

Commerce stockholders have made in February on the new stock issue. In the matter of capital, therefore, the Commerce will be practically on an equality with the Bank of Montreal. But in the matters of rest and total assets the consolidated bank will have some distance to go before the Bank of Montreal is overhauled. The Bank of Montreal's rest appears in the January return as \$15,000,000, while the combined rests of the Commerce and Eastern Townships as at the end of January were \$12,246,888. The assets of the Bank of Montreal were \$225,388,425 and the combined assets of the Commerce and Eastern Townships were \$206,939,638. In both cases, of course, these figures represent the position of the banks after experiencing the customary January contraction of liabilities. If business in 1912 takes the ordinary course, it is to be expected that both banks will have some substantial increases to record in the spring and early summer. The Dominion Government loan in London should result in bringing fresh funds to Canada. And if the London market manages to retain its equanimity through the labor alarms, etc., probably other important Canadian borrowings there will be announced.

LLOYDS BANK, LIMITED.

The newly published financial statement of Lloyds Bank, Limited, of London and Birmingham, England, shows that the available profit, including the amount brought forward, after payment of salaries, pensions, other charges and expenses, and the annual contribution to the provident and insurance fund, and making full provision for rebate, bad debts and contingencies, is £1,011,437 6s 6d. Out of this an interim dividend of 14s. 6d. per share, being at the rate of 18 1-8 per cent. per annum, and amounting, less income tax, to £357,749 8s. 2d., was paid for the half-year ended June 30th last, £60,000 has been written off the bank premises account, £107,500 has been appropriated in writing down the bank's investments, and £48,888 12s 1d. has been set aside for income tax.

From the balance remaining, £437,209 6s. 3d., it is recommended that a dividend at the same rate, amounting, less income tax, to £359,161 18s. 7d., be declared, and that the balance, £78,137 7s. 8d., be carried forward to the profit and loss account of the present year. In addition to the allocation from profit, £100,000 has been transferred from the reserve fund to complete the writing down of the investments to market value or below.

The following leading figures of the bank, as at December 31, 1911, show effectively the great resources of this institution and the magnitude of its operations:—

Capital paid up.....	£ 4,208,672
Reserve Fund.....	2,900,000
Deposit and Current Accounts.....	84,658,627
Cash in hand, at call and at short notice.....	21,534,122
Bills of Exchange.....	10,810,515
Investments.....	11,052,468
Advances and other Securities.....	46,305,979

BANK PENSIONS AND PREMISES.

In order to complete the series of articles analyzing banking results in Canada, the record of the individual banks in regard to appropriations for writing down premises account and for pension fund purposes is presented on page 321. A similar table was published on March 17th last year. In regard to the appropriations for writing down the premises, an interesting and important development occurred in 1911. It was the change of practice decided upon by the Bank of Montreal. Although this institution has made large appropriations for expenditures on premises in every year recently, no information has been given as to the amounts so appropriated. As most readers of THE CHRONICLE know, this policy was abandoned at the close of the last fiscal year. One result of the change has been to make an increase of roughly 50 per cent. in the total amount shown as appropriated by the banks. It will doubtless surprise some readers to be told that for this purpose, the Canadian banks have appropriated over \$11,000,000 in the last nine years. Actually the total of appropriations would exceed \$11,000,000. It is perhaps safe to place the average yearly appropriation of the Bank of Montreal for the eight years prior to 1911 at \$500,000. That would make an additional \$4,000,000, from which, however, the item of \$3,400,000 should be deducted to cover the re-adjustment of that amount in the premises account of the Bank of Montreal occurring in 1911. Allowing for that, the total of appropriations for writing down premises in the nine years would be approximately \$12,000,000.

These appropriations have something of the nature of reservations of profits. Ostensibly an appropriation of this kind is for the purpose of providing for depreciation of buildings and for the purpose of putting a low value on property which could not be readily realized. But the book values of the premises have been reduced far below the market value, and although the action of the Bank of Montreal in writing up its premises account may not be generally followed, it shows what could be done by some other banks.

The table dealing with the pension funds shows that nearly \$2,000,000 have been appropriated by the banks for their pension funds in twelve years. It is to be remembered that these figures represent merely the amounts contributed by the banks out of profits. In the case of many of the banks, the men on the staff have been paying in their percentages also; and the funds have been in receipt of interest. In some of the larger banks the pension funds are now reaching handsome proportions. It is the aim of the banks to continue developing them until the stage is reached in which the income from the fund investments and the payments by the staff will easily take care of the pensions paid and of all charges or withdrawals. When that stage is reached the current profits are relieved entirely from the pension payments.

A new hail insurance bill is under consideration by the Saskatchewan Legislature. The rate has been fixed at four cents an acre.