

# The Chronicle

Banking, Insurance and Finance

ESTABLISHED JANUARY, 1881

PUBLISHED EVERY FRIDAY

Vol. XXXX. No. 41

MONTREAL, OCTOBER 22nd, 1920

Single Copy 20c  
Annual Subscription \$3.00

## THE GENERAL FINANCIAL SITUATION

From some points of view, the most important event of the week, is the inauguration of the miners strike in Great Britain. Pending its speedy settlement, there is no doubt that this development will have very far-reaching results. It will tend seriously to retard the process of British industrial recovery, which there has been good evidence in recent months, had been got well under way; various important industries will necessarily have to shut down quickly for lack of fuel, with consequently wide-spread unemployment; export trade will be very badly hampered for the same reason, and there are possibilities that considerable hardship will be caused in both France and Italy by the falling off of essential supplies of British coal—a development which in Italy, where authority has been sitting on a volcano for some time, is quite likely to eventuate in disagreeable results. So far as Canada is concerned, results of the strike, if long continued, would be felt in lessened imports from Great Britain, and probably also a lessening of exports, except, in regard to bunker coal for which there may be a brisk demand, and further weakness in sterling exchange.

So far as can be gathered at this distance from mail and cable reports, the strike is mainly due to the spirit of absolute irresponsibility, which since the war has permeated the ranks of so-called labour all over the world. British miners are extremely well paid, and until the last year of the war, we believe, they were excluded from military service. The first strike vote, taken a month or two ago, was, it is well known, simply brought about by a lot of boys, who, earning more money than they knew what to do with, are willing to seize any opportunity to give themselves a holiday. The miners' leaders, it may be said to their credit, have steadily exerted themselves to avoid a strike since,—that they have not been successful in doing so now is largely, apparently, a result of the fact, that many of the rank and file understood so little of the matter in hand, that they did not know that

their vote meant a strike. Evidently in Great Britain, as elsewhere, triumphant democracy has still to learn its A. B. C.

A development of this kind makes an opportune time for comment upon the labour position in the Province of Quebec. We do not know how widely the fact is realized, but it is the simple truth that for a long time past and at present, the labour position in this Province is better than anywhere else in Europe or North America. This enviable position of affairs, as English-speaking residents of this Province know perfectly well, is due to the Church authority, who not only uphold an enlightened authority in these matters, but, as many employees realize, have an aptitude for negotiation and smothering over embryo difficulties, which under other circumstances might eventually result in disastrous strikes. This position of affairs has in the past few years meant much to the Province, and we believe that as the facts become more widely known, it will be an increasingly valuable asset, which with the wonderful water power and transportation facilities that the Province possesses, will guarantee the steady and even rapid progress of Quebec as an industrial centre, through the establishment of new industries here.

Locally, public interest has continued to be centered upon the sugar situation, with its sequel of shut down refineries and a slump in the stock of the only sugar company quoted on the local Stock Exchanges. Presumably, the decision of the Government in regard to this matter will be made before these lines appear in print, and useful comment in regard to the question is therefore not feasible. It may, however, be pointed out that the case of the sugar refineries is a very forceful illustration of the difficulties surrounding the question of Government regulation of prices and trade movements.

With regard to the matter of wheat control, referred to in this column last week, there has been no new developments at the time of writing. Attention may, however, be called to what is going

# BANK OF MONTREAL

Established Over 100 Years

CAPITAL PAID UP, \$22,000,000      REST, \$22,000,000      UNDIVIDED PROFITS, \$1,000,440  
 TOTAL ASSETS      \$571,150,138

## BOARD OF DIRECTORS:

SIR VINCENT MERRIDITH, Bart., *President.*

R. B. Angus, Esq.  
 Lord Shaughnessy, K.C.V.O.  
 C. R. Hosmer, Esq.  
 H. R. Drummond, Esq.  
 D. Forbes Angus, Esq.  
 Wm. McMaster, Esq.

SIR CHARLES GORDON, G.B.E., *Vice-President.*

Lieut.-Col. Molson, C.M.G., M.C.  
 Harold Kennedy, Esq.  
 H. W. Beauclerk, Esq.  
 G. B. Fraser, Esq.  
 Colonel Henry Cockshutt  
 J. H. Ashdown, Esq.  
 E. W. Beatty, Esq. K.C.

**HEAD OFFICE: MONTREAL**  
**Sir Frederick Williams Taylor, General Manager.**

BRANCHES OF THE BANK LOCATED IN ALL IMPORTANT CITIES AND TOWNS IN THE DOMINION.  
 Savings Department connected with each Canadian Branch and interest allowed at current rates.  
 Collections at all points throughout the world undertaken at favorable 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.

### PRINCIPAL BRANCHES OUTSIDE OF CANADA:

LONDON, Eng.: 47 Threadneedle St., E.C.  
 G. C. CASSELLS, Manager.

Sub-Agency: 9 Waterloo Place  
 Pall Mall, S.W.

PARIS, FRANCE—Bank of Montreal—(France 17 Place Vendome,  
 NEWFOUNDLAND: St. John's, Carbonear, Curling, Ferryland, Gaultois, Grand Falls,  
 Greenspond, and St. George's.

WEST INDIES, British Guiana and West Africa.—The Colonial Bank (in which an interest is owned by the Bank of Montreal.)

In the United States.—  
 NEW YORK. CHICAGO. SPOKANE.  
 SAN FRANCISCO—British American Bank  
 (owned and controlled by Bank of Montreal)  
 and at MEXICO CITY

## The West Indies and Mexico

Trade between Canada and the countries to the south of us is rapidly increasing. With branches in the United States and Mexico, and a close working arrangement with our Correspondents who have branches throughout the West Indies, this Bank is able to place at the disposal of its customers a very complete service.

## The Canadian Bank of Commerce

Capital Paid Up \$15,000,000 Reserve Fund \$15,000,000

Incorporated 1855  
 CAPITAL AND RESERVE \$9,000,000  
 Over 130 Branches

# THE MOLSONS BANK

## BUSINESS EFFICIENCY

Business men look for a quick, efficient and reliable service. The Molsons Bank will satisfy the requirements of the most exacting.

ENGLAND—London County Westminster and Parrs Bank Limited.

IRELAND—Munster and Leinster Bank Limited.

FRANCE—Société Générale.

BELGIUM—La Banque d'Anvers.

HEAD OFFICE: - MONTREAL

EDWARD C. PRATT, General Manager

# The Chronicle

## Banking, Insurance and Finance

Established 1881. Published Every Friday  
F. WILSON-SMITH, Proprietor and Managing Editor

OFFICE:

406-408 Lake of the Woods Building,  
10 St. John Street, Montreal.

Annual Subscription \$3.00 Single Copy, 20 cents.

**MONTREAL, FRIDAY, OCTOBER 22nd, 1920**

(Continued from front Page)

on among the farming community in the United States, where the National Wheat Growers Association, with a membership of over 70,000, has ordered its members to stop selling wheat on October 25th, until the price reaches \$3 per bushel. It appears that for several weeks, threats of withholding from the market have been common, mills have been closed because of the lack of grain and shipments have been lessened. The effect of the order, it is believed, will be to decrease even the present light receipts; but if within the next sixty days there is no material change in the market, it is possible that many will lose faith. According to competent observers, the result in the United States is not so much against the wheat price as its relation to other commodities. The high prices of coal and other necessities make the farmers feel the inequality, and they resent being the first to have their prices cut. Should there come a material reduction in the cost of living, it is said, much of the sentiment for forcing higher prices would vanish.

Presumably what is described as being in the minds of American farmers is also, to some extent, what is in the minds of farmers in Western Canada. They complain that for a crop in the preparation and harvesting of which they paid maximum prices, they are getting less than the maximum price. It may be pointed out, however, that in this respect the farmers are merely in the same position as a good many other folk, the shoe manufacturers, clothing manufacturers and others, who made up stock at the maximum level of wages and materials and now have to realize at a loss. Frankly, we do not see how this kind of thing is to be avoided in a period of adjustment of prices to lower levels.

So far as retail trade is concerned, there has been an obvious tendency during the past week to keep things going by "sales" of one kind and another, even the higher grade large stores adopting this course to a considerable extent. Doubtless many store-keepers, under present circumstances,

are doing their best to hold on until the Christmas trade develops with its chance of getting rid of stock at higher figures than would be otherwise possible. When this trade is over, it is quite possible that in many lines, there will be a very heavy pressure of liquidation under the guise of "after-season" sales.

It should also be borne in mind, however, that what usually follows such a panicky decline in the commodity markets as has taken place during the last month or so, is an irregular recovery, and then a fairly long pause in the movement of the markets, while buyers as well as sellers are getting accustomed to the non-level of values, and making their plans accordingly. One thing is obvious, however, that until liquidation has taken place in Canada, whether of wheat or other commodities, tight money and a high rate of interest will continue here. It seems fair to anticipate that, say, by the middle of January a considerable volume of liquidation will have taken place or be in process. Whether, however, by that time liquidation will have been sufficient to make funds sufficiently plentiful to permit of Stock Exchange speculation on a fair scale, remains to be seen.

Completion of the repayment of the Anglo-French loan in New York at the end of last week means that something over \$850,000,000 war loans maturing in America, has now been paid off in cash by France and Great Britain. Yet there were well known New York financiers who at the time of the flotation of the Anglo-French loan in October, 1915, insisted that the loan could never be repaid, since with six months more of war, both countries would be bankrupt. Which goes to show that even eminent financiers may occasionally be somewhat astray in their opinions.

The actual outstanding balance of the loan repaid was in the neighbourhood of \$200,000,000, the balance of the \$500,000,000 originally issued having been cared for by purchases and conversions.

It is interesting to note that some New York bankers consider that the loan should have been renewed, instead of having been repaid, partly on the ground of the good effect which such a renewal would have had on sterling exchange, and partly because of the United States own interest. Considering, however, that France had to pay nearly  $9\frac{1}{2}$  per cent. on the \$100,000,000 which she raised to refund part of her share of the loan, it can hardly be considered surprising that the cause of repayment was adopted.

In the case of Great Britain, the decision to repay, was taken last March, and subsequent events have certainly justified it.

# THE OGILVIE FLOUR MILLS COMPANY

## LIMITED

### Balance Statement. 31st August. 1920

#### ASSETS

Cash .....	\$1,508,505.41
Accounts and Bills Receivable, after making provision for bad and doubtful debts. ....	1,345,268.95
Stocks on hand of Wheat, Flour, Oatmeal, Coarse Grains, Bags and Barrels. ....	435,101.23
Dominion of Canada War Loans and other investments. ....	6,552,978.26
<b>TOTAL ACTIVE ASSETS. ....</b>	<b>9,841,853.88</b>
Investment for Pension Fund. ....	430,049.52
Real Estate, Water Powers and Mill Plants in Montreal, Fort William, Winnipeg and Medicine Hat; Elevators in Manitoba, Saskatchewan and Alberta; Property in St. John, N.B. and Ottawa; Stable Plant and Office Equipment. ....	5,798,891.70
Goodwill, Trade Marks, Patent Rights, etc. ....	1.00

**\$16,070,796.10**

#### LIABILITIES

Accounts Payable (including provision for Dominion Government Taxes to date) .....	\$1,877,990.79
Provision for Bond Interest and Dividends to date. ....	395,250.00
<b>TOTAL CURRENT LIABILITIES .....</b>	<b>2,273,240.79</b>
Officers' Pension Fund. ....	433,972.77
First Mortgage Bonds .....	2,350,000.00
Capital Stock—Preferred .....	2,000,000.00
do Common .....	2,500,000.00
Reserve Account. ....	2,500,000.00
Contingent Account. ....	2,500,000.00
	<b>9,500,000.00</b>

#### PROFIT AND LOSS ACCOUNT

Amount at credit 31st Aug., 1919 .....	\$1,244,516.64
Profits for the year from all sources, including investment income; and after payment of Bond Interest. ....	\$959,065.90
LESS—Dividends .....	690,000.00
	<b>\$269,065.90</b>
Approved on behalf of the Board,	1,513,582.54
C. R. HOSMER,	
H. S. HOLT,	<b><u>\$16,070,796.10</u></b>
Directors.	

To the Shareholders:

We have audited the books of The Ogilvie Flour Mills Company, Limited, at Montreal, Fort William, Winnipeg and Medicine Hat, for the year ending 31st August, 1920, and have obtained all the information and explanations we have required; and we certify that, in our opinion, the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us as shown by the books of the company.

CREAK, CUSHING & HODGSON,  
Chartered Accountants.



## THE OGILVIE FLOUR MILLS COMPANY

The annual statement for the year ended August 31st last of the Ogilvie Flour Mills Company, published on another page, discloses a substantial decline in net revenue as compared with the preceding year.

Profits from all sources for the year under review totalled \$959,065 (including investment income and after payment of bond interest) indicating a decline of \$664,451 as compared with the previous year.

After all deductions and with the addition of the balance standing at the credit of profit and loss account at the end of the year previously, the company carried over into the current year's accounts a surplus of \$1,513,582, no addition having been made to contingent account, as in the previous statement, this standing at the substantial amount of \$2,500,000. The balance sheets of the three years are compared in the following statement:

	1920	1919	1918
Net profit . . . . .	\$959,065	\$1,632,516	\$1,955,414
Pfd. divs. . . . .	140,000	140,000	140,000
Balance . . . . .	\$819,065	\$1,492,516	\$1,815,414
Com. divs. . . . .	550,000	675,000	675,000
Balance . . . . .	\$269,065	\$817,516	\$1,140,414
Prev. bal. . . . .	1,244,516	1,330,592	190,177
Surplus . . . . .	1,513,582	\$2,148,108	\$1,330,592
Contig. acc. . . . .		903,592	
P. & L. bal. . . . .	\$1,513,582	\$1,244,516	\$1,330,592

The balance sheet division of the statement submitted to the shareholders indicates that the untoward conditions under which the company was operated during the twelve months resulted in no impairment of its position as to working capital, the showing in this respect being slightly better than that presented last year, as will be seen in the following comparative figures:

	1920	1919	1918
Assets . . . . .	\$9,841,853	\$10,345,043	\$10,618,364
Liabilities . . . . .	2,273,240	2,966,036	3,953,865
Work. cap. . . . .	\$7,568,613	\$7,379,066	\$6,664,499

This moderately better showing was made possible largely through the reduction of nearly \$600,000 in accounts and bills payable in the year, reflecting, probably, the conditions prevailing in the milling industry during the period. Further

indication of these is seen in the inventory account, which was reduced by some \$200,000 to the unusually low figure of \$435,101, compared with \$1,462,916 at the end of the 1918 fiscal period. Cash on hand, while in excess of \$700,000 under that of a year ago, is shown in the statement under review at over 1½ millions, or almost half a million over 1918. Bills and accounts receivable, also, reflect the diminished business of the milling enterprise under the restrictions imposed upon it, standing at \$1,345,268, against \$1,700,081 last year and \$1,501,826 in the previous statement.

With investments playing so important a part in the earnings of the company, the total shown in the statement is particularly interesting. These total \$6,552,978, an increase of nearly \$800,000, and well up to the record figure of 1918. The contingent and rest accounts carried in the statement remain unchanged, each totalling \$2,500,000, thereby exceeding preferred and common stock issues outstanding.

A comparison of the position occupied at the end of the three last years is given in the following:

ASSETS.			
	1920	1919	1918
Cash . . . . .	\$1,508,505	\$2,226,123	\$1,078,472
Bills rec. . . . .	1,345,268	1,700,081	1,501,826
Inventories . . . . .	435,101	638,269	1,462,916
Investments . . . . .	6,552,978	5,780,568	6,575,149
Pension Fund . . . . .	430,049	253,501	173,252
Plants, etc. . . . .	5,798,891	5,812,695	7,692,892
Goodwill etc. . . . .	1	1	1
Totals . . . . .	\$16,070,796	\$16,411,240	\$16,484,510

Discussing the results of the year's operations in a brief address to the shareholders, W. A. Black, vice-president and managing director of the company, stated that the milling business during the period covered by the statement had been far from satisfactory. The control of wheat and its products had been vested in the Wheat Board and during a considerable portion of the year the prices fixed by that body had resulted in a positive loss to the mills. Fortunately, he stated, the interests of the Ogilvie company were not confined to flour mills alone and satisfactory profits in other branches of the enterprise's activities had been made.

Mr. Black stated that while wheat control had ceased in Canada it was still in force in the Old Country, but he expressed the hope that with the advent of spring the restrictions will cease there also and permit of the resumption of normal conditions between the millers and their over-sea customers.



## THE LIVERPOOL AND LONDON AND GLOBE INSURANCE COMPANY, LIMITED CANADIAN BRANCH HEAD OFFICE - MONTREAL

**DIRECTORS:**  
 James Carruthers, Esq. Sir Alexandre Lacoste  
 M. Chevalier, Esq. Sir Frederick Williams-Taylor, LL.D.  
 William Molson Macpherson, Esq.  
 J. Gardner Thompson, Manager. Lewis Laing, Assistant Manager  
 J. D. Simpson, Deputy Assistant Manager



## THE LIVERPOOL-MANITOBA ASSURANCE COMPANY

Liability Guaranteed by THE LIVERPOOL & LONDON & GLOBE Insurance Company Limited  
 Head Office: Cor. Dorchester St. West and Union Ave., MONTREAL

**DIRECTORS:**  
 J. Gardner Thompson, President & Managing Director. Lewis Laing, Vice-President & Secretary  
 Jas. Carruthers, Esq. M. Chevalier, Esq. Sir Alexandre Lacoste A. G. Dent, Esq.  
 John Emo, Esq. W. Molson Macpherson, Esq.  
 Sir Frederick Williams-Taylor, LL.D.

FIRE INSURANCE

J. D. Simpson, Assistant Secretary.



## The Globe Indemnity Company of Canada

Liability Guaranteed by THE LIVERPOOL & LONDON & GLOBE Insurance Company Limited  
 Head Office: 343 Dorchester Street W., MONTREAL

CASUALTY Insurance including Accident, Sickness, Guarantee, Burglary  
 Employers' Liability and Automobile

== FIRE INSURANCE ==

John Emo, Secretary and General Manager  
 Lewis Laing, Fire Manager  
 J.D. Simpson, Assistant Fire Manager

**DIRECTORS**  
 J. Gardner Thompson, President, Lewis Laing, Vice-President,  
 Jas. Carruthers, M. Chevalier, Wm. Molson Macpherson, A. G. Dent, J. D. Simpson,  
 Sir Frederick Williams-Taylor, LL.D. Sir Alexandre Lacoste.

# INSURANCE COMPANY OF NORTH AMERICA

CAPITAL - - - \$5,000,000

ASSETS IN EXCESS OF \$36,000,000

Issues specially desirable forms of Use and Occupancy, Rental and Leasehold Insurance  
 Agents in all the principal Cities of Canada and the United States

**ROBERT HAMPSON & SON, LIMITED**

General Agents for Canada - - - 1 ST. JOHN STREET, MONTREAL

## THE BRITISH GENERAL INSURANCE CO. LIMITED OF LONDON, ENGLAND

FIRE INSURANCE

Head Office for Canada : Lewis Building, Montreal

THOMAS F. DOBBIN, Manager for Canada

EDMUND FOSTER, Assistant Manager

## JOHNSON - JENNINGS, INC. AGENTS - INSURANCE - BROKERS

AETNA INSURANCE CO. OF HARTFORD  
 ST. PAUL FIRE & MARINE INSURANCE CO  
 BRITISH TRADERS INSURANCE CO., LIMITED

11 ST. SACRAMENT STREET  
 MONTREAL, P.Q.

## Bank of Montreal Declares Bonus

Concurrently with the announcement of the regular quarterly dividend of 3 per cent., it was stated at the Bank of Montreal yesterday that the directors of the institution had decided to distribute a bonus of 2 per cent. among the shareholders. The payment and record dates were not given when the statement was made.

The bonus, it is understood, is for the current year only and is not intended to be regarded as a fixture in the bank's policy. For some years prior to 1918, a similar distribution was made, but later the distribution was added to the then 10 per cent. dividend rate, bringing the latter up to 12 per cent., on which basis the shares of the institution have been for several years past.

## THE COST OF FIRE INSURANCE

We were edified the other day by the perusal of an article under this heading, published with editorially approving comments in a Toronto contemporary, which takes the pose of Editorial authority as to the manner born. The article was signed "Layman," and very aptly so, since it consisted largely of the amateurish theory which "Laymen" usually write about technical subjects with which they have necessarily only an imperfect acquaintance. It also contained a really excellent specimen of a Sunday School story about a community of farmers down in New Brunswick—canny Presbyterians no doubt—who, on the authority of the oldest inhabitant, had not had a fire for eighty years. We always have had sinful difficulties with Sunday School stories. Then we learned with interest from "Layman" that "My grandfathers, my father, myself or anyone of my grandfathers numerous tribe, so far as I have been able to learn, never lost a building by fire," although Layman has carried fire insurance for fifty years past. That constitutes an obvious case for a presentation of a resolution of thanks engrossed on vellum by a grateful Canadian Fire Underwriters Association. Finally we came across this brilliant and entirely new and original idea:—"The payment of agents and solicitors by commission on the business secured ought to be abolished"—and then there was nothing else.

The burden of "Layman's" complaints, as we gather it, is that honest folk are to some extent paying in their fire insurance premiums, for the losses which dishonest folk may be able to put over the fire insurance companies. Alas! brother it is only too true to some extent, although we would add, that in our experience (not personal experience of course, because we've never tried it), we have not found fire insurance companies always such easy marks, as you appear to think they are. We have

even heard of unhappy individuals, whose morals were not quite up to the strict Methodist standard of yours and ours, coldly refused recompense for a job that had been quite neatly done. And then, brother, may we enquire, do you ask for a special discount on your municipal taxes, because you have never had a burglary, and your office boy has never purloined stamps, and the only acquaintance you have with the police is their annual visit collecting for their Benevolent Fund. Because, brother, if you are entitled to some recompense for always seeing that the match is out before you throw it away, so you are entitled to recompense for bolting the windows every night, and marking the office stamps, so that the office boy never has a chance of increasing expenses of the Juvenile Court.

We do not know whether you realize it, brother, but it is a sad fact that honest, careful and competent people are always paying for the dishonesty, carelessness and incompetence of others. In war they pay very often with their lives; in peace, merely with their purse. Even when you do such an ordinary thing as make a purchase at a departmental store, you are in fact paying in the price which you so promptly hand over, although you may not realize it, something to recompense the storekeeper for his losses from dishonest or careless folks, who don't settle their accounts at all, or let the storekeeper wait a year or two for his money. And quite frankly, dear brother, we do not see how you are to avoid this kind of thing in every relation of life, unless you emigrate to some other sphere, where the wheat and the tares do not grow together. Pending this emigration, we would remind you that virtue is its own reward. Surely, brother, the proud consciousness that you have never had a fire in fifty years, is more to you than filthy lucre. If it isn't we are sadly disappointed in you.

"Layman" winds up by confessing his own inability to do justice to the subject. We agree.

## Conference of North American Managers of the Royal, Queen and Newark

The annual conference of the North American managers of the Royal, Queen and Newark Insurance Companies, was held on the 11th instant and two succeeding days, at the Aspinwall Hotel, Lenox, Mass. Mr. George Chappell, General Manager of the Royal, who has been on this side of the water for some time, attended the Conference accompanied by Mr. Walter Carter, General Attorney at New York, and Mr. J. H. Labelle, Canadian Manager. There were altogether present, some 18 managers of the Royal, Queen and Newark. The Conference is held annually in connection with the extensive interests of the Royal in North America.

**IMPORTANT FIRE INSURANCE DECISION****Privy Council Decides in Favour of Fire Companies**

The Judicial Committee of the Privy Council, London, England rendered judgment on the 19th instant, in favour of the Insurance Companies, in two very important insurance cases, which had previously been tried by the Courts in Montreal, in which Curtis and Harvey, Limited, Canada were plaintiffs and appellants, and the North British & Mercantile Insurance Co., Limited and the Guardian Assurance Co. Limited were defendants and respondents.

*History of the Case.*

It will be remembered that on August 18, 1917, a series of explosions and fires took place at Dragon in the Curtis & Harvey plant, which completely demolished the entire establishment, involving a loss of considerably over one million dollars.

As a result of the destruction of its establishment Curtis & Harvey (Canada), Limited, went into voluntary liquidation, and the liquidator, J. L. Apedaile, was appointed to wind-up its affairs. The liquidator claimed from the twenty-eight insuring companies the sum of \$622,000, being the amount of the insurance obliged to contribute to the loss, as established by Messrs. Cheese and Debbage, insurance adjusters appointed to represent the insuring companies. The companies resisted the claim on the ground that the policies contained a provision "warranted free of claim for loss caused by explosion of any of the materials used on the premises."

Actions were instituted against the companies and proceedings as regards twenty-six companies were stayed pending adjudication in the cases of the North British and Mercantile Insurance Company and the Guardian Assurance Company, these two companies having policies with wordings and conditions typical of the policies of all the other companies.

The actions were tried before Mr. Justice MacLennan in the Superior Court in December, 1918, and the facts revealed in the evidence showed that a fire began in what is known as a nitratator in which was contained Trinitro-toluol, commonly known as T.N.T. The fire burned with increasing fury in the nitratator, extended to the building, and after a lapse of between five and ten minutes there was a terrific explosion. This explosion was followed by other explosions, the breaking out of fires over the entire plant, which were in turn followed by other explosions and other fires.

It was also established by the companies that the wording or body of the policy containing the clause exempting insurers from explosion risk had

been prepared and submitted to the company, accepted by them, and the premium based upon this condition. Printed on the back of the policies were the statutory conditions of the Quebec Insurance Act, among which is Condition 11, which reads as follows:

"The company shall make good, loss caused by the explosion of gas in a building not forming part of the gas works, and all other loss caused by any explosion causing a fire and all loss caused by lightning even if it does not set fire."

The policy of the Guardian Assurance Company did not contain any variation of this statutory condition, but that of the North British and Mercantile Company contained a variation to the effect that the company would not be obliged to pay loss caused by an explosion unless fire ensued and then be liable for the fire loss only.

*Plea of Defence Rejected.*

At the trial the companies moved to amend their defences, alleging that they had no right, power or authority to do explosion business in Canada, and that, moreover, they did not undertake any contract of explosion insurance, no premium for explosion risk was asked or paid, and no such risk was contemplated.

The lower court dismissed the application of the companies and refused the amendment.

The companies also tendered evidence in support of the amendment to the effect that they had no right to enter into a contract of explosion insurance, had not asked or received any premium for the same and had, in fact, not entered into such contract. This evidence was also ruled out by the presiding judge.

The answer of Curtis & Harvey (Canada), Limited, to the defence of the insuring companies was that, notwithstanding the fact that in the body of the policy it was provided that no claim should be made for loss caused by an explosion, yet by Statutory Condition 11 the law imposed an obligation to pay loss caused by an explosion when fire ensues.

As regards the variation in the North British and Mercantile policy the plaintiff said that this variation was not in conspicuous type, did not conform to the Quebec Insurance Act, and was not a just and reasonable requirement on the part of the company.

*Judgment of Lower Court.*

Justice MacLennan, in his judgment, maintained the claim of the plaintiff for the full amount of the loss resulting from both fire and explosion. He found that under Statutory Condition 11 both companies were liable, notwithstanding the agreement between the insured and the insurer from explosion risk, and, as regards the North British



and Mercantile Company's variation, that it was not in conspicuous type, was not in conformity with the Quebec Insurance Act, and was not a just and reasonable requirement on the part of the insuring companies, and, therefore, without effect.

*First Judgment Reversed.*

The unanimous judgment of the Court of Appeal, as rendered by Mr. Justice Pelletier, finds that there was error in the judgment of first instance maintaining the action of the plaintiff and condemning the defending insurance companies to pay the amounts claimed. It was also held that there was error in the interlocutory judgment on an inscription-in-law, which refused the companies' motion, asking leave to amend their defence.

The question to be determined, Mr. Justice Pelletier said, was clearly as to whether the Quebec Statutory Conditions could be held to override or interfere with the freedom of contract as between insured and insurer. In the case of the North British and Mercantile Company the Court found that the variation of Statutory Condition 11 was made strictly in conformity with the Statute and was most just and reasonable; it was further held that it was unnecessary to have particular reference to either the Statutory Conditions or the variations because these had no application to a policy which contained the clear and unequivocal contract of the parties.

Curtis & Harvey Company, the Court said, had asked for insurance against fire and had undertaken that they would not claim for loss caused by explosion. The Statutory Conditions were intended only to prevent insuring companies from imposing conditions which had not been assented to by the assured, but once an assured had made his own conditions, he could not be taken by surprise and was bound by the contract which he asked the insuring company to enter into.

*Only Liable for Fire Loss.*

"The insurance companies should be condemned to pay such damages as were caused by fire," the judgment concludes, "but not the damages resulting from explosion. The parties have committed a common error in submitting that the actions should be maintained or dismissed in toto, and consequently the proof made does not sufficiently distinguish between the damages which were caused by fire and those resulting from explosions. Considering that it is impossible to render judgment without this proof being made, the judgment of February 13, 1919, is reversed, as well as the interlocutory judgments of April 26 and December 2, 1918. *Preuve avant faire droit* is ordered on the inscription-in-law, and the motion for permission to amend the defence is accorded without

costs (with right reserved to respondent to reply to the amended plea); and it is further ordered that the records shall be sent back to the Superior Court for completion of the proof. Costs in the Superior Court are reserved, but respondent is condemned to pay the costs of the appeal."

Chief Justice Lamothe, and Justices Lavergne and Carroll concurred in the finding pronounced by Justice Pelletier.

This was one of the last cases in which the late Mr. Justice Cross sat. Before his death, however, his Lordship prepared notes which concur in the Court's finding, and so make the judgment unanimous.

*Privy Council Appealed To.*

From these judgments Curtis & Harvey (Canada) Limited, appealed to the Judicial Committee of the Privy Council, and these appeals were heard in London during the week of July 9, 1920, arguments of Council occupying practically the entire week.

The judgments just rendered have the effect of confirming the judgments of the Court of Appeal at Montreal, and fixing the liability of the Insurance Companies for fire only and relieving them from any loss or damage resulting from explosion.

The case for Curtis & Harvey (Canada) Limited was argued before the Judicial Committee by Sir John A. Simon, K.C., M.P., the late Col. Peers Davidson, K.C., (of the Canadian Bar).

The case for the Insurance Companies by R. A. Wright, K.C., and J. A. Mann, K.C., (of the Canadian Bar).

The Canadian attorneys representing Curtis & Harvey (Canada) Limited, were Davidson, Wainwright, Alexander & Elder; the Guardian Assurance Company Limited, Atwater, Surveyor & Bond and the other insurance companies by Foster, Mann, Place & Company.

**TRAFFIC RETURNS**  
**Canadian Pacific Railway**

Year to date	1918	1919	1920	Increase
Sept. 30 ..	\$108,138,000	\$121,186,000	\$114,203,000	\$23,017,000
Week ending	1918	1919	1920	Increase
Oct. 7 .. ..	\$3,458,000	\$3,965,000	\$5,356,000	\$1,391,000
Oct. 14 .. ..	3,534,000	4,029,000	5,689,000	1,990,000

**Grand Trunk Railway**

Year to date	1918	1919	1920	Increase
August 31 ..	\$34,408,555	\$30,384,474	\$38,814,039	\$8,429,565
Week ending	1918	1919	1920	Increase
Sept. 7 .. ..	\$1,346,596	\$1,949,914	\$2,473,270	\$523,356
Sept. 14 .. ..	1,415,000	2,178,855	2,680,720	501,865
Sept. 21 .. ..	1,456,812	2,163,619	2,483,460	330,841

**Canadian National Railways**

Year to date	1918	1919	1920	Increase
Sept. 30 .. .	\$36,492,833	\$66,642,628	\$71,207,168	\$75,646,540
Week ending	1918	1919	1920	Increase
Oct. 7 .. . .	\$1,789,180	\$2,140,414	\$2,637,913	\$517,499
Oct. 14 .. . .	1,745,665	2,012,883	2,901,892	888,919

# Prudential Trust Company

LIMITED

Trustee for Bondholders	Safety Deposit
Transfer Agent & Registrar	Vaults
Administrator	Receiver
Head Office	Executor
9 St. John St.,	Liquidator
Montreal	Guardian
	Assignee
	Trustee
	Custodian
	Real Estate and Insurance
	Department
	Insurance of every kind placed
	at lowest possible rates

Terms Ex-ceptionally moderate. Correspondence invited.

B. HAL. BROWN, President and Gen. Manage

# The Standard Life Assurance Co.

Established 1825 Incorporated 1910  
 Accumulated Funds - - \$68,000,000  
 Over \$10,000 paid daily in claims.

# 1870 - Our Golden Jubilee - 1920

One Hundred Per Cent. Increase in Five Years

The Mutual Life of Canada is celebrating its jubilee year by "Rounding" the two hundred million dollar mark, having doubled the amount of assurances in force since the year 1915. This 100% increase in five years is without doubt due to the unswerving record for fair, liberal and equitable dealing with its policyholders, and in the second place to the increasing popularity of the mutual principle in life insurance. The Mutual is becoming generally recognized as the most economical, the most democratic and the most equitable system of life insurance. The greatest and most powerful life insurance organizations in the world are mutual, and the Mutual of Canada organized on that basis is meeting with a similar success. The assets of the Mutual are a source of satisfaction, amounting at present to approximately \$40,000,000 guaranteeing every contract and providing a substantial surplus.

— BE A MUTUALIST —

## THE MUTUAL LIFE ASSURANCE CO. OF CANADA

WATERLOO, - - ONTARIO

# The Travellers Life Assurance

Company of Canada

HEAD OFFICE: MONTREAL

Hon. GEO. P. GRANHAM, President

TO AGENTS.—Write to the Home Office for particulars of direct renewal contract. Valuable territory available in Quebec and Eastern Ontario.

First British Insurance Company Established in Canada

A.D. 1804

# Phoenix Assurance Co. Limited

OF LONDON, ENGLAND (Founded 1782)

FIRE LIFE MARINE

TOTAL RESOURCES, over . . . . . \$25,000,000.00  
 CLAIMS PAID EXCEED. . . . . \$50,000,000.00  
 DEPOSITS with Federal Government and Investments in Canada, for security of Canadian policyholders only, exceed . 2,000,000.00

AGENTS WANTED IN BOTH BRANCHES. Apply to

R. MacD. PATERSON } Joint Managers  
 J. B. PATERSON }

100 Francois Xavier Street - MONTREAL

# WESTERN

Assurance Company

Incorporated in 1851

HEAD OFFICE, - TORONTO, Ont.

FIRE, MARINE, AUTOMOBILE, EXPLOSION,  
 RIOTS, CIVIL COMMOTIONS AND STRIKES

ASEETS - over - \$8,000,000.00

Losses paid since organization  
 of Company . . over \$77,000,000.00

DIRECTORS:

W. B. MEIKLE, President

Sir John Aird	John Hoskin, K.C., LL.D.
Robt. Bickerdike, Montreal	Miller Lash
Lt.-Col. Henry Brock	Geo. A. Morrow,
Alfred Cooper, London, Eng.	Lt.-Col. the Hon.
H. C. Cox	Frederic Nicholls
John H. Fulton, New York	Brig.-Gen. Sir Henry
D. B. Hanna	Pellatt, C.V.O.
E. Hay	E. R. Weed

W. B. MEIKLE, C. S. WAINWRIGHT,  
 Pres. and Gen. Man. Secretary

A. R. PRINGLE, Canadian Fire Manager

ROBERT BICKERDIKE & SON  
 Branch Managers for Province of Quebec  
 MONTREAL

## A BRITISH COMPANY

# Union Insurance Society of Canton, Limited

ESTABLISHED 1833

Head Office: HONGKONG

Assets over \$24,000,000

A combination of AGE, MAGNITUDE and EXPERIENCE

**FIRE, MARINE AND AUTOMOBILE**

Head Office for Canada, 36 Toronto Street, TORONTO

General Agent Montreal, JOSEPH ROWAT

Manager for Canada, C. R. DRAYTON

## THE MOTOR UNION INSURANCE COMPANY, LTD.

In directing attention to the summary of the results of the Motor Union for 1919 advertised on another page of this issue, it may be worth commenting on the point that the chief reference to this Company's operations in our issue of the 6th August did not deal as fully with the case as might have been desired. Our previous notes dealt merely with the temporary adverse conditions in the Automobile Department, which was found by all the Companies transacting this class of business in England to have proved profitless during the abnormal conditions of the post-war period.

Taking its business as a whole, the working results of the Motor Union for 1919 were eminently satisfactory. All departments showed a gratifying increase in premium income with the exception of the Marine Department, which of course experienced the cessation of the substantial War Risks premiums. Even with this falling off, it may be noted in passing that the Marine Department was able to show a profit of over £53,000. The total premium income in all departments amounted to £1,540,121 while the revenue from interests, etc., provided an additional £93,365. The balance remaining at credit of the Profit and Loss Account was £152,627, and the total assets recorded at the end of 1919 were £2,454,936. This last mentioned sum has since been further increased by the issue of the balance of the Ordinary Share capital, viz: 100,000 shares of £1 each, issued at a premium of £5 per share, so that the Capital security was increased by £100,000 and the General Reserve by no less than £500,000. The actual financial strength is consequently even better than the excellent showing recorded in the Company's published statement.

While the Motor Union, has so far confined its operations in Canada to Automobile (including fire risk) insurance; the Company transacts practically every form of insurance in Great Britain, Mr. Frederick Williams, Canadian Manager has built up a strong organization during the past year, and the Company is now well known in Canada.

## THE SUGAR CRISIS

The economic condition in Cuba in so far as produced by the sugar situation is more than regrettable and represents a state of things which had already been noted in such items as hemp, rubber, silk and leather. During the war there was a marking up of all these articles partly as a result of unrestrained and extravagant purchasing and partly on the strength of an alleged scarcity. The

result was excessive speculation and an apparently confirmed belief in continued high prices, which was reflected in the statement, for instance, of some food men that the Government ought to have gone on buying and controlling the Cuban crop for at least another year.

This neglected the fact that it was Government control and interference that was the cause of the abnormal conditions and that what was needed was the withdrawal of this sort of "stabilization." A painful period of readjustment must have been expected to follow the change, and it is, in fact, now here. Not only in Cuba but in other sugar growing countries, such as the East Indies, Hawaii and the Philippines, where there has been artificial advance of prices and overinvestment, the reaction will be severe, and those who have become involved in sugar lands, stocks or supplies must now bear the brunt of the reductions of value, since the consumer will no longer allow himself to be the scapegoat. That there will be serious banking problems, as is usually the case in all regions whose industry is based on a single crop or line of business, is scarcely to be doubted.

There is a retributive justice in the sugar situation as it now exists. Ruthless profiteering was practiced by growers and distributors in many parts of the world in the effort to extract the last penny of profit. The Government afforded a remote remedy by its price fixing plan, but the community was glad to see the system ended because of its inefficiency and lack of sincerity, and as soon as it was done away with profiteering broke out in unrestrained ways. Some of the hardship which was inflicted on the consumer may now have to be borne in his turn by the planter or broker, and the question may well be raised whether in the long run there is ever any gain even to the trade from a general debauch of speculation and high prices in any commodity.

—*New York Journal of Commerce.*

## Sun Life of Canada Joins Life Presidents Association

The Association of Life Insurance Presidents has unanimously elected the Sun Life Assurance Company of Canada, of Montreal, to membership in the association, bringing the total of members up to forty-five companies. Of these thirty-seven are domiciled in the United States and eight in Canada.

The Sun Life was organized in 1865 and commenced business in May, 1871. Its president and managing director is T. B. Macaulay. Its admitted assets as of December 31, 1919, were \$105,711,468 and its insurance in force on that date amounted to \$415,873,787.



# Commercial Union Assurance Company Limited

of London, England

as at 31st Dec., 1919.

Capital Fully Subscribed. . . . .	\$14,750,000	Total Annual Income exceeds. . . . .	\$75,000,000
Capital Paid Up. . . . .	7,375,000	Life Fund, Etc. . . . .	99,147,565
Deposit with Dominion Gov't. . . . .	1,416,333	Total Funds exceed. . . . .	209,000,000

# Palatine Insurance Company Limited

of London, England

as at 31st Dec., 1919.

Capital Fully Paid . . . . .	\$1,000,000	Total Income . . . . .	\$4,145,585
Fire Premiums 1919. . . . .	3,957,650	Funds. . . . .	6,826,795
Interest Net . . . . .	187,935	Deposit with Dominion Gov't. . . . .	365,567

N.B.--In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Funds exceed \$209,000,000.

**Applications for Agencies Solicited in Unrepresented Districts**

Head Office: CANADIAN BRANCH

**COMMERCIAL UNION BUILDING, 232-236 ST. JAMES STREET, MONTREAL**

W. S. JOPLING, Manager

# THE CANADA

## ACCIDENT & FIRE ASSURANCE COMPANY

Head Office, - - - MONTREAL

T. H. HUDSON, Manager, Fire Department.  
Policies Guaranteed by  
Commercial Union Assurance  
Company Limited

H. F. RODEN, Manager, Casualty Department  
Local General Agents, (Fire)  
G. U. PRICE & CO., LIMITED  
Bank of Toronto Bldg., Montreal

FIRE - MARINE - HAIL  
AUTOMOBILE



ASSETS EXCEED  
\$93,000,000

# EAGLE STAR AND BRITISH DOMINIONS INSURANCE COMPANY LIMITED

J. H. RIDDEL, Manager for Canada OF LONDON, ENGLAND E. C. G. JOHNSON, Assistant Manager  
HEAD OFFICE FOR CANADA - TORONTO

DALE & COMPANY, LIMITED - GENERAL AGENTS - MONTREAL AND TORONTO

# THE FIRE INSURANCE COMPANY OF CANADA MONTREAL

Authorized Capital, \$1,000,000 Subscribed Capital, \$500,000 Paid Up Capital, \$200,000

GENERAL FIRE INSURANCE BUSINESS TRANSACTED

President: Hon. R. DANDURAND Vice-President and Managing Director: J. E. CLEMENT



**Head Office:**  
LONDON,  
England.

**Branches at**  
PARIS  
AMSTERDAM  
MADRID  
ANTWERP  
COPENHAGEN  
STOCKHOLM  
CHRISTIANIA  
MALTA  
GIBRALTAR  
GRAND CANARY  
TANGIER  
TUNIS  
ACCRA  
CAIRO  
ALEXANDRIA  
CAPE TOWN  
KINGSTON  
(JAMAICA)  
REUNION  
MAURITIUS  
BOMBAY  
CALCUTTA  
MADRAS  
COLOMBO  
RANGOON  
KUALA LUMPUR  
PENANG  
SINGAPORE  
BANGKOK  
SAIGON  
SAMARANG  
SCERABAYA  
MEDAN  
NEWFOUNDLAND  
ADEN  
SHANGHAI  
PEKING  
TIENTSIN  
HANKOW  
CANTON  
HONG-KONG  
TRINIDAD  
BRIDGETOWN  
(BARBADOES)  
BAHAMAS  
GRENADA  
GUADELOUPE  
MARTINIQUE  
BRITISH GUIANA  
BRAZIL  
ETC.

A WORLD WIDE  
REPUTATION FOR  
SERVICE,  
SECURITY AND  
SATISFACTION

# THE MOTOR UNION INSURANCE COMPANY LIMITED



## FINANCIAL RESULTS

For Year Ending 24th December, 1919

(Converted at \$1.86.66)

Premium Income . . . . . \$7,495,259

### ASSETS

British and French Government Securities . . . . .	\$2,369,972.60
Other Securities . . . . .	4,473,711.52
Cash . . . . .	1,313,029.14
Freehold and Leasehold Premises . . . . .	688,251.86
Sums due from other Insurance Companies, and Sundry Debtors . . . . .	3,102,392.49
	<u><u>\$11,947,357.61</u></u>

### LIABILITIES

Paid-up Capital . . . . .	\$1,336,109.27
RESERVES:	
General Reserve Fund . . . . .	\$ 486,666.67
Trading Account Balance . . . . .	5,764,494.33
Investment and Income Tax Reserve Fund . . . . .	1,012,443.37
Other Reserves . . . . .	1,155,189.47
Unappropriated Profit . . . . .	101,752.39
	<u>8,520,546.23</u>
Sums due to other Insurance Companies, and Sundry Creditors . . . . .	2,090,702.11
	<u><u>\$11,947,357.61</u></u>

Write, Phone or Call:

Chief Office ) 59 YONGE STREET, TORONTO ( MAIN  
for Canada ) 5369

**STRENGTH** - - See financial position above.  
**SERVICE** - - - Based on world-wide experience.  
**SATISFACTION** - Secured by excellent Policies at attractive rates.



# THE EMPLOYER'S

Liability Assurance Corporation, Limited  
of London England

*Transacts*  
**AUTOMOBILE INSURANCE, covering ACCIDENT, PROPERTY DAMAGE, COLLISION,  
 FIRE, THEFT and TRANSPORTATION**  
 Personal Accident, Sickness, Passenger and Freight Elevator,  
 Burglary, Hail, Boiler, Plate Glass, Explosion and Fire  
 Insurance, Fidelity Guarantees and Contract Bonds..

**OFFICES:**  
 Temple Building, Toronto. Lewis Building Montreal

Charles W. I. Woodland,  
 General Manager for Canada and Newfoundland

John Jenkins,  
 Fire Manager

Applications for Agencies Invited

Canadian  
 Government  
 Deposit  
**\$1,622,000.00**

**Stands First**  
 in the  
 liberality of its  
 Policy contracts,  
 in financial strength  
 and in the  
 liberality of its loss  
 settlement.



**TRANSACTS :**

Personal Accident      Automobile  
 Sickness                      Burglary  
 Liability (All Kinds)      Postal  
 Fidelity Guarantees      Plate Glass

**302 St. James Street, MONTREAL**

ROBERT WELCH, General manager

APPLICATIONS FOR DIRECT AGENCIES INVITED.

## The Ocean Accident & Guarantee Corporation Limited

### AUTOMOBILE INSURANCE

A Comprehensive Policy covering **ACCIDENT, PROPERTY DAMAGE, COLLISION  
 FIRE, THEFT and TRANSPORTATION** is what  
 the public demands.

The "OCEAN" can meet these requirements under one contract

Branch Office:  
 MERCHANTS BANK BLDG.,  
 MONTREAL

JOHN W. WETMORE,  
 Superintendent.

W. T. PERRY,  
 Manager for Canada

**Canadian Head Office : Ocean Insurance Bldg., TORONTO**

## The Dominion of Canada Guarantee & Accident Ins. Co.

**The Oldest and  
 Strongest Canadian  
 Casualty Company**

**TRANSACTS:**

**ACCIDENT      SICKNESS      PLATE GLASS  
 BURGLARY      AUTOMOBILE INSURANCE  
 GUARANTEE BONDS      FIRE INSURANCE**

E. ROBERTS, Manager  
 706, Lewis Building, MONTREAL

C. A. WITHERS, General Manager  
 TORONTO

Branches: WINNIPEG      CALGARY      VANCOUVER

## PERSONALS

Mr. George Chappell, General Manager of the Royal Insurance Company will sail tomorrow from New York, for Liverpool.

Mr. J. H. Labelle, Manager for Canada of the Royal Insurance Company, who returned on the 16th instant, from Lennox, Mass., where he attended the annual conference of the North America Managers of his Company, left the same evening for Vancouver to visit the Western branches of his Companies. He will be absent from Montreal for four or five weeks.

Mr. Charles Duclou, Inspector of the Great American Insurance Company, New York, was in the City this week.

Mr. John Robertson, joint general manager of the Northern Assurance Company, Limited, arrived in Montreal on the 18th instant from New York and spent a few days visiting the Company's important Canadian branch under the management of Mr. George E. Moberly. The Northern has made substantial progress of recent years in Canada, and in addition to fire insurance, a casualty branch is now well established. Since the beginning of the present year the Royal Scottish Insurance Company of Glasgow (controlled by the Northern) was entered for the transaction of fire insurance in the Dominion.

Mr. Robertson expressed himself as being well pleased with the prospects for a continuance of the growth of the Northern's already extensive business in the Dominion. He will visit Chicago and other important centres in the United States before sailing for home in December.

## CANADIAN FIRE RECORD

*Fire at Tilsonburg, Ont.*—On the 13th instant a fire broke out in the plant of the Canadian Cereal Co. Insurance as follows: *On building*—Royal \$18,175; *Hand-in-Hand* \$41,000; *Commercial Union*, \$5,000; *Nor. Union*, \$11,645; *Mercantile*, \$15,000; *Strathcona*, \$2,500; *London Mutual*, \$8,000; *Continental*, \$9,000; *Employers*, \$8,866; *Queen*, \$8,292; *Wellington*, \$5,000; *St. Lawrence Ind.*, \$2,959; *Ocean*, \$13,896; *Lloyds (London)*, \$65,000; *Liv. & Lon. & Globe*, \$15,000; *Guardian*, \$10,000; *London Assurance*, \$7,116, other insurance \$5,000. Total \$251,449. Loss estimated \$90,000.

*On contents*—Royal, \$27,500; *Hand-in-Hand*, \$20,000; *Com. Union*, \$17,500; *Strathcona*, \$7,500; *Continental*, \$5,000; *Employers*, \$2,500; *Liv. & Lon. & Globe*, \$20,000; *Guardian*, \$15,000; *Lon-*

*don Assurance*, \$10,000; *North Empire*, \$15,000; *Queensland*, \$15,000; *London Guarantee*, \$10,000; *Hudson Bay*, \$10,000; *British Colonial*, \$10,000; *Occidental*, \$7,500; *Monarch*, \$7,500; *Pacific Coast*, \$2,500; *Century*, \$2,500; *Guardian of Canada*, \$15,000; *North Brit. & Mer.* \$15,000; *North America*, \$19,000; *Globe & Rutgers*, \$20,000; *Imperial Ind.*, \$10,000; *Mount Royal*, \$15,500; *National of Paris*, \$4,000. Total \$303,505. Loss about \$60,000.

*Fire at Holbrook, Ont.*—On the 16th instant a fire destroyed the barns owned by Ben Dickson, the contents 3,000 bushels of grain and 40 pigs were burned. Loss about \$9,000. At the same hour and date the barns of William Pearson, about two miles from Dickson's were destroyed, entailing a loss of about \$8,000, the fact of both fires being so close together, has created a good deal of suspicion. Both losses were only partly insured.

*Fire at Viccroy, Sask.*—On the 13th instant a fire destroyed the Saskatchewan Co-operative Elevator, together with 15,000 bushels of wheat.

*Fire at Township of Drummond, Ont.*—On the 15th instant a fire destroyed the barns of Peter Dowdall together with contents. Loss about \$4,000. Insured for \$850.

*Fire at Steviacke, N.S.*—On the 11th instant a fire destroyed Dickie's lumber mill and 3,000,000 feet of lumber. Loss about \$100,000 partially insured.

*Fire at Wadend, Sask.*—On the 20th instant a fire destroyed the entire eastern side of Main St., with one exception. Loss entailed will probably amount to about \$200,000.

An Agent's and Broker's Company, writing all  
Lines of Casualty Insurance and Guarantee

**ROYAL  
INDEMNITY  
COMPANY**

**CHARLES H. HOLLAND, President**

CANADIAN OFFICES:

MONTREAL  
Royal Insurance Bldg.  
RICHARD J. BOND,  
Supt. for Canada

TORONTO  
Royal Insurance Bldg.  
JULIAN H. FERGUSON  
Supt. for Ontario

**Accident Insurance Needed**

Not only speeding automobiles but the ever increasing field of hazardous occupations and a tendency toward callousness in those responsible for life and safety, are continuing to take their toll. In view of the fact the defendant is not the only one likely to be affected financially in suits arising from such mishaps, and bearing in mind that those injured are frequently granted awards affording compensation in no way comparable to the disability suffered, it is self-evident that a lucrative field is here open to accident insurance solicitors. Not only is the owner of an automobile which comes to grief a likely prospect, but also is any other victim of the accident and his relatives and friends.

Sales of life insurance have increased remarkably during the past year, but accident and health insurance has not kept pace with this increase. The very selfishness which prompts some people to refuse life insurance should be a potent factor in inducing them to take out accident policies. The man who dies uninsured does not endure the sufferings which result from his lack of protection for his family, but one who is merely disabled regrets very keenly his non-possession of an accident policy.

Thus, the man who refuses life insurance says, in effect, that he is not going to make relatives rich by his savings, that he is not going to let strangers enjoy the fruits of his labor, etc., but

he is, by that very argument, rendered approachable in forcible manner by an accident insurance solicitor, because his extreme egotism will prompt him to see with quick and clear vision that he himself will be the principal sufferer financially from any disability which may happen to him.

It is commonly supposed by the general public that accident and health insurance are peculiarly desirable for those engaged in travelling or in dangerous pursuits. Such desirability no one will deny, but at the same time the agent should educate the public to the truth that, in this period of intensive living and rapid locomotion, and especially in large cities, where the complexity and vigor of industrial activities are unusually evident, every one is in need of protection. Moreover, the agent can substantiate his statements by referring to any daily newspaper. He can show that neither men nor women young or old, be their vocations what they may, are immune from liability to accident. Nor are the conditions of living which have grown palpably less secure, apt to be soon, if ever, materially altered for the better. We live in a different time from that which our fathers enjoyed.

This, then, sums up the situation: today is the accident insurance solicitor's day. If he will grasp his opportunity to better both others and himself, there need be no limit to his ambition, and accident insurance will begin to vie with the results of the best efforts of the life companies. A word to the wise is sufficient.

*Spectator.*

**COLUMBIA**  
INSURANCE COMPANY OF NEW JERSEY

**Annual Statement as of December 31st, 1920**

<b>ASSETS</b>	
Government and Municipal Bonds . . .	\$ 790,488.00
Railroad and Miscellaneous Bonds . . .	563,890.00
Cash in Banks . . . . .	175,145.60
Premiums in course of Collection and other Assets . . . . .	267,431.48
	<hr/>
	<b>\$1,796,955.08</b>

<b>LIABILITIES</b>	
Cash Capital . . . . .	\$ 400,000.00
Unearned Premium Reserve . . . . .	390,134.38
Losses in process of adjustment . . . . .	105,426.82
All other claims . . . . .	88,000.00
	<hr/>
	933,561.20
Surplus over all Liabilities . . . . .	813,393.88
	<hr/>
	<b>\$1,796,955.08</b>

**Head Office for Canada**  
**Montreal**

**R. MacD. Paterson**  
**J. B. Paterson** } **Joint Managers**

**A. McBEAN & CO.**  
**GENERAL AGENTS FOR MONTREAL**  
**LEWIS BUILDING, MONTREAL**



## NOTICE

NOTICE is hereby given that the Northern Assurance Company Limited of London, England has been granted Dominion License No. 904 dated 6th October, 1920, to transact in Canada the business of Burglary Insurance, in addition to the classes for which it is already licensed namely Fire, Accident, Sickness, Automobile, Guarantee and Plate Glass Insurance.

**INDIA—EAST AFRICA**—A large and important firm of MERCHANTS, with valuable connections in BOMBAY, UNITED PROVINCES and other parts of India, and also established in East Africa, is prepared to take up a representative AGENCY for first-class Insurance Companies, transacting FIRE, ACCIDENT, LIFE and MARINE business. The firm is extending its Insurance Department in Bombay, and is in a position to offer valuable facilities to anyone desirous of increasing its business in India and East Africa. Write, Box 9900, Post Magazine Office, 9 St. Andrew Street, Holborn Circus, E.C.4, London, England.

## WANTED

A British Fire Office requires the services of a young man as Inspector for the Province of Quebec, both languages necessary. Apply, to

Inspector,  
Care The Chronicle, Montreal.

## How to Reduce Losses from Electrical Equipment

Mr. W. J. Tallamy in his work as chief inspector for the Continental Insurance Company, New York says:—

It is estimated that 10 per cent. of the fire loss is due to electrical defects and that 90 per cent. of the electrical fires are the result of unapproved conditions. "The full meaning of this," Mr. Tallamy says, "will be better appreciated when we pause to realize that electrical hazards are almost entirely under the possible control of fire insurance

organizations. The public in general knows very little about electrical fire hazards. It depends largely upon the judgment of the fire insurance inspection organization for the safety of electrical equipment as is indicated by the fact that a large proportion of the contracts for the installation of electrical equipments are made subject to the approval of the Underwriters Association having jurisdiction."

"In view of existing conditions as herein outlined," he continues, "the following recommendations are made:

"1. Every effort should be made to bring about a closer form of co-operation and more friendly business relations between the electric light and power supply companies and the electrical underwriters' inspection departments with a view to having all new and changed electrical equipment comply with the present code of standards, without exception, before the current is turned on.

"2. All electrical contracts should have incorporated in their form a requirement for special permits before any change is made in the equipment, and any infraction of this rule should be properly penalized.

"3. That electrical inspection work be more general and not entirely dependent upon the requests of electrical contractors, and that a system of periodic electrical reinspection work be adopted with the view of detecting unauthorized changes in previously approved equipments correcting unsafe conditions that may have developed to constant service and gradually bringing all old and obsolete equipment up to the present standards of safety.

"4. Much benefit would be likely to follow if the rating exchange were to make it a point to confer with the electrical inspection department in connection with electrically equipped risks in all instances before applying the final rate. If no inspection has been made, one should be insisted upon.

**Insure in one of Canada's Oldest and Strongest Fire Insurance Companies  
Organized in 1862**

# The Acadia Fire Insurance Company

OF HALIFAX

LIABILITY UNDER ALL ACADIA POLICIES GUARANTEED BY  
**PHOENIX ASSURANCE COMPANY, LIMITED**  
OF LONDON

**WHOSE ASSETS EXCEED \$98,000,000**

**MONTREAL AGENCIES, LIMITED**  
**GENERAL AGENTS**

**MONTREAL TRUST BUILDING, MONTREAL**

JAS. D. CHERRY, Manager



FIRE CASUALTY  
**The Northern Assurance Co. Limited**  
 Of England

ASSETS - - - \$79,801,255.00

Including Paid up Capital of \$4,010,100.00

Head Office for Canada: Lewis Building, 17 St. John Street, Montreal

ALEX. HURRY, Manager Casualty Department

G. E. MOBERLY, Manager

FIRE

THE

FIRE



**Royal Scottish**

INSURANCE COMPANY LIMITED  
 of Glasgow, Scotland

HEAD OFFICE FOR CANADA  
 17 ST. JOHN STREET  
 MONTREAL

G. E. MOBERLY,  
 MANAGER

This Company's contracts are guaranteed by  
 The Northern Assurance Company Limited, of England

**THE ST. PAUL FIRE AND MARINE INSURANCE COMPANY**

INCORPORATED 1865

ASSETS OVER \$16,000,000

REPRESENTED IN TORONTO BY

**McADAM, SHERRITT & COMPANY**

General Agents

EXCELSIOR LIFE BUILDING

36 TORONTO STREET

**BRITISH TRADERS' INSURANCE COMPANY, LIMITED**

ESTABLISHED 1865

HEAD OFFICE: HONG KONG

HEAD OFFICE FOR CANADA: TORONTO

**FIRE & MARINE INSURANCE**

LOSSES PAID SINCE ORGANIZATION OVER \$50,000,000

JOHNSON—JENNINGS, Inc., General Agents,  
 MONTREAL.

Manager for Canada, C. R. DRAYTON

**THE STRATHCONA**  
 FIRE INSURANCE COMPANY

HEAD OFFICE: MONTREAL,  
 90 ST. JAMES ST.

"For ten years the STRATHCONA has pursued a safe and steady course and is now beginning to gather the fruits of its wise and sound policy."

## GROUP INSURANCE

While group insurance is a recent innovation, and no reliable data is yet available, as a guide to the companies generally, who have shown a tendency to write this class of business, in some cases rather freely; the smaller companies who have decided not to write this class of business, are probably adopting the most prudent course.

To those interested in Group Insurance including both Employers and Employees, the following, excerpt from the Insurance Press will be found both interesting and instructive:—

A social welfare worker who has investigated conditions in many large industrial plants, where group insurance has been adopted, reports that a substantial percentage of employees with whom he has conferred, have a very hazy conception of the beneficent principle involved. They know that they are insured when they become employed, and except that the subject may arise in a casual way, it is indifferently accepted and generally forgotten until the death of an employe starts tongues wagging around the establishment.

In other concerns he has observed that different systems have been used to secure a more perfect understanding of the functioning of group insurance and a more permanent appreciation of the generosity of the employer.

The most satisfactory method discovered by the investigator, and which he now warmly recommends in his contact with employers who are seeking the closest relations between the management and the working staff, is the appointment of an insurance committee from among the employes. This committee is properly organized and to each member is assigned special duties.

The secretary of the insurance committee, in conjunction with a minor official of the company, keeps the record of insured employes, and the changes in amounts of insurance, as the group policy covers the amounts of annual wage.

The treasurer checks up the monthly statement sent by the insurance company, audits the bill, and passes it along to the cashier of the company, who issues a check payable to the company, but returns it to the committee treasurer, who in turn mails it to the insurance agency handling the business.

A monthly report is prepared, showing the number of employes covered, the total amount of insurance represented, the month's premiums paid by the company and the particulars of any claims paid during the month.

This report is read at the open meeting of all the employes, where general features of the plant are discussed.

The employer who hit upon this clever scheme

of keeping the group insurance benefaction continually before his operating staff says that it works like a charm. Until its adoption, the employes had only a nebulous idea of the procedure in handling group insurance, and practically no appreciation of its benefits or the money expenditure by the employer.

Under the present system, the entire organization, through its own committee, has a monthly reminder of the personal welfare principle embodied in group insurance, and also of the actual cost borne by the employer. The treasurer's report of claims and disbursements shows the monthly and cumulative items and the president of the company attests that he has heard many a whistle of surprise and seen many an approving nod of the head when the figures were read in the public meeting.

This plan of forming an employes insurance committee contains an essential of the movement toward co-operation, which all wise employers now foster. The committee, circulating among their fellow workmen, during work or at lunch, are just human enough to feel their indirect association with the management, and to tell of the latest figures and items of special interest. Thus a healthy propaganda of gratitude is maintained throughout the plant, and the generous impulse of the directors is not suffered to decline into an indifferent acceptance by the employes.

Perhaps insurance companies, in their presentation of group insurance to employers, might offer suggestion as to the various methods of sustaining the greatest interest and permanent appreciation of the beneficiaries.

### Canadian War Veterans Watching Insurance Bill

War veterans in Canada are keenly interested in the State insurance bill for soldiers as provided in the pensions committee report at Ottawa.

As it is understood, no examination is required, but the man's death must be from natural causes. Death from actual war injuries is covered in another manner.

No application under the act will be received after September, 1922, the act coming into force September 1st of this year. Insurance for soldiers' widows will also be provided.

Life insurance people who are giving the matter thought are wondering if the soldiers will have to be urged as strenuously to insure their lives as the ordinary citizen is urged today by the insurance agent; and also, if the government should happen to make a moderate success of this business, if it will extend the sphere of influence and take on all lines of insurance for any who may desire it.

**Improved Disability Provision**

Claim may be made as soon as disability occurs—no probationary period.

Payments begin immediately on approval of claim—no probationary period.

Monthly payments, lifelong, conditioned on permanence of disability.

Immediate waiver of future premiums—no waiting until next anniversary.

Full amount of insurance paid when insured dies, without deduction for disability payments or for premiums waived.

This new disability provision brings the service of America's oldest legal reserve life insurance company still closer to the needs of the insuring public.

For terms to producing Agents address

**The Mutual Life Insurance Company  
OF NEW YORK**  
34 NASSAU STREET, NEW YORK

**GENERAL**

**ACCIDENT FIRE AND LIFE  
ASSURANCE CORPORATION LIMITED**  
OF PERTH, SCOTLAND

Total security to Policyholders now exceed - \$12,000,000

PELEG HOWLAND, Esq.

Chairman Advisory Board

T. H. HALL

JUDSON G. LEE

Manager for Canada.

General Agent Montreal.

**THE**

**London Assurance  
CORPORATION**

OF ENGLAND

INCORPORATED BY ROYAL CHARTER A.D. 1720

**CAPITAL PAID UP - \$ 3,711,375**  
**TOTAL ASSETS EXCEED 42,590,000**

Head Office for Canada, **MONTREAL**

W. KENNEDY, W. B. COLLEY, Joint Managers.

**Contract Bonds**

**CONTRACTORS—BUILDERS.**

Municipalities exact of Road Builders a deposit or bond as guarantee that the work will be executed as per contract, and completed within the specified time. Proprietors of buildings require the same guarantee of contractors. The **Provident Assurance Company**, in consideration of a slight premium guarantees that the work undertaken shall be properly executed and finished inside of the time limit, thus protecting the owner against any loss and enabling the Contractor to use to better advantage the money which he would otherwise have to deposit as a guarantee.

**The Provident Assurance Company**

159 St. James Street, Montreal. Tel. Main 1626-7.  
J. C. Gagne, Managing Director

**ATLAS**

**ASSURANCE COMPANY LIMITED**

Founded in the Reign of George III

Subscribed Capital . . . . . \$11,000,000  
Capital Paid Up . . . . . 1,320,000  
Additional Funds . . . . . 25,198,205

The Company enjoys the highest reputation for prompt and liberal settlement of claims and will be glad to receive applications for agencies from gentlemen in a position to introduce business.

Head Office for Canada:

**260 St. James Street, MONTREAL.**

R. R. MARTIN . . . . . Manager

Established 1884

**Queensland Insurance Co. Limited**  
of Sydney, N. S. W.

Capital Paid Up \$1,750,000 Assets \$4,015,811

Agents Wanted in Unrepresented Districts

Managers for Canada:

**Montreal Agencies Limited, Montreal**



Assets:  
**\$33,687,274.25**

Surplus:  
**\$10,846,031.00**

Canadian Head Office:  
**MONTREAL**  
J. W. BINNIE, Manager

**L'UNION**

**FIRE INSURANCE COMPANY, Limited**

Established 1828 Head Office: PARIS, France.  
Capital fully subscribed . . \$2,000,000.00

50 per cent. paid-up.  
Fire and General Reserve Funds 8,270,000.00  
Available Balance from Profit  
and Loss Account. . . . . 55,891.00  
Net Premiums in 1919. . . . . 8,648,669.00  
Total Losses paid to 31 Dec.,  
1919. . . . . 104,500,000.00

Canadian Branch:  
**LEWIS BUILDING, 17 St. John St. Montreal**  
Manager for Canada: MAURICE FERRAND



**IN ALL INSURANCE BRANCHES**  
**STRENGTH REPUTATION SERVICE**  
**The Montreal Securities Corporation Limited**

Dominion Express Building - MONTREAL

GENERAL AGENTS FOR

The **GLOBE INDEMNITY COMPANY** of Canada

The **CANADIAN FIRE INSURANCE COMPANY**

Applications for Agencies Solicited

**NIAGARA FIRE INSURANCE COMPANY**

HEAD OFFICE, NEW YORK

INCORPORATED 1850

Cash Capital

**\$1,000,000.00**

Net Surplus 31st Dec., 1919

**\$3,393,907.58**

**CANADIAN DEPARTMENT - - 22 ST. JOHN STREET, MONTREAL**

W. E. FINDLAY, MANAGER

AGENTS WANTED

"THE OLDEST SCOTTISH FIRE OFFICE"

**Caledonian Insurance Company**

OF EDINBURGH

FOUNDED 1805

**Caledonian-American Insurance Company**

OF NEW YORK

Head Offices for Canada: - **DOMINION EXPRESS BUILDING, - MONTREAL**

JOHN G. BORTHWICK, Canadian Manager

**LONDON & SCOTTISH ASSURANCE CORPORATION**  
**LIMITED, OF LONDON, ENGLAND**

Formerly LONDON & LANCASHIRE LIFE & GENERAL ASSURANCE ASSOCIATION, LIMITED

ESTABLISHED IN CANADA 1863

Directors for Canada:

A. J. Dawes, Esq.

E. C. Pratt, Esq.

H. B. Mackenzie, Esq.

D. C. Macarow, Esq.

**ALL CLASSES OF LIFE ASSURANCE TRANSACTED**

**SCOTTISH METROPOLITAN ASSURANCE COMPANY**  
**LIMITED**

FIRE and MARINE  
 ACCIDENT and SICKNESS

AUTOMOBILE LIABILITY and FIRE  
 Individual or Combined Policies

GUARANTEE BONDS

EMPLOYERS' LIABILITY

ELEVATOR and GENERAL LIABILITY

PUBLIC and TEAMS' LIABILITY

Head Offices for Canada: **LONDON & SCOTTISH BUILDING, MONTREAL**

**Total Funds and Assets Exceed \$25,500,000**

Fire Manager, **C.E. CORBOLD** Casualty Manager, **J. UPTON FLETCHER** Secretary and Actuary, **W.H.R. EMMERSON**

Manager for Canada, **ALEXANDER BISSETT**

**APPLICATIONS FOR AGENCIES INVITED**



**Security - - \$46,500,000**  
**ONTARIO AND NORTH WEST BRANCH**  
 14 Richmond Street, East, TORONTO  
**PROVINCE OF QUEBEC BRANCH**  
 146 Notre Dame Street West, MONTREAL



**PERSONAL ACCIDENT**      **PLATE GLASS**  
**SICKNESS**                      **AUTOMOBILE**  
**FIDELITY GUARANTEE**      **GENERAL LIABILITY**

Head Office, TORONTO  
 Montreal, 164 St. James St.      Quebec, 81 St. Peter St.

# Mount Royal Assurance Company

**SURPLUS and RESERVES, \$1,416,740.57      TOTAL FUNDS, \$1,708,120.67**  
**TOTAL LOSSES PAID, \$3,180,308.63**

Application for Agencies Invited

Head Office - - - MONTREAL

P. J. PERRIN - - - - - Manager

Established in Canada in 1821

1819 **ÆTNA (FIRE)** 1920

HARTFORD, CONN., U.S.A.

**Losses Paid over \$183,000,000**

J. R. STEWART, Special Agent, 36 Toronto Street, TORONTO, ONTARIO  
 R. LONG, Special Agent, 515 Yorkshire Building, VANCOUVER, B. C.

## Union Assurance Society, Ltd.

OF LONDON, ENGLAND  
 (Fire Insurance since A.D. 1714)

CANADA BRANCH, MONTREAL,  
 T. L. MORRISSEY, Resident Manager.  
 NORTH WEST BRANCH, WINNIPEG,  
 THOS. BRUCE, Branch Manager.

Agencies Throughout the Dominion

## EXCELSIOR

INSURANCE LIFE COMPANY

A Strong Canadian Company

FOR PROTECTION OR INVESTMENT  
 BUY EXCELSIOR POLICIES

J. J. Robichaud, Prov. Man., Montreal

## The Law Union & Rock

INSURANCE CO. LIMITED, LONDON.      Founded in 1800

Assets Exceed - - - - - \$50,000,000.00

Over \$10,000,000 invested in Canada.

FIRE and ACCIDENT RISKS accepted.

Canadian Head Office: 277 Beaver Hall Hill.

MONTREAL

Agents wanted in unrepresented towns in Canada.

W. D. AIKEN, Superintendent,  
 Accident Dept.

COLIN E. SWORD  
 Canadian Manager.

**POSITIONS FOR LIFE INSURANCE MEN.** We have a few vacancies, with bright prospects, for live insurance salesmen of good record and proven ability. Every assistance given to enable hard workers to make good. Correspondence confidential. If you want a good position as Agent or District Manager with a progressive Company, apply stating experience and references, to: **W. R. BROWNLEE, Provincial Manager, 180 St. James St., MONTREAL, P.Q.**

**THE CONTINENTAL LIFE INSURANCE CO.**  
 GEORGE B. WOODS, President      TORONTO, Ont.      CHAS. H. FULLER, Secretary