

The Chronicle

Banking, Insurance & Finance.

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CONSERVATISM IN LIFE INSURANCE.

It is a truism that a reasonable and judicious degree of conservatism is always matter for commendation, and perhaps in the business of life insurance more than any other, is it essential that a conservatism of outlook should be preserved. A reasonable and judicious conservatism is not, of course, by any means antagonistic to, or incompatible with, that spirit of genuine business enterprise, which not only forbids any retrogression, and disdains to stand still, but insists upon definite, careful, and judicious progress from month to month and year to year. The necessity for progress in life insurance becomes an active business principle—something without which the existing members of the companies would themselves be injured—and therefore any idea of conservatism as applied to life insurance (in the light that only that could be "conservatism" that judiciously "conserves" the best interest of all) must be closely allied to a prudent system of progress and enterprise that will secure the best results.

* * * *

Possibly to life insurance officers the temptation to some degree of recklessness inconsistent with reasonable business principles comes with peculiar force, however, steadfastly and consistently it may be resisted. The rivalry of the various companies for new business, while not perhaps so desperate as in the old days of high-pressure and hot-house methods, is still keen enough in all conscience, and the prudent manager must often, even in these days, bring his conservative instincts into play that there may be no danger of the breaking down of the barriers that separate a profitable and unquestionably safe business from one that contains more elements of risk and is, therefore, not so desirable. The question has been recently raised whether, on the whole, the best class of risks are being secured by the life insurance companies in Canada. It is certain that if an inferior business is persistently preferred, beyond the limits which a reasonable conservatism sets as those within which it may be safely handled, a false step is made for which later on a penalty will have to be paid in some form or other.

Another matter in which it would seem of peculiar importance that life insurance executives should exercise strongly a reasonable and judicious conservatism is in regard to their investments. For several years past, the Canadian life companies have been making a feature of a high rate of interest upon their investments. It is perfectly legitimate that they should do so, and that they should attempt to secure the largest possible yields upon these funds consistent with the safety of the capital they invest. But the movement has gone now so far as to be not without the danger which a reasonable and judicious conservatism would avoid. Agents use these high interest rates as an argument for expecting large so-called dividends, though, in fact, this argument is about as sensible as the one that because a life insurance company does not employ agents, *therefore* its profits to policyholders must be larger than those of an office which employs agents. Many factors, not merely one, go towards the making of a life company's profit-earning capacity, and the executives who allow their agents to use consistently either one or other arguments such as that cited above are going beyond the limits which a reasonable conservatism would set to the use of an argument which is legitimate up to a point. They are coming perilously near a condition of things where there is constant straining after higher and higher rates of interest. The circumstances of the moment may be favorable for securing them. But the prudent investment executive of the insurance company looks beyond these, remembers that there is always a limit beyond which legitimate enterprise merges into indiscretion, and keeps well within that limit—whatever his keenest competitor's agents may be boasting about their company's rate of interest earnings.

* * * *

The fulfilment of a life insurance executive's duties necessitates that he should be both progressive and enterprising. But it also necessitates, if his company is to continue safely and soundly on its way, that he should mingle his progressiveness with conservatism and his zeal with discretion. In no other way can the highest degree of permanent success be secured, whatever the "hustlers" may think to the contrary.

Established 1817

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Branches of the Bank in Canada are distributed geographically as follows :

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New Brunswick - - 7	Saskatchewan - - 62
Nova Scotia - - - 13	Yukon Territory - 2

Branches of the Bank outside Canada :

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Collections effected promptly and at Reasonable Rates.

THE MOLSONS BANK

136th DIVIDEND.

The Shareholders of The Molsons Bank are hereby notified that a Dividend of TWO AND THREE QUARTERS PER CENT. (being at the rate of Eleven per cent. per annum) upon the capital stock has been declared for the current quarter, and that the same will be payable at the office of the Bank, in Montreal, and at the Branches, on and after the

FIRST DAY OF OCTOBER NEXT.

to Shareholders of record on 15th September, 1914.

THE ANNUAL GENERAL MEETING. of the Shareholders of the Bank will be held at its banking house, in this City, on MONDAY, the 2nd of NOVEMBER next, at three o'clock in the afternoon.

By the order of the Board,
 EDWARD C. PRATT,
 General Manager.

Montreal, 25th August, 1914.

The Chronicle

Banking, Insurance and Finance

ESTABLISHED 1881.

PUBLISHED EVERY FRIDAY.

F. WILSON-SMITH,

ARTHUR H. ROWLAND,

Proprietor.

Editor.

Office:

406-408 LAKE OF THE WOODS BUILDING,

10 ST. JOHN STREET, MONTREAL.

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MONTREAL, FRIDAY, AUGUST 28, 1914.

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DEMANDS OF A LONG WAR.

The financial markets here and abroad have necessarily been affected adversely by the initial German successes on the French frontier and in Belgium. The monetary strain produced by the war will depend largely on the length of time in which hostilities are actively prosecuted. Even if the struggle lasted only four or five months and was then terminated by the overthrow of the world-hated German militarism, the financial strain would be severe. It had been hoped that if the offensive movements instituted by the French in Alsace and Lorraine and by the British and French in Belgium proved successful, one effect would be to materially shorten the war. With the rolling back of the French armies to their positions formerly occupied within France itself, the hopes of a comparatively short war have probably been abandoned by our military and financial authorities. What is hoped now is that the defeats experienced by the allies have not been so severe as to demoralize them. If the various corps retain their courage and determination, it will perhaps be possible for them to hold back the German

tide until the progress of the Prussians in the East forces the Kaiser's generals to withdraw masses of the troops now fighting against the allies in and around France.

TREMENDOUS DEMANDS OF LONG WAR.

Obviously a long war means tremendous demands upon the financial resources of all nations participating therein. So far as Britain and France are concerned, it means a long succession of war loans of large amount probably at rising rates of interest to finance their military and naval operations, purchase food and supplies, etc. It means also that these two countries will be obliged to advance large amounts, in cash, to the various countries allied with them, just as England was forced to subsidize the European powers a century ago in order to keep alive their resistance to Napoleon. The Belgian loan of 500,000,000 francs, in which Britain and France are said to have equally participated, may be the first of a series of such loans designed to keep alive and active the resistance of the smaller nations to the monumental German aggression. Russia has a vast supply of gold, but it is quite possible that the western powers will be obliged to extend financial aid to her also, as the expense of keeping three or four millions of Russian troops in active service will be very great.

So, the news of the week points distinctly to continued heavy borrowing by the interested governments, and the monopolization of nearly all available funds for defensive purposes. There is every reason to believe that the French and British, acting carefully on their pre-conceived plans, will succeed in holding back the German advance. If the invaders' progress is dangerously rapid and another investment of Paris is threatened, we may perhaps expect to hear of the transfer to London of the vast specie holdings of the Bank of France.

IMMEDIATE EFFECT NOT IMPORTANT.

While these events notably affected the outlook for our home money markets, the immediate effect was not important. Quotations for mercantile discounts and for call loans remain unchanged—the former at 6 to 7 p.c., and the latter at 6 to 6½. The arrangements for financing the crop movement are believed to be well under way. This has been greatly facilitated by the resumption of export business at Montreal and the principal United States ports. Numerous grain cargoes have passed down the St. Lawrence and out of New York, in the last week or two—the shipments from American ports being quite equal to those for the corresponding period of 1913. Nearly all of the grain is consigned to British ports. Also the banks in Canada and at United States centres are buying more freely the bills of exchange drawn against grain shipments—probably under an arrangement that they will be accepted and paid in due course, notwithstanding the moratorium. The bankers could scarcely be expected to buy the bills

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

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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 India.

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MONTREAL BRANCH

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Bothwell	Mitchell	"	672 Centre Street
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Ingersoll	Watford	Chauvin	Raymond
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		" Namayo Av.	Strome
		" Alberta Av.	Tofield
		" Athabasca Av.	Trchu

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Eastend	Moose Jaw	New Westminster	" North End
Ferres	Oxbow		
Frobisher	Regina		
Gainsborough	Saskatoon		
Gull Lake	Shanavon		
Humboldt	Unity		
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 Alberta—Botha, Coar, Saskatchewan—Dollard, MacNutt
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IMPERIAL BANK OF CANADA

CAPITAL PAID UP - - - 7,000,000.00
 RESERVE FUND - - - 7,000,000.00
 TOTAL ASSETS - - - 79,000,000.00

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Cobalt	Harrow	Falls (2)	pine	Toronto (17)
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Cottam	Ingersoll	the-Lake	lee	Wellaud
Daviesville	Jordan-	North Bay	Sparts	Woodstock
Rik Lake	Vineland	Ottawa	St. Cathar	Windsor
	Kenora	Falgrave	ine (2)	

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 Brandon Portage La Prairie Winnipeg (3)

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 North Battleford, Prince Albert, Regina, Rosetown, Wilkie, Wynward.

BRANCHES IN PROVINCE OF ALBERTA.
 Athabaska Landing, Banff, Calgary, Edmonton, (4) Lethbridge,
 Red Deer, Strathcona, Wetaskiwin, Mulet.

BRANCHES IN PROVINCE OF BRITISH COLUMBIA.
 Atrowhead, Chase, Cranbrook, Fernie, Golden, Kamloops, (2)
 Natal, Moyie, Nelson Revelstoke, Vancouver (5) Victoria. (2)
 Wilmer, Invermere

Savings Bank Department

if there was a probability that the drawers would invoke the moratorium as a reason for refusing acceptance or payment.

HARVEST PROGRESS.

Harvesting in our Western provinces has been delayed a little by wet weather; but the work of gathering and threshing the wheat will be energetically pushed and in two or three weeks there will be a very large movement to the lake terminals. It is said that some farmers have strong belief that wheat will rise to a dollar and a half before the war is over, and it may be presumed that a considerable number will hold back deliveries in hopes of getting higher prices; but undoubtedly the prices now prevailing will serve to bring heavy deliveries, and the pressure from creditor classes together with the difficulty of borrowing money will force many to sell promptly.

THE EUROPEAN SITUATION.

In London call money is quoted at 3 to 3½ p.c.; discount rates for bills were in the neighborhood of 5 and 5¼ p.c. Bank of England rate remained at 5 p.c. At Paris discounts are quoted 4 p.c. as against the 5 p.c. rate of the Bank of France; and at Berlin market rate is given as 6, with the Imperial Bank of Germany quoting the same figure. Cables state that London is gradually regaining its financial composure, and as a result of the remedial measures adopted or contemplated the credit machinery is in the way of being reconstructed. The London bankers are acting in co-operation with the New York bankers to create normal conditions in regard to exchange.

HIGH RATES IN NEW YORK.

In New York call loans rule at 6 to 8 p.c. Time money was quoted at rising figures—rates for short date paper over 8 to 9 p.c.; and for long dates, 6 to 8. Commercial paper is quoted at 7 p.c. for the very best names. So it will be noted that in this crisis again commercial borrowers in Canada are paying less than borrowers in the United States.

The clearing house institutions at New York succeeded in reducing their deficit. According to the Saturday statement, in case of banks and trust companies, loans increased \$7,000,000, while cash increased \$4,800,000 and circulation increased \$14,500,000. The net result was a gain of \$5,272,000 in reserve strength—in other words the deficit decreased from \$47,992,000 to \$42,719,000. In case of the banks alone the cash gain was \$5,400,000 and the loan expansion, \$7,700,000.

FINANCING COTTON CROP.

One of the most perplexing questions before the New York bankers is that of financing the cotton crop. The war has temporarily destroyed the export trade to Great Britain and France. Thus in the two weeks ending August 22nd, 1914, the exports to those two countries amounted to 2,400 bales as against over 15,000 bales in the same two weeks of 1913. The exchange market in New York misses the cotton bills very much.

MEETING FOREIGN OBLIGATIONS.

One aspect of the present financial situation, which has been brought less to the attention of the public than others, but which in view of its cardinal importance has engaged much of the attention of bankers, is that of meeting our obligations abroad. Under normal circumstances, our obligations abroad are met in two ways, in the first place by our exports, and as these are not sufficient in value to pay for what we purchase, by fresh borrowing. The gap between our exports and imports has within recent years been from \$200,000,000 to \$300,000,000, and while with the slowing-down in construction, and the practise recently of a certain amount of economy by our people, that gap has been lessened, it is still large enough to cause a certain amount of concern as to how it is to be filled for the future, in the absence of the large amounts of foreign capital which have hitherto filled it. One way and the best way undoubtedly is to increase our production and imports. But production takes time, and there are obligations to be met before new steps now being taken for the stimulation of production can possibly have an effect. In the next few months—between the present time and the end of the year—several million dollars will have to be paid in London—interest due on borrowings made by governments, municipalities, railways and others. Periodically afterwards there will be similar obligations to meet—war or no war—and if they are not met promptly, Canada will be financially disgraced.

This meeting of our obligations abroad is a primary necessity and conservation of available funds is under present circumstances, the only means by which it can be met. That is to say available funds should be employed only in productive expenditures and in the means of marketing our foodstuffs and manufactures abroad, while constructional work, on which no returns can be secured for a prolonged period or unproductive expenditure should be avoided. It is probable that the next few months, before increased production has had time to make its effects felt, will be the critical time in this connection. For this reason, it is essential that the construction programme of public undertakings should be modified by municipalities and others. To continue them would be to give a certain amount of supposed prosperity to the country, since it would be at the cost of capital within the country at the present time which could be more wisely employed in other directions.

That this modification of the programme of public works will inevitably result in a large measure of unemployment which could be prevented were they continued is an unfortunate fact. But the unemployment and distress problem must be dealt with—as presumably it will be dealt with during the coming winter—on broad lines. The problem undoubtedly will be a difficult one, but a solution of it which would increase the difficulty of meeting our obligations abroad cannot be acceptable.

THE ROYAL BANK OF CANADA

INCORPORATED 1869

Capital Paid up \$11,560,000 Reserves \$13,000,000
Assets \$180,000,000

HEAD OFFICE - MONTREAL.

305 BRANCHES THROUGHOUT CANADA

24 Branches in Cuba, Porto Rico and Dominican Republic
Kingston, Jamaica. Bridgetown, Barbados.
Nassau, Bahamas.
Port of Spain and San Fernando, Trinidad.
Belize, British Honduras.

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

NEW YORK,
Cor. William & Cedar Sts.

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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 9th FLOOR, C.P.R. BUILDING, Toronto

THE BANK OF TORONTO

Incorporated 1855.

Head Office: TORONTO, Canada.

PAID UP CAPITAL.....\$5,000,000
RESERVED FUNDS.....\$6,307,272

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, NICHOLAS BAWLF, LT. COL. F. S. MEIGHEN, J. L. ENGLEHART, WILLIAM I. GEAR, THOS. F. HOW, General Manager.

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NEW YORK—National Bank of Commerce.

CHICAGO—First National Bank.

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

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All who have Banking business, of whatever nature, to transact will find the modern Banking Service offered by the Bank of Toronto most satisfactory.

Long experience, ample resources, up-to-date equipment, and extensive foreign and domestic connections enable The Bank of Toronto to provide adequate facilities for all Banking transactions.

THE BANK OF NOVA SCOTIA

INCORPORATED 1832.

CAPITAL.....\$6,000,000.00
RESERVE FUND.....11,000,000.00
TOTAL ASSETS.....80,151,929.99

HEAD OFFICE: HALIFAX, N.S.

DIRECTORS

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H. A. RICHARDSON, General Manager, D. WATERS, Asst. Gen. Manager
Supts. of Branches: J. A. McLeod, Geo. Sanderson, R. Crockett, Chief Inspector, C. D. Schurman.

150 BRANCHES 150

Branches in every Province of Canada, Newfoundland, Jamaica & Cuba.

UNITED STATES: Boston, Chicago, New York

accepts deposits in every part of the World. Drafts bought and sold. Foreign and Domestic letters of credit issued. Collections on all points.

The Metropolitan Bank

Capital Paid Up - - - \$1,000,000.00
Reserve Fund - - - 1,250,000.00
Undivided Profits - - - 182,547.61

Head Office - - - TORONTO

S. J. MOORE,
President

W. D. ROSS,
General Manager

A GENERAL BANKING BUSINESS TRANSACTED

The Bank of Ottawa

DIVIDEND No. 92

NOTICE is hereby given that a dividend of Three per cent, being at the rate of Twelve per cent. per annum upon the paid-up capital stock of this Bank, has this day been declared for the current three months, and that the said dividend will be payable at the Bank and its branches on and after Tuesday, the First day of September, 1914, to shareholders of record at the close of business on the 18th August next.

By Order of the Board,

GEORGE BURN,
General Manager.

Ottawa, Ont., July 20th, 1914.

THE JULY BANK STATEMENT.

The bank statement for July, published yesterday, reflects to some extent the actions of the banks at the outset of the war crisis. The effects of this crisis are seen particularly in the decrease of over eleven and a half millions in the foreign call loans, which were reduced from \$137,120,167 to \$125,545,287. The banks drew on their New York balances represented in these figures and imported gold, their holdings of specie increasing during the month by more than \$5,300,000, while several of the banks also made substantial increases in their Central Gold Reserve deposits—these deposits being either gold or its equivalent—Dominion notes—advancing the total deposit in the gold reserve to \$4,400,000.

A further satisfactory feature in the return is the large increase which took place in the savings' deposits. These, after being practically unchanged during June, were increased last month by more than 7½ millions to the new high level of \$671,214,125. Demand deposits, which rose 14 millions in June, however, last month fell back by over \$8,000,000, and there was also a set back of more than \$7,000,000 in the foreign deposits. Circulation had increased \$6,000,000 in the two preceding months, but during July it dropped by upwards of \$4,300,000. Canadian call loans were increased by a million, and Canada current loans by nearly \$2,000,000.

It will be readily seen from this return that the banks are now in an exceptionally strong position with a high proportion of liquid assets to liabilities to the public. The increase in notice deposits—a considerable proportion of which may be safely regarded as new savings—continues to be particularly steady and satisfactory. The increase in the last twelve months is practically fifty millions.

SASKATCHEWAN FARM LOANS' ACT SUSPENDED.

Hon. Walter Scott has informed grain growers who urged him to put into effect at once the Saskatchewan Co-operative Farm Mortgage Act that this cannot be done owing to the demoralization of the London market, where it was contemplated to obtain the funds necessary for the working of the scheme:—

Mr. Scott says:—"The total demoralization of the money situation by the present trouble in Europe practically destroys all possibility of hope of the Act being brought into operation this year.

"Your members no doubt understand that the Act contemplates the procuring of most of the necessary moneys by the sale of the co-operative company's bonds in London. Our home savings available for investment in those bonds cannot be expected to supply beyond a very limited amount of the total moneys required. Most of the bonds for a time at least must be disposed of to the same investors who buy our Government and railway company bonds. These investors are on the far side of the Atlantic. Everyone in any degree conversant with such matters will readily see how important it is, keeping an eye open to the future success of the co-operative money scheme, that it shall not be damaged at the start by having its first bond issue floated when the market is unfavorable.

A FATAL MISTAKE.

"The success of subsequent issues will certainly depend considerably on the fate of the first issue. For months past the market conditions have been so bad that both Governments and railway companies have hesitated to offer bonds for sale, bonds which are a regular and well-known article to the Old Country subscriber. The co-operative company's bond will at first be of necessity a new and unknown article, and in comparison will, therefore, need an unusually favorable market at the outset. It follows that it would be a fatal mistake to bring the scheme into force at a time like the present when the market is in the worst possible condition."

ABSTRACT OF THE BANK STATEMENT FOR JULY, 1914.

(Compiled by The Chronicle).

	July 31, 1914.	June 30, 1914.	July 31, 1913.	Month's Change.	Year's Change.
LIABILITIES.					
Circulation	\$ 94,815,561	\$ 99,138,029	\$ 99,143,411	— \$4,322,468	— \$4,327,850
Demand deposits	346,854,051	355,006,229	356,585,196	— 8,152,178	— 9,731,145
Notice deposits	671,214,125	663,650,230	621,347,388	+ 7,563,895	+ 49,866,737
Foreign deposits	95,873,092	103,061,603	86,400,194	— 7,188,511	+ 9,272,898
Total liabilities	1,323,252,452	1,330,488,767	1,275,297,267	— 7,236,315	+ 47,955,185
ASSETS.					
Specie	51,412,353	45,108,956	42,172,949	+ 5,303,397	+ 9,239,404
Dominion Notes	90,514,856	92,114,482	91,011,691	— 1,499,626	— 396,835
Deposit in Central Gold Reserve	4,400,000	3,050,000	—	+ 1,350,000	—
Securities held	—	102,344,120	107,240,421	—	—
Canadian call loans	68,441,816	67,401,484	67,991,255	+ 1,040,332	+ 450,561
Foreign call loans	125,545,287	137,120,167	89,266,235	— 11,574,880	+ 36,279,052
Canadian current loans	840,198,625	838,276,428	853,429,069	+ 1,922,197	— 18,230,444
Foreign current loans	48,013,052	46,186,854	42,960,513	+ 1,826,198	+ 5,052,539
Loans to municipalities, etc.	—	37,260,571	43,121,384	—	—
Total assets	1,568,174,983	1,575,307,596	1,519,517,013	— 7,132,613	+ 48,657,970

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

TEMPORARY OFFICES:

179 St. James Street

PERCIVAL MOLSON, Manager.

The Royal Trust Co.

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

BOARD OF DIRECTORS:

H. V. Meredith, President.

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

SIR H. MONTAGU ALLAN, E. B. GREENSHIELDS
 R. B. ANGUS, C. R. HOSMER
 A. BAUMGARTEN, SIR W. C. MACDONALD
 A. D. BRAITHWAITE, HON. R. MACKAY
 H. R. DRUMMOND, DAVID MORRICE
 C. B. GORDON, SIR T. G. SHAUGHNESSY,
 K.C.V.O.
 SIR LOMER GOUIN, K.C.M.G. SIR FREDERICK WILLIAMS-TAYLOR

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.

THE EASTERN TRUST CO.

CAPITAL PAID UP AND RESERVE \$1,210,000
 ESTATES \$14,000,000
 IN BUSINESS 21 YEARS

Carries on a fiduciary Trust business
 on conservative lines only.

HALIFAX ST. JOHN MONTREAL CHARLOTTETOWN
 ST. JOHNS, NFLD.

Dominion Trust Company

Head Office - VANCOUVER, B.C.

BRANCHES

Vancouver, B.C. Victoria, B.C. Nanaimo, B.C. New
 Westminster, B.C. Calgary, Alta. Winnipeg, Man.
 Montreal, Que. Halifax, N.S. Charlottetown, P.E.I.
 Regina, Sask. St. John, N.B. Antwerp, Belgium
 London, England

Subscribed Capital - - - \$2,500,000
 Paid-up Capital - - - \$2,167,570
 Reserve and Undivided Profits \$ 874,412

Acts as executor, trustee, guardian, transfer agent,
 trustee for bond holders, agent for the investment of
 funds and in all other trust capacities.

Loans money for clients on first mortgages on im-
 proved real estate in amounts not exceeding 50% of con-
 servative valuations, netting the investor 6% to 7½%.

Deals in Municipal and industrial debentures.

W. R. ARNOLD, Managing Director.

EDWIN P. PEARSON

AGENT

NORTHERN

OFFICES:
 Avlaide St. East, Toronto

ASSURANCE CO.



THE
CROWN TRUST COMPANY
 145 ST. JAMES STREET, MONTREAL

Trust Company Service

This Company offers prompt, efficient
 and courteous service in connection with
 any matters coming within the scope of a
 conservative trust company business
 ENQUIRIES ARE CORDIALLY INVITED

PRUDENTIAL TRUST COMPANY

LIMITED

HEAD OFFICE

Trustee for Bondholders
 Transfer Agent & Registrar

Safety
 Deposit Vault

9 ST. JOHN

Administrator Receiver Executor
 Liquidator Guardian Assignee
 Trustee Custodian

Terms exceptionally
 moderate.

STREET

Real Estate and Insurance Departments
 Insurance of every kind placed
 at lowest possible rates.

Correspondence
 invited.

MONTREAL.

B. HAL. BROWN, President and Gen. Manager

The Trust and Loan Co.

OF CANADA

Capital Subscribed. . . . \$14,600,000
 Paid-up Capital. . . . 2,920,000
 Reserve Fund. . . . 1,713,193
 Special Reserve Fund . . . 571,000

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

30 St. James St., Montreal

MR. JOHN T. P. KNIGHT.

Throughout the Dominion, as in the city of Montreal, which had been his home for many years, news of the death last Friday of Mr. John T. P. Knight, for many years secretary of the Canadian Bankers' Association and manager of the Montreal Clearing House, has been received with much regret. Few men could have had a larger circle of personal friends than the deceased gentleman, since all who were brought into contact with him were at once impressed by his constant courtesy and unflinching good humour, associated with which was a brilliant wit that made him always a welcome guest and brought him something more than merely local fame as an after-dinner speaker.

Mr. Knight was born in Kent, England, but came to Canada some forty-four years ago, being first associated with a law office. He quickly gravitated from that, however, to the service of the People's Bank of Halifax. While in that position he developed those journalistic and other gifts by which afterwards he became well known, and achieved a notable popularity in Halifax sporting and social circles. In due course Mr. Knight became manager of the Bank.

Coming to Montreal, Mr. Knight joined the staff of THE CHRONICLE with which he was associated for two years, being then appointed manager of the Clearing House, and subsequently secretary of the Canadian Bankers' Association, with which duties he united the editorship of the Association's *Journal*. The deceased gentleman held the position of secretary of the Association until last fall, when he resigned, but continued to act as manager of the Clearing House, although during his prolonged illness his duties were performed by one of his sons.

Mr. Knight's official career, formed, however, but a small part of his activities. His social gifts, his wit and *camaraderie* made him known to and liked by many to whom in his official capacity he was not at all known. Some of his most brilliant wit became crystallised into print a year or two ago in a volume with the cryptic title of *Incidentally*. In more sober vein Mr. Knight was also responsible for the editorial arrangement of *Canadian Banking Practice*, a standard work in its particular field.

The representative gathering of bankers, business men and others at the funeral on Monday testified to the esteem in which the deceased was held by the whole Montreal business community and many beyond its borders, to whom Mr. Knight was known by his frequent journeys on official business throughout the Dominion.

RAILWAY PASSENGERS ASSURANCE COMPANY.

Mr. F. H. Russell, manager for Canada, Railway Passengers Assurance Company is at present in the city in connection with the opening of a branch office here. The Company is very favorably known in Montreal, and throughout the Dominion for many years. It is one of our strongest British companies, having been organized as far back as 1849. We understand the Montreal branch will be in charge of Mr. D. H. MacDonald, from the Head Office for Canada, Toronto.

While London cables this week refer to gold deposits at Ottawa to the credit of the Bank of England as about \$8,750,000, the amount is generally believed to be larger than that.

EUROPE'S HOLDINGS OF AMERICAN STOCKS.

That Europe has, up to the present, "sold out" its holdings of American stocks and bonds is said by a well-known American authority to be an altogether erroneous notion. The floating supply of speculative stocks that have been held abroad has, it is true, been drawn down very close to the point of complete exhaustion. But the investment holdings have remained intact, and not until the war was so clearly in sight was recourse taken to these holdings. New York banks have in their vaults to-day many millions in value of securities belonging to some of the greatest estates of England and the Continent. These are in form for immediate delivery when selling orders are received by cable or otherwise. The direct reason for the sudden closing down of the New York Exchange on July 31—a decision that was reached only ten minutes before the usual hour for business—was the accumulation of such a tremendous volume of foreign selling orders over night that any attempt to execute them could hardly have failed to have produced a panic that would, in the opinion of interests well informed on the conditions that then existed, have exceeded in immediate severity even the worst days of the upheaval of 1907.

TREMENDOUS ABSORBING POWER.

The opening of the New York Stock Exchange will depend upon the checking of this tremendous selling force. It will necessarily depend upon the conditions shown to exist when business is resumed on the London market for securities. Thus the opening of the market in Wall street is dependent solely upon the early developments in the war. A naval victory, for instance, that would mean the definite removal of the heavy handicaps on commerce would undoubtedly result in a decision to reconsider selling orders for American securities at the huge sacrifices that would be necessary under current conditions. It would then be quite safe and practicable to reopen the New York Exchange.

It is an avalanche of foreign selling, not routine nor even moderately large ones, that is to be feared. It will, in the opinion of what should be excellent financial judges, be found that there is a tremendous power at present lying latent for absorbing high grade securities. This will develop into activity when conditions resume, as they have already started to do, something like a normal aspect. The phenomenal demand for British treasury bills is regarded in Wall Street as one of the most encouraging signs of the progress that is undoubtedly being made.

"THE LAST SHOT."

A Montreal correspondent writes:—"For many years Messrs. James Robertson & Sons were extensive manufacturers of shot, but since the fire on their premises they have given it up. It is interesting to note that on Monday they gave their last bag to an insurance member of the Red Cross Society, to be used by the Ladies' Committee, in weighting linen covers for the drink of medicine of the sick and wounded in the field hospitals, where flies are such a pest. Let us hope that the last shot in the present war—like the last shot of the Robertsons'—shall be given in the interests of peace—a lasting peace from bombastic swell-headed military tyrants personally responsible for miseries to countless thousands of innocent people."

MODEST RETURNS FROM CANADIAN LIFE INSURANCE.

One of the stock arguments of the politician when he makes periodically his claim for a handsome increase in the amount of taxation upon fire insurance is that the business is an exceedingly profitable one, which can well afford to pay larger taxes. In adopting this attitude, the politician is, of course, merely following a prevalent public impression. The opinion is widespread that fire insurance is a bonanza for those engaged in it, and anything which fire underwriters have yet done by way of correcting this wrong impression has probably had but the most trifling effect in dissipating it. Yet in spite of the popular impression to the contrary, it remains absolutely true that fire insurance, so far from being a bonanza to those who hazard their capital in it in Canada, generally speaking produces an exceedingly modest return to the capital invested. Of course, nobody denies that in some instances very fair and even handsome returns have been secured in the business. But these fortunate exceptions are usually due to one or other of two causes: first, the steady persistence in a refusal on the part of the management of the company to write anything but high-grade business—a course of action which requires a good deal of perseverance and self-control, or secondly, to the gradual accumulation of funds over a prolonged period, so, that a large earning power from investments is achieved apart altogether from the underwriting experience of a particular year. Probably a combination of these two causes accounts for most of the success which has been hitherto achieved in the Canadian fire insurance field.

* * * *

In this connection it is instructive to view the experience of the Canadian fire companies in Canada over the period of thirty-nine years, for which their returns are now available. In that period they have received in premiums, \$199,843,407, and paid out in losses and for expenses \$202,971,641, an excess over premium income of more than three million dollars. Payments for losses alone amount to \$133,655,309, a ratio of 66.9 per cent. of the premiums received. This, of course, is an exceedingly heavy proportion, being swelled by the unhappy experiences of a crowd of unfortunate, who have gone to the wall during the thirty-nine years after making the discovery by expensive experience that, unless properly and conservatively directed, fire insurance is perhaps as easy a way as there is in ordinary commercial life of losing money. What the figures show in fact is that, on the whole, the dividends of the Canadian fire companies over this long period have been paid out of the earning power of the capital which has been contributed to them by stockholders, and has at all times been available for

the protection of policyholders. Interest and dividends earned during the period totalled \$7,930,681; dividends to shareholders were \$7,296,065. In 1913 dividends were only \$478,263 against interest and rents earned of \$674,907.

* * * *

In fulfilling its function of protecting policyholders, a good deal of the capital engaged in the fire insurance business has been lost; more of it has secured only the most nominal of returns and on a thorough analysis it would probably be found that only a minor part of it has achieved returns anything like commensurate with the great risks taken. In any case, capital employed in a legitimate business enterprise is entitled to expect from that enterprise a fair return, and it cannot be said of fire insurance in Canada that it has given to those engaged in it more than the legitimate return to which they are duly entitled; in fact, on the whole it has given considerably less. The companies which have been conducted with discretion have reaped the fruits of that discretion, although sometimes owing to unexpected blows from the conflagration hazard to a considerably lesser extent than they deserved. Those conducted without discretion have suffered accordingly. But it is a fair statement of the case as a whole to say that capital invested in fire insurance in Canada has yielded very modest returns.

LEGAL EFFECTS OF WAR ON INSURANCE.

Some of the effects of war on insurance offices (according to *Bunyon*) are as follows:—

During war with the native country of an alien his right to enforce a contract entered into previous to the commencement of the war is suspended until the restoration of peace.

A contract entered into during war with an alien who is not resident in this country and under the protection of the Crown is absolutely void.

It may be doubted whether, if the policy were valid at its inception, but, after the declaration of war, the alien assured died in battle contending against the forces of this country, his representatives could, even after peace was restored, recover upon it.

The life of an alien enemy cannot be insured even for the benefit of a British subject.

An alien, resident in this country by permission of the Government, is not considered an alien enemy so long as he peaceably demeanes himself, but if residence is accompanied with trading in an enemy's country the alien is considered an alien enemy.

In case of war remittances of money to the country where the head office is situated may be impossible, and then it becomes necessary to consider whether the non-payment has been excused or the policy has lapsed.

Companies necessarily act through agents in all matters at a distance. If the agent's authority continues, payment or tender to him is sufficient to keep the policy alive, and if during war the company keeps no agent a tender of the premiums after it was over might entitle the insured to recover damages if the company repudiated liability.



CANADA BRANCH HEAD OFFICE, MONTREAL.

DIRECTORS:
 M. Chevalier, Esq. T. J. Drummond, Esq. Sir Alexandre Lacoste.
 William Molson Macpherson, Esq. Sir Frederick Williams-Taylor
 J. Gardner Thompson, Manager. Lewis Laing, Assistant Manager.



Head Office : 112 St. James Street, Montreal

DIRECTORS :

J. Gardner Thompson, *President and Managing Director.*
 Lewis Laing, *Vice-President and Secretary.*
 M. Chevalier, Esq. A. G. Dent, Esq. T. J. Drummond, Esq.
 John Emo, Esq. Sir Alexandre Lacoste Wm. Molson Macpherson, Esq.
 J. C. Rimmer, Esq. Sir Frederick Williams-Taylor



The Northern Assurance Co. Limited

"Strong as the Strongest"

Accumulated Funds, \$41,265,000

HEAD OFFICE FOR CANADA,
 88 NOTRE DAME STREET WEST,
 MONTREAL.

G. E. MOBERLY, Supt. of Agencies.

ROBERT W. TYRE, Manager.

"THE OLDEST SCOTTISH FIRE OFFICE"
THE CALEDONIAN
 INSURANCE CO. OF EDINBURGH.

Founded 1805.

Head Office for Canada,
 DOMINION EXPRESS BUILDING
 Montreal

JOHN G. BORTHWICK
 Canadian Manager

.. THE ..
London Assurance
CORPORATION
 OF ENGLAND.

INCORPORATED BY ROYAL CHARTER A.D. 1720

CAPITAL PAID UP \$2,241,375
 TOTAL CASH ASSETS 22,457,415

Head Office for Canada, - MONTREAL
 W. KENNEDY, W. B. COLLEY, Joint Managers.

ATLAS ASSURANCE COMPANY
 LIMITED, of LONDON, ENGLAND

Established in the REIGN of GEORGE III

Income exceeds \$7,625,000
 Funds exceed 18,850,000

Including the Fully Subscribed Capital, the resources of the Company amount to \$30,000,000.

Head Office for Canada - MONTREAL
 MATTHEW C. HINSHAW, Branch Manager Active and Influential Agents Wanted

C. R. G. JOHNSON, POIRIER & JENNINGS, INC.
AGENTS — INSURANCE — BROKERS

ETNA INSURANCE CO. OF HARTFORD
 ST. PAUL FIRE & MARINE INS. CO.

11 ST. SACRAMENT STREET
 MONTREAL, P.Q.

SOLICITING LIFE INSURANCE.

It would doubtless be a great advantage to the public, and a far more lucrative one to the life assurance companies, "if every man realized that, after providing for the necessary expenses of his family, or other dependents, his immediate duty is to insure his life for their benefit to the largest amount which he is able to carry." A contemporary, whose words are quoted, considers the general public as to a large extent responsible for the expensiveness of life insurance, because it affirms that "its chief expensiveness lies in the cost of efforts to persuade men to take that which of their own accord they ought to seek with avidity." It declares also: "Life insurance is the only valuable commodity that has to go a-begging for purchasers."

* * * *

In placing life assurance business in a class by itself, as one which alone has to be secured by solicitation, the writer quoted overlooks the almost universal custom of seeking purchasers for all manner of valuable commodities by canvassing and advertising. Our contemporary's columns are a "valuable commodity" to advertisers, purchasers of space in which have to be secured by the same means as life assurance companies employ to sell the valuable commodity they have to dispose of. If the public would buy all their dry goods, groceries, and the scores of articles advertised, or to secure orders for which travelling salesmen are employed, without any form of solicitation being employed, the cost to them of such goods might be reduced.

* * * *

But the system is now established of the vendor seeking the purchaser, and life assurance companies merely follow trade customs by hunting up business by personal solicitation. In this they are not open to such severe censure as is implied in the phrase that they have to go begging for business. The life insurance agent has an exceedingly "valuable commodity" to offer, and he takes the usual business course of placing its attractions before probable purchasers, who usually are far more benefited by buying life assurance than is the agent who has induced a man to take out a policy.

LIFE INSURANCE WASTE.

That much more than 50 p.c. of the life insurance written each year by the companies reporting to the New York department is terminated, apparently without legitimate cause, but through twisting, lapsing, surrender and other causes which should not come in the ordinary course of life insurance transactions, is contended by the *Insurance Age*.

For example, during 1913, the amount of new insurance issued was nearly \$2,400,000,000, while the amount terminated was \$1,771,091,345, or well towards three-quarters of the total amount.

The principal cause of this waste in life insurance effort, says the *Age*, is the fact that policies are still issued upon a false basis, and frequently by over-persuasion, making it easy for the policyholder either to surrender his policy, or, if it has any cash value, to turn it over to some other company through the efforts of an unscrupulous agent who merely desires to make a new commission for himself. It is quite evident that the millennium for life insurance has not yet dawned, and that there is still much to be desired in life insurance practices.

ASSESSMENT SOCIETIES GOING DOWN-HILL.

That the assessment societies of this continent are fast going down-hill is conclusively shown in the tabulation of lapses, death losses and membership annually compiled by the *Spectator* of New York. Important figures are presented covering the transactions of sixty orders and associations by three five-year periods. At the close of last year these organizations had 4,888,241 certificates in force, representing protection for millions of dependents, many of whom are likely to be deprived of such protection eventually.

The tabulation is divided into four groups, the first including nineteen organizations which have been in existence thirty-five years and over. The lapse rate in each of the three years covered has been very high, while in each five-year period the certificates in force have decreased. At the same time the death rate has mounted rapidly. Only eight organizations show an increase for the ten years, while the death rate takes a wide range from 8.30 to 55.63 per thousand certificates.

Group two includes nine organizations, embracing some of the larger fraternal of the country, but shows the same tendency of a rising death rate and extremely heavy lapses. While in 1903 the lapse rate was fifty-nine per cent. of the new issues, in 1913 it was one hundred and thirty per cent.

In the third group organizations between twenty and twenty-five years old are included. While every order shows an increase in membership for the ten years, yet the death rate has gone up from 8.46 to 10.90 in the thousand.

The final group of twenty-six organizations, which have been in existence between eighteen and twenty-five years, also show increasing death and lapse rates, which must have their effect in increasing the troubles of the individual orders.

The totals and averages of the entire group show a falling off in new business compared with ten years ago, a heavy increase in the lapse rate and a decided advance in the death rate. It is plainly evident that new blood will not avail to stave off the workings of the law of mortality.

A CERTAIN FAILURE.

The *Spectator* mentions the case of the largest fraternal order in the United States, which, after years of agitation, secured the adoption of an increased scale of assessments. A few disgruntled members, however, took the matter into the courts and obtained a decision that the rates could not be increased. Consequently, the managers of the order have been compelled to abandon their plans for increasing its strength, and can only drift along with the certainty that some day it will fail to meet its obligations in full. During the two years of agitation over the rates, this order has experienced a net loss in membership of no less than 275,000, although it has issued 65,000 new certificates in that time. Exclusive of 14,000 certificates terminated by death, therefore, the order has lost some 326,000 members in two years, most of whom, it is safe to assert, were in good health and able to obtain protection elsewhere.

The Bank of England yesterday continued its official rate of discount at 5 per cent. Its weekly return showed a proportion of reserve of 17.80 against 15.24 last week.

COMMERCIAL UNION

ASSURANCE COMPANY LIMITED
of LONDON, England

The largest general insurance Company in the world.
(As at 31st December 1913)

Capital Fully Subscribed . . .	\$14,750,000
Capital Paid Up	1,475,000
Life Fund, and Special Trust Funds,	69,826,740
Total Annual Income exceeds	42,500,000
Total Funds exceed	124,500,000
Total Fire Losses Paid	164,420,280
Deposit with Dominion Govern- ment	1,077,033

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—

**Commercial Union Building,
MONTREAL**

J. McGREGOR,
Manager

W. S. JOPLING,
Assistant Manager

PALATINE

INSURANCE COMPANY LIMITED
of LONDON, England

(As at 31st December 1913)

Capital Fully Paid	\$500,000
Fire Premiums 1912, Net	\$2,498,625
Interest, Net	132,120
Total Income	\$2,630,745
Funds	\$5,400,000
Deposit with Dominion Gov't . .	\$155,667

*In addition to the above there is the further
guarantee of the Commercial Union Assurance
Company Limited, whose Funds exceed
\$124,500,000*

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—

**Commercial Union Building,
MONTREAL**

J. McGREGOR,
Manager

W. S. JOPLING,
Assistant Manager

SUN INSURANCE OFFICE

FOUNDED A.D. 1710.

Head Office:

Threadneedle Street - London, England

**THE OLDEST INSURANCE
OFFICE IN THE WORLD.**

Canadian Branch:

15 Wellington Street East, Toronto, Ont.

H. M. BLACKBURN.

LYMAN ROOT,

Manager.

Assistant Manager.

This Company commenced business in Canada by
depositing \$300,000 with the Dominion Government
for security of Canadian Policy-holders.

ESTABLISHED 1809

Total Funds Exceed	Canadian Investments Over
\$109,798,258.00	\$9,000,000.00

FIRE AND LIFE

North British and Mercantile

INSURANCE COMPANY

DIRECTORS

CHAR. F. SISE, Esq. G. N. MORCEL, Esq.
W. M. MCMASTER, Esq.

Head Office for the Dominion:

80 St. Francois Xavier Street - MONTREAL.

Agents in all the principal Towns in Canada.

RANDALL DAVIDSON, Manager.

— THE —

Continental Reinsurance Syndicate

CAPITAL STOCK

Subscribed	\$10,862,507
Paid Up	2,036,538
Surplus, 1912	1,488,906
Premium and Loss Reserve, \$6,827,138	

General Agents:

**BRANDT & FISHER,
22 MÖNCKEBERG-STR., RATHAUS-HÖRN,
HAMBURG, GERMANY.**

INSURANCE

Phoenix of Hartford
Company

Total Cash Assets	: \$17,404,634.79
Total Losses Paid	: 70,700,545.46

**J. W. Tatley, Manager.
MONTREAL.**

Applications for Agencies Invited.

INVULNERABLE POSITION OF BRITISH FIRE COMPANIES.

With a view doubtless to calming feelings of anxiety which appear to have been aroused in various quarters in the United States in regard to the effects of the present European conflagration upon British fire companies, the *Insurance Index* points out that the British and Canadian companies transacting business there are in an invulnerable position.

There are twenty companies whose home offices are in England and Scotland, and two in Canada, each of which is actively engaged in the United States. The United States branches of those twenty-two companies had assets there on January 1, last, carefully invested in that country and under the direct management and control of United States trustees, of over ninety-two million dollars (\$92,173,971), as shown by the sworn statements made to the New York Insurance Department. But that is not half the story. After providing for the unearned premium reserve and for all other liabilities of every nature, the twenty-two foreign companies had a net surplus of \$33,358,751, or more than 36 per cent. of their total assets, all held in trust by the trustees to provide for unforeseen and excessive losses, should they occur.

STRICTNESS OF TRUSTEESHIP.

All of the British and Canadian fire insurance companies operating in the United States have been authorized to do business in the State of New York, and the laws of that State, as well as of some others, stipulate that every foreign company, before it is admitted, shall appoint its United States trustees under a very strict Deed of Trust that is satisfactory to the State. The Insurance Department of the State of New York considers itself responsible to the other states in respect to this matter. The trustees must all be citizens of the United States, and it is required that the deed of trust shall contain a provision, which is binding on the United States trustees, that no part of the deposit with them shall be released without the consent of the Superintendent of Insurance of the State of New York. The trustees would be personally responsible, if they improperly or negligently released any portion of such assets. The deposits under their control and deposits made with Insurance Departments include the bulk of the total assets, in each instance—the invested funds and, in short, substantially all the assets except the necessary current money required in the management of the respective branches, premiums in course of collection and other minor items. They range between 80 and 90 per cent. of the total assets, and, of course, cover every dollar of the surplus to the policyholders—in fact, much more than double that amount. In this respect, it is manifest that the net surplus of the United States branches of the British companies is more carefully safeguarded than that of American companies which is subject only to the control of the boards of directors, and without requiring the consent or intervention of the Insurance Superintendent. The United States trustees of the British and Canadian companies have invariably been selected from citizens eminent in the financial and commercial affairs of the country—men who are competent for the task before them

and who fully understand the responsibilities of their position.

RESOURCES AND PRESTIGE.

It is pointed out that behind these very strict requirements stands yet again the whole of the magnificent resources of the fire companies mentioned and their splendid prestige for the prompt settlement of claims, however disastrous the conflagration in which they are involved. At the time of the San Francisco conflagration, the twenty-two companies mentioned remitted to the United States an aggregate amount of nearly forty-seven and a half millions of dollars.

The position of the United States branches of the British fire insurance companies is, in fact, practically invulnerable. They are amply provided with funds held in the United States to meet every dollar of liability; and, in addition, they have a net surplus equal to considerably more than a third of their entire assets, not a dollar of which can be touched without the consent of the trustees, composed of representative American citizens, and to this must be added the official approval of the Insurance Superintendent of New York, before the transfer can be made effective. And in addition to all this, they have behind them the parent companies with a vast accumulation of funds on hand, and still greater sums available, if needed.

UNFAVORABLE CASUALTY FIGURES.

Part III. of the annual report of the New York State Insurance Department, issued by Superintendent of Insurance Hasbrouck, covers the financial statements of the general casualty, credit, fidelity and surety and real estate title and mortgage guarantee companies operating in New York State for the year ended December 31, 1913. It carries abstracts of the audited statements of the above companies and also a series of statistical tables compiled therefrom. These tables show that the total premiums collected on casualty, credit and surety business during 1913 by the companies reporting to the New York Department reached the sum of \$122,430,764, an increase of \$11,479,371 over the previous year, whereas the combined losses and expenses of these companies during last year amounted to \$122,642,628, an increase of \$19,415,962. The total assets of the companies at the close of last year were \$169,773,657, showing a gain of over seven million dollars, but the net surplus funds of all companies decreased from \$35,326,994 to \$33,304,511, showing a loss of over two million dollars.

The valuation of the bonds and stocks owned are fixed in accordance with the department's appraisal of same and are thus placed upon uniform basis. The audit of the statements has been most carefully made, particular attention having been given to the elimination of all assets of doubtful character or worth and a proper readjustment of liabilities has been made in all cases where deemed necessary and justifiable. In several instances the results of regular departmental examinations made as of December 31 have been substituted in place of companies' returns; this for the reason that such examinations are in the nature of things much more thorough than any mere office audit could be and therefore more nearly reflect the actual financial condition of a company from a department standpoint.



ONTARIO AND NORTH WEST BRANCH
 8 Richmond Street, East, TORONTO
PROVINCE OF QUEBEC BRANCH
 164 St. James St., Cor. St. John St., MONTREAL



PERSONAL ACCIDENT
SICKNESS
FIDELITY GUARANTEE

PLATE GLASS
AUTOMOBILE
GENERAL LIABILITY

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

THE YORKSHIRE INSURANCE COMPANY, LIMITED

ESTBD. 1824

YORK, ENGLAND

ASSETS EXCEED \$20,000,000

FIRE On every description of property. Large Limits.
LIVE STOCK The Yorkshire is the FIRST COMPANY, licensed by the FEDERAL GOVERNMENT, to transact Live Stock Insurance in Canada.
ACCIDENT Personal Accident, Employers', Automobile, Teams, General Liability, and Plate Glass
APPLICATIONS FOR AGENCIES are invited from responsible persons.

CANADIAN DIRECTORS { Hon. C. J. Doherty
 G. M. Bosworth, Esq.

Alphonse Racine, Esq.
 Alex. L. MacLaurin, Esq.

Canadian Manager,
 P. M. WICKHAM, Montreal.

ROYAL EXCHANGE ASSURANCE

Founded A.D. 1720
 Losses paid exceed \$235,000,000

Head Office for Canada
 Royal Exchange Building
 MONTREAL
 ARTHUR ZARRY, Manager

Correspondence invited from responsible gentlemen in unrepresented districts to fire and casualty agencies



Head Office: Royal Exchange, London

INSURANCE COMPANY OF NORTH AMERICA

FOUNDED 1792.
 PHILADELPHIA, PA.

CAPITAL	\$4,000,000.00
SURPLUS TO POLICY HOLDERS	8,844,871.95
ASSETS	17,816,188.57
LOSSES PAID EXCEED	159,000,000.00

ROBERT HAMPSON & SON, LIMITED
 GENERAL AGENTS FOR CANADA. MONTREAL

THE LAW UNION & ROCK

INSURANCE CO. LIMITED, LONDON. Founded in 1806
Assets Exceed - \$48,500,000.00
 Over \$10,500,000 invested in Canada.
FIRE and ACCIDENT RISKS accepted.
 Canadian Head Office: 57 Beaver Hall Hill.
 MONTREAL.
 Agents wanted in unrepresented towns in Canada.
 W. D. AIKEN, Superintendent, | J. E. E. DICKSON
 Accident Dept. | Canadian Manager

THE LIFE AGENTS' MANUAL - \$3.00

Published by the Chronicle, Montreal

MOUNT ROYAL ASSURANCE COMPANY

PAID UP CAPITAL	\$250,000.00
TOTAL FUNDS	729,957.36
NET SURPLUS	202,041.02

THE NATIONALE FIRE INSURANCE COMPANY OF PARIS, FRANCE.

SUBSCRIBED CAPITAL	\$2,000,000
TOTAL FUNDS	7,491,390
NET SURPLUS	1,867,180

AGENTS WANTED IN UNREPRESENTED DISTRICTS.

HEAD OFFICE FOR CANADA - - - MONTREAL.

J. E. CLEMENT, General Manager.

H. H. YORK, Inspector for Ontario.

L. C. VALLE, Inspector for Quebec.

CANADIAN PACIFIC'S ANNUAL REPORT.

The thirty-third annual report of the directors of the Canadian Pacific Railway Company for the year ended June 30th, 1914, has been issued to the shareholders. The accounts of the company for the year ended June 30th, 1914, show the following results:—

Gross Earnings	\$129,814,823
Working Expenses	87,388,896
Net Earnings	\$ 42,425,927
Deduct Fixed Charges	10,227,311
Surplus	\$ 32,198,616
Contribution to Pension Fund	125,000
	<hr/>
	\$ 32,073,616
Deduct Net Earnings of Pacific Coast Steamships, Commercial Telegraph, and New Department, transferred to Special Income Account	2,115,842
	<hr/>
	\$ 29,957,774

From this there has been charged a half-yearly dividend on Preference Stock of 2 per cent., paid April 1st, 1914, \$1,545,026, and three quarterly dividends on ordinary stock of 1% per cent, each, paid January 2nd, 1914, April 1st, 1914, and June 30th, 1914, \$12,600,000 14,145,026

\$ 15,812,747

From this there has been declared a second half yearly dividend on Preference Stock, payable October 1st, 1914, \$1,564,495; and a fourth quarterly dividend on ordinary stock of 1% per cent., payable October 1st, 1914, \$4,550,000 6,114,493

Leaving net surplus for the year \$ 9,698,254

CAPITAL INCREASE.

The report mentions the following regarding the increase in the company's capital stock:—The annual general meeting will be made special for the purpose of authorizing, if approved, an increase of the company's ordinary capital stock by the amount of \$75,000,000, namely, from \$260,000,000 to \$335,000,000, in order to make it accord with the amount for which the company has the sanction of Government. Although with the curtailment of capital expenditure no necessity exists for issuing additional ordinary stock at this time, and there will be no resumption of works requiring any large amount of money until a decided improvement in business conditions furnishes ample warrant, your directors are convinced of the prudence of making provision at this time for your capital requirements covering a considerable period in the future. No portion of this increased amount will, of course, be issued by the directors until the sanction of the shareholders has been obtained at a special general meeting called for the purpose.

DOMINION LICENSED INSURANCE COMPANIES.

At the present time, there are over 180 companies under the supervision of the Dominion department of insurance. Of these 82 transact fire insurance, sixty life insurance, 34 sickness insurance, 30 accident insurance and 21 automobile insurance. These companies have deposited securities for the protection of policyholders of the value of \$75,936,591. Of this total, municipal securities comprise \$48,313,859, guaranteed railway securities, \$10,626,985, and Canadian provincial securities, \$8,120,417. An additional sum of \$32,382,006 is deposited with trustees, making a total deposit of securities of \$108,318,597.

ALBERTA'S INSURANCE.

According to the first annual report of Mr. W. V. Newson, superintendent of insurance for the province of Alberta, no less than 152 insurance companies are doing business in the province. Where all these companies find enough business to justify their being in the province is a mystery.

The following is a summary from the report of the premiums and losses of the Dominion chartered and the Provincial chartered companies respectively:

Dominion Chartered Companies.

	Premiums.	Losses.
Fire	\$2,232,447	\$1,634,206
Hall	100,593	65,752
Life	1,928,839	*369,354
Guarantee and Accident	469,391	183,478
Live Stock	11,292	6,911
Automobile	42,808	14,374
	<hr/>	<hr/>
	4,785,370	2,274,075

Provincial Chartered Companies.

	Premiums.	Losses
Fire	\$ 125,090	\$ 86,479
Hall	202,335	148,327
Life	1,799	20
Guarantee	10,258	3,332
Live Stock	4,244	2,900
	<hr/>	<hr/>
	\$ 393,726	\$ 241,058
Total	5,129,096	2,515,133

* This includes death claims only.

FIRE INSURANCE MANAGER JOINS HIS REGIMENT AT THE SEAT OF WAR.

Mr. Maurice Ferrand, manager for Canada of the Union of Paris, leaves to-day to join his regiment in France. Mr. Ferrand is a French reservist. His family are at the present time in Paris, and Mr. Ferrand hopes to see them on his way to the front.

Since coming to Canada, Mr. Ferrand has earned the respect and confidence of his colleagues in the business who will follow him with their best wishes and sincere hopes that he will return to Canada covered with glory. During his absence the Company will be in charge of Mr. W. A. Wilson, superintendent of agencies. The latter will have the benefit of the advice and assistance of the Canadian Director, Mr. Lansing Lewis.

PROPERTY WAR RISK IN ENGLAND.

Lloyd's, London, underwriters two weeks ago were charging 1 per cent. for cover in England for three months. They undertake to cover "loss and (or) damage to property hereby insured directly caused by rioters, strikers, including locked-out workmen or persons taking part in labor disturbances, civil commotion, war, civil war, revolution, rebellions, military or usurped power, including the risk of fire and (or) explosion directly caused thereby. No claim to attach hereto for delay, deterioration and (or) loss of market or for confiscation by the government of the country in which the property is situated."



The Employers' Liability

Assurance Corporation Limited

" " " OF LONDON, ENGLAND " " "

TRANSACTS:

Personal Accident, Health, Liability,
Fidelity Guarantee and Fire Insurance.

Most Liberal Policies Issued

Offices: MONTREAL, TORONTO

Managers for Canada, GRIFFIN & WOODLAND.

JOHN JENKINS, Fire Superintendent.

Canadian
Government
Deposit over

\$1,340,000

STANDS FIRST

In the liberality of its Policy Contracts, in financial strength, and in the liberality of its loss settlements

THE CANADA ACCIDENT ASSURANCE COMPANY

HEAD OFFICE: Commercial Union Building, MONTREAL

CAPITAL \$500,000.00

Personal Accident, Sickness, Plate-Glass, Guarantee and Liability Insurance.

Board of Directors:

S. H. EWING, President J. S. N. DOUGALL, Vice-President
HON. N. CURRY, JAMES MCGREGOR, J. K. OSBORNE, T. H. HUDSON

T. H. HUDSON, Manager.

TORONTO :
Traders Bank Building

VANCOUVER

WINNIPEG

MONTREAL
Merchants Bank Building

FOUNDED 1871

The OCEAN ACCIDENT & GUARANTEE CORPORATION, Limited of LONDON, England

Accident, Health, Employers' Liability, Guarantee and Plate Glass Insurance
UNRIVALLED SECURITY LIBERAL POLICIES

ASSETS EXCEED - - - \$11,250,000
CLAIMS PAID, over - - - \$45,000,000

Canadian Head Office - - - - - TORONTO, Ontario

CHARLES H. NEELY, General Manager for Canada and Newfoundland

WHY NOT HAVE THE BEST ?

The Globe Indemnity Company of Canada

Head Office, MONTREAL.

formerly—The Canadian Railway Accident Insurance Company.

DIRECTORS :—J. Gardner Thompson, President. Lewis Lalng, Vice-President. A. G. Dent, W. Molson MacPherson, T. J. Drummond, Sir Alexandre Lacoste, Martial Chevalier, Sir Frederick Williams-Taylor,

JOHN EMO, General Manager & Secretary.

ROBERT WALSH, Assistant Manager.

Transacts ACCIDENT INSURANCE, SICKNESS INSURANCE, LIABILITY INSURANCE IN ALL ITS BRANCHES, AUTOMOBILE INSURANCE IN ALL ITS BRANCHES, BURGLARY INSURANCE, GUARANTEE INSURANCE.

Policies issued by this Company are the most liberal and up-to-date issued in Canada, free from unnecessary restrictions and conditions.

All policies guaranteed by the Liverpool & London & Globe Insurance Co., Ltd.; assets over Sixty Five Millions Dollars (\$65,000,000.00).

THE INFALLIBLE M.P.

Parliament's emergency session, brief as it was, was not short enough to prevent Mr. W. F. Maclean making one of his famous speeches "on behalf of the people of this country" (!). There is no sham modesty about Billy Maclean, so it is not surprising to find that he merely demanded that the Government should forthwith and instantly adopt his ideas for a complete reorganisation of our credit system and the abolition of marginal trading on the Stock Exchanges.

Like most other folk who are strong on theory, Billy Maclean is weak on facts. He talks about our banks having sent \$200,000,000 to the United States for purposes of stock speculation, though five minutes before he had himself explained that the banks have \$133,000,000 on call loans outside of Canada, and \$67,000,000 on call loans in Canada. To a really great mind like Billy's, of course, a mere trifle of \$67,000,000 does not matter—especially when putting it in the wrong place makes your argument look better.

Mr. Maclean, too, carefully suppresses the fact—or perhaps he does not know it—that the banks' loans on call in Canada include a good many loans besides their loans to brokers. He does not mention, for instance, that bond houses finance their purchases of municipal and other bonds through call loans. And municipal bonds could hardly be described as a speculation even by such a fervid anti-speculator as Mr. Maclean.

It is hard lines that under present circumstances, tax-payers should be compelled to pay up good money to be expended in preserving Mr. Maclean's gems of thought and omissions of fact in dusty volumes of Hansard.

CUTTING INTO LLOYD'S BUSINESS.

One of the effects of the European war will be to divert to casualty companies a more or less considerable portion of the fidelity, surety and burglary business now placed with syndicates of London Lloyds underwriters. Some Boston banks carrying this so-called "insurance" have cancelled it, through apprehension lest the marine losses of the members of these syndicates should impair their ability to meet the liabilities incurred by them in speculative ventures outside of their legitimate sphere of operations. For the fire and casualty insurance ventures of some of these syndicates have very little to differentiate them from purely gambling transactions. There is no guarantee behind any of this fire and casualty "insurance" outside of the ability and willingness to pay of the brokers concerned. The insurer who relies on these brokers for fire or casualty insurance protection is exposing himself to a risk of loss from which he is well protected if he places his insurance with a home institution. The insurance may cost a little more, but he is getting what he pays for, protection as nearly absolute as the law and the watchfulness of the insurance department can make it.—*Boston Standard.*

FRATERNALS AND THE INDUSTRIAL FIELD.

Easily the most important of the matters looked upon with favor by the recent National Fraternal Congress is that relative to child, or family insurance. It means, of course, that fraternalists propose entering the industrial field. During the past twenty years there have been, proportionately speaking, more retirements from operation by companies doing industrial insurance than any other branch. Some of those which have been successful have found it necessary to call upon stockholders for vast sums never dreamed of at the time of organization, while returns to stockholders have been nil. The reason for this is that companies doing a successful business have gradually increased the policy benefits and decreased the premium payments, thereby causing a considerable increase in reserve requirements proportionate to the premiums paid. The newer companies have felt the pressure and have been confronted with the problem of putting up more money or retiring from the field. Since this is the case, as a contemporary points out, it is difficult to see wherein fraternalists, already burdened to the point of swamping with unprotected liability, can give to families the measure of protection now afforded at anything like the same cost.

PRACTICAL PATRIOTISM.

London advices say that most of the British insurance offices have arranged that their staff employes who have been called to the war shall have their positions retained for them while serving their country.

The North British and Mercantile Insurance Company has granted leave of absence with full salary to all members of the Territorial force on their staff. The Phoenix Assurance Company, Limited, has arranged that employes in its home service called out on naval or military service shall be paid full salary during their absence, and shall have their posts kept open for them. The Royal Exchange Assurance Corporation will guarantee payment at full salary for six months of all their employes on service, numbering 101, sixty-one being from head office and forty from country branches. The Prudential Assurance Company of London has decided to supplement the Government pay to members of its staff called up for military service, so that no loss of salary will be incurred.

VALUATION OF SECURITIES.

In the course of the discussion at Ottawa last week on the Government's emergency financial legislation, Hon. George P. Graham stated that the Government might well give consideration to the case of certain companies under strict Government inspection and supervision. It was the practice of the finance department to value once a year the securities in which the funds of such companies were invested. This valuation was always made at the price which the securities would command in the open exchange at the time the valuation was taken. Under present conditions, when securities were almost unsaleable, this practice would work a hardship to such companies, and Mr. Graham, therefore, suggested that the Government take steps to change its procedure so that the intrinsic rather than the quoted value of securities could be fixed as their official valuation.

It was understood that this point is referred to the Finance Department for consideration.

THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated : 1833.

HEAD OFFICE : TORONTO

Old Assets over - - \$2,300,000.00
 Reliably Progressive
 Losses paid since organization over - - \$37,000,000.00

DIRECTORS:

W. B. BROCK, President
 W. B. MEIKLE, Vice-President

ROBT. BICKERDIKE, M.P.
 H. C. COX
 JOHN HOSKIN, K.C., LL.D.
 D. B. HANNA
 ALEX. LAIRD

Z. A. LASH, R.C., LL.D.
 GEO. A. MORROW
 AUGUSTUS MYERS
 FREDERIC NICHOLLS
 JAMES KEER OSBORN
 COL. SIR HENRY M. PELLATT
 E. R. WOOD

W. B. MEIKLE, General Manager
 E. F. GARROW, Secretary

THOMAS F. DOBBIN, Resident Manager
 MONTREAL

First British Insurance Office Established in Canada, 1804

INTENDING ASSURERS

Should read the "THREE MINUTES" Leaflet of the

PHOENIX ASSURANCE CO., Limited,
 OF LONDON, ENGLAND (Founded 1782)

Copies of this and full information regarding the Company's system, its equitable principles and liberal policies, may be obtained at the Head Office,

100 ST. FRANCOIS-XAVIER STREET, MONTREAL
 The Company offers to the Public every advantage which

LIFE ASSURANCE

conducted under the most favourable conditions is capable of affording:

At the BONUS DIVISION for the five years ending 31st DECEMBER, 1910

- (1) A UNIFORM ADDITION of \$85 per \$1,000 was declared on all classes of Full-Bonus Policies.
- (2) A GUARANTEED BONUS was also declared of \$12.50 per \$1,000 per annum on Full-Bonus Policies becoming claims by death, and \$17 per \$1,000 per annum on Endowment Assurances maturing before 31st December, 1915. These bonuses apply to new as well as existing policies.

H. B. F. Bingham, R. MacD. Paterson, } Joint
 Life Superintendent. J. B. Paterson, } Managers

Agents Wanted



NORWICH UNION FIRE INSURANCE SOCIETY LIMITED
Norwich, England

INSURANCE AGAINST:
 FIRE ACCIDENT AND SICKNESS
 EMPLOYERS' LIABILITY PLATE GLASS

Head Office for Canada TORONTO
 Head Office for Province of Quebec, MONTREAL

Agents wanted for the Accident Branch.
 JOHN MacEWEEN, Super-tendent for Quebec.

Established 1864.
New York Underwriters Agency.
A. & J. H. STODDART REGISTERED
 100 William Street, NEW YORK

PROVINCIAL AGENTS.

MURPHY, LOVE, HAMILTON & BARCOE, Toronto, Ont.
 OSLER, HAMMOND & NANTON, Winnipeg, Man.
 ALFRED J. BELL, Halifax, N.S.
 JOHN, WM. MOLSON & ROBERT Y. HUNTER, Montreal, Que.
 WHITE & CALKIN, St. John, N.B.
 EDMUND T. HIGGS, Charlottetown, P.E.I.
 AYRE & SONS, LTD., St. John's, Nfld.

T. D. RICHARDSON, Supt. for Canada, TORONTO

L'UNION FIRE INSURANCE COMPANY, Limited

Head Office : PARIS, France.

Established 1828

Capital fully subscribed . \$ 2,000,000.00
 Net Premiums in 1912 . . 5,303,255.00
 Total Losses paid to 31st Dec., 1912 86,000,000.00

Canadian Branch:

LEWIS BUILDING 17 ST. JOHN STREET, MONTREAL

Manager for Canada:

MAURICE FERRAND

Established

1859

The London Mutual Fire Insurance Co. of CANADA
 ACTIVE AGENTS WANTED for MONTREAL CITY.

PROVINCE OF QUEBEC BRANCH

W. J. CLEARY, Provincial Manager
 R. de GRANDPRE, Inspector
 LEWIS BUILDING, 17 St. John Street, MONTREAL

MANITOBA'S FIRE LOSSES.

Manitoba's fire losses aggregated \$1,070,521 for the year ended November 30th, 1913. Presuming the population to be 600,000, this represents a per capita loss of \$1.78.

The greatest losses occurred in the province at large, outside the city of Winnipeg, and while the per capita loss for these 11 months has been somewhat reduced from other years, when it has been as high as \$3 for the province, and even \$5 in Winnipeg, it is, of course, still out of all proportion to what it ought to be, suggests Fire Commissioner Lindback in his annual report.

In his comments the fire commissioner makes these pointed remarks:—"Matches, defective stoves and chimneys, as well as sparks from locomotives where conditions should have called for special care, caused several of the losses of \$10,000 and over. This is all due to what may be called 'tempermental' hazard. Habitual recklessness in the use of volatile and combustible substances and such conditions favorable to the outbreak of fires through lack of care in the cleanliness of premises, unsafe flues, etc. This condition of mind in contact with the element of fire despises preventive measures, and looks upon fire when it has occurred as a mere accident in life, calling for neither excuse nor condemnation. It will take a long, continuous process of education, beginning with the young children, to cure the effects of this natural disposition, and to produce a fitting respect for the value of both life and property.

FACTORS IN PREVENTION WORK.

"Elimination of hazardous buildings is another factor in the fire prevention work. During the year, Commissioner Lindback ordered demolished about 80 dilapidated or non-revenue-bearing structures thereby preventing fires which otherwise would have endangered the neighborhood. Such buildings, too, incite to incendiarism, as proved by some exploits in Winnipeg, and the epidemic of fires started in Brandon during the summer fair.

"Inspection of premises before the fire is one of the greatest needs for a quick reduction of these heavy losses, and can be best conducted by the fire department, guided by printed inspection blanks in duplicate, to be filed with the chiefs of the respective halls, and at the fire commissioner's department. In addition to this, we should enlist the public schools in this work through proper text-books in the hands of the teacher, or by practical short talks by men experienced and versed in fire prevention work."

WAR AS AN ARGUMENT FOR FIRE PREVENTION.

Fire insurance men are endeavoring to impress upon the public the importance of special care in the matter of fire prevention at this particular time.

Normal losses have been heavy, and if a serious conflagration should come the existing financial and banking conditions would produce an unusual result. It would be necessary for the companies to sell large amounts of securities to pay a loss of that magnitude, and with the stock exchanges closed this would be impossible, no matter what great sacrifices they might be willing to make as to price in order to meet their obligations promptly. A conflagration just at this time, with its destruction of values and its disturbance of financial conditions would be serious.

That the situation is appreciated by business men generally is shown by the action of Marshall Field & Co., who have instructed the heads of all departments and the managers of all factories, warehouses, garages and other properties to be exceptionally careful at this time as regards fire hazard. The notice, issued by Arthur Hawxhurst, manager of the Insurance Department, is as follows:

"Owing to the terrible state of affairs in Europe, which affects the entire United States more or less in every direction, this department wishes now to call your particular attention to the results of sustaining a loss by fire. As the stock exchanges are closed, the insurance companies would have no market for their securities in case they were called upon for a large amount of money for losses that might be sustained by an extensive fire or conflagration. Naturally, they look for the help of every one to prevent such occurring.

"It is the duty of every assured, be he a household or an employe, to take every wise precaution to prevent fire and its dire results at all times, particularly so at the present time. Consequently we call upon every employe in every department in all parts of our business to be more than watchful and careful in this regard, and every department head will be expected to make this a personal matter with those under him, to see that this is carried out.

"A loss of a property now not only means a money loss of the property, but a loss of a plant, which at the present time will be most desirable to have in service, not alone for the good of the house, but for the welfare of the employes themselves. Let every one read this notice carefully, and let the wisdom of it impress itself upon him or her as the case may be."

OPPORTUNITIES FOR CANADA.

A bulletin issued by the Trade and Commerce Department at Ottawa deals with opportunities for Canadian manufacturers to develop their export trade as a result of the wreckage of German and Austrian trade:—

"The foremost market of which Germany will be deprived as a result of the war," says this bulletin, "is the United Kingdom, which has been buying goods from Germany at the rate of about \$145,000,000 a year. German exports of agricultural machinery to Great Britain in 1913 were \$131,189 as compared with \$437,099 from Canada; of sewing machines, \$500,000 as compared with Canada's \$2,263. Under the head of machinery Germany has exported to Great Britain to the value of over \$5,000,000 a year; of electrical machinery, over \$31,000,000 a year; of electrical goods and apparatus \$41,000,000 a year; hardware, \$4,000,000; boots and shoes \$250,000; brooms and brushes, \$789,002, as compared with an import from Canada of only \$7,917; of paper \$2,017,575, as compared with an import from Canada of \$587,010.

"Germany's trade with various British Dominions has also been large and here also is an opportunity for Canadian manufacturers. Australia's purchases from Germany amount to over \$32,000,000 a year as compared with but \$3,996,387 from Canada. South Africa imports \$17,000,000 worth of German goods annually, as compared with less than \$4,000,000 from Canada."

SIX FACTS

from the 67th ANNUAL REPORT of the Canada Life Assurance Company

- In important respects the Company in 1913 excelled its record for any previous year in its history.
1. THE SURPLUS EARNED in 1913 was \$1,709,959.66, exceeding by over \$179,000 the earnings of 1912, and by a much larger amount the earnings of any previous year. The present net surplus is \$6,183,278.39.
 2. THE INCOME of \$8,094,885.70 was greater than that of the previous year by \$698,125.96, and the greatest in the Company's history. The rate of interest earned, which had been steadily advancing since 1899, was further improved in 1913. This is an important factor in producing surplus.
 3. THE ASSETS were increased by \$3,860,271.32, and now stand at \$52,161,794.81.
 4. THE TOTAL ASSURANCES now in force are for \$153,121,363.94, an increase of over \$8,273,000 in the year.
 5. THE PAYMENTS TO POLICYHOLDERS in 1913 totalled \$2,878,016.11, an increase of \$415,051.31 over those of 1912. In addition to this, LOANS TO POLICYHOLDERS on security of their policy contracts were made for \$1,692,248.71.
 6. THE MORTALITY of the year was again more favorable than the expectation, and this, with a continued LOW EXPENSE RATIO, contributed to the earning of a record surplus.

WANT A BETTER JOB?

The Imperial Life has some splendid openings in its field force for men who can sell life assurance. Energy, persistence, enthusiasm are required. In return we offer liberal agents' contracts, attractive policies and a reputation for properly safeguarding policyholders' interests.

For further particulars, write

THE
IMPERIAL LIFE ASSURANCE COMPANY
Head Office - TORONTO

The Equity Fire Insurance Co. TORONTO, CAN.

WM. GREENWOOD BROWN, General Manager

GENERAL AGENTS:

A. B. Powell, Interim Branch Manager, Montreal	Faulkner & Co., Halifax W. S. Holland, Vancouver.
Brown Clarke Agency, Winnipeg	Geo. A. Lavis, Calgary,
Young & Lorway, Sydney, N. C.	J. M. Queen, St. John, N. B.
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The LIFE AGENTS MANUAL, \$3.00
THE CHRONICLE - MONTREAL

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.

WAR WILL TEST THE STRENGTH OF THE WORLD'S FINANCIAL INSTITUTIONS. THE NATIONAL LIFE ASSURANCE COMPANY OF CANADA

holds an IMPREGNABLE POSITION by reason of the Unequalled character of its Assets, which are immune from the effects of War, Panic or Depression.
A CONTINUOUS RECORD FOR FIFTEEN YEARS—NO ARREARS of Interest or Principal on any of its invested funds.
SAFETY FIRST

A COMPANY OF QUALITY

Several good agency openings for Producers. Apply direct to

Head Office: 25 Toronto Street, Toronto.

ELIAS ROBERT, President.

ALBERT J. RALSTON, Managing Director.

F. SPARLING, Secretary

**MAINTAINING PRODUCTION AND INCOME:
SIR GEORGE PAISH'S ADVICE.**

Sir George Paish, the well-known English economist, whose services have been retained by the British Treasury department to advise on the financial and economic problems arising as a result of the war, advises strongly that ordinary business should be as far as possible proceeded with so that both production and income may be maintained at the highest possible levels during the present period of stress.

"At such a time," he says, "it is of the greatest importance that every one should endeavor to act as if great events were not impending. Were confidence seriously disturbed business would come practically to an end, and our ability to face the difficulties that may be in front of us would be seriously impaired.

"Therefore, it is of vital importance that, as far as possible, the events that are now taking place should not interfere with the daily life and the daily work of the nation.

"It cannot be too clearly realized that the nation's income is dependent upon its daily work and its daily production, and that at a time such as the present it is desirable that every one should work harder and be more productive, in order that we may have the income, and therefore the money, with which to meet any expenditure and any burden that may be placed upon us.

COURAGE AND CONFIDENCE NECESSARY.

"In the current year the new issues of capital in the London market alone will probably reach £250,000,000, after providing for the nation's expenditure upon the construction of houses and extensions of works. If the occasion should arise the British people should be able, without any serious difficulty, to raise loans amounting to £200,000,000 a year over and above any sums they may derive from the sale to the United States of a part of the great quantity of American securities they now possess.

"But for this to be accomplished the situation must be faced with courage and confidence on the part of every one. Investors must continue to invest, bankers must continue to lend, the Stock Exchange must continue to deal, and every one according to his ability must endeavor to work hard in order that individual incomes, and therefore the income of the whole nation, may be maintained at the highest possible level."

A HUGE PREMIUM INCOME.

Insurance companies under the supervision of the Dominion insurance department last year received in premiums a total of \$76,080,816. Of this amount Canadian companies received \$36,222,419, and British, American and other companies, \$39,842,064. Fire premiums totalled \$25,745,947, life (exclusive of assessment), \$38,658,593 and employers' liability (the next largest), \$3,516,758.

American insurance companies transacting an annuity business, it is said, will have to make large increases in their rates. Most, if not all, the companies transacting it are said to have been losing money on the business, either because their rates were too low or, what amounts to the same thing, their benefits were too high.

EFFECT OF WAR ON BRITISH COMMERCE.

The following table compiled by the London *Economist* distinguishes British trade during the first half of 1914, according to present international alignments:—

DIRECTION OF TRADE IN FIRST HALF OF 1914	IN THOUSAND £.		
	Imports.	Exports.	Re-exports.
	£	£	£
Allies	50,675	29,452	14,903
A.-Hungary and Germany	43,095	20,779	12,032
Belligerents	93,770	50,231	26,935
N.-W. Europe	33,030	18,423	3,600
Rest of Europe and Mediterranean	26,679	29,888	1,967
N. and S. America (foreign countries)	108,030	39,980	19,540
Other foreign countries (Asia and Africa)	19,745	22,695	527
British Possessions	94,629	94,240	6,707
	375,883	255,458	59,276

The figures show that trade with belligerents amounts to nearly 25 per cent. of the total in the case of imports, to less than 20 per cent. in the case of exports, and to about 45 per cent. in the case of re-exports. The table also shows, continues the *Economist*, that so far as trade with Germany and Austria-Hungary is concerned there is a considerable balance of imports; that is to say, we normally owe those countries more than they owe us, so far as payment for actual material goods is concerned. Our re-export trade to them is large, but the exports of British goods are less than half the imports. When all allowances have been made for interest due to this country, for payment for the services of British ships, etc., it is probable that British payments to these countries are at least equal to the payments due to us. The stoppage of trade with these countries is, therefore, not likely to cause the same dislocation to the international payments of Great Britain as would have been the case if there had been a large surplus of payments due to us from these countries wherewith to buy goods elsewhere. The same applies to trade with our Allies, though in this case there are, of course, large interest payments due to us from Russia which may or may not be interrupted.

ENORMOUS PAYMENTS DUE.

Trade with the Americas is interesting in this connection, for the enormous balance of imports is in this case chiefly due to the large amounts of interest payable on British capital invested in these countries; and unless there is complete commercial collapse in the New World there must be a large amount of payments to this country continually falling due which should be available for payment for imports, even if our export trade is checked for the time being. The amount falling due in this way in the case of the United States to all foreign countries is estimated at £40 millions in the next three months, the greater part of which is due to Great Britain. The existence of these payments will help materially to re-establish the exchanges between this country and the Americas.

Taking a long view, the prospect seems to favor gradual return of normal business activities. But the very unusual means adopted are likely to prolong the period of final readjustment. Given continued control of the ocean by our fleet, it is believed that the United States and England will make great captures in the field of neutral trade.—*London Cable.*

GRESHAM

Life Assurance Society, Limited
Founded 1848

Funds : FIFTY MILLION DOLLARS

Applications are wanted for Agencies. Liberal commissions would be arranged for Agents and Brokers.

ADDRESS:
ARCH. R. HOWELL,
Manager for Canada,
MONTREAL.

BE PREPARED!

These are the days of stress and strain in financial circles and the breaking of the war-cloud has greatly added to the prevalent anxiety.

The intense surprise experienced at the declaration of war clearly shows the necessity for every financial institution being prepared for unforeseen emergencies.

The Mutual Life has sometimes been criticised even by its best friends for carrying too large a surplus, but the situation to-day justifies our conservative yet progressive policy.

The Mutual Life Assurance Co.

Of Canada,
WATERLOO - - - ONTARIO

Assets - \$22,252,724. Gross Surplus - \$3,816,612.

The Imperial Guarantee

AND ACCIDENT INSURANCE CO., OF CANADA

Head Office : 46 King Street W.,
TORONTO, Ont.

A Strong Canadian Company.

ACCIDENT AND SICKNESS INSURANCE
GUARANTEE BONDS

PLATE GLASS AND AUTOMOBILE INSURANCE

E. WILLANS, **FRANK W. COX,**
General Manager. Secretary.

PROVINCE OF QUEBEC } To Wit :-
CITY OF MONTREAL }

IN THE MATTER of the appointment of a Provincial Manager by the **CONTINENTAL LIFE INSURANCE COMPANY, HEAD OFFICE, TORONTO**

GEORGE B. WOODS, President.
CHARLES H. FULLER, Secretary

The WATERLOO

Mutual Fire Insurance Co.

ESTABLISHED IN 1863

HEAD OFFICE : **WATERLOO, ONT.**

TOTAL ASSETS 31st DEC., 1911, \$772,000.00
POLICIES IN FORCE IN WESTERN ONTARIO OVER 30,000

WM. SNIDER, President, **GEORGE DIEBEL, Vice-President**
FRANK HAIGHT, Manager **ARTHUR POSTER, Inspector**

Organized 1850

ISSUES GUARANTEED CONTRACTS

<p>JOHN P. MUNN, M.D. PRESIDENT</p> <p>FRANCIS GOWATER CLARENCE H. KELSEY Pres. The Chronicle and Star Co.</p> <p>WILLIAM H. PORTER Broker</p> <p>EDWARD TOWNSEND Pres. Insurance of Trades Nat. Bank</p>	<p>Good men, whether experienced in life insurance or not, may make direct contracts with this company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, No. 277 Broadway, N. Y.</p>
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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 NEUNIER** Manager : **H. W. THOMSON.**

INSPECTORS.

GAVIN BROWN, Jr., 51 Yonge Street, Toronto, Ontario. **R. T. BROWN, P. O. Box 860,** Regina, Sask.
B. A. CHARLEBOIS, P. O. Box 308, Montreal, Que.

A WARNING TO MUNICIPALITIES.

It appears that some of the Saskatchewan municipalities whose borrowing operations are under the control of the Local Government Board of that province have been asking authority for loans after having incurred expenditure without having made arrangements for it. The Board has now issued a notice, saying:—"Up to the present the board has been indulgent in dealing with cases of this kind, the irregularities in most instances having occurred previous to the commencement of its financial supervision.

"In future municipalities should bear in mind that when works are decided upon to be paid for by way of the issue of debentures that it is absolutely necessary to procure the sanction of the proper authorities before beginning operations. And further, that money raised by this means for a particular purpose must be applied to that purpose and positively to no other.

"There can be no mitigating circumstance to excuse the diverting of debenture funds from the purpose for which they were raised, and the board will be compelled to deal with cases of this kind with the sole view of enforcing proper methods of financing without favor to any particular municipality."

BRITISH TRADE AND THE FINANCIAL SITUATION.

British trade last month totalled £106,188,000, about a quarter of which was probably done with Germany and the other countries which are engaged in the war.

Discussing this question, the London *Statist* says that while it is true, of course, that our trade with the Continent will be checked, against this has to be placed the fact that neither Germany nor Austria will be able to export any appreciable amount of goods to any country, and that consequently a deficiency will arise which must be supplied by the countries capable of supplying similar goods. The only countries that will be in a position to supply the goods usually supplied by Germany are Great Britain and the United States, and therefore against the loss of trade with the Continent must be placed the increased trade which will be carried on with other countries.

Last year the value of British net imports was £659,000,000. To pay for similar amounts in the future we shall have to export goods to the value of between £300,000,000 and £350,000,000. It will be borne in mind that last year the value of our exports was £525,000,000, but with this sum we not only paid for all the goods imported, including manufactures, but we also paid for about £200,000,000 of securities. Of course, during the war our ability to find capital for other countries will practically cease. Indeed, from time to time it may be that we shall import capital either by disposing of a portion of the £4,000,000,000 of foreign investments that we hold or receiving subscriptions from friendly countries to our issues of Consols. In proportion as we sell securities to or receive subscriptions to our war loans from other countries the smaller will be the amount of goods we shall have to export in order to purchase as much food and material as we did last year. The whole question of the volume and extent of British trade depends upon the success of the British fleet in keeping the command of the sea. The purely financial situation is as strong as the economic situation.

The *Statist* has no doubt whatever that out of new savings the country will be able to raise some \$300,000,000 of money in the year for war purposes over and above any sums it may obtain by the sale of some portion of its great holding of foreign securities. Thus, as far as the financial situation is concerned, the position is one of great strength.

BRITISH MORATORIUM LIKELY TO END.

"Chancellor David Lloyd George," says a London cable, "has received 8,000 replies from traders and bankers to inquiries regarding the desirability of continuing the moratorium. Of these 4,500 favored ending it and 3,500 favored continuing it. This really means that the former have more money owing them than they owe, while the latter owe more than is due them.

"Arrangements are being made to cancel the moratorium and to institute legislation preventing creditors from exercising harsh legal treatment towards debtors who unfeignedly cannot pay.

"At present many debtors who can pay will not do so.

"Generally speaking, conditions are improving, owing to the facilities granted by most banks, who are behaving well to their customers. A few banks have been restricting accommodation, but Lloyd George threatens to pillory them publicly if they don't adopt a more liberal policy.

"Banks are being besieged by customers desiring advice and credit to enable them to capture German trade abroad. Most bankers are giving all possible assistance."

NEW METHOD OF VALUING INSURANCE COMPANIES' SECURITIES.

The Dominion insurance department announces that this year it has adopted a new method of determining the market values of the stocks, bonds and debentures held by the various companies. The entire list of securities owned by insurance companies in Canada has been submitted to three reliable independent bond dealers for valuation as at December 31, 1913. These valuations were averaged and the averages taken as the standard market values for insertion in the report. In a limited number of cases one or two of the valuers were unable to furnish values, and in such cases the one value furnished in the average of the two values was used. In the case of a few securities, none of the valuers were able to fix a value, and these securities have been shown in the report at the company's values, the market value in such cases appearing in italicised type.

NORTHERN ASSURANCE COMPANY.

Mr. Cecil Lubbock, a director of the Bank of England and of the Northern Assurance Company, and managing director of Whitbread's Brewery Company, has been appointed a director of the Hudson Bay Company, filling the vacancy created by the appointment of Sir Thomas Skinner to the Governorship, in place of Lord Strathcona.

THE PRUDENTIAL POLICY



presents clear facts. People accept it accordingly.

AGENTS WANTED.

THE PRUDENTIAL INSURANCE CO. OF AMERICA
 ARREST F. DRYDEN, President. Home Office, NEWARK, N.J.
 Incorporated as a Stock Company by the State of New Jersey

GENERAL

ACCIDENT FIRE AND LIFE

ASSURANCE CORPORATION, LTD.
 OF PERTH, SCOTLAND.

Total Security to Policyholders over \$8,600,000

PELEG HOWLAND, Chairman, Canadian Advisory Board
 D. R. WILKIE, Vice-Chairman, Canadian Advisory Board

T. H. HALL, Manager for Canada.
 JUDSON G. LEE, General Agent, Montreal.

RAILWAY PASSENGERS ASSURANCE CO.

OF LONDON, ENGLAND

Established 1849.

OLDEST ACCIDENT COMPANY IN THE WORLD
ACCIDENTS OF ALL KINDS
 AND ILLNESS
 INSURED AGAINST

Also ALL KINDS of LIABILITY EMPLOYERS' AND PUBLIC (INCLUDING AUTOMOBILE.)

PLATE GLASS AND FIDELITY GUARANTEE
 Head Office for Canada, Confederation Life Building, TORONTO
 F. H. RUSSELL, Manager



Transacts:
 PERSONAL ACCIDENT SICKNESS LIABILITY (all kinds) AUTOMOBILE
 FIDELITY GUARANTEE BURGLARY and LOSS OF MERCHANDISE and PACKAGES THROUGH THE MAIL INSURANCE

Applications for direct Agencies invited.
 ELECTRICAL BANK and STORE PROTECTION
 SPRINKLER SUPERVISORY SERVICE
 NIGHT WATCHMEN'S SIGNAL and FIRE ALARM SYSTEMS

Head Office, GRESHAM BUILDING 302 ST. JAMES STREET MONTREAL
 F. J. J. STARK, General Manager.

THE FEDERAL LIFE ASSURANCE COMPANY OF CANADA

in 1913 surpassed all records. Every department showed the most gratifying increases, increases which point most strongly to the fact that this Company is for its Policyholders, first, last, and always. That is why Federal Life Policies sell so easily. We have Agency openings in Ontario and Quebec for the right men.

—Write—

C. L. SWEENEY, Provincial Manager for Quebec, 180 St. James Street, Montreal.

PROVINCIAL TAXATION OF BANKS.

(Continued from last week.)

EFFECT OF TAXATION.

Taking the increase of bank taxes all round, the inevitable result must be, as Mr. Wilkie explained to the Imperial Bank stockholders, to discourage branch extension, to cause the banks to refrain from supplying facilities to many points which need them, and to increase the cost of banking services to the public. It would seem that the western provinces in particular are interested in keeping down the taxation of banks. The whole Dominion is interested in cheap credits; the West is vitally interested in having cheap credits. It is to be feared the efforts of western provinces to bring about reduction in discount and loan rates will be in large measure nullified if they continue to increase bank taxes as they have in the past few years. This applies particularly to British Columbia and Alberta. Saskatchewan and Manitoba are more reasonable in their application of taxation methods. When Ontario's increase goes into effect, Saskatchewan will have the lowest average tax per bank office of any of the provinces. The Saskatchewan taxes work out \$82 per bank office, whereas Alberta shows \$182 and British Columbia \$337.

FEWER BANKS.

Since 1913 the western provinces have not been getting as many new bank branches as the East. While the trade depression must be taken as the principal cause, increase of provincial taxes also had its effect. The new Ontario law is so framed as not to force the banks to close numerous small branches. The tax on individual branches in Ontario is still small (\$50), even though doubled by the new law. But in case of British Columbia there is \$250 a year to be saved in provincial taxes through closing an unprofitable branch; that is an item worth considering, and if the trade reaction lasts much longer we may expect to see a considerable number of offices closed in that province. The same applies to Alberta in slightly less degree. There the saving in provincial taxes through closing a branch would be \$125. But as regards Saskatchewan and Manitoba it can be assumed that the provincial taxes will not operate to cause closing of branch offices, at least while the present scale survives.

It should be in the interest of all these provinces to encourage the banks to put branches in small places and in that way rescue the inhabitants of the smaller villages from the private bankers who charge exorbitant rates.

POSSIBLE DOMINION TAXATION.

Mr. Wilkie brought up the point regarding the possibility of Dominion taxation of banks being added to the provincial and municipal taxation. If the Dominion does enter this field perhaps its exactions would take the form of a straight tax on earnings, or an income tax on bank dividends. Such a development would necessarily have disagreeable consequences for all who borrow from the banks and all who have occasion to use their facilities—the increasing exactions would have an irresistible tendency to push up the scale of banking charges and to induce the banks to confine their operations altogether to points whereat good profits were to be secured.

Apparently, the provincial treasurers and governments are in most cases aware that increase of bank taxes is not a good thing for the people of their provinces. Usually, when increases are decided upon, it is a case of urgent need for additional funds, and no visible means of getting them except from the corporations. So it would seem that the only hope for escaping further rapid increase in the future lies in the adoption of more conservative and careful financial policies by the various provincial governments. Increase of funded debts of the several provinces has been one of the most potent factors in causing increase of bank and other taxes. And the banks and their customers have cause to look with some apprehension on the provincial guarantees so lavishly given to railway companies in recent years. Should the provinces, or any of them, be required to implement these guarantees they would be almost compelled to mulct the corporations afresh to provide the additional funds.

PASSING ON THE TAXATION.

It may be the case that disinclination of British investors to take our provincial bonds on any large scale will operate to prevent rapid growth of provincial debts in the next two or three years. If so, the provincial governments would have to economize and they would be obliged to refrain from taking up new schemes involving large expenditures of borrowed money. Taxpayers of various classes might thus have reason to bless the British investor for his temporary obduracy in the matter of subscribing to provincial bonds. The Montreal CHRONICLE a short time ago suggested that the banks and other corporations might eventually be led to specifically designate the item of taxes when laying charges on their customers. Thus if a bank were charging a customer $7\frac{1}{2}$ per cent. discount on a loan, it might inform the customer that the deduction of $7\frac{1}{2}$ per cent. represented 7 per cent. for its own revenues and $\frac{1}{2}$ per cent. to cover taxes. This idea has its attractions when looked at from the banking point of view. If the public could be made to realize or understand just how the exactions of the provinces and municipalities tended to increase the disposition of bankers to quote higher charges for services performed, there might be a good deal of indirect pressure brought to bear on the legislatures. To carry out a plan of this kind logically or properly the banks would have to charge higher rates relatively in those cities which mulcted them most severely, and, generally, in those provinces having the relatively high scales of taxation. But, unfortunately, it would be almost impossible to put a plan of this kind into operation. The charges levied by banks on their customers are so varied and intricate that it would be impossible to say to what extent a given charge should be increased to make it cover a newly imposed tax. As a general rule, the banks will continue in the future, as in the past, endeavoring to fix their charges and rates at such levels as will give them a fair profit after providing for expenses of all kinds (taxes being included therein). Where the taxes are especially high the banking disposition will naturally be to charge rates, etc., a little higher than prevail elsewhere. Of course, it would not be possible or practical in all cases to meet excessive taxes with special rates for services. At some points, notably in the greater cities, competition is so keen as to keep bank rates and charges severely down. How-

Traffic Returns.

CANADIAN PACIFIC RAILWAY.				
Year to date.	1912.	1913.	1914.	Decrease
July 31...	\$70,893,000	\$75,887,000	\$62,948,000	\$12,939,000
Week ending	1912.	1913.	1914.	Decrease
Aug. 7....	\$2,700,000	\$2,581,000	\$2,236,000	\$345,000
" 14....	2,677,000	2,630,000	2,162,000	468,000
" 21....	2,604,000	2,506,000	2,154,000	352,000
GRAND TRUNK RAILWAY.				
Year to date.	1912.	1913.	1914.	Decrease
July 31...	\$28,527,279	\$32,180,296	\$29,688,100	\$2,492,196
Week ending	1912.	1913.	1914.	Decrease
Aug. 7....	\$1,109,682	\$1,149,584	\$1,106,823	\$42,761
" 14....	1,098,493	1,150,198	1,068,710	81,488
" 21....	1,097,394	1,144,416	1,096,476	47,940
CANADIAN NORTHERN RAILWAY.				
Year to date.	1912.	1913.	1914.	Decrease
July 31...	\$11,033,630	\$12,688,700	\$10,930,000	\$1,738,700
Week ending	1912.	1913.	1914.	Decrease
Aug. 7....	\$407,300	\$418,700	\$354,400	64,300
" 14....	401,800	436,900	319,500	117,400
" 21....	372,900	396,200	307,600	88,600
TWIN CITY RAPID TRANSIT COMPANY.				
Year to date.	1912.	1913.	1914.	Increase
July 31...	\$4,582,178	\$4,955,137	\$5,285,196	\$330,059
Week ending	1912.	1913.	1914.	Increase
Aug. 7....	\$159,683	\$173,141	\$183,414	\$10,273
" 14....	168,136	172,640	4,504

HAVANA ELECTRIC RAILWAY COMPANY				
Week ending	1913.	1914.	Decrease	
Aug. 2	55,588	53,184	2,404	
" 9	56,067	54,066	2,001	
" 16	56,108	52,246	3,862	
" 23	52,546	49,052	3,494	
DULUTH SUPERIOR TRACTION Co.				
Week ending	1912.	1913.	1914.	Increase
Aug. 7	25,888	26,195	26,250	55
" 14	23,418	25,229	25,682	453
DETROIT UNITED RAILWAY.				
Week ending	1912.	1913.	1914.	Decrease
May 7....	\$203,667	\$2,975,3	\$223,133	\$16,620
" 14....	195,977	238,104	221,628	16,471

CANADIAN BANK CLEARINGS.

	Week ending Aug. 27, 1914	Week ending Aug. 20, 1914	Week ending Aug. 28, 1913	Week ending Aug. 29, 1912
Montreal...	\$45,218,982	\$44,988,575	\$44,450,637	\$52,732,123
Toronto....	32,754,615	32,919,365	35,268,131	35,427,619
Ottawa....	3,036,851	4,141,376	3,353,148	5,615,515

MONEY RATES.

	To-day	Last Week	A Year Ago
Call money in Montreal...	6-7%	6-6 1/2%	6-6 1/2%
" " Toronto...	6-7%	6-6 1/2%	6-6 1/2%
" " New York.	3-3 1/2%	..	2 1/2%
" " London....	6-8%	..	2 1/2%
Bank of England rate....	5%	5%	4 1/2%

Montreal Tramways Company
SUBURBAN TIME TABLE, 1914

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 " 20 " " 8.00 p.m. to 12.10 a.m.
10 " " 9.00 " 4 p.m. Extra last car at 12.50 a.m.

Sault aux Recoillet and St. Vincent de Paul:

From St. Denis to St. Vincent—
20 min. service 5.30 a.m. to 8.00 a.m. 30 min. service 8.00 p.m. to 11.30 p.m.
10 " " 8.00 " 8.00 " Car from Hendersons only 12.00 mid.
20 " " 8.00 " 4.00 p.m. Car to St. Vincent 12.40 a.m.
10 " " 4.00 p.m. to 8.00 "

From St. Vincent to St. Denis—
20 min. service 5.50 a.m. to 6.30 a.m. 30 min. service 8.30 p.m. to 12.00 mid.
10 " " 6.30 " 8.30 " Car from Hendersons 12.20 a.m.
20 " " 8.30 " 4.30 p.m. Car from St. Vincent 1.10 a.m.
10 " " 4.30 p.m. to 8.30 "

Cartierville:

From Snowdon's Junction— 20 min. service 5.20 a.m. to 10.40 p.m.
40 " " 10.40 p.m. to 12.00 mid.

From Cartierville— 20 min. service 5.40 a.m. to 11.00 p.m.
40 " " 11.00 p.m. to 12.20 mid.

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 midnight

From Victoria Avenue to Snowdon.—
10 minutes service 5.50 a.m. to 8.50 p.m.

Bout de l'île:

20 min. service 5.00 a.m. to 9.00 p.m.
40 " " 9.00 p.m. to 12.00 midnight

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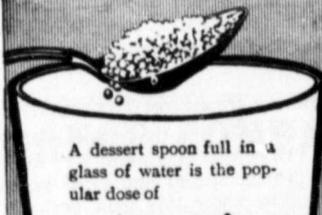
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for each rate between 1/4 and 10 per cent per annum proceeding by intervals of one-eighth, and from 1 year to 100 years. I. Present value of £1 receivable at the end of each year. II. Present value of £1 per annum receivable at the end of each year. III. Amount of £1 at the end of each year. IV. Amount of £1 per annum at the end of each year.

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ever, in the long run the effect of excessive taxation of banks is to force their charges upwards and to restrict the spheres of operation. In both cases the country suffers. Cheap credits and widely diffused banking facilities are two things of which Canada must have the advantage, if she is to continue making phenomenal progress.

CANADIAN FIRE RECORD.

(Specially compiled for The Chronicle.)

MONTREAL.—Two motor boats burned, off Dominion Park, August 25.

CALGARY, ALTA.—Main stock building of the Canada Oil Co. Loss, about \$20,000.

EXETER, ONT.—W. Sanders' barn and its contents destroyed, August 17. Origin, lightning.

CAMPBELLTON, N.B.—Two million feet of sawn lumber destroyed at Richards Mill, August 25.

STROME, ALTA.—H. A. Andre's store building destroyed, near Strome. Total loss. Insurance in Caledonian, \$1,000.

FORT SASKATCHEWAN, ALTA.—Rev. W. J. Howard's dwelling destroyed. Total loss. Insurance Winnipeg Fire, \$800.

ELMWOOD, MAN.—Union Grain Co.'s elevator practically destroyed. Loss is estimated at approximately \$12,000. Fully covered by insurance.

PHELPHSTON, ONT.—Barns and stables of H. Loftus with season's crops destroyed, August 17. Insurance about one-third of loss. Origin, lightning.

HARDING, MAN.—Elevator owned by the Northern Elevator Co., Ltd. Loss on elevator, \$5,147; on contents (grain), \$3,731. Insurance on elevator, \$2,650 in Springfield and \$2,650 in National.

SOUTH WELLINGTON, B.C.—A number of houses completely destroyed, also the Alexandra hotel, a three-storey building, valued at \$10,000. The total loss is reported about \$40,000, with less than \$10,000 insurance. The fire started from the bush.

PETERBORO, ONT.—Barn and outbuildings of A. Ward, destroyed with contents, August 17. Insurance, \$1,700, about half the loss. W. J. Maher's barn at Druro, destroyed with contents, August 17.

FERNRIDGE, B.C.—Plant and stock of the Fernridge Lumber Co. destroyed. Loss estimated at \$150,000, with \$100,000 insurance, composed of \$72,000 on the mill and \$30,000 on the stock in the yard.

LOWE FARM, MAN.—Elevator owned by the Winnipeg Elevator Co. and C. E. Anderson, and occupied by C. E. Anderson. Loss on building, \$3,810. Insurance, \$2,650 in Springfield, and \$2,650 in National.

COMPEER, ALTA.—General store owned and occupied by Mason and Wulff. Loss on building, 510; on contents, \$1,216; on fixtures, \$73.44; on household furniture, \$121.50. Insurance on building, \$750; on contents, \$2,250; on fixtures, \$150; on furniture, \$75, all in Royal. Fire supposed to have been caused by kerosene lamp.

HUGE DEPRECIATION IN SECURITIES.

The London Bankers' Magazine, declares that from July 20 to July 30, the depreciation in 387 representatives securities dealt in on the London Stock Exchange amounted to £188,000,000, the fall being greatest in British and foreign funds.

WHERE TIMES ARE REALLY BETTER.

One of the things indicating in these days of stress and uncertainty, of moratoria, banking and trade restrictions and complications due to the European war, the closing of the Stock Exchanges of the world and the suspension or interruption of communication that times are really better than they were of so many year ago, remarks an American contemporary, is the fact that it has occurred to no inexperienced or notoriety seeking insurance commissioner to demand financial statements, details of congested area liability, and the like from the domestic companies and the various foreign ones which have been welcomed and admitted to do business in the United States.

Of course nothing of this sort would be expected from the older and more experienced commissioners or from insurance departments administered with that practical breadth of view characterising New York, Connecticut, Massachusetts, Pennsylvania, and many other States, but it is a bit surprising that no McNall of unsavory memory, eager for the limelight and longing to harass his natural prey, the insurance companies, whose interests, as well as those of the public, he is supposed to conserve, has yet jumped to the fore with all sorts of vexatious inquiries and panic-breeding requirements.

Perhaps the wise and universally commended attitude of the New York State Superintendent of Insurance, following the San Francisco catastrophe of 1906, in refusing for months, even on the behest of the Governor himself, to ask for statements, has not been forgotten.

WANTED.

A man having over 20 years experience in Fire Underwriting in this Province, office and field work, and who controls a fair amount of good business, is willing to TAKE CHARGE of a FIRE INSURANCE OFFICE or FRENCH DEPARTMENT. Address: C. A., The Chronicle, Montreal.

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