BANKS CLOSING UNPROFITABLE BRANCHES.

One of the interesting features of Canadian development in the past half-dozen years is seen in the great increase in the number of banking offices operated, writes a Toronto correspondent. Thus 267 offices were opened in 1909 and 40 were closed, the net gain being 227; in 1910 there were 269 opened and 36 closed, net gain being 233; in 1911 252 opened and 50 closed, net gain 202; 1912, 322 opened and 80 closed, net gain 242; in 1913 288 opened and 86 closed, net gain 202, and in 1914 240 opened and 115 closed, net gain 125.' In the half-dozen years the net gain has been 1231, the increase representing nearly 75 per cent. It is significant, however, that for the four years 1909 to 1912, inclusive, the increase was steady, and since 1912 the number of offices closed has shown a considerable increase. This movement to close unprofitable branches was specially in evidence last year. For the whole year 1914 the offices closed averaged practically 10 per month. The greater part of this occurred in the last five months of the year, after Germany's declaration of war. In November and December the closed offices numbered 39, against only 25 opened.

Since the opening of 1915 the movement to withdraw from unprofitable or unpromising points has continued in evidence. Thus in January there was a net loss of 3 offices, in February a net gain of 4, in March a net gain of 13, in April a net gain of 3 and in May a net gain of 6. In these five months the average number of branches closed per month is about 10, practically the same as that obtaining for 1914.

In consequence of reduced profits, the bankers have been obliged to subject their expenses or costs to the closest kind of analysis. At each head office the results of operations at the several branches are closely investigated and those which show consistently bad results are slated for closing if no prospects of immediate improvement are within sight. It is noteworthy that taxation levied by several of the provincial governments has played some part in inducing the bankers to withdraw their facilities from certain small villages.

British Columbia and Alberta, in particular, have increased their scale of bank taxes within the last two years—in both cases taxes were more than doubled. Consequently there have been a considerable number of branches closed in these two provinces, especially British Columbia. It would not be correct, however, to say that the rise in the tax rate was the sole or principal cause of the movement. Falling off in general trade probably has been a more potent factor.

The New York Superintendent of Insurance has issued a statement that the interests of the policyholders of the Equitable Life of New York cannot suffer in the slightest degree by the transfer of the majority stock from J. P. Morgan to General T. Coleman du Pont. The present voting trust will continue undisturbed. The Insurance Department is going to co-operate with General du Pont and with the mutualization committee of the Equitable Society in the endeavor to formulate a satisfactory plan for the mutualization of the company. The questions involved are said to be very intricate and considerable time will be taken before a plan of procedure will be evolved.

CREDIT FONCIER FRANCO-CANADIEN.

The annual report of this well-known financial institution shows that the gross revenue for 1914 was \$3,037,810 against \$2,741,356 in 1913. Net profits are reported as \$970,927 against \$826,073. Sums totalling \$317,731 were appropriated for reserve and other funds and \$501,678 was distributed in dividends to shareholders. After the appropriation of \$17,760 for the administrators and of a like sum for the founders, there remained \$115,996 to be added to the previous balance of \$214,864 carried forward at the beginning of the year. The dividend was at the rate of 10.40 per cent. on the capital, or the same as the previous year.

It is noted in the report as evidence of the soundness of conditions in Canada that the Company's call loans in Montreal have been satisfactorily liquidated, notwithstanding the difficulties that followed the closing of the stock market last July. Loans of this character to the amount of \$754,667 were out at the end of December but by the time the report was drawn up in May they had been reduced to \$311,790. The Company has also been able to realize with ease on properties which it had been obliged to take over in satisfaction of its claims.

It is further noted that interest arrears early in May stood at only one-half of what they were at the end of December.

The Company's balance sheet shows total assets of \$53,281,274, loans being represented by \$43,062,329. Cash on hand and in banks at the end of the year amounted to \$2,028,709.