

Vol. XVI. No. 1.

Insurance and Finance

CHRONICLE.

OFFICE:
1724 Notre Dame Street.

MONTREAL, JANUARY 1, 1896.

SUBSCRIPTION:
\$2.00 per ANNUM

THE

Insurance and Finance Chronicle.

Published on the 1st and 15th of each month.

AT 1724 NOTRE DAME ST., MONTREAL.

R. WILSON SMITH, Proprietor.

Annual Subscription (In Advance) - - - \$2.00
Prices for Advertisements on application

All Communications intended for THE CHRONICLE must be in hand not later than the 10th and 25th of the month to secure insertion.

* 1896 *

*May it be a Year of Happiness, Prosperity and
Peace to all of us, and to our Country!*

The Value
of Character.

ONE of our prominent bankers was told the following by an English bank manager. A firm, which is now one of the wealthiest in the world in the steel business, had a hard struggle for some years, the founder being a workman whose whole capital had been saved out of his wages. On calling at his banker's one Saturday, hoping to get about \$4,000 for wage payments, he was asked "to see the Manager,"—an ominous invitation. After a long discussion he was told firmly that no further advance could be made. As the stoppage of the firm would be a very serious event, the manager offered to accompany his customer to interview the most influential member of the Board of Directors, who was a Quaker. On arrival at his office, and the business explained, the director said: "Thou knowest we have had great trouble with thy account, and thou wilt get no more money from the bank." The visitor then left, but the customer was called back for a private word with the old Quaker, and after hearing it he joined the manager with his face beaming with delight, which was explained by his showing the director's personal cheque for \$5,000, which he had advanced without any security, solely from the confidence he felt in the customer's integrity, and business, and mechanical skill! His judgment proved sound, the firm from that

date entered on a career of great prosperity, and always admitted that the Quaker director's generous help enabled them to turn a critical corner, failing in which would have been utter ruin. We do not ask any bank director to follow the example of Quaker Edward Smith, nor regard the manager's appeal to a director as a desirable course, save in some very grave emergency, but call the attention of young men especially to this incident as a remarkable illustration of the value of a reputation for honor, reliability and capacity. Had the enterprising steel melter, a man of no education, had a character in the least degree doubtful in these respects, his career would have ended in insolvency on the very eve of making a vast fortune.

Municipal
Insurance
Convention.

WHEN Macbeth is confronted with the ghost of Banquo, he exclaims, "Time was when the brains were out the man would die." We are reminded of this on seeing it announced that a Convention is to be held shortly in Toronto, to revive and extend the movement in favor of municipal insurance. If ever a victim had its brains, or what passed for brains, knocked out, it was the municipal insurance scheme formulated some time ago by a Toronto alderman. While he was dreaming of the fire insurance companies being compelled to "pull up stakes" in Toronto, a succession of fires occurred in January last, by which losses were involved of \$1,350,000. Such a possibility had never been thought of, it came like a stroke of lightning from a clear sky upon the new scheme, and what little life it had went out. The insurance companies, however, did not go out, they paid the losses for which they were liable, and saved the insured persons from ruin, or very serious embarrassment. Had the municipal insurance scheme been in force, those losses would not have been paid, or only paid after long delay, which would have caused disaster to the claimants. The probability is that the Toronto fires of January, 1894, would have caused the civic insurance scheme to disastrously and utterly collapse had it been in force. The citizens at large would have rebelled against raising \$1,350,000 to pay for fire losses; there would have been no sum on hand or promptly available to pay the claimants; and the balloon of municipal fire insurance would have burst.