

BANKING PROFITS IN CANADA (II).

The table presented on the previous page explains clearly what disposition the banks made of their profits in 1911. It was remarked in presenting this table a year ago that the total of profits of all kinds—balances brought in, ordinary earnings, and premiums on new issues of capital stock—had broken all previous records. The total in 1911 goes far beyond the 1910 figures. The bank boards had \$31,333,257 to dispose of in 1911 as against \$22,245,132 in 1910.

By examining the table readers will see that certain special entries served to swell the figures noticeably. One of these special entries was that made by the Bank of Montreal executive in readjusting the book value of their premises. By writing the book value of the premises up to \$4,000,000 the directors had \$3,400,000 of additional funds to dispose of. The greater part—\$3,000,000—was put into the rest account, and the balance went to strengthen the carry forward.

The Canadian Bank of Commerce also had an extra item of \$500,000, recoveries from over-appropriations, to deal with. Finally, as the issue of new capital stock by the banks in 1911 was on a larger scale than usual, and as the average rate of premium on such issues was higher than in preceding years, the total of premiums on new stock issues rose beyond the total shown in any previous year. Prior to 1911 the high record for these premiums was held by 1906, when the total was \$6,371,151.

The items on the other side of the account also show general increases. The dividends paid were nearly \$1,000,000 greater than in 1910. And the additions to the rests, the appropriations for writing down bank premises, and for pension funds were all in excess of previous records.

TWENTY YEARS' ADMINISTRATION OF THE METROPOLITAN LIFE.

Vice-President Haley Fiske Describes the Growth and Developments of Two Decades—Expansion of Business, Economics in Administration, and Great Voluntary Benefits to Policyholders Features of Record of Great Activity.

With the year 1911, President John R. Hegeman and Vice-President Haley Fiske, of the Metropolitan Life Insurance Company, of New York, completed twenty years of office. The period has been a momentous and eventful one in American life insurance; for the Metropolitan Life it has been more particularly a time of enormous expansion in business, of unflagging prosperity, and, most notably, of benefits bestowed upon policyholders unequalled for by their contracts and voluntarily given by the company.

These various points are effectively brought out in a booklet, by Vice-President Haley Fiske, which has just been published. The record of the achievement of these twenty years is an imposing one.

In 1891 the company was by no means obscure, being the largest industrial company in the country, but was still classed as a small company. In 1911, the Metropolitan has the largest amount of insurance in force of any company in the world. Mr. Fiske describes as follows the extraordinary expansion in business which has taken place:—

The twenty years began with assets of \$13,626,948; they end with \$352,785,890. They began with \$3,088,833 of capital and surplus; they end with \$32,711,883. They began with \$222,652 of Industrial debit (that is, weekly income from Industrial policies); they end with \$1,024,570. They began with 2,278,487 policies of Industrial insurance in force, amounting to \$254,939,881; they end with 11,100,387 policies for \$1,596,861,726 of insurance. They began with 96 districts, 4,903 field representatives and 600 Home Office employees; they end with 344 districts, 11,109 men in the field and 3,867 in the Home Office. They began with 3,153 policies for \$3,767,882 of Ordinary insurance in force, only \$193,511 having been issued in 1891, very near the lowest in the Company's active history, the premium income being \$125,278—low-water mark. 1911 ended with 996,751 policies for \$803,016,361 of insurance in force, and the writing was \$182,785,079, the Ordinary premium income being \$31,036,432—all of these figures being high-water marks. Taking the two Departments together, the Company at the end of 1891 had 2,281,640 policies in force, carrying \$258,707,763 of insurance and producing an annual premium income of \$10,830,373. The end of 1911 showed the Company with 12,007,138 policies in force for \$2,399,878,087, and with an annual premium income of \$82,339,846. In 1891 the Company occupied restricted quarters in a portion of a small building on the corner of Park Place and Church Street. In 1911 it occupies the largest insurance office in the world in New York's most conspicuous and beautiful business edifice.

In 1911, the Metropolitan wrote \$277,544,014 industrial and \$182,785,079 paid-for ordinary, a total of \$460,329,093. Its gain of total insurance in force was \$84,262,602, industrial, \$99,764,097, ordinary, a total of \$184,026,699.

BENEFITS TO INDUSTRIAL POLICYHOLDERS.

These figures apart, Mr. Fiske is mainly concerned in effectively summarising the additional advantages which have been given to policyholders during the period. Within the last sixteen years, the Metropolitan has awarded to industrial policyholders in cash over and above all contract obligations, \$31,000,000 in free bonuses, besides concessions costing over \$4,000,000 more. Mr. Fiske writes on this matter:—

During the twenty years the Metropolitan has changed entirely the business of Industrial insurance. From a business conducted for profit it has become, as practiced by the Metropolitan, the most widespread agency for social uplift the world has ever seen. A stock corporation, doing a non-participating business, the stockholders receive out of savings one hundred and forty thousand dollars a year on a business income of over ninety-eight millions; the policyholders receive out of the savings nearly six millions of dollars a year over and above all contract obligations. As matter of fact the stock dividends are not made out of the insurance business at all! All sick policyholders in most of the cities receive free nursing without any contract obligations; nearly 700,000 visits have been made by trained nurses during 1911, at a cost of \$305,977.15. All policyholders receive instruction by the Company's publications in matters of hygiene and particularly in the prevention and cure of tuberculosis, which disease has caused over eighteen per cent. of its deaths. All agents sick from tuberculosis are receiving the care of the Company, and it is building a sanatorium for their cure. It is organizing its insured children in a Health and Happiness League. It has travelling exhibits for instruction in hygiene. It has published millions of educational pamphlets on the prevention and cure of disease. It has assisted municipalities in health work.

(To be Continued).