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BANK OF BRITISH NORTH AMERICA.

In its constitution and organisation, the Bank of British North America occupies a unique place among the Canadian banking institutions. Peculiarities in this respect have not, however, prevented the Bank from identifying itself intimately with Canadian development and the part it has played in the financial life of the Dominion and of the earlier provinces constitutes a long and honorable record of service.

While from the standpoint of profits, the results of last year's business were disappointing, it is well understood that the character of these results is due to the circumstances of the period. The Bank's year ends at November 30th, so that the present report includes but a short period of the trading and industrial activity which in recent months has made such rapid progress. Profits are returned as \$328,595, the balance forward making the net amount available on this account, \$495,677. Profits are declared, as was explained at the annual meeting, after making liberal provision for possibilities of loss, the previously accumulated balance being also drawn upon in this connection. A 7 per cent. dividend (compared with 8 per cent. in the previous year) absorbs \$340,667, war tax on circulation \$37,052, while the Bank maintains its usual generous provision for the officers and staff, contributions from the profit and loss account to the various funds maintained for their benefit being over \$64,000. After other allocations have been made, a balance of \$52,176 is carried forward to the current year.

A STRONG POSITION.

The following are the leading figures of the current balance sheet in comparison with that for 1914.

	1915.	1914
Paid-up Capital.....	\$ 4,866,667	\$ 4,866,667
Reserve.....	3,017,333	3,017,333
Circulation.....	4,733,254	4,427,424
Deposits not bearing interest.....	18,150,685	16,967,688
Deposits bearing interest.....	26,077,647	25,307,667
Liabilities to the public.....	53,426,301	52,354,313
Gold and Dominion Notes.....	10,576,299	*10,622,047
Call and Short Loans in Canada.....	1,472,759	1,228,650
Call and Short Loans elsewhere.....	5,526,217	2,820,000
Liquid Assets.....	27,899,292	23,951,317
Current Loans and Discounts in Canada.....	23,267,046	26,179,121
Current Loans and Discounts elsewhere.....	6,214,693	6,057,822
Total Assets.....	61,513,696	60,604,993

* Excluding \$500,000 in Central Gold Reserve.

The Bank has shared in the general increase in deposits, the total now reported of \$44,278,332 being about two millions in excess of those of 1914. Circulation at \$4,733,254 is some \$300,000 higher than in the previous year. Holdings of gold and Dominion notes are maintained at practically the high level reached in 1914, these cash holdings being in the proportion of about 20 per cent. of the Bank's liabilities to the public. Call loans in Canada have been reduced by some \$350,000 to \$1,472,759, call loans abroad being practically doubled at \$5,526,217. In proportion to liabilities to the public, liquid assets are in the satisfactory ratio of 52.2 per cent., the Bank thus maintaining a strong reserve position. Current loans in Canada naturally show a decline of nearly three millions to \$23,267,046. But it is noted that the Bank financed the moving and marketing of the crops last year to a much greater extent than ever before, while munition making also was financed in considerable volume.

THE CANADIAN POSITION.

At the recent annual meeting of the Bank's shareholders held in London, an interesting review of the present economic position in Canada was given in an address by Mr. H. B. Mackenzie, the general manager. Mr. Mackenzie very wisely emphasized the abnormal and temporary character of present conditions in Canada and pointed out the danger of over-optimism as a result of them. In an excellent summing-up he said:—"For the immediate future no one can prophesy. We have to go through the remaining period of the War, be it long or short; we have to go through the confusion and unsettlement that will result from the return of our men now under arms, and the sudden cutting off of employment on War materials. But these conditions will be common to all countries engaged in the struggle, and probably not more severely felt in Canada than elsewhere. There will no doubt be a certain amount of privation, and perhaps even temporary distress, but possessed as we are of immense natural resources needing only an industrious population for their conversion into National wealth, our people are able to face with calmness the present sacrifices entailed by the War, and to look forward to the future with unshaken confidence." The case could hardly have been better put.

The fact was mentioned at the annual meeting that no less than 225 members of the Bank's staff have joined the Colours, and there is still a waiting list of those anxious to serve as soon as arrangements for replacing them can be made. Seventeen have given their lives, and other casualties have been many. The record speaks for itself.

SELLING SECURITIES IN LONDON.

The British Treasury has relaxed the London Stock Exchange regulations which prohibited the sale of securities unless they had been in physical possession in the United Kingdom since September, 1914. This will permit colonial holders and holders in Allied and neutral countries to sell securities in London even though they have not been in the United Kingdom, provided the proceeds are re-invested in British Government securities, and with certain precautions that the sale is not in behalf of or benefiting the enemy.