

India and from Egypt, and in South America and in Mexico, and in this Northern part of the Continent of North America, which you and ourselves divide between us. Then trade has been expanding all over the world enormously, calling for money. In addition to that we have had enormous increases in armaments all over the world. In London this summer, I was talking with a member of the Government, and he told me that the expenditure upon naval armaments of Great Britain this coming year was greater than the expenditure upon all the naval armaments of the world, including Great Britain, thirty years ago. In addition to all of these and some other minor causes which I shall not mention, we have had during this past year, the terrible Balkan War, which has taken enormous sums of money, the aftermath of which is being felt now. All of these causes have produced the world-wide financial stringency which we have heard about so much. In regard to that financial stringency, my own view is—I put it forward for what it is worth—that any financial stringency always contains within itself the seeds of its own cure, and that the tendency will be, with the brakes being put on as they have been put on all over the world, towards easier money conditions. Put it this way: The bankers are the doctors; the patient is now aware of his own condition, and is disposed to accept medical advice, and in all probability he will be in a condition of convalescence within a comparatively early date.

LIFE BUSINESS IN UNITED STATES UNSATISFACTORY.

Life insurance men are feeling blue over conditions in the business world, which make new business scarce in the various agencies, says the *Insurance Press* of New York. It is not only that the last two months of the year are not panning out as well as last year or as satisfactorily as usual, but also owing to the tightness of money, many policies which have been written have not been paid for.

Practically all of the outside companies doing an agency business in New York report the same trouble of slowness of collections and scarcity of new business, especially within the past two months. While September and October were unusually good in several agencies, in the last two months business has fallen off so as to make the average for the year probably much lower than the record for 1912.

The tightness of money and the poor business situation are also responsible for an increase in lapses and the resulting cancellations or taking of cash values for policies, added to the reduced production of new business, will make considerable difference to the insurance in force of many of the small companies, particularly in the West and South.

GROWTH IN LOANS.

The agents report that while the business written would make a good showing for most agencies for the year 1913, the amount paid for is much less than usual, and as a result the agents in many cases have had to pay the premiums out of their own pockets, accept notes, or take the chance of waiting till conditions improved.

It is difficult for agency managers to secure new men, although December is usually regarded as the harvest time in the business. If present conditions continue a large increase in policy loans is feared

by company officers, and this at a time when there is every reason to believe that the loan privileges are too liberal, as they have been taken advantage of in the past five years by an increasingly larger number of policyholders.

The four big life insurance companies in New York are reported to be writing well up to their limit, but in many cases written business, locally, has not been up to the average, although that from other States has kept the total up.

STEAMSHIP MERGER COMPLETED.

Official announcement is made by Mr. James Carruthers, of Montreal, of the completion of the consolidation known as the Canada Steamship Lines, Ltd., which has been under way for some time past. The following companies are included:—Richelieu & Ontario Navigation Company, Limited; Inland Lines, Limited; Northern Navigation Company, Limited; Niagara Navigation Company, Limited; Canada Interlake Line, Limited; Quebec Steamship Company, Limited; Ontario & Quebec Navigation Company, Limited; Richelieu & Ontario Navigation Company, of the U. S. A.; Thousand Islands Steamboat Company, Limited; Steamers: Jaques, Bickerdike, Haddington, City of Hamilton, City of Ottawa."

The capital of the Canada Steamship Lines, Limited, amounts to \$25,000,000, divided into \$12,500,000 of 7 per cent. cumulative preference shares, and \$12,500,000 of ordinary shares, with an authorized issue of \$9,000,000 par value of 5 per cent. consolidated first mortgage debenture stock, which stock is convertible into bonds at the option of the holder; \$6,106,300 par value of which will be now issued.

The London interests in charge of the financing of the Company having come to the conclusion that the present was not a proper time to make any public issue, the debenture stock has been taken up by a syndicate of financial houses and corporations in England and Canada.

The Company, says Mr. Carruthers, has physical assets valued by the Canadian Appraisal Company, Limited, at over three times the amount of the debenture stock, and net earnings, even for the current year, without the advantage of any of the benefits of the consolidation, of over three times the amount of the bonds, and sufficient to meet the fixed charges, the 7 per cent. dividend on the preference shares, and a small dividend on the ordinary shares, which latter, however, it is not the intention of the company to pay for the present.

With the savings that can be effected by the consolidation, the net earnings should amount to approximately \$2,000,000 per annum on the basis of the business that the different companies have done this year.

The Bank of England's official rate was continued yesterday at 5 per cent.

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The London & Lancashire Fire Insurance Company, a London cable says, is reinsuring and taking over a considerable portion of the business of the National General Insurance Company and National Live Stock Insurance Company. The agreement with the London & Lancashire will, as far as it goes, supersede the arrangements recently made between the Licenses Insurance Corporation and the National General.