

UNION BANK OF CANADA.

As the largest and most important Canadian banking institution having its head office located west of the Great Lakes, the annual statement of the Union Bank of Canada possesses peculiar interest. Both the figures shown in the annual statement and the addresses made by the President and General Manager at the recent annual meeting were highly satisfactory in character, suggesting enterprise tempered with an admirable conservatism in the conduct of this well-known institution. Mr. John Galt, the President of the Bank, in the excellent review of the Canadian situation which he gave, remarked that the year 1913 had been a trying one for both borrower and lender, there having been a general feeling of uneasiness which had caused financiers to carry an unusually large proportion of their funds in a liquid form. However, the Union Bank had been careful to see that their customers had had the money necessary to carry on their legitimate trade.

Mr. Galt struck a thoroughly sound and practical note when he urged that while some of the world-wide causes for anxiety have now been removed, there is still necessity for caution and the strictest economy in both public and private affairs. "Whilst we believe," he said, "trade conditions to be on a sound basis, and the financial position of Canada in a most gratifying condition, we still consider that it is the duty of this Bank to exercise caution and to discourage any attempts to undertake large commitments whilst conditions in Europe are readjusting themselves after the recent disturbances." There are many other points in this practical address, which are worthy of close attention, and it will repay careful reading as a whole.

BANK'S ENLARGED PROFITS.

Last year marked another step forward in the amount of profits earned by the Union Bank, these amounting to \$750,095, as against \$706,833 in 1912, and equal to slightly over 15 per cent. of the paid-up capital. The 8 per cent. dividend absorbs \$400,000, and there is set aside an extra sum of \$50,000 to be paid as a bonus of one per cent. to shareholders on March 1 next—the Union Bank thus joining the ranks of several of the leading banks who have found it possible thus to reward their shareholders in a particularly good profit-earning year. An allocation of \$100,000 is made to rest account, bringing this up to \$3,400,000. \$50,000 is written off Bank Premises, and \$10,000 transferred to the Officers' Pension Fund, while a special allocation of \$125,000 is made for depreciation of securities and the increased balance of \$90,579 carried forward.

SUBSTANTIAL GROWTH.

The following table shows the leading items of the bank's balance sheet in comparison with last year:—

	1913.	1912.
Capital Stock	\$ 5,000,000	\$ 5,000,000
Reserve	3,400,000	3,300,000
Circulation	6,287,179	4,711,534
Deposits (not bearing interest)	19,038,076	14,423,813
Deposits (bearing interest)	45,557,212	41,219,541
Total Liabilities to Public	72,122,625	60,773,048
Specie and Legals	7,266,831	6,627,783
Call Loans	11,859,650	6,345,476
Total of Quick Assets	27,655,780	22,790,945
Current loans and discounts	48,439,442	45,015,075
Total Assets	80,766,532	69,408,228

* Plus \$1,300,000 deposit in Central Gold Reserve.

There has been substantial growth in the opera-

tions of the Bank during the year. Both classes of deposits show gratifying increases, non-interest bearing deposits showing an increase of over \$4,500,000 to \$19,038,076 and interest-bearing deposits over \$4,000,000 to \$45,557,212. Call loans have advanced by \$5,500,000 to \$11,859,650 and current loans and discounts by \$3,400,000 to \$48,439,442. A strong position has been maintained in the matter of reserves. Cash holdings (including deposits in the Central Gold Reserve) have been increased by nearly \$2,000,000, and are in the proportion of 11.8 per cent. to the liabilities to the public, while quick assets at \$27,655,780 show an increase of nearly \$5,000,000 and a proportion to liabilities to the public of 34.6 p.c. Altogether a very satisfactory showing.

MORE TAXATION OF LIFE INSURANCE.

The Province of Quebec's genius for the taxation of thrift is seen again in the new bill regarding the collection of succession duties which has been rendered necessary by a recent judicial decision. In this new bill appears the following sections which affect not only insurance policies but all earnings on such policies, which shall form part of an estate:—

1. Life insurance policies, effected or appropriated under the provisions of article 7378, shall be dutiable in the same manner as any other moveable property.

2. All other sums due by an insurer by reason of the death of any insured person, shall be considered for the purposes of this section when they devolve by gratuitous title, as forming part of the property of such insured persons, and shall be subject to succession dues in the same manner as other property.

That is to say, the Province will in future not only take its pound of flesh off the proceeds of life insurance policies, but also a share of the premiums returned because of previous over-payments, which returns are commonly, though wrongly called "dividends." If the deceased had elected to spend the amount he expended in life insurance premiums in some other direction, the Province would not have a word to say regarding his securing value for his money; but because he elects to use his cash in this particularly thrifty way, the Province says that when the time comes to adjust accounts with his successors, the Province are entitled to some of it. Why, goodness only knows. But the wisdom of our legislators is far above the comprehension of the average individual.

The Mutual Life of New York has just paid the oldest policy in the United States on the death of the holder at the age of 98. The policy had been in force since 1844 and was originally for \$1,500. Dividend additions to this were \$4,262.56, and the seventy annual premiums having amounted to \$2,352, the return over cost to the heirs was \$3,410.50.

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"Are you quite sure this suit won't shrink if it gets wet?"

"Mine frendt, every fire company in Montreal, but two, has squirted water on dot suit!"