

reasonable. Comparison with the New England mutual companies is not fully warranted, as conditions differ, the latter having for one thing, a vastly larger field in which to operate.

Manufacturers, however strong financially, are generally large borrowers from the banks. We believe that their banking friends would prefer to have some definite resources behind the insurance covering goods upon which money is advanced. This is a practical consideration that should be kept in view.



#### ANNUAL REPORT OF CANADA LIFE.

The sixtieth annual report of the Canada Life Assurance Company shows that the total insurance in force with the company now amounts to \$112,572,028, of which nearly 45 p.c. is valued on a 3 p.c. basis, while the balance, representing business issued prior to 1900, is valued on a 3½ p.c. basis. While the new business written during the year was not equal to that of 1905, the policies actually paid for amounted to well over ten million dollars, and—what is more important than mere volume—this business appears to have been obtained at a reduced expense ratio. The year's general unrest evidently affected the amount of new business written, but those who were already policy-holders showed their confidence in the Dominion's oldest life company by so keeping the business in force that the lapse ratio for 1906 is reported as even lower than the favourable showing made during preceding years.

The interest income for the year was the largest in the company's history and the falling off in premium income is largely accounted for by the fact that the 1905 income, as noted by the company in its report of a year ago, was swollen by many policy-holders having applied their quinquennial cash profits to purchase paid-up insurance. This occurs only once in five years, so that, omitting this substantial item, the 1905 income would stand at \$4,730,261. With this then may be compared the 1906 income of \$4,919,430—showing an increase for the past year of \$189,169.



#### HURON & ERIE LOAN & SAVINGS.

The forty-third annual report of The Huron & Erie Loan & Savings Company is of special interest as being the first to appear since the amalgamation of the Canadian Savings & Loan Company. President J. W. Little in his address to the shareholders referred to the conclusive evidence furnished by the year's showing as to the wisdom of the union of the two companies under the able management of Mr. G. A. Somerville. It was not to be expected that material reduction in expenses could be made during the first year, but

the report shows that already a large saving has been effected, and the results generally have been such as must prove most gratifying to all shareholders, whether originally interested in the Canadian or the Huron and Erie.

The president also pointed out that the reduction in expenses and the steady demand for money at better rates all through the year had had a most favourable effect on the profit and loss account, and it is expected that next year's accounts will benefit still more from the higher rates of interest recently prevailing.

After defraying the expenses of management and all other charges, and writing off anticipated as well as actual losses, the balance available for distribution was \$282,915.98. From this were paid two half-yearly dividends at the rate of 9 p.c. per annum. The sum of \$75,000 was transferred to the reserve fund which now stands at \$1,600,000, or over 84 p.c. of the paid-up capital.

The assets amount to \$1,032,441; practically the same sum as the combined assets of the two companies at the time of amalgamation. This is commented upon in the report as most satisfactory, in view of the greatly increased competition for deposits owing to the opening of so many new branches of the chartered banks in the city and neighbourhood.



#### WINNIPEG TO HUDSON BAY.

Bearing upon the discussion of the Hudson Bay route in Parliament last week, the following reference to the project by the Wall Street Journal is of some interest:

"If Hudson Bay ports can be developed as export points for grain and it were feasible to build railroads to keep these ports going, it would be an event of far-reaching importance. All sorts of arguments pro and con have been advanced as to the feasibility of constructing such roads. It has in fact been stated that the Hill-Canadian transcontinental would find its eastern terminus at Hudson Bay.

"It has been contended that navigation is open there for at least six months in the year; that the construction of lines to Hudson Bay and the development of Hudson Bay ports as export points for grain would greatly cheapen rates on export grain, deflect large shipments that now go through the lakes, cheapen rates and make for general advantage all round.

"The soundest opinion, however, ridicules the entire project. One of the best posted railroad men in the northwest says: 'Twenty years ago a line of railroad was projected from Winnipeg to Hudson Bay. It had substantial backing for those days, and it was believed that the project would go through. In fact, part of the line was built