notice $21,956,524, the two combined aggregating $47,104,885. Besides these gains there was an increase of $925,506 in deposits elsewhere than in Canada; and, properly speaking, these should be deducted from the $25,500,000 mentioned as the net investment abroad, because they are composed, apparently, of foreign, not Canadian capital. This would reduce the balance of seemingly outgoing capital to a little less than twenty-five millions.

To make the matter a little clearer the new funds received by the banks under the various headings are tabulated:

New Funds Received.	
New capital stock and additions to Reserve	$ 7,537,741
Expansion in note circulation	11,845,504
Increase in "Demand" deposits Canada	25,148,361
Increase in "Notice" deposits	21,956,524
	$66,488,130
How Invested.	
In Canadian call loans	$10,217,365
In Canadian current loans	21,154,484
In increased cash holdings	9,356,888
Total Canada	$40,728,737
Invested abroad	25,000,000
	$ 65,728,737

Since the end of the year there has been an increase, roundly, of five millions in Canadian call loans, and of seven millions each in call and current loans abroad, besides which the banks have had to redeem nine millions in note circulation—twenty-eight millions in all, to provide for.

This was accomplished chiefly through an increase of nine millions in Canadian deposits and of three millions in foreign deposits, through a decrease of seven millions in Canadian current loans and of five millions in cash holdings.

Of course, the greater part of the increase, up to the end of the year, in call loans abroad, is due to the action of the several banks which always make a practice of loaning at call in Wall Street. These without exception, have made substantial increases. But no less a sum than five million dollars was contributed by banks which do not regularly loan abroad.

The following table shows how much the new comers in this field put out between end of May and December last year:—

Call Loans elsewhere than in Canada.

	31st. May, 1905.	31st. Dec., 1905.
Bank of Montreal	$ 26,779,720	$29,967,200
Bank of New Brunswick	75,060	200,000
Bank of Nova Scotia	2,220,456	2,806,196
Bank of British North America	2,279,750	5,877,331
Bank of Toronto	300,000	1,825,000
Merchants Bank of Canada	1,221,403	3,200,612
Canadian Bank of Commerce	5,512,944	7,507,895
Royal Bank of Canada	1,896,568	3,100,751
Quebec Bank	....	1,225,000
Bank of Hamilton	....	1,450,000
Imperial Bank of Canada	....	1,250,000
Union Bank of Canada*	....	2,500,000
People's Bank of New Brunswick	....	100,000
	$40,285,841	$61,010,020

CANADA LIFE ASSURANCE COMPANY.

We have much pleasure in calling attention to the condensed annual statement of the Canada Life Assurance Company for 1905, which appears on a later page. From it we learn that the new business paid for last year amounted to $12,215,262, which shows a gain of $1,003,541 over preceding year, and was the best in the history of the company.

The total insurance in force at the close of 1905 was $107,681,883, which exceeds the amount in 1904 by $5,875,939.

The total payments to policy-holders amounted to $3,272,081, of which sum close upon $2,000,000 was in cash dividends to surviving policy-holders.

After this very liberal distribution and providing for all liabilities, including capital stock, there was a surplus left of $393,403, or, including paid-up capital stock, a surplus to policy-holders of $1,393,403.

The Hon. George A. Cox, president, delivered an address in which the life insurance situation was discussed at considerable length. He expressed hearty accord with the objects of the proposed Royal Commission to investigate life companies and said, "We will do everything in our power to facilitate its work."

Reference was made to the annual examination made by the Superintendent of Insurance. The company offered to appear before the New York Committee and offered to give experts an opportunity of examining the company's affairs at the Head Office.

A detailed statement was given by the President of the circumstances under which the capital stock was increased to $1,000,000.

In regard to the reserve the following statement was made:

"The Act of 1899 required all companies to compute their reserves at 3½ p.c. upon all business issued on and after the 1st of January, 1900, and to change all business then on their books to 4 p.c. before the end of 1910, and to 3½ p.c. before the end of 1915. The shareholders, directors and officers of the company, after prolonged and careful consideration and after consultation with our own actuary as well as the most eminent British and American actuaries, with a number of the most prominent financiers in Canada and a number of our policy-holders, came to the conclusion that it was in the best interests of the company to proceed with as little delay as possible to comply with the law, rather than take the full time that had been allowed by the Government at the request of some companies who thought they would find it impossible to make the change at an earlier date. We believed then, and we as firmly believe now, that the course decided upon was the correct one in the interests of the policy-holders as a whole. The sum of over $2,500,-