

THE BANK OF BRITISH NORTH AMERICA.

It is practically three-quarters of a century since the Bank of British North America began to take its part in furthering the "prosperity and commerce of the North American Colonies." This institution was a pioneer in the work of interesting British capital in the development and upbuilding of the Dominion into which the scattered colonies have since been merged. And, to-day, there is no body of British financiers that more closely watch the trend of Canadian affairs than the Court of Directors of the Bank of British North America.

This was clearly evidenced at the recent annual meeting of the bank, held on the first of March, at the head office, in London. The chairman, Mr. E. A. Hoare, ably reviewed agricultural, mining, lumbering, transportation and commercial conditions in Canada—referring also to the stream of immigration that is seeking the Middle West. The bank's confidence in the future of Canada's "Inland Empire," is attested by the fact that ten branches have been opened in the three Central Provinces, since the beginning of 1909. While such extensions mean constant strain upon the staff and premises account (since new branches are seldom immediately profitable), still the management is convinced as to the wisdom of thus broadening the bank's operations.

Mr. Hoare emphasized in his address the fact that, while deposits in Canadian banks increased by about \$130,000,000 during 1909, there was considerably more than that amount of British capital remitted to Canada within the year. Mr. Hoare aptly remarked that the ready subscription of so large a sum indicated the confidence felt by British investors, not only in the progress of Canada, but in the discernment and integrity of those who submitted these varied investments for their approval. "It means a great responsibility," he added—and the remark is one which Canadian financial interests may well keep before them as a constant motto.

Coming now to the bank's own results during 1909, the annual statement shows deposits and current accounts to have made the satisfactory increase of \$4,256,620.26, totalling \$30,460,044 at the year-end. Notes in circulation show an increase of \$488,194.80, to a total of \$3,374,079. Cash and specie show an increase of \$351,519.33, their combined total being \$5,352,833. The cash items are equivalent to 34.8 of immediate liabilities to the public; cash at call and short notice has increased by \$2,560,061, and now amounts to \$10,774,049. Bills receivable, etc., increased \$3,230,625 during the year to a total of \$31,579,098. All in all, the bank's assets now aggregate over \$51,500,000.

The conservatism of the bank's dealing with its accounts, is made evident in a very practical way in the annual statement. It was found possible during 1909 to add to the rest fund no less a sum than \$97,333, as a result of amounts released through over-provision previously made for certain doubtful accounts. The rest account now stands at \$2,530,666, and the paid-up capital at \$4,866,666.

The net profits for the year amount to \$494,705.22, compared with \$417,669.21—an increase of \$77,036.00—a result that may be considered as highly satisfactory, when it is taken into account, that for nine months of the year the rates of interest current both in New York and in London were exceptionally low. Out of these profits there was distributed \$146,000, as an interim dividend. Since which has been declared

a final dividend of a like amount, together with a bonus of 1 per cent., or \$48,666.66, making a total distribution for the year of \$340,666.66. There has been carried forward \$99,980.71—compared with \$74,262.47 a year ago—an increase of \$25,724.24.

The work done by the bank's staff throughout Canada, under the general managership of Mr. H. Stukeman, was referred to in terms of high praise at the annual meeting; and practical recognition of their zeal and ability was shown by the voting of a 5 per cent. bonus on all salaries.

THE CRY FOR CONSISTENT INSURANCE LEGISLATION.

The proverb anent the burned child who avoids the fire, often fails of application to children of larger growth. One of the important witnesses at the recent sitting of the British Columbia Insurance Commission admitted that he had, as yet, been unable to collect fire insurance claims from four unlicensed foreign companies, but added that he had "not lost faith" in underground companies, and was not in favour of any law that would shut them out. Such confidence is little short of the sublime, especially as the witness is now taking legal proceedings against the four recalcitrant companies for a total amount of \$8,000. But, as he was careful to point out to the Commission, the rate of premium that had been charged him was considerably less than that of the licensed companies. Happy the man who can be content with a "bargain price," however disappointing the article purchased proves to be.

Rather more weight attached to the evidence of another witness, Mr. R. S. Day, who represents the Guardian Assurance Co., and other leading companies in Victoria. Referring to the proposed provincial bill to regulate insurance matters, Mr. Day pointed out that, as a protection to the public, unlicensed companies (against which no legal action could be taken in Canada) should not be allowed to compete with companies operating under Dominion license. Nor can there be any real comparison as to security offered by a Dominion-licensed and Provincial-licensed company under present conditions. The former has had to deposit \$50,000 at Ottawa (or \$100,000 if a non-Canadian company, and also has to keep in the hands of Canadian trustees sufficient securities to cover its liabilities in the country). But—as Mr. E. V. Bodwell, K.C., pointed out to the Commission in this connection—there are foreign companies now provincially licensed to do business in British Columbia, which have no securities that are attachable. All that has been required of them, before doing business under the British Columbia Companies Act, is to pay \$250, as a registration fee.

But there are foreign companies that evade even this, as well as the 1 per cent. tax on premiums and the various local imposts to which the Dominion licensed companies are subjected in British Columbia. For instance, the city of Vancouver charges \$300, as a license to insurance companies. As Mr. Bodwell made clear, government and municipalities both suffered loss through the evasion practiced by unlicensed companies, and regular offices were subjected to unfair conditions. The non-licensed companies cut rates, and while this might seem advantageous to the insured, it was actually a dangerous system. Mr. Bodwell re-