

Bank of Winnipeg, Winnipeg.
 Citizens Bank of Canada, Toronto.
 City and County Bank of Canada, Ottawa.
 Home Bank of Canada, Toronto.
 Northern Bank, Winnipeg.
 Pacific Bank of Canada, Victoria.
 Sterling Bank of Canada, London.
 Farmers' Bank of Canada, Toronto.

The present session is bringing the usual applications, the latest to appear being that of the Monarch Bank of Canada, which has modestly asked that a capital of \$10,000,000 may be authorized.

It is time that some change was made in the regulations under which bank charters can be obtained. At present five or more apparently respectable people sign a petition asking to be incorporated as a bank; they pay the necessary fees, amounting to some \$200, and engage a lawyer to see the bill through Parliament. The charter is then granted as a matter of course, although the incorporators may not know where they are going to obtain a single dollar of the capital.

When in the old days there was need for additional banking facilities, the people who wanted a bank got together and subscribed the necessary capital, and then went to Parliament and asked for a charter. Now it is open to a promoter who wishes to earn a commission by obtaining stock subscriptions, or a bank official in a hurry to be a General Manager, to obtain a charter in the hope of being able, by hook or by crook, to get the necessary minimum of capital subscribed and paid up. This is clearly all wrong. The banks in Canada are specially chartered by Act of Parliament to perform certain important functions in the commercial life of the country. They are given valuable privileges and are charged with responsible duties. Under these circumstances it is obvious that a charter should not be granted unless there is substantial *prima facie* evidence of the need for a bank, and of the willingness of responsible persons to pay up the necessary capital. After a bank has obtained its charter, and before it can go into operation, at least \$500,000 of capital must be subscribed, of which \$250,000 must be paid up and deposited with the Minister of Finance. The matter could very easily be put on a proper footing if the subscribed and paid up capital was required to be obtained *before* the charter was granted, instead of after. It would then be open to anyone to endeavor to obtain subscriptions for the stock of a new bank, but it would be necessary for him, when going to Parliament for a charter, to take with him a list of stockholders whose total subscriptions were at least \$500,000, and a certificate from the Minister of Finance that \$250,000 had been deposited with him. A rule of this kind would not stand in the way of the establishment of a bank for which any need could be shown, but it would prevent the obtaining of charters on speculation.

A charter lapses after the expiration of one year from its date, unless in the meantime it has been extended by Parliament, and application was made a week or two ago for a second extension of twelve months for the Northern Bank. It is satisfactory to see that the Minister of Finance made a protest against the practice of granting charters to persons who were not ready to put them into operation. If the Government would definitely announce that it would oppose the extension of the charter of any bank which was not in operation within one year from the date of incorporation, the first step towards reform would have been taken.

FIRE INSURANCE IN CANADA.

The experience of fire underwriting companies in Canada of late years has been a varied one. At the close of 1902 they had the great and unusual satisfaction of finding the results of that year to have been the low fire loss of 39.25 per cent., which was much less than for many years, while in the next year the losses were only 50.94 per cent. of the premiums. But 1904 witnessed the conflagration in Toronto, and that of Baltimore in the States, where prominent Canadian companies were involved, which caused the losses to exceed the premiums received in the proportion of \$14,195,884 to \$13,174,819, which means an outgo of \$107.75 to an income of \$100, to say nothing of commissions to agents and expenses of conducting the business.

Before proceeding to analyze the figures of the last year given in the Abstract Statements of Insurance Companies in Canada for the calendar year 1904, received last week from the Insurance Superintendent at Ottawa, and reproduced in to-day's issue on page 1424, it may be instructive to go back some years and trace the growth of the business done. We have selected six years, 1874, 1884, 1894, 1902, 1903, and 1904 to illustrate this growth, and give the premiums received, the amount of insurance at risk, and the losses incurred, and the ratio of loss to the amount of premium. The growth in thirty years has been marked, for the amount of property covered by insurance has quadrupled in that time:

Year.	Premiums.	Amount. at risk.	Losses.	Per cent. loss.
1874	\$3,522,703	\$306,844,219	\$1,925,159	62.76
1884	4,980,128	605,507,789	3,245,323	53.59
1894	6,711,369	836,067,202	4,589,363	68.38
1902	10,597,084	1,075,263,168	4,288,562	39.26
1903	11,384,762	1,140,453,716	5,799,279	50.94
1904	13,174,819	1,218,853,254	14,195,884	107.75

The number of companies reporting to Ottawa was practically the same as in several preceding years, namely, 10 Canadian, 19 British, and 9 American—thirty-eight in all, an addition being made since 1903 of one Canadian company, the Montreal-Canada. One United States company, the German-American, has been also added to the list, but its transactions have not added to the totals of either premiums or losses, its advent being too late in the year. The number of British companies is the same, and they continue to do the largest share of the business, more indeed than the other companies combined. A table will show the proportions of the transactions of each group for the year 1904:

	Net cash premiums.	Amount at risk.	Losses incurred.
Canadian companies....	\$2,688,703	\$300,865,599	\$2,619,633
British companies.....	8,341,175	745,022,261	9,204,133
American companies....	2,144,941	172,965,394	2,372,118

Total, 1904\$13,174,819 \$1,218,853,254 \$14,111,200

We see, from this table, that the British and American companies fared the worst, for while the conflagrations and other fire waste of the year made the losses of all the companies together 107.75 per cent., the American lost \$110.59 for every hundred dollars received in premiums, the British \$110.34, and the Canadian only \$97.43.

The whole amount written was distributed among the three groups of companies as under: nearly one-quarter of the \$1,218,553,000 at risk was written by the