

**THE CANADIAN BANK OF COMMERCE.**

The absorption of the Eastern Townships Bank with some \$28,000,000 of assets, precludes direct comparison of the newly-issued annual statement of the Canadian Bank of Commerce for the year ended November 30, with that for last year. That the Bank's operations have this year been on a much larger scale than formerly, the principal figures of the two years show:—

|                                           | 1912.       | 1911.       |
|-------------------------------------------|-------------|-------------|
|                                           | \$          | \$          |
| Capital Stock . . . . .                   | 15,000,000  | 11,697,275  |
| Reserve . . . . .                         | 12,500,000  | 9,757,820   |
| Circulation . . . . .                     | 16,422,865  | 12,004,650  |
| Deposits (not bearing interest) . . . . . | 58,586,814  | 41,288,033  |
| Deposits (bearing interest) . . . . .     | 139,030,648 | 104,677,702 |
| Total Liabilities to Public . . . . .     | 217,768,281 | 160,440,532 |
| Specie and Legals . . . . .               | 27,454,966  | 25,829,694  |
| Call Loans Abroad . . . . .               | 9,093,590   | 8,420,602   |
| Total of Quick Assets . . . . .           | 77,229,529  | 67,386,578  |
| Current loans and discounts . . . . .     | 163,753,559 | 110,999,611 |
| Total Assets . . . . .                    | 246,571,290 | 182,389,984 |

Altogether apart from the absorption of the Eastern Townships Bank, there would appear to have been considerable growth in the business during the past year. The figures of the Bank's deposits and of the current loans and discounts are particularly impressive. Deposits were at November 30, little short of \$200,000,000, while the current loans and discounts are almost \$164,000,000. These are very large figures.

The year's net profits reached \$2,811,806, a percentage on the average paid-up capital of 19.34, which compares with 19.70 per cent. in the previous year. There is also brought into the profit and loss account in addition to the balance from last year of \$203,395, a transfer from the reserve account of the Eastern Townships Bank, \$2,400,000 and premium on new stock, \$242,180. Of the total of \$5,657,381, the 10 per cent. dividend and bonus of one per cent., making a total distribution for the year of 11 per cent., absorb \$1,568,622; \$2,500,000 plus \$242,180 premium on new stock, \$2,742,180 in all, goes to reserve, \$500,000 is written off bank premises, the annual contribution of \$75,000 is made to the officers' pension fund and the largely increased balance of \$771,579 is carried forward. In connection with bank premises, which are taken into the balance sheet at \$442,399.3, it is specially stated that this total includes the balance unsold of certain premises acquired from the Eastern Townships Bank. Presumably some of this property will be disposed of in due course.

The annual meeting of the shareholders takes place on January 14. At that gathering, the shareholders will have not only the pleasure of hearing Sir Edmund Walker's highly interesting survey of Canadian conditions and prospects, but also of passing upon a balance sheet, which cannot but be satisfactory to all concerned and especially to Mr. Alexander Laird, the able general manager.

The London Guarantee & Accident Company, it is intimated, will withdraw January 1 from six Southern States in which it has been doing business because of the heavy losses and generally unsatisfactory conditions. These States are Alabama, Arkansas, Florida, Mississippi, South Carolina and Texas. Mr. Threlton, the newly appointed general manager, is shortly making a trip to this side.

**LITTLE KNOWN POLICY FORMS WELL SUITED TO THE AVERAGE MAN.**

(David Parks Fackler, Senior ex-President, Actuarial Society of America, before the Association of Life Insurance Presidents.)

My desire is to show that the old-fashioned policies, giving an uniform amount of insurance for the whole of life, are as much behind the age as tallow candles in these days of electric lights, and should therefore be retired from general use just as was the percentage method of making dividends when the sources of surplus came to be understood.

The average family man needs insurance most while his children are young, and will need it less after they are wholly or partly grown up, when they will probably be able to contribute to the support of their mother. On these accounts it follows that men generally need a greater amount of insurance before the age of sixty than afterward. If we replace the ordinary life policy by a form of contract which will gradually curtail the insurance after the age of sixty is passed, we can for the same cost give a father a much larger amount of insurance up to the age of sixty, and also free him from all premiums at the age of seventy or seventy-five, when he will probably cease to be self-supporting.

The usual ordinary life policy is in the majority of cases neither the most economical nor the wisest; for it is surely a waste of money to pay for more insurance than is likely to be needed during old age, and it is wrong to undertake to pay premiums all through one's old age when the earning power will have ceased, so that the burden of payment will fall on others. On this general subject I would quote Elizer Wright—the first Insurance Commissioner of Massachusetts, who did more than any one else to found American life insurance on sound and equitable principles; this man, whose writings are classics, said in his ninth and tenth State Reports:

"If the life of a husband or father contributes nothing in a pecuniary way to the maintenance of the wife or the children, it is not justly insurable for their benefit, no matter how great the loss of his life might be to them in point of love . . . . A policy of insurance on the life of a beloved relative when there is really no insurable interest is a very awkward and uneconomical piece of gambling. Probably very few policies are taken which have this character at first, and we may ask, why, after the insurable interest has ceased, should the insured or anybody else be required or even permitted to pay further premiums?"

"The companies cannot justify themselves in refusing to issue policies at an advanced age without equally condemning themselves for issuing at earlier ages policies to extend beyond that age."

The special forms to which I would call attention were first introduced about fifteen years ago under the name of "Adjusted Indemnity" or "Economic" policies. These forms provided that when the insured attains the age of sixty-one, and yearly thereafter, the insurance shall be reduced by five per cent., or \$50 per thousand, until age seventy-five is attained, when the reduction ceases, and the insured has a paid-up policy for one-fourth of the original amount, or \$250 for each original thousand.

Should any one think that this insurance for one-fourth of the original amount, \$250 per thousand, or \$2,500 out of \$10,000, beyond the age of seventy-five, is too small to be of any value, or else more than needed at that age, I would urge that when a man has attained the age of seventy-five it is unlikely that