

The assets of the above companies comprise:

Real Estate, net.....	\$83,042
Securities.....	724,108
Loans on Stock.....	40,500
Interest due.....	4,457
Cash on hand and at call.....	327,919
Agents' balances.....	54,787
Bills receivable.....	2,445
Fixed payments unpaid.....	1,371
Unassessed premium notes.....	1,193,474
Re-insurance on losses.....	2,890
Unearned part 50 per cent. of premiums paid for re-insurance of risks in force 31st December, 1905.....	5,817
Other assets.....	9,348

Capital stock paid up.....\$ 297,208

THE ONTARIO PURELY MUTUAL FIRE COMPANIES number 70. Their business and condition may be judged by the following summary, giving the total of each leading item in the report for 1905:

Cash on hand etc.	Unassessed premium note capital.	Totals assets.
\$331,988	\$ 730,688	\$6,246,327
Policies in force.	Net amount at risk.	Fixed payments, 1905.
\$116,531	\$179,925,052	\$260,728
Assessments, 1905.	Borrowed money.	Total Income.
\$106,571	\$ 14,486	\$418,170
Agents Commission, etc.	Salaries and general expenses.	Total Expenses of management.
\$ 22,730	\$ 54,458	\$ 79,463
Losses	Refunds, rates, etc.	Total outgo
\$ 270,772	\$ 5,669	\$ 377,205
Gross amount at risk on mutual plan.	Premium notes unassessed.	New business taken in 1905.
\$218,318,810	\$ 6,924,163	\$79,711,631

The amount paid for commissions, salaries, etc., by the Ontario companies compares very favourably with the expenses incurred by similar companies in Quebec, in Ontario, the commissions, salaries, etc., amounted in 1905 to \$79,463, the new business acquired being \$79,711,631, while the Quebec companies paid \$112,299 commission to agents, on policies issued in 1905 for \$27,389,701. The difference is very great, but may be explainable by different methods of account keeping.

CANADIAN BANKS AND FOREIGN EXCHANGE.

Several of the Canadian banks deal pretty extensively in foreign exchange. It is not possible, of course, to get a satisfactory view of their operations from the monthly bank statements, but, by taking note of the fluctuations in the balances shown in the different months of the year, something of interest is to be gleaned.

Taking first, all the banks combined we get the following:

1905.	Due to United Kingdom.	Due by United Kingdom.	Net Balance.
January.....	\$2,716,272	\$9,472,707	Due by \$6,756,435
February.....	3,297,300	9,347,754	" 6,044,454
March.....	3,991,549	11,733,054	" 7,741,505
April.....	4,334,056	10,739,430	" 6,415,374
May.....	6,117,568	10,231,212	" 4,113,744
June.....	6,905,066	11,787,907	" 4,882,841
July.....	6,579,835	5,455,340	Due to 1,115,495
August.....	6,558,073	9,644,699	Due by 3,086,616
September.....	5,024,838	12,178,826	" 7,153,988
October.....	6,097,460	9,212,549	" 3,115,089
November.....	5,280,560	11,421,005	" 6,140,445
December.....	4,098,095	8,308,239	" 4,210,144
1906.			
January.....	5,154,883	6,324,571	" 1,169,688

In the case of outside balances carried elsewhere than in the United Kingdom only those on the one side need be considered. The balances due by our banks to banks and agents in foreign countries represent, to quite a considerable extent, deposits maintained by American banks with Canadian institutions, they would not, therefore, fluctuate with the fluctuations in our exchange operations. The banks find it much more convenient and profitable to borrow the credit of the big English and Scotch banks when they wish to operate in foreign bills. During 1905 the balances due to the Canadian banks by banks and agencies of foreign countries along with foreign call loans, were:

1905.	Due by foreign banks and agents.	Foreign call loans.
January.....	\$20,173,572	\$46,184,911
February.....	19,910,524	45,670,704
March.....	30,112,257	46,032,561
April.....	16,024,306	44,523,606
May.....	17,361,880	40,285,841
June.....	18,982,891	43,067,558
July.....	21,339,923	51,254,965
August.....	24,022,862	58,976,532
September.....	22,414,377	58,639,799
October.....	19,849,856	62,280,939
November.....	15,886,242	39,507,344
December.....	14,344,574	61,010,920
1906.		
January.....	17,923,617	68,432,836

The call loans are used in much the same way as the balances. It was quite natural that the balances should be drawn down and the call loans increased during the latter part of the year when the return from the latter investment was so much larger. In connection with the United Kingdom net balances it is noteworthy that a sharp fall is to be observed in January and July.

On the 1st January and 1st July, heavy interest payments fall due on our Government and other debts held in England; the banks draw heavily on their London correspondents in response to the demand of the Dominion Government and other customers for exchange. In this connection also, it will be interesting to follow the balances of the Bank of Montreal: (This bank reports no balances as due by it to banks or agents in the United Kingdom or foreign countries).

1905.	Due by United Kingdom.	Due by foreign countries.
January.....	\$ 746,123	\$ 885,724
February.....	2,074,196	3,696,673
March.....	3,022,955	3,237,502
April.....	4,217,182	1,258,705
May.....	4,919,222	3,550,218
June.....	8,647,068	3,493,089
July.....	2,695,547	3,278,430
August.....	5,227,214	3,695,208
September.....	6,183,885	3,280,932
October.....	3,745,653	2,293,384
November.....	6,182,972	3,707,848
December.....	5,339,920	2,636,044
1906.		
January.....	1,176,868	3,717,620

Thus it can be seen that the Bank of Montreal