

FINANCE and ECONOMICS

THIRTY-ONE THOUSAND SHAREHOLDERS

Own the Bank of France—Annual Report Shows That Ten Thousand Have One Share Each.

In view of recent events in France some particulars of its large central bank are of interest. The investment proclivities of the average Frenchman are well-known and are plainly observable in the last annual report of the Bank of France. There were at the end of last year no less than 31,249 shareholders. Of these one-third (10,381) held only a single share and 27,784 less than eleven shares, while 3,100 held from eleven to fifty shares. Only 252 possessed from 50 to 100 shares, while 113 had 100 shares (\$85,200) and upwards. The holdings with dividends payable in Paris are divided among 10,635 shareholders averaging nine shares each, and 20,614 are held in the provinces, averaging five shares. Most of the important institutions in France have a considerable number of foreign holders, but it is not shown in the report of the Bank of France whether that institution is in line with the others.

Bank Has Special Restrictions.

The bank is a private corporation under special restrictions arising out of its exclusive right to issue notes, payable either in gold or silver, with a governor appointed by the French Government. As in the case of the Bank of England there is some dissatisfaction at the limited net earnings, as compared with other banks, and it is by no means certain that the bank gains, so far as its dividends are concerned, by its immense stocks of bullion and specie, which are, to a large extent, unnecessary for its banking operations, while the advantages of holding the Government's accounts and its note-issue department are declared by competent authorities to be purchased at too high a price.

Some of the 1908 Figures.

There are 1,311 persons employed in the Central Bank, and 1,685 in the branch banks, showing an increase of sixty employees, due to the more extended operations. The pension Fund, of which only \$191,700 is invested in the bank's shares, thus constituting a participation in profits, amounts to \$4,738,381.

Similarly the directors appear to have exercised moderation in investing the balance, which is wholly in French 3 per cents., except as to 5182 bonds of French railways, whose average value, if 3 per cent., is about 85, thus yielding a larger interest than Governments. The total of the benefit-producing operations of the bank was \$4,350,251,560, with a return of \$10,570,931. Exclusive of the 4 per cent. tax on dividends, the expenditures of all sorts amounted to \$5,720,794, or 54 per cent.

ONTARIO'S PROVINCIAL LOAN.

Ontario's Provincial Treasurer reports that satisfactory progress has been made in the flotation of the Province's popular loan. During the month of June \$1,125,000 was subscribed for the bonds and Government stock of the \$3,500,000 loan. Besides this, \$1,115,000 of the former issue were sold in the same month. Col. Matheson said to the Monetary Times this week that more than half the subscriptions received for the \$3,500,000 loan were from private investors. The remainder was subscribed by banks, trust companies, insurance companies, etc. For the first month the subscriptions were more than they were for the first month of the 1906 loan. The Provincial Government has plenty of ready money at hand, and does not care whether the remainder of the \$3,500,000 loan is raised immediately or not. It was this fact that prompted Col. Matheson, to a large degree, in making

the issue a popular one. The bond firms admit that he secured a higher price for the bonds in this particular instance than he would have, had he caused the issue to be underwritten.

ST. STEPHEN'S BANK STATEMENT.

The annual statement of the St. Stephen's Bank of St. Stephen, New Brunswick, for the year ending April 30th, 1909, shows assets amounting to \$796,789.95, of which \$26,068.42 is bank premises, other real estate and furniture and equipment. Current loans and discounts amount to \$635,284.16, while the amount of bonds, debentures, stock, notes and checks of other banks and debits due from foreign agents, totals \$95,927.40. Deposits with the Government and specie and Dominion notes on hand total \$39,509.97.

The paid-up capital of the bank is \$200,000 and the reserve \$55,000. The deposits total \$334,970.53, and the notes in circulation amount to \$195,350. Undivided profits, unpaid dividends and debits to other banks and foreign agents make up the remainder of the liabilities. St. Stephen's Bank has no offices outside of St. Stephen, N.B. It works through the branches of the Bank of Montreal. The institution was incorporated in 1836. The officers are Mr. Frank Todd, president; Mr. John D. Chipman, vice-president, and Mr. J. T. Whitlock, cashier and secretary. These three together with Messrs. John G. Murchie and Philip Breen, form the directorate.

HOME BANK OF CANADA.

An interesting showing of advancing development is that placed before shareholders at the meeting last week of the Home Bank of Canada. A marked addition to the list of shareholders has been made, especially in the Western provinces; from 502 their number has gone up to 891 within a year. Additions have been made to paid capital, which is now over a million. The deposits have increased by \$972,000, making them now not far from six millions. The profits of the year sufficed to pay six per cent. dividend and to add enough to the Rest to make that fund equal to one-third the paid capital. The total assets show an increase of \$1,182,000 over last year, and there is a slight increase in circulation. These are welcome features.

It is tolerably clear already that the extension of its business to the North-West has further popularised the Home Bank. It will likely have that effect still more in the future. Opportunities of business which could no longer be reasonably looked for in Ontario may be found in the larger field. The address of Mr. Kennedy at the meeting indicates some of the directions in which such added business is to be looked for. The opening of additional branches of the bank continues. Four have been opened during the last twelve months, three of them in Manitoba and Saskatchewan.

Considering the large number of its depositors, it is the duty of the bank management to be solicitous about the nature of its assets. And indeed we believe their character is very generally satisfactory. Out of a total of almost eight millions, 18 per cent. are cash items; 28 per cent. bonds and call loans; 48.84 per cent. current loans and discounts. So that not far from one half the total assets are in easily realizable form. The bank's directors are good and well-known business men, with a reputation for carefulness to maintain. It is pleasing, therefore, to find that the home-like character which the Home Bank sustains in Ontario is likely to be continued in the Canadian West. The institution must grow, one would think, with the growth of that great land.