

gin of all the banks. This aggregate, however, would be made up of the margins of a small number of the 33 banks, as, at the end of September last, the margins of a considerable number of banks was, practically, exhausted as the following list of them shows:

| Banks. | Margin of circulation Sept. 30, 1904. | Margin of circulation Sept. 30, 1905. | Increase of circulation in Oct. 1905. |
|---|---------------------------------------|---------------------------------------|---------------------------------------|
| | \$ | \$ | \$ |
| Bank of Montreal..... | 6,380,760 | 4,016,600 | 2,366,400 |
| Can. bank of Commerce.. | 1,232,100 | 1,677,400 | 483,000 |
| Merchants of Canada.... | 1,901,200 | 495,700 | 1,676,000 |
| British North Amer can.. | 1,829,700 | 367,400 | 654,600 |
| Imperial..... | 213,200 | 377,500 | 114,300 |
| Bank of Toronto..... | 327,700 | 505,300 | 212,700 |
| Molson's..... | 371,600 | 91,000 | 312,100 |
| Dominion..... | 261,400 | 386,600 | 217,800 |
| Royal..... | 500,000 | 158,000 | 422,800 |
| Traders..... | 293,900 | 598,000 | 268,700 |
| Union..... | 62,300 | 76,000 | 36,500 |
| Quebec..... | 929,000 | 841,700 | 657,300 |
| Eastern Townships..... | 433,000 | 158,900 | 420,000 |
| Bank of Ottawa..... | 226,000 | 78,800 | 89,600 |
| Nova Scotia..... | 63,700 | 113,200 | decrease |
| Hamilton..... | 60,200 | 193,300 | decrease |
| H. chelaga..... | 234,200 | 84,300 | 150,200 |
| Sovereign..... | 66,000 | 83,500 | 80,800 |
| Ontario..... | 84,300 | 168,000 | 207,000 |
| Nationale..... | 37,200 | 12,400 | 22,500 |
| Union of Halifax..... | 102,700 | 109,500 | 65,600 |
| Standard..... | 106,500 | 23,200 | 20,700 |
| Metropolitan..... | 72,800 | 36,800 | 67,700 |
| Crown..... | 342,300 | 281,500 | 129,600 |
| Home bank..... | ..... | 352,840 | ..... |
| Provincial..... | 16,000 | 16,500 | 2,700 |
| Bank of New Brunswick.. | 37,900 | 6,500 | 18,300 |
| Western..... | 57,700 | 38,000 | 29,100 |
| Total paid-up capital.... | 79,642,783 | 83,416,049 | ..... |
| Total circulation..... | 63,795,962 | 69,831,250 | ..... |
| Total margin Sept., 1904 | \$15,846,821 | ..... | ..... |
| Total margin Sept., 1905 | ..... | ..... | \$13,584,790 |
| Total increase of circulation in Oct., 1904 | ..... | ..... | \$8,430,344 |
| Total margin, Oct. 31, 1904 | ..... | ..... | 7,520,705 |

DETROIT UNITED RAILWAY.

The net earnings for the month of September were \$222,378, an increase of \$35,026 over the correspondent month in 1904.

The net earnings for the 9 months amounted to \$1,556,216, an increase over 1904 of \$243,693. The surplus for the same period amounts to \$759,909, an increase of \$220,232.

"THE BUSINESS OF LIFE INSURANCE."

Mr. Dawson, one of the most eminent actuaries and insurance experts in this country, has written a work with the above title: This practical, comprehensive and much needed book is for the special use of the great public composed of persons nearly all of whom purchase insurance on their lives. In a clear, simple and forcible way he explains the principles and practice of insurance so that the average man can understand his impartial explanation and arrive at business facts. Since his book is prepared for all those who hold or contemplate life insurance it will doubtless prove of immediate prac-

tical value to agents and officers of companies. The book is a plain and fair presentation of a great subject, often curiously misrepresented, for the benefit of the public. Practical and authoritative its clear and candid explanations are peculiarly valuable at the present time. For sale at THE CHRONICLE office.

**INTEREST EARNINGS OF THE LIFE COMPANIES
TRANSACTIONING BUSINESS IN CANADA IN
THE YEARS 1901, 1902, 1903, 1904.**

In this issue we publish our usual table showing the interest earnings and rate of interest realized on the Mean Assets of the life insurance companies actively transacting business in Canada for the years 1901, 1902, 1903, 1904.

We have repeatedly protested against the ambition being indulged in to show an exceptionally high rate of interest earnings. The rate of interest as a general rule varies inversely with the quality of the security. Recent events show the paramount necessity of regarding the assets of a life assurance company as trust funds of the most sacred character. This should never be lost sight of in investing these funds.

Investments involving contingent liabilities that may cause a sacrifice of some portion of the principal, or of the interest during a certain period, should never be made with the funds of a life assurance company. To speculate with trust funds is a breach of trust.

The utmost care should be taken in advancing money on real estate in new districts whose future is uncertain. There are districts in Canada, which, in their early days, were most promising, but where houses have now no value and land is of only nominal value. The mortgages on such properties became a dead loss, but have value as warnings to injudicious investors looking for high rates of interest.

The figures of Canadian and British companies in the table were taken from the Report of the Superintendent of Insurance, Ottawa, and for American companies from the New York Insurance Report.

The mean assets were obtained as in previous years. The amount of interest earned was found by taking the amount of cash reported as received for interest and rents, adding thereto the amount of due and accrued interest and rents for the given year, then deducting from the total of such the due and accrued interest and rents as they stood at end of preceding year. This process yields the interest realized on the Mean Assets for the year under notice.

Next week further comments will appear on this valuable and most interesting table, which has been compiled especially for THE CHRONICLE.