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THE DOMINION BANK.

In common with other Canadian banks, the Dominion Bank reports increased profits for the year 1917, though the increase is scarcely in proportion to the large development of resources. Profits for the year (after payment of taxes, including the war tax on circulation) are reported: \$1,005,062, compared with \$893,503 a year ago a growth of \$111,500, and equal to 7.7 per cent. upon the paid-up capital and rest. Prior to payment of the war tax on circulation—the basis on which the majority of the banks report their profits—they are \$1,065,062, equivalent to 8.2 per cent. upon paid-up capital and rest, against 7.3 per cent. in 1916.

An amount of \$363,442 brought forward makes the total available on this account \$1,368,505. Of this total the 12 per cent. dividend absorbs \$720,000; \$200,000 is written off bank premises; \$25,000 is as usual contributed to the officers' pension fund; and \$30,500 devoted to patriotic and philanthropic contributions, the slightly enlarged balance on profit and loss account of \$393,005 being carried forward.

INCREASED LIQUIDITY.

During 1917, the Dominion Bank joined the ranks of one hundred million-dollar institutions, its assets which, a year ago, were reported as \$92,866,692 being now returned as \$109,436,145. The present balance sheet shows also a notable growth in liquidity, indicating the continued pursuit by this Bank of a conservative course of action, under the direction of Mr. C. A. Bogert. With circulation increased by \$2,300,000 to \$9,417,684, and deposits enlarged by \$13,300,000 to \$83,764,548 (including the balance due to the Dominion Government), the great bulk of this growth being in notice deposits, the Bank's liabilities to the public were increased by \$16,500,000 from \$79,322,310 to \$95,861,513. This growth in public liabilities is more than offset by the enlargement of liquid assets, which have been increased by fully \$20,000,000 from \$37,625,896 to \$57,660,453 (or by \$3,500,000 more than the enlargement in total assets), and stand in a proportion of liabilities to the public of 60.1 per cent., comparing with a proportion of 47.4 per cent. twelve months ago.

ENLARGEMENT OF SECURITY HOLDINGS

The chief factor in this enlargement of the liquid position of the Bank is that which also marks

its active assistance in war financing—security holdings. These are now returned as \$22,691,227, an increase of \$10,400,000 upon the total of \$12,297,421 reported last year. The main increase is in Dominion Government securities, representing short-term loans to the Dominion Government, which are now reported as \$9,403,914 against \$612,274 a year ago. Cash has been enlarged through additional Dominion note holdings, and further deposits in the Central Gold Reserve, which at \$4,300,000 more than covers the Bank's circulation in excess of its paid-up capital. Cash with its equivalents, totals \$27,337,135, a gain of \$7,600,000, and represents 28.5 per cent. of liabilities to the public, against 24.9 per cent. a year ago. Canadian call loans have been somewhat reduced, from \$4,325,654 to \$3,987,122, but there has been considerable development in foreign call loans, which are raised from \$1,251,751 to \$3,644,969. Current loans show a decrease of \$3,400,000 from \$49,030,365 to \$45,663,610.

BALANCE SHEET COMPARISONS.

Following are the leading items of the balance sheet in comparison with last year:—

	1917	1916
Profit and Loss Balance.....	\$ 393,005	\$ 363,442
Circulation.....	9,417,684	7,118,232
Balance due Dom. Govt.....	1,816,453	
Deposits not bearing interest....	15,216,784	13,282,792
Deposits bearing interest.....	66,731,312	57,190,822
Total liabilities to public.....	95,861,513	79,322,310
Specie and Dominion Notes.....	15,412,635	11,135,832
Deposit with Central Gold Reserve.....	4,300,000	1,500,000
Bank Balances Abroad.....	2,142,266	2,729,602
Call Loans in Canada.....	3,987,122	4,325,654
Call Loans Abroad.....	3,644,969	1,251,751
Securities held.....	22,691,227	12,297,421
Total of Quick Assets.....	57,660,453	37,625,896
Current Loans.....	45,663,610	49,030,365
Total Assets.....	109,436,145	92,866,692

The Dominion Bank's St. James Street, Montreal, branch is attaining increased importance under the management of Mr. M. S. Bogert.

ALBERTA GOVERNMENT FARM CREDITS.

The Alberta Government has recently issued a statement that it has been decided that the present is not an opportune time to commence the loaning of money under the Farm Loan Act, passed last April, and that operations will be postponed until conditions become more normal. The statement notes that the requirements of the Dominion Government for war purposes have precluded borrowing in the Canadian market, the only one now available, at a rate low enough to make the plan a success.

BANK ACCOUNTS AND THE VICTORY LOAN.

(Continued from front page)

Owing to the heavy increase in demand deposits, the banks' December reserve position fell off slightly in comparison with November. Against circulation and deposits of all kinds, immediately available reserves of specie and Dominion note holdings, deposits in the Central Gold Reserve and to secure the note issues, bank balances abroad and foreign call loans were in a proportion at the end of December of 27.4 per cent. The end of November proportion was 27.9 per cent.