

CHANGES IN REPORTING INSURANCE BUSINESS

Deputation of United States Companies Waited on Insurance Superintendent—A New York Criticism

Commencing with the business for 1916, foreign insurance companies doing business in Canada will be required to change their method of reporting business in conformation with a circular issued by the Dominion superintendent of insurance of June 1st last, in which he requires, briefly, that all agents' remittances must be made to the chief agent, together with reports containing details of policies in respect of which such remittances are made, that monthly statements must show the premiums in such a way that the reserve may be calculated from them, and these reports must go to the office of the chief agent and not the head office of the company unless the company establishes a branch office in Canada to handle its Canadian business. The losses and disbursements made on behalf of the Canadian business must be paid through the office of the chief agent and by him and not from the head office of the company. In other words, the entire income and the outgo of the company must pass through the chief agent's hands so that the company's transactions may be verified by the superintendent in the office of the chief agent.

System of General Agents.

Companies desiring to transact their business through a system of general agents may do so and the department recognizes that the Dominion insurance act of 1910 permits such general agents as are recognized under that act to report direct to the head office, but these general agents in turn will have to furnish sworn annual statements to the chief agent summarizing the business written, cancelled and reinsured in sufficient detail to permit the calculation of the reserve and showing the income and expenditure for the month in the form of the usual cash account.

Commenting on these regulations, the New York Insurance Times says: "It will be seen, therefore, that the new requirements will put a heavy tax upon the companies, in fact, it is hard to see how they can comply with the requirements of the superintendent without an expense of at least 5 per cent. on their premium incomes whether they establish a branch office or whether they report through a system of general agents. From a casual survey of the situation, it would appear that the superintendent has gone rather farther in his demands than any state superintendent has before gone inasmuch as he is not content to allow companies even to send their returns and remittances to the head office first and to the chief agent in Canada afterwards, but insists that they should go first to the chief agent in Canada, and that the remittances must be paid into a bank account under his control and that checks for disbursements must be made on this account and signed by the chief agent.

"A committee of some of the leading companies, with Mr. W. E. Baldwin, of the Continental, as chairman, waited on the superintendent and endeavored to discover some method by which the results he required might be obtained without unduly disturbing relations of companies which have been established for a great many years in Canada, and whose business has always come through certain well-defined channels, but the committee were not successful in inducing the superintendent to change his views or his requirements.

Will It Affect War Loans?

"In this connection, it is of interest to note that quite lately the Dominion raised a large public loan for war purposes and companies were very freely invited by bond brokers and others to participate in the loan. We note that only one American fire insurance company's name is on the subscription list. It is hardly to be expected that foreign companies doing a business in Canada, and that have lately been saddled with what appears to them, and undoubtedly is, an entirely unnecessary expense, would look upon such an investment with very much enthusiasm.

"In Canada the department of insurance is under the jurisdiction indirectly of the minister of finance, and we think this latter gentleman would have been well advised to have considered this whole question very carefully with the companies involved if at any time he anticipates interesting any of them in either the present or any future war loans that may have to be raised in the Dominion."

Our New York contemporary has overlooked the fact that the recent war loan referred to was intended to be subscribed

in Canada alone. Outside subscriptions to the loan were not invited. In future, of course, Canada will likely ask the United States to subscribe the whole of a Dominion loan, when it is hoped the United States insurance companies will participate heavily.

MONEY MARKETS

Messrs. Glazebrook and Cronyn, exchange and bond brokers, Toronto, report exchange rates as follows:—

	Buyers.	Sellers.	Counter.
N.Y. funds	1-16 pm	1-16 pm	3/8 to 1/4
Mont. funds	par	par	3/8 to 1/4
Sterling—			
Demand	\$4.73 3/4	\$4.74	\$4.76 1/2
Cable transfers	\$4.74 3/4	\$4.75	\$4.77 1/2
Rates in New York—Sterling, demand, \$4.73 5/8.			
Bank of England rate, 5 per cent.			

BANK CLEARING HOUSE RETURNS

The following are the bank clearing house returns for weeks ended December 23rd, 1915, and December 24th, 1914, with changes:—

	Week ended Dec. 23, '15.	Week ended Dec. 24, '14.	Changes.
Montreal	\$ 67,296,778	\$ 44,796,484	+ \$22,500,294
Toronto	50,457,031	34,252,449	+ 16,204,582
Winnipeg	54,460,577	24,242,384	+ 30,218,193
Vancouver	6,167,280	5,711,457	+ 455,822
Ottawa	4,541,636	4,517,575	+ 24,061
Calgary	5,230,077	3,181,725	+ 2,048,352
Quebec	3,309,254	2,936,420	+ 372,834
Edmonton	2,233,031	2,292,909	— 59,878
Hamilton	3,345,953	2,805,022	+ 540,931
Victoria	1,420,736	1,623,665	— 202,929
Halifax	2,064,603	1,919,896	+ 144,707
Regina	2,663,986	1,556,797	+ 1,107,189
London	1,818,469	1,751,145	+ 67,324
St. John	1,651,825	1,536,426	+ 115,399
Saskatoon	1,584,753	940,198	+ 644,555
Moose Jaw	1,460,064	825,335	+ 634,729
Fort William	797,559	586,604	+ 210,955
Brantford	581,629	499,377	+ 82,252
Brandon	770,870	490,029	+ 280,841
Lethbridge	730,802	385,441	+ 345,361
New Westminster	235,471	295,037	— 59,566
Medicine Hat	516,207	283,919	+ 232,288
Peterboro	502,700	413,755	+ 88,945
Totals	\$213,841,300	\$137,844,049	+ \$75,997,251

BANK OF HAMILTON

Banking profits, owing to the exigencies of war time, are somewhat less this year. The Bank of Hamilton, whose report has been issued, shows that its net earnings for the past year were \$424,274, as compared with \$485,265 in the previous return. This satisfactory showing, together with the other strong characteristics of the bank, indicates the place attained by this institution in Canadian banking circles. Assets total \$48,250,000, of which \$17,134,000 are in easily realizable form. The bank's reserve is shown as \$3,300,000. After paying the usual dividend of 12 per cent. and the various war taxes, the sum of \$175,281 was carried forward.

Smart-Woods, Limited, Montreal, has resumed payment of dividends on preferred shares.

Mr. J. H. N. Morgan, formerly manager of the Standard Bank at Arthur, has been appointed manager at Regina. Mr. R. H. Shortt, formerly at Bloomfield, to be manager at Arthur. Mr. C. A. Bryans, formerly at Victoria Harbor, to be manager at Bloomfield. Mr. C. D. Kent, formerly at Con-secon, to be manager at Victoria Harbor. Mr. A. W. McLaughlin, formerly at Woodville, to be manager at Little Britain. Mr. W. A. Waddell, formerly at Little Britain, to be manager at Woodville.