

inform him of the "standing" of the bank, of the character of the directors and officers, of their wealth, their integrity, their ability. And it would not be difficult for the would-be depositor to adopt a similar course. These are simple precautions, yet their general adoption, there is no doubt, would result in the saving to those who take them, of occasional disappointment and possibly financial loss. For in banking, as in a host of other matters, character is of vastly greater importance than legislation, and a general recognition of the fact will do more to protect shareholders and depositors than many folios of Acts of Parliament.

FEDERAL LIFE ASSURANCE COMPANY.

Mr. David Dexter, president and managing director of the Federal Life Assurance Company, presented at the recent annual meeting at Hamilton, Ont., a report of a satisfactory character. The operations of the Company were again extended during 1910—new business was large, the amount of insurance in force was considerably increased, in assets, income and reserve there were steady advances.

The following shows the leading 1910 figures of the Company in comparison with those of 1909:

	1909.	1910.
New business	\$3,663,896	\$3,720,436
Insurance in force	21,049,322	22,309,929
Assets	3,643,949	3,996,443
Liabilities	3,351,254	3,720,855
Income	893,002	950,953
Payments to policyholders	347,274	339,897
Reserve	3,256,510	3,656,001

New business, as will be seen, showed a perceptible advance in 1910 over 1909, and the insurance in force increased by practically \$1,300,000 to \$22,309,929. Income shows the considerable increase of \$57,000 upon 1909, and reaches \$950,000. Of this amount \$767,460 is on account of premiums and annuities and \$183,493, interest, rents and profits. Payments to policyholders were a trifle less than in 1909, the difference being accounted for by the reduced number and amount of death claims in 1910 as compared with 1909. The result of the year's business has been to increase the assets of the Company by practically 10 per cent., they now reaching a total of \$3,996,443.

Security for policyholders, including guarantee capital, amounted at the close of the year to \$4,866,443, showing a surplus of \$1,145,588 over the liabilities for reserve and all outstanding claims, including \$25,000 set aside as a special addition to policy reserves. Exclusive of uncalled guarantee capital the surplus to policyholders is \$275,588.

We mentioned last week that Toronto financiers have acquired an interest in this Company, and at the recent annual meeting a directorate, largely

new, was elected. The directorate now includes Dr. M. H. Aikins, Messrs. F. F. Dalley, David Dexter, David A. Dunlap, John I. Grover, Thomas C. Haslett, John B. Holden, F. J. Howell, John Lennox, R. G. O. Thomson, W. G. Watson and Charles Wurtele. Mr. David Dexter continues as president and managing director, and under his guidance, the Federal Life will, no doubt, continue to make steady progress. It is the expressed policy of the Company to confine expenses to a reasonable limit, consistent with due efforts for new business, while at the same time the outlook is reported as most encouraging. In Montreal, the Federal Life's interests are represented by Mr. C. L. Sweeney, district manager.

BANKING PROFITS IN CANADA (II).

The table presented on page 315 deals with the disposition of the Canadian banks' profits. The total of profits of all kinds—balance brought in, ordinary earnings, and premiums on new issues of capital stock—which the twenty-eight banks had to dispose of in 1910, broke all previous records. Thus in 1910 it was \$22,245,132 as against \$18,021,375 in 1909, \$17,800,778 in 1908, \$18,726,383 in 1907 and \$21,211,893 in 1906. The year 1906 was noteworthy because of the large issues of new capital stocks made by the banks. They received no less than \$6,371,151 in premium thereupon, which sum is more than double the total of premium received in 1910.

Then in amount of ordinary earnings the year 1907 held the record until 1910. Earnings in 1907 were \$13,755,780. In the past year that figure was exceeded by a half million dollars. The ordinary earnings for 1910 exceed those achieved in 1909 by \$1,300,000. It appears likely that during 1911 a substantial amount of premium on new capital stock will be received. Also, the earnings of the banks should be very satisfactory providing no break-down occurs.

The total of dividends paid for 1910 is \$420,000 in excess of the total for 1909. This item has been increasing steadily. The total for 1906 was \$7,208,063, or \$1,500,000 less than the 1910 figures. The additions to rest are influenced largely by the amount of premium on new stock issues. The amount added to rest in 1910 is just about double that added in the preceding year. It is, however, considerably less than the addition made in 1906—\$9,943,080. The amounts appropriated by the best managed banks for writing down premises are large. There is a disposition in some quarters to regard a rise in the value of premises owned as excuse or justification for not writing down premises account. But this theory gets no acceptance in the best circles.