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THE BANKS' MUNICIPAL LOANS.

The figures of the banks' loans to cities, towns, municipalities and school districts have now been available for comparison over a period of practically two years—since July, 1913. Between July, 1913 and July, 1914, the ante-war period, the tendency of these loans, generally speaking, was downward. The first-published figures of these twelve months were the highest; subsequently there was a rapid falling off until a minimum of \$29,301,620 was reached at the close of January, 1914, a reduction of nearly \$14,000,000 in comparison with the first published figures of \$43,121,384, issued six months previously. These loans then continued at a low level until April, 1914; and although they advanced considerably in the next three months, at the end of July, 1914 they were still nearly seven millions below the level of July, 1913.

With the outbreak of war, and the consequent disorganisation of the financial markets, these loans advanced rapidly reaching at the end of October a high level of \$47,316,076. Thence there was a decline to a minimum of \$35,952,805 at the close of January and a subsequent steady advance, until at the end of May they were \$43,948,436, within \$3,400,000 of the high level of last October.

The following table shows the course of these loans month by month:—

May, 1915	\$ 43,948,436
April	43,031,360
March	41,227,449
February	38,437,903
January	35,952,805
December, 1914	38,256,947
November	44,706,055
October	47,316,076
September	44,338,873
August	39,664,534
July	36,372,334
June	37,260,571
May	33,689,577
April	30,168,812
March	31,890,843
February	30,372,854
January	29,301,620
December, 1913	30,518,573
November	35,173,817
October	37,846,369
September	37,465,383
August	41,310,281
July	43,121,384

While for a year or more prior to the war, the banks had adopted a firm policy towards their municipal borrowers, and the authorities were given to understand that they must fall in with the prevalent trend of the times and restrict their expenditure, it is evident from these figures that the outbreak of war caught many of these municipalities still in a

comparatively extended position and that substantial aid had to be given by the banks to enable them to tide over the sharpest period of the crisis. In recent months, it will be in recollection, several of the large Canadian cities were able to find a market for considerable amounts of short-term loans in the United States, but that this outlet did not provide sufficient accommodation is evident by the rise in the loans which has since taken place.

The subjoined table shows the details of the banks' municipal loans as at May 31 last and a year previously:—

	May 31, 1914.	May 31, 1915.
Montreal	\$ 4,135,589	\$ 7,703,609
Quebec	229,601	159,361
Nova Scotia	1,019,877	884,295
British	2,457,720	4,987,676
Toronto	2,440,316	2,691,969
Molsons	1,189,812	1,018,568
Nationale	469,794	577,142
Merchants	1,271,833	1,197,082
Provinciale	326,585	486,339
Union	2,756,781	2,866,372
Commerce	2,595,401	3,946,153
Royal	2,533,767	2,862,417
Dominion	479,686	590,768
Hamilton	1,555,260	2,297,515
Standard	1,156,750	773,300
Hochelega	1,364,356	711,768
Ottawa	2,905,768	2,175,089
Imperial	4,283,543	7,489,651
Metropolitan	18,632	
Home	117,136	101,642
Northern Crown	263,938	304,343
Sterling	76,093	82,986
Vancouver		
Weyburn	41,339	40,391
Total	\$ 33,689,577	\$ 43,948,436

Particularly large increases, it will be seen, are shown by the Bank of Montreal (\$3,600,000) and Imperial Bank (\$3,200,000) due to the fact that these two banks respectively occupy the position of financial agents to several of the leading cities. In view of the obscure outlook of the market for municipal bonds, and the possibility that for some time to come the municipal authorities may be compelled to pay high rates of interest on their loan flotations, it would seem highly desirable that they should continue to exercise the most rigid economy and avoid the spending of money on anything except civic necessities.

OCEAN ACCIDENT OPENS FIRE BRANCH IN CANADA.

As already announced, the Ocean Accident has been licensed by the Dominion Government to transact fire insurance in Canada, under the management of Mr. W. E. Fudger, who has had many years' experience and whose relations with agents and officials throughout the country have been of the most cordial and pleasant character. We understand the agency organization has reached an advanced stage.

The Ocean Accident & Guarantee Corporation, Limited, has for very many years transacted the business of Accident, Health, Employers' Liability, Guarantee and Plate Glass insurance in Canada, its general manager for Canada and Newfoundland being Mr. Charles H. Neely.

The Corporation's total net premium income for 1914 amounted to nearly \$11,000,000.

In view of the high standing which the Company deservedly enjoys throughout Canada, there is every reason to expect a successful career for the fire branch.