

### ONTARIO MUTUAL LIFE ASSURANCE COMPANY

The twenty-fourth annual report of the above Company, which will be found elsewhere in this issue, shows that the prudently progressive policy which has characterized its history in the past is being continued with increased results. In spite of the temptation to fall in with the too common tendency on the part of companies nowadays to indulge in showy parade at the policy-holders' expense, the management of the Ontario Mutual have consistently adhered to the sound and sensible course of building up the Company's resources by normal as distinguished from forced growth. By so doing, the Company has been able to present a record which, if unchecked by any startling ephemeral display, is marked by solid, enduring and continuous progress. The year 1893, although a period of depression generally, proved a successful one for the Company, as will be seen from the following comparative statement:

#### Financial Movement

	1892.	1893.	Increase (+) or Decrease (—)	
	\$	\$		\$
Premiums (net).....	503,389	512,518	+	9,129
Interest, etc.....	111,562	113,691	+	2,129
Total income.....	614,951	626,209	+	11,258
Payments to policyholders..	216,337	212,828	—	3,509
Expenses.....	106,968	117,761	+	10,793
Total outgo.....	323,305	330,589	+	7,284
Excess of income over outgo .	291,646	295,620	+	3,974
Total assets.....	2,235,384	2,570,821	+	335,437
Policy reserves & other liabilities	2,068,454	2,355,268	+	286,814
Surplus over all liabilities ...	166,930	215,553	+	48,623

#### Movement of Policies.

No. of new policies taken....	1,991	1,941	—	50
*Sum assured thereunder.....	2,651,000	2,780,230	+	129,230
No. of policies in force....	12,445	13,496	+	1,051
*Sum assured thereunder....	\$16,058,117	\$17,683,029	+	\$1,624,912
Total assurances terminated..	1,412,139	1,300,431	—	111,688

\*Excluding re-assurances and assurances not taken.

It will be noted that expansion is shown in nearly every desirable direction. Premium receipts amounted to \$512,518, interest to \$113,691, and the total income to \$626,209, an increase of \$11,258 over that of the preceding twelve months. On the other hand, the disbursements to policy-holders, \$212,828, were slightly less than in 1892, due to a smaller amount of endowments having accrued for payment. The expenses, which totalled \$117,763, were higher than in the previous year, partly owing to the increased new business secured, but they still represent only about 23 per cent. of the premium receipts. This ratio is comparatively a conservative one in these days of keen competition, and will doubtless be reduced as the renewal income expands and the times improve so as to admit of business being procured at less cost. The total out go, therefore, was \$330,589, or only \$7,284 more than in 1892, leaving a balance of \$295,620 as a substantial addition to the funds out of the revenue for the year. The claims by death in 1892 were reported to be very light, and it is satisfactory to learn that those for the past twelve months were almost of the same amount, notwithstanding the increased sums at

risk. The net result of the Company's operations is that it commences the present year with 13,496 policies on its books, assuring \$17,683,029, to provide against which it holds, \$2,570,821 of assets. of which \$2,355,268 is reserved for policy and other liabilities, leaving the handsome surplus of \$215,553, an increase of \$48,623 over the corresponding item for the previous year. The rate of interest realized, as might have been expected was not so high as in 1892; but in this connection we gather from the President's remarks that the Company is wisely exercising a careful selection in its investments in view of the depressed state of the property market. A striking feature of the report is the success attained in the retention of the business, as shown by the fact that the terminations from all causes were actually less than in the previous year, although the business on the books was much larger. Taken all together, the report exhibits very satisfactory progress, and shows that the Company's affairs are carefully and economically conducted. The present gratifying position of the Company reflects much credit upon its veteran manager, Mr. Wm. Hendry, under whose prudent guidance, ably assisted by Mr. W. H. Riddell, the secretary, it has been attained.

### The Banks.

#### THE BANK OF MONTREAL.

The marked tones of caution and confidence which characterized the report of the Bank of Montreal in 1893 were shown by the year's business that succeeded—the year just closed—to have been remarkably appropriate to the situation as it stood and as it developed. The full force of the financial storm struck the States shortly after the meeting of 1893, the need of the time was caution, by which policy disaster was averted from Canadian banks. That confidence was fully justified has been shown by our emerging from that critical period comparatively without damage. There is a disposition on the part of some to complain of the severity of the policy of this bank. But, it must be remembered that it stands like the fort at the entrance of a harbor, holding the key of the defence. Being so placed, the Bank of Montreal must "hold the fort" at all risks—a duty it discharged with much credit during the menacing crisis of last year. The business of the year yielded net profits of close upon 11 per cent., which provided the usual dividend of 10 per cent. and a sum to add to Res., which now stands a \$6,804,715, or 56.70 per cent of paid up capital. No further details are needed to show how excellent was the management which produced such a result out of most trying and adverse conditions. The address of Sir Donald Smith was, as usual, a lucid sketch of the past financial year. Two of his facts were that the United States bank clearings for first four months this year were 7 millions, or 31 per cent. less than same period 1893, and that the Melbourne bank clearing in 1893 were 55 per cent. lower than the figures for 1890. He looked upon our falling imports as evidence of prudent buying, which it is, but its root cause is the