

The Chronicle

Banking, Insurance and Finance

ESTABLISHED JANUARY, 1881

PUBLISHED EVERY FRIDAY

Vol. XXXV. No. 23

MONTREAL, JUNE 4, 1915.

Single Copy 10c.
Annual Subscription, \$3.00

THE STRESS OF WAR FINANCE.

Some European economic authorities have already put forward the suggestion of the possibility that before or after the war ends one or other of the belligerent states will be forced into national bankruptcy. Whether or not this is a true reading of the tendencies induced by present events, it is certain that the financial strain upon some of the States now involved is of so acute a character that its effects will be felt for generations. In this respect the aid of Great Britain is of immeasurable advantage to the Allies. Not only is the immense accumulated wealth of Great Britain available in the common service of saving civilisation, but thanks to the sure shield of the Navy, so far none of that wealth has been wasted in the devastation of war. In this respect the British position differs widely from that of other members of the Grand Alliance. Belgium's industries have been wiped out; a large portion of the industrial districts of France have been or are still in the hands of the enemy; Serbia is on its beam-ends; for months during the winter Russia's trade has been stopped by impossibility of access.

But if Great Britain is best equipped to stand the financial strain of the war, so is the load upon her the heaviest. Her fleet is in force in the Mediterranean as in the North Sea and policing the seven seas as well; she is conducting five great land campaigns in Europe, Asia and Africa—three at least of major importance. The latest estimate is that expenses in this connection are at least \$12,000,000 a day. Apart from that, she is supporting financially the weaker members of the Alliance as well as the Dominions and is obliged to finance by far the major portion of the purchases of the Allies.

The task is certainly a formidable one. That its difficulties will not prove insurmountable, however, it may be still well believed. The matter is of enormous importance to the United States, whose favourable trade balance as a result of the war has been piled up to the unprecedented total of a billion dollars. The alternatives that may be adopted in order to cope with the situation arising from the present condition of affairs are thus summarised by Messrs. Spencer Trask & Co., New York bankers:—

"Great Britain can settle in part through shipments of gold, even though we are not in need of the metal on account of our already vast stores; her people can increase their investments in government bonds by decreasing their own expenditures; the moment that the military situation permits she can withdraw from her armies in the field a

sufficient number of skilled workmen to increase the output of her own factories; she can arrange through her joint stock banks or bankers for loans here on open account or against the deposit in London of American securities, and if all this should prove insufficient or impractical she can float a loan in these markets. For her to successfully do the latter, it would be necessary to offer a higher rate of interest than she has heretofore paid. That would naturally react on the loans she already has outstanding, and the higher the yield offered was, the greater would be the temptation to return to us American securities still held by British investors."

The authorities quoted go on to express the opinion that the fact that sterling exchange is below normal does not reflect a real depreciation in Great Britain's currency, because a good part of the difference between present quotations and the point at which gold is usually imported may be explained by the increased costs of shipment and insurance and also because of the heavy amount of exchange that is being pressed for sale. English opinion on borrowing in the New York market is apparently expressed in an attitude of doubt as to whether the New York market would be prepared to absorb say one hundred millions sterling in one, two and three year bonds.

But if the British financial position as a whole, need give no cause for anxiety the same cannot be said of the position as it affects the individual taxpayer. In a recent House of Commons discussion, it was stated that if the war lasts till April, 1916, the British National Debt will be raised to ten thousand million dollars, causing an annual charge of about five hundred millions. This means roughly an increase in a peace budget of about 50 per cent., from one thousand millions to fifteen hundred millions. Mr. Snowden, an influential Socialist member, argued that the working classes were already being taxed sufficiently through the rise in the cost of living, which he estimated at from 10 or 15 per cent., and boldly advocated that in the case of large incomes, the Chancellor of the Exchequer should re-graduate the income tax up to 75 per cent., and say "No man shall be left with more than a certain amount; we are going to take all the rest." This doctrine sounds strange in Canadian ears. But at present wealthy men in England are paying up to 25 per cent. of their incomes in income tax. And the proportion will almost certainly not stop at that if the financial strain of the war is long continued

Established 1817

BANK OF MONTREAL

Incorporated by Act of Parliament

Capital Paid Up, \$16,000,000.00 Rest, \$16,000,000.00 Undivided Profits, \$1,252,864.00

Head Office, MONTREAL

BOARD OF DIRECTORS

H. V. MERRIDITH Esq., *President.*

K. B. ANGUS, Esq.	E. B. GREENSHIELDS Esq.	SIR WILLIAM MACDONALD
HON. ROBT. WACKAY.	SIR THOMAS SHAUGHNESSY, K.C.V.O.	J. H. HOSMER, Esq.
A. BAUMGARTEN, Esq.	C. B. GORDON, Esq.	H. R. DRUMMOND, Esq.
D. FORBES ANGUS, Esq.		WM. MCMASTER, Esq.

SIR FREDERICK WILLIAMS-TAYLOR, LL.D., *General Manager.* A. D. BRAITHWAITE, *Assistant General Manager.*

U. SWENY, *Supt. British Columbia Branches.* F. J. COCKBURN, *Supt. Quebec Branches.*
E. P. WINSLOW, *Supt. North West Branches* D. R. CLARKE, *Supt. Maritime Provinces and Newfoundland Branches.*

BRANCHES IN CANADA

In all the important Cities and Towns in the following Provinces :

PROVINCE OF ONTARIO.	PROVINCE OF NOVA SCOTIA.
PROVINCE OF QUEBEC.	PROVINCE OF MANITOBA.
PROVINCE OF NEW BRUNSWICK	PROVINCE OF SASKATCHEWAN
PROVINCE OF PRINCE EDWARD ISLAND.	PROVINCE OF ALBERTA
PROVINCE OF BRITISH COLUMBIA	

BRANCHES OUTSIDE OF CANADA :

LONDON, England, 47 Threadneedle Street, E. C., G. C. CASSELLS, Manager.	Sub-Agency, 9 Waterloo Place, Pall Mall, S. W.
NEW YORK, N. Y., 64 Wall Street, R. V. HEDDEN, W. A. BOG, J. T. MOLINEUX, Agents.	
CHICAGO, Illinois, 106 South La Salle Street	SPOKANE, State of Washington.
ST. JOHN'S, Newfoundland.	CURLING, Newfoundland.
	MEXICO CITY, Mexico, D. F.
	GRAND FALLS, Newfoundland

BANKERS IN GREAT BRITAIN

LONDON,

The Bank of England.
The Union of London and Smith's Bank, Limited.
London County and Westminster Bank, Limited.
The National Provincial Bank of England, Limited

LIVERPOOL, The Bank of Liverpool, Limited. SCOTLAND, The British Linen Bank and Branches

BANKERS IN THE UNITED STATES

NEW YORK, The National City Bank	DETROIT The First and Old Detroit National Bank
National Bank of Commerce	The Manufacturers' and Traders' National Bank
National Park Bank.	First National Bank of San Francisco
PHILADELPHIA Fourth street National Bank	The Anglo and London-Paris National Bk
ST. LOUIS The Mechanics-American National Bank	Northwestern National Bank
BOSTON The Merchants National Bank	Seattle National Bank
CLEVELAND The First National Bank of Cleveland	ST. PAUL First National Bank of St. Paul.
PITTSBURG The Bank of Pittsburg, N.A.	

Savings Department connected with each Canadian Branch, and interest allowed at current rates.
Collections at all points of the world undertaken at most favourable rates.

Travellers' Cheques, Limited Cheques and Travellers' Letters of Credit issued negotiable in all parts of the world.
This Bank, with its Branches at every important point in Canada offers exceptional facilities for the transaction of a general Banking business

THE CANADIAN BANK OF COMMERCE

ESTABLISHED 1867. Head Office: TORONTO

Paid-up Capital - \$15,000,000
Rest - - 13,500,000

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., President
ALEXANDER LAIRD, General Manager
JOHN AIRD, Assistant General Manager.

*Branches of the Bank in Canada are distributed
geographically as follows.*

Alberta - - - 52	Ontario - - - 88
British Columbia - 43	Prince Edward Island 5
Manitoba - - - 23	Quebec - - - 82
New Brunswick - 4	Saskatchewan - 60
Nova Scotia - - - 13	Yukon Territory - 2

Branches of the Bank outside Canada :

Newfoundland—St. John's.
United States—New York, Portland, Ore., San Francisco, Cal., Seattle, Wash.
Great Britain—London. Mexico—Mexico City.

Collections effected promptly and at
Reasonable Rates

The Molsons Bank

Incorporated 1855

Paid Up Capital - \$4,000,000
Reserve Fund - 4,800,000

HEAD OFFICE - MONTREAL

Branches in 93 of the leading cities and towns in Canada. Agents and correspondents in leading Cities of the United States and in Foreign Countries throughout the world.

The Chronicle

Banking Insurance and Finance

ESTABLISHED 1881.
F. WILSON-SMITH,
Proprietor.

PUBLISHED EVERY FRIDAY.
ARTHUR H. ROWLAND,
Editor.

Office:

406-408 LAKE OF THE WOODS BUILDING,
10 ST. JOHN STREET, MONTREAL.

Annual Subscription, \$3.00. Single Copy, 10 cents.

MONTREAL, FRIDAY, JUNE 4, 1915

THE APRIL BANK STATEMENT.

Notice deposits again form a feature in the bank statement. At the end of April, they reached the new high figure of \$686,075,124, an increase of \$9,199,334 for the month and of \$32,395,901 for the year. Demand deposits also moved up in April by \$7,500,000, but at \$347,325,937 are \$3,190,056 below the level recorded for April, 1915. The banks' foreign deposits also showed the substantial increase of \$6,472,622 in April to \$104,210,620, but are over \$9,000,000 below those of the corresponding date of last year.

Probably the April increase in foreign deposits is in part a result of the purchases of war equipment and supplies which are being made here. The increase in notice and demand deposits may still be accounted for in large part by the accumulation of idle commercial funds and the maintenance by many corporations of cash balances considerably in excess of those held in normal times, though the accumulation of savings and moneys which in more settled times would go straightway into permanent investments, but under present circumstances are withheld pending a clearing of the outlook, undoubtedly also plays a part in this increase of

deposits. In any case, it is obvious that a position is being gradually reached which argues most favorably for the future. Immediately it is seen that events in Europe are shaping themselves towards a favorable conclusion, it is to be expected that there will be a return of confidence on the part of many investors and a revival of commercial enterprise which should go far. The uncertainty still existing in regard to the financial effects of the war makes prophecy in this matter a hazardous business. But it is certainly an encouraging factor for the future that funds are being accumulated on so ample a scale, awaiting the return of confidence for their profitable employment in many directions.

DECREASE IN COMMERCIAL LOANS.

Meantime Canadian commercial loans continue to fall away. Their decrease in April was \$6,207,032, to \$762,931,851, a falling off of no less than \$72,773,213 in comparison with a year ago. The municipalities, however, continue to be active borrowers. Their loans increased \$1,803,911 during April and at \$43,031,360 they are \$12,862,548 higher than a year ago. Foreign call loans were again largely increased last month by nearly \$20,000,000 to \$121,522,971, but even at that figure are \$18,414,056 below the level of a year ago.

The banks' reserve position continues to be one of exceptional strength. Their holdings of specie in their own vaults and in the Central Gold Reserve, and Dominion notes plus net bank balances abroad and foreign call loans, were at the end of January in the proportion of 28.1 per cent. to their circulation and deposits, compared with 27.3 per cent. in March. It may be noted that the banks' holdings of specie and Dominion notes during the year ended April 30, were increased by practically the same amount as the net decrease during the same period of the commercial loans and loans to municipalities combined.

ABSTRACT OF THE BANK STATEMENT FOR APRIL, 1915.

(Compiled by The Chronicle).

	April 30, 1915.	March 31, 1914.	April 30, 1914.	Month's Change.	Year's Change.
LIABILITIES.					
Circulation	\$ 96,288,398	\$ 96,666,544	\$ 93,064,460	-\$ 378,146	+\$ 3,602,084
Demand deposits	347,325,937	339,814,286	350,515,993	+ 7,511,651	- 3,190,056
Notice deposits	686,075,124	676,875,790	653,679,223	+ 9,199,334	+ 32,395,901
Foreign deposits	104,210,620	97,737,998	113,403,889	+ 6,472,622	- 9,193,269
Total liabilities	1,321,638,542	1,300,863,637	1,311,668,638	+ 20,774,905	+ 9,969,904
ASSETS.					
Specie	\$ 64,136,717	\$ 65,671,275	\$ 46,402,984	-\$ 1,534,558	+\$17,733,733
Dominion Notes	136,717,633	137,413,021	95,666,945	+ 695,388	+ 41,746,076
Deposits in Central Gold Reserve	5,800,000	5,550,000	3,250,000	+ 250,000	+ 2,550,000
Securities held	113,861,441	114,332,018	101,638,280	+ 470,577	+ 12,693,738
Canadian call loans	68,599,095	68,245,261	68,523,774	+ 353,834	+ 75,321
Foreign call loans	121,522,971	101,938,685	139,937,027	+ 19,584,286	- 18,414,056
Canadian current loans	762,931,851	769,138,883	835,705,064	+ 6,207,032	- 72,773,213
Foreign current loans	37,705,039	41,745,737	54,362,513	+ 4,040,698	- 16,657,474
Loans to municipalities, etc.	43,031,360	41,227,449	30,168,812	+ 1,803,911	+ 12,862,548
Total assets	1,564,103,718	1,545,723,564	1,557,828,425	+ 18,380,154	+ 6,275,293

The Bank of British North America

Established in 1836. Incorporated by Royal Charter in 1840

Paid-up Capital, \$4,866,666.66
Reserve Fund, - 3,017,333.33

Head Office:
5 GRACECHURCH STREET, LONDON, E.C.

J. DODDS, Secretary W. S. GOLDBY, Manager

COURT OF DIRECTORS

F. R. S. Balfour	E. Geoffrey Hoare
J. H. Brodie	Frederic Lubbock
J. H. Mayne Campbell	C. W. Tomkinson
E. A. Hoare	G. D. Whatman

Head Office in Canada: **ST. JAMES ST., MONTREAL**

H. B. MACKENZIE, General Manager

J. ANDERSON, Superintendent of Branches.
 H. A. HARVEY, Superintendent of Eastern Branches, Montreal.
 J. McEACHERN, Superintendent of Central Branches, Winnipeg.
 O. R. ROWLEY, Chief Inspector.
 A. S. HALL, Inspector of Branch Returns.
 J. H. GILLARD and N. V. R. HUUS, Inspectors, Montreal.
 B. C. GARDNER, Assistant Inspector.
 H. R. POWELL, Assistant Inspector.

This Bank has Branches in all the principal Cities of Canada, including Dawson City (Y.T.), and Agencies at New York and San Francisco in the United States.

Agents and Correspondents in every part of the world.

Collections Made at Lowest Rates.

Drafts, Money Orders, Circular Letters of Credit and Travellers' Cheques issued, Negotiable anywhere.

Agents in Canada for Colonial Bank, London and West Indies.

G. B. GERRARD, Manager,
 MONTREAL BRANCH

THE MERCHANTS' BANK

OF CANADA

Head Office, MONTREAL.

Capital Paid up **\$7,000,000** Reserve Fund and Undivided Profits **\$7,245,140**

Pres. SIR H. MONTAGU ALLAN. Vice-Pres.: K. W. BLACKWELL.
 E. F. HENDEN, General Manager.
 T. E. MERRITT, Superintendent of Branches and Chief Inspector

BRANCHES AND AGENCIES.

Ontario		Quebec	
Acton	Lucan	Montreal (Head Office)	St. James St.
Alvinston	Lyn	"	1255 St. Catherine St. East
Albion	Markdale	"	320 St. Catherine St. West
Belleville	Meaford	"	1330 St. Lawrence Blvd.
Berlin	Mildmay	"	1866 St. Lawrence Blvd.
Bothwell	Mitchell	"	672 Centre Street
Brampton	Napanee	"	2215 St. Denis Street
Brantford	Newbury	Beauharnois	Quebec, St. Sauveur
Bronte	Oakville	Bury	Maisonneuve
Chatham	Orillia	Chateaugay	Ormetown St. Jerome
Chateaufort	Ottawa	"	Basin Quyon
Chesley	Owen Sound	Huntingdon	Rigaud St. Johns
Clarkson	Perth	"	Lachine Shawville Vaudreuil
Cresmore	Prescott	Napierville	Sherbrooke Verdun
Delta	Preston	Quebec	St. Agathe
Eganville	Renfrew		
Elgin	Sarnia	Manitoba	
Elora	Stratford	Brandon	Oak Lake
Finch	St. Eugene	Carberry	Portage la Prairie
Ford	St. George	Gladstone	Russell
Fort William	St. Thomas	Hartney	Souris
Galt	Tara	Macgregor	Starbuck
Gananoque	Thamesville	Morris	Winnipeg
Georgetown	Thorold	Napinka	" Bannerman Av.
Gore Bay	Tilbury	Neepawa	
Granton	Toronto		
Guelph	" Dundas St.	Alberta	
Hamilton	" Dupont and	Acme	Lethbridge
" East End	" Christie Sts	Brooks	Mannville
Hanover	" Parl. St.	Calgary	Medicine Hat
Hespeler	" Parkdale	Camrose	Munson
Ingersoll	Walkerton	Carstairs	Ocotoks
Kincardine	Walkerville	Castor	Olds
Kingston	Wallaceburg	Chauvin	Raymond
Lancaster	Watford	Coronation	Redcliff
Lansdowne	West Lorne	Daysland	Red Deer
Leamington	Westport	Delburne	Rimbey
Little Current	Wheatley	Donalda	Rumsey
London	Williamstown	Edgerton	Sedgewick
London, East	Windsor	Edmonton	Stettler
	Yarker	" Namayo Av.	Strome
		" Alberta Av.	Tofield
		" Athabasca Av.	Trochu
		Edson	Vegreville
		Hughenden	Viking
		Islay	Wainwright
		Killam	West Edmonton
		Lacombe	Wetaskiwin
		Leduc	
		British Columbia	
		Chilliwack	Sidney
		Nanaimo	Vancouver
		New Westminster	" Hastings St.
		Oak Bay.	Victoria

ST. JOHN, N.B. Halifax, N.S.
 SUB-AGENCIES—Ontario—Beachville, Calabogie, Frankville, London South, Mulr Kirk, Newington, Pelee Island.
 Manitoba—Austin, Griswoild, Lauder, Sidney.
 Alberta—Botha, Czar, Lorraine.

IN UNITED STATES—New York Agency, 63 Wall Street
 BANKERS IN GREAT BRITAIN—The London Joint Stock Bank, Limited
 D. C. MACAROW - Local Manager, Montreal

IMPERIAL BANK OF CANADA

CAPITAL PAID UP \$ 7,000,000.00
 RESERVE FUND " " 7,000,000.00
 TOTAL ASSETS " " 79,000,000.00

DIRECTORS:

PELEG HOWLAND, President.
 ELIAS ROGERS, Vice-President.
 WILLIAM RAMSAY of Bowland, St. Scotland.
 J. KERR OSBORNE, CAWTHRA MILLOCK, HON. RICHARD TURNER, Quebec.
 WM. HAMILTON MERRITT, M.D., St. Catharines, W. J. GAGG.
 SIR J. A. M. AIKINS, K.C., M.P., Winnipeg.
 HON. W. J. HANNA, LIEUT.-COL. J. F. MICHIE, JOHN NORTHWAY.

BRANCHES IN PROVINCE OF ONTARIO.

Amherstburg	Fergus	Listowel	Port Arthur	St. Davids
Aurora	Fonthill	Marshville	Port Colborne	Sault Ste. Marie (3)
Belwood	Fort William	Nashville	Preston	St. Thomas (2)
Bolton	Galt	New Liskeard	Ridgeway	Thessalon
Bramford	Hamilton	Niagara Falls (2)	South Porcu- pline	Toronto (17)
Caledon E.	Harrow	the-Lake lee	South Woods-	Timmins
Cobalt	Humb'rstone	Niagara-on-	Wells	Woodstock
Cochrane	Ingersoll	the-Lake lee	Sparta	Windsor
Cottam	Jordan	North Bay	St. Cathar-	
Davisville	Kenora	Ottawa	ines (2)	
Elk Lake	Vineland	Palgrave	QUEBEC (2)	

BRANCHES IN PROVINCE OF QUEBEC.

MONTREAL (3) QUEBEC (2)

BRANCHES IN PROVINCE OF MANITOBA.

Brandon Portage la Prairie Winnipeg (3)

BRANCHES IN PROVINCE OF SASKATCHEWAN.

Balgownie, Broadview, Fort Qu'Appelle, Hague, Kandahar, Moose Jaw, North Battleford, Prince Albert, Regina, Rosethorn, Wilkie, Wynward.

BRANCHES IN PROVINCE OF ALBERTA.

Athabasca Landing, Banff, Calgary, Edmonton, (4) Lethbridge, Mulet, Red Deer, Strathcona, Wetaskiwin.

BRANCHES IN PROVINCE OF BRITISH COLUMBIA.

Arrowhead, Chase, Cranbrook, Fernie, Golden, Invermere, Kamloops, Moyle, Natal, Nelson, Revelstoke, Vancouver (5), Victoria (2), Wilmer.

Savings Bank Department

LONDON & LANCASHIRE FIRE INSURANCE COMPANY LIMITED.

Firmly established upon sound foundations and directed with energy and enterprise, the London & Lancashire Fire Insurance Company continues year by year to extend the scope of its operations. The Company celebrated the jubilee of its establishment in 1912, and in the three accounts following this celebration has added to its net premium income over \$2,250,000. Last year's increase of about \$920,000 was the largest of the three, and is especially noteworthy as having been achieved in a year witnessing such a vast upheaval in business as did 1914. Probably but for the disturbance of business directly attributable to the war, an even more remarkable advance would have been achieved. The total premium income of last year was practically \$14,000,000 as compared with under \$6,000,000 in the opening year of the present century. These figures are eloquent of the great strides which have been made by this Company under the general management of Mr. F. W. P. Rutter, and a further advance to the round figure of \$15,000,000 will undoubtedly not be long deferred.

FIRE DEPARTMENT'S RECORD

The summarised results of the business printed on another page show effectively the satisfactory character of the enlarged business which has been undertaken. In all three departments of fire insurance, accident insurance and marine insurance, business was such as to give a substantial surplus. While in the fire department the results achieved were not so favorable as those of 1913, they were not unsatisfactory. With premiums of \$8,278,565, losses paid and outstanding absorbed \$4,593,165, a ratio of 55.5 per cent. compared with 49.4 in 1913, the last mentioned year being the fourth in succession in which the proportion of premiums required to meet claims was below 50 per cent. Expenses, including taxes, totalled \$2,958,780, a somewhat larger proportion than in 1913 also but still showing economy of administration at 35.7 per cent. of net premiums. After adjusting the unexpired risk reserve, now standing at \$3,312,500, there remained an underwriting surplus of \$844,120, increased by interest receipts to \$993,305. Of this, \$500,000 has been added to the additional reserve—thereby raised to \$1,000,000—and the balance of \$493,305 carried to profit and loss. Besides the considerably enhanced fire funds of \$4,312,500, there is the general reserve of \$5,000,000 and a profit balance of \$4,238,330, a total of \$13,550,830, giving the very fine proportion of funds available for the protection of fire policyholders of over 163 per cent. of last year's net premium income apart altogether from the paid-up and subscribed capital.

IMPORTANT ACCIDENT BUSINESS.

A great stride forward was taken by the accident department last year, the net premium income being increased by over one million dollars to \$4,540,375. This increase is chiefly due to the forward policy adopted some time ago on this side of the Atlantic, the London & Lancashire Accident and Guarantee Company of Canada, which for several years has successfully transacted business in the Dominion having within the last year or two begun operations in the United States. The association of this remarkable increase in business with claims absorbing no more than \$1,925,910, or 42.4 per cent. of

the premiums is particularly satisfactory. Expenses and taxes at \$1,737,410, equal to 38.3 per cent. of the premiums, also show a considerable proportionate decline in comparison with 1913. The progress now being made is evidence that in this department of underwriting the London & Lancashire will in the not far distant future be numbered among the giants of British accident offices.

THE COMPANY IN CANADA.

The London & Lancashire Fire is widely and favorably known in the Canadian field, it having been first established in the Dominion in 1880, and built up an extensive and highly-efficient organisation. Last year the London & Lancashire received net cash for fire premiums in Canada, \$691,561, while net losses incurred were \$401,960, giving a loss ratio of 58.12 per cent. The London & Lancashire Accident & Guarantee Company, founded in 1908, and controlled by the London & Lancashire Fire, transacts an extensive business in the various departments of casualty insurance in the Dominion. Since 1893, Mr. Alfred Wright has been the London and Lancashire Fire's manager at its Toronto office, and chief agent in Canada, while Mr. Colin E. Sword occupies the important position of manager at Montreal of both fire and accident business. Mr. Alex. MacLean is manager at the Head Office for Canada (Toronto) of the Accident Department.

QUEBEC FIRE INSURANCE COMPANY.

The London & Lancashire Fire operates in Canada the Quebec Fire Insurance Company. Policyholders of this Company, which dates from 1818, are protected by a surplus of \$584,895 and in addition by the guarantee of the London & Lancashire Fire, making the security afforded unexceptionable. Last year the Quebec Fire received net cash for premiums of \$247,651 and incurred net losses of \$118,763, giving the very favorable ratio of 47.95 per cent.

FIRE IN UNOCCUPIED RESIDENCE.

Mr. Justice MacLennan, of Montreal, has dismissed the suit brought by D. Anderson against the Norwich Union and the Scottish Union & National companies for the amount of two policies issued on a residence owned by Anderson at Longueuil which was destroyed by fire in July, 1906.

The case of the companies upheld by the Court was as follows:—

By the terms of the policies plaintiff was bound to give due notice of loss within 60 days; he did not give such notice until nine months had expired. Though the first policy stated that, generally, the house was to be unoccupied from October till May, plaintiff could not read such a condition into the second policy; anyway, the fire had taken place in July, and the premises were then, and had been for a long time previous to that time, unoccupied. The supposition was that the premises would be occupied between May and October. The policies specifically stated that they would be void if the premises were unoccupied for a period of ten days, or if hazard were increased—and the companies contended that the mere fact of unoccupancy did increase the hazard.

In an almost similar case arising out of the same fire, a jury in the Superior Court threw out the claim of Mrs. Anderson, who sued on account of the loss of her household furniture, and this finding was subsequently upheld by the Court of Appeals.

THE ROYAL BANK OF CANADA

INCORPORATED 1869

Capital Paid up \$11,560,000 Reserves \$13,174,062
Assets \$179,404,054

HEAD OFFICE - MONTREAL.

340 BRANCHES THROUGHOUT CANADA

19 Branches in Cuba, Porto Rico and Dominican Republic

Kingston, Jamaica. Bridgetown, Barbados.

Nassau, Bahamas. St. George's, Grenada.

Port of Spain and San Fernando, Trinidad.

Georgetown and New Amsterdam, British Guiana.
Belize, British Honduras.

LONDON, Eng.
Princes St., E. C.

NEW YORK,
Cor. William & Cedar Sts.

SAVINGS
DEPARTMENT

In connection with all Branches. Accounts opened with deposits of ONE DOLLAR and upwards. Interest paid, or credited at highest current rates.

The Dominion Bank

SIR EDMUND B. OSLER, M.P., President

W. D. MATTHEWS, Vice-President

C. A. BOGERT, General Manager

TRUST FUNDS SHOULD BE DEPOSITED

in a Savings Account in The Dominion Bank. Such funds are safely protected, and earn interest at highest current rates.

When payments are made, particulars of each transaction may be noted on the cheque issued which in turn becomes a receipt or voucher when cancelled by the bank.

Head Office, Toronto

THE BANK OF TORONTO

Incorporated 1855.

Head Office: TORONTO, Canada.

PAID UP CAPITAL \$5,000,000
RESERVED FUNDS \$6,402,810

Directors

DUNCAN COULSON, President; W. G. GOODERHAM, Vice-Pres.; J. HENDERSON, 2nd Vice-Pres.; HON. C. S. HYMAN, WILLIAM STONE, JOHN MACDONALD, LT. COL. A. E. GOODERHAM, LT. COL. F. S. MEIGHEN, J. L. ENGLEHART, WILLIAM I. GEAR, THOS. F. HOW, General Manager. J. R. LAMB, Supt. of Branches
T. A. BIRD, Chief Inspector
Bankers

NEW YORK—National Bank of Commerce.

CHICAGO—First National Bank.

LONDON, Eng.—London City and Midland Bank, Limited.

BANKING SERVICE.

A prompt and dependable banking service is provided for business men carrying their accounts at The Bank of Toronto. The reputation, resources and facilities of this Bank are a guarantee of satisfactory service to the business community.

THE BANK OF NOVA SCOTIA

INCORPORATED 1832.

CAPITAL \$6,500,000.00
RESERVE FUND 12,000,000.00
TOTAL ASSETS over 90,000,000.00

Head Office - - - HALIFAX, N.S.

JOHN Y. PAYZANT, President.

Gen'l Manager's Office, TORONTO, ONT

H. A. RICHARDSON, General Manager.

Branches throughout every Province in Canada, and in Newfoundland, Jamaica and Cuba.

BOSTON CHICAGO NEW YORK

HOME BANK OF CANADA
ORIGINAL CHARTER 1854

Branches and Connections throughout Canada.

SIX OFFICES IN MONTREAL

Main Office, Transportation Building, St. James St.
Bonaventure Branch, 523 St. James St.
Hochelaga Branch, Cor. Cuvelier and Ontario Sts.
Mount Royal Branch, Cor. Mount Royal & Papineau Av.
Papineau Branch, Papineau Square.
St. Denis Branch, 478 St. Denis St.

Collections made to any point in Canada where there is a branch of a chartered bank.

JAMES MASON - General Manager

The Bank of Ottawa

Established 1874

Head Office - - - OTTAWA, Canada

Paid-up Capital - - - \$4,000,000
Ret and Undivided Profits - 4,978,299
Total Assets, over - - - 50,000,000

BOARD OF DIRECTORS

HON. GEORGE BRYSON, President.

JOHN B. FRASER, Vice-President.

SIR HENRY N. BATE, DAVID MACLAREN
RUSSELL BLACKBURN, DENIS MURPHY,
SIR HENRY K. EGAN, HON. SIR GEORGE H. PERLEY.
E. C. WHITNEY.

GEORGE BURN, D. M. FINNIE,
General Manager, Assistant General Manager.

W. DUTHIE, Chief Inspector.

THE IMPERIAL BANK OF CANADA.

While sharing, in common with the other Canadian banking institutions, the difficulties inherent in the financial situation during the last twelve months, the Imperial Bank has had unique difficulties of its own to face. In the fall of last year it lost prematurely its president and general manager by the death of Col. D. R. Wilkie, a brilliant and sound banker, under whose direction the institution had been built up from its beginnings in 1875. A few weeks subsequently to Col. Wilkie's death, Hon. Robert Jaffray, who had been elected president also passed away, so that within twelve months there have been two changes in the presidency in addition to a change in the general managership, Mr. E. Hay, who has been identified with the institution since its establishment and has occupied the post of assistant general manager since 1902, having been appointed successor to Col. Wilkie in that position.

At the annual shareholders' meeting held in Toronto last week, fitting reference was made to these events by the president (Mr. Peleg Howland). Both Mr. Howland and Mr. Elias Rogers (vice-president) also spoke interestingly in regard to the general trend of business affairs throughout the Dominion. Their utterances, while strongly conservative in tone, are yet encouraging. Mr. Howland expressed the opinion that had the war not broken out, Canada would have been facing a more serious position than it is to-day, since increased prices are being obtained for grains and produce, large numbers of horses have been disposed of, many factories that would otherwise have been idle or slack have been busily employed, and the problem of the unemployed has been at least partially solved. While the realization of the expected large crops will bring an enormous return and go a long way towards bringing about liquidation, they will not, in Mr. Howland's opinion, bring about the prosperity which was so long enjoyed. That, in his view, can only come again as a slow process, when the needs of the country have grown up to the present supply of equipment.

THE BANK'S YEAR.

Naturally, the Bank's profit and loss account reflects the trying financial conditions which have been passed through. The net profits are reported as \$1,031,359 as against \$1,236,985 in the previous year and equal to about 7.4 per cent. upon the combined paid-up capital and rest of \$14,000,000. A balance brought forward from the previous year of \$1,265,919 makes the total available on profit and loss account, \$2,298,278. Of this amount the 12 per cent. dividend absorbs only \$840,000; \$400,000 is set aside for depreciation in securities and for contingencies; the war tax on bank circulation to April 30 takes \$17,788; \$14,000 has been paid in patriotic and philanthropic subscriptions; \$7,500 goes to the officers' pension and guarantee funds and \$5,000 for auditors' fees, leaving a balance to be carried forward of \$1,012,989.

The following is a comparison of the leading items of the Bank's annual statement in comparison

with the previous year.

	1915.	1914.
Capital Stock.....	\$ 7,000,000	\$ 7,000,000
Rest.....	7,000,000	7,000,000
Circulation.....	4,528,252	4,762,347
Deposits, not bearing interest.....	7,815,803	9,060,814
Deposits, bearing interest.....	47,266,101	49,178,040
Total liabilities to public.....	*60,296,581	*63,211,857
Specie and legals.....	15,048,009	12,944,007
Total Cash Assets.....	21,996,862	24,300,529
Total Quick Assets.....	†28,664,938	†30,792,208
Current loans.....	36,245,618	41,331,017
Total Assets.....	75,568,247	78,863,252

* Excluding acceptances under letters of credit.
 † Excluding provincial and municipal loans.

While circulation, deposits and the total liabilities to the public are lower than they were a year ago, the Bank maintains a particularly strong position. Holdings of specie and Dominion notes are in the proportion of 25 per cent. to the liabilities to the public; total cash assets are in the proportion of practically 36.5 per cent.; and total liquid assets (excluding municipal loans) over 47.5 per cent. Current loans have been decreased by five millions from \$41,331,017 to \$36,245,618, this decrease being about equalled by the decrease in deposits plus the increased amounts of specie and Dominion notes held.

The whole statement, in fact, shows the position of the Bank to be a very fine one, in line with those of other leading institutions recently published. While the Imperial Bank's principal development has been in Ontario and the West, an important branch is maintained in Montreal, under the management of Mr. Richardson, an experienced banker who is held in the highest esteem and respect by the Montreal banking fraternity.

ESTABLISHED 1873

The

Standard Bank

of CANADA

Head Office, TORONTO

124 BRANCHES THROUGHOUT THE DOMINION



SECURITY for both principal and interest is the first essential of an investment; the ability to realize quickly the second. Judged by these standards, a deposit in the savings department of this Bank is an ideal form of investment.



Montreal Branch: 136 ST. JAMES STREET

E. C. GREEN, Manager.

National Trust Co.,

LIMITED
CAPITAL - - - - \$1,500,000
RESERVE - - - - 1,500,000

Acts as executor and trustee under will.
 Administers real estate.
 Allows interest on savings deposits.

MONTREAL DIRECTORS

H. B. WALKER, F. W. MOLSON,
 H. J. FULLER, T. B. MACAULAY
 W. M. BIRKS

MONTREAL OFFICE:

153 St. James Street

PERCIVAL MOLSON, Manager.

The Royal Trust Co.

Capital Fully Paid - - - \$1,000,000
 Reserve Fund - - - 1,000,000

EXECUTORS AND TRUSTEES

BOARD OF DIRECTORS:

H. V. Meredith, President.

Sir William C. Van Horne, K.C.M.G., Vice-President.

SIR H. MONTAGU ALLAN,

R. H. ANGLIS

A. BAUMGARTEN

A. D. BRAITHWAITE

H. R. DRUMMOND

C. E. GORDON

SIR LOWMYER GOVIN, K.C.M.G.

SIR FREDERICK WILLIAMS-TAYLOR

E. H. GREENSHIELDS

C. R. HOSMER

SIR W. C. MACDONALD

HON. R. C. MACKAY

SIR T. G. SHAUGHNESSY,

K.C.V.O.

A. E. HOLT, Manager

OFFICE AND SAFETY DEPOSIT VAULTS:

107 St. James St., MONTREAL.

BRANCHES: Calgary, Edmonton, Ottawa, Quebec, Regina,
 St. John, N.B., St. John's, Nfld., Toronto, Vancouver,
 Victoria, Winnipeg.

WESTERN

Assurance Company

Incorporated in 1851

FIRE AND MARINE

ASSETS **ovcr** \$3,700,000.00

LOSSES paid since organization of Com-
 pany . . . over \$61,000,000

DIRECTORS

W. R. BROCK, President.

W. B. NEIKLE, Vice-President and General Manager.

ROBT. BICKERDIKE, M.P. JAMES KERR OSBORNE
 H. C. COX Z. A. LASH, K.C., LL.D.
 D. B. HANNA GEO. A. MORROW
 JOHN HOSKIN, K.C., LL.D. LT. COL. FREDERIC NICHOLLS
 ALEX. LAIRD COL. SIR HENRY PELLATT C.V.O.
 AUGUSTUS MYERS E. R. WOOD

HEAD OFFICE . TORONTO

The Trust and Loan Co.

OF CANADA

Capital Subscribed, . . . \$14,600,000.00
 Paid-up Capital, . . . 2,920,000.00
 Reserve Funds, . . . 2,511,049.13

MONEY TO LOAN ON REAL ESTATE AND
 SURRENDER VALUES OF LIFE POLICIES.

30 St. James St., Montreal

PRUDENTIAL TRUST COMPANY

LIMITED

HEAD OFFICE

**9 ST. JOHN
 STREET
 MONTREAL.**

Trustee for Bondholders
 Transfer Agent & Registrar
 Administrator Executor
 Liquidator Guardian Assignee
 Trustee Custodian
 Real Estate and Insurance Departments
 Insurance of every kind placed
 at lowest possible rates.

Safety

Deposit Vault

Terms exceptionally
 moderate.

Correspondence
 invited.

B. HAL. BROWN, President and Gen. Manager

THE LIFE AGENTS MANUAL, \$3.00

THE CHRONICLE, MONTREAL

LLOYDS BANK LIMITED,

HEAD OFFICE:—

71, LOMBARD ST., LONDON, E.C.

Subscribed Capital - - \$156,521,000
 Capital Paid up - - 25,043,360
 Reserve Fund - - 18,000,000
 Deposit & Current Accounts 590,869,295

Cash in hand, &c. - - \$173,534,130
 Bills of Exchange - - 67,100,965
 Investments - - 80,667,610
 Advances, &c. - - 297,198,235

THIS BANK HAS OVER 880 OFFICES IN ENGLAND AND WALES.

Colonial and Foreign Department: 17, Cornhill, London, E.C.

London Agency of the IMPERIAL BANK OF CANADA.

Paris Auxillary: LLOYDS BANK (FRANCE) LIMITED, 26, Avenue de l'Opéra.

AN ENGLISH BANK CONDUCTED ON ENGLISH LINES. Branches at BORDEAUX, BARRITZ and HAVRE.

YORKSHIRE INSURANCE COMPANY, LIMITED.

Ranking high among the old-established British insurance companies, the Yorkshire has in recent years notably extended the scale of its operations. It has been the better able thus to enhance the importance of its business through its persistent following for many years of a conservative practice in underwriting that has resulted cumulatively in the acquirement of a magnificently strong position. Assisted by the timely acquirement of smaller companies which have specialised in various branches of the underwriting field for a number of years, the Yorkshire has recently built up a large premium income in many branches of insurance activity and the high order of the business thus acquired is attested by the favourable results which are consistently achieved. These results evidence that the prudence and foresight which guided the Yorkshire while its foundations were soundly established are now, under the direction of Mr. James Hamilton, firmly continued in the larger field.

It may be noted also in passing that the Yorkshire has not been behindhand in answering the present call of King and country. Accompanying the annual report is a list of no fewer than 175 members of the Company's staff who have answered the call—and more than one has already made the supreme sacrifice. The management have arranged for all these that their places should be kept open and that they should suffer no loss of salary in consequence of their enlistment, while those members of the staff remaining and unable to enlist voluntarily have undertaken to keep up the work of their absent colleagues. These facts speak for themselves of the spirit of practical patriotism shown by both the management and the staff of the Yorkshire.

FIRE DEPARTMENT'S SUCCESS.

The fire department retains its importance as the Yorkshire's most extensive business, and last year provided an experience, which if not quite so good as in the two previous years, is yet of a satisfactory character. The net fire premium income was \$2,279,000, a total which marks an advance of nearly \$40,000 upon the fire premiums of 1913, which in turn showed a large advance upon previous years. The loss experience, though not quite so favorable as in 1913 and 1912, in both of which years a ratio of well under 50 per cent. was recorded, was still not unsatisfactory. Losses absorbed \$1,235,745 or 54.2 per cent. of premium income, but little above the average of the last ten years. In a year like 1914, when the large fire offices, generally speaking, were not able to secure results of a very satisfactory character, such results are by no means unfavorable. It is evident, in fact, that in following its policy of expansion, the Yorkshire has kept well in sight the fact that in no business more than fire insurance is quality of more importance than quantity.

A STRONG POSITION.

Commission, expenses and contributions to fire brigades, amounting in all to \$866,025 were a shade higher proportionately than in 1913 at 38.0 per cent. After increasing the reserve for unexpired liabilities to \$911,600, the Yorkshire was able to transfer \$200,455 to profit and loss account as a result of the year's operations in its fire department. In addition to the reserve of \$911,600 against unexpired liabilities, there are available to

meet the claims of the Yorkshire's fire policyholders, a general reserve of \$2,439,425, and a profit and loss account balance of \$382,835, a total of \$3,733,860, equal to over 163 per cent. of last year's premium income, apart from the large paid-up and uncalled capital. A better position than this could not be wished for.

OTHER DEPARTMENTS.

In numerous other departments of the Yorkshire's extensive connections, an increased business was done last year, and a strong financial position is maintained. Employers' liability premium income amounted to \$530,870, claims incurred and provision for claims outstanding absorbing \$270,995. The reserve for unexpired liability is increased to \$212,350 and provision for outstanding claims to \$205,620.

The general insurance account embraces many branches of underwriting, including burglary, live stock, automobile, fidelity, third party, plate glass, boiler, etc. Premium income last year was \$1,542,100, claims paid and outstanding being \$815,915, equal to 52.9 per cent. of premium income, compared with 54.1 per cent. last year. Reserve for unexpired liability is raised to \$548,660 and the carry forward is increased to \$208,765.

THE YORKSHIRE IN CANADA.

The Yorkshire has been operating in the Canadian field since 1907 under the management of Mr. P. M. Wickham, of Montreal. The Yorkshire owns its own building in the heart of the Montreal financial district at 136 St. James Street, and its Canadian business has attained important proportions. Last year its net premiums received in Canada for fire insurance were \$366,753, and net losses incurred, \$239,120.

In addition to its fire business, the Yorkshire has for several years transacted in Canada live stock insurance, it being the only British company licensed by the Dominion Government to carry on this form of insurance in Canada. A Canadian accident department has also been established, transacting personal accident, automobile, employers' liability, general liability and plate glass insurance. With assets of over \$23,000,000 and occupying a strong financial position in every department together with an adequate organisation, the Yorkshire is well equipped to occupy an increasingly important position in Canadian insurance.

MR. H. C. COX ON POLICY LOANS.

In the sixty-eighth annual report of the Canada Life, President Herbert C. Cox, referring to policy loans, remarks:—

"Contributing in a marked degree to ultimate lapse or surrender is the policy loan, one of the standard provisions of all policies defined by the Insurance Act, and of which so much has been said and written. Innocent enough, perhaps, in some premises, it is nevertheless too often the first resort for relief, intended to be only temporary, but only a small percentage of these loans is ever removed before the maturity or cancellation of the policy. Frequently, the first suggestion of lapse comes from the realization that an increased annual payment including premium and interest, must be made for a decreased insurance. Education and reason should do much to lessen this borrowing, and the companies, seized of the menace which it presents, are gradually extending their campaign against it along these lines."

**ONTARIO and NORTH
WEST BRANCH,**

Office: 8 Richmond St., East,
Toronto

ALFRED WRIGHT,
Manager and Chief Agent.

A. E. BLOGG,
Branch Secretary.



**PROVINCE OF QUEBEC
AND
MARITIME PROVINCES
BRANCH**

Office: 164 St. James Street,
corner of St. John Street,
Montreal

COLIN E. SWORD, Manager.

RESULTS OF 1914 BUSINESS:

	PREMIUMS	LOSSES AND EXPENSES	SURPLUS
FIRE - - -	\$ 8,278,565	\$ 7,501,945	\$ 776,620
ACCIDENT - - -	4,540,375	3,663,316	877,059
MARINE - - -	1,176,280	1,011,316	164,964
	<u>\$13,995,220</u>	<u>\$12,176,577</u>	<u>\$1,818,643</u>
		Interest on Investments - - -	568,970
Total Surplus for the Year - - - -			<u>\$2,387,613</u>
FUNDS AND INVESTMENTS - - -		\$18,652,345	
UNCALLED CAPITAL - - - -		11,885,625	
TOTAL SECURITY - - - -		\$30,537,970	



Established 1818

**AND STRONG AND VIRILE AS EVER
SURPLUS TO POLICYHOLDERS**

\$584,895.39

in addition to which there is the guarantee of the

**LONDON AND LANCASHIRE
FIRE INSURANCE CO., LTD.**

Quebec and Maritime Provinces Branch, Montreal
COLIN E. SWORD, Manager.

Ontario and North West Branch, Toronto
ALFRED WRIGHT, Manager.

BUSINESS MEN AND THE FIRE WASTE.

The action of the Berlin, Ont., Board of Trade in taking notice of the problem of the Dominion's fire waste is a commendable example of business men's energy that deserves wide imitation. The Berlin business men have passed resolutions calling for action by the Commission of Conservation to take up this work with expert assistance for the purpose of formulating recommendations to the different provinces, and is asking boards of trade and municipal authorities throughout Canada for support in the action they have taken. Passing pious resolutions is a not uncommon way of doing nothing and it would perhaps be well not to expect too much from boards of trade and municipal authorities in the way of loyal following of the Canadian Berlin's lead. The chief value of the present action lies not indeed in that but in its indication of realization that the fire waste is essentially a business man's question. The awakening of business men throughout Canada to the fact that our preposterous fire waste—the highest per capita in the world—is something that concerns them vitally and not merely the fire companies and people with time enough on their hands to run a hobby, may be slow enough. But there are encouraging signs from time to time—and the Berlin manifesto is one of them—that the awakening is coming about. Mainly, the fire waste is a matter of dollars and cents, of so much wealth—\$3.15 per head per annum in Canada—being flung away and as much wasted as if it were dropped in the middle of the Atlantic. Nobody pretends that the fire waste can be stopped entirely, but that it might with comparative ease be very greatly reduced is apparent to anyone with two eyes in his head and the ability to use them intelligently. It is not going too far to say that 40 to 50 per cent. of Canada's fire waste could be avoided were people educated up to a sense of being reasonably careful instead of grossly careless, were strict building by-laws properly administered and did the laws of the various provinces impose sufficient penalties upon those who waste and endanger not only their own property but that of the community as a whole. There are some signs that a new leaf is being turned out in Canada's development. Hitherto, we have developed as carelessly as might be, with a fine disregard for waste, and tolerating conditions and methods that in an older and more thrifty community would be regarded with something like dismay. It is now being seen that production is of more importance than the price of lots, and that a man's real wealth depends more upon his balance in the bank than upon the number of automobiles he runs. At a time when every effort is being made to stimulate the production of real wealth and to strengthen the economic position of the country, it should be easy for business men to see the vital importance of cutting down waste which is strictly

preventable and thus of increasing generally the wealth and economic prosperity of the Dominion.

FIRE UNDERWRITERS' LOSS IN UNITED STATES.

Fire insurance business in the United States in 1914 resulted in an underwriting loss to the companies of 4.21 per cent., according to statistics presented by Mr. William N. Kremer, president of the National Board of Fire Underwriters, at the forty-ninth annual meeting in New York last week. It was also pointed out that notwithstanding the unprofitable condition of the business the ratio of taxation on insurance premiums was steadily increasing, and that the taxes exacted from the business increased from \$8,501,927 in 1913 to \$9,120,508 in 1914.

President Kremer said that the statistics of loss meant that the premiums collected in the past year were not sufficient to meet losses incurred and business expenses by 4.21 per cent. Only the profits from the investment of capital and surplus contributed by the stockholders and the earnings of funds previously collected enabled the companies to continue to pay dividends, he said. The volume of premiums paid to 191 companies throughout the country reached \$333,647,016, an increase of about \$9,000,000, while the losses incurred were \$200,720,782, an increase of nearly \$28,000,000. The taxes exacted from the business increased from \$8,501,927 in 1913 to \$9,120,508 in 1914, an increase of 1.24 per cent. "It is easily seen," said President Kremer, "that, with the agitation for reduced premiums and increased taxation and with no apparent diminution in the fire waste of the country, the fire insurance underwriters have not an easy problem before them."

GREAT-WEST LIFE APPOINTMENT.

Mr. C. C. Ferguson, actuary of the Great-West Life of Winnipeg, since 1907, has been appointed by the directors to take general charge of the affairs of this highly-successful company in succession to the late Mr. J. H. Brock.

Mr. Ferguson will be widely congratulated upon this appointment by life insurance men who will feel that the promotion has been thoroughly well earned. Still on the sunny side of forty, Mr. Ferguson, who is a Prince Edward Islander by birth, graduated at McGill, where he was awarded a gold medal in the class of 1900. He at once joined the Canada Life's actuarial department and remained there till 1907, when he received the appointment of actuary of the Great-West Life. Mr. Ferguson is a fellow of the Actuarial Society of America and is well known by a number of learned papers on actuarial subjects.

In his new position, Mr. Ferguson has been called to heavy responsibilities. The Great-West Life is well known for the energy and enterprise with which its affairs have been conducted and keen interest will be evinced by life insurance men in the results of Mr. Ferguson's administration. But they have no doubt of the outcome.

The year 1914 seems to have been a most unprofitable one so far as the fire companies are concerned from an underwriting standpoint.—N. Y. *Insurance Supt's Report.*

CANADA PERMANENT MORTGAGE CORPORATION QUARTERLY DIVIDEND

NOTICE is hereby given that a Dividend of TWO and ONE HALF PER CENT, for the current quarter, being at the rate of

TEN PER CENT PER ANNUM

on the paid-up capital Stock of the Corporation, has been declared, and that the same will be payable on and after

FRIDAY, THE SECOND DAY OF JULY

next, to Shareholders of record at the close of business on the Fifteenth day of June.

By order of the Board,

Toronto, May 26th, 1915.

GEO. H. SMITH, Secretary.

Representing

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

You will make money.

The great strength, big dividends and incomparable benefits of the "oldest company in America" mean certain success for you.

FOR TERMS TO PRODUCING AGENTS, ADDRESS:

George T. Dexter

2nd VICE PRESIDENT

34 Nassau Street New York, N.Y.

Atlas Assurance Co., Limited of LONDON, ENGLAND

The Company commenced business in the REIGN OF GEORGE III and the following figures show its record—

At the Accession of	Income	Funds
KING GEORGE IV.	\$ 387,065	\$ 800,605
KING WILLIAM IV.	657,115	3,038,380
QUEEN VICTORIA	789,865	4,575,410
KING EDWARD VII.	3,500,670	11,185,405
KING GEORGE V.	6,846,895	15,186,090

and at
31st DECEMBER, 1914 7,489,145 19,064,425

In addition the Company has a Subscribed Capital of Eleven Million Dollars (of which \$1,320,000 is paid up).

Agents wanted in unrepresented districts.

Head Office for Canada:

179 St. James St., MONTREAL

MATTHEW C. HINSHAW, Branch Manager

THE GLOBE & RUTGERS FIRE INSURANCE COMPANY, of New York

Assets - - - - \$8,966,071.46
Surplus to Policyholders - \$4,019,694.66

Applications for Agencies invited

Canadian Head Office: - - - MONTREAL

J. W. BINNIE, Manager.

A STRONG TARIFF OFFICE, NOW ENTERING CANADA

FOUNDED A.D. 1819

THE PHENIX FIRE INSURANCE COMPANY OF PARIS, FRANCE

EDMUND FOSTER, Supt. of Agencies.

THOMAS F. DOBBIN, Manager for Canada.

LEWIS BUILDING, - - - - ST. JOHN STREET, MONTREAL.

Applications for agencies invited

CANADIAN FIRE RECORD

Specially compiled by The Chronicle.

HULL, QUE.—On May 27th a fire occurred on the premises of Josephat Pharand, dry goods store, Hull. Insurance as follows: Guardian, \$10,000; London Mutual, \$7,500; Northern, \$9,500; Royal, \$5,000; Providence Washington, \$2,500; Employers' Liability, \$5,500; Factor's, \$3,000; Protection, \$6,000; British Colonial, \$5,000; Acadia, \$1,500; Glen Falls, \$2,500; North Empire, \$3,000; total, \$64,500. Loss 25 per cent.

OSQUAN, ONT.—In the fire which occurred on the 1st inst. at the premises of D. L. Mother, saw mill, Osaquan, Ont., the following companies are interested: American Central, \$1,000; Canada National, \$1,500; Guardian, \$2,500; North Empire, \$6,000; British America \$1,500; Northern, \$2,500; Norwich Union, \$2,500; North British & Mercantile, \$2,500; Union, \$2,000; Phenix of London \$3,000. Total, \$25,000. Total loss.

MONTREAL.—On the 1st instant a fire broke out in Strachan's Bakery, City Hall Avenue, insured as follows:—Hartford, \$28,300; Liverpool & London & Globe, \$28,300; Springfield, \$2,500; Niagara, \$2,500 Total, \$61,600. Loss about 75 per cent.

THE MONTREAL CITY and DISTRICT SAVINGS BANK

NOTICE is hereby given that a Dividend of Two Dollars per Share on the Capital Stock of this institution has been declared and will be payable at its Head Office, in this City, on and after Friday, the 2nd July next, to Shareholders of record at the close of business on the 15th June next

By order of the Board,

A. P. LESPERANCE, Manager.

Montreal, May 25th, 1915.

Montreal Tramways Company SUBURBAN TIME TABLE, 1915

Lachine :

From Post Office—
10 min. service 5.40 a.m. to 8.00 a.m. 10 min. service 4 p.m. to 7.10 p.m.
20 " " 8.00 " 4 p.m. " 7.10 p.m. to 12.00 mid.

From Lachine—
20 min. service 5.30 a.m. to 5.50 a.m. 10 min. service 4 p.m. to 8.00 p.m.
10 " " 5.50 " 9.00 " 8.00 p.m. to 12.10 a.m.
20 " " 9.00 " 4 p.m. " Extra last car at 12.50 a.m.

Savit aux Recollet and St. Vincent de Paul :

From St. Denis to St. Vincent—
15 min. service 5.15 a.m. to 8.00 a.m. 30 min. service 8.00 p.m. to 11.30 p.m.
20 " " 8.00 " 4.00 p.m. " Car to Hendersons only 12.00 mid.
15 " " 4.00 " 7.00 p.m. " Car to St. Vincent 12.40 a.m.
20 " " 7.00 " 8.00 " "

From St. Vincent to St. Denis—
15 min. service 5.45 a.m. to 8.30 a.m. 30 min. service 8.30 p.m.
20 " " 8.30 " 4.30 p.m. " Car from Henderson to St. Denis
15 " " 4.30 p.m. 7.30 " 12.30 a.m.
20 " " 7.30 " 8.30 " " Car from St. Vincent to St. Denis
1.10 a.m.

Cartierville :

From Snowdon's Junction— 30 min. service 5.30 a.m. to 8.40 p.m.
40 " " 8.40 p.m. to 12.00 mid.
From Cartierville— 30 " " 5.40 a.m. to 9.00 p.m.
40 " " 9.00 p.m. to 12.30 a.m.

Mountain :

From Park Avenue and Mount Royal—
20 min. service 5.40 a.m. to 12.00 midnight
From Victoria Avenue—
20 min. service 5.50 a.m. to 12.30 a.m.
From Victoria Avenue to Snowdon—
10 minutes service 5.50 a.m. to 8.50 p.m.

Bout de l'Île :

60 min. service 6.00 a.m. to 12.00 midnight.

Tetrautville :

15 min. service 5.00 a.m. to 9.00 a.m. 15 min. service 7.30 p.m. to 9.00 p.m.
30 min. service 9.00 a.m. to 2.30 p.m. 30 min. service 9.00 p.m. to 2.30 p.m.

Pointe aux Trembles :

15 min. service 5.00 a.m. to 9.00 a.m. 30 min. service 7.00 p.m. to 11.00 p.m.
20 " " 9.00 a.m. to 2.30 p.m. 60 " " 11.00 p.m. to 1.00 a.m.
15 " " 8.30 p.m. to 7.00 p.m.

Theory Versus Practice

A substantial portion of every investor's funds should be put into life insurance so that no matter what happens to himself or to his investments there will be satisfactory provision for his dependents.

Insurance men and financiers recognize these facts and yet the families of many of these are very inadequately protected by means of well placed life insurance policies.

Let us not be hearers only, but doers. We preach—let us practice. Allowing for liabilities, what is the net amount of our insurance protection? We should look this up and if there is a deficiency, a policy should be taken in

The Mutual Life Assurance Co.

Of Canada,

WATERLOO - - - ONTARIO

CABLE ADDRESS "RYKERT"

E. G. RYKERT & COMPANY

Stocks Bonds and Investments

22 St. John Street,

MONTREAL.

BRITISH COLONIAL FIRE INSURANCE COMPANY

Office: ROYAL BUILDING, 2 Place d'Armes, - Montreal.

STRONG AS THE STRONGEST
Agents wanted in Unrepresented Districts

President: HON. C. E. DUBORD

Director and Secretary: THEODORE MEUNIER

Manager: H. W. THOMSON

INSPECTORS.

GAVIN BROWNE, Jr., 51 Yonge Street, Toronto, Ontario.

ARTHUR PATTON, Brandon, Man.

B. A. CHARLEBOIS, P. O. Box 208, Montreal, Que.

THE YORKSHIRE INSURANCE CO.

LIMITED

ESTABLISHED 1824

Report of the Directors for the Year Ending 31st December, 1914

Presented at the 91st Annual Meeting of the Shareholders, at the Company's Offices, St. Helen's Square, York, on Tuesday, the 11th day of May, 1915.

IN THE FIRE DEPARTMENT

THE NET PREMIUM INCOME, after deduction of Re-insurances, amounted to \$2,279,000, as against \$2,441,440 in the previous account.

THE LOSSES were \$1,235,745, the ratio being 54.2 per cent., as against 46.9 per cent. for the previous year.

From the balance at credit of this account \$200,455 has been carried to Profit and Loss, and the Reserve for unexpired liability has been increased to \$911,600.

IN THE EMPLOYERS' LIABILITY ACCOUNT

THE PREMIUM INCOME for the year amounted to \$530,870, the claims incurred being \$270,995 after full provision for those outstanding. The reserve for unexpired liability is increased to \$212,350; provision for outstanding claims \$205,620; \$62,500 is carried to profit and loss; and the balance of \$125,225 is carried forward.

IN THE GENERAL INSURANCE ACCOUNT

THE PREMIUM INCOME amounted to \$1,542,100, the claims paid and outstanding were \$815,915, or 52.9 per cent., as compared with 54.1 per cent. last year; the Reserve for unexpired liability is \$548,660, and after carrying \$100,000 to the profit and loss account the balance carried forward is increased to \$208,765.

THE PROFIT AND LOSS ACCOUNT

includes \$15,000, one-fifth proportion of the Shareholders' profits declared in the Life Department at the Valuation. After payment of the Dividend and other charges,

\$ 5,000 has been carried to the Sinking Fund Account,

\$300,000 carried to the General Reserve Fund, and

\$382,835 is carried forward.

THE GENERAL RESERVE FUND

—after including the credit balance of the Purchase of Business account and the transfer of \$500,000 to the Investment Reserve—has been increased to \$2,439,425.

Revenue Accounts for the Year Ending 31st December, 1914

FIRE INSURANCE ACCOUNT

Reserve for unexpired risks brought from last year	\$ 896,580	Claims under Policies, paid and outstanding ..	\$1,235,745
Premiums	2,279,000	Commission	310,015
Interest, Dividends and Rents	\$41,205	Expenses of Management	537,330
Less Income Tax thereon	2,230	Contributions to Fire Brigades	18,680
	38,975	Bad Debts	730
		Carried to Profit and Loss Account	200,455
		Reserve for unexpired risks, being 40% of Premium Income for the year	911,600
	<u>\$3,214,555</u>		<u>\$3,214,555</u>

Yorkshire Insurance Company—Continued.

EMPLOYERS' LIABILITY INSURANCE

Balance brought forward	\$ 94,815	Payments under Policies, including medical and legal expenses in connection therewith ..	\$222,910
Amount of Employers' Liability Insurance Fund at the beginning of the year:—		Commission	58,460
Reserve for unexpired risks	\$206,850	Expenses of Management	116,200
Total estimated liability in respect of outstanding claims	158,040	Bad Debts	920
	364,890	Carried to Profit and Loss Account	62,500
Premiums	530,870	Amount of Employers' Liability Insurance Fund at the end of the year:—	
Interest, Dividends and Rents	\$14,395	Reserve for unexpired Risks, being 40% of premium income for the year	\$212,350
Less Income Tax thereon	780	Total estimated liability in respect of outstanding claims	205,625
	13,615		417,975
		Balance carried forward	125,225
	<u>\$1,004,190</u>		<u>\$1,004,190</u>

GENERAL INSURANCE ACCOUNT

(Burglary, Live Stock, Motor Car, Fidelity, Third Party, Plate Glass, Boiler, etc.)

Balance brought forward	\$151,195	Claims under Policies, paid and outstanding ..	\$815,915
Reserve for unexpired risks, brought from last year	519,270	Commission	214,975
Premiums	1,542,100	Expenses of Management	352,520
Interest, Dividends and Rents	\$31,340	Bad Debts	1,370
Less Income Tax thereon	1,700	Carried to Profit and Loss Account	100,000
	29,640	Reserve for unexpired risks on the premiums of the year (after deduction of \$170,450 for term and transit risks—Live Stock Department—expired within the year) at the rate of 40%	548,660
		Balance carried forward	208,765
	<u>\$2,242,205</u>		<u>\$2,242,205</u>

PROFIT AND LOSS ACCOUNT

Balance of last year's account	\$342,120	Dividends to Shareholders	\$313,380
Interest and Dividends not carried to other accounts	\$142,015	Expenses not charged to other accounts, including special loss on exchange	35,800
Less Income Tax thereon	7,575	Carried to Sinking Fund and Capital Redemption Account	5,000
	134,445	Carried to General Reserve Fund	300,000
Brought from Life Account	15,000	Balance carried forward	382,835
" " Fire Account	200,455		
" " Accident Account	7,500		
" " Employers' Liability Account	62,500		
" " General Insurance Account	100,000		
" " Marine Account	175,000		
	<u>\$1,037,015</u>		<u>\$1,037,015</u>

SUMMARY, 1914

LIFE AND ANNUITY ACCOUNT	\$12,977,175
SINKING FUND AND CAPITAL REDEMPTION FUND	261,060
FIRE INSURANCE FUND	911,600
ACCIDENT INSURANCE FUND AND ACCOUNT BALANCE	64,505
EMPLOYERS' LIABILITY FUND AND ACCOUNT BALANCE	543,200
GENERAL ACCOUNT FUND AND ACCOUNT BALANCE	757,425
MARINE INSURANCE FUND	2,282,750
PROFIT AND LOSS ACCOUNT	382,835
GENERAL RESERVE FUND	2,439,425
INVESTMENT RESERVE FUND	500,000
DIVIDEND RESERVE FUND	100,000
PENSION AND GUARANTEE FUND	58,325
	<u>\$21,278,300</u>

TOTAL INCOME \$ 8,956,380
TOTAL ASSETS 23,586,935

Head Office for Canada, MONTREAL: P. M. WICKHAM, Manager

IMPERIAL BANK OF CANADA

The Fortieth Annual General Meeting of the Imperial Bank of Canada was held in pursuance of the terms of the Charter, at the Banking House of the Institution, 26th May, 1915.

THE REPORT.

The Directors beg to submit to the Shareholders the Fortieth Annual Report and Balance Sheet of the affairs of the Bank as on 30th April, 1915, together with a statement of Profit and Loss Account, giving the result of the operations of the Bank for the year ended on that day.

The net profits of the Bank, after making provision for bad and doubtful debts, for interest on unmatured bills under discount, and for payment of all Provincial and Municipal taxes, amounted to..... \$1,031,359.08 being at the rate of 7.366% upon the paid-up Capital and Reserve Fund.

There was brought forward from last year the balance of Profit and Loss Account..... 1,265,919.12
making a total Profit and Loss Account to be applied of..... **\$2,297,278.20**

This amount has been distributed as follows:—

(a) Dividends at the rate of 12% per annum, amounting to.....	\$ 840,000.00
(b) Annual contribution to Officers' Pension and Guarantee Funds.....	7,500.00
(c) Provision for depreciation in securities and for contingencies.....	400,000.00
(d) Special contributions:	
Patriotic Fund subscription, \$25,000 (40% paid).....	\$10,000
Red Cross Fund.....	3,000
Belgian Relief Fund.....	1,000
	14,000.00
(e) Dominion Government War Tax on Bank Circulation from 1st January to 30th April, 1915.....	17,788.97
(f) Auditors' Fees.....	5,000.00
(g) Balance of Account carried forward.....	1,012,989.23
	\$2,297,278.20

New Branches of the Bank have been opened during the year:

In Ontario—Toronto, Yonge and Ann Streets; Sault Ste Marie, James Street; Niagara Falls, Queen and Ontario Streets; and at Welland, West Side.

British Columbia—Victoria, Douglas Street and Athalmer.

Branches at Humber Bay (Toronto); Invermere and Wilmer; Main Street Branch, Vancouver, B.C.; Maisonneuve, P.Q., and Portage Avenue Branch, Winnipeg, have been closed.

It is with profound regret that your Directors have to report the death of the late President and General Manager, Mr. D. B. Wilkie, who was stricken suddenly by apoplexy on 17th November, 1914; of the Hon. Robert Jaffray, President at the time of his death, 16th December, 1914, and of Mr. E. W. Cox, on 27th June, 1914, a Director only since the previous annual meeting. Mr. Peleg Howland has been elected President, and Mr. Elias Rogers, Vice-President. Hon. W. J. Hanna, Mr. John Northway and Lieut.-Col. J. F. Michie have been added to the Board to fill the vacancies.

The position of General Manager has been filled by the appointment of the Assistant General Manager, Mr. Edward Hay.

The Head Office and Branches of the Bank, now numbering 125, have been carefully inspected during the year. The Head Office and the principal Branches have also been examined by the special auditors appointed at the last annual meeting, whose report will be found attached to the statement now presented.

The Directors have much pleasure in testifying to the faithfulness and efficiency of the staff.

The whole respectfully submitted.

PELEG HOWLAND, *President.*

LIABILITIES.

Notes of the Bank in circulation.....	\$ 4,528,252.00
Deposits not bearing interest.....	\$ 7,815,803.18
Deposits bearing interest, including interest accrued to date of Statement.....	47,266,100.92
	55,081,904.10
Balances due to other Banks in Canada.....	14,831.53
Due to Banks and Banking Correspondents in the United Kingdom.....	292.53
Due to Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom.....	671,301.21
Acceptances under Letters of Credit (as per contra).....	48,676.80
	\$60,345,258.17
Total Liabilities to the public.....	7,000,000.00
Capital Stock paid in.....	\$7,000,000.00
Reserve Fund Account.....	210,000.00
Dividend No. 99 (payable 1st May, 1915) for three months, at the rate of 12% per annum.....	1,012,989.23
Balance of Profit and Loss Account carried forward.....	8,222,989.23
	\$75,568,247.40

IMPERIAL BANK OF CANADA—Continued.

ASSETS.

Current Coin held by the Bank	\$ 1,619,399.77	
Dominion Government Notes	13,428,609.00	\$15,048,008.77
Deposit with the Minister for the purpose of the Circulation Fund		328,005.57
Notes of other Banks		436,479.00
Cheques on other Banks		1,949,611.32
Balances due by other Banks in Canada		476,549.68
Due from Banks and Banking Correspondents in the United Kingdom		523,995.32
Due from Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom		3,234,212.77
		\$21,996,862.43
Dominion and Provincial Government Securities, not exceeding market value	\$ 666,360.10	
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian	1,070,713.75	
Railway and other Bonds, Debentures and Stocks, not exceeding market value	927,041.90	2,664,115.75
Loans to Cities, Towns, Municipalities and School Districts	\$7,432,334.55	
Call and Short Loans (not exceeding thirty days) in Canada on Bonds, Debentures and Stocks	3,966,959.85	
Call and Short Loans (not exceeding thirty days) elsewhere than in Canada	7,000.00	11,406,294.40
		\$36,067,272.58
Other Current Loans and Discounts in Canada (less rebate of interest)		36,245,617.96
Liabilities of Customers under Letters of Credit (as per contra)		48,676.80
Overdue Debts (estimated loss provided for)		86,564.50
Real Estate (other than Bank Premises)		164,922.91
Mortgages on Real Estate sold by the Bank		458,586.33
Bank Premises, at not more than cost, less amounts written off		2,448,493.17
Other Assets, not included in the foregoing		48,113.15
		\$75,568,247.50

PELEG HOWARD, *President.*

E. HAY, *General Manager.*

AUDITORS' REPORT TO SHAREHOLDERS.

We have compared the above Balance Sheet with the books and accounts at the Chief Office of the Imperial Bank of Canada and with the certified returns received from its Branches, and after checking the cash and verifying the securities at the Chief Office and three of the principal Branches on 30th April, 1915, we certify that in our opinion such Balance Sheet exhibits a true and correct view of the Bank's affairs, according to the best of our information, the explanations given to us, and as shown by the books of the Bank.

In addition to the examinations mentioned, the cash securities at the Chief Office and five of the principal Branches were checked and verified by us during the year and found to be in accord with the books of the Bank.

All information and explanations required have been given to us, and all transactions of the Bank which have come under our notice have in our opinion been within the powers of the Bank.

R. J. DILWORTH, of Clarkson, Gordon & Dilworth, C.A.

GEORGE HYDE, of Mackintosh & Hyde, C.A.

THE PRESIDENT'S ADDRESS.

In rising to move the adoption of the Report, my first duty is to refer to the extraordinary combination of circumstances which has placed me in this position.

Since the last Annual Meeting, the Bank has lost through death its President and General Manager, its Vice-President, a Director and its Chief Counsel and Solicitor.

Mr. E. W. Cox died in London only a short time after his election to the Board, and before he had an opportunity of taking his seat.

In October Mr. James Bicknell, the Bank's Solicitor, died of pneumonia, after a very short illness. He was one of the leading commercial lawyers in Canada, and was besides endowed with more than ordinary good business judgment.

On November 17 Mr. Wilkie was stricken down by apoplexy. Mr. Wilkie had been the General Manager of the Bank ever since its establishment in 1875, and its President and General Manager since 1906. This is the first Annual Meeting at which he has not been present. I am sure you must all regret his absence.

His devotion to the interests of the Bank was extraordinary; it was first in his thoughts, and he was prepared to make any sacrifice of time and energy on its behalf. There is no doubt that his anxiety for the outcome of the crisis through which the world has been passing had something to do with hastening his end. He was a sound banker; he was also public-spirited, and his ability, forcefulness and foresight had an influence on the general affairs of the country, as well as on its banking. He was President of the Bankers' Association at the time of his death.

On December 16, just about a month after Mr. Wilkie's death, the Honorable Mr. Jaffray, who had been elected to

the Presidency, died after a very short illness; he had reached an advanced age, but was so active in body and clear in mind that it was thought the benefit of his judgment and services to the Institution would be available for many years.

Suitable resolutions have been passed by the Board, which, with your concurrence, will be printed in the proceedings of this meeting.

Mr. Elias Rogers has been elected Vice-President, and the Directors have done me the honor to elect me to the Presidency.

The vacancies on the Board have been filled by the election of the Hon. Mr. Hanna, Mr. Jno. Northway and Colonel Michie, who are all well known to you. The Bank can be congratulated upon having obtained their services.

You will be interested in knowing that one of your Directors, Major Wm. H. Merritt, has volunteered for active service, and has left for Europe in command of a battery of artillery.

Upon Mr. Wilkie's death, Mr. Edward Hay, who joined the Bank before it opened its doors in 1875, and who had been occupying the position of Assistant General Manager since 1902, was appointed General Manager, and I am sure he will successfully conduct the affairs of the Institution, and that he will have able assistance from the other members of the Executive.

The Chief Inspector, Mr. W. Moffat, has been made Assistant General Manager, and Mr. G. D. Boulton promoted to the position of Chief Inspector. Our Chief Western Inspector, Mr. A. E. Phipps, has been given the title of Western Superintendent.

IMPERIAL BANK OF CANADA—Continued.

Referring to the report, you will notice that profits this year are reduced. This was to be expected. Strong as was the position of the Bank, when war broke out it was thought advisable to immediately further increase its holdings of actual cash in order to be ready for any possible emergency, and these cash holdings have continued large, the proportion to liabilities on April 30 being considerably higher than last year. Interest rates in Great Britain and the United States have been unusually low, so that funds held abroad in order to be readily available have earned a comparatively small return. Note circulation has shrunk with the reduction of the business of the country, which reduction has also diminished the returns for exchange and collections.

Here are some figures which will show the state of affairs for the past four months, and which it seems to me may be taken as some guide to the future.

The number of immigrants coming into Canada during the period from January 1 to April 30, 1915, was 16,145, as against 69,823 for the same period in 1914.

The building permits granted in thirty-one principal cities for the four months of 1915 are reported as amounting to \$7,622,757, as against \$27,282,971 in 1914.

The bank clearings for the four months of 1915 are reported as \$2,239,968,179, as against \$2,642,864,629 in 1914 for the same period.

The receipts of the three great railroads for the four months of 1915 are given as \$46,938,370, as against \$55,965,687 in the four months of 1914.

These conditions have prevailed in spite of the very large expenditures of the different Governments, including our own supplies and munitions for use in carrying on the war, and in spite of the increased return in dollars and cents for our 1914 crop, short as it was, compared with that of 1913. Prices had so advanced that the Government estimate of the value of the field crops of Canada in 1914 is \$638,580,300, as compared with \$552,771,500 in 1913. It is strange in this young and growing country to note that notwithstanding the immigration of 384,878 persons, the total acreage of field in crops in 1914 was 35,102,175, as compared with 35,371,430 in 1913, a reduction of about 270,000 acres.

Undoubtedly we were getting well into our period of retrenchment when the war began, and had it not broken out we would have been facing a more serious commercial condition than we are to-day.

As it is we are getting the benefit of the increased prices for grain and produce, have disposed of large numbers of horses, many of our factories that otherwise would have been idle or slack have been busily employed, and the problem of the unemployed has been at least partially solved.

Our Branch Managers have all sent in recent reports with reference to their districts. These would indicate that manufacturers other than those engaged on war orders are not busy, that wholesalers and retailers are dull but hopeful, and that generally speaking there is an increased acreage in grain, with good prospects, though in parts of the northwest there has been some damage from frost, from high winds and from lack of rain. (I am glad to be able to state that a good rainfall has taken place since). A hopeful feature of the situation is the probable near approach of the long deferred business revival in the United States; its arrival would materially help our paper, pulp and lumber interests. The realization, too, of our expected large crops at present high prices (No. 1 northern wheat in Winnipeg was on May 7 \$1.62 3-8 per bushel, compared with 92½ cents last year on same date) would give an enormous return and go a long way towards bringing about liquidation, but would not restore the prosperity which we so long enjoyed, and which it would seem to me can only come again as a slow process, when the needs of the country have grown to require the over supply of equipment of all descriptions, which has been provided through the optimism of the lender and of the borrower.

When the war ceases, and all will join fervently in the wish that it may be soon, I would think that the process of recovery would be retarded, and the effect of the taxation, which will necessarily be very heavy, will then be severely felt.

I venture to express the hope that at that time immigrants only of a very high standard will be permitted to enter this country, and that regulations will be very strictly enforced.

The war tax on note circulation now imposed is a heavy one, and in the case of this Bank, in conjunction with stamps

will probably amount in a year to nearly 1¼% of its capital. It is very difficult during such times to load this off on the borrower, so that taking all things into consideration it would appear to be proper to look forward to further reduction in banking profits.

There is a disposition to feel that the Banks are being burdened with rather more than their fair share of the load of emergency taxation, but the Government did great service in the promptness when the war opened, with which the Finance Minister took action to prevent the hoarding of gold, so perhaps we should not grumble.

Under existing conditions it has been thought prudent to take \$400,000 from Profit and Loss Account to provide for shrinkage in securities and for contingencies; this, if the contingencies do not arise and values recover with cheaper money, will help to maintain the reserves of the Bank. I hope our action may commend itself to you.

Your approval is also asked, and I am sure will readily be given, of subscriptions to the Canadian Patriotic Fund, the Red Cross Fund, and the Belgian Relief Fund, as shown in the report.

The Auditors of the Bank, whom you appointed last year, will present themselves for re-election. At one time I was opposed to outside audits for Banks. I have changed my mind. I am satisfied that, carefully conducted, as has been the audit of this Bank, they may be the cause of much satisfaction to the Staff, Board and Shareholders.

Before closing I would like to bear my personal testimony to the loyalty and zeal of the Staff of the Bank. My opinion has been formed, I may say, from observation, the perusal of correspondence and personal contact.

I beg to move the adoption of the Report, seconded by Mr. Elias Rogers, the Vice-President.

The Vice-President, Mr. Elias Rogers, then said:

I have much pleasure in seconding the adoption of the report, and also, without elaboration, in most heartily seconding what the President has said in his address, except that perhaps I am a little more optimistic than his remarks might be construed to mean.

Canada is undoubtedly a great country, young, it is true, but the progress made in the last 15 years has been most remarkable, and with almost unlimited undeveloped natural resources I am exceedingly optimistic as to its future, and especially the future of this Bank. As indicated in the President's address, there was a decrease in the amount of land under cultivation 1913-1914 of about 13%, but it should be known that there is, at the very least, 15% (principally wheat) more land under cultivation this year (1915) than in the year 1914, and since I have had an opportunity of knowing what Mr. Howland was going to say, I have ascertained that the rainfall up to a recent date in this year in Saskatoon district was 1.6 inches as compared with 1.75 in the whole of last year. In the Medicine Hat district the rainfall has been 3.2 inches this year, as against practically nothing last year. In Calgary district it has been 2.4, or at least twice as much as the whole of last year. In the Lethbridge district it has been 2 inches already this year, as against practically none last year. In South Saskatchewan there has very recently been five days of continued rainfall. These figures, together with the prospective prices mentioned by Mr. Howland, to my mind, are most encouraging as to the prospects up to the present time of this year's western grain production. In the Calgary district alone in the year 1914, 281,188 head of horses, cattle, hogs and sheep were exported, as against 83,252 head the previous year. The value of these exports last year, in round figures, was \$6,500,000. I do not have the figures for the other districts. In Ontario and eastern provinces the conditions are well known.

The customary motions were made and carried unanimously.

The scrutineers appointed at the meeting reported the following shareholders duly elected Directors for the ensuing year:—Messrs. Peleg Howland, Elias Rogers, Wm. Ramsay (of Bowland, Stow, Scotland), J. Kerr Osborne, Cawthra Mulock, Hon. Richard Turner (Quebec), Wm. Hamilton Merritt, M.D. (St. Catharines), W. J. Gage, Sir James A. M. Aikins, K.C., M.P. (Winnipeg), Hon. W. J. Hanna, M.P.P., John Northway, J. F. Michie.

At a subsequent meeting of the Directors, Mr. Peleg Howland was re-elected President and Mr. Elias Rogers, Vice-President for the ensuing year.