

of its excellence, he would tell them that three-fourths of it had been received at the head office direct, and that their policies averaged £800. These elements indicated healthy and good risks, and therefore it is not surprising that the mortality was less than that indicated by the tables. There were two sets of tables in use—the Carlisle table and the Experience table, and their general account shewed that the Experience table required a reserve of 5 per cent. more than the Carlisle table would require and, therefore, in the calculation of their profits they might from their use of the Experience table be said to have a surplus reserve of £15,000; the bonus they were now prepared to declare to the policyholders being on the average two guineas per cent., which he hoped, and there was fair reason to expect, would be fully maintained. In the appropriation of bonus each policyholder was recognized as a partner in the Company according to the amount of premium paid. This was a more equitable arrangement than is ordinarily adopted; and he had no doubt it would meet the views of all their policyholders. Page 19 of the Actuary's Report, indicated the profits accruing upon policies; the general result being a medium profit of two guineas per cent. The balance for appropriation was £43,807 15s., of which it was proposed that £41,000 should revert to the policyholders, the remaining £2,800 being apportioned among the shareholders. He was not aware that there was any other feature in the Life account which called for further remark; but from what he had said, they would feel that having made such a reserve fund it formed a protection for the future. With reference to the Marine department the per centage of loss to the present time did not exceed 43½ per cent.; which indicated that the account was likely to turn out a favourable one, and to contribute a very good share of profit during the ensuing year. At their last general meeting the subject of expenses was taken into consideration; it being stated at the time that a committee had been appointed in order to effect some reduction therein. That committee had closed its labours, and in some degree a reduction had been made; but the extent of such reduction was not shewn in the balance-sheet in consequence of several contracts for advertising not having yet expired; but at the same time he thought that as compared with other offices, there would be no reason to complain of their expenditure. They would find that the expenses of other companies varied from 17 to 22 per cent., whilst their own, on a premium income of £414,000 was only 10 per cent. Taking the Fire and Life premiums at £171,500, the expenses would only be 18½ per cent., and if a comparison was made with other offices there was no occasion to shrink from it. The officers of the *Commercial Union* looked not so much to premium income, as to profit, and this could bear comparison with any company in the City of London. He had nothing further to say, except that at no period of its existence had the *Commercial Union* stood upon a firmer basis than at the present time. They had been chastened and corrected by a year of adversity; and he hoped they would now go on, and as he said before, rank with the first companies in the City of London. The Chairman concluded by moving the adoption of the report and balance-sheet.

Mr. Alexander Sim (deputy-chairman), in seconding the motion, said their securities, if realized upon, would produce a very handsome sum; and there was not one upon which a single penny could be lost.

Mr. Stewart said it was a source of gratification to receive so favourable a report. The lucid manner in which it had been referred to by the Chairman left very little for others to do but to offer congratulations thereon, and to urge members to bring business to the office. He wished to ask for a little information respecting their branches. There was no fear as regarded the risks taken at the head office; but in the branches they must take care that the fruits of the head office were not lost. He thought that those offices which were not profitable should be closed as early as possible. He would ask if marine risks had been taken at the Glasgow office? He hoped not.

The Chairman—No.

Mr. Stewart said he was glad to hear it; and, after contrasting their expenses of this and of last year, and the marine expenditure, said it would be satisfactory to have the items before them. He was sure the *Commercial Union* had a great future before it.

Mr. Thompson thought they should all be satisfied with the report, as to the marine risks they should cause no alarm whatever, for as their business increased, so must also their risks and the means of meeting them. He thought the fire business was very satisfactory. This year they started with a very favourable balance. If an agency did not pay for a single year he did not think they should knock it off suddenly; but should take an average of years. The amount written off was of very great importance, and showed that the Directors were not so anxious to exhibit a large amount of premiums as a large amount of profit.

The Chairman in reference to a remark that had been made by Mr. Thompson that they should not close a branch prematurely, said they should not shew where their bad business originated; but they should shew where their good business came from. 5½ per cent. was the loss upon their foreign agencies; and when it was considered that 60 per cent. was a good and profitable business in this country he did not think they could call their foreign bad. The increase in the expenses in the life account could not bear more than 10 per cent. of the premiums. Some expenses were incurred in the general transactions which could not be attached to the pure expenses of a branch. The salaries at the branch offices have been increased; but he could tell them that in Manchester and Liverpool their officers were fully confident of success. The dividend proposed to be paid was 25 per cent., and a bonus out of the life fund of 2s. 6d. per share, making in all 7½ per cent.

The report and balance sheet were then unanimously adopted.

Messrs. Boustead, Peek, Sim, Trower, Welch, and Woodhouse, the retiring directors, were then re-elected; and so were the retiring auditors, Messrs. Milnes, Porter, and Tate.

A shareholder seconded the re-election of the auditors, saying great care had been shewn in the transaction of the business; and urging the shareholders to assist the Directors in extending the business.

The motion was carried.

Mr. Leppoc, of the Manchester Branch, gave a brief but satisfactory statement of the position of that office.

Mr. F. Collier said it required men of great courage to say they had worked for a year and could divide nothing. That courage and candour shewed strength; and with the new offices they had to combine the energies of youth with the caution of age, and the managers of them deserved all their sympathies. The accounts only shewed a part of the truth; but they could all trust the honesty of the gentlemen on the other side of the table. The speaker concluded by moving a vote of thanks to the Chairman and Board of Directors, which was unanimously carried.

The Chairman, in acknowledging the compliment on behalf of himself and the other Directors, drew a picture of the results which would be attained if every shareholder brought an £800 policy; and concluded by expressing a hope that ere long the *Commercial Union* would be unrivalled in the City of London.

A vote of thanks was then passed to the officers, and the proceedings terminated.

CANADIAN LAND AND EMIGRATION COMPANY.—The annual general meeting was held on Wednesday, March 4, at the London Tavern, Mr. H. Montgomery in the chair. We can find space for only a brief summary of the proceedings. The report stated that the Directors had adhered very closely to the estimated expenditure for the year. The amount at the debit of road making was decreased, claims to a much larger amount than the expenditure for the year having been allowed by the Crown Lands Department. Although the sales of land during the past six months had been somewhat less than that for the first half of the year, the Directors trusted that, as the settlers were thriving and found markets for their produce at re-

munerative rates, the coming season would attract purchasers to the Company's land. The sale of timber in Guildford produced an amount considerably above the estimate of its value. The receipts for sale of land and timber, &c. in 1867, amounted to £5,350, and the expenditure to £1,858, the balance being carried forward. The Chairman, in moving the adoption of the report, said the sale of the land owned by the Company had not been so great as they could wish. The settlers on the estate were doing well, and when the advantages of the locality became better known, settlers would be attracted to it, and the land would then realize a good profit. After a harmonious discussion of the report, which all seemed to approve of, it was adopted, and a vote of thanks to the chairman closed the proceedings.

GRAND TRUNK.—The half-yearly meeting is called for Thursday the 30th prox., "for the purpose of receiving a report from the Directors and for the transaction of the other business of the company"—not including, we fear, payment of any interest or dividend to 1st and 2nd preference bondholders or third and fourth preference stockholders. This may be the best policy for the Company and Canada, but alas!—poor bondholders! They promise to be something like the workmen in Wiltshire—too poor to move. The Canadians, we believe, are unanimous in their approval of the proceedings of the Company. They say it will bring the Company round, establish a first-class line, and it is far better to spend the money in Canada than out of it.—*Herepath's Journal*.

MONTREAL SAVINGS BANK.—The twenty-second meeting of this bank was held in Montreal on the 7th inst. The net earnings for the past year were \$12,781.13 or \$1,735.09 more than last year. This was in the face of an increased rate of interest paid to depositors; the total interest paid depositors was \$66,485.07. During the year \$4,350 was paid away in charities, making \$50,540 disposed of in this way since its organization. The balance sheet shows the amount due to depositors to be \$1,532,496, and the reserve fund to be \$141,397. Among the assets are \$549,634 invested in first mortgage railway bonds; \$74,670 in bank stocks; \$514,558 were loaned at short dates, secured by collaterals, and \$527,497 were deposited on call at interest in six of the banks of the city. The total number of accounts open is 5,039. The meeting terminated with the usual formal proceedings.

CANADA COMPANY.—The report which it was intended should be presented at a general meeting shows that the quantity of land disposed in 1867 was 56,848 acres, being an increase of 1,197 acres as compared with 1866, and the receipts show an increase of £1,517. A further return of capital will be made next July.

HUDSON'S BAY COMPANY.—The *London Economist* of the 21st ult., has the following regarding this Company and the Canadian Government. "It is stated that Canadian Commissioners will shortly arrive here, to arrange for the purchase of such portions of the Hudson's Bay Territory as may be capable of cultivation, leaving the fur districts still in the Company's possession."

Financial.

THE LATE FINANCIAL CRISIS.—(Continued.)

By Mr. Dallas, Cashier of the Canadian Bank of Commerce.—As to the effect of the recent legislation authorizing the issue of Provincial notes upon the banks—other than the Bank of Montreal—I conceive it to have been prejudicial, although in an indirect, rather than direct, manner. Under the provisions of the Provincial Note Act, the largest bank in the Dominion has succeeded in relieving itself, almost entirely, of its liability for its circulating notes; and in so doing has attained a position in which it can, with comparative impunity, disregard the effect of those elements, more or less injuriously, the circulation of all banks. Without charging that the Bank of