

THE VICTORY LOAN

The terms of the new Victory Loan have been made known by the Minister of Finance, and the campaign for subscriptions opened officially on October 27. As was generally understood, the loan will be issued at par, and will bear interest at five and one-half per cent., payable half-yearly as in the case of each previous issue. The only material difference as between this loan and its predecessors is found in the fact that the income from the bonds will be taxable. This has been known for some time, and so also has the reason for the change, a reason which commends itself to many who have considered the matter from the standpoint of the Dominion's financial requirements. The practice of permitting instalment payments is again being followed, and will have much to do with the success of the loan. Deferred payments will be made on a basis of 100 and interest, and the chartered banks have again signified their willingness to assist small subscribers in the purchase of bonds by instalments extending over a period of ten months.

The minimum amount to be raised has been set at \$300,000,000, or less than one-half the amount subscribed for the last previous issue. The ability of the Canadian people to provide the sum asked for is not open to question. The country is still prosperous, and bank returns show a record total of deposits.

Sir Thomas White forcefully presented the reasons why the Victory Loan should be largely subscribed for by the people. In a word the situation is this: That in buying the bonds the Canadian people are promoting their personal interests not alone in a selfish way, but nationally. The debt has been incurred, and must be discharged. It is a debt of loyalty to the soldiers, the final payment for service rendered on the battlefield to the undying glory of the country; a debt arising out of their demobilization, and restoration to civil life; a debt undertaken to promote domestic prosperity by providing foreign markets for surplus products. The obligation of Canada to her soldiers is known and cordially admitted, but it may not be so well appreciated how much of Canada's commercial prosperity is dependent upon the successful flotation of the loan.

It is not merely as a security, as an excellent investment, that subscriptions should flow in generously for Victory Bonds, but to perpetuate the prosperity the country enjoys. Men of affairs know the need, and when it is realized by the public at large, there should be no doubt of a large over-subscription. It is not the Government that is being helped, but the people, scarce any of whom is not directly concerned in the successful flotation of the loan.

AMALGAMATION OF ROYAL AND LIVERPOOL & LONDON & GLOBE INSURANCE COMPANIES.

The Chronicle was informed yesterday by Mr. J. Gardner Thompson, manager for Canada of the Liverpool & London & Globe Insurance Co. that he was in receipt of an official communication, by cable from his head office, which stated that a provisional agreement had been entered into for the amalgamation of the Royal Insurance Company, and the Liverpool & London & Globe Insurance Company. We understand that the Liverpool & London & Globe will continue to operate as a separate company, with its present board of directors and management.

The announcement of this insurance fusion has caused a very great sensation in insurance circles in Canada, as well as elsewhere. Both of these great companies are known throughout the world, better perhaps than any other financial institutions, either in the eastern or the western hemisphere. It is interesting to note that both companies were organized in Liverpool, England, the Royal in 1845, and the Liverpool & London & Globe nine years earlier, and until recent years, their world-wide ramifications have been controlled from that city, and no doubt there has been great intimacy existing between the two offices. In the meantime it is gratifying to know that the fusion will in no way interfere with the excellent organizations of these powerful offices, either in Canada or elsewhere, or their continued operation as separate companies as stated above the change only involving the necessary financial arrangements being completed, as agreed upon, on behalf of the shareholders of both companies, in connection with the deal. While there has been many insurance fusions of British companies reported in the past, there is none that has attracted such marked attention as the present one, owing to both companies' powerful financial standing and the enormous volume of business reported each year. The event is likely to be productive of considerable comment, as to how such fusions are likely to affect the future welfare of insurance generally, especially on this continent.

INSURANCE COMPANIES' SUBSCRIPTIONS TO VICTORY LOAN

The following subscriptions from Insurance Companies are reported to the Victory Loan:

Canada Life, \$10,000,000; Sun Life, \$10,000,000; Manufacturers Life, \$5,000,000; Confederation Life, \$4,000,000; North American Life, \$2,000,000; New York Life, \$5,000,000; Metropolitan Life, \$5,000,000; Prudential of Newark, \$4,000,000; Equitable Life of New York, \$1,000,000; Mutual Life, \$750,000; Great West Life, \$5,000,000.