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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.