BANK OF MONTREAL—*Continued*

For these reasons good banking profits are needed. I do not hesitate to state that there has never been a time in Canada when banking credits, in my opinion, required such careful consideration. It is impossible to gauge the business future, and, therefore, what seems like sound banking business today, may, under post-war conditions, easily develop into lock-up or doubtful loans.

BANK IN STRONG POSITION.

Thanks mainly to the soundness of our banking system and to the healthy condition of our Banks, Canada can still hold up her financial head. Our own Bank's ratio of quick assets to liabilities is 75½ per cent. compared with 75 per cent. a year ago and 64 per cent. the preceding year.

We have heard it remarked by certain friends that the Canadian Banks are too strong, and your own Bank particularly so, but permit me to express my clear conviction that the sheet anchor of our Canadian national ship is the Canadian Banks and that the anchor must be strong to hold against wind and tide. The Banks have kept strong in an endeavor to prevent currency inflation, while, at the same time, they have made war advances to the Canadian and Imperial Governments to an amount that would have been regarded as impossible three years ago. Such advances are naturally included among liquid assets. The loans made by the Banks to the Canadian and Imperial Governments have enabled the business of the country to be carried on to an extent otherwise impracticable.

TRIBUTE TO STAFF AND MEN OVERSEAS.

Sir Frederick Williams-Taylor in responding to the vote of thanks to the management and staff took occasion to pay a special tribute to the services of the men at home and to the record of the members of the Staff overseas, saying:

"As an indication of the extent to which our male officials enlisted, I may mention that 42 per cent. of our present staff are women clerks.

"Both our men and women clerks have worked ungrudgingly early and late, with but the briefest holidays, actuated by a high sense of patriotism and by an admirable sense of duty to our Bank. It may truly be said that we enter this, the second century of our institution, with a staff whose loyalty has never been surpassed, not only in our history, but in the history of business corporations in this country.

"As for our splendid contingent with the colours, they are above praise. We follow their future in France with anxious pride, and will welcome them back when the war is won. Many have been wounded. Over one hundred lie under the reeking sod of shattered Flanders. The names of these splendid patriots will stand forever both in the records of our Bank and of our Empire which they have served so well. It would be remiss not to refer to the great loss we have sustained in the recent death at the front of Captain David Jellett Barker. I can find no words with which to express my personal regret, while to the Bank and his country the untimely closing of a career such as his is deplorable, indeed.

ENEMY INSURANCE COMPANIES IN UNITED STATES TO BE LIQUIDATED.

After an agitation lasting some months, the Washington authorities have now decided to liquidate the U. S. business of all German insurance companies, and those of countries allied with Germany, under the Trading with the Enemy Act There is an exception in favour of life insurance companies, which are allowed to continue existing contracts. These contracts are inconsiderable in number, and it is felt that by a liquidation some injustice might be done to policyholders, and that the information accessible to such companies cannot benefit the enemy.

This step puts an end to a ludicrous condition of things, in which German fire companies were taking lines on American munition factories and shipments to the Allies, thereby obtaining much valuable information. Until a short time ago, before a prohibition was put in force, German marine underwriters were actually taking lines on American and Allied shipping. The better-class American insurance journals have done excellent work in focussing insurance opinion on this question. They showed the sincerity of their opinions by voluntarily cutting out all German companies' advertising months ago, and are to be congratulated on a victory for common-sense.

The suggestion is being made that the authorities should regard the funds of these insurance companies as cash in hand for at least a very small proportion of the heavy indemnities which will be due from Germany after the war for the terrible toll of loss in American lives and property which has already been taken by the submarines.

One way of minimizing "not takens" is that adopted by a fire underwriters' organisation in the States, which is putting into force a ruling that the agent shall be required to pay the new Federal tax on such policies.

THE AGENT AND SERVICE.

The public is accustomed to look to the insurance companies, not only for protection, but also for expert service, to receive not only coverage, but also intelligent and helpful suggestions regarding that coverage. In some branches of casualty insurance, an expert inspection service and not indemnity is the principal consideration, while in fire insurance, where indemnity is the essential factor, the companies through their inspection staffs and by their public-spirited activities in fire prevention, provide an investigation and advisory service of great value.

These facts suggest the advisability of the insurance agent keeping himself in close touch with the inspections staff of his companies, and well informed regarding every development of their service. So doing, the agent powerfully reinforces his position, both in regard to his existing clientele, and with reference to new business. There is a natural tendency for the fortunate individual who never signs a loss claim, to think that possibly he is not getting his money's worth from his insurance. An inspection service, with its suggestions and recommendations for the improvement of the hazard in a plant or factory, takes the insured's mind off this question of indemnity, to an appreciation of the expert service given him. "If insurance," says a recent writer on this subject, "were sold on the basis that the company is going to do its part with the assured to prevent loss, and thus maintain conditions that are most satisfactory to everybody concerned, the policyholder, no matter what kind of indemnity he had purchased, would never feel disappointed because he had not had an opportunity to sign a loss claim."

The Prudential of London, the great British industrial company, now acts as executive, trustee or administrator.