

possible of great damage to our agency organization. It offers a tempting opening to our competitors to entice our field men with attractive offers to which the agent's natural resentment against a cut in commissions may dispose him at first to respond. Hence, we have been most reluctant to take this action and have done so only because we are convinced that it is inevitable.

"We are confident, however, that very few, if any, of our agents will leave us. We believe they will, upon full consideration, recognize the wisdom and fairness of our action, and will approve it, and will adjust themselves and their affairs to this change in the rate of their compensation for liability business."

Rates Should be Increased.

Mr. Stone also notes the necessity of an increase in rates. Discussing the entire situation, he says:—"Repeatedly, and in various ways during the past six months, the portentous condition of the liability insurance business has been plainly set forth. The great increase in losses and loss ratios, and the permanent nature of the causes thereof, indicating clearly the permanence of these heavy ratios, have been stated unreservedly, though in general terms. Now, having the record of the first six months of 1913 before us, we earnestly ask every agent of the company to read the following figures and to regard seriously their significance.

Made a Net Cash Loss.

"Our earned premiums for this period on all forms of liability policies were \$1,639,373.37. The losses and loss expenses were \$1,184,739.73 and the expenses were \$657,991.23, making a total outgo of \$1,842,730.96, thus producing a net cash loss of \$203,357.59 in six months on the liability department of the company's business. It has been an axiom in liability insurance statistics that 'cash in and cash out' results are misleading. But, as to these figures, that statement fails to have much force because practically all of our heavily increased loss payments result from 1912 business.

"It must be born in mind that this result is in the face of the fact that the rates of premium have been distinctly higher during the period named than formerly. It is therefore evident that still further advances in rates are necessary."

Canadian Manager Fears Government Action.

Mr. J. W. Mackenzie, manager for Canada of the Maryland Casualty Company, discussing the matter with *The Monetary Times* said:—"We have been waiting for some time past for united action on the part of our competitors in this affair, but have decided that in view of the possibility in the near future of the Government stepping in and taking a hand in the business, we could not afford to wait any longer in taking action ourselves, hoping this will have some effect at least in inducing our competitors to follow suit without delay."

SEVERAL COMPANIES HAVE CHANGED NAMES.

The name of Frith, Townshend and Company, Limited, has been changed to Frith, Pardee and Townshend, Limited.

The Central Electric and School Supply Company has changed its name to Central Electric Supply Company, Limited.

The name of the American Multigraph Sales Company, Limited, has been changed to the Multigraph Sales Company, Limited.

The Parisian Diamond Company of Canada has changed its name to Pearce, Limited.

COMMERCIAL MISSION FROM RUSSIA.

Professor J. M. Goldstein, of the Moscow High School of Commerce, is in Canada on behalf of the Russian Government, and will investigate commercial, agricultural and natural conditions in Canada, so that the relations between the Dominion and his own country may be strengthened.

Professor Goldstein says he sees no reason why Canada, with her magnificent agricultural machinery, should not get a strong footing in Russia, where there was an extensive and profitable market, and steel goods, boots and shoes and other manufactures should also be acceptable if Canada, like Germany, employed capable travelers and commercial agents to sell her wares. In return it was not unreasonable to suppose that Russia would find an outlet for her poultry, eggs, butter, wool, skins and some agricultural products, the more especially as he noticed that large quantities of some of our supplies were at present brought from Australia. Professor Goldstein will visit Ottawa, Toronto and the west.

AUTOMOBILES OR LIFE INSURANCE

Evidences as to Farmer's Finances Should be Pointers for Agents

The following facts relative to farmers and agriculturists and life insurance business should not escape the notice of those Canadian agents who are working in the agricultural areas of the Dominion, and who sometimes complain of amount of business which they secure, perhaps they may give some a new view point as to the value of the farmer as an insurance prospect.

The residents of the country districts, in other words, the farmers, their wives and families—are, as a class, thrifty and economical. There will be none, we imagine, who will attempt to controvert that statement, none who will contend that, as a class, the dwellers upon our farms are less provident than those of a similar station in life who inhabit the cities. Why, then, should it be difficult to insure the farmer, if it is difficult? asks *The Spectator*.

Educational and Other Work.

Apparently it must be for one of two reasons, or possibly both: either they are not convinced of the desirability—nay, the necessity—of insurance, or they are not financially able to increase their line if they are already insured.

If the former reason obtains then it is clear that there is educational work to be done in the farming sections by intelligent and persuasive insurance salesmen. If the farmer has money to invest and it goes into automobiles rather than into life insurance policies, what excuse can be offered by the insurance men who visit the farming sections? Let us now consider for a moment the second point: Is the farmer equipped financially for further investment in life insurance? An answer in the affirmative would seem to be amply justified for several reasons.

Agents Should Be Reapers.

The year 1912 was marked by bumper crops all over the country. Who is there who reads the papers and is not familiar with the fact that during the harvest time of 1912 the cry from the farming sections was ever for men, and more men, in order that the tremendous crops might be promptly harvested?

The foregoing is history and cannot be disproved, and it helps to establish as a fact that the farmers of the United States and Canada had a good year in 1912, and are financially able to talk business with the insurance man.

But some readers will demand figures; its characteristic of insurance men. Let us therefore quote briefly.

A paper of large circulation in the west secured information from some of its subscribers as to their net incomes, amount of life insurance carried, etc.

Of those who gave this information 57 per cent. owned their homes free of mortgage; 59 per cent. carried life insurance, of which 47 per cent. were in fraternal organizations. The information further shows that the average yearly income was over \$1,300.

AGRICULTURAL CREDIT.

Mr. C. F. Bailey, assistant deputy Minister of Agriculture for Ontario, has returned from a trip through Europe with the American Commission that left in April to study the rural credit and co-operation systems of the Old Country. The principal study made by the representative of the Ontario Government was the rural credit and the rural co-operation systems. Both these systems have been in operation in the European countries for some time, and have proved a benefit to the farmer and producer.

The commission found that the rural credit system for the advancement of money to the farmer was a success, as the man in rural districts was encouraged by getting it at a low rate of interest. With the capital he received in this way he was able to make the improvements which otherwise would have been impossible.

The co-operative system of buying and also selling was popular in all the countries visited. A trial showed that the rural producers gained by combining in the purchase of their seed, plant or tree, saving in the cost of the article as well as in the price of transportation. The co-operative selling showed saving in the way of freight, as well as eliminating commissions which seemed unnecessary.

Messrs. Shirley and Innes, Old Country shareholders of the Alberta Land Company, Limited, Port Arthur, are visiting Canada, and have increased their investments in mortgages and real estate in Port Arthur properties.