

In addition to the above the following seven English and American fire companies retired from the Canadian field between 1877 and 1902, owing to the results affording no encouragement for continuing in business:—

ENGLISH AND AMERICAN COMPANIES RETIRED FROM THE
CANADIAN FIELD BETWEEN 1877 AND 1902.

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| Glasgow and London. | City of London. |
| Scottish Commercial. | Fire Insurance Association |
| Scottish Imperial. | (Albion). |
| United Fire of Manchester. | Agricultural of Watertown. |

When then we find that 11 Canadian fire insurance companies since 1877 sustained a loss of capital to extent of \$2,928,960, and 7 English and American companies pulled up their stakes in this country and retired wholly from the Dominion, it must be evident to all that underwriting is not the bonanza some imagine, but that it is an enterprise accompanied by risks which have to be insured against as prudently and as surely as the fire risks for which the companies themselves provide indemnity.

CANADIAN BANK OF COMMERCE

ANNUAL MEETING—EXCELLENT REPORT—ABLE AND
EXHAUSTIVE ADDRESSES BY PRESIDENT
AND GENERAL MANAGER.

The 36th annual meeting of the above Bank was one of unusual interest, as was shown by the large attendance of highly gratified shareholders who were favoured by the opportunity of hearing two addresses on financial affairs of rare excellence, one by the President, the Hon. G. A. Cox, Senator, and the other by Mr. B. E. Walker, General Manager. The report stated the net profits of the year, ending 30th November last, as \$1,028,509, which exceeds any previous year. This amount is 12.86 per cent. on the paid-up capital. The balance brought from previous year was \$251,047, so that the sum of \$1,279,556 was distributable. The two half-yearly dividends at 7 per cent. took \$560,000; \$500,000 was added to the Reserve Fund, \$15,000 transferred to Pension Fund, \$51,736 was expended on Bank premises, charged to Profit and Loss, after which appropriations there was \$152,821 left at credit of Profit and Loss to be carried forward to next year. The Reserve Fund now stands at \$2,500,000. In the course of last year the deposits rose from \$51,679,366 to \$53,923,287, an increase of \$2,243,921 and the current loans from \$43,351,198 to \$46,990,539, an enlargement of \$3,639,341. The circulation increased until it was, as the President said, "as high as we could wish having regard to our powers under the Bank Act."

The President, after pointing out the salient features in the report, and stating that 110 new branches of Canadian banks had been opened in the past

year, went on to discuss the financial situation in the United States as affected by the course of their foreign trade in recent years. He pointed out that the foreign indebtedness of the United States has been greatly increased of late years. Its amount, however, he affirmed it was impossible to estimate, except very roughly, but that which presses enough upon the situation to influence the foreign exchange market is, he said, "perhaps \$250,000,000." He hoped the volume of flotations and finance operations would be checked. The position of Canada from the same standpoint was considered to demand caution. "The surplus in our favour in 1897 has disappeared, but we have not swung widely in the other direction," still Canada is better off in the matter of relative foreign indebtedness than in 1897. We are relying now more than ever upon our own resources. President Cox threw out a note of warning against excessive outlays in public and private ventures, as by such a course the supply of capital will be exhausted. The President closed his speech by a handsome tribute to Mr. J. H. Plummer.

Mr. B. E. Walker, General Manager, delivered an address, which, though lengthy, rivetted the attention and excited the deepest interest of the shareholders. He brought the varied financial and mercantile conditions and prospects under review, pointing out those features indicative of growth, those showing signs of great development, those needing to be conducted with more caution, and those needing to be promoted by wise legislation. He endorsed the cautionary words of the President in regard to "the speculation incident to the promotion of companies," in regard to which Mr. Walker said:

"Only the pressure of an unfavourable money market is likely to check this movement so long as we have good crops and an expanding volume of business. What is really necessary is that the public should exercise greater discretion and should try at least to avoid the many enterprises which are clearly not founded on conservative expectations of profit. But, whether new industrial ventures are essentially sound or not, the supply of money available to carry the shares in such ventures will sooner or later be used up unless the volume of flotation is lessened."

At the same time he regarded the basis of our largely increased trade as sound. The only danger arises from "the tremendously increased scope of our creative power, the general advance in prices, therefore in the cost of living, and the effect of these when, because of bad crops or a general liquidation of debt, we have to face a greatly lessened demand for our manufactures." The risk of restricted demand is, however, a constant factor in all indus-