

The principal changes during the past year were:

Increase in Circulation.....	\$ 2,071,181
Increase in Deposits.....	24,368,800
Increase in immediately available Assets.....	19,751,341
Increase in Currents Loans and Discounts.....	7,287,479

The increase of over two millions in the circulation in October last, as compared with October, 1904, is significant of such an increase in the total circulation of all the banks as sent the total amount of the note issues this year within hailing distance of the legal limit. With few exceptions the limit was practically reached.

The question has become a live one as to the best mode of providing for a much larger circulation of bank notes than is now legal. Whether the limit should be, the aggregate of the paid-up capital and reserve combined or some other amount, will have to be decided ere long. At present the security of the note issues is excessive; were it reduced one-half, there would still be far greater security for their redemption in case of need than can be reasonably required for the protection of the public.

The increase of \$24,368,800 in deposits in one of our banks is an impressive exhibit of the prosperity of the country and the thrift of the people. How far such an accumulation of funds is profitable to the banks is another question.

The statement of the Bank of Montreal for 1905 is one that cannot but be gratifying to the shareholders, whose proprietary interests in this magnificent institution are growing in value.

#### THE INSURANCE INSTITUTE OF TORONTO.

The Insurance Institute of Toronto, founded six years ago, was the outcome of a circular issued on the 24th of March, 1899, by Mr. J. B. Laidlaw, the manager for Canada of the Norwich Union Society. The objects of the Institute as laid down in the constitution are: The promotion and cultivation of a thorough knowledge of the insurance business by means of educational courses, by the formation and maintenance of a reference library and reading-room, the circulation of insurance literature, the collection and application of statistics, the reading, discussion and publication of suitable papers, the occasional inspection of special fire risks, and the collection of articles illustrative of insurance business.

The membership consists of those engaged in the business of insurance. Once a month during the winter, a meeting is held, when papers are read, and those read at the previous meeting are discussed. These papers cover a wide range of subjects and form in themselves a valuable text-book in all branches of insurance. Education being the keynote of the work, the Insurance Institute of Toronto very wisely prepared a Syllabus for the use of its

members, which was afterward adopted by the Insurance Institute of Montreal.

The subjects covered for the three examinations in the Fire and Life Sections are well chosen. The subjects are as follows:

#### FIRE BRANCH.

First Examination—Arithmetic; Euclid, Book I.; Algebra, including Quadratic Equations; Composition; Bookkeeping; Geography.

Second Examination—General rules and tariffs of the Canadian Fire Underwriters' Association; Average and Co-insurance Clauses; Plan drawing to the scale; Chemistry—elementary; Re-insurances—policy drafting and endorsement; Correspondence—office practice; Building construction, including heating, ventilating and lighting; Electricity—elementary.

Third Examination—Application of the Canadian Fire Underwriters' Mercantile and Special Schedules upon actual survey; fire protection, municipal and private; sprinkler equipment; chemistry—advanced; Electricity—advanced; History of Fire Insurance; Loss adjustments; Insurance Law; Government Statement and Analysis of Companies' Accounts; these on at least two important classes of manufactories.

#### LIFE BRANCH.

First Examination—The same as the first examination in the fire branch.

Second Examination—Use of logarithms; interest and discount tables; practice of companies as to applications for assurance, and medical and other reports, and as to loans on policies, surrender values and settlement of claims; Plans of assurance, policy writing, conditions of assurance, drafting special conditions, knowledge of usual office forms; correspondence, literature and advertising; elementary principles of life assurance law.

Third Examination—Elements of life assurance Bookkeeping; Elementary principles of, and simple arithmetical problems in, Probability; Natural and level premium systems; nature of reserves; comparative reserves by different tables of mortality and interest; analysis of life assurance accounts; selection of risks; investments and re-assurances.

Students of the Toronto and Montreal Institutes who are successful in completing the examinations in either branch are entitled to the certificate of the Institute, which will be endorsed by the Federation of Insurance Institutes of Great Britain and Ireland, as the syllabus of the Canadian Institutes has been approved of by that body. At the last examination, eighteen candidates were successful in the first section and thirteen in the second section, each, of the fire and life branches, and three in part of the third section of the fire branch. The proceedings of the Institute for the season 1904-5 has now print-