IMPERIAL BANK OF CANADA—*Continued.*

nomy and the curtailment of expenditures by municipalities generally. This is as it should be in times like these, and I might say that in our opinion some of our Canadian municipalities should retrench still further.

Call and Short Term Loans show a reduction from $4,127,322.78 to $3,900,248.45, roughly $200,000. While the decrease is not large I would point out that a large proportion of the present loans is represented by advances to customers to assist in the purchase of War Loan Bonds.

The substantial increase in current loans and discounts, now amounting to $41,192,000 odd, as compared with $34,646,000 a year ago, is due to a general expansion in our commercial business and the present high cost of all commodities.

Bank Premises Account during the year has increased from $2,621,000 to $2,908,000. The expenditures in this connection have been conservative, and advisedly made in obtaining desirable sites at reasonable prices. Our policy is as far as practicable to own the premises required for the Bank's own business at places where we are satisfied we are permanently established, and where advantageous leases are not procurable.

Altogether you will note an increase of $9,000,000 in assets during the year.

Turning to the other side of the balance sheet—liabilities—you will observe the amount of notes of the bank in circulation has, in common with other banks, considerably increased during the year just closed; in fact, I might say that the maximum during the year reached the figure of $8,465,716, the largest in the history of the Bank. The amendments to the bank act, providing for emergency circulation, as it has been termed, are working out satisfactorily, and to enable us to take advantage of the opportunity afforded by this legislation to increase our circulation, we have deposited with the Central Gold Reserves various sums from time to time, the amount so deposited at present amounting to $1,000,000.

DEPOSITS INCREASED.

Deposits not bearing interest have increased by approximately $3,600,000, from $11,253,426.11 to $14,845,206.10. Interest-bearing deposits have shown almost as large an increase, the amount last year being $48,965,201.86, while this year we have reached the sum of $51,354,075.12. This growth, representing a total increase in deposits of $6,000,000, we regard as satisfactory—particularly so when we consider the large withdrawal for investment in war loan issues and such like interest-bearing securities yielding higher rates of interest.

You will note that our foreign correspondents' balances with us now, amounting to $1,208,695.35, show a substantial increase. With the high rates of exchange prevailing, no doubt it suits our correspondents to leave these funds, representing chiefly proceeds of collections, on deposit with us, pending a return of exchange rates to normal.

The number of individual shareholders of the bank's stock consistently continues to grow. There are now 1,879 shareholders as compared with 1,804 a year ago.

New Branches—Although for the past two or three years' time our policy has not been one of expansion in the way of new branches, you will have noted from the report that we have during the past year established ourselves at half a dozen rural points in the Province of Saskatchewan and at two points in Alberta. I might say that these expansions have been with a view to the future and to extending our facilities in fields in which we have for some time been represented; for instance, the branches at Denholm and Ruddell are in the immediate vicinity of North Battleford, where we have had a branch for some ten or twelve years. In the Province of Alberta we have large interests also and have opened a branch at Peace River, which is some 270 miles northwest of Edmonton, where considerable development has already taken place and it is expected will continue.

In replying to the shareholders' motion of thanks to the staff, the General Manager said: The number of men on the staff of the bank at the outbreak of the war was 875, of whom 834 were of an age eligible for military service. Out of this enrolment 300 men, which is equal to 36 per cent. have volunteered and have enlisted for military and naval service. In addition to these some 85 youths who were appointed to the staff since the commencement of the war have given up their positions to join the colors, in all 385 of the bank's employees, of whom I regret to have to report, as many as 27 have been killed in action, 40 others wounded, three taken prisoners and three recently reported missing. We have now a total staff of 950 and of this number 300 are ladies. This means that the positions of more then 50 per cent. of those who have enlisted are now being filled by ladies and it affords me pleasure to be able to say that they are performing their duties quite satisfactorily.

The customary motions were made and carried unanimously.

Mr. G. T. Clarkson, F.C.A., Toronto, and Mr. R. J. Dilworth, F.C.A., Toronto, were appointed Auditors of the Bank for the ensuing year.

The Scrutineers appointed at the meeting reported the following Shareholders duly elected Directors for the ensuing year: Messrs. Peleg Howland, Elias Rogers, William Ramsay (of Bowland, Stow, Scotland), Cawthra Mulock, Hon. Richard Turner (Quebec), William Hamilton Merritt, M.D. (St. Catharines), W. J. Gage, Sir Jas. A. M. Aikins, K.C. (Winnipeg), Hon. W. J. Hanna, M.P.P., John Northway, J. F. Michie, J. W. Woods.

At a subsequent meeting of the Directors, Mr. Peleg Howland was re-elected President, and Mr. Elias Rogers, Vice-President for the ensuing year.

KIDDIN EM ALONG!

The Royal Arcanum had its annual session in Boston last week. Governor McCall, Mayor Curley (the same person who discovered that Shakespeare's middle name was Henry) the President of the Senate and others welcomed the visitors and told them what fine fellows they were. Delegates attended from every state in the Union and Canada and by the way of a pleasing diversion a number of them attended the hearings in the federal courts at which counsel for the Royal Arcanum is asking that the recent order for a receivership be vacated. In this connection it is interesting to read what Supreme Regent Samuel N. Hoag of New York said for publication in the Boston dailies while he was here. He said, "We urgently wish to counteract the impression created by certain recent reports relative to the Royal Arcanum. The organization is in excellent financial condition and we are asking the courts to vacate the receivership because the organization is absolutely sound. The Royal Arcanum is unshakable." The Insurance Journal lends its aid to disseminating the opinion of the Supreme Regent of New York as to the unshakableness of the Royal Arcanum. But he might at the same time have explained how it is that the total amount of certificates in force as of December 31, 1916, was not forthcoming until the middle of May, 1917, and that when the information was placed on record with the Massachusetts Insurance Department, is showed that the lapse during the past year was 69,139 certificates representing nearly one hundred and twenty-three and one half millions of insurance. It is almost incredible. By having the load of its accumulated liabilities lifted by that amount, it has left many a heart-ache and the plight of its aged members no longer able to stand the pressure of increased assessments is pathetic in the extreme. It must too be borne in mind that this startling lapse was in 1916 before any receivership proceedings had been ventilated in the daily newspapers. What will the lapse show as of December 31, 1917? The benefit certificates in force as of December 31, 1915, numbered 243,095. As of December 31, 1916, they numbered 177,235. Perhaps by this freezing out process the Royal Arcanum is "unshakable," but the old members of the order feel they could supply a word which would better express their sentiments.—*Insurance Journal, Hartford.*