

THE NATIONAL LIFE'S STATEMENT.

The highly conservative investment policy pursued by the National Life of Canada has long been a matter of favorable and complimentary comment by outside critics. As is well-known, the assets of this company are all invested in the highest grade of investments, almost 60 per cent. being Government and Municipal Bonds and Debentures and over 30 per cent. Bank stocks and similar high class securities. Again in its annual report the Company is able to record the fact that since its inception—a period of almost fifteen years—it has never had a dollar of interest or principal of its invested funds overdue, nor has it lost a single dollar of interest or principal on any of its investments. This is a really remarkable record and constitutes striking testimony of the wisdom and care exercised in the supervision of the Company's investments under the direction of Mr. Albert J. Ralston, the well-known general manager.

In regard to volume of business, the National Life continued last year to make substantial progress. Applications for new assurance received totalled \$9,566,200 against \$7,359,950 in 1912, and \$4,450,000 in 1911. Thus these applications have more than doubled in two years—a remarkable tribute both to the increasing confidence of the public and the energy of the agency force. Policies issued and placed totalled \$8,150,292, an increase over 1912 of \$1,800,000. The total volume of business in force (December 31, 1913), is \$22,409,978, an increase of nearly \$4,000,000 over the total at the close of 1912, and representing an annual premium income of practically \$800,000. The notable advance which has been made by the National Life in this matter of insurance in force is shown by the fact that at the close of 1903, it was only just over \$4,000,000. So that in ten years, the National Life's insurance in force has increased by practically 450 p.c.

Total payments to policyholders were \$124,571. The year's income of \$841,318, including \$147,812 interest and rents, showed an advance of \$150,000 upon the previous year, and there was left, after payments to policyholders and expenses, a balance of \$353,585. The assets are accordingly increased to \$2,609,453. Of these assets, \$1,520,336 are represented by government and municipal bonds and debentures, \$365,224 by loans on policies, \$230,000 by the head office building, which has been valued at \$273,000, and \$155,545 by bank stocks. After setting aside special reserves, and including liabilities on a thoroughly conservative basis, there is a net surplus to policyholders of \$380,375, an increase of \$46,215 over 1912. These results are in every way satisfactory.

UNION LIFE DIRECTORS ARRESTED.

On Tuesday warrants were issued at Toronto for the arrest of Messrs. H. Pollman Evans, H. Symons, K.C., F. G. Hughes and G. E. Millichamp, former directors of the Union Life and the National Agency Company. Mr. Evans is at present in France; in the other cases the warrants have been executed. Mr. Millichamp is in a nursing home and is to be allowed to remain there until his health improves. The indictments charge conspiracy to defraud.

**WESTERN CITIES' FINANCIAL POLICY:
BENEFITS OF RECENT STRINGENCY.**

Mr. Vere C. Brown, superintendent of central western branches for the Canadian Bank of Commerce, writes that the recent financial stringency has produced results of great and lasting benefit as regards the financial policy of western municipalities.

"Heretofore," he says, "our municipal securities have sold so readily that municipalities had no difficulty in borrowing from banks in anticipation of a sale of debentures later in the year; but the experience of this year has resulted in a declared change of policy on the part of the banks, so that hereafter municipalities will have first to arrange for a firm sale of their debentures before undertaking capital expenditures. This is certain to obviate a recurrence of the financial difficulties in which so many of our municipalities were involved during the past year. While the capital expenditures of western municipalities have not, as a rule, been carried to dangerous lengths, the mistakes made have been sufficiently numerous and costly to attract attention and prejudice investors against the debentures of the smaller and newer municipalities. As a consequence of this situation, a proposal first put forward by ourselves that a Municipal Commission or Local Works Board should be appointed in each province, to pass upon the capital expenditures of municipalities, has now been adopted by the Province of Saskatchewan, where a Bill has been introduced providing for "the appointment of a Board of Local Loan Commissioners" to consist of three members with a ten-year tenure of office. We think that the Government may be relied upon to select the best men available for this Board."

**MONTREAL WATER ENQUIRY TO BE HELD
NEXT MONTH.**

The Montreal Board of Control decided on Tuesday, acting on the advice of the law department, to hold an administrative investigation into the cause of the break in the water conduit, which occurred on Christmas day last, as soon as the city bill, giving the controllers the power to enforce the attendance of witnesses and place them under oath, has become law. The secretary of the board was accordingly instructed to request the engineers to present their report as soon as possible.

It is anticipated that the enquiry will be held early in February. It will be in recollection that two weeks ago an influential delegation presented a petition at the City Hall asking that a commission should be appointed consisting of a judge of the Superior Court and two engineers of the highest experience and ability, to whom should be given the following duties:—

To plan an alternative water supply.

To investigate the cause of the break in the conduit and apportion the blame.

To enquire into the entire management of the water department.

To investigate the whole scheme of water supply, whether finished or under construction.

It has, however been known for a long time that the Controllers have been in favor of an administrative investigation. How far they will carry it remains to be seen.