

THE ROYAL BANK OF CANADA.

The addresses made at the annual meeting of the Royal Bank's shareholders continued the note of cautious optimism which has been characteristic of the leading bankers' utterances this year. The able summary of Mr. Edson L. Pease, the Bank's general manager, including a wealth of informing statistics, will repay careful study. Mr. Pease thinks it is possible that Canada can solve the problem of living within itself until the flow of foreign capital to us is resumed. "Some revision of pre-conceived plans will be unavoidable," he says, "our progress may be less rapid and retrenchment will be necessary, but the manner in which the country has faced the situation during the first five months, of the war is a fair augury for the future." Such views, coming from a leading banker whose conservatism is wellknown are well calculated to create a feeling of encouragement.

THE BANK'S BALANCE SHEET.

The following figures show the leading items of the Bank's present balance sheet in comparison with last year and 1912:—

	Nov. 30, 1914.	Nov. 30, 1913.	Nov. 30, 1912.
	\$	\$	\$
Capital paid up.....	11,560,000	11,560,000	11,560,000
Reserve.....	12,560,000	12,560,000	12,560,000
Total Deposits.....	136,051,208	138,177,662	137,891,668
Circulation.....	13,505,255	13,176,635	12,584,618
Liabilities to the			
Public.....	154,319,273	154,761,440	154,137,719
Specie.....	12,995,484	7,802,068	5,204,964
Dominion Notes.....	12,688,371	11,664,142	14,443,785
Call Loans.....	14,654,905	19,819,690	23,978,642
Quick Assets.....	71,244,678	72,385,792	73,428,782
Current Loans.....	99,588,461	102,540,985	99,828,880
Total Assets.....	179,404,054	180,246,786	179,210,758

*Plus \$2,000,000 deposited in Central Gold Reserve.

The Bank has succeeded in placing itself in a stronger position than ever before in regard to liquid assets and that without hardship to its borrowing clients. Cash reserves standing at \$30,688,000, equal to 25.72 per cent. of the Bank's liabilities to the public. Liquid assets amount to 46.17 per cent. of liabilities to the public. While this very strong position has been attained, Canadian business loans show a contraction of less than \$2,500,000 in comparison with last year.

INCREASE IN DEPOSITS.

In regard to deposits, a particularly satisfactory position is shown. Deposits not bearing interest at the end of the year totalled \$31,224,129, as compared with \$36,276,871 at the end of the previous year, while deposits bearing interest reached a new high level at \$104,827,078, as compared with \$101,900,790. The total deposits aggregated \$136,051,208, as against \$138,177,622, a decrease of approximately \$2,000,000. During the year, however, the Bank repaid the deposit of the Alberta and Great Waterways Company amounting to \$7,000,000, and allowing for this the ordinary deposits during the year showed an increase of \$5,000,000.

The conservative policy pursued by the Bank during the year naturally affected profits. These are reported as \$1,886,142, against \$2,142,100—a ratio of earnings on the paid-up capital and rest combined of 7.8 per cent. against 8.9 per cent. last year. The amount brought forward on profit and loss account was \$1,015,119, the total available for distribution being \$2,901,262. Of this amount, the 12 per cent. dividend absorbed \$1,387,200, \$100,000 was transferred to the officers' pension fund, \$250,000 written off bank premises' account, \$50,000 contributed to the Canadian Patriotic Fund and \$500,000 allocated to cover depreciation in investments. A balance on profit and loss account of \$614,062 is then carried forward to the current year.

THE PRAIRIE PROVINCES.

In his careful survey of local conditions throughout Canada and in the various foreign fields where the Royal Bank has large and important interests, Mr. Pease has collected much interesting information. Indications point, he says, to the important prairie provinces passing more successfully and with much less strain through the critical period than could have been hoped for a year or two ago. The value of the four principal grain crops is estimated as only \$10,000,000 less than in the previous year, when the crops were particularly heavy—the slight decline in value being due to the appreciable advance in prices which has taken place. General trade has fallen off appreciably, largely owing to the absence of outside capital. Real estate speculation has completely died out, and a readjustment of values has occurred. Both farmers and business men in these provinces are making every effort to liquidate their liabilities, and it may safely be said that individual indebtedness is less to-day than for some years past—a distinctly gratifying fact, as Mr. Pease noted. In the eastern provinces, broadly speaking, crops appear to have produced one with another about average results, while manufacturing industries have been going slow, except those which lately have been kept busy with war orders from Europe. To sum up, said Mr. Pease, "when one considers the amazing progress the Dominion has made there is strong reason for confidence regarding the manner in which the country will emerge from the present trying conditions."

EMPLOYERS' LIABILITY ASSURANCE CORPORATION, LIMITED.

We are officially informed that Mr. R. I. Griffin, who for the last thirty years has been associated with The Employers' Liability Assurance Corporation, Limited, of London, England, and has acted as joint manager for Canada for fourteen years, has retired on a liberal yearly allowance. Mr. Charles W. I. Woodland, of Toronto, has been appointed sole general manager for Canada and Newfoundland.

We understand that the Montreal office will be under the supervision of Mr. John Jenkins, fire manager.