

## THE IMPERIAL BANK OF CANADA.

Under the skilful guidance of Col. D. R. Wilkie, President and General Manager, the Imperial Bank of Canada has within recent years made great advances both in the scope of its operations and in prestige among the Canadian banking institutions, and at the present time it occupies a position of notable importance which is likely to be further enhanced in the future. Last year on an average paid up capital and reserve fund approaching \$14,000,000, net profits were \$1,236,985, or at the rate of 8.30 per cent. Premiums upon new stock and the large balance forward of \$1,003,989 made the total available on profit and loss account \$2,452,804. Of this amount the 12 per cent. dividend absorbed only \$834,784, and after making various contributions, including \$250,000 provision for depreciation in securities and for contingencies, the increased balance of \$1,265,919 is carried forward.

The balance sheet is notable for the strong liquid position maintained by the Bank. Cash reserves with liquid assets that are realizable irrespective of the condition of trade, represent over 50 per cent. of the Bank's total liabilities to the public. As a result of the shrinkage in trade throughout the country and of the early marketing of last year's grain crops there is a fall in the Bank's note circulation from \$5,803,794 at April 30 last year to \$4,762,347 this year. Deposits, however, show a substantial increase and stand in the present balance sheet at \$58,238,855. Total liabilities to the public are \$63,387,456, against which there are held cash and liquid assets aggregating \$34,473,459, a ratio of liabilities to the public, as indicated above, of over 50 per cent. Current loans and discounts stand at \$41,331,017, compared with \$40,502,609 a year ago, an increase of some \$800,000, occasioned, Mr. Wilkie stated, entirely by renewals of loans which under ordinary circumstances would have been liquidated. The total assets of the Bank are \$78,863,252.

### THE BURDEN OF TAXATION.

President Wilkie's speech at the recent annual meeting of shareholders contained, as usual, timely references to a number of matters of present day importance in the commercial and financial development of Canada. In regard to the taxation of the banks, which is ever becoming more burdensome, President Wilkie pointed out that within the last year the provincial taxation upon these institutions has been nearly doubled in British Columbia and almost trebled in Ontario. He continued in reference to this matter:—

The Dominion has exclusive legislative authority over banking, the incorporation of Banks, and the issuing of paper currency. It also has exclusive rights to raise money by any mode or system of taxation. Provincial Legislatures are empowered to levy direct taxation within the Province for Provincial purposes. The Dominion Parliament, for its own uses, has power to duplicate every tax which may be

imposed by any Province. If such a power is ever exercised by the Dominion the consequences to Banks would be serious.

Admitting the authority of the Provincial Legislatures to impose taxation on Banks, there still remains the question as to the extent to which such taxation could be imposed, and it is more than probable that the taxation would be declared unconstitutional, in so far as it might be excessive or hamper the operations of the Banks, created by the Dominion Parliament for the purpose of carrying out the policy of the Dominion Parliament, in providing for and developing the agricultural, manufacturing, mining, lumbering and general interests of the Dominion. It is premature to say that the Provincial and Municipal taxation at present is excessive, but it is unquestionably true that these taxes are already so burdensome as to be a deterrent to the opening of new Branches and to the granting of Banking facilities.

### THE BALANCE OF TRADE.

The accounts which President Wilkie gave in regard to the condition of the crops, and the commercial position of the country were, generally speaking, satisfactory. He noted with pleasure the fact that the total imports of the Dominion for the last financial year ended March 31, fell short of those of the previous year by over \$40,000,000, that the exports of the financial year exceeded the exports of 1913 by \$38,000,000, and that the total balance of trade against Canada for the twelve months was only \$172,000,000, as compared with \$300,000,000 for the year ending 31st March, 1913. The adverse balance, President Wilkie pointed out, has been more than provided for by large borrowings abroad on the part of the Provinces, Municipalities, Railway Companies and others, and it has not occasioned the slightest strain upon the financial resources of the Dominion.

A further interesting point made by President Wilkie was that it may be necessary in consequence of the Dominion's growth and development, to establish at a comparatively early date in Canada a bank of re-discount under the patronage of the Dominion Government, with somewhat similar powers to those which have been granted to the reserve banks of the United States. Col. Wilkie's whole address is exceedingly informing in regard to commercial and financial conditions, and both interesting and stimulating in regard to the considerations advanced.

### PRESENTATION TO MR. A. MACKAY.

The late General Manager and Secretary of the Law Union and Rock Insurance Company, Mr. Alexander Mackay, has recently been the recipient of a handsome testimonial from the Company's representatives in Canada. The presentation consists of a very valuable service of silver, in a beautiful Old English pattern. The tray which forms part of the service is engraved with the following inscription:—

"Presented to Alexander Mackay, Esquire, by the Law Union and Rock Insurance Company's Canadian Representatives, as a token of their esteem."

Several of the British fire offices, it is said, have suffered losses caused by suffragettes' fires this year of over £20,000 each.