

very conservative manner. The eleven per cent. dividend absorbs \$440,000 only, \$18,070 is contributed to the Officers' Pension Fund, \$15,000 set apart for Patriotic and Relief Funds, and in view of the disturbed condition of business \$150,000 is transferred to a contingency account, leaving a balance of \$67,058 at credit of profit and loss account. While no contribution is this year made to the rest fund, it may be noted that this fund has previously been built up to an amount of \$4,800,000, a proportion of 120 per cent. to the paid-up capital of the Bank.

SOUND FOUNDATIONS.

Mr. W. Molson Macpherson, the esteemed president of the Bank, was unfortunately unable to be present at Tuesday's annual meeting, owing to illness. In his annual address, read in his absence, Mr. Macpherson while referring with befitting caution to present conditions, took, generally speaking, a hopeful view. He pointed out that the business of the farmers, which is after all the foundation of the country's trade, is on a sound basis, and suggested that the present depression by putting a stop to extravagance of expenditure, both public and private, would be a blessing to Canada and place conditions on a much sounder basis than heretofore. Mr. Macpherson also referred interestingly to the new country opened up in the West, through the construction of the Grand Trunk Pacific. In his opinion this is better land than any hitherto opened up in Canada, and in the course of a few years will be well settled.

The usual cordial recognition was made of the work of the staff, under the general management of Mr. E. C. Pratt. The latter took over the reins nearly a year ago following the death of Mr. James Elliot. Mr. Pratt's first months of office have coincided with an exceptionally difficult and anxious period. But it is obvious that the interests of this fine old institution are safe in his hands, and under his guidance, the continued progress of the Molsons Bank along conservative lines may well be looked for.

ST. PAUL FIRE AND MARINE.

The Minnesota Insurance Department has just completed the biennial examination of the St. Paul Fire & Marine Insurance Company as of June 30, 1914. It is the custom of the Department to deduct arbitrarily the market values of the special deposits in various States where they exceed the total liabilities—a custom not followed by insurance departments generally. The report closes with the following:

"We find that the company is in excellent financial condition. During its existence it has made quite remarkable progress. Its affairs are being efficiently and economically managed. With the exception of the arbitrary deduction concerning special deposits, the report would show surplus about \$6,325.89 in excess of the surplus as determined by the company on June 30, 1914."

The St. Paul has been operating in Canada for some years and has attained considerable popularity for its prompt and liberal treatment of policyholders.

Wives sometimes oppose life insurance—widows never do.

METHODS OF THE BANKS' EXCESS CIRCULATION.

During September there was a sharp rise in the circulation of the banks, amounting to nearly \$6,000,000 on the month, and bringing the end of September total up to \$120,365,786. Sixteen of the twenty-four banks reporting issued excess circulation during the month, and at the close thirteen banks still had excess circulation outstanding. Those banks which got within the limits of their ordinary circulation again before the end of September were the Merchants, Molsons and Metropolitan.

Most of the larger banks apparently prefer the method of issuing excess circulation against deposits in the Central Gold Reserve to that of issuing against a percentage of paid-up capital and reserve combined subject to a 5 per cent. tax, and in order to meet the rise in circulation there was during September a very large accession of deposits to the Central Gold Reserve, the total of deposits being raised from \$4,150,000 at the end of August to \$10,950,000 at the close of September. To the following of the policy above mentioned, however, there is one notable exception. The Canadian Bank of Commerce makes all its excess issue, amounting at the end of September to over \$600,000, a taxable issue and had no deposit in the Central Gold Reserve at the end of September. In the case of the Nationale and the Union, both of which banks made exceedingly heavy excess issues in September, their deposits in the Central Gold Reserve were insufficient to cover all their over-issue and part was taxed issue. Four of the smaller banks, in addition to the Commerce made taxed over-issues solely, the over-issues of the other banks being more than covered by their deposits in the Central Gold Reserve.

DETAILS OF EXCESS ISSUES.

The following figures show the deposits in the Central Gold Reserve and excess issues at the end of September:—

	Deposit in C.G.R.	Excess Circulation.
Montreal.....	\$1,500,000	\$1,097,412
Nova Scotia.....	1,500,000	483,280
Nationale.....	900,000	1,375,595
Merchants.....	1,000,000	
Provinciale.....		190,778
Union.....	2,100,000	2,129,069
Commerce.....		608,881
Royal.....	3,250,000	2,470,419
Hamilton.....	200,000	55,465
Standard.....	200,000	77,313
Ottawa.....	300,000	195,620
Home.....		183,522
Sterling.....		18,403
Weyburn.....		33,652

The death is announced at Cape Town, of Mr. Arthur C. F. Gore, manager in South Africa for the Guardian Assurance Company, Ltd., and this year's chairman of the Cape Town Fire Offices' Association. Mr. Gore, who was in his 58th year, occupied a leading position in South African fire insurance, and was widely respected, and popular not only for his professional knowledge, but for his social gifts. He had superintended the important South African interests of the Guardian for 25 years.

Toronto bank clearings for October were \$162,831,369, a decrease of \$28,000,000 from October, 1913, but a rise of nearly \$20,000,000 compared with September of this year.