

that the balance of the sum transferred to the Contingent Fund two years ago, to cover doubtful debts, has been appropriated for that purpose. The losses sustained during the past twelve months have been comparatively small, and have been amply provided for. The duties of the Inspector's Department have had constant attention, and are efficiently discharged, and the Directors have much pleasure in referring to the zeal and devotion to the Bank's interests manifested by its officers generally. In view of the unsettled condition of financial affairs during the early part of the year, rendering it necessary to keep an unusually large amount of funds on hand to meet any emergency that might arise, together with the general depression that has prevailed and the low rates at which money has ruled, your Directors are of opinion that the result of the year's business should be considered satisfactory. Be this as it may, they feel that everything in their power has been done, consistently with a due regard to considerations of prudence and safety, in order to render the funds at their disposal as productive as possible. Two Bills affecting banks and currency were passed by the Dominion Parliament at its last session:—One renewing the bank charters for ten years, and prohibiting the issue of bills under the denomination of fives; the other providing for the increase of the issue of Dominion notes from 12 to \$20,000,000 on a reduced gold basis. Respecting the future, the Bank, with its established business and valuable connections, is in an excellent position to take the fullest advantage of any improvement in the condition of trade; but the process of contraction and winding up which is still going on, and the large amount of money seeking investment at unusually low rates, must necessarily affect profits. The bountiful harvest of last autumn and the increased demand for timber and lumber at improved prices have operated favourably upon some branches of industry; still your Directors cannot regard commercial affairs generally as being in an active or remunerative condition, nor would it be safe to count upon seeing the business of the country entirely relieved from the effects of years of over trading, and placed upon a satisfactory basis, until at least one or two more good harvests shall have been secured.

WM. McMASTER, President.

#### GENERAL STATEMENT AS AT 29TH JUNE, 1880.

##### Liabilities.

Notes of the Bank in circulation.....	\$2,100,210 00
Deposits not bearing interest.....	1,789,247 74
Deposits bearing interest.....	9,317,380 61
Due to other Banks in Canada.....	177,414 97
Capital paid up.....	\$6,000,000 00
Reserve for rebate of interest on current discounts.....	135,604 00
Reserve for interest on deposit receipts	46,558 44
Dividends unpaid...	747 07
Dividend No. 26, payable 2nd July.....	240,000 00
Balance of profit and loss account carried forward to next half year.....	228,548 25
	<u>\$8,051,457 76</u>

\$21,435,711 08

##### Assets.

Specie.....	\$ 814,813 79
Dominion notes.....	931,551 50
Notes of and cheques on other banks....	406,536 42
Balances due from other banks in Canada.....	403,087 22

Balances due from agencies of the Bank, or from other banks or agencies in foreign countries.....	3,782,860 15
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Balances due from other banks or agencies in the United Kingdom...	68,031 29
Government debentures or stock.....	752,213 53

Immediately available.....	\$7,153,093 90
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Loans and Bills discounted.....	13,455,546 69
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Bills discounted, over-due, and not specially secured....	204,969 83
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Overdue debts, secured mortgage or other deed on real estate, or by deposit of or lien on stock, or by other securities.....	223,398 11
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Real estate the property of the bank (other than the bank premises) and mortgages on real estate sold by the bank.....	128,741 94
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Bank premises and furniture.....	269,960 61
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W. N. ANDERSON, General Manager.

#### CANADIAN BANK OF COMMERCE.

Toronto, 29th June, 1880.

The following resolutions were then put and carried unanimously. Moved by the President, seconded by the Vice-President, "that the report of the Directors now read be adopted, and printed for the information of the shareholders." Moved by F. Mackelcan, Esq., Q.C., of Hamilton, seconded by James Young, Esq., of Toronto, "That the thanks of the meeting are due, and are hereby tendered to the President, Vice-President, and other Directors for their careful attention to the interests of the Bank during the past year." Moved by J. M. Chaffie, Esq., of Eglington seconded by John Waldie, Esq., of Burlington, "That the thanks of the meeting be also tendered to the General Manager and other officials of the Bank for the satisfactory discharge of their respective duties during the past year." Moved by John J. Arnton, Esq., of Montreal, seconded by R. M. Wells, Esq., of Toronto, "That the ballot box be now opened, and remain open until two o'clock this day, for the receipt of ballot tickets for the election of Directors, the poll to be closed, however, whenever five minutes shall have elapsed without a vote being tendered. The scrutineers reported the following gentlemen duly elected Directors for the ensuing year:—

Hon. Wm. McMaster, Hon. Adam Hope, Wm. Elliot, Esq., Noah Barnhart, Esq., T. S. Stainer, Esq., George Taylor, Esq., J. J. Arnton, Esq., James Michie, Esq., A. R. McMaster, Esq., James Browne, and R. H. Temple, Scrutineers.

At a meeting of the newly-elected Board of Directors, held subsequently, the Hon. Wm. McMaster was re-elected President, and Wm. Elliot, Esq., Vice-President, by a unanimous vote.

W. N. ANDERSON, General Manager.

Toronto, 13th July, 1880.

#### THE WRECKING OF LIFE INSURANCE COMPANIES.

Since the late war twenty-six life-insurance companies have started in the State of New York, and to-day only three of them remain. During the war six started, and but one of them survives. During nineteen years preceding the war ten started, and all remain save one, which was shamefully done to death in 1874. Of the thirteen now in the field, there-

fore, nine are ante-war companies, and these have ninety-six per cent of the aggregate assets and outstanding business. Twenty-nine have failed. Of the \$17,000,000 reserve, representing the liabilities, it is questionable whether one-fourth has ever reached the rightful owners. Probably not three per cent. of the gross \$160,000,000 of insurance contracts outstanding—upon which, exclusive of the cost of carrying, the net premium payments may perhaps have aggregated \$6,000,000—will ever be completed and paid. These failures have been, in some instances, brought about by swindling amalgamations, effected through the perversion of a statutory provision authorizing re-insurance of "any" risk; in other instances, by inattention; in the rest, by springing the receivership trap, sometimes collusively and sometimes unnecessarily. The following schedule presents to the eye nearly all the amalgamations, the company or companies named at the left of each brace having been absorbed by the one named next on the right:—

Farmers and Mech.	{ Empire Mut—Continental—American Tontine.
Continental	
Commonwealth	{ N Jersey Mut.—NET CAPITAL.
Craftsmen's—Hope	
Wid. and Orphan's Benefit	{ Mutual Protection—MUTUAL PROTECTION—New York State
Guardian	
Amicable	{ UNIVERSAL.
Standard—Gov. Security—N. A.	

Equally notable is the record of disappearance of the business thus successively transferred. The Continental, with \$57,000,000 of its own, received one-fourth as much more by the foregoing absorption; but, when it went into the maw of a receivership, four years later, its policy account had shrunk to \$31,000,000. Similar operations in other companies may be presented thus:—

In 1872, the Widows and Orphans' Benefit, with.....	\$13,525,000
was absorbed by the Mutual Protection, which itself had.....	6,000,000
	<u>\$19,525,000</u>

Also, in 1872, the New York State, with.....	\$ 3,536,000
and the Amicable with.....	1,132,000
were taken by the Guardian, which itself had.....	23,214,000
	<u>\$27,882,000</u>

Also, in 1872, the Mutual Protection was taken by the Guardian, which thus represented a total of.....	\$47,407,000
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Two years later, when the Guardian was itself swallowed by the Universal, it had.....	28,360,000
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Amount disappeared...	<u>\$19,947,000</u>
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In 1871 the Standard, with.....	\$ 2,766,000
was taken by the Government Security, which itself had.....	1,214,000
	<u>\$3,980,000</u>

In 1874 the Government Security carried over to the North America.....	2,778,000
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Amount disappeared...	<u>\$1,202,000</u>
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The Government Security, with.....	\$2,778,000
was taken by the North America, which itself had.....	30,138,000
	<u>\$32,916,000</u>

The next year the North America was swallowed by the Universal, taking over.....	26,138,000
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