000; aggregate reserve decreased about $400,000; and excess reserve decreased $4,100,000. The excess now is $139,873,000. The Federal Reserve Bank of New York shows a further increase of $1,000,000 in cash and deposits; notwithstanding that the deposits are about $110,000,000, only $1,700,000 of the amount are employed in revenue producing capacity. Unless conditions change materially in this respect there is but a poor outlook for dividends on the $6,600,000 of capital paid in by the member banks. Most of the other federal reserve banks are in the same position—the only ones showing any respectable amount in rediscounts are Atlanta, Richmond, and Dallas. It is not surprising that the Washington authorities are discussing the advisability of making changes which will broaden the classes of paper that the reserve banks are authorized to take.

BANKS' NEW YORK CALL LOANS.

The Canadian bank statements begin to show the effects of the new security issues recently placed in New York, writes a correspondent. In the December 31 return, the deposits outside Canada appear at a figure $7,600,000 greater than at November 30, and this increase of foreign deposits was accompanied by a rise of over $10,500,000 in the call loans at New York and London. The supposition is that the proceeds of the issue of $12,600,000 Canadian Pacific equipment notes and of the $6,900,000 loan to the City of Montreal have been partly or wholly turned over to the Canadian bank agencies in New York. The Bank of Montreal acts as banker for both of these Canadian corporations, and when the funds for these transactions were provided by the New York financial houses they would presumably pass into possession of the Bank of Montreal. Probably the Canadian Pacific Railway funds will ultimately be used in part to make payments to American equipment companies, and in the meantime a part has been temporarily applied in the form of call loans in Wall Street. Thus the operation of providing financial assistance to Canada has not proved very burdensome.

BANK OF MONTREAL'S INCREASE.

The above theory as to the source of the new deposits and increase of call loans in New York is strengthened on noting that the Bank of Montreal is responsible for about $6,000,000 of the increase in deposits outside Canada, and the same institution accounts for the whole of the increase in call loans abroad. The other banks having important call loans in New York mostly show reductions of small amounts for December. Thus there is suggested the means whence the Canadian bankers may possibly bring up their call loans in Wall Street to more respectable figures. It is thought that if the opportunity presents itself some of the banks which hold Dominion guaranteed railway bonds will be glad to dispose of them in New York on terms which should be attractive to the purchasers. On completion of any transaction of this nature the effect would be to liquidate loans now carried by large Canadian institutions, and after a portion of the proceeds had been applied to meet the demand for New York exchange in Canada, the remainder might go in large part to increase the Canadian call loans in Wall Street.

THE MUTUAL LIFE OF NEW YORK'S REPORT

Some two or three years ago, the Mutual Life of New York adopted as its slogan—"pre-eminence in benefits to policyholders." The putting forward of a profession of faith of this kind by a Company that holds the honourable position of being the oldest life Company in America, was significant. It was an important indication that throughout the insurance field, a new ideal is gradually making headway—the ideal of service supplanting the lower ideal of size, in the cultivation of which such intense energy was at one time displayed. Now it is clear that the Mutual Life is doing its best to live up to its ideal, and the best of the Mutual Life is magnificent. The Company announces that for 1914 it has surpassed in benefits to policyholders all its previous records. It paid to policyholders last year no less an amount than $69,032,810—an average of $228,585 every working day of the year. This total includes death claims, endowments, dividends, surrender values, etc., and is not only $5,651,795 in excess of the amount paid out during 1913, but actually is $10,612,873 more than the Company received directly from its policyholders last year.

That is a wonderful showing, in whatever way it may be regarded. It forms a striking tribute to the executive foresight and investment skill that has made possible such results. What, in a year like 1914, such an immense distribution of funds among the policyholders must have meant in thousands of cases, it is almost impossible to grasp. To many, undoubtedly, their Mutual Life funds meant rescue from actual penury, to others, education for the children, to others again, freedom from financial worry during declining years, and possibly in consequence, a longer, greener old age. In the case of large estates, under the special circumstances of last year, it is quite probable that in many instances the ready cash provided by the prompt payment of Mutual Life policies has meant that depreciated properties and securities have not had to be realised at present with the result of an eventual saving of thousands of dollars to the estate or the heirs. All this is service, and great service, not only to the community of the Mutual Life policyholders, but to the world at large.

The figures already mentioned, and the leading items of the financial statement constitute a brilliant record of the enduring accomplishments of life insurance skilfully managed. The Mutual Life's insurance in force totals no less than $1,612,574,168. Its admitted assets at December 31, 1914, were $611,033,800, while the reserve for contingencies or free surplus amounts to $12,647,615—an increase of $1,680,109 during 1914. This is life insurance on the grand scale at its best.