treaty will involve the United States in serious future difficulties. Administration men do not regard the situation as being quite so serious as it would be were the United States not upon the verge of extensive new tariff legislation.

The maximum clause of the Payne-Aldrich law has already been thoroughly discredited and in any new legislation that may be brought up there will probably be included a revision of this section that will put the question of retaliation on a new basis. The fact that this is contemplated may or may not render it possible to stave off the demands which are now foreseen from other countries consequent upon the adoption of the Canadian agreement.

Summary of Agreement's Effect.

The following is the Montreal Herald's summary of conditions throughout Canada in all lines of produce affected by the proposed agreement between Canada and the United States:—

Wheat will be worth more to the Canadian producer, will not follow Canadian routes nor reach Canadian mills so largely.

Ontario and Quebec will increase output of hay and coarse grains for American consumption, without reducing domestic supply or European export.

Ontario and Quebec will sell to United States large quantities of late and specialized fruit, particularly apples, while Welland fruit will have wider and more even market, with occasional loss from United States competition.

The Canadian butter market may be largely seized by Denmark and Australia, but Canadian butter will have a favorable position on the United States market to which these have no access.

The Ontario and Quebec meat packers fear the loss of a portion of their market to the Chicago packers, with a consequent reduction in the Canadian demand for cattle and hogs.

The Ontario salt industry is doomed, unless supplemental legislation can be contrived to overcome its present disadvantage.

Canadian poultry if properly fed will find an excellent market in the States, and new-laid eggs will, on the whole, find better prices. Lower grades will be reduced.

Canadian cattle may be transferred as yearlings to the States, where the process of feeding may be somewhat cheaper. This will depend on the state of feed crops.

Will Benefit Western Consumer.

The Western consumer, hitherto dependent on Eastern Canada and a very small supply from British Columbia for his fruit and vegetables, will be greatly benefited.

Certain special industries, such as British Columbia fruit farming and Western Canada truck farming, will be severely set back.

There will be a marked increase in the influx of Americans and others into the West and a rise of land values, with a further great increase in the wealth and consuming power of the West.

The milling industry, both in Manitoba and east, will be at a disadvantage on the export market over the American mills which have a double market, at home and in Europe.

The Maritime Provinces will gain immensely by the enlarged market for their fish and lumber, and the small producer will be able to handle his own produce to the New England market.

The Maritime Provinces will greatly increase their output of farm produce, shipping to New England cities. Maritime fruit and hay, now going largely to England, will be diverted to the United States market.

DOMINION LIFE ASSURANCE COMPANY.

One is becoming accustomed to examining annual statements of the Dominion Life Assurance Company, which exhibit increases in items where they are most satisfactory. The twenty-second annual report is no exception, the total business in force $10,720,766 showing a net increase for the year of $1,444,444, the largest gain in the company's history. The insurance issued in 1910, $2,298,763 showed a gain of 20 per cent. over 1909. Death losses were only 41 per cent. of expected losses, compared with 20 per cent. last year, although despite that fact the surplus of $384,753 compares well with that of $315,022 in 1909.

The average rate of interest earned last year advanced to 7.52 per cent. compared to 7.21 in 1909 and 7.02 in 1908. The company's surplus earnings were $93,609. After providing for shareholders' dividend and paying $13,878 to policyholders account in cash and bonuses, $69,730 was left by which the net surplus increased. The past year was the most satisfactory in the company's career. Some figures, showing the progress during the past three years, are printed on the back cover of this issue.

WINNIPEG FIRE ASSURANCE COMPANY.

A well balanced financial statement is presented for the past year by the Winnipeg Fire Assurance Company. Its net income was $87,481, arrived at by deducting cancellation rebates, $21,057, from gross premiums of $104,213, and adding interest and sundries of $4,325. The losses paid totalled $20,011, the gross losses being $35,581 and reinsurance $15,570. Only $4,499 losses are under adjustment. Commissions total $11,557 and management, expenses and salaries, $6,220. The gross profits, after deducting commission, management and all other expenses, was $17,778. The sum of $12,000 has been transferred to reinsurance reserve.

Among the assets is cash on hand and on deposit of $26,127; mortgages and debentures, $43,996; and agent's balances, $15,620. The reinsurance reserve totals $45,500, and capital paid in $45,300. Dividend and bonus payable on January 2nd accounted for $4,530. Mr. R. L. Richardson is the company's president and Mr. L. H. Mitchell, secretary. The report should prove gratifying to the management and shareholders.

NORTHERN CROWN BANK.

To earn more than 10 per cent. of the paid-up capital and at the same time to transfer another $50,000 to the reserve fund are creditable features on the Northern Crown Bank, which being five years old has had only that period in which to make the gratifying records. The net profits for the past year were $258,144. Two dividends of 2½ per cent. paid in July, 1910, and January, 1911, accounted for $110,000. To the contingency was transferred the sum of $75,000; to the officers' fund, $5,000; and to the reserve fund, $50,000. The reserve now totals $150,000, while the paid-up capital stock is $2,203,640. The Monetary Times is pleased to see the managerial tendency to build a strong bank rather than to pay large dividends. Honorable R. P. Roblin, a shareholder, referred to this as the wisest and best, as well as the safest course to pursue.

Sir D. H. MacMillan, president of the bank, in moving the adoption of the report stated that the deposits had increased a million dollars during the year, the gain being all in ordinary small savings and current accounts. The number of branches were increased by seventeen, 2 in Manitoba, 4 in British Coumbia, and 11 in Saskatchewan. The head office building is being remodelled. The net profits of the bank in 1906 were $50,502; the deposits, $4,156,488; and the total assets, $6,278,873. These figures in 1910 had increased to $258,144, $11,977,591, and $17,064,791. The report of the Northern Crown Bank is an excellent one and judging by the financial statement presented we can fully believe that as the president mentioned, stability has been the watchword of the institution.

GREAT WEST PERMANENT LOAN COMPANY.

The annual report of the Great West Permanent Loan Company contains a review of conditions and prospects in Western Canada well worth perusal. The officers and management of large and substantial companies, such as the Great West, are in a good position to obtain information of interest in this way. Mr. W. T. Alexander, the company's president, for instance, reported that the crop returns to date indicate in no uncertain manner that while climatic conditions seriously affected certain districts yet taking Western Canada as a whole it is most encouraging to learn that not only was the average yield quite gratifying, but the aggregate production exceeded the most sanguine expectations.

The report of the Great West Permanent Loan Company is one of the most complete ever published, giving, as it does to the shareholders all possible information. The subscribed capital now amounts to $2,398,650 and the paid-up $1,823,784. The mortgage loans total $3,845,150, and the total assets $4,005,323, a gain of $1,352,672 over the previous year. The reserve, which has been steadily growing is now $518,187. It is pleasing to note that the prompt payment of interest and principal is very characteristic of the Western borrower and is a desirable feature of the loaning business in Western Canada. The earnings last year amounted to $187,772, an increase of $54,113 over 1909. The company paid two half-yearly dividends at the rate of 9 per cent. per annum, also a certain amount of accrued interest at the rate of 5 per cent. per annum on the partly paid stock, which was paid in fully during the year.

Mr. W. T. Alexander, the president, gave an interesting review of Western conditions, while Dr. E. S. Popham, the vice-president, went thoroughly into details of the company's business. A report of the meeting is printed in full elsewhere in this issue.