IMPERIAL BANK HAD GOOD YEAR

General expansion of business is shown by the Imperial Bank of Canada's statement for the year ended April 30th, 1920. Profits reached the sum of $1,379,313, compared with $1,247,516, a gain of over 10 per cent. Deposits increased from $83,198,234 to $97,784,217, or a gain of over 17 per cent., while in the case of current loans in Canada, the increase from $48,544,711 to $60,452,943 represents a change of about 25 per cent. Since the armistice, Imperial Bank has opened 76 new branches, of which 42 were established in the fiscal year just closed. In the case of deposits, the larger increase was made in savings accounts, which is considered good evidence of the recovery of the people from the heavy calls for government loans.

Among the year's disbursements, the shareholders received an extra 1 per cent. bonus, amounting to $70,000, making the distribution in that direction $910,000. The usual grants were made to pension fund and officers' guarantee fund, amounting, in all, to $142,500, and the Dominion government taxes, including war tax on circulation and reserve for war income tax, amounted to $125,000, compared with $70,000 in the previous year. At the end of last year the reserve fund amounted to $7,500,000, as against a paid-up capital of $7,000,000, and no transfer to reserve was made in the year just closed. The balance carried forward was $1,062,278, as against $865,459 in the previous year. Cash assets and specie, together with call loans, constitute 32 per cent. of the bank's liabilities to the public, while these assets, together with the second reserve of bonds, securities, etc., equal 53 per cent. of the liabilities to the public. Note circulation grew by about $1,500,000 during the year.

At the annual meeting, held on Wednesday, the president, Peleg Howland, said there never was a time in his recollection when conditions were so uncertain, and when it was so difficult to form an opinion as to what was in store for us. He spoke of the large government expenditures; the expansion of pulp and paper industries; the demand for lumber at extraordinary prices, and the continued activity of manufacturers in nearly all lines, while wages continued high, with the limit perhaps not yet reached, and an almost unlimited demand for housing at any cost. Against that was the comparatively small residue of crops from last year, the adverse spring conditions for agriculture, reduced acreage, and an increase in imports and decrease in exports, together with a growing public debt and increased burden of taxation for many worthy purposes. He was optimistic about the future. While, sooner or later, we must have reaction, it could scarcely be more than temporary. "It is difficult," he concluded, "to see how there can be permanent reduction in prices or a lengthy depression until real work supplies an overplus of goods."

General Manager William Moffat, in addition to reviewing the year's statement, spoke of the business outlook, and said: "The reaction from high prices has not yet occurred, and, although there is undoubtedly a feeling, not only in Canada, but also in the United States, that the crest of the wave has been reached, there have been few definite signs that the reaction is near. The feeling as to the future is becoming less optimistic, but the insistent home demands on our agriculture and manufacturing resources show few signs of abatement."

BRITISH COLUMBIA'S WAGE BILL

A total of $56,734,040.62 was the amount of money paid to wage-earners, not including salaries, in British Columbia for the twelve months ending July 31st, 1919. This sum applies to fifty groups of industries and 1,207 firms in the province, and is the compilation made in the annual report of the Department of Labor at Victoria, issued on May 12th. The report further states that among the industries paying the largest amount in wages during the year the leading position is held by shipbuilding, with a payroll of $10,223,844.67. Next in order come coal mining, $7,391,088.19; sawmilling, $4,800,098.17; and metal mining, $4,527,802.30.

OCEAN ACCIDENT AND GUARANTEE CORPORATION

Assets of the Ocean Accident and Guarantee Corp., Ltd., at the end of the year 1919, amounted to $33,212,080, an increase of $4,433,420, as compared with the previous year. Investments represent the greater part of this advance. Revenue for the year amounted to $22,657,700, an increase of $3,007,365. Premiums amounted to $21,641,440, as against $18,846,300. Claims paid and provided for were $11,116,900. This represents 54.9 per cent., on earned income. The corporation's balance sheet is shown in detail elsewhere in this issue.

E. Roger Owen, chairman of the corporation, in his address at the annual meeting, said: "On the whole, we feel that we have done a useful year's work. It has not been exceptionally eventful, but many new problems have come up for consideration and solution. The advantage of having a large business is that losses can in most cases be spread over the whole undertaking. Although some of our heavy departments have shown a heavy claims ratio, I am glad to say that the underwriting profit for the whole year works out at a little more than 5 per cent. This is not as much as in normal years we should like to see, because emergencies, contingencies and catastrophes have to be provided for, but in view of the exceptional times in which we are living, we consider that 5 per cent. of underwriting profit is satisfactory."

Good progress was made in the Canadian field during the year, almost $40,000,000 of fire insurance business now being in force in this country. The company commenced business in Canada in 1895, the present manager being W. T. Perry.

MERCHANTS BANK HAD YEAR OF EXPANSION

Important progress is recorded in the report of the Merchants Bank for the year ended April 30th, to be submitted at the annual meeting on June 2nd. Net profits amounted to $1,686,156, an increase of $302,587 over those of last year, and $449,476 in excess of the net earnings of two years ago. During the year an issue of $1,400,000 of new stock was made to shareholders at $150 per share and the $700,000 of premium from this source, together with the undivided profits of $574,043 carried forward from last year being added to the profits for the year just ended, gave a total of $2,960,199 to be dealt with. After distributing $1,068,285 in dividends at 12 per cent. with one per cent. bonus, the balance was apportioned as follows: Government war tax on note circulation, $81,138; transferred to reserve fund from premium on new stock, $700,000, and from profits $700,000; written off bank premises, $100,000; contributed to officers' pension fund, $50,000; and carried forward, undivided, $260,774. It will be observed that the reserve fund has been increased by $1,400,000, thus bringing it up to the same figure as the paid-up capital, $8,400,000.

The total assets show the heaviest year's growth in the bank's history, the gains for the twelve months under this heading being $30,662,451, the total having reached the commanding figure of $197,387,855. The liquid position has been well maintained, the cash holdings standing at 17.94 per cent. of the liabilities to the public, while total liquid assets show 40.81 per cent., both ratios being practically unchanged from last year's figures, notwithstanding the heavy demands for credit throughut the period as reflected by the important increase in commercial discounts. The total deposits now stand at $163,080,452, exceeding last year's total by $24,903,471, or 18.04 per cent. Interest-bearing or notice deposits increased 24.18 per cent. to $114,132,175. Current loans in Canada increased during the twelve months by $17,324,487, or 18.07 per cent. to $113,198,913.

A circular issued by W. L. McKinnon and Co., Toronto, shows the new income tax rates as provided by the budget speech, the amount of tax levied on a schedule of incomes, and the percentage of income.