

Policy-Holder's Company

North American Life Assurance
 has a Guarantee Fund of
 \$50,000,000, of which \$50,000 is paid up in
 interest is allowed on this paid
 up only. Policyholders thus
 have an additional security of \$500,
 000,000, what is of greater importance,
 the care and conscientious
 management of the Guarantee
 Fund for this amount. By the
 Ontario Act of Incorporation, every
 policyholder of a participating policy in the
 company, upon which all premiums
 have been paid, shall have one vote
 for each \$1,000 of insurance
 paid. Policyholders are thus
 directly in the management
 of the company's affairs. In short, it
 is a fact that the North American
 neither a Mutual nor a Stock
 Company yet possesses the advan-
 tages of both.

Office - Toronto, Ont

Statement of
 and Debentures owned by
**Royal-Victoria
 Insurance Co.**
 as required by the Receiver General
 of the Province of Ontario, in trust for the security of
 the holders.

Ontario Scotia Debentures, pay- able 1st, 1915	\$6,000.00
Quebec 2% Inscribed Stock the name of the Receiver General, payable April 1st, 1917	9,733.33
Manitoba Debentures, payable 1910	60,000.00
Ontario Debentures, payable 1910	30,000.00
Ontario Debentures, payable May 1910	55,000.00
Western Railway Debentures, by the Province of Manitoba, 1908, 1909	41,800.00
Ontario Debentures, payable May 1910	30,000.00
Ontario Debentures, payable Sep- tember 1910	18,000.00
Total	\$290,533.33

These securities have a cash market value of
\$277,172.60

DAVID BURKE, A.I.A., P.S.
 General Manager.

**CONSERVATIVE
 PROGRESSIVE
 FAITHFUL**
 The cardinal aims of the Union Movement are—to be conservative in investments—to be progressive in the conduct of the business—to be faithful to the interests of policyholders.
 Like inclination cordially welcomed.

MUTUAL Life Insurance Co.
 Portland, Maine.
ARTHUR L. BATH,
 Vice-President.
W. J. MORIN, Chief Agent for Canada,
 James St., Montreal, Canada.
 In the Western Division, Province of Ontario, apply to
W. J. MORIN, Manager,
 James Street, Montreal.
 In Western Ontario, apply to
W. J. MORIN, Manager,
 James Street, Toronto.

ENIX
 Insurance Company
 Brooklyn, N. Y.
KIRKPATRICK, Agents,
 Toronto

The Monetary Times

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THE PRICE OF INCOMPETENCE.

It is a miserable exercise to club unfortunate people when they are down. As the affair of the Ontario Bank has reached the courts of justice it might seem an obligation to fairness to refrain from discussing a case which is sub-judice. But, however pitiable the plight of the president, directors, and general management of the Ontario Bank may be, their individual misfortune is eclipsed by the greater disaster to over three hundred shareholders, and the harmful prejudice which this most lamentable collapse creates with respect to financial institutions which handle millions of other people's dollars. The calamity that has come is the very thing which the directors were elected to prevent. Charity is all very fine, but there are such things as responsibility and justice.

To those who take the trouble to think, the events of the last week have vindicated the Canadian banking system as a system. But most people do not think very carefully, nor are they as well informed as they should be. It is unhappily true that the sins of omission which are so clearly attributable to certain financiers have put the whole profession of finance to an open shame. No system that will ever be devised will eliminate the propensity of human nature to break down.

Except that the Ontario Bank has been wrecked, that the shareholders are in parlous case; that the late general manager and the president are under prosecution for making false statements to the Government, extending over several years, the history of the last seven days is a little more obscure than is generally supposed. The places of business of the Ontario Bank were last Saturday placarded with announcements that "This is the Bank of Montreal." It was popularly supposed that the burden of loss had been finally cared for; and that the Ontario Bank had been absorbed, lock, stock and barrel. But the Bankers' Association has since appointed a Curator, and an Advisory Board to deal with the affairs of the Ontario Bank. It is scarcely possible to be quite sure how far the Ontario Bank is dead or alive. Its assets go to the

Bank of Montreal. Its entity for suffering and punishment remains. Everything will be clear one of these first days.

The great cause for gratulation is that there was no panic. For that blessed consummation the decision to see all necessary liquidation through with open doors is mainly responsible. The credit belongs to those Toronto bankers who had a certain interest in preventing the putting up of the shutters of a large financial institution whose headquarters were in their city—a city which likes to think of itself as going to obtain the financial primacy of the Dominion.

The proof and punishment of grievous crime are in the right hands. There is no need to fulminate against the unhappy individuals who failed in the things they were appointed to achieve. There is a line of difference between crime and incompetence. The admitted falsification of returns might have taken place under the noses of competent directors. But it could scarcely have continued for half a decade—for a series of sixty sworn reports, and a whole fortune of dividends. It is not necessary to probe behind the signing of false statements to find proof of incompetence. The trail incapacity is over the whole of the week's disclosures. Following up that trail is only so much more proof of the clamant need for directors who direct.

The Royal Bank desired to buy the Ontario Bank. Negotiations were opened. The Royal Bank found that the capital of the Ontario Bank was wiped out. It was at first willing to buy; and, it is said, offered one share of its own for two of the ill-fated institution. The Royal Bank operates considerably in the West Indies. The milky revolution in Cuba came along; and decided the Royal directors against loading themselves with a strenuous reconstruction in Canada.

It is understood that the Royal Bank advised the frightened directorate in Toronto to apply to the Bank of Montreal, as being the strongest institution for the crisis which could not long be delayed. There is no fault to find with the Bank of Montreal for utilising an opportunity to acquire the assets of an institution with which there was nothing wrong ex-