

FINANCE AND INSURANCE

AN examination of the list of stockholders in Canadian banks reveals the surprising fact that directors of the various banks are comparatively small holders of the stock in the institutions represented by them. In nearly every case they hold personally an insignificant proportion of the capital stock and many of them own barely enough to qualify for a bank director. Does it not appear a little strange that those to whom the piloting of a financial ship is entrusted should have so little practical interest in it?

THE banks of Canada raised their entire authorized capitalization to \$97,046,666 during the ten months of 1903, ending with October, an increase of \$13,714,100 over last year's capitalization; their paid up capital to \$49,989,361, an increase of \$5,471,680; their note circulation to \$70,480,611, an increase of \$9,906,467; their demand deposits to \$118,070,088, an increase of \$2,179,639; their notice deposits to \$275,939,608, an increase of \$21,721,739; their aggregate loans to \$452,137,008, an increase of \$34,168,075; and their assets to \$660,520,201, an increase of \$25,131,992; call loans in Canada have been mulled down by nearly \$11,000,000, and current loans for commercial purposes increased to the extent of \$59,953,073.

A "COMMUNITY of interest" agreement has been arranged between the Dresdner Bank and the Schaaffhausen Bankverein, two of the largest banks of the German Empire, making the new combination, as far as mere capital is concerned the strongest banking institution in Germany. The capital of the Dresdner Bank is £6,500,000, with £1,700,000 reserves; that of the Schaaffhausen Bankverein £5,000,000 with £1,000,000 reserves. Thus the combination will have a total active capital of £14,200,000. In future both banks will conduct their business in common while maintaining each its separate existence, and will divide their earnings upon the basis of the capital and reserves of each institution. At the same time, two directors and three members of the Board of Overseers of each bank are to be elected by the other bank, thus securing a personal as well as a financial union. The form of union here outlined is not uncommon in Germany. Many industrial establishments have become allied on the same basis, and two of the chief banks of the kingdom of Wurtemberg have maintained a similar arrangement for above 20 years.

IT is rumored that English life assurance companies are becoming alarmed at the shrinkage in their Canadian business. The offices of home companies are rapidly increasing their business, while the branches of English companies situated in Canada show a record of steadily diminishing receipts. One reason given for this is the protective measures adopted by the colonies in respect to insurance. Another reason undoubtedly is the

comparatively low rate of interest on securities prevailing in England. Insurance companies can realize more on their investments than the English companies and have the additional advantage of being on the inside in the event of competition.

THE new president of the American Bankers' Association is Mr. F. G. Bigelow, president of the First National Bank of Milwaukee. Mr. Bigelow is recognized all over the States as one of the ablest bankers in the country. He is in addition a man who has kept in close touch with and taken a prominent part in the initiation and development of the more important industrial and commercial enterprises in the United States.

A LEADING exchange says there is no business or profession which offers so much freedom and independence, and such excellent opportunities to young Canadians of enterprise and energy as that of life insurance. In these days of the strenuous life, no matter what profession or business a person is engaged in, success cannot be achieved by sitting down and "waiting for something to turn up." But the young man who applies the same amount of energy, determination and systematic work to the conducting of a life insurance agency as might be applied by him to any other profession or business, will, as a rule, secure a greater immediate return, establish a more permanent income and have better prospects of ultimately attaining to a prominent position equivalent to that held by most men in the commercial, financial or professional life of the country.

AS far as the leading banks are concerned business throughout the Northwest this year has been greatly hampered by the enactments of the Grain Act. Although the banks have made special provision in order to meet all demands, they find that their money will now be tied up until the opening of navigation simply because in many instances farmers have been unable to get a sufficient number of cars.

THE Havana Post refers to the recent completion of the Cuba Railroad between Santiago de Cuba and Havana, and of the new electric railroad running from Havana to Marianao, as memorable events for Cuba and Canada. Both are Canadian enterprises; the Cuba Railroad owes its existence to Canadian capital and the Canadian railway magnate Sir Wm. Van Horne, and will undoubtedly prove a great factor in the development of Cuba. The new electric railroad was built mostly with Canadian capital, its president being E. Hanson, one of the most progressive of Canadians.

THE LOW PRICE OF EXCHANGE.

AS the price of exchange has been declining to the lowest level in over a decade, a great amount of outside interest has been stimulated in the situation. Everywhere people are asking how it is possible for prime sight drafts on London to be offered at \$4.83.