

LIABILITIES.

Loans from other banks in Canada, secured.	Deposits, by other Canadian banks, payable on demand or at fixed date.	Balances due to other banks in Canada in daily exchanges.	Balances due to agencies of the bank, or to other banks or agencies in foreign countries.	Balances due to agencies of the bank, or to other banks or agencies in United Kingdom.	Liabilities not included under foregoing heads.	Total liabilities.	Directors' liabilities.
.....	63,681	32,842	4,767	103,419	260	10,223,889	196,664
.....	260,436	1,940	10,874	1,020,562	1,065	21,514,510	315,507
.....	.....	263	.....	236,394	.....	11,104,440	477,000
.....	33,269	.....	.....	74,202	.....	6,739,946	434,289
.....	.....	880	.....	316,993	.....	8,013,790	157,332
.....	.....	1,651	.....	4,747	.....	9,466,601	306,648
.....	.....	292	.....	396,856	.....	3,062,774	282,106
.....	13,680	1,064	.....	861,930	.....	6,904,873	90,142
.....	100,676	.....	.....	185,289	3,025	5,068,552	32,840
.....	.....	.....	.....	.....	13,693	1,498,991	5,640
.....	533,622	1,393	.....	.....	113,960	22,230,373	712,000
.....	41,182	387	26,684	.....	150	10,394,573	6,047
.....	.....	6,562	.....	123,732	5,934	6,231,668	275,309
.....	.....	.....	1,670	36,277	1,819	8,067,000	167,190
.....	.....	.....	.....	.....	1,197	1,099,645	96,768
.....	.....	1,782	.....	37,463	18,938	8,660,954	201,364
.....	25,140	4,755	23,814	335,893	112	11,193,941	137,035
.....	736,907	3,625	.....	621,322	1,935	14,876,536	1,124,384
.....	11,278	27,293	1,430	.....	.....	3,293,231	909,000
.....	27,907	1,661	.....	359,407	.....	7,237,736	.....
.....	151,703	.....	389	244,247	.....	5,789,612	324,991
.....	.....	441	.....	.....	96	122,846	16,908
.....	.....	.....	.....	36,074	.....	1,013,539	51,934
.....	.....	.....	.....	.....	.....	3,555,932	312,372
.....	47,178	.....	56,276	290,356	4,841	7,449,428	127,859
.....	282,043	.....	1,499	573,489	97	5,843,250	344,417
.....	7,313	.....	206	.....	524	1,686,265	66,061
.....	57,594	.....	4,472	912,185	13,835	1,586,555	121,003
.....	6,948	.....	.....	4,492	5,795	9,489,901	26,682
.....	.....	.....	.....	.....	.....	688,701	51,800
.....	.....	.....	.....	.....	1,930	907,461	58,924
.....	29,714	.....	.....	.....	219	127,031	100,026
.....	39,567	.....	.....	.....	96,000	2,338,332	361,059
.....	86,418	.....	.....	.....	.....	420,601	62,758
.....	.....	66	2,896	.....	1,064	309,090	17,676
.....	162,129	.....	1,169	.....	168	1,419,318	91,212
.....	.....	13,539	.....	638,917	.....	5,778,610	.....
.....	.....	.....	1,190	.....	3,774	63,39	24,375
.....	3,096	.....	.....	.....	14	213,332	82,061
.....	162,129	2,526,592	99,636	139,765	6,101,647	273,151	216,268,317
.....	.....	.....	.....	.....	.....	.....	7,361,304

ASSETS.

Loans to the Government of Canada.	Loans to Provincial Governments.	Overdue debts.	Real Estate the property of the bank (other than bank premises).	Mortgages on real estate sold by the Bank.	Bank premises.	Other assets not included under the foregoing heads.	Total Assets.	Average amount of specie held during the month.	Average amount of Dominion Notes held during the month.	Greatest amount of Notes in circulation at any time during the month.
.....	.....	11,274	5,504	.....	120,000	.....	14,415,907	355,930	697,040	1,625,800
.....	.....	145,046	31,218	146,823	693,624	78,306	28,946,691	396,000	698,000	3,200,000
.....	.....	111,319	9,960	.....	272,917	4,963	14,273,664	215,000	632,000	1,079,000
.....	.....	52,936	100,635	27,900	165,632	1,197	8,758,390	174,900	325,100	1,045,200
.....	.....	20,359	.....	.....	90,000	27,185	7,731,178	149,320	327,430	761,054
.....	102,306	45,419	98,876	96,992	230,088	22,872	12,763,433	297,574	733,623	1,507,999
.....	.....	18,500	.....	958	25,132	18,040	4,695,591	90,000	155,400	597,800
.....	.....	162,486	6,755	11,095	294,611	59,507	8,854,756	179,000	205,000	1,008,000
.....	.....	67,625	24,835	300	70,922	.....	7,947,596	117,329	123,736	1,033,765
.....	.....	22,725	.....	.....	.....	7,793	1,267,738	28,814	30,591	311,422
.....	445,842	154,024	2,578	38,540	600,000	272,247	51,721,629	1,760,500	2,908,900	5,930,369
.....	223,118	304,281	13,895	.....	360,000	25,869	12,609,749	358,073	641,845	1,187,091
.....	.....	53,346	118,779	86,159	66,700	6,738	8,111,804	55,316	162,188	462,735
.....	.....	13,750	49,010	63,557	91,167	110,329	8,846,900	36,430	74,169	442,381
.....	.....	50,535	48,174	12,210	33,068	270,975	1,602,524	16,377	18,903	996,439
.....	50,000	65,445	48,564	33,900	11,250	26,958	4,702,988	76,905	172,078	687,451
.....	100,000	113,649	55,374	3,051	190,000	40,351	14,656,081	222,898	422,462	1,654,150
.....	260,000	96,377	199,121	60,869	516,615	71,473	23,526,901	279,003	631,000	3,126,000
.....	.....	51,934	12,480	1,039	141,320	55,738	4,593,131	78,000	103,000	882,396
.....	.....	110,402	64,995	6,456	163,872	27,942	10,481,151	78,120	423,946	692,046
.....	.....	65,412	18,183	3,700	190,026	12,689	7,402,238	45,656	103,170	997,387
.....	.....	48,177	.....	34,805	.....	22,229	868,843	2,560	3,670	99,783
.....	.....	34,299	19,641	11,462	15,700	11,996	1,399,111	12,819	20,105	244,262
.....	.....	65,663	46,226	74,794	101,723	27,710	5,793,141	111,669	96,061	515,236
.....
.....	16,536	97,923	11,682	17,998	61,879	16,294	10,071,735	328,517	372,260	1,111,289
.....	18,360	16,399	1,600	1,000	64,000	13,260	7,576,641	162,760	848,870	987,155
.....	.....	27,121	.....	1,977	60,736	1,647	1,706,234	26,599	56,049	587,397
.....	79	.....	.....	.....	59,000	.....	2,331,677	25,456	114,517	266,538
.....	.....	62,013	7,333	.....	1,800	7,792	3,185,880	36,667	94,308	448,623
.....	.....	2,261	3,560	.....	8,000	.....	1,091,992	30,991	24,716	93,147
.....	.....	5,767	.....	.....	23,426	.....	498,988	3,762	6,421	46,653
.....	.....	15,901	.....	.....	4,000	472	774,762	14,637	15,241	88,719
.....	.....	6,334	.....	.....	20,000	2,075	3,422,406	141,419	138,737	476,976
.....	.....	808	18,488	.....	6,000	16,269	734,460	10,564	17,116	146,462
.....	.....	6,590	2,000	1,986	12,000	.....	861,662	9,876	14,592	116,463
.....	.....	66,896	31,628	19,806	9,860	10,915	4,039,867	4,780	17,185	384,515
.....	.....	32,961	17,800	.....	128,294	2,735	6,715,649	505,210	668,034	888,011
.....	.....	97	501	841	260	220	136,983	850	2,910	30,391
.....	36,611	1,695	.....	2,965	8,799	2,602	465,195	11,742	13,364	28,082
.....	1,341,874	2,179,295	1,016,349	752,299	4,669,149	1,276,520	902,415,456	6,435,820	11,868,769	35,015,066

J. M. COURTNEY, Deputy Minister of Finance.

CREDIT INSURANCE.

William H. Deemes, president of the Mercantile Credit Guarantee Co., gives in the anniversary number of the *Spectator* the following interesting explanation of the principles involved in credit insurance.

Credit insurance presents itself in three forms: Individual insurance, total insurance, and excess insurance.

INDIVIDUAL INSURANCE.—So long as a merchant separates this class of risk, keeping such risks as he feels are good or undoubted, and seeks insurance only on such customers whose responsibility he has reason to question, or on accounts he may deem hazardous, then so long individual insurance will be too risky for any company to assume at a rate of premium within reasonable bounds, for the merchant naturally is a better judge of his doubtful accounts, and with the special information at his disposal, detects the first signs of financial weakness in any of his customers, and this before it is possible for any insurance company to obtain the same knowledge. The truth of this criticism on this class of insurance is verified by the disastrous failure of the only company that undertook it.

TOTAL INSURANCE.—To cover all a merchant's losses requires an amount of premiums to be collected equal to the full expectancy of the annual loss of the firm insured, taking into consideration the actual experience of such firm, and considering the average experience of their trade, with an additional amount to cover the risk of possible excessive losses. This places absolutely a firm's annual loss at a fixed amount, irrespective of what it may actually be; it tends to reckless trading, offering no advantage to the assured in years of good business and light losses, and no inducement to a merchant to use care and judgment in the selection and granting of credits.

EXCESS INSURANCE.—To Mr. Weisbein, of Savannah, is due, I understand, the credit of being the first to conceive the plan of excess credit insurance. This form of insurance presents a more equitable basis than either of the two preceding ones, the principle on which it is based starting with the theory that merchants lose more or less every year according to the trades in which they are interested, and these losses up to the usual amount of loss must be first sustained by them, before requiring insurance, which they only want as a protection from an excess loss that is far beyond what it is customary for them to stand. Under the plan of excess insurance a merchant is first called upon to stand his reasonable expectancy of loss, and only in years when this is exceeded does he collect from the insurance company. Thus in years of light losses all that is saved below the percentage fixed on his policy is to his gain, while in years of disaster and heavy losses the company stands as his protector beyond the fixed percentage named in his policy. To prevent reckless trading, the insurance companies only cover losses on debtors rated in one of the standard mercantile agencies, and then only to a percentage named in the policy upon the capital rating of such debtor in the mercantile agency selected. Thus it is that a disinterested third party, the mercantile agencies, act as the arbiter and judge of credits, as between the assured and the company.

The element of safety to both the company and the assured is not to speculate how closely a firm can be written to its usual loss, but rather to settle upon a fair basis, founded upon the reasonable expectancy of such firm, to be first sustained by them before the company becomes liable. No amount of capital makes an insurance company sound unless care and conservative judgment is exercised in accepting its risks, and the merchant is deeply concerned to see that the company to whom he pays his premium is conservative in the policies it takes, of which his own is the best indication, for otherwise he may find when he needs the protection he has paid for, the company cannot respond.

A WILL ON A PILLOW-CASE.

A curious will is to be placed on record in Louisville. It was written by a young woman who, in the last agonies of death, scrawled her parting injunctions to her friends in this world on the pillow with a dull lead pencil. The pillow-case is to be regularly recorded and filed.