

time as it may be able to state its experience of the period hereinbefore required, make and maintain the reserves hereby required upon the basis of the averages of all other companies stated as required by this section, which average shall be furnished by the Superintendent of Insurance to each such company on or before the 1st day of December in each year."

CANADIAN MONEY IN FOREIGN MARKETS.

Attention is periodically excited in regard to the amount of money held by the Canadian banks in foreign markets, chiefly the United States, for the balances they hold, or which they owe in the United Kingdom, are comparatively small. The call and short loans and discounts outside Canada amount, however, to a considerable sum, their several amounts being:—

Call and short loans outside Canada	\$39,803,621
Current loans outside Canada	29,468,472
Total loans outside Canada	\$69,272,093

Some years ago the monthly bank statement was so arranged as to render it impossible to ascertain how much these foreign loans amounted to, although month after month they were declared to be the amount due from foreign agencies and banks. This was misleading as more than one bank included all its call loans in one sum wherever they were made. In 1900 the form of the Bank Statement was changed so as to classify foreign loans by themselves, since which date we have known how much money the banks of Canada had employed in the foreign, chiefly the American market.

Considering the relative financial circumstances of the United States and Canada it is remarkable to find that this comparatively small country was able to spare \$69,272,093 in March last, towards financing the business of the United States. A large proportion of this is utilized for the loans arising from Stock Exchange business, but a sum of nearly 30 millions is engaged in discounts of commercial paper, the movement of the cotton crop being materially helped by Canadian money. The following shows the several amounts of the money engaged in the United States in current loans and call loans, also the deposits held by the outside agencies of Canadian banks:—

Bank.	Call and short loans outside Canada.	Current loans outside Canada.	Deposits outside Canada.
	\$	\$	\$
Bank of Montreal.....	23,328,340	12,224,295	21,810,419
Bank of Commerce.....	3,843,000	4,557,486	7,498,698
Bank of Nova Scotia...	3,210,137	4,003,230	2,325,061
Bank of New Brunswick..	325,000	150,979
Bank of B. N. A.....	2,326,750	5,370,921	1,856,219
Merchants of Canada....	3,771,277	2,710,965
Royal Bank.....	1,139,117	381,291	1,228,740
Imperial Bank.....	1,250,000
Sovereign Bank.....	200,000
Bank of Toronto.....	360,000
Totals.....	\$39,803,621	\$29,468,472	\$34,877,955

On the other hand the Canadian banks have deposits outside Canada to extent of \$34,877,955, so that, the net amount of funds they have in use in the foreign market is \$34,394,138, the gross amount being \$69,072,293. It will be noticed that the amounts of these foreign loans are not very large, save in the case of the Bank of Montreal, which does not lend money on call in this country. The utility of having considerable reserves immediately available in case of need was shown last month when the demand for money in Canada was so active that the banks drew down their foreign loans to extent of nearly 8 millions, by which they were enabled to increase the current loans and discounts in Canada as the public necessities required. The policy of keeping heavy balances, in the United States market is defended by bankers as affording them reserves that can be drawn upon without disturbing the home market; such balances also add to the prestige of a Canadian bank and enable it to handle business with profit to itself and advantage to the bank's customers. Whether any of those foreign balances are larger than is advisable in the interests of Canada is a question that cannot be decided on general principles, it is a matter within the judgment of the several banks, in the discretion and prudence of whose management in regard to foreign business the fullest confidence may be placed.

ACCIDENT INSURANCE IN CANADA, 1902.

The "Abstract of Accident Business in Canada for 1902," as published in the preliminary report of the Superintendent of Insurance, shows a considerable increase in the past year. There appears not only to have been more business written, but considerable displacements, or transfers. The Accident & Guarantee Company, which had no return in the previous year's report, shows its amount of policies new and renewed to have been \$1,929,500, and net amount in force at close of 1902, \$1,782,500. The principal changes last year were as below:—

	1902.	1901.	Increase or Decrease.
	\$	\$	\$
Premiums.....	911,360	775,990	Inc. 135,370
Policies new and renewed.....	139,247,309	121,727,447	Inc. 17,519,862
Net amount in force...	121,685,231	111,881,818	Inc. 9,803,413
Losses incurred.....	389,724	415,267	Dec. 25,543

The discrepancy between the amount of policies new and renewed and the net amount in force is very large, the former increased last year to extent of \$17,519,862, while the latter was only enlarged to amount of \$9,803,413. The decrease of losses incurred by \$25,543 as compared with 1901, while the business received accessions to extent of nearly ten millions, was a satisfactory feature.