

(Continued from Page 1265)

by the United States in Canada in comparison with our total exports not only has not increased in a like ratio but has declined, as the percentage of Canadian exports to the United States in comparison with our total exports for the year ending March 31, 1913, was 39.27, and for the year ending March 31, 1919, only amounted to 37.66.

It may be suggested that the best way of restoring the full value to your Canadian premium would be for Canada to do less purchasing in United States, but I do not think that this solution of the subject is one which would commend itself to you as American citizens. We want to do as much business as possible with you and I think you want to do as much business as possible with us. I think we all realize that two of the very necessary essentials in any proper re-establishment are firm currencies and standard exchanges. I am quite sure that you would much sooner see the exchange situation righted by additional American purchases in Canada rather than decreased Canadian purchases in the United States. Temporarily, and from time to time, these adverse balances may be easily rectified by the investment of America's large surplus reserves in Canada, and this solution is one which is probably as much in the hands of the presidents of great American companies as in anybody's. The field for investment in Canada is very large. There is still great room in Canada for development.

Apart altogether from the exigencies of the exchange situation, I feel that little argument is necessary to interest United States life insurance companies in Canadian investments. The Canadian life insurance companies earn upon the average one per cent. higher interest than do the United States companies and this higher earning naturally materially affects policyholders' profits. The average rate of interest in your investment assets is, as I understand it, approximately five per cent. The rate earned by Canadian companies is slightly over 6%. You can with absolute security by investing in Canadian Government bonds earn $\frac{1}{2}\%$ more than your average return, and should a higher yield be desired the Canadian municipal field offers securities as high as 6%. If a still higher yield is desired Canadian mortgage investments can today be obtained at the rate of from $6\frac{1}{2}\%$ to 7%. In Canada first-class city mortgages are being placed at $6\frac{1}{2}\%$ and loans on farm property at 7% and sometimes even at 8%. You are familiar with the investigation made some five years ago of the farm mortgages held by the United States life insurance companies, showing that the average rate of interest earned was 5.55%. At that time farm mortgages in Canada were yielding an average of about $7\frac{1}{2}\%$.

You have been so kind as to ask me to speak on some Canadian problems. The problem that I am leaving with you is not alone a Canadian problem. It is a problem in which both of our countries are interested. It is a problem, further, which is one of

the most urgent ones confronting us and one which I am confident your Association with its tremendous resources can do much in assisting to remedy. My apology for introducing it, if any apology is needed, is that it is a problem in which you as insurers of Canadian lives as well as all sellers of American goods to Canadian purchasers are deeply and vitally interested.

The problems of the North American continent will have to be worked out by our respective countries and to an ever increasing degree the problems of the world will be solved by your great Republic and the confederated nations of the British Empire. With a history, with laws, interests, traditions and aspirations so largely common, the essential combined effort for civilization and humanity ought to be, and I am confident will be, harmonious and effective.

CANADIAN FIRE RECORD.

Fire at Ottawa.—By the fire which occurred on Nov. 27th, on the premises of McDougals Limited (Hardware), the following companies are interested. *On Stock*, Royal, \$16,700; Phenix, of Hartford, \$7,000; Phoenix, of London, \$10,000; Alliance, \$6,300; Total, \$40,000. Loss about 50%. *On Building*: Home, \$15,000; North Brit. & Mer., \$7,000; Sun, \$10,000; Total, \$32,000. Loss about 30%. *On Stock* of Hughes Owens & Co., in upper storey, Phoenix, of London, \$2,000; Globe & Rutgers, \$7,000. National Union, \$5,000.; Home, \$8,000. Total \$22,000. Loss 15%.

Fire at Kitchener, Ont.—On the 2nd instant, a fire destroyed A. Lockhart & Cos. garage. Between thirty and forty cars were in the building, many of which were burned, or badly damaged by fire and water. Loss about \$25,000.

Fire at Moose Jaw, Sask.—On the 2nd instant a fire broke out in the cooperage of the Robin Hood Flour Mills. The building (two storey) was gutted and the contents a total loss. Loss about \$7,500.

Fire at Quebec.—On the 2nd instant a fire broke out in one of the municipal buildings at the Quebec side of the ferry system, occupied by offices of the Ferry Company. Loss about \$12,500, partly covered.

Fire at Vancouver, B.C.—On the 1st instant a fire broke out in the Stirling Hotel, on Cordova Street. Loss about \$35,000.

Fire at St. John, N.B.—On Nov. 29th, a fire gutted the building occupied by R. & W. F. Starr, Limited, and others on Union St. The fire threatened a large section of the business section. Loss unknown.

Fire at Campbellton, N.B.—On Nov. 21st, a fire destroyed the Rosebury St. School. Loss about \$20,000, fully covered.