

forward and honest, and did he keep clear of misrepresentation, he might go his way unmolested. There is the sentimental aspect. For it is argued that such competition is unfair. A life insurance agent, whose livelihood depends upon his profession, has to compete with a man with whom underwriting is a side issue. No law can say in what manner a man shall live so long as it be legitimate. There you have the secret.

The agency business must be made legitimate. The part-time agent's methods are frequently unfair and improper. He has no underwriting reputation at stake. Anything wrong will not ruin his career. He has other fish that are frying.

Contrariwise, the agent pure and simple knows that if caught tripping, his chances of success are remote, if not nullified altogether. The evil, therefore, of the part-time agent is chiefly in the opportunities he may use for illegitimate purposes. This can be checked. As things are, the part-time agent must be recognized. But the part-time agent of wrong-doing should be squelched. That every agent should be licensed is an excellent suggestion. To obtain a license certain conditions will have to be fulfilled. While the scallawag will even then be able to creep in, as sometimes happens with insurance companies themselves, the restrictions will be much more severe. This question should be thoroughly considered by our life underwriters' associations, and their views presented to the Legislature.

Misrepresentation by the everyday agent is another matter. This is now being generally shelved. Which is a good thing. The art of doing business these days is not in hiding the other man's light under a bushel. The square way of doing things is the best. Let your prospect have time to think. The figures and facts he possesses regarding a certain company should not be contemptuously contradicted and by aid of a little prevarication, reversed. Fair comparison of companies is honest soliciting. Unfair comparison is otherwise. As Mr. Edwards has well said, there seems to be dawning a new era, and one of conscience. When life insurance men follow the dictates of their conscience, the profession will have been placed near the ideal. The association movement is the most helpful factor in formulating an ethical and moral code among the men who are writing insurance throughout Canada.

DECEMBER BANK STATEMENT.

With but the shadows of one or two disturbing incidents in Canadian banking during the past few years, the statements of our chartered banks in recent months have been most satisfactory. The feature of last November's figures was the item, total deposits. Those on demand showed a gain over the previous month of nearly 16 million dollars and those payable after notice, an increase of nearly 5 millions. The December deposits account shows a still further increase. Particulars thereof and of the other principal changes are seen in the following figures:—

	Dec., '07.	Nov., '08.	Dec., '08.
Deposits on demand . .	\$157,185,414	\$206,315,809	\$210,180,147
Deposits after notice . .	402,626,076	419,920,274	429,719,218
Current loans Canada . .	556,588,451	515,695,476	511,808,909
Current loans elsewhere...	22,928,188	27,899,016	30,351,721
Call loans Canada . .	44,504,112	42,730,261	43,827,771
Call loans elsewhere...	43,509,229	85,220,634	97,137,400

These figures tend to prove that the average Canadian was a thrifty person during 1908. The deposits on

demand last December show an increase over December, 1907, of \$52,994,733, or 33.7 per cent. Deposits after notice increased in the same period by \$27,093,142, or 6 per cent. That was a total increase in the two deposit items of nearly 40 per cent.

The loan situation is somewhat different. In the twelve months there was a decrease in domestic loans of \$44,779,542, or about 8 per cent. Current loans elsewhere increased by approximately 7 millions. Call loans in Canada in the twelve months showed a decrease of 1 million. But call loans elsewhere between December and December have appreciated \$43,628,171, or 100.3 per cent. This increase is far from being evenly distributed. A glance at the figures of the individual banks shows that the Bank of Montreal's call loans elsewhere in December, 1907, amounted to about 22 millions. Last December that sum had increased to 64 millions. Other banks show small gains.

Mr. Laird, of the Bank of Commerce, has fully explained this call loan question. The loaning abroad of money by Canadian banks has frequently been criticised. It is argued that the large loans at call in New York should be wholly employed in meeting the needs of the manufacturing and mercantile interests of Canada. Some figures recently quoted by Mr. Laird will be of interest. The call loans out of Canada during the past twelve months have almost doubled.

"In November, 1907, when the foreign loans of Canadian banks were at their low point—\$64,774,000—the Canadian banks held deposits elsewhere than in Canada amounting to \$54,819,000, so that not more than \$10,000,000 of Canadian funds were being lent outside Canada. Moreover, the larger portion of these loans are carried in New York at twenty-four hours' call—practically as readily available as cash. Except at rare intervals, New York call loans bear a much lower rate of interest than Canadian mercantile loans; consequently the banks aim to only carry such an amount at call in New York as with the cash carried here will constitute a reasonable reserve of cash and immediately realizable funds. Notwithstanding all that financial critics have written about the Canadian banks sending to New York moneys needed in Canada, in order to take advantage of the high rates occasionally prevailing there, such a thing as a bank curtailing its commercial loans in Canada for a purpose of this kind is absurdly improbable. Only occasionally during the past fourteen years have excessive rates for call money in New York prevailed for more than a few days in the year, and no sane banker would think of sacrificing permanent business connections in Canada, of even the smallest kind, for such a temporary advantage. Self-interest will at all times be a sufficiently weighty force to prevent the banks from lending Canadian funds outside of Canada except to the extent that is necessary for the purposes of their cash reserves."

The following figures show the fluctuations during the year in the loan accounts of our banks. The figures are given in thousands:—

Month, 1908.	Current loans in Canada.	Current loans elsewhere.	Call loans in Canada.	Call loans elsewhere.
January . .	\$546,957	\$22,441	\$43,052	\$47,252
February . .	541,252	21,351	43,857	47,098
March . . .	546,957	22,441	43,052	47,252
April	541,252	21,351	43,857	47,098
May	537,773	22,521	41,143	48,662
June	534,523	22,386	41,650	52,256
July	525,271	23,153	40,467	54,915
August . . .	517,984	23,729	39,511	62,764
September .	516,960	26,994	41,284	59,834
October . .	519,263	27,480	42,102	70,239
November . .	515,695	27,899	42,730	85,220
December . .	511,808	30,351	43,827	97,136

The above figures clearly show how credit has been curtailed. Last January, nearly 547 millions were out on