

year. The rate of premiums (1.504) is higher than that of 1902 (1.467). The loss rate (51.57) is 12.31 per cent. greater than the loss rate of the previous year (39.26) and 15.42 per cent. less than the average loss rate (66.99) for the past thirty-five years."

There was a small increase in the gross amount of risks written last year over the year previous; in the case of Canadian companies its amount was \$1,360,081. But the increase of risks taken by British companies was \$24,025,828, and that of American companies \$15,838,969. Indeed, nearly two-thirds of the whole business was done by the British companies.

For every hundred dollars of premiums received by the British companies in 1903 there was spent on the average \$51.86 in payment of losses and \$29.56 for general expenses. In 1902 their loss rate was \$29.32, and the general expenses \$28.42 per \$100 of premium. "Hence, these companies have done a larger volume of business than in 1902 at a somewhat higher rate of premium, a higher rate of expense, and at a much higher rate of loss."

The favorable balance of English companies (premiums over losses) of \$140,000 up to 1876 was changed by the St. John conflagration of 1877 to an unfavorable balance of \$4,070,000. And it took ten years to convert this into a favorable balance of \$341,000 in 1887. This balance on the right side of the ledger increased up to the year 1893, when a set-back to the tune of \$205,000 occurred. Again in 1900 (Ottawa and Hull conflagration) and 1901 there were further set-backs. But 1902 was a successful year, and the favorable balance went up to \$5,760,000, and in 1903 to \$7,123,044. But page 20 of the Superintendent's report shows that the English companies lost \$4,538,000 by the Toronto conflagration of April last, which, added to the other losses already incurred or to be expected during 1904 will again leave the British companies in all probability with an unfavorable balance in respect of their Canadian business. A like condition is to be predicated of the American companies, which lost \$1,320,000 by the Toronto fire.

### BANK STATEMENT.

We present below a condensation of the monthly statement of Canadian banks for September, 1904. It is compared with the Bank Statement for the previous month, and shows capital, reserve, assets and liabilities, average holdings of specie and Dominion notes, etc.:

#### Canadian Bank Statement.

	LIABILITIES.	
	Sept. 1904.	Aug. 1904.
Capital authorized .....	\$100,546,666	\$100,546,666
Capital paid up.....	79,642,783	79,458,433
Reserve Funds .....	52,479,464	52,320,981
Notes in circulation.....	\$63,795,962	\$60,227,074
Dominion and Provincial Government deposits .....	8,886,680	7,643,012
Public deposits on demand in Canada..	125,472,424	119,137,382
Public deposits at notice .....	313,502,733	315,789,663
Deposits outside of Canada .....	37,446,637	32,770,951
Bank loans or deposits from other banks secured .....	1,016,298	915,397
Due to other banks in Canada .....	4,632,964	4,745,796
Due to other banks in Great Britain ....	6,910,246	7,119,238
Due to other banks in foreign countries..	2,100,271	1,179,966
Other liabilities .....	11,021,636	10,252,880
Total liabilities.....	\$574,785,940	\$559,781,428

ASSETS.		
Specie.....	\$17,609,537	\$16,286,923
Dominion notes .....	35,984,556	34,669,012
Deposits to secure note circulation.....	3,328,771	3,328,771
Notes and cheques on other banks .....	18,725,091	16,847,212
Loans to other banks, secured .....	1,016,297	915,486
Deposits with other banks in Canada ....	6,024,180	5,422,266
Due from banks in Great Britain.....	6,575,994	9,771,971
Due from other banks in foreign countries .....	22,254,184	21,425,042
Dominion or provincial Govt. debentures or stock .....	10,945,569	10,880,176
Other securities .....	55,873,822	53,977,148
Call loans on bonds and stocks in Canada	35,827,396	35,710,410
Call loans elsewhere .....	49,364,845	42,597,582
	\$263,530,242	\$251,831,999
Current Loans in Canada .....	412,197,377	408,240,567
Current Loans elsewhere .....	19,746,702	17,869,809
Loans to Dominion and Provincial Governments.....	2,048,689	2,058,737
Overdue debts .....	2,362,612	2,260,972
Real estate ..	723,728	729,072
Mortgages on real estate sold .....	764,803	772,065
Bank premises .....	10,141,570	9,948,637
Other assets .....	8,134,531	7,918,306
Total assets .....	\$719,650,434	\$701,630,340
Average amount of specie held during the month .....	16,502,339	16,566,253
Average Dominion notes held during the month.....	34,693,132	31,648,136
Greatest amount notes in circulation during month .....	65,179,548	62,142,848
Loans to directors or their firms.....	10,087,846	10,098,809

September is one of the months in which we expect to see bank circulation advance because of the beginning of active movement of the crops. This advance is not very marked this year, being about \$3,500,000, which is nearly the same amount as in September last year. In 1902, however, the increase of circulation during September was \$5,930,000, and in 1901 it was \$4,675,000. The smaller advance this year cannot be because the results of the crops were less remunerative; it is elsewhere shown that the increased price of wheat this year compared with last has made up for any variation in quality. There are probably reasons for a smaller forward grain movement.

Although the deposits of the public at notice show a slight decline from August to September, the total public deposits are higher by eight millions. In Canada the aggregate is nearly four millions greater, and in other countries—the United States and Great Britain—they are more than four millions. The total deposits in Canadian banks are now \$476,421,000; and if to these we add the deposits in the mortgage loan companies, estimated at \$20,000,000, the Government and other savings banks, \$85,723,000, we have the total of \$582,144,794 shown in our smaller table below. This is a growth in the tabulated deposits of the people of more than \$40,000,000 in twelve months. Much use, and not always a sensible use, is being made of statistics of Canada in the present excited time of our election contest; it is very likely that some use will be made of these. But neither political party can justly claim to have brought Canada's savings up from \$259,878,000 ten years ago to \$582,000,000 now, a greater relative progress in this direction than any other people, we believe, can show. It is not the politicians who have taught our people industry and thrift—we possessed these qualities already. Whether our prosperity be born of protec-