

September.	On demand.	After notice.	Total.
1905	\$144,228,777	\$346,232,119	\$490,460,896
1906	167,439,689	387,052,103	554,491,792
1907	169,069,497	421,147,701	590,217,198
1908	183,207,740	410,332,819	593,540,559
1909	239,967,052	474,103,799	712,070,851

The steady increase is confirmation of Canada's growth. The total deposits of the chartered banks increased from 490 millions in 1905 to 712 millions in 1909, a gain of 222 millions, or 45 per cent. At the present rate of increase in this item, the 1905 figures should be doubled within another two years.

The pleasing feature in loans is the steady expansion of domestic credit. From 511 millions current loans in January the figures increased in September to 560 millions, a gain of 49 millions or 9 per cent. The call loans rose from 44 millions to 56 millions in the same period, an increase of 12 millions or 27 per cent. The following figures will show the gradual expansion in current and call loans in Canada during the past twelve months:—

	Current in Canada.	Call in Canada.
1908.		
September	\$516,960,003	\$41,084,145
October	519,263,607	42,102,565
November	515,695,476	42,730,261
December	511,808,909	43,827,771
1909.		
January	511,363,250	44,299,554
February	507,349,748	47,555,140
March	520,109,936	48,911,736
April	524,168,988	50,213,950
May	528,313,141	49,771,929
June	535,212,269	52,617,696
July	539,821,041	54,603,054
August	543,154,663	56,680,172
September	560,206,621	56,124,620

An examination of the September loan figures for the past four years reveals the fact that current Canadian loans last month were only 18 millions short of the high point made in September, 1907. The details are given in the table below:—

Loans.	Sept., '06.	Sept., '07.	Sept., '08.	Sept., '09.
Current in Canada	\$515,213,110	\$578,207,277	\$516,960,003	\$560,206,621
Current elsewhere	35,776,470	25,794,092	26,994,946	32,981,183
Call in Canada	59,495,886	47,298,694	41,084,145	56,124,620
Call elsewhere	63,771,628	63,158,601	59,834,979	131,634,384

The September, 1906, and September, 1908, current Canadian loans total practically the same amount. While the increase in domestic loans since September, 1906, has been 45 millions or 8 per cent., a decline of 3 millions has occurred in the current loans out of Canada. Call loans at home last September show a slight decrease from the figures of 1906, but an increase over last year's figures of 15 millions. Considerable expansion has occurred in call loans out of Canada. Last September's record is 11 millions above that of the previous month and 72 millions greater than that of last year. The September record is accounted for by eleven banks, while two banks are responsible for 104 millions of the total of 131 millions.

The statement as a whole is eminently satisfactory, and is even an improvement on the August figures, which made several new records in Canadian banking.

LEGITIMATE UNDERWRITING.

When a deputation of insurance men representing Canadian fire companies waited on the Minister of Finance and the Superintendent of Insurance at Ottawa the other day, they were told their views would be fully

considered by the senate committee that will further deal with the bill during the coming session. The complaint refers to the clause inserted last session in the new Insurance Bill, giving Canadian insurers the right to insure in companies unlicensed to transact business in Canada. This right is supposed to be balanced by the payment of a tax of 15 per cent. of the premium. As the matter stands it seems to please nobody. The companies conforming to the law and making their financial deposit with the government, are strongly opposed, and rightly so, to the practice of underground underwriting. The manufacturers, who say they cannot get sufficient insurance in this country and are, therefore, compelled to go elsewhere, are opposed to the fifteen per cent. tax. The tax in theory may sound virtuous, but its collection in practice would probably be discovered difficult. The legitimate insurance companies contend that the manufacturers and other insurers should place their insurance in Canada as far as possible. If those companies cannot fulfil all the requirements, they are quite willing for the manufacturers to obtain surplus insurance elsewhere and without the payment of a tax.

The question is one which may be argued ad infinitum. But the fact remains the law provides that no insurance company shall transact business in Canada before it has fulfilled the law's requirements. The new clause says that, the law notwithstanding, there is available a loophole for insurance companies, responsible and otherwise. More satisfactory legislation than this can surely be devised.

GERMANY'S OVERTURES.

Considerable comment has been heard regarding the mission in Canada of the plenipotentiaries of the German-Canadian Economic Association. Following upon the heels of Mr. Blakeslee, the Association's English advisor, Captain von Putsau, representing a leading Berlin paper, is coming here to measure Canadian public opinion. Superficially, these visits revolve around the question of the German surtax. But it is possible far more vital and important considerations are involved. When Canada gave Great Britain preference in tariffs,

recognizing that trade within the Empire is grist to the family mill, Germany held out her hand for a similar concession. This not being granted, Canadian imports were placed upon Germany's most unfavorable tariff. Canada retaliated with a surtax of thirty-three and one-third per cent. on German imports. That happened seven years ago. Since then, German trade with the Dominion has gradually declined. The Kaiser's government has remained silent, almost proud and unbending.

Mr. Blakeslee says an adjustment of tariff conditions between the two countries would bring in its train an increase of German immigration into Canada and an influx of German capital. The former will be welcomed in a cosmopolitan empire, where national differences are levelled by an oath of allegiance to King Edward. German capital is of minor importance, as Germany is a heavy borrower, and not in a position to loan large sums of money, especially to develop Britain's empires. To retain the surtax would undoubtedly be bad policy on Canada's part. To take the first step for its removal would be worse. The Dominion requires outlets for its manufactures and agricultural products in as many foreign markets as possible. Germany is in a similar