

The Chronicle

Banking, Insurance and Finance

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CANADA AND THE NEW INTEREST LEVEL.

Canada is vitally interested in the question of what is likely to result in the market for capital as a consequence of the British Government's action in issuing its new war loan to yield $4\frac{1}{2}$ per cent. Long years as a borrowing nation lie before us. Some authorities think that partly as a result of the American investor's disinclination to take up securities outside this continent, the influence of the new interest level will be felt less in the United States than anywhere else. But, assuming that this is the case, there is no assurance that Canada will be able to supply her needs in that market. It is true that within recent years the American investor has shown an increasing interest in our securities, and has absorbed a very fair and increasing proportion of our bonds. But, however satisfactory that may be, his demand has not been sufficient to indicate that we can in the future afford to rely solely upon that market to supply our needs. Thus far, there is no reason to doubt that in the future, Canada will have to rely mainly for her borrowed capital upon Great Britain.

The effect of the new loan has already been to depreciate in market value, the low-yielding long term securities of the Canadian Government and provinces which have their market in London. In regard to future borrowing by these authorities, it is obvious that they can hardly expect to get better terms than the Imperial Government itself. It must be remembered that the new war loan will run for 10 years at least and though it may, of course, rise to a substantial premium, its action in this respect is limited by the possible redemption date so that for some time, investors are likely to find it a reasonably attractive holding from the income point of view, aside from the possibility in the event of a very long war, of conversion into a loan bearing an even higher rate of interest. Under these circumstances, it would seem likely that both the Dominion Government and the provinces will find it necessary to restrict their borrowing to absolute necessities. The former will eventually, of course, have to put its war financing on a permanent basis, and it may be suggested that means may be found whereby the Dominion Government can do this in the cheapest possible way through the Imperial Government—an extension or amplification of the arrangement now in force being made. Within the last year or

so, some of the provinces have been successful in borrowing at fairly reasonable rates of interest in the New York market. Possibly, they may be able to continue doing so to a certain extent, but they are likely to find that too frequent applications will not be appreciated, and that there will have to be a long end to the plentiful spending for which some of the more "enterprising" of the provinces have become notorious.

* * *

In regard to the municipal market, the outlook is obscure. Some useful information on this subject was collected last week by the *Financial Post*, but the net upshot of its collection of opinions is that there can be no certainty about the outcome of the present situation. The United States market is again in this case looked upon as likely to continue to absorb a certain proportion of our issues. The insurance companies also are looked to as possible supporters of the market for the higher yielding bonds. In this connection it may be noted that while municipal issues are made for necessities of civic life and not for mere "frills" the insurance companies and other investors are performing an essentially patriotic service in purchasing these bonds. The purchase of these may not be so showy as a subscription to the war loan, but it is equally useful. Whether the war lasts three years or five, it is still essential that our cities and towns should be kept in such condition that they are not swept by pestilence. But in view of the high yields which the insurance companies generally have been obtaining in recent years, it is to be expected that these investors will continue to insist upon comparatively high rates of interest, more especially as the war is making its demands upon them in increasing volume as the casualty lists come in.

What is likely to happen in the case of railway and industrial financing can only be guessed at. Of railways, we have a plenty for the present and in the next ten years, they are not likely to call for a great amount of capital, once present needs have been arranged for. A rough guess at possibilities in regard to industrials would be that industrial bonds will go out of fashion and have as successors higher yielding preference stocks participating also with common stocks in profits. The one thing certain in the outlook is that, if a favorable interest rate in the future is to be ensured, capital must be accumulated as it has never been accumulated before to replace that wasted.

Established 1817 **BANK OF MONTREAL** Incorporated by Act of Parliament
 Capital Paid Up, \$16,000,000.00 Rest, \$16,000,000.00 Undivided Profits, \$1,252,864.00

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

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ESTABLISHED 1867. Head Office: TORONTO

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

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 ALEXANDER LAIRD, *General Manager*
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Branches of the Bank in Canada are distributed geographically as follows.

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

Branches of the Bank outside Canada :

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

Collections effected promptly and at Reasonable Rates.

The Molsons Bank

Incorporated 1855

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

HEAD OFFICE - MONTREAL

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

The Chronicle

Banking Insurance and Finance

ESTABLISHED 1881.
F. WILSON-SMITH,
Proprietor.

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MONTREAL, FRIDAY, JULY 9, 1915.

THE BANKS' MUNICIPAL LOANS.

The figures of the banks' loans to cities, towns, municipalities and school districts have now been available for comparison over a period of practically two years—since July, 1913. Between July, 1913 and July, 1914, the ante-war period, the tendency of these loans, generally speaking, was downward. The first-published figures of these twelve months were the highest; subsequently there was a rapid falling off until a minimum of \$29,301,620 was reached at the close of January, 1914, a reduction of nearly \$14,000,000 in comparison with the first published figures of \$43,121,384, issued six months previously. These loans then continued at a low level until April, 1914; and although they advanced considerably in the next three months, at the end of July, 1914 they were still nearly seven millions below the level of July, 1913.

With the outbreak of war, and the consequent disorganisation of the financial markets, these loans advanced rapidly reaching at the end of October a high level of \$47,316,076. Thence there was a decline to a minimum of \$35,952,805 at the close of January and a subsequent steady advance, until at the end of May they were \$43,948,436, within \$3,400,000 of the high level of last October.

The following table shows the course of these loans month by month:—

May, 1915	\$ 43,948,436
April	43,031,360
March	41,227,449
February	38,437,903
January	35,952,805
December, 1914	38,256,947
November	44,706,055
October	47,316,076
September	44,338,873
August	39,664,534
July	36,372,334
June	37,260,571
May	33,689,577
April	30,168,812
March	31,890,843
February	30,372,854
January	29,301,620
December, 1913	30,518,573
November	35,173,817
October	37,846,369
September	37,465,383
August	41,310,281
July	43,121,384

While for a year or more prior to the war, the banks had adopted a firm policy towards their municipal borrowers, and the authorities were given to understand that they must fall in with the prevalent trend of the times and restrict their expenditure, it is evident from these figures that the outbreak of war caught many of these municipalities still in a

comparatively extended position and that substantial aid had to be given by the banks to enable them to tide over the sharpest period of the crisis. In recent months, it will be in recollection, several of the large Canadian cities were able to find a market for considerable amounts of short-term loans in the United States, but that this outlet did not provide sufficient accommodation is evident by the rise in the loans which has since taken place.

The subjoined table shows the details of the banks' municipal loans as at May 31 last and a year previously:—

	May 31, 1914.	May 31, 1915.
Montreal	\$ 4,135,589	\$ 7,703,609
Quebec	229,601	159,361
Nova Scotia	1,019,877	884,295
British	2,457,720	4,987,676
Toronto	2,440,316	2,691,969
Molsons	1,189,812	1,018,568
Nationale	469,794	577,142
Merchants	1,271,833	1,197,082
Provinciale	326,585	486,339
Union	2,756,781	2,866,372
Commerce	2,595,401	3,946,153
Royal	2,533,767	2,862,417
Dominion	479,686	590,768
Hamilton	1,555,260	2,297,515
Standard	1,156,750	773,300
Hochelega	1,364,356	711,768
Ottawa	2,905,768	2,175,089
Imperial	4,283,543	7,489,651
Metropolitan	18,632	
Home	117,136	101,642
Northern Crown	263,938	304,343
Sterling	76,093	82,986
Vancouver		
Weyburn	41,339	40,391
Total	\$ 33,689,577	\$ 43,948,436

Particularly large increases, it will be seen, are shown by the Bank of Montreal (\$3,600,000) and Imperial Bank (\$3,200,000) due to the fact that these two banks respectively occupy the position of financial agents to several of the leading cities. In view of the obscure outlook of the market for municipal bonds, and the possibility that for some time to come the municipal authorities may be compelled to pay high rates of interest on their loan flotations, it would seem highly desirable that they should continue to exercise the most rigid economy and avoid the spending of money on anything except civic necessities.

OCEAN ACCIDENT OPENS FIRE BRANCH IN CANADA.

As already announced, the Ocean Accident has been licensed by the Dominion Government to transact fire insurance in Canada, under the management of Mr. W. E. Fudger, who has had many years' experience and whose relations with agents and officials throughout the country have been of the most cordial and pleasant character. We understand the agency organization has reached an advanced stage.

The Ocean Accident & Guarantee Corporation, Limited, has for very many years transacted the business of Accident, Health, Employers' Liability, Guarantee and Plate Glass insurance in Canada, its general manager for Canada and Newfoundland being Mr. Charles H. Neely.

The Corporation's total net premium income for 1914 amounted to nearly \$11,000,000.

In view of the high standing which the Company deservedly enjoys throughout Canada, there is every reason to expect a successful career for the fire branch.

BANKS' CALL LOANS IN NEW YORK.

The increase of \$14,600,000 in the banks' foreign call loans during May, follows an unbroken series of monthly increases since November 30, 1914, writes a correspondent. With the increase thus shown in May the total of call loans outside Canada has been brought back to the level which obtained just before the commencement of hostilities in Europe. At the end of June, 1914, the Canadian banks had \$137,000,000 loaned at call abroad. Commencing in the last week of July they liquidated these loans down to \$74,000,000 by the end of November. The monthly increases since November have brought the balance back again to \$136,000,000. The recent increases are largely the result of operations by the Bank of Montreal, which institution is taking a very prominent part in financing the operations of the Dominion Government, the British Government and others directly connected with the war. The big Canadian bank has had the figures of its balance sheet swollen to record proportions by means of these operations. The total assets shown at the end of May by this bank were \$286,000,000, which is \$26,000,000 greater than the highest amount shown during Canada's recent boom.

BANK OF MONTREAL'S OPERATIONS.

Of course on accepting these balances the bank has laid itself under obligations for finding very large amounts, principally in New York, at very short notice. Consequently, it was necessary to accumulate great reserves at the American centre. The call loans outside Canada owned by the Bank of Montreal have risen from \$36,000,000 on November 30 to \$89,500,000 on May 31—the increase for the six months being \$53,000,000, or an average of \$9,000,000 per month. Thus the call loans of this bank, with the latest increase, have been brought again to the high record, practically equal to the figure shown on March 31, 1914. There was in May an increase of \$3,000,000 in this bank's balances carried in New York. The amount at its credit with New York and other foreign correspondents on May 31 was \$7,800,000. This is in addition to \$8,900,000 at its credit in London.

The \$12,000,000 increase of the Bank of Montreal's London and New York call loans in May apparently was made possible through the repayment of \$5,300,000 of Provincial Government loans (no doubt representing proceeds of security issues in New York) and \$2,300,000 reduction of commercial loans in Canada. Also, the Dominion Government in May redeemed \$5,000,000 more of its extra issues of legal tender notes, making total reduction of \$14,000,000 since December; and the Bank of Montreal has apparently been able to convert \$5,000,000 of its Dominion notes into call loans at New York. In addition to the increase of \$12,000,000 shown by the Bank of Montreal in its call loans abroad, the Bank of British North America shows an increase for the month of \$2,300,000 and the Royal Bank of Canada one of \$1,600,000. On the other hand, the Canadian Bank of Commerce shows a reduction of \$1,400,000.

The champion subscription, thus far, to the new British war loan, has been made by the Prudential Assurance Company of England, which transacts an industrial business. Its subscription is £3,080,000—over \$15,000,000.

THE HOME BANK'S REPORT.

The annual report of the Home Bank of Canada for the year ended December 31st gives evidence of the intention to conduct the affairs of the Bank in these difficult times on conservative lines, a policy which is to be commended and will undoubtedly re-act favorably upon the Bank in the future. There was last year a decline in the earnings of the Bank of \$28,000, earnings for the year which closed on May 31st last being reported as \$163,929, compared with \$192,443 in the year previously. In view of the prospect of another year's war, a vigorous writing-off policy has been adopted in order to cover war depreciation. A sum of \$100,000 was written off the value of securities held, and \$71,000 from the value of the Bank's real estate.

While demand deposits show a falling-off of some \$342,000 in comparison with the previous year, this fall is more than compensated for by an increase of \$434,927 in the notice deposits from \$7,922,711 to \$8,357,638, so that the net increase in deposits on the year is nearly \$100,000. Note circulation at \$1,244,280 shows a rise of \$112,965 in comparison with a year ago. On the assets side of the balance sheet, specie holdings are up by \$26,000 from \$106,131 to \$129,246 and Dominion Government notes up nearly \$145,000 from \$1,307,028 to \$1,451,708. Current loans are down by \$221,588 from \$8,378,545 to \$8,156,957, but this decrease is offset by a rise in call loans of \$300,427 from \$2,083,799 to \$2,384,226. Total assets are \$13,858,503, of which \$4,934,943 are quick assets, a proportion to liabilities to the public of nearly 43 per cent., compared with 40 per cent. a year ago.

Senator James Mason continues as the general manager of this Bank.

MORE INSURANCE NECESSARY.

Attention is being called in Great Britain to the desirability of a revision of the amount of fire insurance carried, owing to the increasing cost of materials and labour. One company has issued a red slip to its clients warning them of the risk of very serious loss through under insurance. It is pointed out that, on a rough estimate, building or machinery plant valued at, say, £1,000 before the war could not now be replaced under £1,250. Another company has issued a pamphlet on the war and its effects upon fire policies. It is stated that the war has increased the prices of all commodities, and that a full insurance in peace times is likely to be inadequate to-day. At the same time owners of all sorts of property are recommended for their own sakes to look into values and compare these with their insurances.

England has simply to economize and to reduce its extravagance in proportion from one-sixth to one-third and it will be able to pay for the war without difficulty. To explain a little more fully: The average savings in England are £600,000 (\$2,000,000) a year. Double that saving and you have £800,000 (\$4,000,000) a year. By ignoring the accumulation of capital and regular investments you simply arrive at the solution that if the present expenditure in England is reduced one-sixth then England will still have at her disposal 50 per cent. more per capita for livelihood than have the Germans.—Sir George Paish.

THE ROYAL BANK OF CANADA

INCORPORATED 1869

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

HEAD OFFICE - MONTREAL.

340 BRANCHES THROUGHOUT CANADA

28 Branches in Cuba, Porto Rico and Dominican Republic
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Nassau, Bahamas. St. George's, Grenada.
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NEW YORK,
Cor. William & Cedar Sts.

SAVINGS DEPARTMENT

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

The Dominion Bank

SIR EDMUND B. OSLER, M.P., President
W. D. MATTHEWS, Vice-President

C. A. BOGERT, General Manager

TRUST FUNDS SHOULD BE DEPOSITED

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

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

Head Office, Toronto

THE BANK OF TORONTO

Incorporated 1855.

Head Office: TORONTO, Canada.

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

Directors

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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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THE BANK OF NOVA SCOTIA

INCORPORATED 1832.

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

Head Office - - - HALIFAX, N.S.

JOHN Y. PAYZANT, President.

Gen'l Manager's Office, TORONTO, ONT

H. A. RICHARDSON, General Manager.

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

BOSTON CHICAGO NEW YORK

The Bank of Ottawa

Established 1874

Head Office - - - OTTAWA, Canada

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

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E. C. WHITNEY.

HOME BANK OF CANADA

ORIGINAL CHARTER
1854

Head Office. TORONTO

JAMES MASON - General Manager

Branches and Connections throughout Canada.

SIX OFFICES IN MONTREAL

Main Office, Transportation Building, St. James St.
Bonaventure Branch, 623 St. James St.
Hochelaga Branch, Cor. Cuvillier and Ontario Sts.
Mount Royal Branch, Cor. Mount Royal & Papineau Av.
Papineau Branch, Papineau Square.
St. Denis Branch, 478 St. Denis St.

GEORGE BURN,
General Manager.

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Assistant General Manager.

W. DUTHIE, Chief Inspector.

ON THE NECESSITY OF LOOKING AFTER OTHER PEOPLE.

To the Editor of the Chronicle.

Sir.—Perusal of your learned disquisition under the caption "Patriotic Saving" prompts the offering of a few observations which may have a more or less direct bearing on the subject.

It occurs to me that the conclusion you have reached that the situation calls for economy in its broad sense is hardly warranted, but rather that what is called for is the safeguarding or husbanding of the nation's resources.

It is essential to the nation's wellbeing that we produce as much as possible and waste nothing, but it is not essential to the object in view that we practice economy in every respect. That might be desirable from our own selfish standpoint, but not necessarily from that of the nation.

To illustrate: we shall probably require all the food we can raise to sustain life, therefore it behooves us not to waste food. Every loaf of bread may be needed; hence conserve the bread. It does not follow, however, that I should be serving any useful purpose by walking down to my office instead of taking a car, thereby saving the fare. That saving would be to me personally, and while, if persisted in, might enable me to subscribe to the War Loan, it does not follow that the money will not be available for the War Loan. The money is still in existence; it merely changes hands. If everybody were to adopt your suggestion, and walk, what would be the effect? Simply that the cars would be running empty and the receipts would not pay for the axle grease; the would-be millionaires piloting the scheme through the dangerous waters of the City Hall would become just ordinary members of the proletariat like ourselves, while the price paid to avoid the rocks and quicksands of an enlightened public opinion would seem out of all proportion to the value of the service rendered.

On the other hand if we continue to patronize the street cars who is hurt? It is true if we walk we may find ourselves at the end of the year in possession of a few extra paltry dollars, which we would be free to subscribe to the War Loan, and which in the aggregate would be worthy of consideration, but from a national standpoint is it not really immaterial whether we subscribe in small amounts or give it to the Tram Junkers and Controllers to subscribe in large blocks?

War teaches us many lessons, and the spirit of self-sacrifice is abroad in the land. How can we at this time overlook the necessities of a Controller and his family—a baker's dozen. The Controller must think of his numerous family (how many soldiers or potential soldiers has not been disclosed), and what is \$200,000 amongst thirteen? A beggarly \$15,384.61, which invested in Government bonds at 4½% would only produce an annual income of \$692.30, surely not an extravagant figure to support the precious offspring of one who has rendered such valued and valuable service to his country. Neither should it be overlooked that the \$692.30 will be taxed to meet the pensions of the dependants of those of us who have laid down their lives for our country and to support the maimed and broken who may have the good fortune to escape death,

so you see the Controller and all the little Controllers will be "doing their bit" anyway.

I repeat your view is altogether too narrow and restricted.

"LIVE AND LET LIVE."

Montreal, July 5th, 1915.

BANKS' DOMINION NOTE HOLDINGS.

The decrease of \$5,600,000 in the bank holdings of Dominion notes during May, writes a correspondent, finds reflection in a decrease of \$5,000,000 in the outstanding issues of the Dominion Government's paper money. As the note issues of the Government were reduced without any corresponding reduction of the balance of specie reserve held thereagainst, the presumption is that the banks turned in the Dominion notes to the public treasury in payment of loans made by the Government to the banks last fall, or that the Government is redeeming its excess issues of notes by means of exchange either on London or New York. With this reduction the Dominion note issues fall to \$152,100,000, the gold reserve held against them being \$89,400,000, or not far from 60 per cent. The reduction in the bank holdings of legal tender brings the total down to \$131,000,000, which, however, is still about \$35,000,000 more than what is considered ample in normal times.

It is estimated that if all the automobiles in the United States were insured for their full value at schedule rates, the total premium income would be \$250,000,000 per annum. Which doesn't look like hard times.

ESTABLISHED 1873

The

Standard Bank

of CANADA

Head Office, TORONTO

124 BRANCHES THROUGHOUT THE DOMINION



SENDING

Money to any point in Canada, the United States or Europe is safe, economical and expeditious when this Bank's drafts and money orders are used.



Montreal Branch: 136 ST. JAMES STREET
E. C. GREEN, Manager.

National Trust Co.,

LIMITED

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

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

MONTREAL DIRECTORS

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

MONTREAL OFFICE:

153 St. James Street

PERCIVAL MOLSON, Manager.

The Royal Trust Co.

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

EXECUTORS AND TRUSTEES

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SIR FREDERICK WILLIAMS-TAYLOR

A. E. HOLT, Manager

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107 St. James St., MONTREAL.

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

WESTERN

Assurance Company

Incorporated in 1851

FIRE AND MARINE

ASSETS over \$3,700,000.00

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

DIRECTORS

W. R. BROCK, President.

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

ROBT. BICKERDIKE, M.P. JAMES KERR OSBORNE
H. C. COX Z. A. LASH, K.C., LL.D.
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JOHN HOSKIN, K.C., LL.D. LT. COL. FREDERIC NICHOLLS
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AUGUSTUS MYERS E. R. WOOD

HEAD OFFICE . TORONTO

The Trust and Loan Co.

OF CANADA

Capital Subscribed. . . . \$14,600,000.00
Paid-up Capital. . . . 2,920,000.00
Reserve Funds. . . . 2,627,192.15

MONEY TO LOAN ON REAL ESTATE

30 St. James St., Montreal

PRUDENTIAL TRUST COMPANY

LIMITED

HEAD OFFICE

9 ST. JOHN

STREET

MONTREAL.

B. HAL. BROWN, President and Gen. Manager

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

**Safety
Deposit Vault**
Terms exceptionally
moderate.
**Correspondence
Invited.**

THE LIFE AGENTS MANUAL, \$3.00
THE CHRONICLE, MONTREAL

CANADIAN BANKING PRACTICE

THIRD EDITION.

(HANDSOMELY BOUND IN CLOTH, \$4 PER COPY)

QUESTIONS ON CUSTOM AND USAGE AND LAW. Published under the Auspices of the
Canadian Bankers' Association (Compiled by John T. P. Knight).

ON SALE AT THE CHRONICLE OFFICE,

10 ST. JOHN STREET, MONTREAL

NORTHERN ASSURANCE COMPANY

Managed with characteristic Scottish shrewdness and conservatism right from its establishment eighty years ago, the Northern Assurance Company, Ltd., of Aberdeen and London, long since achieved a leading place among the great British insurance offices transacting a world-wide business, and is now in the fine position of being able to maintain that place without special effort. Solid and enduring financial foundations were carefully laid from the start, and thanks to the Company's present great financial strength, it can meet the ordinary inevitable fluctuations of the fire insurance business with equanimity and nothing less than a first-class conflagration would be likely to disturb it from the even tenor of its way of expanding business and progressive financial strength.

It may be noted also that the staff of the Northern have made a splendid response at the present time to the call of King and Country. Practically one-third of the staff have taken service in the Forces—a proportion which speaks for itself of the high sense of patriotism and duty held by the Northern's staff. The Company is keeping open their places and continuing their salaries, while those left behind have cheerfully and unselfishly taken up extra work.

THE RECORD OF 1914.

After deriving for seven years the fullest advantage from the favourable experience, broadly speaking, which has attended world-wide insurance operations since the San Francisco disaster, the Northern last year shared in the relatively unfavorable experience which is reported generally by the British fire insurance companies. There was again a considerable expansion in the volume of business undertaken, the net premium income increasing by \$291,505 to \$6,591,600. The losses amounted to \$3,829,695, a ratio of 58.1 per cent to premiums. It was pointed out at the recent annual meeting that the unfavorable experience was world-wide in character, and that fire loss settlements, especially in connection with buildings, have steadily tended to become more and more expensive during the past two decades, the cost of material and labour having risen greatly during that time. Expenses absorbed \$2,479,500, practically the same proportion of 37.5 per cent. of net premiums as in the previous year, a showing which, in view of the large increase in premium income last year, is particularly satisfactory as evidence of economy of management.

A STRONG POSITION.

The financial position of the Northern Assurance Company is indeed one of very great strength. Not only is the fire premium reserve maintained at the high ratio of 50 per cent., giving a fund at the close of last year of \$3,295,845, but in addition there is maintained a conflagration reserve of \$6,000,000. So that the fire funds of the Northern, including the balance of profit and loss account carried forward of \$1,293,165 amount altogether to \$10,589,010 or the fine proportion of 160 per cent to the fire premium income of last year, apart altogether from the paid-up and subscribed capital. No better security than this could possibly be wished for, and these very large reserves enable the Company to view the future with comparative equanimity.

Enormous conflagrations, while uncertain in their

happening, are almost inevitable over a prolonged period and it is only a company like the Northern taking ample care to guard against these conflagrations, that can afford to go steadily on its way without worrying about possibilities.

THE NORTHERN IN CANADA.

The Northern Assurance Company has been operating in the Canadian field since 1867. Its Canadian Manager, Mr. Robert W. Tyre of Montreal, has now been in office nearly thirty years, and is one of the oldest fire underwriters in the Dominion. Under his management the Company's traditional reputation for prompt and liberal settlement of claims is fully maintained, and there is a natural sequence of a steadily increasing business. Last year the Northern's fire premiums in Canada amounted to \$736,047, an increase of nearly \$18,000 upon the premium income of 1913. Losses incurred amounted to \$500,856. In the Canadian field as elsewhere, the fine position and excellent reputation held by the Northern should continue to ensure for it a steadily progressive business.

BRITISH FIRE COMPANIES' EXPERIENCE IN 1914.

A review of the British fire companies' experience during 1914, now published by the London Times, shows that the percentage of surplus of the total premium income over losses and expenses of twenty-one companies was only 5½ per cent., which, as the Times remarks, cannot be considered an adequate return in view of the immense capital employed and the risks involved. A year ago the premium income of these offices reached the sum of £27,245,533, the largest total ever recorded; this year the figures are reduced by £290,053 to £26,955,480, a decrease of little more than 1 per cent—trifling when the difficulties of the year are taken into account. As regards volume of premium income the Royal again easily holds first place, with an income of well over £4,000,000; the Commercial Union stands out among its friends with an increase of nearly £177,000, thereby raising its premium income to more than £3,500,000, while the Liverpool & London & Globe takes third place with an income of nearly £3,100,000.

As regards prospects for the current year, the Times remarks that there is yet no sufficient basis to indicate what results the whole twelve months are likely to yield. Where premium income fell off during the first five months of the war, a large decrease must, however, be expected to be shown this year; and both policyholders and shareholders may again congratulate the managements on the prudent policy followed in the past good years of limiting dividend distributions and building up large reserve funds against the need of anxious times.

The Royal Bank of Canada will move into its new quarters in the twenty-storey premises on the northeast corner of King and Yonge streets, Toronto, known as the Royal Bank building, on Monday next, July 12. The company, finding larger quarters imperative for their business, have leased the ground floor and a portion of the twelfth floor. The main entrance of the institution is on King street. The offices and rotunda of the bank are handsomely decorated. The groundwork in connection with the counters and railings is finished to harmonize with the color scheme of the interior marble.

CANADA PERMANENT MORTGAGE CORPORATION

Established 1855.

Toronto Street, Toronto

President, W. G. GOODERHAM.

First Vice-President, W. D. MATTHEWS; Second Vice-President, G. W. MONK;

Joint General Managers, R. S. HUDSON, JOHN MASSEY Superintendent of Branches and Secretary, GEORGE H. SMITH.

PAID-UP CAPITAL, \$6,000,000.00 RESERVE FUND (earned) \$4,500,000.00 INVESTMENTS, \$32,496,750.55

DEPOSITS RECEIVED DEBENTURES ISSUED

Associated with the above Corporation, and under the same direction and management, is

THE CANADA PERMANENT TRUST COMPANY

Incorporated by the Dominion Parliament. This Trust Company is now prepared to accept and execute Trusts of every description, to act as Executor, Administrator, Liquidator, Guardian, Curator, or Committee of the estate of a lunatic, etc. Any branch of the business of a legitimate Trust Company will have careful and prompt attention.

Representing

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

You will make money.

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

FOR TERMS TO PRODUCING AGENTS, ADDRESS:

George T. Dexter

2nd VICE PRESIDENT

34 Nassau Street

New York, N.Y.

Atlas Assurance Co., Limited of LONDON, ENGLAND

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

At the Accession of	Income	Funds
KING GEORGE IV. \$	387,065	\$ 800,605
KING WILLIAM IV.	657,115	3,038,380
QUEEN VICTORIA	789,865	4,575,410
KING EDWARD VII.	3,500,670	11,185,405
KING GEORGE V.	6,846,895	15,186,090
and at		
31st DECEMBER, 1914	7,489,145	19,064,425

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

Agents wanted in unrepresented districts.

Head Office for Canada:

179 St. James St., MONTREAL

MATTHEW C. HINSHAW, Branch Manager



Assets:
\$8,966,071.46

Surplus to
Policyholders:
\$4,019,694.66

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

A STRONG TARIFF OFFICE, NOW ENTERING CANADA

FOUNDED A.D. 1819

THE PHENIX FIRE INSURANCE COMPANY OF PARIS, FRANCE

EDMUND FOSTER, Supt. of Agencies.

THOMAS F. DOBBIN, Manager for Canada.

LEWIS BUILDING,

ST. JOHN STREET, MONTREAL.

Applications for agencies invited

ROYAL CONTROLS HUDSON BAY INSURANCE COMPANY.

Announcement is made this week of a further development of the Canadian activities of the Royal Insurance Company of Liverpool, England. A controlling interest in the Hudson Bay Insurance Company, of Vancouver, B.C., has been secured and the latter company will hereafter conduct its operations under the Royal's supervision.

By this acquisition, the Royal Insurance Company places itself in position to extend further its very large Canadian connections. The Royal's Canadian business, written under its own name, is already the largest of any fire insurance company transacting business in Canada. Last year the Royal received net cash for premiums in Canada of \$1,450,549. Additionally it has for many years transacted an extensive business in Canada through its subsidiary, the Queen of America, which last year received net cash for Canadian premiums (fire insurance only) of \$607,874, so that the total net cash received for premiums in Canada by the Royal and its connection last year was altogether well over \$2,000,000. In relation to these figures, the present premium income produced by the new acquisition is not large, but we understand that the Hudson Bay has some useful connections, particularly on the Coast, and with the efficient and energetic new management that is now available, these will, undoubtedly, be developed to the best advantage. Development in this respect is facilitated by the fact that the Hudson Bay is a tariff company, so that the trouble incidental to the changing of business from non-tariff to tariff will be avoided.

The Hudson Bay dates from 1905. Its head office was moved from Moose Jaw to Vancouver in 1908, and in 1910 the company was re-incorporated by the Dominion Parliament, and since that time it has been operating under Dominion license, with a paid-up capital as at December 31, 1914 of \$188,080, assets of \$365,508, and a surplus over liabilities and capital of \$74,600. So far as losses are concerned, the experience of the company since 1910 appears to have been fairly favorable, except in 1913, when the loss ratio shot up to 86.69 per cent. The old management, however, seems to have had little idea of economy. In 1914, commission, salaries, travelling expenses and other expenses, exclusive of taxes, amounted to \$74,870 on a net premium income of \$87,868.

THE NEW BOARD.

Following the Royal's acquisition of control, a new board and management have been elected as follows:—Messrs. W. Mackay, Montreal, president; F. W. Walker, Vancouver, vice-president and managing director; George Chappell, Liverpool, England; Messrs. Barker, Marshall and G. Trolley, Vancouver; J. H. Labelle, Montreal; P. J. Quinn, Toronto; John Pickering, Winnipeg, and Arthur Huddell, Calgary.

Policy-holders in the Hudson Bay Company can congratulate themselves on the change in control which has taken place. They now have the backing of the immense resources of the Royal. At December 31 last the Royal's fire fund amounted to \$16,060,000. Besides this fire fund, there is available to meet the obligations of the Royal's fire department, a reserve fund of \$7,786,667 and a profit and loss balance of \$5,436,374, making a total amount

available for the security of the Royal's fire policy-holders, apart from paid-up and subscribed capital, of \$29,283,041, equal to 146 per cent. of the premiums of 1914. That is a position of magnificent financial strength, appreciation of which should have a marked effect in developing the Hudson Bay's business. The negotiations leading up to the acquisition of the Hudson Bay were conducted by Mr. William Mackay, the Royal's well known manager for Canada, who may be congratulated on his success in further extending the important sphere of influence of his great company, the business of which in the Dominion has been largely developed under his direction.

THE COST OF INCENDIARISM.

Of all the crimes which unprincipled men commit against the welfare and well-being of society with the least liability of detection, incendiarism and arson must rank first. Nor need we wonder at this, seeing that certain combustible and highly inflammable materials are nowadays so easily procurable and without suspicion, may even be kept in stock, also, that the intending incendiary has usually within his control all facilities of time and circumstance, so arranging matters that he shall enjoy a clear coast for his nefarious operations. Indeed, it is not uncommon to find such an one, when under accusation, successfully setting up an alibi which he himself has contrived, by the use of a slow burning fuse and combustibles, so that hours before the outbreak of a fire thus induced he is probably miles away. As regards most crimes, some evidences are nearly always obtainable, and some clues indicated by material matters and things connected with the deed where committed; but in cases of incendiarism and arson, the very fire itself provides the ready means of obliteration and effacement of the incendiary's work. It has well been said that of all crimes known to the law, incendiarism most effectually baffles justice, and of all fraudulent agencies brought to bear upon insurance companies, it is the least liable to detection and the most seldom punished.

At least 25 per cent. of the fire loss in Canada and the United States is attributable to criminally contrived fires; some of them started for "fun," some for revenge, but the majority in order to swindle the insurance companies.

It is the custom to lean on the insurance companies. One hears it said constantly:—"The companies will pay the losses." The belief or feeling expressed in this saying is at the bottom of the resistance made by many town councils and corporations when invited to improve their fire plant, and to do generally what the fire underwriters, who ought to know best, point out as for the benefit of all concerned in the reduction of the annual "fire waste." In the management of their civic affairs, citizens realize fast enough, that every outlay for parks, paving, sewers and so on, means for a time an increased tax rate, and are content to look to the future of their town for compensation.

Equally they realize that some other outlays are really economies. If they could come to regard the counsel and suggestions of the insurance companies in some such way, say as from a committee of their own having insurance in charge, and give heed to their recommendations, not as given in the sole interests of the companies but for the profit of all, much would be gained.



CANADA BRANCH HEAD OFFICE, MONTREAL.

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



Head Office: Cor. Dorchester Street West and Union Avenue.
 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.
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The Northern Assurance Co. Limited
 "Strong as the Strongest"

Accumulated Funds 1914, \$41,615,000
 HEAD OFFICE FOR CANADA,
 88 NOTRE DAME STREET WEST,
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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.

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
 W. M. McMASTER Esq. G. N. MONCEL, Esq.
 E. L. PEASE, Esq.

Head Office for the Dominion:
 80 St. Francois Xavier Street - MONTREAL.
 Agents in all the principal Towns in Canada.
 RANDALL DAVIDSON, Manager.

Scottish Union and National
 Insurance Co., of Edinburgh, Scotland

ESTABLISHED 1824
 Capital, - - - - - \$30,000,000
 Total Assets, - - - - - 72,238,564
 Deposited with Dominion Gov't, 391,883
 Invested Assets in Canada, - 7,166,267

NORTH AMERICAN DEPT., HARTFORD, CONN. U.S.A.

JAMES H. BREWSTER, Manager

EDINHART & EVANS, Resident Agents Montreal
 MEDLAND & SON Toronto
 ALLAN KILLAM & McKAY, LTD. Winnipeg

FIRE INSURANCE IN CANADA IN 1914.

(From the Report of the Superintendent of Insurance).

During the year 1914 the business of fire insurance in Canada was carried on by 82 companies; of these 24 were Canadian, 24 British, 31 United States and 3 French. Of the British companies, one, the Marine Insurance Co., transacted fire insurance only in connection with its automobile business.

This list of companies differs from that of the previous year by the disappearance of five Canadian companies, the Central Canada Manufacturers, the Nova Scotia, the Ontario, the Rimouski and the Sovereign, and the addition of two United States companies, the Globe and Rutgers and the National-Ben Franklin and one French company, La Nationale Compagnie anonyme d'assurances.

During the year 1914 the Equity Fire Insurance Co. reinsured its policies with the National-Ben Franklin, and is being wound up.

Since the beginning of 1915 La Compagnie Française du Phenix has received a license for fire business.

FIRE PREMIUMS AND LOSSES IN CANADA IN 1914.

Cash received for premiums during the year in Canada amounted to \$27,499,158, being greater than that received in 1913 by \$1,753,211, and the amount paid for losses was \$15,347,284, which is greater than that paid in 1913 by \$1,343,525. The ratio of losses paid to premiums received is shown in the following table:—

Companies.	Paid for Losses.	Received for Premiums.	Rate of Losses paid per cent of premiums received.	The same for 1913.
Canadian.....	\$ 2,972,304	\$ 5,016,653	59.25	59.23
British.....	7,796,480	13,710,907	56.86	52.82
United States and other....	4,578,500	8,771,598	52.20	53.86
Totals....	15,347,284	27,499,158	55.81	54.39

The corresponding results for the forty-six years over which records extend, are given below:—

Year.	Premiums received.	Losses paid.	Rate of Losses paid per cent of premiums received.
1869.....	\$ 1,785,539	\$ 1,027,720	57.56
1870.....	1,916,779	1,624,837	84.77
1871.....	2,321,716	1,549,199	66.73
1872.....	2,628,710	1,909,975	72.66
1873.....	2,968,416	1,682,184	56.67
1874.....	3,522,303	1,926,159	54.68
1875.....	3,594,764	2,563,531	71.31

The rate per cent. of premiums charged upon risks taken is shown in the following table:—

Companies.	Gross amount of Risks taken during the year.	Premiums charged thereon.	Rate of Premiums charged per cent of Risks taken.	The same for 1913.	The same for 1912.	The same for 1911.	The same for 1910.	The same for 1909.
Canadian.....	\$ 663,539,377	\$ 8,206,195.43	1.24	1.33	1.36	1.41	1.38	1.44
British.....	1,398,200,494	16,578,711.76	1.19	1.21	1.26	1.33	1.33	1.38
U. S. and other	1,042,361,697	11,401,019.52	1.09	1.11	1.28	1.33	1.41	1.45
Totals.....	3,104,101,568	36,185,926.71	1.17	1.21	1.29	1.35	1.36	1.41

The decrease in the amounts taken in 1914 as compared with 1913 among Canadian companies is \$49,112,609. Among British companies there is an increase of \$79,275,400, and among United States and other companies there is an increase of

Year.	Premiums received.	Losses paid.	Rate of Losses paid per cent of premiums received.
1876.....	\$ 3,708,006	\$ 2,867,295	77.33
1877.....	3,764,005	8,490,919	225.58
1878.....	3,368,430	1,822,674	54.11
1879.....	3,227,488	2,145,198	66.47
1880.....	3,479,577	1,666,578	47.90
1881.....	3,827,116	3,169,824	82.83
1882.....	4,229,706	2,664,986	63.01
1883.....	4,624,741	2,920,228	63.14
1884.....	4,980,128	3,245,323	65.16
1885.....	4,852,460	2,679,287	55.22
1886.....	4,932,335	3,301,388	66.93
1887.....	5,244,502	3,403,514	64.90
1888.....	5,437,263	3,073,822	56.53
1889.....	5,588,016	2,876,211	51.47
1890.....	5,836,071	3,266,567	55.97
1891.....	6,168,716	3,905,697	63.31
1892.....	6,512,327	4,377,270	67.22
1893.....	6,793,595	5,052,690	74.37
1894.....	6,711,369	4,589,363	68.38
1895.....	6,943,382	4,993,750	71.92
1896.....	7,075,850	4,173,501	58.98
1897.....	7,157,661	4,701,833	65.69
1898.....	7,350,131	4,784,487	65.09
1899.....	7,910,492	5,182,038	65.51
1900.....	8,331,948	7,774,293	93.31
1901.....	9,650,348	6,774,956	70.20
1902.....	10,577,084	4,152,289	39.26
1903.....	11,384,762	5,870,716	51.57
1904.....	13,169,882	14,099,534	107.06
1905.....	14,285,671	6,000,519	42.00
1906.....	14,687,963	6,584,291	44.83
1907.....	16,114,475	8,445,041	52.41
1908.....	17,027,275	10,279,455	60.37
1909.....	17,049,464	8,646,826	50.72
1910.....	18,725,531	10,292,393	54.96
1911.....	20,575,255	10,936,948	53.16
1912.....	23,194,518	12,119,581	52.25
1913.....	25,745,947	14,003,759	54.39
1914.....	27,499,158	15,347,284	55.81
Totals.....	396,480,875	242,965,933	61.28

Taking the totals for the same forty-six years, according to the nationalities of the companies, the following are the results:—

Companies.	Premiums received.	Losses Paid.	Rate of Losses paid per cent of premiums received.
Canadian.....	\$ 86,671,532	\$ 54,574,287	62.97
British.....	239,403,944	148,555,180	62.05
United States and other.....	70,405,399	39,836,466	56.58
Totals.....	396,480,875	242,965,933	61.28

\$148,738,224.

In 1913 the increases in amounts written among Canadian, British, United States and other companies reporting to the Department were \$59,069,560, \$170,528,776, and \$321,440,485 respectively.

COMMERCIAL UNION

ASSURANCE COMPANY LIMITED
of LONDON, England

The largest general insurance Company in the world
(As at 31st December 1914)

Capital Fully Subscribed	\$14,750,000
Capital Paid Up	1,475,000
Life Fund, and Special Trust Funds,	72,629,385
Total Annual Income exceeds	45,000,000
Total Funds exceed	133,500,000
Total Fire Losses Paid	174,226,575
Deposit with Dominion Government	1,208,433

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 1914)

Capital Fully Paid	\$1,000,000
Fire Premiums 1914, Net	\$2,605,775
Interest, Net	136,735
Total Income	\$2,742,510
Funds	\$5,525,540
Deposit with Dominion Gov't	\$238,400

In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Funds exceed \$133,500,000

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,
Manager.

LYMAN ROOT,
Assistant Manager.

OPPORTUNITIES

in Life Insurance are many.

FOR AN AGENCY, ADDRESS

GRESHAM LIFE ASSURANCE SOCIETY, LTD.

Established 1848. Funds \$50,000,000
GRESHAM BUILDING - - - MONTREAL.

THE CANADA NATIONAL FIRE INSURANCE COMPANY

HEAD OFFICE: WINNIPEG, MAN.

A Canadian Company Investing its Funds in Canada

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GET OUR PRICES FOR FIRST CLASS WORK

Orders Filled on Dates Promised

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LIFE AGENTS.

A connection with the Continental Life Insurance Co., of Toronto, would be to your advantage. For Eastern Ontario or Quebec Province, write

T. R. BROWNLEE,
102 Bank Street Chambers,
Ottawa, Ont.

GEO. B. WOODS, President. CHARLES H. FULLER, Secretary.
Superintendent of Agencies.

LIFE INSURANCE AND THE WAR LOAN.

Writing in the London Post Magazine, Mr. Edgar Stephens points out that the life insurance man is vitally interested in the condition of things developed as a result of the new standard of investment set by the British Government's war loan.

There can be no two opinions, writes Mr. Stephens, as to the wisdom of widely and authoritatively informing the public that the Offices are placing the money now entrusted to them in the shape of premiums at the service of the country in the shape of contributions to the new War Loan. This is due to those to whom a life policy is an actual immediate necessity (and even in these stagnant days of business their name is Legion), for in this time of crisis it may be said that, *pro bono publico*, they would deprive themselves willingly of this requirement. It is up to the Life official to convey to them that their intentions will be carried into effect by the Offices on their behalf. Life assurance institutions are once again giving a lead to the country, and the payment of premiums to them is as good citizenship as subscribing to the War Loan.

REVIVAL OF AN OLD ARGUMENT.

The second point that forces itself on one's mind is that the old stock argument "I can do better with my money" will take a new and more vigorous lease of life. Assurance as an investment will have to stand its trial with all other forms of securities and it must be admitted at once that $4\frac{1}{2}$ per cent. on British Government security is a high rate to compete with. Less income tax, of course, it drops to the region of 4 per cent., and he would be a bold man who would venture to foretell what the net yield may be a year hence. With the further saving of tax on the premiums payable, the Office representative still has a shot in his locker, but, unfortunately, competition in even the immediate future, in this connection, will not confine itself to British Government securities. If the Government could raise money a few years ago on a 3 per cent. basis, and now offers $4\frac{1}{2}$ per cent., a proportionately higher return will be looked for from other securities. Can it reasonably be expected that Life Offices, even allowing for the advantages of income tax, can in the immediate future show such improved results?

Calm review of the value of life assurance to the individual and to the country—for, as Mr. Lloyd George recently pointed out, it is a valuable contribution to the life of the State—serves to put a new aspect on the matter. Life assurance is not only an investment, and should not be so regarded; it is a necessity of modern life, and, in common with other necessities of life, its value has risen during the War. The increased cost of living has its reflection in the slightly lower comparative value of a policy as an investment; but the point to be insisted on is that the rise in its cost is a comparative one and that there is no rise in the first cost of life assurance.

IMPORTANCE OF THE LONG VIEW.

To the Life man, engaged in the task of securing new business, there may seem little comfort to be derived from the foregoing remarks. We live in times of stress, and, unfortunately, that which

does not make its urgency immediately felt must often be dispensed with. But a long view is the only sensible view to take, and the long view is typical of everything connected with Life work. Can it be doubted that the importance of making family provision by life assurance—the only really effective method—is being driven home more forcibly than ever before by the calamities of the War? Is there any question that the whole country is becoming more alive to its responsibilities? Hearts are not worn on sleeves in England, but those who have eyes to see will have discerned the growth of a new attitude to duty, and indeed to practically everything in life that really matters. And in our work, inasmuch as it goes to the heart of life, there will in due season be a response to the new impetus.

EFFECT ON BONUSES.

To return to the situation brought about by the Loan and the consequent lowering of the basis of investment values, further serious depreciation will have to be faced by the Offices and it is idle to deny that the question of the maintenance of bonuses is now commonly raised by the public. It is a tribute to the trust reposed in the Offices that so many with-profit policies are still being used, and it is a trust that is not likely to go unrewarded. Whilst the next bonus of some Offices may have to be reduced, it is unlikely in the extreme that the future will fail to bring its compensations. The remedy for depreciation will probably be found in the high interest yields which will be obtainable. This point has already been laboured but the demand for capital after the War will be stupendous, and the Life Offices, with their great resources, will be in a position to deal with the new conditions as the ordinary private investor could never do. As a member of a powerful organisation, the latter is likely to pass through the troublous times still in store far more successfully than as a mere unit. That the future is a good deal more hopeful for life assurance than some may think may be inferred from the fact that one well known Life Office has recently reduced its non-profit rates for both whole-life and endowment assurance. Its action is eloquent of belief in itself, and in their own ways the majority of our Offices will doubtless be able to convey to their connexions throughout the country a similar faith.

THE ROLL OF HONOR.

English insurance exchanges contain references to an increasingly large number of insurance officials who, having given their services to King and Country, have subsequently made the supreme sacrifice or have been severely injured. The latest list includes Captain E. S. Humphrey, of Manchester, killed in the Dardanelles, who had attained at the early age of 24, the responsible position of surveyor with the Northern Assurance Company; Captain E. R. Mackay, Argyle and Sutherland Highlanders, killed in the Dardanelles, foreign inspector of the Law Union & Rock, and youngest son of Mr. Alexander Mackay, late general manager of the Law Union & Rock; Lieutenant B. W. Noble, Honorable Artillery Company, wounded at Hooze, elder son of Mr. Noble, of the Union Assurance Society; A. R. Anderson and B. F. MacSwiney, King's Liverpool Regiment, killed at Hooze, both members of the head office staff of the Royal of Liverpool.



ONTARIO AND NORTH WEST BRANCH
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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 \$23,000,000

FIRE Every description of property insured. 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.

CANADIAN DIRECTORS } Hon. G. J. Doherty
 G. M. Bosworth, Esq.

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

Canadian Manager,
 P. M. WICKHAM, Montreal

APPLICATIONS FOR AGENCIES are invited from responsible persons.

ROYAL EXCHANGE ASSURANCE

Founded A.D. 1720

Losses paid exceed \$235,000,000

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



Head Office, Royal Exchange, London

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

INSURANCE COMPANY OF NORTH AMERICA

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 \$12,500,000 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

C. R. G. JOHNSON, POIRIER & JENNINGS, INC.

AGENTS — INSURANCE — BROKERS

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

11 ST. SACRAMENT STREET
 MONTREAL, P.Q.

ASPECTS OF THE EQUITABLE LIFE TRANSACTION.

The recent sale by J. P. Morgan of his control of the Equitable Life Assurance Society seems to be regarded, writes an American financial authority, as part of the plan of the banker to mobilize his capital for use in the great financial operations in connection with war materials. Surprise is expressed that he should have permitted control of such a valuable asset, from a banker's standpoint, to get into other hands. Control of the Equitable Society stock is not valuable from an income standpoint since dividends are limited to 7 per cent. But indirect advantage is contained in the control of the society namely, the direction of the society's huge investments in securities, the power to distribute its immense deposits and other considerations that always are associated with a complete stock control of one of the largest financial associations in the world.

The buyer of the control from Mr. Morgan was T. Coleman du Pont, head of the well-known powder concern, which recently has been financed into a new organization by the Morgan interests. The Equitable stock transfer is believed to have been a part of the financial operations. General du Pont in a letter to the State insurance department has placed himself on record as desiring the mutualization of the society. In connection with the Equitable Society's control it is stated that a du Pont corporation has a mortgage of \$20,500,000 on the society's huge building that has just been completed. The plan of mutualization, it is expected, would involve the purchase by the society of this building. It is understood that insurance commissioners of various States are opposing any plan of purchase for mutualization if the price to be paid by the company itself for the majority of its outstanding stock shall exceed in the aggregate \$1,000,000. On the other hand, if the company shall decide itself to assume the mortgages aggregating \$25,000,000 on the new building, the matter of a million or two in the purchase price of the stock obviously would not be material.

THE IMPORTANT PART PLAYED BY INSURANCE JOURNALS.

Insurance journals are doing a mighty public service, though they are few in number as compared with the daily newspaper. They deal with a class of men with which the public is well supplied—there is no complaint on the part of any portion of the public of a lack of them either as to their number or their industry. The insurance journal treats exclusively with insurance agents who deal with the public and keep it supplied with the most important facts relative to that public's well-being relating to the conservation of its property, its life and the prevention of accidents that jeopardize both. Insurance agents keep the public supplied with information that has taught it to an extent that excites the world's wonder and enabled the companies engaged in life insurance (only one branch of the insurance business), during a single year (1914), to return to the public's own self as part of its saving by thrift the sum of \$500,000,000, or about \$10,000,000 per week, in death claims and other benefits, paid in cash at times when there was most need for the use of these savings.—Rough Notes.

THE JOYS OF STATE INSURANCE.

It has been discovered that there is no reason why the Wisconsin state life insurance fund should ever become insolvent, the simple reason being that the state fund cannot be sued; this being the opinion of an attorney formerly connected with the Wisconsin insurance department, who bases his opinion upon decisions of the United States Supreme Court. Therefore, when funds are running low, all that is necessary is to plug up the bung-hole or the outlet in the state barrel and let the thing fill up once more from the top, through which the trickle of premiums is received. If there is no way by which the payment of claims may be forced by law, what will be the use of paying claims, if, in so doing, the fund is to be made insolvent? Certainly it is more important that the political plum pickers who administer the fund be not deprived of the fruit of their labors than that the policyholders be paid according to contract, for it is shrewdly suspected by many that the long-felt want which the state fund was established to fill was not the want of good life insurance in that state, for of that there is a-plenty, obtainable night and day upon the open market from a score or more of companies that have made a specialty of paying their claims and living up to the terms of their contracts for many years past. We do not accuse the administrators of the state fund of any nefarious intentions, but the law has its possibilities, and the future has its uncertainties. Life insurance, real life insurance, is designed to eliminate as far as possible both unpleasant possibilities and uncertainties. That's what it is for, and so far as it falls short of this it falls short of being real life insurance. A state fund that can't be sued certainly falls considerably short.—Rough Notes.

USEFUL STOPS.

Stop keeping inflammables near furnaces or stoves.

Stop piling rubbish, trash, or waste in cellars, back yards or on streets.

Stop the cost of carelessness. Fires from this source amount to \$30,000 each hour.

Stop fire loss, which adds to the high cost of living.

Stop paying a fire tax, which is added to your rent and cost of living.

Stop to think that the responsibility of fires rests in a measure with your activity in Prevention.

Stop to think that two-thirds of all fires are preventable.

Stop to realize that fire insurance rates are based on the sum total of carelessness.

Stop a while from pleasure and clean up your homes and aid in preventing fires.

Stop using other than safety matches.

Stop putting ashes in wooden boxes or barrels. Use metal ash-cans.

Stop hanging clothing or draperies near open fires or stoves or on stove-pipes or steampipes.

Stop using loose-jointed gas brackets which can be swung against wood-work or curtains.

Stop filling oil or gasoline stoves when lighted.

Stop allowing the oil to become low or wicks short in lamps; explosive gas may be generated. In no case fill lamps after dark.

THE NORTHERN ASSURANCE COMPANY LIMITED.

ESTABLISHED 1836.

THE SEVENTY-NINTH ANNUAL GENERAL MEETING of The Northern Assurance Company, Limited, was held in the Offices of the Company at Aberdeen, on Wednesday, May 5, 1915, when the Directors' Report was presented.

FIRE DEPARTMENT

THE PREMIUMS received last year amounted to **\$6,591,690** showing an increase of **\$291,505** in comparison with those of the previous year.

THE LOSSES amounted to **\$3,829,695**, or 58·1 per cent. of the premiums.

THE EXPENSES OF MANAGEMENT (including commission to agents and charges of every kind) came to **\$2,479,500**, or 37·6 per cent. of the premiums.

FIRE REVENUE ACCOUNT

<table border="0" style="width: 100%;"> <tr> <td>Amount of Fire Insurance Fund at the beginning of the year</td> <td style="text-align: right;">\$ 3,150,090</td> <td></td> </tr> <tr> <td>viz.:—Reserve for unexpired Risks</td> <td style="text-align: right;">\$ 3,150,090</td> <td></td> </tr> <tr> <td>Additional Reserve</td> <td style="text-align: right;">6,000,000</td> <td></td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;">\$ 9,150,090</td> <td></td> </tr> <tr> <td>Premiums</td> <td style="text-align: right;">6,591,690</td> <td></td> </tr> <tr> <td>Interest, dividends and rents</td> <td style="text-align: right;">\$ 362,615</td> <td></td> </tr> <tr> <td>Less Income Tax thereon</td> <td style="text-align: right;">22,270</td> <td></td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;">340,345</td> <td></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right; border-top: 1px solid black;">\$16,082,125</td> </tr> </table>	Amount of Fire Insurance Fund at the beginning of the year	\$ 3,150,090		viz.:—Reserve for unexpired Risks	\$ 3,150,090		Additional Reserve	6,000,000			\$ 9,150,090		Premiums	6,591,690		Interest, dividends and rents	\$ 362,615		Less Income Tax thereon	22,270			340,345				\$16,082,125	<table border="0" style="width: 100%;"> <tr> <td>Claims under Policies paid and outstanding ..</td> <td style="text-align: right;">\$ 3,829,695</td> </tr> <tr> <td>Commission</td> <td style="text-align: right;">959,530</td> </tr> <tr> <td>Expenses of Management</td> <td style="text-align: right;">1,504,375</td> </tr> <tr> <td>Contributions to Fire Brigades</td> <td style="text-align: right;">15,600</td> </tr> <tr> <td>Transferred to Profit and Loss account—</td> <td></td> </tr> <tr> <td> Profit for the year</td> <td style="text-align: right;">\$ 136,740</td> </tr> <tr> <td> Interest</td> <td style="text-align: right;">340,340</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;">477,080</td> </tr> <tr> <td>Amount of Fire Insurance Fund at the end of the year, viz.:—</td> <td></td> </tr> <tr> <td> Reserve for unexpired Risks being 50 per cent. of Premium Income for the year</td> <td style="text-align: right;">\$ 3,295,845</td> </tr> <tr> <td> Additional Reserve</td> <td style="text-align: right;">6,000,000</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;">\$ 9,295,845</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;">\$16,082,125</td> </tr> </table>	Claims under Policies paid and outstanding ..	\$ 3,829,695	Commission	959,530	Expenses of Management	1,504,375	Contributions to Fire Brigades	15,600	Transferred to Profit and Loss account—		Profit for the year	\$ 136,740	Interest	340,340		477,080	Amount of Fire Insurance Fund at the end of the year, viz.:—		Reserve for unexpired Risks being 50 per cent. of Premium Income for the year	\$ 3,295,845	Additional Reserve	6,000,000		\$ 9,295,845		\$16,082,125
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TOTAL FUNDS OF COMPANY

After carrying out the proposals of the Directors, the Funds of the Company, as at 31st December last, will stand as follows:—

Capital (subscribed \$15,000,000) paid up	\$ 1,500,000
Fire Reserve Fund and Unearned Premium Reserve	9,295,845
Life and Annuity Funds	26,920,015
Endowment and Capital Redemption Fund	552,360
Employers Liability and Accident Fund	502,775
Staff Funds	899,330
Investment Reserve Fund	243,785
Profit and Loss Balance	1,293,165
	\$41,207,275

\$5 taken as equivalent of £1 sterling.

HEAD OFFICE FOR CANADA . . . MONTREAL

ROBERT W. TYRE, Manager.

FACTORY INSPECTION.*(By F. E. Roberts, Toronto).*

Electric Motors.—A motor should be installed in a dry, well-lighted place, with metal drip pan under, kept free from accumulations of oil and rubbish. Must not be loaded beyond its rated capacity, and must be protected by proper fuses or circuit breakers. Generally the enclosed or cartridge type of fuse is the approved form. Starting boxes, rheostats, fuses and switch should be so located and installed that over-heating or sparks cannot possibly ignite surroundings. All this apparatus should be located in plain sight of the motor, not on another floor, as is sometimes the case.

The usual form of starting device for a direct current motor should have a magnetic release, so that when the current is turned off at the switch, or fails from any cause, the lever springs back to first position, interposing the full resistance of the rheostat between the current and the motor. Otherwise, if human agency is relied on for this necessary detail, the full current is liable to be thrown into motor at rest, with the result of a "burn out" of the coils and a likely fire.

A direct current motor should not be installed in places subject to dust, flyings of light inflammable material, or combustible vapor, without being enclosed, and the enclosure ventilated by fine wire screen.

The induction type of motor, without brushes and in which all working parts are encased, is the proper form for such places and may need no enclosure.

OTHER POINTS.

The usual oil transformer for "stepping down" the supplied current to proper voltage should be installed outside the building. A controlling switch for all motors and line fuses should be located at a point as near as possible to where current enters building, and an especial point made of turning off current when plant is not in operation.

Fuses, standard otherwise, which allow of an excessive current above the capacity of the motor, open link fuses "temporary" or otherwise which, in blowing, scatter incandescent metal about, bits of wire to take the place of proper fuses, and which are no fuses at all and may allow a dangerous current to pass, are all causes of fire, instead of safeguards. Cartridge fuses indeed are not so infallible with regard to dropping ignited material as to warrant a collection of inflammables underneath. The surroundings of the motor and all apparatus connected with it should be kept absolutely free from combustible material.

While not absolutely essential, it is highly preferable that wiring to motors be in conduits, said conduits properly grounded to water pipes.

Finally, the installation should be carefully inspected and approved by a competent electrical inspector. This will dispose of the defects mentioned before plant is put in operation, though some of them may creep in afterward.

In spite of defects in installation and care of motors, electric power generally results in a diminution of fire hazard when it does away with the high-pressure boiler. There is no necessity for cutting up the floors and possibly division walls with a lot of belt holes; much belting and shafting are dispensed with. Indeed, individual motors to machines are often seen.

PRODUCER GAS.

The apparatus for the above, which generates an inflammable gas by the contact of a current of air with incandescent coal, has the furnace hazards of a high-pressure steam boiler using coal fuel, but in a less degree. It introduces, however, the hazard of a gas manufacturing machine. Outside of the usual precautions as to heat radiation, the others adopted are intended to minimize any danger of escape of gas, that air in any considerable quantity shall not be admitted when charging with fuel, and that no ignition of gas inside or outside of the apparatus shall take place. Smoke and vent flue should not enter a chimney, or be carried through floors, partitions or roofs and should end at least 10 feet from wall, if impracticable to carry above roof. Room should be well ventilated and lighting incandescent electric.

It is advisable to instal the apparatus in a separate, one story building, detached or cut off from the factory by fire door, or in a fire resistive apartment, communication by fire door. In practice, the hazard of a gas producer is generally considered the same as a high-pressure steam boiler. A gas engine is necessarily used in connection with it.

GASOLINE ENGINE.

The principal safeguards applying to the use of a gasoline engine are that the supply tank shall be outside, underground, that all piping be arranged to drain back to the tank, and that no storage of gasoline is allowed, except that in the tank. Other points may be noted as follows: Electric ignition only—in fact, it is now universal, the dangerous "hot tube" method being a thing of the past. Floor of engine room to be cement, or if wooden floor, under the engine and 24 inches outside covered with metal. Exhaust pots or mufflers (which get very hot) should not be within one foot of wood or other combustible material, and it is advisable to have an insulating covering. Exhaust pipe—also liable to a high degree of heat—should be extended to outside of building, and where passing through wood be rigidly secured in place and have a 6-inch clearance from wood. Engine should not be installed in any place subject to combustible dust, or flyings, and while a fire resistive enclosure is desirable, one that is not better than none at all, in many cases. Room to be well ventilated, kept clean, free from open flame or heat (as of a stove). Lighting should be incandescent electric; if otherwise, it calls for extra care as to ventilation and leakage.

The Northern Assurance Company notes the death of possibly the oldest annuitant in the world, a Scotch lady who recently passed away in her 106th year. She was born six years before the battle of Waterloo, and satisfactory proof of age was submitted to the company before the purchase of the annuity.

MANAGER WANTED

Large British Insurance Company requires a **MANAGER** for its Casualty department having a thorough knowledge of the business. Apply, stating age and experience, to "Manager," P.O. Box 1502, Montreal.

THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated 1833.

FIRE, MARINE and HAIL

HEAD OFFICE: TORONTO

Old Reliable Progressive
Assets over - - \$2,000,000.00
Losses paid since organization
over - - \$38,000,000.00

DIRECTORS:

W. R. BROCK, President

W. B. MEIKLE, Vice-President

ROBT. BICKERDIEK, M.P.
JOHN HOSKIN, K.C., LL.D.
D. B. HANNA
ALEX. LAIRD
Z. A. LAMB, K.C., LL.D.
GEO. A. MORROW

AUGUSTUS MYERS
LT. COL. FREDERIC NICHOLLS
JAMES KEER OSBORN
COL. SIR HENRY PELLATT
E. R. WOOD.

W. B. MEIKLE,

General Manager

E. F. GARROW,

Secretary

THOMAS F. DOBBIN, Resident Manager
MONTREAL

NORWICH UNION FIRE INSURANCE SOCIETY, Limited

INSURANCE AGAINST

Fire, Accident and Sickness
Employers' Liability
Automobile, Plate Glass
Agents wanted for the Accident Branch.

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

JOHN MacEWEN, Superintendent for Quebec.

The LIFE AGENTS MANUAL, \$3.00
THE CHRONICLE - MONTREAL

First British Insurance Company Established in Canada

A. D. 1804

Phoenix Assurance Co. Ltd.

OF LONDON, ENGLAND. (Founded 1782)

FIRE

LIFE

TOTAL RESOURCES, over - - \$78,500,000.00
FIRE LOSSES PAID - - 425,000,000.00

DEPOSITS with Federal Government and
Investments in Canada, for security
of Canadian policyholders only, exceed 2,500,000.00

AGENTS WANTED IN BOTH BRANCHES. Apply to

R. MacD. Paterson, } Managers.
J. B. Paterson, }

100 St. Francois Xavier St. - Montreal

Established 1864.

New York Underwriters Agency.

A. & J. H. STODDART REGISTERED
100 William Street, NEW YORK

PROVINCIAL AGENTS.

MURPHY, LOVE, HAMILTON
& BASCOM,
TORONTO, Ont.

OSLER, HAMMOND & NANTON,
Winnipeg, Man.

ALFRED J. BELL & CO.
Halifax, N.S.

JOHN WM. MOLSON
& ROBERT Y. HURTER
Montreal, Que.

WHITE & CALKIN,
St. John, N.B.
ATRE & 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 1913 . . . 5,561,441.00
Total Losses paid to 31st Dec., 1913 90,120,000.00

Canadian Branch:

LEWIS BUILDING 17 ST. JOHN STREET, MONTREAL

Manager for Canada:

MAURICE FERRAND

BRITISH COLONIAL FIRE INSURANCE COMPANY

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

STRONG AS THE STRONGEST
Agents wanted in Unrepresented Districts

President: HON. C. E. DUBORD

Director and Secretary: THEODORE MEUNIER

Manager: H. W. THOMSON

INSPECTORS.

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

ARTHUR PATTON, Brandon, Man.

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

CANADIAN FIRE RECORD

Specially compiled by The Chronicle.

FREDERICTON, N.B.—Warehouse owned by the city, considerably damaged July 1.

HAMILTON, ONT.—Thomas Roussel & Son's planing mill, Nightingale street, damaged to extent of between \$8,000 and \$9,000, July 1. Origin, lighting.

Frame shed of F. G. Marshall, 57 Robbins avenue, considerably damaged July 1.

NORTH BAY, ONT.—Dan St. Pierre's pool and billiard parlour, on Main street badly damaged, July 6. Loss \$2,500. Fire caused by lighted cigarette butt.

BELOEIL, QUE.—Building of Canada Explosives Company, completely destroyed July 6. Origin, spark from overheated machinery dropped on some cordite. Six lives lost.

A WAR-WORKERS' POLICY.

To meet the requirements of workers in England who, as a result of the war, are receiving larger wages than usual the Prudential of England is issuing a war workers' option policy. A whole-life insurance may be purchased by a single premium paid in one sum or by instalments at any time during the first year. When the premium has been paid, the policy at the option of the assured can be converted into an endowment policy by payment of a further premium. In the event of death not occurring previously, the sum assured will become payable at the end of a period varying from ten to thirty years from the date of payment of the endowment premium.

"CANADIAN NEWSPAPER DIRECTORY" NOW ISSUED.

It is now nearly a quarter of a century since Mr. A. McKim, who established the first independent Advertising Agency in this country, completed the rather ambitious task of publishing the first Directory of Canadian publications. The nine successive editions of this valuable work provide the most complete and detailed record available of the growth of Canadian periodicals.

The 1915 Edition, which we have just received a copy, shows that the great war has not seriously affected the newspapers of Canada. While the birth-rate of new publications has received a check, and the death-rate of the weak ones has perhaps increased a trifle, most of the leading papers, particularly the dailies, show very healthy increases in circulation. Three metropolitan dailies have reached or passed the hundred thousand mark.

A census of the papers listed and described in the 1915 Directory shows nearly 150 Dailies, 7 tri-Weeklies, 45 semi-Weeklies, over 1,065 Weeklies, about 40 bi-Weeklies or semi-Monthlies, 250 Monthlies, 3 bi-Monthlies and 18 Quarterlies—a total of over 1,575 publications.

This means approximately one Daily to every 10,000 families, and one Weekly to every 1,500 families. From this one would infer that for a comparatively new country, Canada is well-read.

A. McKim, Limited, report the usual keen demand for the Canadian Newspaper Directory, which sells at \$2.00. Its red-banded, gold-stamped green cover has become a familiar sight on the desks of advertisers, publishers and business men everywhere who are interested in Canada.



When You are Old

Who'll provide the money to keep you? Will you then be compelled to keep on working the same as some old men you know? Or will you be able to enjoy an old age of comfort and independence?

A moderate annual saving now—when you can spare the money—invested in an Imperial Endowment Policy will secure you a regular income in your old age; or it will provide for your family should death call you early.

THE IMPERIAL LIFE
Assurance Company of Canada
HEAD OFFICE - TORONTO



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

Gen. Manager for Canada & Newfoundland, CHARLES W. I. WOODLAND
JOHN JENKINS, Fire Manager.

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, J. WM. MCKENZIE, Joint Managers.

Branches: MONTREAL VANCOUVER CALGARY REGINA

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 - - - \$16,400,000
CLAIMS PAID, over - - - \$60,000,000

Canadian Head Office - - - - - TORONTO, Ontario
CHARLES H. NEELY, General Manager.

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 Laing, 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 WELCH, 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 Million Dollars (\$65,000,000.00.)

THE HOME BANK OF CANADA

Statement of the result of the business of the Bank for the year ending 31st May, 1915.

PROFIT AND LOSS ACCOUNT.

Cr.		\$	107,266.10
Balance of Profit and Loss Account, 31st May, 1914			
Net profits for the year after deducting charges of management, interest due depositors, payment of Provincial and Municipal taxes, and rebate of interest on unmatured bills		163,929.13	
Transferred from Rest Account		266,666.66	
		537,861.89	
		459.38	
		\$538,321.27	

CAPITAL PROFIT ACCOUNT.

Premium on Capital Stock received during the year

Which has been appropriated as follows:—

Dr.		\$34,022.28	
Dividend No. 31 quarterly, at rate of 7% per annum		34,030.40	
Dividend No. 32, quarterly, at rate of 7% per annum		34,036.81	
Dividend No. 33, quarterly, at rate of 7% per annum		34,040.19	
Dividend No. 34, quarterly, at rate of 7% per annum			136,129.68
Appropriation for Bad and Doubtful debts and depreciation in Securities			296,276.93
Reduction of Bank Premises			71,836.39
Government War Tax on note circulation (5 months)			5,988.00
Payments on account of special subscriptions to Red Cross, Patriotic, and other funds			1,800.00
Balance			26,290.27
			\$538,321.27

GENERAL STATEMENT LIABILITIES.

TO THE PUBLIC

Notes of the Bank in Circulation	\$	1,197,230.14	\$	1,244,280.00
Deposits not bearing interest		8,357,638.44		
Deposits bearing interest, including interest accrued to date of statement				9,554,868.58
Balance due to Dominion Government				364,625.00
Balances due to other Banks in Canada				6,153.78
Balances due Banks and Banking Correspondents in United Kingdom and Foreign Countries				280,198.74
				\$ 11,450,126.10

TO THE SHAREHOLDERS.

Capital (Subscribed, \$2,000,000) Paid up	\$	1,945,376.59	
Rest		400,000.00	
Dividends Unclaimed		2,669.95	
Dividend No. 34 (Quarterly), being at the rate of 7% per annum, payable June 1st, 1915		34,040.19	
Balance of Profit and Loss Account		26,290.27	
			2,408,377.00
			\$ 13,858,503.10

ASSETS.

Gold and other current coin	\$	129,245.61	
Dominion Government Notes		1,451,708.25	
			\$ 1,580,953.86
Deposit with the Minister of Finance as security for note circulation		89,600.00	
Notes of other Banks		127,478.00	
Cheques on other Banks		319,208.17	
Balances due by other Banks in Canada		4,057.49	
Balances due by Banks and Banking Correspondents elsewhere than in Canada		126,942.01	
Canadian Municipal Securities		33,055.76	
Railway and other Bonds, not exceeding market value		269,421.53	
Call and Short (not exceeding 30 days) loans in Canada on Bonds, Debentures and Stocks		2,384,226.27	
			\$ 4,934,943.09
Other Current Loans and Discounts in Canada, less rebate of interest	\$	8,124,243.68	
Other Current Loans and Discounts elsewhere than in Canada, less rebate of interest		32,713.76	
Overdue debts, estimated loss provided for		20,953.83	
Real Estate other than Bank Premises		19,787.76	
Bank Premises, at not more than cost, less amounts written off		650,916.02	
Mortgages on Real Estate sold by the Bank		68,206.91	
Other Assets not included in the foregoing		6,738.05	
			8,923,560.91
			\$13,858,503.10

THOS. FLYNN, Vice-President.

JAMES MASON, General Manager.

AUDITOR'S REPORT TO THE SHAREHOLDERS.

In accordance with sub-section 19 and 20 of Section 56 of the Bank Act, 1913, I beg to report as follows: The above balance sheet has been examined with the books and vouchers at the Head Office, and with the certified returns from the Branches, and is in accordance therewith. I have obtained all needed information from the Officers of the Bank, and in my opinion the transactions coming under my notice have been within the powers of the Bank.

I have checked the cash and verified the securities of the Bank at its chief Office, both on the 31st May, 1915, and also at another time during the year; the cash and securities of one of the Branches have also been checked, and in each case they have agreed with the entries in the books of the Bank with regard thereto.

In my opinion the above balance sheet is properly drawn up so as to show a true and correct view of the state of the Bank's affairs, according to the best of my information and the explanations given to me, and as shown by the book of the Bank.

SYDNEY H. JONES, Auditor.

LAST YEAR THE PRUDENTIAL



wrote more life insurance than any other company in the world.

It has assets of more than \$361,000,000, with liabilities of nearly \$325,000,000.

It had a 1914 income of \$103,226,019.98 and a capital and surplus at the end of the year of \$36,481,299.64.

Surely these figures mean the certainty that an insured seeks.

THE PRUDENTIAL INSURANCE CO. OF AMERICA

FORREST F. DRYDEN, President. Home Office, NEWARK, N. J.
Incorporated under the laws of the State of New Jersey

GENERAL

ACCIDENT **FIRE** AND LIFE

ASSURANCE CORPORATION, LTD.
OF PERTH, SCOTLAND.

Total Security to Policyholders over \$5,600,000

PELEG HOWLAND,
Chairman,
Canadian Advisory Board

T. H. HALL, Manager for Canada.

JUDSON G. LEE, General Agent, Montreal.

MINIMUM INSURANCE

Economists estimate that fifteen dollars per week is the smallest amount upon which a widow, with say two children, can maintain herself and family respectably.

This means that the smallest amount of insurance carried should be such a sum as safely invested would yield \$780 per annum. At 6 per cent. this means \$13,000.

Very few men can afford to carry such a sum. Those who cannot assume such an amount should nevertheless make it their aim and as circumstances improve add to their protection until this point is reached.

The Mutual Life Assurance Co.

Of Canada,

WATERLOO - - - ONTARIO

ANGLO-AMERICAN

FIRE INSURANCE COMPANY

MONTREAL-CANADA

FIRE INSURANCE COMPANY

Established 1859

J. W. RUTHERFORD, A. B. DUFRESNE,

General Manager.

Provincial Agent.

ROOM 21, DULUTH BUILDING,

Head Office Cor. Notre Dame and St. Sulpice Sts.

The London Mutual Fire

INSURANCE COMPANY
Established 1859

Head Office - - - TORONTO

Assets - - - -	\$863,554.52
Surplus to Policyholders -	433,061.40
Losses Paid - - - over	\$8,000,000.00

PROVINCE OF QUEBEC BRANCH

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

Union Assurance Society Ltd.

OF LONDON, ENGLAND.
[Fire Insurance since A.D. 1714]

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

Agencies throughout the Dominion

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, General Manager. FRANK W. COX, Secretary.



Abbey's
Effervescent Salt

Is the gentlest, mildest and most effective of all tonic laxatives. It makes the bowels act right.

Two Sizes, 25c. and 60c.



RAILWAY PASSENGERS ASSURANCE COMPANY

OF LONDON, ENGLAND

All kinds of Personal Accident and Sickness Insurance
Employers and Public Liability
Burglary, Plate Glass and Fidelity Guarantee

HEAD OFFICE FOR CANADA AND NEWFOUNDLAND

TORONTO, ONTARIO

F. H. RUSSELL, General Manager.

Oldest Accident Office

MONTREAL BRANCH

201 LAKE OF THE WOODS BUILDING, 10 St. John Street



Transacts:
PERSONAL ACCIDENT FIDELITY GUARANTEE
SICKNESS BURGLARY and
LIABILITY (all kinds) LOSS OF MERCHANDISE and
AUTOMOBILE 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 ONLY COMPANY

Showing in the Dominion Government Blue Book a complete detailed statement of its Invested Funds; our SPECIAL POLICIES

make attractive selling propositions. Under our

LIBERAL AGENCY CONTRACTS

which are "made to fit the man" the Producer reaps the fullest reward of his efforts.

For particulars apply direct to Head Office, **TORONTO.**

THE NATIONAL LIFE ASSURANCE COMPANY OF CANADA

ELIAS ROGERS, President.

ALBERT J. RALSTON, First Vice-President and Managing Director.

F. SPARLING, Secretary.

MOUNT ROYAL ASSURANCE COMPANY

PAID UP CAPITAL	\$250,000.00
TOTAL FUNDS	729,967.36
NET SURPLUS	202,041.02

The NATIONALE FIRE INSURANCE COMPANY OF PARIS, FRANCE.

SUBSCRIBED CAPITAL	\$2,000,000
TOTAL FUNDS	7,461,390
NET SURPLUS	1,267,160

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