

The foregoing data scarcely require comment, they speak for themselves, and demonstrate in the clearest manner how amply labor is recompensed here, and how fully that compensation responds to the demand of the business in all departments. Where the laboring and artisan classes have so much at stake the peace, welfare and orderliness of the community have the best guarantees for their preservation. In the maintenance of law and order property finds its greatest security, and where the possession of property is generalised, law and order will find their most zealous and efficient support. Well might the Governor of the Bank of England, while on a short visit to San Francisco, express unmeasured surprise at the fact (referring to the figures of the returns, June 30, 1872), that in so young a city forty-two thousand and nine hundred and ninety-nine depositors in our Savings Banks would own the large amount of \$40,369,405, gold.

In addition to the City Savings Banks there are ten in the interior with an aggregate of deposits to the extent of \$8,956,391, gold, owned by eighteen thousand four hundred and forty-one depositors, being an average of \$485, gold, to each depositor. Although this is nearly one half less than the average due to depositors in the city institutions, it is considerably in excess of the average in the most flourishing eastern communities.

**COMMERCIAL BANKS.**—The Constitution of California prohibits the existence of banks of issue, and all banks in this State are working within the prescribed limits, with the exception of the National Gold Note establishments which operate under Federal regulation. It is not easy, neither is it essential, to specify the number of commercial banks, as some of them occasionally drop out of business, and others are organized without exciting more than passing notice. The aggregate amount of working, paid-up capital employed in these institutions is \$14,000,000, a considerable portion of which is constantly doing duty in Oregon, Nevada and the interior of California. As a rule, they are managed with a good deal of financial ability and business tact. These features were notably evinced during the last harvest season, when the extraordinary crop redundancy called for extraordinary financial aid, and the requirement was met with so much judgment and discretion that much the largest harvest ever raised in California was safely garnered and marketed without creating distress in the money market, although for several months the pressure in business circles was quite apparent.

A number of the more important firms issue letters of credit, available for the purchase of merchandise or the transaction of business in the East Indies, China, Japan, Australia and all parts of Europe, as well as the leading cities in other portions of the globe, and sell bills of exchange good at any required point. While the operation of savings banks are confined to loans on real estate or Government bonds, commercial banks discount mercantile paper and accept other securities at option. Their ruling, almost crystalized market rates for money are one and one and one quarter per cent per month, and so steadfast have they been to this standard for a long time past that they have adhered to it when accommodation could be obtained from other sources for eight and nine per cent per annum; nor did they raise their rate when the market was really in a stringent condition. It is in the power of these banks to do much toward furthering general prosperity by lowering their prices and assisting in the establishment of manufacturing enterprises which would not only render the people of this State independent of foreign and Eastern supplies of several important commodities, but would throw into the hands of California makers the markets of several countries washed by the Pacific; but, as it is not our province to specially dilate on this subject, we shall refrain from further remarks.

**SWISS AMERICAN BANK.**—Under this name a new banking institution has been recently incorporated in Geneva, Switzerland, with Henry Hentsch, an old and much-esteemed former resident of this city as its chief officer; capital, \$2,000,000. The principal office is at Geneva, with a branch located in this city, under the directorship of Francis Berton and Robert Watt. The well-known character and financial ability of these gentlemen must secure for their new enterprise eminent success.

**NATIONAL GOLD NOTE BANKS.**—These institutions operate strictly in accordance with Federal regulations, fixed by Act of Congress. There are now two of them in active opera-