

The Monetary Times

Trade Review and Insurance Chronicle

Vol. 45—No. 12.

Toronto, Canada, September 17th, 1910.

Ten Cents

The Monetary Times OF CANADA

PUBLISHED EVERY SATURDAY BY THE MONETARY TIMES
PRINTING COMPANY OF CANADA, LTD.

Editor—Fred W. Field.
Business Manager—James J. Salmond.
Advertising Manager—A. E. Jennings.

The Monetary Times was established in 1867, the year of Confederation. It absorbed in 1869, The Intercolonial Journal of Commerce, of Montreal; in 1870, The Trade Review, of Montreal; and The Toronto Journal of Commerce.

Terms of Subscription, payable in advance:

Canada and Great Britain.	United States and other Countries.
One Year \$3.00	One Year \$3.50
Six Months 1.75	Six Months 2.00
Three Months 1.00	Three Months 1.25

ADVERTISING RATES ON APPLICATION.

HEAD OFFICE: Corner Church and Court Streets, Toronto.
Telephone Main 7404, or Main 7405, branch exchange connecting all departments.

Western Canada Office: Room 404, Builders' Exchange Building. G. W. Goodall, Business and Editorial Representative. Telephone Main 7550.
Montreal Office: B33, Board of Trade Building. T. C. Allum, Editorial Representative. Telephone M. 1001.

London Office: 225 Outer Temple Strand. T. R. Clougher, Business and Editorial Representative. Telephone 527 Central.

All mailed papers are sent direct to Friday evening trains. Subscribers who receive them late will confer a favor by reporting to the circulation department.

The Monetary Times does not necessarily endorse the statements and opinions of its correspondents nor does it hold itself responsible therefor.

The Monetary Times invites information from its readers to aid in excluding from its columns fraudulent and objectionable advertisements. All information will be treated confidentially.

COUNTERFEIT LIFE INSURANCE.

Under this title The Monetary Times has again and again issued a note of warning, so that not only he who runs may read, but so that the most prejudiced individual might easily see the handwriting on the wall as clearly, indeed, as it was shown to Belshazzar during the famous Assyrian feast. The plain English of that ancient Babylonian inscription was, "Weighed in the balance and found wanting."

And thus, from time to time, we have shown from the records of all the fraternal and assessment societies, based upon assessments instead of proper premiums, that the assessment system would not work to any other end than a disastrous failure. That has been the end of it in hundreds of cases thus far, and will be until the last and largest of the societies are overwhelmed—all of them without exception—in a sudden and fearful disaster.

Two large societies have recently been brought up, face to face, with circumstances calculated to bring consternation to the rank and file of all, wherever situated. One of these is the great Royal Arcanum, of Boston, with its 242,928 members, and the other the Knights of Pythias (insurance department), of Chicago, with its 74,006 members. The one claims assets of \$6,575,482, which is \$13.33 for each \$1,000 of certificate, and the other \$2,785,170, which is \$37.63 per \$1,000. The death losses falling upon the one last year amounted to \$7,655,339, being over a million more money in the one year, than its entire available assets; and in the other case \$2,708,658, or very close upon the amount of its accumulation or reserve.

From these figures alone it is easy to see what must happen if even one-quarter of the healthy members hesitated for just one short year about meeting the increased calls now being made upon the membership of each.

PRINCIPAL CONTENTS OF THIS ISSUE.

Editorial:

Counterfeit Life Insurance	1209
Official and Commercial Missionaries	1210
In the Peace River District	1211
Toronto's Waterfront Problem	1211

Finance and Economics:

Period of Market Rest	1213
We Do Not Bonus Industries	1214
Company Promotion	1214
New Incorporations	1218
Canadian Bonding Companies	1219
Automobile Extravagance	1231

Stock Exchanges:

Markets Are More Active	1216
Stock and Bond Table	1232-3

Bonds and Municipal Credit:

Debentures Awarded	1220
Bond Tenders Invited	1220
School Districts Borrowing Money	1220

Commerce and Transportation:

Montreal's Street Lighting	1212
Western Crop Returns	1212
Canadian Railroad Earnings	1215
Labor in British Columbia	1237
Lumber Industry on Pacific Coast	1237

Insurance:

Delegates at the Underwriters' Convention	1222
Insurance Gatherings in September	1222
How Co-operation Helps Life Insurance	1228
Lightning's Havoc	1230

A judgment against the Royal Arcanum has just been obtained by a member, who became such in 1883, and was to pay \$1.80 every month. In 1898 a monthly payment of \$3.16 was called for, and he and others agreed to this. But in 1905 the call was raised to \$6.80 per month, and that was, in his case, "the last hair." He sent his cheque for the \$6.80 under protest, and followed it with a suit at law to compel acceptance. All the more did he feel justified in this course because of the fact that he would soon be sixty-five years old, when up it would go again to about \$16 per month. The view taken by the judge in granting the restraining order asked for is that the provision about members being governed by the laws, rules and regulations that may subsequently be adopted by the Supreme Council are "not sufficiently definite and explicit" to warrant what is now being done in the case of the plaintiff's certificate.

This decision runs, of course, only in favor of that one member, but, unless some higher court reverses it, all other members may take advantage of the same method of getting a court order on the strength of it. And then, probably the next step would be to ask for a receiver for the whole society and have it wound up, and the assets distributed in paying a certain percentage of the death claims as they come along to the end of the chapter. The outlook is by no means pleasant as things now stand.

In the case of the Knights of Pythias, the Supreme Lodge has ordered further heavy increases in assessments upon the members of the Fourth Class, starting with the first of next year, in addition to the three extra assessments of 1910. It is stated that a careful valuation of the certificates now outstanding in that Fifth Class estimates that the well-invested cash on hand should be no less than \$7,734,784, as against the actual sum of only \$723,030, and this amount decreasing from month to