

LEGISLATION AND MORTGAGE INVESTMENTS.

The address recently made by Mr. E. M. Saunders, treasurer of the Canada Life Assurance Company at a meeting of the Insurance Institute of Toronto, brings together the scattered facts regarding the foolish legislation prejudicially affecting lenders of capital which has marked the war period, particularly in the western provinces. The Dominion Government, as is well known, through its seed grain legislation, did its share in damaging the interests of invested capital and Mr. Saunders mentioned that as a result of this legislation, a number of mortgagees have been caused losses, through lands coming back on their hands. From the sale of these lands, it will not be possible to realize enough to take care both of the mortgagee's claims and of the government liens. Of the various acts passed in the western provinces, designed to relieve the mortgagor at the expense of the mortgagee, perhaps the most extraordinary is the Alberta Volunteer & Reservists' Act. This is not designed to protect the *bona fide* soldier who enlists for active service from his creditors, but to protect members of the local militia from their creditors. As a result, many borrowers have told loaning corporations that if action were commenced to collect arrears, they would immediately enlist in the local militia. Many in fact have done so and received the protection of the courts. It is not surprising that many loaning corporations have refused to lend further in Alberta until this legislation, which merely puts a premium on roguery, is repealed. Mr. Saunders believes that this western legislation as a whole has merely served to postpone the evil day. These laws were passed especially to protect those who had accumulated heavy liabilities in connection with real estate speculation, and the ultimate effect, in Mr. Saunders' opinion, is that in many cases, the borrowers will lose everything. Mr. Saunders also had some sensible things to say in regard to the Government rural credits schemes in the West. He pointed out that the corporations now engaged in the loaning of money to farmers on mortgage have offered no opposition to the new legislation but ask only that the provincial governments charge up to their rural credit departments all expenses in connection with their operation, and that the loaning companies be granted any special concessions made to the government associations.

UNION FIRE OF PARIS.

Mr. Maurice Ferrand, Canadian manager of the Union of Paris, who was called up by the French War Office authorities some time ago, is now in New York, attached to the French Government's purchasing department there. It is interesting to note that over 200 of the Head Office staff of this Company have been called to arms, and of these 22 have been killed, 49 wounded and four are missing. Twenty have been mentioned in dispatches, three have received the military medal for bravery and another the Cross of the Legion of Honour.

The Montreal staff of the Union of Paris joined with the other insurance offices in contributing to the "day's pay" scheme for the support of the Canadian Patriotic Fund and Red Cross, the amount of their contribution being \$63.

The Molsons Bank have recently opened new branches at Lachute, Que., and Brucefield, Ont.

CANADA NATIONAL FIRE INSURANCE COMPANY.

The 1916 statement of this young Winnipeg company, which was started in 1911, indicates that satisfactory security is afforded to its policyholders. In common with the companies generally writing fire and hail business, the Canada National last year experienced a somewhat less favorable underwriting period than in 1915. Net premiums at \$175,136 show a decline of \$20,000 in comparison with the preceding year—a development that is scarcely surprising in the case of a company having its leading connections in the Western provinces. Net losses were about \$24,000 larger at \$117,571. The Company invests the larger part of its funds in mortgages of comparatively small amounts, in view both of the high interest rate procurable and the fact that the mortgages carry with them considerable insurance business, and in consequence has a large total expense ratio. However, the total expenses, divided as follows:—loan and investment department, \$44,584, and fire department, \$55,136, are \$19,000 lower than in the preceding year—a move in the right direction—and the considerable amount spent in the loan and investment department finds its justification in the income of \$144,183 from investments. The underwriting department's expenses were reduced to 32.80 per cent. against 41.24 per cent. in 1915.

The paid-up capital of the Company was further increased by some \$150,000 during 1916, and at the close of the year stood at \$1,708,161, giving with the net surplus of assets over all liabilities of \$267,995, a surplus to policyholders of \$1,976,156. The assets, which now amount to \$2,290,075, include mortgage loans of \$1,444,364, stocks and debentures (at cost) \$433,413, and cash in banks and on hand, \$126,114.

PUBLICITY OF LIFE COMPANIES' ASSETS.

In the course of a reference to the assets of the British life companies, the London Economist advocates that in Great Britain, the life companies should be required, as in Canada and the United States, to make a detailed annual return of the securities held. At present, complains the Economist, about a dozen items of information are given in the returns to the British Board of Trade as compared with many hundreds of items on this side of the Atlantic. From the latter returns, an adequate opinion can be formed about the nature of the assets, upon which the whole position of a life company and its future prospects fundamentally depend. From the British returns, no such opinion can be formed, and the companies which set out in detail at least their Stock Exchange securities in their annual statements are liable to meet with unfair criticism by the agents of other companies, which maintain secrecy with regard to the securities in which the funds of the policyholders are invested.

The death took place recently at Detroit of Mr. J. A. Bucknell, formerly supervisor for the Canada Life of the State of Michigan and for 37 years with that Company, from whose service he retired a short time ago. Mr. Bucknell was formerly well-known in Montreal, where he acted as the Canada Life's manager for some years and had filled several important field positions for the Company in the United States.