

# The Chronicle

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## THE DOMINION BANK'S STATEMENT.

The newly-published annual statement of the Dominion Bank, of Toronto, of which Mr. Clarence A. Bogert is general manager, is in accord with other bank statements which have recently appeared in the presentation of a strong liquid position, while showing, owing to the Bank's large interests in the movement of the western wheat crop, an increase in commercial loans, and a large advance in the volume of note circulation. The peculiar value of the banks' strong liquid positions at the present time in view not only of the unsettled and unprecedented condition of financial affairs the world over, but on account also of the large and unusual operations which they are likely to be called upon to undertake during the current year, has been previously emphasised. The Dominion Bank in its present statement shows that it is taking its share in the maintenance of a sound policy, the statesmanlike character of which has been of great benefit to Canada throughout the present financial crisis and will so continue.

### PROFIT AND LOSS ACCOUNT.

In its profit and loss account, the Bank introduces a novelty, specifically stating not only the amount of the War Tax on circulation, but also the amount of the taxes paid to provincial governments. In view of the onerous character of the latter taxation, for which no returns are received by the banks, it would seem good policy on the part of the banks generally to follow the example of the Dominion Bank and disclose the amounts for which they are mulcted by the provinces, in order that the public may become informed of the amount of the imposition. The profits of 1915, reckoned on the same basis as in the previous year were \$870,966, compared with \$925,365 in 1914 and equal to 6.7 per cent. on the paid-up capital and rest combined. War Tax on circulation (\$43,618) and the provincial taxes (\$22,225) reduce these profits to a net amount of \$805,123, which with the carry-forward from 1914 makes the total available on profit and loss account \$1,089,440. Of this amount the 12 per cent. dividend absorbed \$720,000 (a 2 per cent. bonus previously paid being withheld), and \$25,000 was as usual contributed to the officers' pension fund, leaving the increased amount

of \$344,440 to be carried forward on profit and loss account. In regard to depreciation in securities, provision had previously been made in two years by the Bank for this, and no further allocation on this occasion was considered necessary.

### A STRONG POSITION.

Following are the leading items of the balance sheet in comparison with last year:—

	1915.	1914.
Paid-up capital	\$6,000,000	\$6,000,000
Rest	7,000,000	7,000,000
Profit and Loss Balance	344,440	284,317
Circulation	4,995,666	4,143,040
Deposits not bearing interest	12,604,373	8,597,304
Deposits bearing interest	53,361,225	49,169,693
Total liabilities to public	73,949,637	66,872,096
Specie and Dominion Notes	12,668,869	11,203,617
Bank Balances Abroad	2,829,383	1,644,034
Call Loans	6,166,360	6,168,323
Total of Quick Assets	32,660,401	27,312,111
Current Loans	47,466,260	47,209,625
Total Assets	87,475,127	80,457,110

Deposits increased during the year eight millions, the advance being equally divided between interest bearing and non-interest bearing deposits. Circulation at \$4,995,666 was over \$800,000 higher than in 1914. On the assets' side of the account, holdings of specie and Dominion notes are over \$1,450,000 higher at \$12,668,869 and bank balances abroad are \$1,200,000 higher at \$2,829,383. Call loans are practically the same as last year, while current loans at \$47,466,260 are over \$250,000 higher than in 1914.

The reserve position of the Bank is stronger than last year. Cash and its equivalents total \$19,924,626 compared with \$15,343,575 in 1914, and equal to 27.0 per cent. of liabilities to the public. Total liquid assets at \$32,660,401 compare with \$27,312,111 last year and are equal to 44.2 per cent. of the liabilities to the public compared with 40.8 per cent. a year ago.

The Dominion Bank's St. James Street, Montreal, branch is attaining increased importance under the management of Mr. M. S. Bogert.

### THE PROPOSED AMALGAMATION OF THE SUN LIFE AND MANUFACTURERS' LIFE.

Regarding the proposed absorption of the Manufacturers Life of Toronto by the Sun Life of Montreal, the Superintendent of Insurance at Ottawa, by whose advice the Treasury Board will be largely influenced, has, it is announced, reported against the amalgamation.

We are not surprised that the Ottawa authorities do not sympathise with the proposed movement, probably for the reasons already expressed in our issue of the 31st December last.

It is unfortunate that the Superintendent of Insurance was not asked for an opinion, before initial steps were inaugurated by the two Companies interested. However, it may not be too late to suggest to the agents of the Manufacturers, not to be too hasty in making new arrangements, but to await the final decision of the Treasury Board. Doubtless the companies generally in Canada, in the interest of the business of life insurance and especially in the interests of the Manufacturers' policyholders, will not think it advisable to take advantage of such an unprecedented condition of affairs as the present to do anything to disorganise a company, by whose disorganisation the policyholders would be the chief sufferers.