prudence and conservatism which have ever characterized the management. The report of 1876 says:

"The past year has been one that required the exercise of the utmost caution in conducting a banking business so as to avoid losses."

This has been the keynote of the bank's policy. It will be interesting to contrast the figures of the first statement of the Imperial Bank, 1876, with the one for 1905:—

	1905.	1876.
	$	$
Capital stock paid up	3,000,000	804,883
Rest account	3,000,000	25,000
Notes in circulation	2,571,577	310,902
Assets immediately available	13,675,987	831,854
Bills discounted and current	18,573,718	2,131,605
Overdue notes	30,927	43,023

It is almost amusing to note that, when the discounts were under 2¼ millions, the overdue notes were $43,023, while now, with 18½ millions of discounts, the overdue notes are only $30,927. Those must indeed have been "hard times" for bankers, but it was far better to start under such trying conditions than to begin during a rush of prosperity. It is the first step that counts or hurts, says a French proverb, and no doubt the sharp experiences of 1876-7 afforded a wholesome lesson to the young manager and his directors which they never forgot.

The net profits of the Imperial last year were $510,951, which exceeds 17 per cent of the capital. There was $140,606 added to this, brought from last year, making $651,557 to be distributed. The two 5 per cent. dividends took $300,000; $150,000 was transferred to rest account, $25,041 written off bank premises and furniture account, which left $176,516 as a balance at credit of profit and loss, to be carried forward to next year. The $1,000,000 of new stock authorized in 1902 to be issued, will be allotted to shareholders at a premium of 100 per cent. in proportion of 1 new share for each 3 shares held on this date, 30th June, 1905. This will raise the capital to $4,000,000 and the reserve fund to same amount.

The date of the annual meeting is to be changed from 3rd Wednesday in June to 4th Wednesday in May as the latter is regarded as a more convenient date. The Imperial Bank of Canada has had an exceptionally successful career, and to-day occupies a position which is a pride to Canada.

REPORT ON THE EQUITABLE LIFE ASSURANCE SOCIETY.

The preliminary report by the Hon. Mr. Hendricks, State Superintendent, New York, into the management of the Equitable Life, is not in regard to the financial condition of the company, but only into certain features of the management.

This distinction needs to be kept clearly in mind in justice to the society, for, however the investigation may be regarded as showing certain persons associated with the management to have been censurable, it does not discount to any extent the financial strength of the society. That, after all, is what the policy-holders and the public at large are most intimately concerned in, as they are also in the measures being considered to so reorganize the society as to prevent any recurrence of what has given rise to what must be regarded as personal scandals.

Mr. Hendricks' department examined the Equitable in 1901, when it was declared "entirely solvent', he adds, "Its annual report for 1904 shows that it was financially sound, had a large surplus, and was in a prosperous condition." He expresses great surprise at internal dissension having arisen.

The origin and development of the dispute over the re-organization of the society are narrated, and a very lengthy statement is given of the policy and actions of the late Mr. Hyde who founded the company. Censures are passed on some of these transactions, as well as upon some of those in which a syndicate of the directors were interested.

The policy-holders are declared to be under great obligations to Mr. Alexander for the course he pursued in efforts to improve certain objectionable conditions. Mr. Tarbell is held to be practically blameless.

By the deed of Trust, which vest the control of the Equitable in ex-president Cleveland, Judge O'Brien and Mr. Westinghouse, as trustees, the conditions and safeguards are fully provided which Mr. Hendricks regards as essential for restoring confidence and benefiting the company. By this arrangement both the dangers he alludes to are "eliminated" and effectively guarded against. With its vast accumulations of reserves, which to no extent have been impaired, and its magnificent record and prestige, the Equitable Life Assurance Society has a brilliant future in prospect.

ONTARIO BANK.

There is general satisfaction felt at the great improvement which has taken place in the condition of the Ontario Bank under the management of Mr. Chas. McGill, who is evidently the right man in the right place.

The Ontario Bank has always had a strong hold on the depositing and mercantile classes in central and eastern Ontario, from whom it derives the bulk of its loaning resources and active business. Last year, the net profits were $152,583, out of which there was paid $90,000 for two 3 per cent. dividends, $50,000 was added to reserve fund and $5,000 to Officers' Pension Fund, which three items absorbed $145,000, leaving $7,583 out of the net profits to be added to the amount at credit of profit and loss;