

Within the past year the directors have been more in touch with the affairs of the bank than previously. They found the earning capacity had gone down. Keen competition had been met with. The truth was driven home to the directors that the day of small banks had passed, like the wooden ship. The proposal of the Bank of Nova Scotia, if not generous, is advantageous.

BANK OF TORONTO'S ANNUAL STATEMENT.

The statement of the Bank of Toronto for the year ended November 30, issued in anticipation of the annual meeting on January 8, shows this Bank to have enjoyed a year's business of a distinctly gratifying character. The net profits, after making the usual deductions, reached the handsome total of \$835,787 or 16.96 per cent. upon the average paid-up capital. These profits compare with \$677,064 in 1911 and \$589,657 in 1910; so that there was last year an increase of \$158,000 in profits and within two years there has been an increase of approximately \$250,000. Of these profits, the eleven per cent. annual dividend together with a bonus of one per cent., making a total distribution for the year of 12 per cent., absorbs \$591,229; \$20,000 is transferred to the officers' pension fund, \$100,000 is written off bank premises, and the largely increased balance of \$176,558 against \$52,020 last year is carried forward. During the year the Bank's paid-up capital has been brought up to \$5,000,000 and the rest to \$6,000,000, the latter having been increased during the period by \$391,950 premiums on new stock. This is a showing upon which Mr. Thomas F. How, the General Manager, may be congratulated.

The following are the leading items of the bank's general statement in comparison with 1911:—

	1912.	1911.
Capital paid up	\$ 5,000,000	\$ 4,608,050
Rest	6,000,000	5,608,050
Circulation	5,474,917	4,862,432
Deposits (not bearing interest)	6,457,519	6,177,011
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Total Liabilities to Public	47,838,671	46,602,145
Specie and Legals	4,870,833	5,568,860
Call and Short Loans	1,905,841	3,711,278
Total of Quick Assets	12,189,218	15,509,665
Current loans and discounts	44,763,603	40,034,759
Total Assets	59,226,549	57,067,665

It will be seen from this statement that in response to the demands of commercial borrowers, the Bank has made a heavy increase of over \$4,700,000 in its current loans and discounts during the past year.

NEW DIRECTOR OF THE MOLSON'S BANK.

Mr. W. A. Black has been elected a director of the Molsons Bank to fill the vacancy created by the resignation of Mr. C. B. Gordon.

Mr. Black, who is vice-president and managing-director of the Ogilvie Flour Mills Company, Limited, has had a long and extensive business experience. Beginning his career in the railway service, he joined the Ogilvie Company in 1884, and three years later became its secretary. In 1902, Mr. Black was appointed general manager of the Ogilvie's western division, and, following subsequent advances, in May, 1912, succeeded the late Mr. F. W. Thompson in his present position. Among his other activities, Mr. Black is the managing director of the Kamanistiquia

Power Company of Fort William, is president of the Manitoba Cold Storage Company of Winnipeg, a director of the Home Investment & Savings Association of Winnipeg, a director of the Investment Corporation of Canada, and vice-president of the Keystone Transportation Company of Montreal. With his expert knowledge of grain, combined with sound judgment and great business experience, Mr. Black's appointment makes an important addition to the Molsons Bank board.

MUNICIPAL TAXATION OF THE BANKS.

In various cities the municipal authorities lay a heavy hand upon the banking institutions. Needless to say these heavy charges have a notable effect in keeping up the charges levied by the banks on their customers in those cities; they also have an effect in preventing the establishment of new bank offices in the city limits. Thus between September, 1910, and January, 1912, the number of bank offices in Halifax increased from 10 to 12; in St. John, from 13 to 19; in Montreal, from 86 to 97; in Quebec, from 24 to 26; and in Toronto, from 126 to 145. Taking the population as given in the 1911 census, the number of inhabitants per bank figures out as follows for these five cities.

	Population.	Bank Offices.	Inhabitants per Bank Office.
Toronto	376,240	145	2,594
Montreal	466,197	97	4,806
Quebec	78,067	26	3,002
Halifax	46,601	12	3,882
St. John, N.B.	42,499	16	2,656

The comparison of Toronto and Montreal is particularly striking. In Toronto the banking representation is not far from double the representation in Montreal. With 60,000 less population the western city has 48 more banking offices, or half as many again as Montreal has.

It is quite likely that the heavy Montreal taxes have had something to do in bringing this result to pass. Banks do not establish branch offices for the fun of it or for the pleasure of paying large amounts into municipal treasuries. So, when a municipality is exceptionally severe on the banks in the way of levying taxes, its citizens do not get the banking facilities that would otherwise be supplied to them. And besides the banks keep the heavy imposts in mind perpetually and whenever it is possible to do so they are laid upon the customers in those cities, usually upon the borrowing customers not of the first class. In some form or other it is endeavored to have these exceptional taxes come out of the business, and it is, of course, most equitable to put them upon the locality where they are exacted.

However, as Montreal is the principal financial centre of the Dominion there is always especially strong competition among the banks, and the Canadian banks also come into competition with capital from abroad. So for that reason the people of Montreal escape some of the penalty for excessive taxation of banks.—H. M. P. Eckhardt, in *Journal of C. B. A.*

Mr. M. Morris, formerly assistant manager of the Imperial Bank at Winnipeg, who was recently appointed manager of the Brandon branch, has been presented by a number of Winnipeg business men with a travelling bag.