

contributes \$478,000, La Banque d'Hochelaga \$250,000, the Bank of Toronto \$123,000, and the Eastern Townships Bank \$100,000. The total Rest now stands at \$58,500,000, being 69 per cent. of the paid-up capital. At this time last year it was \$53,400,000, or 67 per cent.

Notes in circulation have decreased during the month by \$4,298,000, thus conforming to what may now be considered the invariable rule, that the point of greatest expansion in bank circulation is reached at the end of October or early in November, and that before the end of November a reduction begins. This is exemplified by the figures for the last five years:

	September.	October.	November.
1901	\$56,027,000	\$57,954,000	\$57,741,000
1902	60,965,000	65,928,000	64,497,000
1903	63,741,000	70,480,000	67,425,000
1904	63,795,000	72,226,000	69,426,000
1905	69,831,000	76,890,000	72,592,000

It is worth noting, however, that the amount of notes in circulation at any time during the month is larger in November than in October. The figures given above are for the last day in each month.

Deposits in Canada still continue their upward course, the total of all classes for November being \$522,217,000, as compared with \$509,545,000 last month, and \$459,083,000 a year ago. An increase of \$63,134,000, or 12 per cent. during twelve months, is not to be despised. Deposits outside Canada are down about \$3,000,000, almost the entire change being in the figures of the Bank of Montreal.

The specie and Dominion notes held show little change, being \$60,413,000 against \$59,411,000 at the end of October, in each case 9 per cent. of the total liabilities.

Balances due from agents in the United Kingdom have increased from \$9,200,000 to \$11,400,000, while balances due from agents elsewhere than in Canada and the United Kingdom have fallen off from \$19,800,000 to \$15,800,000. This reduction is shared by the banks generally, with the exception of the Bank of Montreal, and the balances thus drawn in from abroad have been used to help meet the demand for advances to the various Canadian industries. Call and short loans in Canada are practically unchanged, while call loans elsewhere are reduced by nearly \$3,000,000. They are still, however, about \$15,000,000 higher than they were a year ago, the chief increase being in the figures of the Bank of Montreal, which has \$32,100,000 in call and short loans outside Canada, as compared with \$24,400,000 a year ago. Other increases are: Quebec Bank, from \$100,000 to \$1,200,000; Bank of Nova Scotia, from \$2,500,000 to \$3,000,000; Bank of British North America, from \$4,200,000 to \$4,800,000; Royal Bank of Canada, from \$900,000 to \$2,500,000. The Bank of Toronto and the Bank of Hamilton, which in November last year had no call or short loans outside Canada, now show \$1,625,000 and \$800,000, respectively.

Current loans in Canada continue to increase, the total now being \$457,000,000, a growth of some \$6,600,000 during the month. In the same month in previous years the changes have been as follows:

1901—Decrease	\$ 600,000
1902—Increase	2,800,000
1903—Decrease	100,000
1904—Decrease	1,000,000

For the twelve months ending 30th November there has been an increase of \$41,700,000, as compared with \$34,600,000 in 1904 and \$63,500,000 in 1903. The Canadian Bank of Commerce is responsible for more than one-fourth this year's increase, its current loans in Canada now standing at \$62,200,000, being an increase of nearly \$12,000,000 since 30th November, 1904, when the figures were \$50,300,000.

Current loans outside Canada have increased by \$3,700,000 during the month, and by \$15,000,000 during the year, the chief increase in each case being in the figures of the Bank of Montreal.

Deposits in Canada still continue to grow at a somewhat faster rate than current loans, but if, as seems likely, we have before us two or three years of exceptional business activity, current loans will probably grow more rapidly, and easier money rates in Canada can hardly be expected. While there is at present no sign of trouble ahead, it should not be forgotten that it is in times like the present that unsoundness and undue expansion develop and the seeds of future trouble are sown. Too much stress cannot be laid upon the fact that now is the time to clean up, to get rid of personal indebtedness, to see that all business liabilities are brought within proper compass, and thus to be ready to take full advantage of whatever further prosperity the future may have in store for us. We may then go forward, confident that we can cope successfully with all the difficulties and responsibilities which the rapid development of an immense country must inevitably bring.

AN UNFORTUNATE COMPILATION.

We referred briefly last week, in answer to a correspondent, to a series of comparative ratios in the figures of life assurance companies lately published in a Canadian insurance monthly. The article in question attempted to compare the relative cost of Canadian, British and American life companies. At the time, after a somewhat hasty perusal, we characterized them as based on false premises. A closer study but deepens the impression that their compilation was a mistake, and their publication unfortunate. We have always stood for what was legitimate in life insurance, and with good cause have steadfastly advocated the merits of our home life companies; but we feel that they can derive no real or lasting benefit through the dissemination of comparisons which every manager of a British life office will at once characterize as fallacious, and which no competent insurance editor would admit to his columns.

We do not for a moment believe that the author was constrained by any motives other than a desire to help the interests of our Canadian offices; but unfortunately his zeal in their behalf has carried him away, and when the fallacies of his compilation have been brought to his notice we do not doubt that he will promptly admit the errors into which he has fallen.

The truth is, conditions in Great Britain and Canada are so very different that any comparisons such as were sought to be made must of necessity be delusive. Owing to that difference in conditions, including the cost of living, British companies can and do conduct their business at a lower ratio of expense than Canadian companies. But, on the other hand, the rates of interest earned here are materially higher, and the forms of contract sold to Canadians are much