

LIFE COMPANIES' INVESTMENTS AND MUNICIPAL FINANCING.

The mayor of a large and progressive American city, speaking before the Association of Life Insurance Presidents the other day, remarked that cities have a peculiar claim upon life insurance funds available for investment, since a wholesome and prosperous city inspires thrift, and an efficient health department lowers the death rate. The speaker might have added that small municipal units, as well as large, can make this claim, since funds can be employed as usefully, from this point of view, in the rural municipality as in the large city. The extent of the practical "social service" rendered in this connection by the life insurance companies operating in Canada, is not as much appreciated as it should be. It is not too much to say that for many years, the insurance companies, and particularly the life companies, have been an important mainstay of Canadian municipal financing. Even in a period when the tendency to the investment of life funds in mortgages was very pronounced, between 1906 and 1915, the Canadian life companies alone increased their holdings of municipal securities from under \$15,500,000 to about \$35,700,000, a growth in nine years of 130 per cent. In 1915, Mr. T. Bradshaw placed the municipal bond holdings of all the Canadian insurance companies at \$80,000,000. These holdings have since been added to substantially. The British and American companies have invested immense sums in these securities, both by purchases in Canada, and by subscriptions to issues made in London and the United States. The credit of the municipalities as a whole has been maintained at a high level, and the companies have good reason to be satisfied with their investments in this connection.

With war bonds absorbing a very large proportion of the companies' new funds available for investment, purchases of municipal bonds have naturally been reduced. The municipalities are of necessity restricting their issues. While the restriction of new borrowings for other than absolute necessities can be continued for a prolonged period with advantage, particularly in view of past unwise and extravagant schemes, the effects of which have not yet been shaken off, there are capital expenditures in particular directions which cannot be wisely postponed. It would be, for instance, poor economy to defer unduly necessary capital expendi-

tures on essential sanitation, and these as well as half-finished schemes of utility and amenity, which can only be left unfinished at the cost of a waste of the capital already spent, have to be gone on with.

To finance these, it seems that the life companies will have to be looked to more and more. With the savings of private investors mortgaged months ahead for war bonds, and the United States closed to our issues, it appears that necessary municipal financing for the remainder of the war will depend to a greater extent even than formerly upon Canadian institutional investors, of whom the life companies constitute so important a proportion.

MR. W. B. MEIKLE.

Mr. W. B. Meikle, vice-president and general manager of the Western Assurance Company, and of the British America Assurance Company, has been elected president of both companies, in succession to the late Mr. W. R. Brock.

Mr. Meikle began his interesting insurance career in the head office of the late Scottish Commercial Fire & Life Insurance Company, and was afterwards for many years with the Manchester Fire Insurance Company at Manchester, Birmingham and London. Later on he went to Calcutta to take charge of the Manchester's business in India and the Far East, combining with this position the duties of marine underwriter of the Triton Insurance Company and manager of the Eastern Fire Insurance Company—the two leading local companies in India.

In 1900 he returned to England to become manager of the British and foreign branch of the Western and British America Assurance Companies, and in 1907 he was appointed the General Manager of the two companies at their head office in Toronto. The admirable character of Mr. Meikle's work in this capacity is well known. He has not only maintained but enhanced the high reputation of these old-established Canadian companies. A regime of conservatism in underwriting and economy in administration kept steadily in force for several years, enabled both companies to reap the full benefit of the enlarged opportunities which have come to them more recently. Recognition of Mr. Meikle's services was shown in his election to the vice-presidency of both companies in 1914, and his present appointment to the presidency is the logical sequel. Mr. Meikle is also a director of the Canada Life and of the Imperial Guarantee & Accident.

LLOYDS BANK LIMITED, 71, LOMBARD ST., LONDON, E.C.



HEAD OFFICE:	
(\$5 = £1.)	
CAPITAL SUBSCRIBED	\$156,521,000
CAPITAL PAID UP	25,043,360
RESERVE FUND	18,000,000
DEPOSITS, &c. (October, 1917)	795,206,310
ADVANCES, &c. do.	312,168,920

THIS BANK HAS NEARLY 900 OFFICES IN ENGLAND & WALES.
Colonial and Foreign Department: 17, CORNHILL, LONDON, E.C. London Agency of the Imperial Bank of Canada.
The Agency of Foreign and Colonial Banks is undertaken.

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