

**UNWARRANTED DIVIDENDS.**

"It is a matter open for consideration whether under these circumstances the payment by the National Agency Company of dividends to its shareholders, when no profits were actually earned by the insurance undertaking which was being conducted by these two companies, was warranted and whether it was reasonable and proper under the conditions then existing that shares should have been offered and sold to the public without the fullest disclosure of the facts above stated."

Referring to the result of the agreement on the financial statements of both companies, Mr. Clarkson points out that the National Agency Company was able to present a statement to the public indicating that it was in a flourishing condition, and with the payment of ten per cent. dividends, its shares were made to appear an attractive security and saleable. The Union Life Assurance Company on the other hand, by applying, as income, the sums received from the National Agency Company on premium account, was able also, so long as these contributions continued to the extent necessary to meet excess expenditures, to show apparently an unimpaired capital and a business which, if returning no profit, was at least maintaining itself while it was being established.

**SIR FELIX SCHUSTER'S VIEWS ON OUTLOOK.**

Sir Felix Schuster, the well-known London banking authority, addressing the shareholders of the Union of London & Smith's Bank recently, said that the impending demands for money from the East of Europe and from other countries outside Europe appeared yet to be great. Thus money would still be in request, and the proceeds of such issues should in many instances give a renewed stimulus to trade. If in certain directions the outlook was not so hopeful, in others new opportunities might arise.

Several vast enterprises which had made great demands on the money markets of the world, such as the Panama Canal and the transcontinental railways of Canada, were approaching completion, while the demands of the newer countries, and especially our Colonies, had been mainly for productive purposes.

Thus, even if a reaction took place, he saw no reason to apprehend that it would be of long duration unless unexpected political events occurred. If only industrial, as well as international, peace was maintained, he looked forward to a further development of international commerce, and, with it, that of the United Kingdom.

Sir Felix stated that he adhered to the opinion, expressed by him six months ago, that the return of cheaper money, with possible relaxation of trade demands, the attention of investors in Great Britain would be principally directed to home securities, which now afforded such attractive yields.

Mr. T. G. McConkey, superintendent of agencies, Canada Life Assurance Company, Toronto, spent a few days in the city this week. Mr. McConkey states that the business outlook for 1914 throughout the Dominion is very encouraging.

**DOMINION TRUST COMPANY'S GOOD REPORT.**

The annual report of the Dominion Trust Company to be submitted to the annual meeting to be held on February 24, states that 1913 showed the greatest and most substantial growth of business accomplished in any year in the Company's history. The amount of Trust Funds invested and estates and other trusts administered was more than doubled during the year, reaching at December 31 last, \$13,480,222. During the year branches were opened in Winnipeg, Halifax and Charlottetown, while many agencies were established throughout the eastern provinces.

Net revenue for the year was \$223,527. The 8 per cent. dividend absorbed only \$164,304, leaving the largely increased balance of \$74,413 to be carried forward. The assets now amount to \$5,416,456, and the Company's trusteeships for bondholders are \$26,518,000.

**FIRE LOSSES LARGELY PREVENTABLE.**

Mr. J. B. Laidlaw, Canadian manager of the Norwich Union Fire Office, in a recent address at Toronto, said it is generally thought that arson is responsible for a large number of fires. The most careful investigation would seem to indicate that this is a mistake, and that not ten per cent. of the fires are strictly traceable to incendiarism, including that of insane persons. The losses arise chiefly from carelessness and bad construction, and are largely preventable. At one time epidemics were thought to be a visitation of Providence. When it was discovered that there was a cause, epidemics have been stopped. Every fire is a warning of a cause, just as a typhoid fever patient is a warning of bad sanitary conditions. When this is recognized more generally there will be more co-operation to stop the fire loss.

The business of to-day is carried on largely on credit, and to have credit there must be confidence. That confidence is largely inspired by the guarantee of fire insurance. No bank would make advances nor a loan company loan its money unless the property which is the basis of the security was protected against fire. The debentures of a city could not be sold unless it were recognized by investors that the city was well built and well protected, and was adequately insured. The values of real estate are maintained and the permanence of employment guaranteed by modern fire insurance, and so it can be claimed that insurance giving confidence to the business world, is one of the foundation stones upon which the modern commercial fabric has been erected.

**MR. A. J. RELTON HERE.**

Mr. A. J. Relton, manager, Guardian Assurance Co., Ltd., London, England, arrived this week at Montreal, where he will spend a few days, visiting the Head Office for Canada. He is no stranger in the Dominion, frequent visits having made him very familiar with fire and other insurance conditions in Canada.

Mr. Relton, whose reputation as a conservative underwriter of great experience is well known, will most probably visit some Western points before returning to England. Under the management of Mr. H. M. Lambert, the Guardian's large Canadian business continues to show steady expansion, while the Company enjoys a prestige and popularity hard to be excelled.