

# The Chronicle

## Insurance & Finance.

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**The London Stock Exchange.** The business transacted on Stock Exchanges is so enormous as to put them in the front rank as commercial enterprises. The London, England, Stock Exchange is organized on a basis of 20,000 shares, the capitalized value of which is stated to be \$24,400,000, and debentures estimated to have a value of \$2,300,000, making the capital of the Stock Exchange of the Metropolis worth \$26,700,000. The dividend for last year equalled 83.30 per cent., the receipts having risen under an exceptionally pressing demand for membership. The expenditure on salaries, wages, annuities, printing, the reading room, and taxes last year was \$281,000. There are 5,567 members and 3,205 clerks engaged on the Exchange. The advertisements which announce that members of the London Stock Exchange are not allowed to advertise cost the management \$5,925 last year. The subscriptions of members yielded \$931,350 last year, and of clerks, \$259,325, giving a revenue of \$1,190,675. Evidently a great and a wealthy institution is the London Stock Exchange.

**Growth Of The Equitable.** In the turmoil caused by the wrangling over the Equitable Life Assurance Society, it is too generally overlooked how this wonderful organization has developed during its career. The following shows its assets and surplus at the end of each five year period since its organization in 1904:—

Year.	Assets.	Surplus
	\$	\$
1859.....	117,102	96,154
1863.....	584,714	258,321
1868.....	7,221,077	350,928
1873.....	22,972,252	1,549,746
1878.....	35,454,092	4,742,531
1883.....	53,030,582	9,115,969
1888.....	95,042,923	20,794,215
1893.....	169,056,397	32,366,750
1898.....	258,369,299	57,310,489
1903.....	381,225,036	73,354,138
1904.....	413,953,020	80,794,269

The "Insurance World" gives \$476,483,419 as the sum paid to policy-holders since 1860.

During the past ten years the dividends to policy-holders have aggregated \$36,273,610, as follows:—

1895.....	\$ 2,002,954.23
1896.....	2,425,932.61
1897.....	2,343,896.23
1898.....	3,059,744.86
1899.....	3,050,809.68
1900.....	3,481,640.65
1901.....	3,742,519.57
1902.....	4,477,924.15
1903.....	5,682,295.65
1904.....	6,001,903.00

Total for ten years..... \$36,273,610.63

Whatever may have been blameable on the part of certain officials in recent years, it is manifest that exceptional administrative, and managerial talent must have been exercised to achieve such results as place the Equitable in its rank as one of the largest life companies in the world.

### American Picaune Banks.

Of the 5,200 or more of national banks in the United States, a large number of them are small concerns of \$25,000 capital. Each one is independent of all others. An officer of the Treasury is quoted by the New York "Commercial Bulletin" as saying, "There has been a banking boom almost amounting to inflation." How is it possible for these 5,200 banks to be systematically inspected as the law requires. The system is glaringly absurd and only serves to create confidence where it is wholly unwarranted.

These picaune American national banks, as a rule, hold only 15 per cent. of reserve against deposits, the average in Canada being nearly 50 per cent. and in many instances much higher. Except in a small number of reserve cities it is only fifteen per cent. of deposits, and three-fifths of this may be in the form of balances due from banks in the reserve cities. In the reserve cities the requirement is twenty-five per cent., but half of it may be kept as cash deposits in a central reserve city, which for nine-tenths of all the reserve practically