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Banking, Insurance and Finance

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BANK PENSIONS AND PREMISES.

In this issue THE CHRONICLE presents the last of its special series of banking articles and tables, the latter being published on page 225. The appropriations for pension funds, as shown in the 1916 reports of the banks, amounted to \$392,327, about \$30,000 less than the 1915 total. However, one of the banks yet to report for 1916—the British—regularly sets aside a substantial sum; and if the appropriation for 1916 by this institution equals that for the preceding year, the aggregate of appropriations by all banks last year would overtop the 1915 aggregate.

Assuming that the British report, when published, will contain a record of pension fund appropriations, the number of banks in the 1916 list will be fourteen, as against thirteen in 1915. An institution not hitherto represented, the Provinciale, appears in 1916 with an item of \$25,000 to serve as a reserve for pension fund purposes. This leaves only two banks not publishing appropriations. Both of these banks are comparatively new; and doubtless as soon as circumstances permit they, too, will be entitled to a place in the annual table.

In 1916, again, the banks considered it their duty to contribute liberally to the Patriotic and other war funds; and these special contributions would have a tendency to absorb funds that would otherwise be available for pensions or for writing down premises account.

THE PREMISES ACCOUNT.

As regards the premises account, only four banks reported appropriations in 1916 as compared with eight in 1915, fourteen in 1914, and eighteen in 1912. The Royal and the Dominion are the only banks showing large amounts. The tables show that in the thirteen years—1904 to 1916 inclusive—the twenty-two banks in the list have appropriated \$16,704,535. The total amount standing at debit of Bank Premises Account on December 31st, 1916, was \$49,788,940—so the amounts written off during the period reviewed, represent one-third of the balance remaining at the end of the period. The large sums applied in the past permit the bankers to omit the item during lean years. It is likely that the premises accounts will again be steadily reduced when prosperity returns.

Mr. William Quaid, Assistant Secretary, Continental Insurance Company, New York, is visiting the Montreal office for two weeks.

THE CHARACTER OF OUR EXPORTS.

The detailed figures of Canadian trade for the month of January are interesting as indicating the preponderant part that munitions and other military supplies are playing in the existing expansion of the Dominion's export trade. Prior to the war, agricultural products were naturally the most important classification in our export trade, but the war's events have changed the order of things to such an extent that in the January total of domestic exports, which is \$99,106,259, manufactures account for \$50,814,082 compared with \$22,550,924 for agricultural products. The latter show a very large growth in comparison with preceding years, partly on account of the real expansion in exports, but also through the rise in prices. Thus in January, 1916, exports of agricultural produce totalled \$15,402,976, and in January, 1915, only \$8,082,571. Last January's exports of manufactures were slightly in excess of those for January, 1916, \$50,814,082 against \$47,015,283. In January, 1915, exports of manufactures were only \$7,769,146. Of the other classifications of exports in January, mines accounted for \$6,836,464 against \$4,654,815 in January, 1916; fisheries for \$2,784,824 against \$2,437,715; forest products for \$3,695,352 against \$3,243,360, animals, etc., \$11,745,761 against \$10,203,827. The total January exports of \$99,106,259 compare with \$83,731,184 in January, 1916. Imports during the month were \$72,323,074 against \$50,170,665 in the corresponding month, the balance of exports for the month in 1917 being \$26,783,185 against \$33,560,519.

These figures lend emphasis to what has been lately said by many of the leading bankers regarding the transitory character of present-day prosperity and the necessity of being prepared for a change in affairs on the advent of peace. Those whose incomes are increased above the normal at this time by reason of war activities in industry, are not merely acting foolishly in regard to their own future if they are not at present saving every penny that they can save without diminishing efficiency, but are also doing their country injury in proportion to the amount they are wasting.

CANADA'S NEW WAR LOAN.

It is officially announced by the Minister of Finance that the third Canadian domestic War Loan will be issued on March 12th. It is expected that the proceeds of the loan will carry the Government until midsummer. The Minister of Finance has not in view, it is announced, any New York issue of Canadian Government bonds at the present time. Any financing which may be found necessary in the United States will be arranged later in the year. Whether the new loan will be made payable in New York as well as in Canada remains to be seen.

BRITISH RESOURCES NOT EXHAUSTED.

So far from true is it that this present loan has exhausted the British public's resources, says a London cable, that what might be described as a "boom" has been commenced on the basis of saving. The Government's war savings pound certificates, which a year ago were merely realizing a few thousands sterling weekly to the Treasury are now bringing in three to five millions weekly. The demands last week were so great that they actually exhausted the supply of printed certificates.