

## FINANCIAL NEWS AND NOTES

### Some Comparisons

The simplicity and convenience of matters financial in Canada, as compared with those of other nations, is, we believe, not appreciated as it should be, and there is ample ground for a feeling of thanksgiving that we are free from many of the complications in these matters that rest on the people of other lands.

Take, for instance, our currency. At present it consists of silver and copper coin (five pieces only), Dominion notes and bank notes, to which will be shortly added gold coin of three denominations. A simple list truly, and one that causes no trouble, either financial or political. Compare this with the currency of the United States, where to the ten pieces of coin issued (which includes the silver dollar) must be added gold certificates, silver certificates, United States notes, Treasury notes and National Bank notes, or compare it with the currency of Great Britain, with its antiquated system of pounds, shillings and pence, and besides the usual number of coins, notes in circulation of the Bank of England and English joint stock banks and English private banks and Scotch and Irish banks.

Another cause for gratitude is our freedom from a stamp tax with all its annoyance and expense, as, for instance, in Great Britain, where every cheque, draft, note, receipt, power of attorney, stock transfer and legal documents of every description must be stamped in the manner and to the extent prescribed by the British Stamp Act. Some of us have a recollection of the time when such an Act was in operation in Canada, and also remember the feeling of relief when it was repealed.

Our banking system, too, is simple, consisting of but one class of banks acting under a uniform Bank Act, which applies to all our banks, thirty-four only in number, but with twelve hundred branches. In the United States there are State banks and National banks, and each State has different regulations for its banks, and that country has many thousands of banks independent of each other, and impossible to be kept in mind, as can our few large banks.

Attention was recently called by a gentleman from the United States to the ease with which banking accommodation can be obtained at a show point in Canada, as compared with the procedure necessary to this end in the United States. In Canada when the people of a village or town decide that a bank in their midst is necessary, and that there is sufficient business to warrant the opening of such, a requisition is sent to the head office of one of the chartered banks stating their request, and the favorable amount of business obtainable. If the bank authorities are shown that there is sufficient business in sight to warrant a branch office, it is opened there without delay, and at no further trouble to the townspeople. Moreover, that branch has all of the strength and experience and facilities behind it of the parent institution with its millions of assets. In the United States those under similar circumstances desirous of a bank must proceed to organize one, get a Federal or State charter, obtain sufficient subscriptions to the stock, arrange for directors, cashier and other officers. Premises, office forms

and supplies, and many other matters must be arranged for, all of which takes much time and trouble, and at the end what? A bank of possibly \$20,000 capital (or less), with little or no backing outside of its own slim resources, and with probably inexperienced men at the helm. Is it a wonder that bank failures are so frequent in the United States, or that our own system is so highly commended?

### Bank Reports

A number of our Canadian banks have during the past two months been publishing their annual statements, and as these reflect largely the financial condition of the country, it is of interest to read what these statements contain, and besides, as a large number of our people have money deposited in one or other of these banks, it may be well to reassure ourselves of the safety of that money by noting the position of these depositories, even in these days when almost unlimited confidence is felt, and rightly so, in our chartered banks. Our system of banking trains good men for the management of these great institutions. The officers enter the service as boys, and through the practice of transferring them from branch to branch and from one class of work to another, by the time the years of ripened judgment are reached an intimate knowledge of the bank's business, and of the theory and practice of banking has been gained, and thus these men are well equipped for their responsible business of handling the people's money. The history of our Canadian banks during the past twenty-five years shows that the confidence reposed in them rests on a good foundation.

The Imperial Bank of Canada of 31st May, showed total assets of \$33,095,525, against liabilities owing the public of \$26,703,777, and a paid-up capital and rest, which each amount to \$3,000,000. The deposits aggregate \$23,076,068. The year's profits were \$150,951 (an increase of \$6,537 over the previous year), and from these profits dividends of ten per cent. were paid the stockholders and \$150,000 added to reserve, leaving \$176,516 to be carried in profit and loss account.

The Traders Bank also shows a good statement, with total assets \$22,330,016, against liabilities owing the public of \$18,091,380. The capital is \$2,999,715, and reserve fund, \$1,100,000. The deposits aggregate \$15,830,720. The profits of the year were \$287,144 (an increase of \$48,722 over last year), to which is added premium on new stock, \$100,000, and profit and loss account, \$22,078. Dividends of seven per cent. were paid, and \$400,000 added to reserve.

The Standard Bank has not made such rapid progress as the above two institutions. Its assets aggregate \$16,652,801, with amount owing the public, \$14,500,686. Capital and reserve, \$1,000,000 each. Deposits, \$12,590,499. Profits for the year, \$156,995 (a decrease of \$26,012 from 1904), owing, it is said, to somewhat heavy losses. Dividends of ten per cent. were paid the shareholders, and \$62,114 carried forward.

The Sovereign Bank at its third annual meeting reported capital \$1,300,000 and reserve \$400,000. Total assets \$11,666,095, against liabilities to the public \$9,043,279, including deposits of \$8,316,204. The profits of the year were \$133,975, and dividends of five per cent. were paid the shareholders, \$20,000 was added to reserve. All of which contributes to make a very good showing for such a young institution.

## THE SAVINGS OF YEARS

should never be risked in uncertain investments. Much better to let \$100 of your money and reasonable management, and experience of nearly fifty years, ensure all depositors and other customers an unexcelled banking service.

### THE BANK OF TORONTO

In its Savings Department offers a perfectly safe depository for money. Its large resources, its conservative management, and experience of nearly fifty years, ensure all depositors and other customers an unexcelled banking service.

INTEREST PAID ON ALL SAVINGS  
BALANCES TWICE A YEAR

## THE BANK OF TORONTO

CAPITAL	\$3,400,000
REST	3,700,000
ASSETS	30,000,000

### Pacific Coast Excursions

During June, July, August and September the Chicago and Northwestern Ry. will sell from Chicago round trip excursion tickets to San Francisco, Los Angeles, Portland, Ore., (Lewis & Clarke Expedition, Seattle, Victoria and Vancouver, at very low rates. Correspondingly cheap fares from all points in Canada. Choice of routes, best of train service, favorable stopovers and liberal return limits. Rates, folders and full information can be obtained from B. H. Bennett, General Agent, a East King St., Toronto, Ont.

The Ontario Bank reports assets of \$15,742,673, against \$13,348,589 owing the public, including deposits of \$11,649,325. Their capital is \$1,500,000, with reserve, \$650,000. Profits for the year were \$152,583 (a decrease from 1904 of \$23,072), from which dividends of six per cent. were paid, and \$50,000 added to rest.

The following three Quebec banks also publish their statements at this time:

The Union Bank of Canada, with capital, \$2,900,000 and reserve, \$1,100,000, shows assets of \$22,707,100, against \$18,889,956 owing the public, which includes deposits of \$16,533,876. Their profits were \$382,173 (a decrease of \$59,521 from 1904). Dividends of seven per cent. were paid, \$100,000 added to rest, and \$100,000 written off bank premises and real estate, leaving \$74,513 to be carried forward.

The Quebec Bank shows assets of \$13,703,032, against \$9,874,435 owing the public. The deposits are \$8,298,780, capital, \$2,500,000, and rest, \$1,905,000. Profits for the year aggregated \$261,474 (a decrease of \$21,727 from 1904), from which dividends of seven per cent. were paid and \$50,000 added to reserve.

La Banque Nationale's capital is \$1,500,000, and reserve fund, \$500,000. Total assets \$10,335,744, against \$8,437,577 owing to the public. Deposits are \$6,753,109. Their profits were \$124,084 (a decrease of \$12,093 from 1904), from which dividends of six per cent. were paid and \$50,000 added to rest.