

	1905.	1904.
British America.....	\$10,141 63	\$10,358 89
Western.....	22,621 14	23,716 02
Alliance.....	7,777 88	6,711 93
Atlas.....	11,048 17	8,624 18
Caledonian.....	17,839 16	19,344 42
Commercial Union.....	29,872 09	29,227 38
Law Union and Crown.....	6,729 02	6,254 18
Liverpool and London and Globe.....	81,811 34	88,561 89
London.....	13,307 04	7,784 01
London & Lancashire.....	21,681 04	23,801 47
North British & Mercantile.....	46,767 73	44,863 97
Northern.....	23,326 42	30,167 29
Norwich Union.....	19,820 20	22,060 17
Palatine.....	8,630 46	8,010 46
Phoenix.....	25,234 73	31,358 84
Royal.....	52,950 86	52,473 62
Royal Exchange.....	40,494 93	37,810 79
Scottish Union & National.....	16,892 38	16,926 37
Sui.....	30,392 35	34,811 28
Union.....	14,230 76	18,781 31

CHANGES IN THE FORM OF THE BANK STATEMENT.

CLASSIFICATION OF CURRENT LOANS BOTH ENLARGED AND CONTRACTED; UNMEANING DETAILS OMITTED, SIGNIFICANT AND INTERESTING ONES ADDED, MORE INFORMATION GIVEN AS TO OUTSIDE AGENCIES' BUSINESS; THE OLD FORM USED UP TO 1900 QUITE MISLEADING, IMPORTANCE OF SOME MINOR ITEMS, TRADE MOVEMENT INDICATORS, ETC.

With the principal items in the monthly bank statements most persons engaged in active business life are tolerably familiar. Indeed there is good reason to believe that in no other country are there so many persons as there are in Canada who are well acquainted with the leading conditions of the banks as they are exhibited in the monthly statements which are sent by these institutions to the Government and published in full in the official "Gazette."

The several amounts of paid-up capital, of reserve fund, of deposits, of current loans, of call and short loans on stocks and bonds, at the end of each month are noted as they appear with considerable interest by business men. Their significance is widely understood and the variations in them from month to month are canvassed and weighed with much intelligence and interest.

As an aid to the careful observation of the monthly bank statement and a guide to the understanding of the causes and drift of the periodic changes, the table and comments published every month in THE CHRONICLE are recognized as of considerable value.

There are, however, a number of items in the bank statement which, though less important than those named above, are more worthy of consideration than they commonly receive.

The main items of capital, deposits and loans have been given in all the bank returns since they began to be issued. But considerable alterations

have been made even in the returns of these items. The earlier statements did not include the reserve fund, a feature indeed which, at one time, was very insignificant.

CHANGES IN FORM OF BANK STATEMENT.

In the earlier statements a column was devoted to "Loans to Corporations." Loans of this class are no longer classified separately. The overdue debts were divided into those "not specially secured" and those "secured." This feature no longer exists. The deposits of the Governments, Federal and Provincial, were divided into those "payable on demand" and those "payable after notice or on a fixed day." This distinction also has been abandoned. The call and short loans were classified as "Advances secured by Bank Stock," and "Loans secured by Bonds." The form now reads, "Call and short loans on stocks and bonds."

For many years the monthly bank statement was very imperfect, as a number of banks in Nova Scotia and New Brunswick did not send their returns. It is, therefore, impracticable to compare the totals of all the banks in that period with the totals when the returns of all the banks were regularly included, as they have been for many years.

Another difference between the present statements and earlier ones is this: up to the last change in the form of the bank returns the banks were always classified by provinces, each one being inserted under the name of the province in which its head office was situated.

This order was very convenient for those who kept up a systematic study of these returns, for the exact position of each bank in the statement was familiar, and the division into groups helped the memory. The present arrangement is very tedious to follow, as the names of the banks are all jumbled together without any order, either of location, or alphabetical, or by size of capital, or any other feature which would facilitate the rapid search for the name and figures of any particular bank. The banks appear to be arranged according to their age, but the dates of their establishment are not given.

In earlier statements, up to 1900, the call and short loans were not divided as they now are into those "in Canada" and those "elsewhere." Owing to this lack of classification some banks included all their outside business under the headings of balances due from or to other banks or agencies elsewhere than in Canada. By this means the actual total amount of the call and short loans of all the banks was never known, nor the amount of such business of certain of the banks, for the practice of the banks in this respect was not uniform. In the returns up to a few years ago the "current loans elsewhere than in Canada" were also not shown.

Owing to these conditions comments were frequently made by those not acquainted with the facts