

Here we have a number of the larger banks in England who, on average, have \$15 of deposits for each \$1 of paid-up capital on which a dividend has to be paid, some of them even a larger proportion. We have just received a copy of the report of the National Provincial Bank for last year, which shows that on 31st December, 1898, it had \$16.44 in deposits for each \$1 of capital paid-up. If then each \$100 of its deposits only made a profit of \$1, that is, one per cent., from that source alone, there would be funds provided for a 16 per cent. dividend. We venture to say that throughout their country branches the bulk of the deposits earned a net profit of 1-2 per cent. There is, therefore, no mystery about the large dividends paid by the leading banks in England. The average ratio of deposits to capital of all the banks in Canada is \$3.95 per cent., that is, they have \$3.95 in deposits for each \$1 of paid-up capital. The maximum proportion enjoyed by any one bank in Canada is \$10 deposits for each \$1 of capital, the other banks which stand best in this respect get along with from \$4 to \$5 deposits for each \$1 of capital.

The enormous opportunities for the employment of money in the old country in discounts and loans gives the banks therefore greater chances of making large profits on their resources, than are enjoyed by Canadian banks, so that complaints we have heard that our institutions do not pay as high dividends as the old country banks are not justified. Give the bankers of Canada similar conditions to those which exist in Great Britain, and they would soon prove their capacity as bankers to be fully up to the standard of those in the old land.

#### LIVERPOOL AND LONDON AND GLOBE.

Occupying, as it does, a front place in the ranks of British fire offices, the Liverpool and London and Globe in its ever-increasing strength and prosperity, is a splendid illustration of the growth of corporations during a period covered by the reign of Queen Victoria. The 63rd annual report of the company is well worthy of the prominence given to it by several English newspapers. They accept the statement of the great company as an indication of the general condition of the insurance business. Of the transactions of the company during the year 1898, the "Citizen" of London says:—

"The importance of the fire department of the great Liverpool and London and Globe necessarily invests their annual statements with an exceptional interest, and it may be said, fairly, that the account of this office invariably exhibits the possibilities of the best class of business on the other side of the Atlantic during the term covered by the report. The pessimistic rumors current in the profession as to the possible development of fire business generally in 1898 are not indorsed by the figures in front of us, and although the loss ratio is found a little in advance of the declaration of the company for the term immediately preceding, they are certainly not badly placed

when the net results are seen. Of course, a revenue of the magnitude of the Liverpool and London and Globe enables the executive to show a handsome profit, even assuming the ratio for claims is set somewhat high, and, as will be seen hereunder, the amount taken to profit and loss as the result of the trading is a remarkably substantial one. On dissecting all outgo against revenue the following ratios come out, viz.:—

Losses. . . . .	57.3
All expenses. . . . .	36.1
Profit. . . . .	6.3
Add to balance. . . . .	3
	<hr/> 100.0

"So far as the net premium income is concerned, the amount is seen at a lower figure than any recorded by the company since 1893; it does not follow that the office is doing a more restricted business, but something in the shrinking in the income may follow the slump in rates in certain sections of the foreign field."

The fire premium income for the year after deducting re-insurance, amounted to \$7,503,960, a slight reduction from the figures of last year, but still a magnificent income for this department of the company. The losses, inclusive of provision for all claims to the close of the year, were \$4,303,800.

The life business of the company was eminently satisfactory. New policies to the number of 729 were issued, the total amount thereof being \$2,427,240, of which \$347,500 was re-assured. The total life premium income amounted to \$1,206,415.

The interest derived from investments amounted to \$1,849,550, and the considerations for annuities granted reached \$928,925. The net income for the twelve months was \$11,488,450.

The best method of illustrating the strength and solidity of the Liverpool and London and Globe is that of publishing a statement of the funds of the company. Let us set them forth:—

Capital (paid up) . . . . .	\$ 1,228,200
General reserve. . . . .	6,500,000
Fire re-insurance. . . . .	3,700,000
Profit and loss after payment of dividend and bonus for 1898. . . . .	5,431,050
Globe perpetual annuity fund. . . . .	5,514,000
Life and annuity funds. . . . .	26,103,545
	<hr/> \$48,476,795

However, if aught else were required to establish the claim of the company upon the favour and goodwill of the investing public and the confidence of its policy-holders, it is to be found in the fact that upon every \$10 paid-up share the fortunate holder receives about \$7.50 as a dividend.

The long connection of Mr. G. F. C. Smith with the company's Canadian business, and his skill and energy in the management of the large business he has acquired during thirty years of underwriting for the Liverpool and London and Globe, fully entitles him to the esteem and confidence of his associates, and it must be very gratifying to this veteran under-