuses to do, and a war of rates is threatened in consequence.

Since the failure of the Cochrane Company, St. Thomas, Ont., some years ago their large manufacturing establishment, which passed into the hands of the Molsons Bank, and which is one of the largest buildings of the kind in the country, has remained vacant. The bank is now negotiating with Mr. James Robertson, the dry goods merchant, who contemplates establishing a mercantile business such as Eaton's, of Toronto, and with a Milwaukee manufacturing firm who are thinking of starting a branch business here.

The Master-in-Ordinary at Toronto has accepted the tender of George A. Hogaboom for the Central Bank assets. The amount of the tender was \$44,500. This tender will enable the liquidators to declare a further dividend of 6 per cent., which will bring the total dividend up to 99 $\frac{1}{4}$ cents on the dollar. On the assets of the bank the liquidators had realized altogether \$2,069,609.31. Out of this the dividends have been declared, and all legal and winding up expenses paid. The face value of the assets sold to Hogaboom is about \$850,000. The expenses of winding up was 6 or 7 per cent.

The bill to confirm the charter and organization of the Ontario Express and Transportation Company, limited, has passed the Senate. This will be cheering intelligence to the 345 shareholders of the new company, as well as to the thousands of people who are indirectly interested in the enterprise. Although the name of the Grand Trunk Railway has been used as the opposition to the Ontario Express Company, it is generally understood that the real opposition originated with a company which has enjoyed a monopoly for some 30 years, and is naturally desirous of maintaining it.

Negotiations have been pending for some months between an English syndicate and the owners of the Hamilton and Burlington Glass Works for the purchase of the works. Owing to the unsettled state of the money market the proposed purchase has fallen through. It was the syndicate's aim to buy up, besides those in Hamilton, the glass works at Montreal and the crockery works at St. Johns, P.Q. The amount of capital to be invested was considerably over \$1,000,000. The price asked for by the Hamilton firm was \$350,000 for the real estate, plant, goodwill and a portion of the stock of both factories, the firm to retain the bulk of the stock and all the book debts; and the offer was favorably received.

By virtue of powers given to the trustees for the debenture holders by indenture dated 1st June, 1885, all the lands, buildings and machinery lately occupied by the Dundas Cotton Mills Company, in connection with their business at Dundas, Ont., have recently been sold by public auction, realizing \$200,000. The ostensible purchaser was a member of the law firm of Thompson, Henderson & Bell, Toronto, acting, it is said, on behalf of Messrs. Gault Bros. and the Dominion Cotton Mills syndicate. The original cost of the property sold exceeded \$500,000. After payment of \$150,000 to the bond holders out of the proceeds of sale, the balance will remain

for distribution as the executors decide. Shareholders look for but slight return from their investments. The immediate re-opening of the mills under the new proprietors is contemplated, the machinery being all in excellent running order, and consisting partly of 16,000 spindles and 479 looms, with the necessary appliances for working the same.

MANITOBA AND WEST.

The Rat Portage Reduction Works Company are applying to the town for financial aid.

The Dominion Express agent at Nelson, B.C., has been held up by robbers and relieved of \$2,000.

The Imperial Bank, having decided to add Edmonton, N.W.T., to its list of branches, has appointed Mr. G. R. F. Kirkpatrick, accountant at Calgary, to the management of the new agency.

The Commercial Bank of Manitoba is about to establish branches at Melita and Emerson, Man. The latter branch will be in charge of Mr. D. McArthur, private banker, of the same place.

The Dominion Government Savings Bank transactions at Winnipeg for the month ending 31st August were:—Deposits, \$21,248.00; withdrawals, \$28,206.64. Withdrawals exceed deposits by \$6,958.64.

The Alliance Trust Co., Ltd., have assumed the business and assets of the Dundee Mortgage and Trust Investment Company, Ltd., at Winnipeg, and have appointed James Haggart to be their agent for the province.

The banking house of Mactavish, Guy & Co., Carman, has been dissolved. It is understood that Mr. Guy has retired from the firm, and that Mr. McTavish will continue the business under the firm name of Mactavish & Co.

A syndicate, composed of Americans and Winnipeegers, have submitted an offer to the Winnipeg City Council for the water power and electric railway franchises. President Villard of the Northern Pacific is said to be largely interested in the syndicate.

Brandon is likely to have another bank, says the *Times*. This time it is the Bank of Commerce. Mr. Walker, general manager of that institution, was in the city spying out land, and before leaving expressed himself as well satisfied with the prospect.

Among late arrivals in Winnipeg were Sir William Howland and Mr. W. R. Wadsworth, Inspector of the London and Canada Loan Company; and the Hon. S. C. Wood, General Manager of the Freehold Savings and Loan Company. These gentlemen have come to Manitoba to look over the business situation generally in the interests of their respective companies.

The Imperial Bank is making extensive improvements in its Winnipeg offices, corner of Main and Bannatyne streets. The store adjoining the bank, formerly occupied by Nunn & Co., has been leased and two archways connecting the two apartments are being cut. This will double their space, and when the improvements are all completed the bank will be one of the most commodious west of Toronto.

The Union Brewing Company, Limited, has been incorporated with a capital of \$50,000, of which sum a great portion has been taken up by the business men of Nanaimo, B. C., who have thus shown their faith in this purely local enterprise. A fine brewery has been erected on Dunsmuir Street, and is being fitted with all the latest appliances.

The Bank of British North America is having plans prepared for a banking house, which it proposes to occupy on the corner of Richards and Hastings streets in Vancouver. The bank owns, according to the *World*, a lot on that corner, 52 feet on Hastings and 120 feet on the other street, and will have a handsome new building erected thereon during the coming winter, part of which it will occupy and part rent.

The first annual meeting of the British Columbia Deposit and Loan Co. was held last week, at its office, Victoria, B. C., Hon. Sir Joseph W. Trutch, K.C.M.G., in the chair. There was a large attendance, and the president's statement and explanations were of a very satisfactory character. So far, the work done has been mainly confined to the object of organization, which has been completed, and everything is now in excellent condition. The following directors were elected:—Hon. Sir Joseph W. Trutch, K.C.M.G. (chairman); E. Crow Baker, C. T. Dupont, Thomas Earle, Thomas B. Hall, William Wilson and Henry Young.

UNITED STATES.

The net gold in the Treasury has increased almost \$15,000,000 within the last two months.

Bank Commissioner Lyford, of New Hampshire, says that another year will see all the savings banks and trust companies of the State paying a uniform dividend of 4 per cent. The banks are gradually coming down to that basis.

It is estimated that at least \$50,000,000 of the United States Government paper money supposed to be in circulation has been lost or destroyed. By the sinking of one vessel off the Atlantic coast some years ago \$1,000,000 in greenbacks was lost.

A bulletin issued by the census department at Washington gives the assessed value of all property in the United States as \$24,249,589,804 in 1890, an increase since 1880 of \$7,346,596,261. The absolute wealth of the United States is computed to be \$62,610,000,000, or \$1,000 per capita.

There are 46,000 oil wells in the United States, representing a capital of \$120,000,000, with an output of 130,000 barrels per day. The refining capacity of the country is 140,000 barrels per day, while 15,000 barrels are consumed as fuel. A surplus stock is held in tanks of more than 35,000,000 barrels.

The famous plan for the relief of the Union Pacific has gone through successfully. A meeting has been held at New York, and the plan was agreed to by all concerned, namely, the Executive Committee, the trustees and the creditors. By it the floating debt of the company, amounting to over \$20,000,600, is provided for, and securities controlled by the company put up as collateral.

An official investigation of the mortgage indebtedness of the United States, shows that there are in ten States \$3,482,000,000 out on loan, averaging per State \$20,892,000 yearly interest. That we know is a low figure, being based on 6 per cent., while any amount of money can be placed in several of the States at from 7 to 9 per cent. It is estimated that there are mortgages in the United States to the extent of \$9,000,000,000, or at the rate of \$144 per head for every man, woman and child in the United States.

The amount of 4½ per cent. United States bonds continued to date is \$23,221,650. This leaves about \$27,080,000 4½ per cents outstanding. It is impossible at present to make any definite estimate as to the amount of these that will be presented for redemption. Secretary Foster thinks that between \$20,000,000 and \$25,000,000 4½ per cents will be presented for redemption. This will be entirely satisfactory to the department, the Secretary said, as it would force that much money into circulation at a time when there is great need of it in moving the crops. The disbursement of this sum of money will not embarrass the department. A circular has been issued extending the time for continuing the bonds.

GREAT BRITAIN AND COLONIES.

A report current to the effect that the Bank of England has been robbed of £250,000 is denied by the management. That the Bank has been the victim of a robbery is, however, generally conceded, but the sum taken is supposed to have been insignificant.

The Imperial Banking Company of Melbourne, Australia, is being wound up. Liabilities amount to £178,000 and assets to £220,000. At a meeting of stockholders held subsequent to suspension the directors were charged with having conducted affairs negligently and illegally.

The regular half-yearly meeting of the Directors of the Bank of England was held in London, on the 17th instant. The meeting was presided over by William Lidderdale, governor of the Bank. A statement was submitted showing that the net profits for the half-year ended August 31st, were £763,238, making the amount in rest £3,776,8c2. A dividend of five guineas per cent. was declared, leaving in rest £3,012,770. The chairman expressed the opinion that the guarantors of Barings would not be involved in any loss. The report of the Bank's operations was adopted.

The Guinness Brewery dividend was recently announced, at the rate of fifteen per cent. for the year ended June 30th. They add, besides, £100,000 to the Reserve fund, £30,000 to the depreciation fund, and carry over a balance of £68,427. Considering that the business was sold in 1866 for the capital sum of six millions sterling, these sums show immense earnings. The reserve fund now stands at nominally £675,000, and the depreciation fund at £140,000; but considering that during the past three years £95,000 has been charged to revenue for expenses in the maintenance of premises, machinery, and plant, which are kept in perfect order through that means, the depreci-

ation fund is practically a reserve fund, which therefore may be taken, with the balance carried from June, at £883,000. It is expected at the end of the next year to reach the round sum of a million. Its £100 stock is selling at £330. The six millions purchase money represents twenty millions investors' capital. The excise duty alone paid by the firm for the year ended June 30th, 1888, was £457,000; June 30th 1889, £481,000; and for 1890 £499,000.

The Jewish Colonization Association has been registered in London under the Companies Act, with permission to dispense with the use of the word "limited," although its liability is limited. The capital is £2,000,000, in £100 shares. There are eight signatures. Baron Hirsch has 19,990 shares, and Baron Rothschild, Julian Goldsmid, Ernest Cassel, F. D. Mocutta, S. H. Goldschmidt, of Paris, and Benjamin Cohen, of London, have one share each.

The objects of the Association, which are set out at great length, may be briefly stated, as to promote a vast emigration of Jews from Europe and Asia to any other part of the world, and to establish colonies in North and South and elsewhere for farming, commercial and other purposes. The maintenance of public works of all kinds, roads, railways, bridges, harbors, water-courses, telegraphs, factories and even forts is provided for, as well as synagogues, clubs and everything conducive to the religious and social welfare of the colonists. The association also reserves the right of a great trading corporation. It may procure mining concessions, loan colonists money and buy equipment for industries, act as bankers and carry on any lawful commerce, trade or business. *The Times*, referring to the above-mentioned association, says: This colossal scheme is the most remarkable one of the kind ever launched by practical men. It is impossible, however, not to entertain misgivings as to its future. The fitness of Jews for the proposed career may be doubted, while if it is worked on a large scale the Czar might refuse to let his people go. Finally, the very magnitude of the scheme exposes it to innumerable risks.

FOREIGN.

It is stated that Italy has concluded a loan of £10,000,000 with a Berlin syndicate.

On the 17th September, the Russian Government issued 25,000,000 rouble notes, covered by gold deposited in the treasury.

The Bank of France is trying to keep gold to meet the purchase of American wheat. The Governor, in an interview, estimated the payment for wheat at \$20,000,000.

At a meeting of the holders of the Uruguayan bonds, held in London, Aug. 31st, the scheme for the conversion of the Uruguayan loans into a new debt bearing 3½ per cent. interest, guaranteed by the hypothecation of 45 per cent. of the customs dues, was approved.

Three hundred and seventy-four estates belonging to members of the Russian nobility will be sold by auction in October, under foreclosure by the State Bank. The estates are located all over European Russia, and the sale indicates the desperate straits to which the landed nobility are reduced.

Panama canal shares can now be bought for 5½ per cent. of their face value. It is said that if an attempt were made to sell more than a few shares even this figure would not hold. As there is over \$350,000,000 of the company's obligations outstanding, the loss to the investors may be readily calculated; and the money is irretrievably gone.

The *Japan Herald* is authority for the figures of gold output in Siberia from 1834 to 1887 inclusive: 30,000,000 ounces, £120,000,000, or \$600,000,000, and this with but little machinery, efforts rudely systematized, and much stealage. When the great Siberian railroad is completed from the Caspian Sea to Vladivostok, on the Pacific, the output of Russian gold will be greatly increased.

WORLD OF FINANCE.

RUSSELL SAGE'S TREASURE-TROVE.—Russell Sage has sixty-four coins, ranging from pennies, which form the majority of the collection, to silver dollars, of which there are four, we have heard, that could not be bought for a thousand times their face value, much as the good man likes money. The collection represents Mr. Sage's finds on the streets outside of the Wall Street district. He picked the sixty-four coins up at different periods extending over thirty years, and holds on to them like grim death to a negro. As he found them he placed a mark on them, and put them into a little buckskin bag, which he always carries with him. He regards them as luck coins, although if taxed with being superstitious would probably deny the charge. That bag containing the coins is never away from him, sleeping or waking, and if some enterprising highwayman wants to make a haul, he can do it by holding up the thrifty Mr. Sage, and, securing the sixty-four coins, hold them for a princely ransom. The first coin Mr. Sage found was a penny—one of the old sort—and he, of course, values that more than any of the others. Next to the Iowa Central he values those coins.—*St. Louis Globe-Democrat*.

LOAN COMPANIES IN ONTARIO.—Loan and investment companies are not a mellow theme, but in the form of an official return there is enough reason in them to make up for the lack of poetry. These institutions in Ontario number sixty-seven, twenty-seven being located in Toronto, nine in London, five in St. Thomas, three in Hamilton and in Ottawa, two each in Kingston, Sarnia and Stratford, and the fourteen remaining scattered broadcast. The bulk of the loan, building and investment business is transacted by the Toronto companies, whose subscribed capital is over sixty-seven per cent. of the total. The fifty-six (sic) companies have an aggregate capital of \$102,782,249, of which sixty-four per cent. has been subscribed. The amount of capital fully paid is an average of over forty-four per cent. of stock subscribed. Accumulating stock, reserve funds, dividends unpaid and contingent funds bring up the average to sixty per cent. on stock subscribed to the credit of stockholders. The debentures of these companies outstanding amount to

\$46,090,494, one-sixth only of which is payable in Canada. The total assets or liabilities are balanced at \$108,217,751. Dividends of over 7 per cent. on the amount of stock paid in to the end of the year were declared during 1890. Compulsory proceedings were taken in eight hundred and five cases during the year, the amount involved being \$1,899,209. The total amount outstanding in chattel mortgages on December 31, 1890, was \$8,949,443, of which \$3,218,291 was held against farmers. The average mortgage on the farmer was \$306 on December 31, as compared with \$782 for all other occupations.—Toronto *Empire*.

A NEW ZEALAND EXPERIENCE.—Twenty years ago the New Zealand Government organized a branch of the public service called the Public Trust Office. Its purpose was the administration of estates of persons who died intestate, and its powers embraced general trusteeship taken over from persons who wished to transfer estates committed to them by testamentary dispositions or otherwise. For twenty years the New Zealanders have regarded the office as one of the grand triumphs of enlightened government. But the scales have now fallen from their eyes, and the Public Trust Office turns out to have been a most untrustworthy sort of institution. When estates were handed over to the public trustee it was the custom to sell the personal effects by auction without any public announcement. Real estate was treated in the same way frequently, and for twenty years everything looked lovely. But all the time the head official of the department, one Minister of the Crown at least, and a horde of underlings were buying in the estates for themselves and for their friends at a small percentage of the actual value in every case. A scandalous exposure has been made by a royal commission appointed to investigate the affairs of the office. Not only have certain officials admitted their participation in the practices mentioned, but they had grown so well used to it that they really thought it was all right. In some instances the acts of the officials amounted to robbery pure and simple. Yet no one is likely to be punished, for the reason that when the New Zealanders established this unique department of state, the public mind was apparently so steeped in spiritual faith or human righteousness that no provision was made in the law to safeguard the honest administration of the office. There is a moral in all this; it is, put not your trust in radical reformers and wildcat legislators, and beware of nationalization.—Toronto *Empire*.

THE UNITED STATES DEBT.—The statement of the public debt issued Sep. 1, shows a reduction of \$1,091,216 in the permanent debt, but an increase of \$4,490,679 in the cash balance in the Treasury. The net cash balance is now \$60,274,394, of which \$17,500,261 is on deposit in National banks, \$18,440,722 is in subsidiary silver, and \$369,664 is in minor coin and fractional paper. The gold coin and bars in the Treasury amount to \$240,744,487, and the gold certificates to \$37,721,280, against which certificates have been issued to the amount of \$145,994,359. This makes the amount of free gold in the Treasury \$32,471,408 exclusive of the \$100,000,000 set aside as a special fund for the security of the greenbacks. The amount of the new Treasury notes which have been issued is \$59,686,035, of which \$13,937,685 are in the Treasury. The

total Treasury assets are \$766,602,347, made up of \$240,744,487 in gold, \$407,854,023 in silver, \$94,820,685 in paper and \$23,193,151 in special items. The total receipts of the government during August were \$28,884,851, and the expenditures were \$20,738,020. The receipts for August, 1890, were \$36,607,449, and the expenditures were \$36,204,060. The chief difference in receipts was from custom duties, which were \$20,315,879 in August, 1890, against \$15,164,674 last month. The chief difference in expenditures was for pensions, which called for \$18,838,658 in August, 1890, against only \$5,094,323 last month. The actual payments last month were \$9,000,000, but more than \$4,000,000 came back into the Treasury by the repayment of unexpired balances. The state of the National bank circulation, as shown by the monthly statement of the Comptroller of the Currency, is better than for many months. The total circulation is \$11,929,929 less than a year ago, but the decrease is wholly in the cancellation of outstanding notes, for which lawful money has been deposited. The live circulation, based upon United States bonds, has increased from \$127,825,431 a year ago to \$133,789,850 at the present time, and two-thirds of this increase, \$4,082,610, took place during August. The United States bonds on deposit with the Comptroller to secure bank note circulation amount to \$149,839,200, of which \$9,193,000 are in Pacific Railroad sixes, \$118,619,100 in four per cents, \$2,562,500 in the old four and-a-half per cents, and \$19,464,600 in the new two per cents.—*American Banker*.

FIRST YEAR OF THE NEW U.S. SILVER LAW.—The law of July, 1890, provided for the purchase by the Government of 4,500,000 ounces silver monthly. The first purchase under the law was made August 13th, 1890, when 500,000 was offered and 310,000 ounces taken at \$1.13.30 per ounce. The price advanced on the three subsequent purchasing days reaching \$1.20¼ on the 20th of August. On that day the offerings were 1,314,000 ounces, of which 466,000 ounces were taken at \$1.19.45 to \$1.20¼ per ounce. The extreme rates paid each month for the first year of the operation of the new law have been as follows:—

	<i>Highest.</i> <i>Per Ounce.</i>	<i>Lowest.</i> <i>Per Ounce.</i>
August, 1890	\$1 20.25	\$1 30.30
September	1 19.50	1 13.00
October	1 13.95	1 04.90
November	1 06.70	97.10
December	1 09.00	1 02.80
January, 1891	1 07.00	1 04.50
February	1 02.75	97.96
March	99.50	98.10
April	98.80	96.36
May	99.70	97.15
June	1 02.75	97.00
July	1 02.25	1 00.35
August to 13th	1 00.90	99.20

The offerings since July 1, 1891, have been quite liberal, being oftentimes double and sometimes treble the amount taken. On the 12th, however, for the first time during the year, there were no tenders. In addition to regular public purchases, every Monday, Wednesday and Friday, the Mint superintendents have had standing orders to purchase at market rates all small lots offered up to 10,000 ounces in one lot. Between August 13, 1890, and August 1, 1891, these officers took in 5,300,274 ounces. From August 13, 1890, to August 12, 1891, the public awards were 49,776.900 ounces, making with the private purchases 55,076,174 ounces, or 1,000,000 in excess of the law's requirement. The effect of the law in advancing price was discounted in advance of its operation. For the last four months the price has been about the same as before the renewal of agitation in Congress in the winter of 1889.—*American Banker*.

BANK ROBBERY IN LONDON.—The banking world of London has just been startled by an announcement that an important bank robbery has taken place in the city. The police and bank officials are trying to keep the matter as quiet as possible, so that the entire facts in the case are not obtainable at present. It is known, however, that the institution that has suffered is the London and Westminster Bank (Limited), an important establishment having over 15 branch houses in the city. The money stolen consisted of a large parcel of bills remitted from the country banks to the London and Westminster Bank. The thief or thieves must have watched for the proper opportunity to accomplish the robbery and to have gained access to an apartment near the main entrance to the bank. This apartment was easy of access from the street, and the parcel of bills is supposed to have been stolen while the bank officials were engaged in another apartment going over the accounts of last week's settlement. Both William Astle, the town manager of the bank, and H. F. Billinghamurst, the country manager, decline to make any statement for publication as to the actual loss incurred by the London and Westminster Bank, but it is currently reported that the amount stolen is not less than \$750,000, and that it may amount to as much as \$1,250,000. The bank officers, the city police authorities and the criminal investigation department of Scotland yard are putting forth the utmost exertions in order to effect the capture of the thieves. Notice of the robbery has been sent to the police centres throughout the British Isles and on the continent, and the sailing of every passenger vessel is being watched. Notice of the robbery has also been sent to all the banks upon which the bills were drawn, but the police think that no attempt will be made to change the bills in this country but that the thieves will have recourse to the continent, where the presence of so many wealthy travellers from England and the United States make such transactions easier than in this country. This robbery recalls the fact that on February 16 last a similar bank robbery took place in the same neighborhood. Upon that occasion a stylishly dressed man accosted in the National Provincial Bank of England a clerk from the London branch of the Bank of Scotland. The clerk was in the act of making a deposit of nearly \$60,000 at the public counter of the National Provincial

Bank, and when spoken to by a stranger he turned toward him and replied to his question. Though his conversation lasted but a moment or so, an accomplice of the stranger snatched from the clerk a wallet containing Bank of England notes to the amount named and decamped. In the confusion which followed, the stranger and his accomplice, supposed by the police to be expert bank sneaks, managed to escape. So far as known, neither the thieves nor their plunder have since been heard of. It will also be remembered that quite recently it was reported that the Bank of England had been robbed of £250,000, a statement which was denied by the officers of the bank. At the time of the National Provincial Bank robbery the authorities claimed that it was the biggest haul of money made by bank sneaks in a generation.—*Cable*, Sept. 21st.

The *Financier* has prepared a table showing the tremendous amount of wealth gathered into the leading banking institutions of the Empire State. It has made a list of all financial institutions, whether National, State or banks of savings or trust companies, holding a million or upward of deposits. There are 193 institutions on the list. Of this number the city of New York has 103. Fifty-four of the 193 on the list are savings banks, and the entire list of these leading official banking institutions carry over \$1,400,000,000. The following hold each \$10,000,000 or more on deposit by the report of 1891.

<i>Name.</i>	<i>Deposits.</i>
Bowery Savings Bank, New York.....	\$47,914,754
Bank for Savings, New York.....	40,882,796
Emigrant Industrial Savings Bank, New York.....	40,490,520
United States Trust Company, New York.....	36,439,692
Seamen's Bank for Savings, New York.....	30,975,679
Williamsburg Savings Bank, Brooklyn.....	30,398,663
Chemical National Bank, New York.....	28,588,313
National Park Bank, New York.....	28,110,868
German Savings Bank, New York.....	27,708,635
Fourth National Bank, New York.....	27,249,461
Union Trust Company, New York.....	25,282,136
Importers and Traders' National Bank, New York.....	24,056,875
First National Bank, New York.....	23,920,708
Farmers' Loan and Trust Company, New York.....	23,225,969
Mercantile Trust Company, New York.....	23,060,394
National Bank of Commerce, New York.....	22,907,177
Greenwich Savings Bank, New York.....	22,357,910
American Exchange National Bank, New York.....	21,320,102
Bank of New York, New York.....	20,825,550
Central Trust Company, New York.....	19,228,277
Hanover National Bank, New York.....	19,031,091
Manhattan Company, New York.....	18,667,279
New York Life Trust Company, New York.....	17,840,690

National City Bank, New York.....	17,234,981
Dry Dock Savings Institution, New York.....	17,022,351
Bank of America, New York.....	16,881,184
Dime Savings Bank, Brooklyn.....	15,997,801
National Bank of the Republic, New York.....	15,611,113
Erie County Savings Bank, Buffalo.....	14,326,084
Bank of the State of New York, New York.....	14,174,494
Chase National Bank, New York.....	14,011,602
Western National Bank, New York.....	13,532,502
Citizens's Saving Bank, New York.....	12,217,606
Albany Savings Bank, Albany.....	11,864,780
Union Dime Savings Institution, New York.....	11,596,496
Rochester Savings Bank, Rochester.....	11,475,742
South Brooklyn Savings Institution, Brooklyn.....	10,919,561
Mercantile National Bank, New York.....	10,041,531

Making a comparison with the banking reports of the whole country, it is seen that this State holds over one-third of the total banked wealth of the United States. The official figures stand :

UNITED STATES.			NEW YORK STATE.	
<i>Classes.</i>	<i>No.</i>	<i>Deposits.</i>	<i>No.</i>	<i>Deposits.</i>
National Banks.....	3,540	\$2,020,625,231	319	\$543,482,592
State Banks.....	2,101	555,054,584	163	177,042,768
Loan & Trust Companies.....	149	336,456,492	32	211,320,275
Savings Banks.....	921	1,550,023,956	124	574,669,972
Total.....	6,711	\$4,460,160,262	638	\$1,506,515,607

RAILWAYS AND NAVIGATION.

ELECTRIC ROADS OF THE WORLD.—It is estimated that there are not less than 325 electric railways in the United States, England, Germany, Italy, Austria, and Japan, requiring 400 to 700 motors, with 2,600 miles of track, with a daily mileage of not less than 400,000 miles, and carrying 750,000,000 passengers annually. Grades of 13 and 14 per cent., distances of 6 miles or more from the central stations, speeds as high as from 25 to 35 miles per hour for single cars and trains of two to one cars. Not less than 10,000 persons the number employed on these lines; \$50,000,000 of capital invested in the United States alone, and at present annual business not less than \$8,000,000 to \$10,000,000 on the part of the manufacturing and contracting electrical companies, show the present standing of the electric railway works.

RAILWAY SUBSIDIES.—A return recently brought down shows that the total amount of subsidies voted to railways since Confederation has been \$31,015,491, on a mileage of 4,236¾ miles. Divided by provinces the figures are :

Province.	Mileage.	Sum paid.
Ontario.....	1,397½	\$7,000,506
Quebec	2,060¼	11,419,507
New Brunswick.....	496½	2,784,304
Nova Scotia	392½	7,466,373
P.E.I	3	9,600
British Columbia.....	157	102,200
N.W.T.....	.....	2,310,000
	4236¾	\$31,015,491

NOVA SCOTIA CENTRAL RAILWAY.—Chief Justice McDonald has rendered a decision in the case of the New York Farmers' Loan and Trust Company v. The Nova Scotia Central Railway, ordering the foreclosure and sale of the road. The road is 70 miles long, and connects with the Windsor and Annapolis at Middleton and runs to Lunenburg, its Atlantic terminus. It was originated and constructed by Thomas G. Stearns, George W. Bedford, Geo. S. Hutchinson, and other New York and Boston capitalists, who put \$400,000 into the undertaking. The Dominion and Provincial Governments gave \$700,000 in subsidies, and \$400,000 was advanced by the Halifax Banking Company, upon bonds for which the Farmers' Trust and Loan Company are trustees. The foreclosure by the bondholders will give them the road at a nominal figure, and the Americans who put their money in it stand a chance to lose every dollar.

GENERAL MEETING OF C. P. R. COMPANY.—The adjourned general meeting of the shareholders of the Canadian Pacific Railway was held on August 24, at the office of the company, at Montreal. The shares represented amounted to 329,075 out of a total of 650,000 shares. W. C. Van Horne, president and general manager of the company, occupied the chair, and the other shareholders present were: Lord Mount Stephen and Lord Elphinstone, of England; Charles Drinkwater, secretary of the company; R. B. Angus, T. G. Shaughnessy, of Montreal; George Kirkpatrick, of Kingston; Arnold McInnis, of Hamilton; G. R. Harris, of Boston; E. B. Osler, of Toronto; W. D. Matthews, of

Toronto ; Gen. Geo. Thomas, of New York ; and Sanford Fleming, of Ottawa. The first business before the meeting was the proposal on the part of the Canadian Pacific Railway to take over Lake Temiscamingue Colonization Railway. Lord Mount Stephen moved a resolution authorizing the Canadian Pacific to take over the road on the terms of agreement. The resolution was seconded by Sanford Fleming and carried unanimously. The chairman then reported that arrangements for taking over the Calgary and Edmonton Railway were not yet completed, and it was decided to hold another meeting on October 12th, to bring the matter before the company. This completed the business before the adjourned meeting, and a special meeting of the company was called to obtain authorization to act upon the provisions of the act passed by the Dominion House to amend the Canadian Pacific Railway Act of 1889.

It is reported that the Allans have sold two steamers of the State line which that company purchased some months ago, and it is said that the price received will almost reach to the sum disbursed for the whole fleet.

POOR'S Manual for the past year estimates the gross earnings of the railroads of the United States for 1890 at \$1,080,000,000. which shows that the annual cost of rail transportation to each inhabitant of the country averages about \$18.

FORTY-SEVEN out of the 87 miles required to bring the iron horse to the coal fields of the Souris country is graded, and the balance will be completed at the rate of a mile per day. Track laying has commenced now, and the work will be rushed to completion.

It is learned on good authority that the arbitrators in the Onderdonk matter will shortly make an award in favor of the Company against the Dominion Government for \$700,000. This claim arose over the alleged failure of the Government to carry out the conditions of its agreement with the Canadian Pacific to properly construct the Onderdonk section in the Rocky Mountains.

WITHIN the past year twenty-nine railroad companies in the United States were subjected to foreclosure sale. Discouraging as this showing may appear, yet it is a fact still more discouraging that the foreclosures of the last fifteen years show even a higher annual average than those of 1890.

IN an interview Sir Henry Tyler is reported to have said that without doubt the Grand Trunk would construct a second tunnel under the St. Clair river, and that the work on it would commence as soon as the present one at Sarnia, which opened on Sept. 19th, is in full operation.

GROSS earnings of American railroads in August show a smaller gain over that month, 1890, than do those for July. Grain carrying roads have done best, Southern and Pacific road earnings not being so favorable. The total for 134 roads for August is \$40,821,954, an excess over August last year of 7 per cent. The trunk lines make the best exhibit. For eight months gross earnings are \$29,459,199, a gain of 5.2 per cent. over 8 months last year.

IN an interview with R. S. Jenkins, Superintendent of the western division of Canadian Pacific telegraphs, a Winnipeg *Free Press* representative learned that the company will construct over four hundred miles of new lines in this division during the present season. Wires will be strung along the line of the Calgary & Edmonton, north of the main line, for about two hundred miles, and along the Souris branch to the end of the extension beyond Melita. It is likely the line will be extended through to the Souris from the present terminus of the Glenboro branch of railway. Further facilities will be provided in Southern Manitoba in view of the enormous crop. Certain important improvements are being made on the main line of railway between Port Arthur and Donald. The extensive equipment at Port Arthur has been moved to splendid new quarters at Fort William. The latter point is now an important repeater station in the transcontinental system.

The earnings of the Canadian Pacific Railway for the month of July, 1891, were as follows:—

Gross earnings.....	\$1,680,592 13
Working expenses.....	1,018,170 79

Net profits.....	\$ 662,421 34
Net profits, July, 1890.....	640,361 67

Increase, 1891.....	\$ 22,059 67

For the six months ending July 31, 1891, the figures are as follows:—

Gross earnings.....	\$10,712,056 74
Working expenses	7,095,113 30
	<hr/>
Net profits.....	\$3,616,943 44
Net profits, same period, 1890.....	\$2,863,735 70
	<hr/>
Increase, 1891.....	\$ 753,207 74

The earnings and expenses of the New Brunswick Railway are included in both years.

GRAND TRUNK RAILWAY TRAFFIC RETURNS.

<i>Week ending</i>		<i>1891.</i>	<i>1890.</i>
August 22	Passenger train earnings	\$167,239	\$170,434
do	Freight do do	248,163	244,322
August 29	Passenger do do	156,762	148,948
do	Freight do do	260,577	276,577
Sept. 5	Passenger do do	152,953	162,959
do	Freight do do	247,322	252,546
Sept. 12	Passenger do do	164,673	162,332
do	Freight do do	245,703	259,526
Sept. 19	Passenger do do	195,316	189,677
do	Freight do do	247,337	263,932
		<hr/>	<hr/>
		2,086,085	2,131,253
			2,086,085
			<hr/>
Decrease.....			\$ 45,168

CANADIAN PACIFIC RAILWAY TRAFFIC RETURNS.

<i>Week ending</i>		<i>1891.</i>	<i>1890.</i>
August 21	Traffic earnings	\$391,000	\$338,000
August 31	do	544,000	490,000
Sept. 7	do	398,000	367,000
Sept. 14	do	409,000	377,000
Sept. 21	do	414,000	365,000
		<hr/>	<hr/>
		\$2,156,000	\$1,937,000
		1,937,000	
		<hr/>	
Increase.....		\$ 219,000	

MINES AND MANUFACTURES.

OUR NICKEL WEALTH.—The advance in the price of nickel from 50 to 70 cents per pound will probably have an important effect on our Canadian industry, the development of the Sudbury district and of the whole country. This advance in price has no doubt been caused by the increased demand for nickel to be used as an alloy of steel in making armor plates, and to the appreciation of our invaluable possession which is commencing to dawn upon the capitalists of the world. The superiority of nickel-steel plates to pure steel, or to all other combinations of that metal, has been fully tried by repeated tests, and is now recognized by the British, American and general European governments.

The alloys of nickel with steel have so far received the greatest public and private attention, but the alloys of nickel with other metals are also coming into fresh and more numerous uses. Amongst these uses may be mentioned cutlery and metal cooking utensils. It was easy, therefore, in view of all these demands, to foresee the deficiency in the supply of nickel which is now threatened, and to realize that the Sudbury district of Canada would probably be called upon to fill the world-shortage which would ensue. To do this, all that is necessary is capital.

To this end, as some British papers pointed out a few months ago, the flow of money should in future be directed from the United Kingdom into Canada instead of being invested in shaky and doubtful industrial enterprises or railways in the American Republic. The stimulus thus given to our prosperity could not but result in a very considerable addition to the population throughout our magnificent territory, and in a genuine "boom" in our vast mineral and other resources. There can be little doubt that we have in our nickel mines a treasure-trove beyond the richest dreams of avarice or even the visions of buccaneers in the days of old, at a time when the Spanish main seemed to be teeming with gold-ships and all the beautiful products of Mexican or Peruvian civilization. Let but the magic wand of money wave over this favored land of hidden wealth, and the results will surpass in value and importance the greatest effects of American enterprise, American ingenuity or American advertisement.—*Toronto Empire.*

MINING ITEMS.

An English syndicate has purchased the Jumbo mine at Illecillewaet, B. C., for \$200,000.

Ex-Senator Tabor has sold the Poorman mine at Caribou, B.C., to Leonard Gow, of Glasgow, for \$650,000.

Two gentlemen of St. John, N.B., Messrs. Arthur and Herbert Hilyard, have recently disposed of a nickel mine in the Sudbury district to American capitalists at a profit of \$17,000.

Work is being pushed on the Osler and Hammond mine, Vermont Creek, B.C. The tunnel to the 200-foot level will be completed early in November, when cross-cutting will be immediately commenced.

The Lanark mines, near Illecillewaet, B. C., are still pushing ahead under able management. The main lode has been struck, and something like 50 tons per day of a fairly high grade ore is being produced.

The output from the mines of the Alberta Railway and Coal Co. is now over 1,000 tons per day, says the *Winnipeg Free Press*, about 400 tons of which is consumed in Canada, the balance going to the various business centres in Montana.

Hon. J. A. Chapleau, Mr. A. Desjardins, M.P., A. L. DeMartigny, Hon. A. Lacoste and Mrs. L. A. Senecal, are seeking incorporation as the Coleraine Mining Company, limited, with headquarters at Montreal, and a capital stock of \$120,000.

The smelter at Revelstoke, B. C., has closed down operations, having reduced to bullion the stock of ore on hand. As there is very little lead ore in the country ready for shipment, says the *Star*, it is not probable that the furnace will be blown in again until next spring.

Ex-Senator Tabor, of Colorado, has received an order from the Supreme Court of Mexico, giving him possession of the Santa Endiwig gold mine, over which he has had three years' litigation. The mine is located at Jesus Maria, and has produced already from \$10,000,000 to \$15,000,000 of gold. The ore assays \$200 to the ton, and is still good for millions.

Mr. Peter McCarthy, Q. C., of Calgary, who has returned from a prospecting tour in the mountains, reports having discovered valuable anthracite coal deposits on the Red Deer River, forty miles north of Banff. The coal crops out in broad seams and could be easily mined. There is also a natural pass for a railway to the claim. Hitherto it has been supposed that the only deposit of anthracite in the North-West was at Anthracite Station, near Banff.

Marvellously rich gold-bearing quartz has been discovered on the Atikokan iron range, Port Arthur. Surface samples broken at random run from eleven to one thousand dollars to the ton, five samples averaging \$262 per ton. That section of this district is evidently intended to produce bullion as well as steel. The location on which the discovery was made is owned by local men, who are much elated over the prospects. It is expected that work will start immediately.

The manager of the Tacoma Smelting Co. has made a contract with the Glenn Mining Co., of Kamloops, for all the iron ore they will require during next year. The company also expect to complete arrangements, in a few days, to furnish another smelter with a large quantity of ore.

The Dunnville (Ont.) Natural Gas Company celebrated the striking of its new well, by treating the village and the surrounding country to a grand illumination. The well is in the lower part of the village, and has a capacity of 300,000 feet, and is increasing in strength. A long pipe was run up and the gas ignited. The flame shot high into the air. Even at the late hour which the blaze was touched off, it attracted a great crowd. So successful has the company been in their venture, that another well will be put down at once in the upper part of the town.

Mr. S. J. Ritchie and several other mining men from the east have been at White Fish, O., with the object of purchasing an extensive range in Denison, and building a mineral railway from Cooper Cliff to the Vermillion mine. A party of Boston capitalists has also been in the neighborhood examining nickel properties in Drury, while Professor C. R. Fletcher, State Geologist for Massachusetts, has been visiting the district for the same purpose. These are the first buyers of the season. They all want property taken up under the old law.

The summit of Toad Mountain, says the Nelson, B.C., *Miner*, is beginning to show up like a mining camp, now that development work is being done on half a dozen contiguous claims. On the Grizzly Bear men are at work building quarters and making a face for a tunnel. Superintendent Robertson says he has the finest tunnel site in the district, and on a ledge too that is fully thirty feet in width. A road will be built from the mine to the main road, a distance of two and a half miles through a good country and by an easy grade. The distance from Nelson will be less than six miles.

The owners of mines in the Sudbury district have advanced the price of nickel 40 per cent., it is quoted now at 70 cents per pound. All the nickel matter has been bought up, and contracts have been made for all the products of several of the mines for months ahead. The mines now in operation cannot supply the increased demand for nickel, and a large amount of new machinery is being put in. Those who know anticipate a big boom in nickel this fall, and are acting accordingly. So far most of the capital has been supplied by Americans, but Englishmen are beginning to take hold.

Mr. E. J. Rainboth, C. E., has completed surveys of the properties of the General Phosphate Corporation, and is now preparing topographical maps with a view to obtaining estimates for laying a permanent plant at High Falls and Ross Mountain. Mr. Rainboth is unable to say whether the motive power will be steam transmitted by air pipes, or utilized and applied by electricity transmission. The question is now under consideration. This is rendered urgent by there being insufficient water for the boiler power on Ross Mountain. The output has been low of late, partly on account of this, but the exploratory works so far done have proved the deposits to be extensive. It remains, therefore, he says, to work them on a large scale in order to arrive at a reduction of working cost.

The profits derived from some of the asbestos mines in the Province of Quebec are simply enormous. The Johnston-Irvine mine at Theford, which five years ago might have been purchased for \$5,000, now returns to its owners, Judge Irvine of Quebec, and Mr. Johnston, M.P., a profit of \$100,000 a year, producing as it does the finest quality of the mineral, a large proportion of which sells at from \$275 to \$300 per ton, while the method of mining it is the crudest and most elementary imaginable. There is little or no excavation before the asbestos is reached, but the veins of the fibre are blasted out of the surface rock, and workmen with hammers separate the portions of rock that adhere to the pure asbestos, which is at once sorted into the grades for shipment.

Mr. C. E. Pooley, Q.C., and D. R. Harris, of Victoria, B.C., are now *en route* to London, England. It is understood that the nature of the mission relates to the sale of the Wellington collieries, Vancouver Island, the property of the Messrs. Dunsmuir, negotiations for the purchase of which have been on the *tapis* for some weeks back. The property is a valuable one, and the sale the heaviest, and involving a larger amount of capital than any which has yet taken place in British Columbia. The sum to be paid for the property is said to be two and a half millions. The Messrs. Dunsmuir will continue to operate the Union mines in Comox—which are turning out an excellent quality of coal—and the Esquimalt and Nanaimo Railway. These mines, the railway and the land belt are estimated to be worth in the neighborhood of fifteen millions of dollars.

A discovery that may prove of vast importance to the nickel interests of this district and to the iron industry of Ontario is claimed to have been made whereby nickel and iron can be produced by precipitation. The originators of the process were Messrs. Mond, Lang, and Quincke, the eminent metallurgists, who have obtained nickel of a high quality and purity by the action of carbonic acid upon the ores. Mr. Berthelot, the distinguished French scientist, has further advanced the discovery, and has effected a similar combination with iron. According to him, the process is not limited in its scope to any metal, and it is consequently of great value in the production of such rare metals as nickel. So far the success of the experiments has been complete, and from all appearances there is no reason to doubt that the results will be as satisfactory when applied on a commercial scale.

Mr. L. A. Hamilton, the Canadian Pacific Railway Land Commissioner, and Major Walsh of the Dominion Coal Company who accompanied General Superintendent Whyte to the Souris Coal-fields, have returned to Winnipeg. They are extremely pleased with the result of their trip, having found abundance of coal seams, and splendid well-settled farming districts adjacent to the coal-fields. Major Walsh says that tests will be made in the vicinity of Alameda with a diamond drill, and if coal is found there in suitable quantities mines will be established at that point. If not, they will go thirty miles further west, where several large seams are exposed, one of them being twelve feet and another eight feet wide. Mr. Hamilton believes that

a large town will spring up where the mines are located, as the farming population of the Souris Valley will alone be sufficient to support a good-sized market town, and that, with the mining industry, is certain to be the means of establishing a town of considerable importance. The railroad graders are now within twenty-five miles of the coal-fields, and the grade of ninety miles of road to be built will be finished within six weeks.

The town of Anthracite, on the Canadian Pacific, west of Calgary, presents a lively appearance now, since the re-opening of the coal mines there. There is a large gang of men at work, and they are making good progress. Numerous fine seams of coal have been located, and the management expect to begin making shipments this month, and will increase the output as the market demands. The coal having been decided by the courts at San Francisco to be pure anthracite, is given free entry into the United States. The output will shortly be 500 tons daily, and the market is expected to range from Winnipeg on the east to San Francisco and Puget Sound on the west. The coal is shipped to Port Moody, British Columbia, where the company has extensive shipping facilities, and from there it will be taken along the coast and down the Sound. Mr. H. W. McNeill, manager of the company, says there are at present one hundred men on the pay roll. These men are engaged in developing work, and the force will shortly be increased to a number sufficient to take out 500 tons a day. The company will seek a market for a portion of its output in Winnipeg and the towns along the line of railway.

MEETINGS AND REPORTS.

LONDON AND ONTARIO INVESTMENT COMPANY, LIMITED.

The Fourteenth Annual General Meeting of the shareholders in this company was held at its head office, 84 King street east, Toronto, at noon on Thursday, 17th September, 1891, the Hon. Frank Smith presiding. The annual report was read as follows:—

REPORT.

Your Directors have much pleasure, at the close of another fiscal year, in presenting their usual report, accompanied by statements of account, showing the profits for the past year, and the position of the company at the close thereof.

The net income for the year amounted to \$54,774.24, out of which two dividends at the rate of 7 per cent. per annum have been paid, amounting to \$35,000. And your Directors recommend that the remainder shall be appropriated as follows: addition to Property Suspense Account, \$9,774.24; addition to Reserve (bringing up that account to \$140,000), \$10,000.

The Directors are gratified in being able to present so favorable a statement on this occasion, and they trust that it will meet with general satisfaction on the part of the shareholders.

The thanks of the shareholders are due as usual to the financial agents of the company in Britain, who have been mindful of its welfare in securing and renewing debenture loans. This acknowledgment is particularly due to them at the present time, as they continue to use their influence with British investors notwithstanding the reduced rates of interest which the Directors decided to offer for debenture moneys, on account of the lower rates obtainable here on good mortgage loans.

The work of inspecting properties under mortgage, and new properties offered as security, has been conducted with care by the officers of the company entrusted with this duty. The work has been under the constant supervision of the board of management, and your Directors feel that the company is in possession of reliable information as to all the securities held under mortgage.

The bountiful crop of the present year in Ontario and Manitoba will not only prove beneficial to all classes of the community, but will materially serve the interests of the company, ensuring—amongst other things—prompt payment of engagements on the part of mortgagors. An improvement in the value of farm property in the Province of Ontario may confidently be looked for, while it is certain that in the newer Province of Manitoba, the good effects of the abundant harvest will be apparent in the impetus which will be given to the settlement of the country, the increase in the value of real property, and the absence of anything like financial stringency.

The accounts and vouchers of the company have as usual been audited and examined, and the certificate from the auditors, accompanying this report, shows that the statements submitted are correctly deduced therefrom.

All of which is respectfully submitted,

FRANK SMITH,
President.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING JUNE 30TH, 1891.

Receipts.

Interest on investments..... \$185,871 07

Expenditures.

Expenses of management, and Directors' and Auditors' fees.....	\$15,499 25
Office expenses, rent, postage, advertising, etc. . .	3,651 02
Expenses in connection with debentures issued..	1,324 84
Inspection charges.....	2,097 55
Manitoba expenses.....	5,145 40
Paid during year for commissions:—	
On loans.....	1,510 37
On debentures.....	4,303 79

Interest paid and accrued on debentures, and bank overdrafts.....	99,584 57	131,096 83
Balance—Net revenue.....		54,774 24
		<u>\$185,871 07</u>

Appropriation.

Net revenue, as above.....		\$54,774 24
Appropriated as follows:—		
Dividends No. 25 and 26, to June 30th, 1891, at the rate of 7 per cent. per annum.....	\$35,000 00	
Property suspense account.....	9,774 24	
Reserve.....	10,000 00	
		<u>\$54,774 24</u>

GENERAL BALANCE SHEET, JUNE 30, 1891.

Assets.

By investments—		
Mortgage loans.....	\$2,829,286 63	
Municipal debentures.....	56,854 78	
		<u>\$2,886,141 41</u>
Sundry accounts due to company.....		938 51
Office furniture, fixtures and stationery.....		2,179 01
Balance in Banks.....		127,903 30
Cash on hand.....		269 95
		<u>\$3,017,432 18</u>

Liabilities.

To shareholders—		
Capital stock (20 per cent. paid on \$2,500,000 subscribed).....	\$500,000 00	
Reserve account.....	140,000 00	
Property suspense account.....	25,161 91	
Dividend due July 2nd, 1891.....	17,500 00	
		<u>\$682,661 91</u>
To debenture holders—		
Outstanding sterling and currency debentures.....	\$2,250,256 52	
Reserved for interest accrued.....	18,461 18	
		<u>2,308,717 70</u>
To sundry amounts awaiting payment to mort- gagors.....		22,772 21
To sundry amounts due by company.....		3,280 36
		<u>\$3,017,432 18</u>

A. MORGAN COSBY,

Manager.

The following resolutions, having reference to the foregoing report and statements, as well as to other items of business, were then submitted and carried in due order:—

Moved by Hon. Frank Smith, seconded by Mr. W. H. Beatty, and resolved, that the annual report and statements of accounts for the year ending June 30th, 1891, be adopted by this meeting.

Moved by Mr. John Catto, seconded by Mr. Geo. W. Lewis, and resolved, that the thanks of the shareholders are hereby tendered to the president, vice-president and directors for their personal attention to the business of the company during the past year, and that in recognition thereof the sum of \$3,000 be awarded them.

Moved by Mr. Robert Carrie, seconded by Mr. W. S. Lee, and resolved, that the sum of \$400 be appropriated for the service rendered during the past year by the auditors, and that Messrs. W. R. Harris and Thomas Hodgetts be re-appointed for the current year; and in case of the death or resignation of either, or both of them, the board be, and are hereby empowered to appoint others in their places.

Moved by Mr. Alex. Nairn, seconded by Mr. Charles Stuart, and resolved, that the poll be now opened for the election of directors, and that the same shall be closed whenever five minutes shall have elapsed without a vote having been tendered, and that Messrs. E. M. Chadwick and J. F. Burnside be the scrutineers, and that they report the result of the election to the meeting, and be paid the sum of \$5 each for their services.

The balloting was then proceeded with, at the end of which the scrutineers reported that the following shareholders were elected as directors of the company for the coming year: Hon. Frank Smith, Wm. H. Beatty, Wm. Ramsay, W. B. Hamilton, Alex. Nairn, Fred. Wyld, A. B. Lee, Henry Gooderham, George Taylor.

The meeting then adjourned.

At the close of the annual meeting, a meeting of the new board was held, and the Hon. Frank Smith and W. H. Beatty, Esq., were elected president and vice-president, respectively.

BANK OF BRITISH COLUMBIA.

The half-yearly general meeting of the Bank of British Columbia was held at the Cannon Street Hotel, London, Eng., on the— Sir Robert Gillespie (the chairman) presiding.

The Chairman said:—Gentlemen, this meeting we do not submit to you either a report or account—these will be distributed presently after audit; but having ascertained by telegraphic message the result of the half year, we are in a position at this early period to recommend the dividend and bonus for the half-year just expired. I am very happy to be able again to

congratulate you on the successful result of the half year—a half-year, notwithstanding its attendant anxieties, that compares most favorably with any previous similar period of the year; for I would remind you that we always consider the first half of the year as affording less opportunity of profit, owing to there being less business generally than during the last half of the year. The amount we have to deal with at the present time as net profit is £47,147 16s. 11d., which approximates to the last half-year's profits, and is considerably in excess of any previous half-year ending in June since the bank has been established; indeed, it contrasts remarkably with even recent June results, which I am sure must be highly gratifying to you, gentlemen, as it is to your Directors. While thus referring to this success, I think it right to state that it has arisen partly from an exceptional cause, viz., the lateness of the shipping season on the Pacific coast owing to the unusually long outward passages made by ships, thus throwing business into the first part of the present year, instead of the last half-year; at the same time, there is no doubt that the development of the country and the great increase of trade have materially assisted in the extension of our business. You, gentlemen, will be anxious to know how we propose to deal with this sum of £47,147 16s. 11d., and I have pleasure in at once saying that we intend to pay you a dividend at the rate of 6 per cent. per annum and a bonus of 1 per cent. as last year. We intend to strengthen the reserve fund to the extent of £12,000, making that fund £220,000, and to carry forward the sum of £11,147 16s. 11d. to the current half year. You are aware, gentlemen, that our policy has been and is to continue to build up the reserve, a policy you have always approved of, but we hope that the period is approaching—not immediately, perhaps—when we may with prudence make a larger division of profits among our shareholders. In the meantime, however, I am confident in the opinion that you will continue to approve the policy of increased reserves, for, with the much larger extent of business we are doing, good as it may be, it necessitates a larger provision in that direction. The immunity from bad debts and losses hitherto has been remarkable, and redounds greatly to the credit and ability of our general manager and chief officers; but it is a condition of things we cannot always rely on, and it is therefore wise and prudent that in the flood of our prosperity and success we should make provision for such possible contingencies. The balance of £11,147 to be carried forward to the next half year is in excess of the usual sum, but your Directors consider it desirable to do this, as we hope to make, as usual, a larger division than now recommended at the end of the year; and our most recent advices from the other side lead us to conclude that there is nothing in the outlook to suppose that the result will not be equal to the corresponding period of last year. There seems to be the prospect of good crops generally, and an unusually active business season.

The colony of British Columbia is making rapid strides, and I hope, as I believe, accumulating wealth—influences that cannot fail to affect favorably our business. I need hardly say, gentlemen, that with the aid of our senior officers, we keep a strict and continuous inspection of the business of the different branches, now nine in number; and while it may be, and perhaps

is, no easy task to imbue a number of gentlemen managing our affairs with precisely the same views, I am happy to bear testimony to the loyalty, as a whole, of our staff, and to the ability with which they conduct the business of the Bank. To carry this out more practically, and to be more in touch with the working of the business, it has been our custom to have one of our leading officers over occasionally on this side for a time, and recently we have had the pleasure and the great advantage of conferring with our inspector, Mr. Townsend, one of our senior officers of long standing in the Bank—since 1861—with whom we have availed of the opportunity of going through the returns from all the branches, and of investigating every account carefully with him. It has been of great advantage to us as Directors to have gained fuller knowledge of each account, and it has been a source of extreme satisfaction to us to know we have one as an inspector who is so remarkably conversant with the details of each and every account and customer. Gentlemen, it is only due to Mr. Townsend that I should avail of this opportunity to testify to you his great worth, and how much your Directors appreciate his useful and intelligent services. And, gentlemen, while I name Mr. Townsend more particularly, I trust it will not be supposed that there is any want of appreciation of the services of others, one and all. From the general manager downwards, I believe they are inspired with the desire to do their duty and assist in promoting the success of the Bank; and it is my most pleasing privilege to bear my humble testimony to this.

In conclusion, allow me to assure you of the satisfactory position of the Bank, whether at home or abroad, and the increasing hold we retain in the confidence of the communities with whom we conduct our business, and I need hardly say with what pride we, year after year, present our reports to you. I have now only to move the following resolution:—“That a dividend be paid on the paid-up capital of the Bank at the rate of 6 per cent. per annum, and a bonus of 1 per cent., free of income-tax, for the half-year ended 30th June last, payable on or after the 15th inst.” Mr. James Anderson seconded the resolution, which was put and carried unanimously.

Dr. Drysdale proposed a vote of thanks to the Chairman and Directors for their admirable conduct of the affairs of the Bank during the past half-year.

Mr. Bently seconded the proposition, which was passed, the proceedings then terminating.

BANK OF BRITISH NORTH AMERICA.

A general meeting of the shareholders of this bank was held on Tuesday, September 1st, at the offices of the bank, 3 Clement's lane, London, Eng., Mr. E. A. Hoar in the chair. The attendance was very small.

The Secretary, Mr. A. C. Wallis, having read the notice convening the meeting—

The Chairman said:—Gentlemen,—In moving the adoption of the report, I have in the first instance to draw your attention to the change we have introduced in our usual procedure by the publication of a balance sheet,

which we have not previously done at this time of the year. This the Court has decided to do in anticipation of a possible wish on the part of the shareholders for a more frequent statement of the Bank's position. The chief banks in this country are now pledged to more frequent publication of their figures, and it is the desire of the Court to conform as far as possible to the wishes not only of the shareholders, but of the customers of the Bank and of the public in this respect. It may not be generally known that by the Canadian Banking Act all chartered Banks of the Dominion are compelled to publish in great detail a monthly statement of accounts. This Bank has, in conformity with that Act, been accustomed to a publication of its accounts as frequent as that upon which the London banks have now determined, namely, on the last day of each month. It is not, of course, possible to include in the monthly statement the figures of the London office, but nevertheless it will be interesting to you to learn the net result of the position of the Bank as submitted to the Dominion Government. I find that during the present year the proportion of specie and notes of the Dominion Government, constituting the immediately available assets of the Bank, to the notes issued, and Government and other deposits payable on demand, constituting the immediate liabilities of the Bank, has been as follows upon the dates named: January 31, 39 per cent.; February 28, 39 per cent.; March 31, 37 per cent.; April 30, 35 per cent.; May 31, 35 per cent.; June 30, 35 per cent. These figures I may say are entirely normal, there being but little variation from year to year. They show, I think it will be admitted, a position of exceptional strength, and will compare well with those of any other banking institution in Canada, or in any other country. To return to the figures in the present balance-sheet, the changes between the present time and December 31st are not remarkable. There is an increase of £116,000 in the deposit and current accounts, and a decrease of £81,000 in the bills payable and other liabilities. Cash and specie show a decrease of £86,000, while cash at call and short notice shows an increase of £334,000. This latter considerable increase has arisen in the ordinary course of business, and has no special significance. Our investments in Consols show an increase of £10,000, being the amount which was invested in accordance with the statement of the chairman at the last annual meeting. The premises account still stands at £48,000, showing no change. By the time we next have the pleasure of meeting you, however, it is probable that there may be an increase under this head, owing to the purchase of a town-site at Vancouver, upon which it is our intention to erect suitable bank premises. The future of Vancouver now appears sufficiently assured to justify the Court in making this outlay. It is also quite possible that additional expenditure may be incurred with the same objects at other places which may appear suitable to the Court. It has always been the policy of the Court to keep the total under the heading of Bank premises down to a figure as low as possible, and the result is that the proportion which the premises account of this Bank bears to its paid-up capital is quite usually low, being, in fact, less than 9 per cent. I may remind you in this connection that shareholders in the principal banks in this country are

accustomed to a very much larger proportion than that. In fact I believe that there is only one leading bank in England which shows a proportion of premises account to paid-up capital of less than 20 per cent., while most of them range from 25 to 25 per cent. in this respect—some of them being even higher. The Court is satisfied that the total standing to the debit of the Company on this account is thoroughly covered by the value of the premises. I do not think there is any other item in the accounts which calls for comment from me. In June last, our general manager, Mr. Grindley, came to this country in connection with his private affairs, and although his visit was limited to a few days, he was good enough to place a considerable portion of his time at the disposal of the Court. This opportunity of verbally discussing matters of importance was very gladly taken advantage of by the Directors, and proved most valuable, and our only regret is that it has not been found possible in the past to arrange for such visits more frequently. We feel confident that the shareholders, no less than ourselves, are deeply indebted to Mr. Grindley, whose wise and prudent management, and zeal in the service of the Bank cannot be too highly estimated. As to the future, there appears good reason to hope that the crops in Ontario may prove better than they have proved during the last year or two. It is perhaps early to speak with certainty, but there are indications of a more favourable result being realized this year. In Manitoba and the North-West there was a frost on the 27th August, which has been viewed seriously in some quarters, but it is too early yet to say what amount of damage, if any, has been done by it. Our latest cable advices are to the effect that the original estimates made on the injury done may possibly prove to have been exaggerated. Certainly it is to be hoped that this is the case, and that Canada may bear her full share in supplying the deficiencies of the European harvests. I now beg to move that the report and accounts herewith presented be received and adopted.

Mr. R. H. Glyn seconded the motion, which was agreed to unanimously, the proceedings thereupon terminating.

FEDERAL LIFE ASSURANCE COMPANY.

The Ninth Annual Meeting of the Shareholders of this Company was held at the Company's head office in Hamilton, on Tuesday, 5th March, at 10 o'clock p.m., the president, Mr. James H. Beatty, in the chair, when the following report was submitted:—

REPORT.

Your directors have the pleasure to submit for your consideration the ninth annual report of the Company, accompanied by a statement of receipts and disbursements for the year, and assets and liabilities on the 31st December, 1890.

During the year 1225 applications were received for \$2,658,000 of insurance. Of the applications received 1094 were accepted and policies issued thereon to the amount of \$2,367,000. The remaining 131 applicants for

\$321,000 of insurance were declined because the risks were not up to the standard maintained by the Company, or were incomplete at the close of the year. The aggregate amount of insurance in force on the Company's books at the end of the year was \$11,026,587, under 4337 policies. The income for the year was \$245,565.31, as against \$215,457.56 for 1889. In view of the depressed condition of affairs throughout a considerable portion of the country, and the steadily increasing competition for business, the progress made by the Company is gratifying. Forty-two policies became claims for \$111,350, of which amount \$17,000 was reinsured in other companies, making the net amount of loss \$94,350. Of these losses three were due to death by accident.

The financial statement herewith exhibits fully and clearly the income and disbursements for the year, as well as the present position of the Company. The expenses of the Company to amount of new insurance written, and to amount in force, give evidence of the care and economy exercised in its management. In the opinion of your directors this showing is unequalled for the year. All of the accounts of the Company covering the items entering into the financial statement have been examined in every particular and verified by the auditors, whose certificates are submitted herewith.

The accompanying statement of assets and liabilities as on the 31st December last shews, exclusive of the large amount of uncalled guarantee capital, a surplus of nearly \$30,000 for the security of policyholders, or about \$160 of assets to every \$100 of liabilities. Including the uncalled Guarantee Capital the surplus to policyholders is about \$700,000.

To the officers and agents much praise is due for faithful, intelligent, and successful work on behalf of the Company. Had your directors enlarged our limited staff of agents a larger amount of assurance could have been written during the year. However, it is the belief of the Directors that the amount written and obtained at a low ratio of expense will better promote the prosperity of the Company.

FINANCIAL STATEMENT.

(Abridged.)

INCOME

Premium receipts, net.....	\$210,736 53	
Receipts from all other sources.....	34,828 78	
	<hr/>	\$245,565 31

DISBURSEMENTS.

Claims by death, net.....	\$95,850 90	
Dividends to policyholders.....	52,118 06	
Surrendered policies.....	840 16	
General expenses.....	63,674 03	
	<hr/>	\$212,482 25

ASSETS.

Total resources for security of policyholders.....\$822,911 75

LIABILITIES.

Assurance or reserve fund, including \$6500 for claims waiting proofs..... 130,160 96
 Surplus for security of policy-holders..... \$698,750 79
 Amount assured 31st Dec., 1890, \$11,026,587 46.

Mr. James H. Beatty, president, in moving the adoption of the report, and after expressing the pleasure it afforded him to do so, said :—Education of public sentiment in favor of life insurance has been rapidly extending for many years. There are few people now who do not believe in the benefits and advantages it affords, though not determined to secure it. Different from other matters of trade or finance, the demand does not to any extent precede the supply. Life insurance is seldom sought by those who are in need of it, but on the other hand those who are in need of it must be sought and persuaded. The rapid growth of this business may be seen from the amount of assurance written in 1880 as compared with that written in 1889. The full report for 1890 is not yet issued. The amount written in Canada in 1890 was \$13,906,767, of which \$- 547,876 was written by Canadian companies and \$6,359,011 by foreign companies. In 1889 the total amount written by 31 companies was \$44,556,937, of which \$25,438,358 was written by Canadian companies and \$18,118,579 by foreign companies. The amount paid for death claims in 1889 was \$2,483,818. The greater growth of business written by Canadian companies is due to a growing sentiment in favor of home institutions, and the greater number of thoroughly responsible home companies now in the field. The Federal has paid within the past three years to beneficiaries of the insured over a quarter of a million dollars, secured at a comparatively small cost to those benefited.

Mr. William Kerns in seconding the adoption of the report referred particularly to the agency department. He said, the time is not long past when life insurance agents were not favorably received. Probably the lack of a sufficient respect for them was in part due to want of appreciation of the cause they represented, and the good they were endeavoring to do. Now the intelligent agent is well regarded and received, however, the better general knowledge existing of the principles and plans of life insurance demands a correspondingly better representation in the agent. The successful agent of to-day must be a man of education, good address, energy, tact and personal magnetism, in fact, must be possessed of excellent qualities of body and mind. The large number of such men now employed in this work is evidence of the magnitude of the interests involved. The resolution was then put and carried unanimously.

On motion the secretary was instructed to deposit a ballot to elect as directors the gentlemen who constituted the retiring board.

At a subsequent meeting of the directors Mr. James H. Beatty was re-elected president; Messrs. William Kerns, M.L.A., and A. Burns, LL.D., Vice-Presidents; David Dexter, Managing Director; A. Woolverton, M.D., Medical Director.

BRITISH AMERICA ASSURANCE COMPANY.

The Annual Meeting of the Stockholders of this company was held in the company's office, Toronto, on Wednesday, the 18th February, the governor, Mr. John Morison, occupying the chair.

The assistant secretary, Mr. W. H. Banks, read the following report, duly audited:—

REPORT.

The Directors have the honor of presenting the Fifty-Seventh Annual Statement of the affairs of the Company, for the year ending 31st of December, 1890, together with the Balance Sheet duly audited.

It is with pleasure they inform the shareholders that the conservative policy adopted by your Directors has met with very gratifying results, all branches of the business showing a profit.

The financial crisis has affected the stock market to a great extent, causing a considerable depreciation in the market values of the Company's securities, which, however, we are able to state are again on the ascendant.

Your Directors have to mourn the loss of one of their number in the death of Hon. William Cayley, an esteemed member of the Board for the past thirty-seven years.

They also regret having to report that Mr. W. H. Guion, one of the Company's Trustees in New York, has forfeited the trust reposed in him, and that the Company will sustain a loss thereby of \$16,000, which you will observe has been charged up and provided for.

The Directors desire to thank the Agents and Special Agents for their active co-operation in guarding the interests of the Company.

All of which is respectfully submitted.

J. MORISON, *Governor.*

Toronto, 14th Feb. 1891.

STATEMENT OF ASSETS AND LIABILITIES.

FOR THE YEAR ENDING DECEMBER 31st, 1890.

Assets.

U. S. Government and State Bonds.....	\$503,350 00
Bonds, Debentures and other dividend paying investments...	324,212 70
Real Estate	150,000 00
Office Furniture, Business Maps, &c.....	24,427 94
Agents' Balances.....	92,670 03
Cash in Banks.....	53,166 93
Cash in Office.....	1 11
Interest Due and Accrued.....	8,842 60
	<hr/>
	\$1,156,671 31

Liabilities.

Capital Stock.....	\$500,000 00
Losses under Adjustment—	
Fire.....	\$53,768 06
Marine.....	1,400 44
	<hr/>
	55,168 50

ASSURANCE COMPANIES.

651

Dividend No. 93--		
Balance.....	3,636 62	
Dividend No. 94	17,500 00	21,136 62
Balance.....		580,366 19
		<u>\$1,156,671 31</u>

Profit and Loss.

Fire Losses, paid.....	\$414,829 03	
" " unsettled.....	53,768 06	\$468,597 09
Marine Losses, paid.....	28,066 69	
" " unsettled.....	1,400 44	29,467 13
Commissions and all other Charges.....		249,226 48
Government and Local Taxes.....		17,380 07
Taxes on Building, etc.....		3,609 61
Painting and Alteration to Company's Building.....		5,000 00
Depreciation in Investments.....		21,387 35
Defalcation by Company's Trustee in N. Y.....		16,000 00
Balance.....		26,055 18
		<u>\$836,722 91</u>
Fire Premiums.....	\$790,280 96	
Less Reinsurance.....	54,993 20	\$735,287 76
Marine Premiums.....	69,928 80	
Less Reinsurance.....	7,674 99	62,253 81
Interest.....		33,179 22
Rest Account.....		6,002 12
		<u>\$836,722 91</u>

Surplus Fund.

Dividend No. 93.....	\$17,500 00	
" " 94.....	17,500 00	\$35,000 00
Balance.....		580,366 19
		<u>\$615,366 19</u>
Balance from last Statement.....		589,311 01
Profit and Loss.....		26,055 18
		<u>\$615,366 19</u>

Reinsurance Liability.

Balance at Credit of Surplus Fund	\$580,366 19
Reserve to Reinsure Outstanding Risks.....	392,904 15
	<hr/>
Net Surplus over all Liabilities.....	\$187,462 04

Governor Morison, in moving the adoption of the report, said :

I think you will find the statement so plain and clear that it leaves me very little to add. However, I would draw your attention to the item of \$5000 for painting and alterations to the company's building. It is now over 14 years since it was built, and no expenditure of any account had been made upon the building during that time, and as we required more room for conducting our business a general overhauling was decided upon, and it is for you, after an inspection of these beautiful rooms, to say whether you approve of the taste of your Directors or not. That item properly belongs to the value of the building, but you will notice it has been charged up on the year's business. With reference to the next item, you will all remember that during last fall a great financial crisis spread over Europe and America, which caused a very high rate of interest to be paid for money, consequently all securities fell very much, but as money is now getting easier our securities are all again on the increase. The next item—defalcation by one of our Trustees in New York—is one of an entirely different character. This loss was caused by the dishonesty of a gentleman who was over 70 years of age, and in whose honesty up to the time of defalcation not only your Directors but the financial world of New York had the most implicit confidence, which was shared by his co-trustee, who had had an intimate business acquaintance with him for over 50 years. Naturally, the duty of your Directors in meeting and dealing with this trustee was one of the most melancholy which they have ever had to perform, and their difficulty in coming to a wise decision as to what should be done for the best interests of the Company may well be imagined. After extended negotiations and most careful deliberation they came to the conclusion to accept a compromise, and the \$16,000 is a direct loss to the company. I am very happy to say, however, that the business of the company was never in a better shape. We have cut off every branch of the business which we had found by experience did not produce a profit, and which had shown a loss in former years, and as volume of business is not what we are seeking but net results, we can now confidently push ahead on the lines laid down, for by the experience of the past we are convinced that the policy we are now pursuing will give you a fair profit yearly.

I now beg to move the adoption of the report.

Mr. Leys: In seconding the adoption of this report I can only add that, as far as the internal arrangements and management of the office is concerned, Governor Morison has been very assiduous in his attention and untiring in his labors for the interests of the Company, and he well deserves the thanks not only of the Board of Directors but also of the other shareholders.

Moved by the Governor, seconded by the Deputy-Governor, that the report now read be adopted and printed for distribution among the shareholders.—Carried.

The following gentlemen were then elected Directors for the ensuing year: Messrs. John Morison, John Leys, John Y. Reid, Thomas Long, Hugh Robertson, M.D., A. Meyers, G. M. Kinghorn, George H. Smith and T. H. Purdom.

The meeting then adjourned.

At a subsequent meeting of the board, Mr. John Morison was unanimously re-elected Governor and Mr. John Leys, Deputy-Governor for the ensuing year.

ROYAL CANADIAN INSURANCE COMPANY.

The Eighteenth Annual Meeting of shareholders of the Royal Canadian Insurance company took place at their office, 157 St. James street, Montreal, at 2 o'clock p.m., 26th February, 1891.

The report of the year's business was submitted as follows:—

REPORT.

The Directors have the pleasure of presenting the Eighteenth Annual Report of the Company for the year ended 31st December, 1890, together with the Auditor's report thereon:—

REVENUE.

Fire and marine premiums.....	\$661,271 53	
Interest account.....	28,066 31	
From other sources.....	2,394 33	
	<hr/>	\$691,732 17

Expenditure.

Losses, fire and marine, including an appropriation for all claims to 31st December.....	\$407,241 66	
Re-assurances and return premiums.....	109,111 54	
Expense of conducting the business, including commissions, etc.....	132,900 61	
Balance at credit of profit and loss account.....	42,478 36	
	<hr/>	\$691,732 17

Assets.

Cash on hand and in bank to current account...	\$78,346 89
Loan on call.....	58,600 00
Canada Central Railroad bonds.....	113,374 24
Canadian Pacific Railway land grant bonds.....	170,040 00
Consolidated fund of the city of Montreal.....	62,747 50

Dominion scrip.....	104,633 33
Dominion stock.....	8,280 00
St. Paul, Minneapolis and Manitoba Railway bonds.....	88,625 00
Montreal Cotton Company's bonds.....	5,250 00
Bills receivable—marine premiums.....	42,500 78
Due from other companies for re-insurance.....	14,604 04
Premiums in course of collection.....	10,197 15
Agents' balances and sundry debtors.....	11,227 68

\$768,426 61

Liabilities.

Capital stock.....	\$400,000 00
Losses under adjustment.....	35,807 25
Re-insurance reserve.....	223,544 79
Dividend No. 14, payable 16th February, 1891...	28,000 00
Surplus.....	81,074 57

\$768,426 61

The Directors have the pleasure of reporting an increase in premiums, assets, investments and reserves at the results of the year's operations. The usual dividend of 7 per cent. was declared payable on the 16th inst.

All the Directors retire this year, but are eligible for re-election. The Directors have to note, with deep regret and sorrow, the death of Andrew Robertson, Esq., their late colleague and president, which occurred since our last meeting; also that of Hugh Mackay, Esq., a former colleague and long time director of the company, and desire to express the high esteem in which they were held by their confreres.

DUNCAN MCINTYRE,
President.

MONTREAL, February 26th, 1891.

The report having been read, after remarks thereon by the chairman, it was unanimously adopted.

Messrs. Hartland Macdougall and James Williamson having been appointed scrutineers, the election of Directors was proceeded with, resulting in the re-election of the old board, as follows:—Duncan McIntyre, R. B. Angus, Jonathan Hodgson, Hon. J. R. Thibaudeau, Wm. Smith, J. P. Dawes, John Ostell.

A vote of thanks was proposed by Mr. B. J. Coghlin to the Directors for their careful attention to the interests of the company for the past year, seconded by Mr. Geo. Ross Robertson, and was carried unanimously. The chairman replied, returning thanks on behalf of himself and co-Directors, remarking that credit was due to the management and staff, who have always been most attentive to their duties.

A vote of thanks to the Manager and staff was proposed by Mr. Bell, seconded by Jas. Williamson, and carried unanimously. It was suitably replied to by the Manager.

The meeting then adjourned.

STOCK EXCHANGE QUOTATIONS.

Revised according to the official lists up to the 18th day of the month. The following tables include all securities listed on the Montreal and Toronto Stock Exchanges; these are designated by the letters "M" and "T."

The Quotations indicate the last bid or asked price. Quotations marked * are the ruling prices, ex-dividend. The highest and lowest price for the year 1890, actual sales, are given for comparison.

LOAN COMPANIES.

NAME.	Share Value.	Last Dividend semi-annual.	Year 1890.		Montreal.		Toronto.	
			Per cent. High-Low.		Per cent. Sept. 18, 1891.			
			Bid.	Ask.	Bid.	Ask.	Bid.	Ask.
Agricultural Sav. and Ln.	50	3½						
Brit. Can. Ln. and Inv. T	100	3½	115	110½			112	116
Brit. Mortgage Loan.	100	3½						
Building and Ln. Ass. T	25	3	108½	105			110	
Can. Landed and Nat. Inv. T	100	3½					125½	126½
do Permanent Ln. and Sav. T	50	6	107	108½				199½
Ditto 2½ per cent. T	50		200	184½*				
Canadian Sav. and Loan T	50	3½					122	126
Cent. Canada Ln. and Sav. T	100	3	124	124			123½	126
Ditto New Stock. T	100							
Dom'n. Sav. and Inv. Soc. T	50	3	89½	80½			91	93
Farmers' Ln. and Sav. T	50	3½	123½	119½			123	
Ditto 20 per cent. T	50		115	110			113	
Freehold Ln. and Sav. T	100	4	159½	132½			144	
Ditto 20 per cent. T	100		146	121½			134	
Hamilton Prov. and Ln. Soc. T	100	3½	126	125			121	123
Home Sav. and Ln. T	100	3½						
Huron and Erie Ln. and Sav. T	50	4½	160	159			160	
Ditto 20 per cent. T	50		148½	145*			145	
Huron and Lambton Ln. T	50	4						
Imperial Ln. and Inv. T	100	3½	124½	119½			123	
Landed Banking and Ln. T	100	3						
Land Security. T	25	5	250	225			216	225
London & Canada Ln. & Agy. T	50	4	134½	122½			128	128½
London and Ontario Inv. T	100	3½	114½	113			116½	
London Loan. T	50	3½					107½	111
Manitoba Investment. T	100	4						
Do and Northwest Ln. T	15	3½	112	110			108	110
Montreal Building Assn. T	50							
Do Ln. and Mortgage. M	100	3½			128	135		
Montreal Inv. and Building. T	25	3						
Nor of Scot. Canada Mortg. T	50	5					150	160
Ontario Ind. Ln. and Inv. T	100	3½	118	115				
Do Inv Ass. T	50	4						
Do Ln. and Deb. T	50	3½	125½	125			127	
Do Ln. and Sav. T	50	3½						
Peoples Ln. and Dep. T	50	3½	118½	113½			116½	
Real Estate Ln. and Deb. T	50		41	36			50	60
Royal Ln. and Sav. T	50	4						
Toronto Land and Inv. Cor. T	50	3	115	110				

STOCK EXCHANGE QUOTATIONS.

Revised according to the official lists up to the 18th day of the month. The following tables include all securities listed on the Montreal and Toronto Stock Exchanges: these are designated by the letters "M" and "T."

The Quotations indicate the last bid or asked price. Quotations marked * are the ruling prices, ex-dividend. The highest and lowest price for the year 1890, actual sales, are given for comparison.

LOAN COMPANIES—Continued.

NAME.	Share Value.	Last Dividend Semi-annual.	Year 1890.		Montreal. Toronto.			
			Per cent. High.Low.		Per cent. Sept. 18, 1891.			
			Bid.	Ask.	Bid.	Ask.	Bid.	Ask.
Toronto Land and Loan.... T	50	3	.....	.....	.....	.....	.....	.....
Do Savings and Loan.... T	100	3	130	130	.....	.....	113½	.....
Union Ln. and Sav. T	50	4	134½	130	.....	.....	134½	.....
Western Canada Ln and Sav. T	50	5	182	178	.....	.....	.....	179
Ditto 25 per cen ... T	50	.....	172½	168	.....	.....	164	.....

INSURANCE COMPANIES.

Accident of North Am.	100	3	.....	.....	.....	.....	.....	.....
British America... .. T	50	3½	111½	102	.....	.....	98	100
Canada Life	400	5	.....	.....	.....	.....	.....	.....
Citizens of Canada.....	85	3	.....	.....	.....	.....	.....	.....
Confederation Life Ass. T	100	7½	.....	.....	.....	.....	.....	.....
Guarantee of N. A. M	50	3	.....	.....	100	102	.....	.....
Quebec Fire	100	2½	.....	.....	.....	.....	.....	.....
Queen City Fire.....	50	5	.....	.....	200	210	.....	.....
Royal Canadian.....	25	3½	.....	.....	90	100	.....	.....
Sun Life.....	100	6	.....	.....	240	250	.....	.....
Western..... T	40	5	151½	135	.....	.....	149	150

NAVIGATION AND RAILWAY COMPANIES.

Canada Shipping..... M	100	5	.....	.....	45	65	.....	.....
Canadian Pac. Ry. M & T	100	2½	.....	.....	89½	90	90½	90½
Rich. and Ont. Nav. M	100	3	.....	.....	55	57½	.....	.....
Grand Trunk Ry. 1st Pref. M	.....	.....	.....	.....	72½	73	.....	.....

GAS AND STREET RAILWAY COMPANIES.

Consumers' Gas (1)..... T	50	2½	180	170	.....	.....	173	.....
Montreal Gas..... M	40	6	.....	.....	206	209½	.....	.....
Ditto New Stock..... M	.....	.....	.....	.....	188	200	.....	.....
Montreal Street Railway... M	50	4	.....	.....	187	192	.....	.....
Ditto New Stock..... M	.....	.....	.....	.....	185	188	.....	.....

(1) Dividend Quarterly.

STOCK EXCHANGE QUOTATIONS.

Revised according to the official lists up to the 18th day of the month. The following tables include all securities listed on the Montreal and Toronto Stock Exchanges: these are designated by the letters "M" and "T."

The Quotations indicate the last bid or asked price. Quotations marked * are the ruling prices, ex-dividend. The highest and lowest price for the year 1890, actual sales, are given for comparison.

TELEGRAPH, TELEPHONE AND ELECTRIC LIGHT COMPANIES.

NAME.	Share Value.	Last Dividend Semi-annual.	Year 1890.		Montreal.		Toronto.	
			Per cent. High.	Low.	Per cent. Sept. 18, 1891.			
					Bid.	Ask.	Bid.	Ask.
Bell Telephone (1)..... M	100	2	.....	.....	145	147	.....	.....
Commercial Cable (1)..... M	100	1 $\frac{1}{2}$	.....	.....	122	122 $\frac{1}{2}$	.....	.....
Dominion Telegraph (1)... T	50	1 $\frac{1}{2}$	89	83 $\frac{1}{2}$	.....	.....	86	.....
Montreal do (1).. M & T	40	2	101 $\frac{1}{2}$	95	112	115	.....	.....
Royal Electric (1)..... M	10	2	.....	.....	123	125	.....	.....

COTTON COMPANIES.

Canada Cotton	M	100	.....	.....	40	60	.....	.....
Coaticook Cotton		100	.....	.....	.....	.....	.....	.....
Dominion do	M	100	5	.....	125	.....	.....	.....
Dundas do	M	100	.....	.....	.....	.....	.....	.....
Hochelega do	M	100	5	.....	.....	.....	.....	.....
Kingston do		100	.....	.....	.....	.....	.....	.....
Montreal do	M	100	3	.....	80	90	.....	.....
Stormont do	M	100	3	.....	.....	.....	.....	.....
Merchants' Manf..... M		100	3	.....	.....	50	.....	.....

MINING AND MANUFACTURING COMPANIES.

Canada Paper	M	100	5	.....	.....	.....	.....	.....
New England Paper		100	.....	.....	.....	.....	.....	.....
Starr Manf.....		100	.....	.....	.....	.....	.....	.....
Intercolonial Coal..... M		100	.....	.....	20	35 $\frac{1}{2}$	.....	.....
Londonderry Iron..... M		.....	.....	.....	.....	.....	.....	.....
National Cordage..... M		.....	4	.....	95	100	.....	.....

MISCELLANEOUS STOCKS.

Canada Nor.W. Land.. M & T	£ s d	4,17,6	.....	.....	79 $\frac{1}{2}$	82 $\frac{1}{2}$	79 $\frac{1}{2}$	79 $\frac{1}{2}$
Dominion Cattle Co.....		.....	3 $\frac{1}{2}$	.....	.....	.....	.....	.....
Globe Printing Co..... T	\$	500	.....	.....	.....	.....	.....	.....
Out. and Qu'Appelle Land....		100	.....	.....	.....	.....	.....	.....
Montreal City 4% Stock..... M		.....	.....	.....	104	.....	.....	.....
Ditto 5% do..... M		.....	.....	.....	.....	.....	.....	.....
Ditto 7% do..... M		.....	.....	.....	.....	.....	.....	.....
Victoria Rolling Stock..... T		5000	5	.....	.....	.....	150	.....

(1) Dividend Quarterly.

STOCK EXCHANGE QUOTATIONS.

BONDS.

NAME.	Value.	Interest per cent.	Year 1890.	Montreal.		Toronto.	
			Per cent. High.Low.	Per cent. Sept. 18, 1891.			
				Bid.	Ask.	Bid.	Ask.
Bell Telephone M							
Canada Central Ry. M				117			
Canadian Pac. Ld. Grant. M & T M		2½		107	109½		
Canada Cotton M					59		
Champ. and St. Law. Ry. M				99	100½		
Dominion Cotton M				99½			
Montreal Harbour 5 % M							
Intercolonial Coal M							
Kingston Cotton M							
Merchants' Manf M							
Montreal Cotton M				100			

CANADIAN SECURITIES IN ENGLAND.

NAME.	LONDON.			
	Aug. 19.	Aug. 26.	Sept. 2.	Sept. 9.
Canada, 3 per cents	95½	95½	95½	95½
Ditto 3½ per cents	104	104	104	104
Ditto 4 per cents, 1885	108	108	108	108
Ditto 4 per cents, 1874-9	106	106	106	107
British Columbia 4½ per cents	110	110	110	110
Ditto 6 per cents, 1865	104½	104½	104½	104½
Manitoba 5 per cents, 1888	112	112	112	112
Quebec Prov. 4 per cents	99½	99	99	99
Ditto 4½ per cents	102	102	102	102
Ditto 5 per cents, 1883	106½	106½	106½	106½
Montreal 3 per cents	81½	81½	81½	81½
Ditto 5 per cents, 1873	104	104	104	104
Ditto 5 per cents, 1874	104	104	104	104
Quebec City 4½ per cents, 1884-87	101	101	101	101
Ditto 6 per cents, 1873	100	100	100	100
Ditto 6 per cents, 1875	110	110	110	110
Ditto 6 per cents, 1878	110	110	110	110
Toronto 3½ per cents	92	93	94	94
Ditto 4 per cents	102	103	103	103
Winnipeg 5 per cents	107	107	107	107
Ditto 6 per cents, 1883	112	112	112	112
Canadian Pacific Shares	86	86½	88½	91½
Ditto 1st Mortgage Bonds	116	116	116	117
Ditto 3½ per cent. Ld. Grant Bonds	98	98	98	98
Ditto 4 per cent. Debenture Stock	101	103	104	104
Ditto Columbia and Kootenay Bonds	100	102	103	103
Ditto Souris Branch Bonds	100	102	103	103
Grand Trunk Ordinary Stock	9	9½	10½	10½
Ditto 1st Preference	65½	66	68	69½

CANADIAN SECURITIES IN ENGLAND—Continued.

NAME.	LONDON.			
	Aug. 19.	Aug. 26.	Sept. 2.	Sept. 9.
Grand Trunk 2nd Preference.....	44½	45	47½	49½
Ditto 3rd do	23½	24	25½	26½
Ditto 4 per cent. Guaranteed.....	72½	73½	75	75½
Ditto 4 per cent. Debenture Stock...	96	95½	96	96
Ditto 5 per cent. do	121	121	122	123
Ditto Great West. 5% do	117	117	118	119
Ontario and Quebec Shares.....	146	146	146	146
Ditto Debenture Stock.....	126	126	126	126
Qu'Appelle & Long Lake 1st Mrtg. Bds.	99	99	99	99
Quebec & Lake St. John 1st Mrtg. Bonds	81½	81½	81½	81½
St. Lawrence and Ottawa do	98	98	98	99
Temiscouata 1st Mortgage Bonds.....	89	89	89	89
Ditto St. Francis Branch.....	89	89	87	87
St. John and Maine shares.....	26½	26½	26½	26½

MINING COMPANIES.

NAME.	Value of Share.	Paid-up Capital	LONDON.	
			Sept. 10, 1891.	
			Bid.	Asked.
Excelsior Copper (Lt'd).....	£ 1	£410,738	.....	.....
Nicola (Lt'd).....	1	35,000	.....	.....
Shuniah Weachu (Lt'd).....	1	99,888	.....	.....
Silver Wolverine	1	68,465	.....	.....
Tilt Cove Copper.....	2	160,000	.....	.....
Ditto Preference 10% shares...	2	13,478	.....	.....
Ditto £80,000 5½% Deb .....	.....	.....	.....	.....
General Mining Lt'd).....	8	219,752	3¼	4¼
Low Point, Barrasois and Lingan.....	\$100	509,100	.....	.....
New Vancouver, Coal Mining and Land (Lt'd).....	£ 1	185,000	5	5
North Western Coal and Nav. (Lt'd)....	10	149,500	.....	.....
Ditto Preferred Stock	100	900	.....	.....
Ditto £160,000 6% Deb. coupons..	.....	.....	.....	.....
Sidney and Louisburg Coal and Ry. Ordinary Shares	10	250,000	.....	.....
1st Preference 10% cumulative.....	10	30,000	7½	8½
2nd Pref. 6% non-cumulative	10	14,560	3	5
Anglo-Canadian Asbestos (Lt'd).....	2	11,490	.....	.....
Bell's Asbestos (Ltd).....	5	120,000	9½	9½
Ditto £66,800 5% Deb .....	.....	.....	.....	.....
Anglo-Canadian Phosphate (Lt'd).....	10	46,510	.....	.....
Ditto Deferred Shares.....	10	25,000	.....	.....
Canadian Phosphate (Lt'd).....	1	110,000	.....	.....
General Phosphate (Lt'd).....	10	39,024	.....	.....
Ditto Founders' shares.....	10	5,000	.....	.....