Prominent Topics.

United States Banking Conditions. April bank returns throughout the United States, like those of Canadian institutions, indicate continuance of business recovery during the past two months. The reports of condition of national banks on April 28, compared with May 14, 1908, show private deposits to have increased by over $500,000,000 to a total of $4,825,000,000 during the year. Months of trade quiet, preceding the present trend towards recovery, led to release of funds from active business channels. Less natural, in fact altogether artificial, was the increase of $22,275,000 in bank note circulation bringing the total up to nearly $650,000,000. That this should occur during a period of redundant currency, and of gold exporting, indicates that the banks found it worth while, when government deposits were withdrawn, to use their released United States bond holdings as a basis for further bank-note issues—deeming that more profitable than the mere receipt of 2 per cent. interest.

One more convincing—and convicting—instance of the viciousness of United States currency methods!

Trust & Loan Co., of Canada. As is customary, the half-yearly statement of the Trust & Loan Company of Canada makes good reading for shareholders—and for all interested in the success of enterprises engaged in enlisting British capital in Canada's development. Col. L. Edye, the company's well-known commissioner at Montreal, informs us that the net profits for the six months ending March 31, 1909, amounted to over $140,000. After carrying to the reserve fund the moiety of profits over 6 p. c. dividend, or about $40,000, the amount at credit of revenue (including balance from preceding half-year) was $125,000. Out of this amount the directors have placed a sum approaching $20,000 to the special reserve account, bringing the amount of this fund to $175,000, and leaving a balance of over $100,000 available for distribution. After payment of dividends at rate of 6 per cent. per annum and a bonus of 1 per cent. for the six months (equal in all to 8 per cent. per annum) there remained a balance of over $25,000 to be carried to the credit of the current half-year's accounts.

A Texan Experiment. Can any good thing, in the line of insurance legislation, come out of Texas? Time will tell, thinks The Weekly Underwriter. The legislature of that state having passed the bill drawn and recommended by Insurance Commissioner Love providing for the organization of local mutual legal reserve life insurance companies with business limited to that State, it now remains to see how the plan will work out. Such companies are allowed to issue only ordinary life and twenty payment policies, but must maintain reserves based on the American Experience Table of Mortality with interest at 3 1-2 per cent. and are forbidden to issue deferred dividend policies, and are hedged about with strict requirements as to expenses. Commissioner Love's plan is that these companies shall take the place now filled by the numerous county mutuals based on unscientific plans, and which live until they have a few losses. He believes also that they will perform the same services for the community as the fraternal beneficiary associations.

Imperial Defence. Lord Charles Beresford says that the best way for the British Dominions to help in the naval defence of the Empire is not by building battleships, but by building cruisers to protect their own trade routes. This notwithstanding the fact that he considers it absolutely necessary to lay down eight Dreadnoughts in 1909. Nobody can speak with greater authority or influence on this subject than Lord Charles. His recommendation has the great advantage that it harmonizes the colonial desire to help in the defense of the Empire, with the colonial sensitiveness on the subject of controlling colonial expenditures. By protecting or helping to protect their own trade routes, the Dominions will not only be strictly minding their own business, but relieving the United Kingdom of an onerous responsibility in time of stress.

The Derby. The blue ribbon of the turf, the sport of Kings, has been won by The King. No man living has done more to encourage horse racing and, therefore, horse-breeding, than King Edward; and the English people generally must be delighted at his victory. To win the Derby is no small distinction, according to English ideas, and His Majesty, who can have almost any other distinction he wants, is to be heartily congratulated upon winning one that is not to be had for the asking, that thousands will envy him, and that nobody begrudge him.

The Weakness of Term Insurance. The pushing of term insurance is a temptation to which young life offices sometime succumb. The unwisdom of the practice is well pointed out in a letter recently sent by a growing United States company to its agency force. It asserts that the company does not encourage writing this form of protection, because the living policyholders at the advanced ages become dissatisfied with the increasing premium, while the lips of those who would be in a position to praise the company and say many things in its behalf are closed in death. In other words, the living criticise the plan and the dead are unable to stand up for its benefits. Term insurance surely has a hard row to hoe with its detractors alive and kicking and its fast friends all dead.

The Catholic School Commission. Sir Lomer Gouin is going to appoint a commission to investigate the question whether an elective commission should be created to run the Catholic schools of Montreal. As the commissioners are instructed to consult the interested authorities before reporting to the Legislature next session the result is a foregone conclusion. The interested authorities are altogether opposed to an elective commission (small blame to them) and they have enough influence to compel respect for their opinions both in Montreal and Quebec. The appointment of the preliminary commission is about equivalent to a six months hoist.

Public Ownership in Japan. The financial results of the nationalization of the Japanese railways are not yet known, although they may be surmised with some accuracy; but some of the other results are not very favourable to public ownership. Among them are mentioned "late trains, dirty cars and unprecedented occurrence of accidents"; to which is