

which contribute towards their officers' pension funds are giving larger sums, and each year some additional banks commence to contribute. Under this heading 12 banks appeared in the 1903 statement; in 1904 13 appeared, and in the 1905-6 statement there are 16.

Then, each year the balance of profits carried out shows a material increase. This balance is, for all intents and purposes, an addition to the reserve funds. The funds are not put into the rests, but are held as reserved profits, in which shape they are more readily available to meet unexpected losses or contingencies.

COMPARISONS IN LIFE INSURANCE.

A good deal has been said and written for and against the common practice of the life insurance companies in making comparisons with other companies. The question cannot be decided fairly, however, by citing in evidence extreme cases, but rather by a consideration of the common methods pursued by respectable companies. That comparisons of certain points between companies, in the current literature employed in the solicitation of business, may be properly made, and are legitimate means for prosecuting the work in hand will scarcely be denied by candid people. It is as clearly the privilege of a life insurance company to "put its best foot forward" and make prominent its strongest points as it is for the half hundred other competitive lines of business to do so. The various companies necessarily come into competition in an open market; and when the best points of one company are placed before the public, it is perfectly legitimate for another company to point out, not the weakness of its competitor, but as convincingly as it can wherein may be found its own superiority.

The difficulty with most of this comparison literature lies in the fact that unfair comparisons are made by the selection of things not opposite. Honesty in competition requires that only things similar shall be compared, *i.e.*, things not only similar in themselves, but developed under practically the same circumstances and surroundings. For instance when a company only a dozen years old, and which has been pushing vigorously for new business, with the result that a majority of its lives are fresh selections, undertakes to compare its death rate with a competitor forty or fifty years old of extra conservative methods, and seeking but little new business comparatively, the results are entirely misleading and the contrasted figures given—perfectly correct in themselves—bear false witness.

BANK OF BRITISH NORTH AMERICA.

The Bank of British North America have opened a branch at Darlingford, Man., under the temporary management of Mr. C. C. MacRae.

ROYAL COMMISSION ON INSURANCE.

Before concluding the examination of the Monarch Life, Mr. Ostrum, manager of the company, was recalled to the witness stand, and requested to produce the mining stock certificates of the Monarch Company which Mr. Tilley asked for on the previous day. He had not brought them, and excused himself by saying that he had not time to think of them. He was indignant because his company had been investigated before older concerns and complained also that the newspapers had not stated the evidence correctly. "Probably some others were guilty of untrue statements as well," remarked Mr. Tilley. Mr. Ostrom said he did not doubt it, but that none of the members of his company had deviated from strict truth.

Commissioner Kent here broke in and demanded of Mr. Ostrum if he thought that a single share of the stock of his company would have been sold if the prospectus had contained the information divulged before the commission. "You did not tell intending stockholders," he continued, "that you were to get \$50,000 for your copyrights."

"I told them," replied Mr. Ostrom, "that I was to get \$1,000 in cash and \$40,000 worth of stock."

The last witness in the case of the Monarch Company was the president, Mr. D. A. Gordon, M.P., who said that he had signed a few stock certificates in ignorance that they were for part of the 1,400 shares, in payment for Mr. Ostrom's copyright. When he learned the truth, he stopped signing at once and subsequently cancelled those which he had signed.

This finished the enquiry of the Monarch Life.

The commission then took up the affairs of the Home Life, Mr. J. K. McCutcheon, who has been manager since October, 1905, when the People's Life Company was merged in the company, being the first witness. The People's Life Company, he said, had practically ceased business, and there was only one outstanding debenture. The union of the companies had been arranged by Hon. Mr. Stratton and Mr. J. J. Warren, solicitor for the People's Life. The merger was under consideration at the afternoon session. Mr. McCutcheon told the commission that he had paid \$80,000 cash and \$25 per share for 1,164 shares to Messrs. A. J. Pattison and J. Firstbrook, the cash payment representing the cash commutation value of their contracts as manager and permanent president of the Home Life respectively.

"Where did you get the money to pay for these shares?" asked Mr. Tilley. "From the People's Life," replied Mr. McCutcheon, who added that he should say he was acting for Mr. Stratton in making the purchase. Mr. Tilley wished to know if Mr. Stratton had paid any part of the \$80,000, and the witness informed him that the money had been obtained from that gentleman. The speaker was,