

The Chronicle

Banking, Insurance and Finance

ESTABLISHED JANUARY, 1881

PUBLISHED EVERY FRIDAY



Vol. XXXV. No. 50

MONTREAL, DECEMBER 10, 1915.

Single Copy 10c
Annual Subscription, \$5.00

TRUE PROSPERITY AND FALSE.

The remarks made by Sir Frederick Williams-Taylor, general manager of the Bank of Montreal, in closing his address at this week's shareholders' meeting of that institution, deserve very close attention. Therein, the speaker drew a distinction between what may be called true and false prosperity, or more accurately, the prosperity which is soundly based upon permanently favorable factors, and that which is merely transitory (dependent upon circumstances which can be no more than temporary in character), or even illusory—without any sound basis. In recent years, these three varieties of prosperity have been distinctly visible in Canada. While genuine prosperity, the result of industry and of legitimate trade, pursues a somewhat quiet course, not requiring any "boom" to keep it alive, a good deal of the visible prosperity during the period culminating in 1912-13 was of the transitory type, dependant for its existence upon the continuance of construction upon a large scale. Some of the apparent prosperity of that period also was frankly illusory, as witness the real estate gamble—the facts in connection with which it is now possible properly to appreciate.

* * *

It seems also that many do not yet appreciate the essential character of the basis of genuine prosperity, if judgment may be made from various comments which appear, even in the financial press. It has lately been said that Canada has been "pitchforked into prosperity" and similar expressions have been used conveying the impression that economically, all will shortly be for the best in the best of all possible worlds. Sir Frederick Williams-Taylor's analysis shows that these and similar views are merely hasty generalisations which do not take full account of the facts. There certainly is ground for the more hopeful feeling which prevails generally, but that hopeful feeling can only be well grounded in so far as it is based upon the bountiful harvests which have been gathered this year, practically in all parts of the Dominion. If future prosperity is to be soundly based, there must be the continued development of our agri-

cultural resources, backed by further development in lumber, mining, fisheries and other industries, which, like agriculture, are based upon the world's necessities. Only through this primary development, systematic and long-continued, can our transportation systems and our secondary industries flourish and genuine prosperity accrue, not only to actual producers, but to all who assist in one way and another in the progress and guidance of the complicated machinery of modern trade and commerce.

* * *

Continued insistence upon those facts is especially necessary at the present time because of the misleading deductions already cited, which are apt to be drawn from the current activity in munitions and war supplies. This activity has undoubtedly been exceedingly useful in bringing large funds to Canada when they were badly needed, but it cannot be considered as supplying a basis of genuine prosperity in the full economic sense of that word. Sir Frederick Williams-Taylor aptly remarked in regard to the munition business that it is necessary to remember "that the manufacture of war materials is a grim and transient form of so-called prosperity, that the cost thereof comes out of the national exchequer of Great Britain or of Canada, and from the blood of the flower of our manhood." An industry which only thrives when thousands of men become economically useless and governments are forced to unproductive expenditure on a vast scale, certainly cannot be regarded as a sound basis of genuine prosperity. It is to be remembered, also, that the plants which are now engaged in this work will at the end of the war have a difficult task in readjustment to peace conditions. It is possible that our manufacturers may be able to build up a large export trade, while the first stages of the rebuilding and reconstruction of Europe is in process. But clearly this also will be a temporary phase, and not a permanent basis of genuine prosperity, except in so far as our manufacturers are able to hold subsequently, in fierce competition with the European nations, the foreign markets which they enter. Moreover when our war exports suddenly stop, there

(Continued on page 1387.)

The Chronicle

Banking, Insurance and Finance

ESTABLISHED 1881
F. WILSON-SMITH,
Proprietor.

PUBLISHED EVERY FRIDAY.
ARTHUR H. ROWLAND,
Editor.

Office:

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

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

MONTREAL, FRIDAY, DECEMBER 10, 1915.

AFTER-EFFECTS OF THE WAR LOAN.

The great success achieved by the Canadian domestic War Loan appears to have created a very favorable impression in Great Britain. The fact that hitherto Canada has been so entirely reliant upon borrowings from abroad for the financing of her capital outlays has no doubt deepened the impression created by this mobilisation of our wealth. Under the circumstances, it is quite possible that the recent loan would impress more sharply the observer abroad as evidence of the whole-hearted energy with which the objects of the war are being pursued here than our activities hitherto in the raising of men and the making of munitions. In any case, it seems reasonable to anticipate that our present efforts in loan-raising and expressed desire to ourselves undertake as far as possible the cost of raising, equipping and maintaining Canadian armies cannot but have important after-effects in regard to our financial relations with Great Britain. As a result of present events, it may well be supposed that following the war, there will be in Great Britain a wider realisation of the fact that the wealth of the British Empire available for the Empire's purposes, is not merely British wealth but includes also Canadian and Australian wealth. Further, there will be a desire that available capital in Great Britain shall be more systematically and scientifically applied where it is wanted within the Empire in order that the aggregate wealth of the whole Empire may be built up and largely increased. Whether anything or nothing is done along these lines as a matter of high policy, it seems almost certain that there will be in the future a very considerable sentiment among British investors in favor of the investment of funds within the British Empire in preference to investment in foreign countries. Since trade follows capital, and the necessity for the great development of British foreign trade at the close of the war will be urgent, it is not to be

supposed that Great Britain will wholly forego investment in foreign fields. But it is probable that the impression of the Empire's solidarity created by the present action of the Overseas Dominions will be sufficient to ensure such consideration to the policy of investing within the Empire, as will mean in terms of invested pounds sterling an enormous aggregate.

While at present it is impossible to more than generalise on this subject, it is our belief that anything which Canada is able to do at the present time to relieve the financial pressure upon the mother country, by the sustaining of our own military expenditure as far as possible and perhaps by the granting of credits, will receive a very ample return in future years. In the past, Canada has benefited considerably financially from sentiment in Great Britain, and *post-bellum* sentiment in this connection will be much stronger, and more soundly and logically based than anything of the kind in the past.

THE CHRONICLE, of course, does not support these policies mentioned merely because of the subsequent returns that may fairly be anticipated, but it would be foolish to ignore the possibilities mentioned as a reason for present-day thrift and production.

TRUE PROSPERITY AND FALSE.

(Continued from front page.)

will be so much less exports available to meet our interest due abroad, now \$150 millions annually. Even assuming that our manufacturers are successful in building up a large *post-bellum* export trade, it is undoubtedly to our agricultural exports that we must look mainly to offset this account.

* * *

In Sir Frederick's opinion, Canada's economic future is bound up with the development of our vast agricultural areas. The rate of that development is dependent upon the increase in our farming population, and in natural sequence immigration can best be attracted to the Dominion by reducing and keeping down the cost of living. If the latter ideal is to be achieved, there will have to be a distinct foreswearing of some methods of making an illusory prosperity, since the real estate speculation of recent years is without doubt in part responsible for the present high cost of living. In short, genuine prosperity in Canada soundly based on permanent factors can only be secured by the continued large production of the world's necessities—in other words, by hard work and good management.

The ability of the banks of Canada to maintain steady dividends is due to the conservative policy adopted long ago of setting aside in years of plenty a measure of earnings.—Sir Frederick Williams-Taylor.

The Bank of British North America

Established in 1836.

Incorporated by Royal Charter in 1840

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

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

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

COURT OF DIRECTORS

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

Head Office in Canada: **ST. JAMES ST., MONTREAL****H. B. MACKENZIE, General Manager**

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

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

Agents and Correspondents in every part of
the world.

Collections Made at Lowest Rates.

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

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

G. B. GERRARD, Manager,
MONTREAL BRANCH

The Merchants' Bank of Canada

Head Office - MONTREAL

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

BOARD OF DIRECTORS:

SIR H. MONTAGU ALLAN, C.V.O., President

K. W. BLACKWELL, Vice-President

THOS. LONG	ANDREW A. ALLAN	F. ROBERTSON
ALEX. BARNET	C. C. BALLANTYNE	G. L. CAINS
F. ORR LEWIS	F. HOWARD WILSON	A. B. EVANS
	A. J. DAWES	

E. F. HEBDEN, General Manager

T. E. MERRETT, Superintendent of Branches and Chief Inspector

A GENERAL BANKING BUSINESS TRANSACTED**206 BRANCHES AND AGENCIES IN CANADA**

Extending from the Atlantic to the Pacific

SAVINGS DEPARTMENT AT ALL BRANCHES

Deposits received and Interest
allowed at best current rates

New York Agency: 64 and 65 WALL ST.**THE BANK OF NOVA SCOTIA**

INCORPORATED 1832.

CAPITAL	:	:	:	\$6,500,000.00
RESERVE FUND	:	:	:	12,000,000.00
TOTAL ASSETS over	:	:	:	95,000,000.00

Head Office - - - HALIFAX, N.S.**JOHN Y. PAYZANT, President.****Gen'l Manager's Office, TORONTO, ONT.****H. A. RICHARDSON, General Manager.**

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

BOSTON CHICAGO NEW YORK

HOME BANK OF CANADA

ORIGINAL CHARTER
1854

Branches and Connections throughout Canada.

JAMES MASON - General Manager**MONTREAL OFFICES**

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.

THE BANK OF MONTREAL'S MEETING.

The addresses made by Mr. H. V. Meredith (president) and Sir Frederick Williams-Taylor (general manager) at Monday's meeting of the Bank of Montreal's shareholders form notable contributions to discussion regarding the economic position of Canada at the present time. Their sobriety of tone and discriminatory judgments make them invaluable for those who for one reason and another need to be closely posted regarding present day Canadian realities. It may fairly be said that the general impression left by a careful perusal of these addresses is one of encouragement and confidence, although it is apparent that both Mr. Meredith and Sir Frederick agree that future prosperity in Canada is not to be had for the asking, and that there are many economic and financial problems still facing us which will require an enlightened direction and steady application for their solution. The qualifications for being able to anticipate future difficulties with confidence were summed up by Mr. Meredith as economy in order to meet the increased burden of taxation, the production of exportable articles increased to the utmost extent in order to protect our gold supply and minimize our borrowings, and keeping strong in working capital. It can hardly be said that in the past few years, all these points have been particularly notable in Canadian economic life, and it is evident that in order to achieve these qualifications steady and sustained effort will be necessary.

THE CANADIAN POSITION.

In the course of his illuminating analysis of Canadian conditions, Mr. Meredith noted that while, all things considered, Canadian trade has been well maintained as to volume and character, further reorganisations may yet be necessary in order to adjust capital to earning power. The most encouraging feature of the year has been the bountiful harvest in the Northwest, which, in Mr. Meredith's opinion, will have the effect of attracting a tide of emigration to Canada after the war. A factor of supreme importance at the present time is the restoration of a favorable balance in our foreign trade, which enables us to conserve our gold supplies, and to curtail our borrowings abroad to some extent. Through increase of exports and reduction of imports, over a seven-months period ending with October, we have been able to change an adverse balance of \$145,000,000 at the end of October, 1913, into a favorable balance of \$73,323,000 this year, or a betterment of \$218,000,000 in our foreign trade position in two years. With these figures and Mr. Meredith's wise remarks on the necessity for continued borrowings abroad owing to the necessity of the maintenance of a sufficient supply of working capital at home for the financing of our trade and commerce—a point that is too frequently overlooked by enthusiasts—may be compared the information given by Sir Frederick Williams-Taylor in regard to our borrowings in the United States. Our borrowings in New York during the past twelve months (including the Dominion Government's loan of \$45 millions) aggregate some \$142 millions. The importance of this borrowing can probably be best appreciated by the simple mention of the fact that the total is only

\$23 millions less than the Dominion borrowed in London in the year 1913. The balance of trade during the past year between the United States and Canada was \$113 millions in favour of the United States. Added to this is \$32 millions, the interest due on our previous borrowings in the United States, the total of \$145 millions being about equal to our New York borrowings. So that in fact the United States is now providing Canada with funds to purchase goods and merchandise. It is evident from these figures that our borrowings in New York during the past twelve months have been of the utmost importance, and doubtless they will continue to be on a large scale. The consequent necessity of maintaining our credit there at a high level needs no emphasis.

THE BANK'S POLICY.

The statement made by Sir Frederick Williams-Taylor regarding the Bank's policy during the past year should serve effectively to counteract the shallow criticism regarding the banks' large reserves, which is too frequently heard. The speaker pointed out that the earnings of the Bank had been materially affected by the policy of carrying large reserves, heavy balances which by discretion they felt compelled to carry with their London bankers being for many weeks free of interest. When the London rate for money rose, caution and established policy, coupled with the fact that the Bank had large deposits of a special nature, decided the management on keeping an important part of the Bank's resources readily available. At October 31, the Bank held 64.3 per cent. of its liabilities to the public in immediately available assets compared with 55.4 per cent. last year, and Sir Frederick emphasised the fact that this position has been achieved while still meeting the usual legitimate requirements of merchants, manufacturers, farmers and ranchers, while the Bank has given special consideration to applications from those temporarily embarrassed by the prevailing conditions. This is certainly highly satisfactory, and as was also pointed out by the speaker, the large funds at present idle will prove invaluable when the situation clears.

THE BANK'S BALANCE SHEET.

The Bank's balance sheet, a document showing an admirably strong position, has already been noticed in these columns. Following is a comparison of the leading items for the last three years:—

	1915.	1914.	1913.
	\$	\$	\$
Capital Stock	16,000,000	16,000,000	16,000,000
Res.	16,000,000	16,000,000	16,000,000
Circulation	17,276,782	17,231,502	17,061,665
Deposits (not bearing interest)	75,745,730	42,689,032	45,134,957
Deposits (bearing interest)	160,277,084	154,533,643	144,437,882
Total Liabilities to Public	264,540,759	221,350,378	208,656,751
Specie and Legals.	40,269,804	40,661,762	22,164,800
Central Gold Reserve	1,500,000	1,500,000	1,000,000
Call Loans Abroad	70,957,528	41,502,122	51,240,795
Bank Balances Abroad	26,793,150	15,900,037	6,126,730
Total of Quick Assets	170,007,568	122,658,003	103,699,427
Current loans and discounts	121,175,954	128,618,661	134,163,473
Total Assets	302,980,555	250,484,668	244,787,045

The reduction in current loans in Canada which

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
Kingston, Jamaica. Bridgetown, Barbados.
Nassau, Bahamas. St. George's, Grenada.
Port of Spain and San Fernando, Trinidad.
Georgetown and New Amsterdam, British Guiana.
Belize, British Honduras.

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

NEW YORK,
Cor. William & Cedar Sts.

SAVINGS
DEPARTMENT

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

The Dominion Bank

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

W. D. MATTHEWS, Vice-President

C. A. BOGERT, General Manager

TRUST FUNDS SHOULD BE DEPOSITED

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

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

Head Office, Toronto

THE BANK OF TORONTO

Incorporated 1865.

Head Office: TORONTO, Canada.

PAID UP CAPITAL \$5,000,000
RESERVED FUNDS \$6,402,810
ASSETS \$61,000,000

Directors

DUNCAN COULSON, President; W. G. GOODERHAM, Vice-Pres.; J. HENDERSON, 2nd Vice-Pres.; HON. C. S. HYMAN, WILLIAM STONE, JOHN MACDONALD, LT. COL. A. E. GOODERHAM, BRIGADIER-GENERAL F. S. MEIGHEN, J. L. ENGLEHART, WILLIAM I. GRAY, THOS. F. HOW, General Manager.

T. A. BIRD, Chief Inspector
Bankers

NEW YORK—National Bank of Commerce.
CHICAGO—First National Bank.
LONDON, Eng.—London City and Midland Bank, Limited.

BUSINESS ACCOUNTS

Current accounts opened for business firms, corporations and individuals on favorable terms. Loans made to responsible people. Interest allowed on permanent deposits.

Our many Branches and extensive banking connections provide a prompt and accurate collection service.

The Trust and Loan Co.

OF CANADA

Capital Subscribed, . . . \$14,600,000.00
Paid-up Capital, . . . 2,920,000.00
Reserve Funds, . . . 2,732,205.06

MONEY TO LOAN ON REAL ESTATE

30 St. James St., Montreal

The Bank of Ottawa

Established 1874

Head Office - - - OTTAWA, Canada

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

BOARD OF DIRECTORS

HON. GEORGE BRYSON, President.

JOHN B. FRASER, Vice-President.

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

GEORGE BURN,
General Manager.

D. M. FINNIE,
Assistant General Manager

W. DUTHIE, Chief Inspector.

PRUDENTIAL TRUST COMPANY LIMITED

HEAD OFFICE
9 ST. JOHN
STREET
MONTREAL.

Trustee for Bondholders
Transfer Agent & Registrar
Administrator Receiver Executor
Liquidator Guardian Assignee
Trustee Custodian

Safety
Deposit Vault

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

Terms exceptionally moderate.
Correspondence invited.

B. HAL. BROWN, President and Gen. Manager

are \$99,078,506 against \$108,845,332 last year reflects the general trade conditions throughout the Dominion. The Bank's loans to municipalities increased during the year from \$9,017,324 to \$11,203,472. It was mentioned at the annual meeting that over 80 per cent. of these advances have been made in anticipation of the collection of taxes, and that less than 20 per cent. represent capital expenditure. Evidently, the municipalities generally, are making very fair progress with their lessons in economy.

THE QUEBEC BANK.

The Quebec Bank, which held its annual meeting on Monday, experienced in its last financial year ended October, a decrease in its earning power, though the recession is not so severe as appears at first sight, owing to profits being declared this year after payment of business taxes, while formerly it was the custom to declare profits before business taxes were allowed for. Profits for the past year are announced as \$233,420 (about 5.8 per cent. on the capital and rest combined) compared with an announced figure of \$296,659 in 1914. Last year's business taxes were \$20,897, so that the then profits on this year's basis were \$275,762, this year's profits thus showing a decrease of \$42,000.

Of these profits, \$191,429 were distributed in the seven per cent. dividends and \$13,394 goes for War Tax on Circulation. The remainder of the profits, except those involved in a slight increase in the balance on profit and loss account from \$11,448 to \$11,795, go with an allocation of \$308,750 from the rest account to provide for contingencies, regarding which the Bank management has taken what appears to be drastic action. The total provision for contingencies is \$337,000, and as a result of this provision, the rest account is reduced from \$1,308,750 to the even million dollars. A year ago, the Bank provided \$30,000 for depreciation in bonds and securities and \$35,000 for contingencies. These moderate amounts were presumably sufficient at the time, and apparently the circumstances causing the present action have arisen during the past year.

During the year, the Bank's deposits increased by nearly \$1½ millions. Current loans and discounts decreased by \$850,000. Liquid assets show a substantial gain over last year at \$9,045,014 against \$7,568,313 and are equal to 52.9 per cent. of liabilities to the public (Canadian call loans being included in quick assets) against 47.1 per cent. last year.

The leading items of the balance sheet in comparison with that of 1914 are as follows:—

	1915.	1914.
Paid-up capital	\$2,735,000	\$ 2,734,620
Rest	1,000,000	1,308,655
Circulation	2,209,808	2,434,211
Deposits	14,406,914	12,978,422
Total Liabilities to public	17,089,425	16,075,847
Call Loans in Canada	3,140,030	3,077,566
Liquid Assets	9,045,014	7,568,313
Current Loans and discounts	9,744,030	10,594,402
Total Assets	20,884,083	20,178,426

During the ten years prior to the war, the Bank of Montreal alone was the medium through which some \$600 millions of loan moneys were raised in London and transferred to Canada.

INSURANCE COMPANIES AND RECRUITING.

Under this caption, the Insurance Record of London calls attention to the notable response to the call to the colours which the staffs of the insurance companies, in both Great Britain and the Oversea Dominions have made since the outbreak of war. "With pride and profound satisfaction we can truly say," remarks the Record, "that they have made a loyal response from the outset. Over and over again it has been stated in reports for the year 1914, or in the speeches delivered by chairmen at annual meetings, how on the commencement of hostilities insurance workers of all grades sought and obtained permission to join the colours, and, while large numbers went to the assistance of their country at once, others have been following continuously in their footsteps until at the present time, in some offices with large staffs more than half the entire complement have gone and only a small percentage of eligibles remain. From the recruiting officer's point of view probably no institutions could show better returns. It is hardly necessary to say that, while the natural patriotic feeling of insurance men eligible to serve has mainly concurred to the results attained, a contributory factor of great importance has been the liberal manner in which the companies have treated their staffs. Many have been given full pay during absence on war service, others receive full salaries less the amount of their army pay, others half pay. The knowledge that their places remain open for them on their return and that their chances of promotion will not be prejudiced through their absence, has been an additional incentive to enlist."

ESTABLISHED 1873

The
Standard Bank
of CANADA
Head Office, TORONTO

124 BRANCHES THROUGHOUT THE DOMINION



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



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

IMPERIAL BANK

OF CANADA

Head Office, - Toronto

Capital Paid Up - - - \$7,000,000
Reserve Fund - - - - \$7,000,000

PELEG HOWLAND,
President

E. HAY,
General Manager



Drafts, Money Orders and Letters of Credit issued available throughout the World.

Dealers in Government and Municipal Securities. Dealers in Foreign and Domestic Exchange. Savings Departments at all Branches.

Interest Credited Half-yearly at Current Rates. General Banking Business Transacted.

126 BRANCHES IN CANADA

National Trust Co.,

LIMITED

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

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

MONTREAL DIRECTORS

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

MONTREAL OFFICE:

153 St. James Street

PERCIVAL MOLSON, Manager.

The Royal Trust Co.

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

EXECUTORS AND TRUSTEES

BOARD OF DIRECTORS:

H.V. Meredith, President Sir H. Montagu Allan, C.V.O., Vice-President

R. B. ANGUS E. B. GREENSHIELDS
A. BAUMGARTEN C. E. HOMER
A. D. BRAITHWAITE SIR W. C. MACDONALD
E. J. CHAMBERLIN HON. R. MACKAY
H. R. DRUMMOND HERBERT MOLSON
C. B. GORDON SIR T. G. SHAUGHNESSY
HON. SIR LOMER GOVIN, K.C.V.O.
K.C.M.G. SIR FREDERICK WILLIAMS-TAYLOR, LL.D.

A. E. HOLT, Manager

OFFICE AND SAFETY DEPOSIT VAULTS:
107 St. James St., MONTREAL.

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

WESTERN

Assurance Company

Incorporated in 1851

FIRE AND MARINE

ASSETS over \$3,700,000.00

LOSSES paid since organization of Company . . . over \$61,000,000

DIRECTORS

W. R. BROCK, President.

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

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

HEAD OFFICE . TORONTO

LLOYDS BANK LIMITED, HEAD OFFICE:— 71, LOMBARD ST., LONDON, E.C.

Subscribed Capital - - -	\$156,521,000	Cash in hand, &c. - - -	\$173,534,130
Capital Paid up - - -	25,043,360	Bills of Exchange - - -	67,100,965
Reserve Fund - - -	18,000,000	Investments - - -	80,667,610
Deposit & Current Accounts	590,869,295	Advances, &c. - - -	297,198,235

THIS BANK HAS OVER 880 OFFICES IN ENGLAND AND WALES.

Colonial and Foreign Department: 17, Cornhill, London, E.C.
London Agency of the IMPERIAL BANK OF CANADA.

Paris Auxiliary: LLOYDS BANK (FRANCE) LIMITED, 26, Avenue de l'Opéra.
AN ENGLISH BANK CONDUCTED ON ENGLISH LINES. Branches at BORDEAUX, BIARRITZ and HAVRE.

WORKMEN'S COMPENSATION AND CONFISCATION.

THE CHRONICLE has frequently pointed out the serious character of the precedent set by the Ontario Workmen's Compensation Act which came into force at the beginning of this year, and has since been copied in Nova Scotia while essentially similar legislation is also threatened in British Columbia. It has been consistently maintained in these columns that the passing of the Ontario Act entailed, in fact, nothing less than a virtual confiscation of interests, against which nothing could be alleged in regard to their being inimical to public morals—the only ground on which, where the civil law is in force, confiscation can be justified. It has also been pointed out that the effect of this exceedingly dangerous precedent was to give a feeling of insecurity to capital, which might quite possibly have serious results. When once a precedent of this kind has been established, there can be no telling upon whom a similar blow will next fall.

AUSTRALIAN ACTION.

The State of Queensland in the Australian Commonwealth has recently established for that continent, and apparently contrary to previous advices, a similar precedent to that set by the Province of Ontario in Canada. It has passed legislation which in effect, if not in detail, has the same characteristics as the Canadian legislation and, equally, rides roughshod over legitimate interests which it was once supposed to be the business of government to protect. The Queensland legislation creates a State monopoly of the workmen's compensation business in the State, insurance with the commission to be created being compulsory. The insurance companies have been treated with the same kind of discourtesy that they met with in Canada when the Ontario legislation was being adumbrated. Hitherto, they have been working in the State on the assumption, which it might have been thought would not be interfered with—let alone confiscated—and have spent large amounts in building up efficient organisations and staffs, have acquired properties, invested funds and generally identified themselves with the life of the State, as in Canada. When, however, the companies asked for permission to be heard at the bar of the House of Legislative Assembly, the request was curtly refused by vote and the prompt passing of the Act confiscated the companies' property without giving them a single chance to be heard in self-defence.

SOCIALISTIC METHODS.

The parallel of high-handed action between the State of Queensland and the Province of Ontario is curiously close. Where there is divergence, Queensland shows up somewhat more creditably than Ontario. The Government is a Labour one,

and State insurance formed part and parcel of its programme at the last elections. In the case of Ontario, the Government calls itself Conservative; it had no mandate on the subject of State insurance and there is more than a suspicion that its enthusiasm for a purely Socialistic measure of workmen's compensation was in part due to a desire to "dish the Grits" and to assure the working-man's support to itself. The Nova Scotian and British Columbian Governments are also Conservative in name, and the necessity of obtaining a good election cry appears to be largely responsible for their essentially Socialistic activities in this connection. The stealing of an opponent's thunder is sanctioned by long usage as a legitimate piece of political tactics, but when the theft involves, as in the present case, the confiscation of property without good cause, the practice degenerates into a grave abuse of power. It cannot be urged by those responsible that confiscation of the companies' property is necessary in order that workmen's compensation along modern lines may be instituted for the general good of the community. It is perfectly feasible, as British experience shows, to work an "advanced" measure of workmen's compensation with perfect fairness to everyone concerned, and without confiscation.

INJURIOUS CONSEQUENCES PROBABLE.

Why at this time those in charge of the affairs of the Canadian provinces should be so keen on following essentially Prussian methods in dealing with this problem, instead of the normal British precedents, it is impossible to understand, unless the purely political exigencies already suggested, account for it. In any case, the course which some of the Canadian provinces have followed and are following in this connection is calculated to do them considerable injury. London comment upon the course of events in Queensland is that the State will only have itself to thank if capital, initiative and enterprise come to regard it as a danger zone. There is no province in Canada, which can afford to have this kind of reputation abroad without prejudice to its future development, least of all British Columbia, which has already a difficult task on hand in the living-down of an undesirable reputation as a home of loose methods of finance.

The following, according to the Insurance Critic of New York, is the text of a letter recently written by a home office to the Pacific Coast Manager: "In perusing an interesting document known as the 'White Bulletin,' we note that our company has been fined \$200 for allowing a special agent to bet the local agent \$10 that the next policy written by the local agent would not be placed in our company. Inasmuch as the premium received was only \$2.45, we would respectfully ask that you have this practice discontinued. It increases our expense ratio too much."

CANADA PERMANENT MORTGAGE CORPORATION QUARTERLY DIVIDEND

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

TEN PER CENT PER ANNUM

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

MONDAY, THE THIRD DAY OF JANUARY

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

By order of the Board,

GEO. H. SMITH, Secretary.

Toronto, November 24th, 1915.

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.

TERMS TO POLICYHOLDERS 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

CANADIAN FIRE RECORD

Specially compiled by The Chronicle.

FURNITURE FIRE AT TORONTO.

On the 3rd instant a fire occurred on the premises of the Gold Medal Furniture Co. on Van Horne avenue, Toronto. Insurance as follows.

ON SPRINKLERED PORTION.	
Aetna	\$5,000
Canadian	8,000
Employers	5,000
Fidelity-Phenix	15,000
Germania	5,000
Home	15,000
London & Lancashire	15,000
North Empire	5,000
North West	\$ 5,000
Northern	5,000
Nova Scotia	7,500
Protector Underwriters	10,000
Western	5,000
	\$105,500

Loss about 10 per cent.

ON UNSPRINKLERED PORTION.	
Home	\$1,500
Aetna	1,500
Germania	1,000
North Empire	2,500
Westchester	3,500
Firemen's Fund	2,500
Hudson Bay	2,250
Minnesota	1,500
Anglo-American	1,500
Northern	1,500
Protector Underwriters	\$ 2,500
North West	2,500
London & Lancashire	2,250
General Paris	1,500
Western	1,000
Fidelity-Phenix	1,000
	\$30,000

Loss nearly total.

FIRE AT ST. CATHARINES, ONT.

On the 7th instant a fire broke out in the Maple Leaf Milling Company's premises. Insurance on building as follows:—

London & Lancashire	\$14,000	Providence-Washington	\$1,500
Northern	4,200	Employers	1,500
Commercial Union	3,600	Hudson Bay	1,500
Guardian	3,000	Fidelity Underwriters	1,500
Union	3,000	Liv. & Lon. & Globe	1,200
Norwich Union	3,000	London Assurance	1,200
Western	3,000	Westchester	900
Royal	3,000	Caledonian	600
British America	3,000	Glens Falls	1,200
Globe & Rutgers	3,000		
British Dominions	2,400		
North America	1,800		
Millers and Manufacturers	1,500		
			\$60,000

Total loss.
ON STOCK.

The above Companies are interested, but under schedule. Loss cannot be more than roughly estimated at about \$15,000.

FIRE IN MONTREAL WHOLESALE DISTRICT.

On the 9th instant a fire took place on the premises of Page & Shaw, Limited, candy manufacturers, St. Paul St., Montreal. Insurance as follows:—

Fidelity Underwriters	\$6,300	General of Perth	3,000
London & Lancashire	7,750		
Imperial Underwriters	5,250		
		Total	\$22,300

Loss about 30 per cent.

In the same building damage from the above fire caused a loss to Watt & Scott, Limited, produce merchants, of about \$3,000. Insurance as follows:—

Northern	\$13,000	Guardian	\$2,500
Fidelity Underwriters	10,000	London & Lancashire	1,000
Liv. & Lon. & Globe	6,000		
			\$32,500

ON BUILDING.
Phenix of England, \$12,000

Loss about \$1,000.

MONTREAL, QUE.—Dominion Undertakers shop at 1275 Mount Royal avenue damaged to extent of \$2,000, November 29.

FIRE AT LONGUE POINTE, P.Q.

On the 7th instant the Canada Cement Company's plant at Longue Pointe, P.Q., was damaged by fire entailing an insurance loss of about \$10,000.

It is understood the insurance to the extent of \$180,000 on the damaged building was carried by the following Companies:—

Niagara, National of Hartford, Continental, Sun, Norwich Union, London & Lancashire Fire, British America, Western, Home, Nova Scotia, German-American, Fidelity-Phenix, Atlas, Globe & Rutgers, Fidelity Underwriters, British Dominions, Employers, Scottish Union & National, North America, Liverpool & London & Globe.

LIVERPOOL, N.S.—Three-storey building of Sol-don & Sons on Main street destroyed with contents December 5. Loss \$9,000. Dr. C. B. Trites, druggist, and W. L. Hall barrister, also suffered loss.

CHARLOTTETOWN, P.E.I.—A dipper dredge owned by B. T. Bertram, Toronto, was destroyed by fire on the 2nd inst. Insurance loss \$23,000. Insured in Hartford Fire for \$25,000.

STONEY MOUNTAIN, MAN.—Two barns on farm of Israel Meltzer destroyed with a silo, and 115 cows November 29. Loss \$10,000 partly covered by insurance.

SACKVILLE, N.B.—The A. E. Wry, Limited, factory damaged to extent of \$35,000 December 6. Insurance about \$25,000. Origin, unknown.

BELLEVILLE, ONT.—Considerable damage done to building used as hospital for 80th Overseas Battalion on Church street, December 2.

VANCOUVER, B.C.—Residence of Mrs. George Wood, 2108 Parker street destroyed December 5. Origin, pouring kerosene on kitchen fire.

OAKVILLE, ONT.—W. H. Carson brick, sash and door factory on Dundas street, damaged to extent of \$10,000, December 5.

BROCKVILLE, ONT.—Sleeping quarters of 59th Battalion at Fair Grounds slightly damaged December 8.

HALIFAX, N.S.—Fire in No. 2 hold of steamer Carleton, December 6. Origin, unknown.

LIEUTENANT C. S. WRIGHT HONOURED BY THE FRENCH GOVERNMENT.

In a recent letter from Lieut. C. S. Wright (who has been at the front in France since the war commenced) to his father, Mr. Alfred Wright, the well known manager of the London & Lancashire Fire Insurance Company, Toronto, the information is conveyed that he has been awarded by the French Government, the Cross of the Legion of Honor for meritorious service.

It is still fresh in the memory of Canadians that Dr. C. S. Wright took a heroic part in the Scott Antarctic Expedition.

Mr. Alfred Wright may justly be proud of his son, Dr. C. S. Wright, and of two other members of the family who are in khaki, Lieut. A. M. Wright, and Lieut. B. Wright.

A nation's true wealth lies in the harmonious employment of the energy, skill, productive capacity and thrift of its citizens.—Round Table.



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.
 John Emo, Esq. Sir Alexandre Lacoste Wm. Molson Macpherson, Esq.
 J. C. Rimmer, Esq. Sir Frederick Williams-Taylor, LL.D.

Licensed for Fire Insurance by Dominion Government

THE Continental Insurance Company

of NEW YORK

INCORPORATED 1835

Authorized, Subscribed and Paid up Capital, \$2,000,000

Net Surplus, \$14,441,895

TOTAL ASSETS EXCEED \$28,000,000.

HENRY EVANS, *President*

GEO. E. KLINE, *Vice-President*

SPECIAL AGENT'S WANTED FOR MONTREAL

Head Office
 80 MAIDEN LANE
 NEW YORK

W. E. BALDWIN,
Agency Supt.

MONTREAL BRANCH OFFICE
 Lewis Building, St. John Street
 JOSEPH ROWAT, *Resident Manager*



The Northern Assurance Co. Limited

"Strong as the Strongest"

Accumulated Funds 1914, \$41,615,000

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

G. E. MOBERLY, *Supt. of Agencies.*

ROBERT W. TYRE, *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

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, CHARLES H. FULLER,
President. Secretary.
 Superintendent of Agencies.

THE CO-INSURANCE CLAUSE.

A new law passed in one of the Southern states requires that on the use of the co-insurance clause the policy must be stamped on the back "Co-Insurance Contract," the owner of the property on which a policy including the co-insurance clause is to be written is entitled to have the rates with and without co-insurance quoted to him, and must in writing request or select the use of the co-insurance clause and the rate applicable with this form of contract. When this co-insurance contract has been selected, it is unlawful to write a policy on the specified property under any other form of contract. The purpose of this last provision is said to be the prevention of non-concurrence.

The idea at the back of this legislation apparently is that the policyholder needs to be protected against the co-insurance clause. It is true that many policyholders do not understand its working, and there are agents who do not take the trouble to so thoroughly acquaint themselves with it that they can clearly explain the use of it and its results. But if a policyholder takes a policy, the operation of which in the event of loss he does not thoroughly understand, he has only himself to blame. The idea, which has before this been propagated in Canada, that the fire companies use the co-insurance clause as a means of defrauding policyholders at the time of settlement of losses is merely ludicrous. Co-insurance is only insisted upon by the companies in the case of blanket ratings which are based on the understanding that a certain proportion of insurance will be carried. In other and very usual cases, a lower rate is offered as a direct return, but the insured then has the option of paying the higher rate without the co-insurance restriction, as the new North Carolina law now states that he shall.

HAIL PREMIUMS AND LOSSES IN SASKATCHEWAN.

The following is a statement of premiums and losses as reported by the licensed Hail Insurance Companies operating in the Province of Saskatchewan for the season 1915:—

Company	Premiums.	Losses.
British America	\$ 51,999.52	\$ 11,163.75
British Crown	246,830.77	64,738.87
Canada National	78,930.18	11,426.05
Canada Weather Ins.		8,895.80
Canada Hail Ins.		19,103.75
Canada Security Ass'ce. Co.	156,442.01	46,034.15
Canadian Indemnity Co.	93,432.33	35,230.56
Canadian Underwriters	98,797.07	27,627.19
Dominion Fire Ins. Co.	5,934.06	2,124.67
Excess Ins. Co.	157,211.76	43,865.88
Great North Ins. Co.	73,881.50	12,656.02
Home Insurance Co.	116,719.26	41,224.69
N. Y. Underwriters Agency	2,507.89	4,826.50
North-Western National	75,526.51	37,991.76
N. S. Fire Underwriters	9,712.09	658.85
St. Paul Fire & Marine	65,648.20	29,240.20
Winnipeg Fire Underwriters	3,517.48	397.50
	\$1,237,190.63	\$ 397,206.17

The average loss ratio is 32.16 p.c. It will be seen that in contrast with the experience of the companies transacting hail business in the States, the season was a good one. Hail insurance has the reputation of being either prince or pauper—producing very good or very bad results.

It will be useful Christmas gifts this year. There is nothing more useful than a life insurance policy.

RATES ON MUNITION PLANTS.

Investigation indicates that fire insurance companies have not made any increase in rates for insurance upon plants which are known to be engaged in the manufacture of arms and ammunition for the various warring nations. Surely there is a sufficient increase in fire hazard to justify the application of a higher rate to such plants. These factories, most of them, are operated continuously, a condition which is recognised by all underwriters as contributing largely to an increase of hazard. The men are working under high pressure and consequently must finally reach a state of nervous tension which impairs their sense of safety and caution. In addition to these facts is the indisputable danger of incendiarism, an alarming number of these plants having already been destroyed under circumstances which unquestionably pointed to arson. The insurance companies are entitled to an increase in compensation for the increased risk they are assuming and, if concerted action were taken on the subject, it is hardly likely that there would be any difficulty whatever in securing the increase. Labor in many of these plants has made its demands for increases and they have been acceded to in most instances without a murmur. The cost of production has gone up in many particulars, but the orders are taken with this in view. Insurance companies are likewise entitled to increased compensation for the extraordinary risks they are assuming.—Rough Notes

THE ROLL OF HONOUR.

The Atlas Assurance Company has sustained a further loss—the fifth amongst members of its staff—in the death of Mr. H. H. Crane (Head Office—Foreign Department), who was killed in action in France. Mr. Crane was a member of the Civil Service Rifles, which he joined very shortly after the outbreak of war. His loss is deeply felt by his colleagues on the Company's Staff, amongst whom he was very popular.

Sergeant A. O. Pollard, of the Honourable Artillery Company, has been awarded the Distinguished Conduct Medal, for "conspicuous gallantry, on September 30 at Sanctuary Wood during the bombing fight. Although severely wounded, Sergeant Pollard continued to throw bombs, at the same time issuing orders to and encouraging his men. By his example and gallant conduct he renewed confidence among the bombers at a time when they were shaken, owing to the enemy being in superior numbers and throwing many more bombs than were available on our side. He did not give up until he fell, severely wounded for the second time." Sergeant Pollard was a clerk in the service of the Alliance Assurance Company and is son of Mr. J. A. Pollard, of the same office, Hon. Joint Secretary of the Insurance Institute of London. Post Magazine.

It is obvious that New York has made ambitious strides towards becoming a greater international financial centre. In view of this development, it is satisfactory that our credit is good in that market and of vital importance that it should be maintained.—Sir Frederick Williams-Taylor.

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 Govern- ment	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

COMMENCED BUSINESS 1901
RECEIVED DOMINION CHARTER 17th JUNE 1908
Capital Stock Subscribed **\$500,000.00**
Capital Stock Paid up **\$174,762.70**

The Occidental Fire INSURANCE COMPANY

Under the control of the North British & Mercantile Insurance Company

RANDALL DAVIDSON, President

C. A. RICHARDSON, Vice President and Secretary

DIRECTORS

S. E. RICHARDS W. A. T. SWEATMAN N. T. HILLARY

Head Office - **WINNIPEG, MAN.**
Agents Required at Unrepresented Points

ESTABLISHED 1809

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

FIRE AND LIFE North British and Mercantile INSURANCE COMPANY

DIRECTORS

WM. MCMASTER ESQ. G. N. MONCRIE, ESQ.
E. L. PRASE, ESQ.

Head Office for the Dominion:

80 St. Francois Xavier Street - MONTREAL.
Agents in all the principal Towns in Canada.
RANDALL DAVIDSON, 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.

Union Assurance Society Ltd. OF LONDON, ENGLAND. (Fire Insurance since A.D. 1714)

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

Agencies throughout the Dominion

THE CANADA NATIONAL FIRE INSURANCE COMPANY

HEAD OFFICE: WINNIPEG, MAN.

A Canadian Company Investing Its Funds in Canada

APPLICATIONS FOR AGENCIES INVITED

THE SUICIDE RECORD.

Mr. Frederick L. Hoffman's annual suicide statistics published in the New York Spectator show the suicides in 1914 in 100 American cities to have been equal to 20.3 per 100,000 of population against 18.7 in 1913. The ratio is the highest since 1909 when it was 21 per cent. and the third highest in 20 years. The correlation of suicides to business failures, writes Mr. Hoffman, is only pronounced under exceptionally disturbed business conditions which appear not to have prevailed in the country at large, but which seemingly affected the excessive suicide rate returned for the cities of the Pacific Coast. This aspect of the suicide problem, as a statistical question, has not been thoroughly investigated, but the indications are that, on the basis of a specialized analysis of the two sets of returns for the five principal geographical divisions of the country a fairly close degree of correspondence would be shown to exist. It must be obvious, of course, that the number of business failures reflects in a measure the social and economic conditions affecting the population at large. Only a thoroughly pronounced and extended, as well as nation-wide, economic depression would, however, be likely to affect the general suicide rate. The evidence, however, is quite conclusive that, in a number of individual instances, there is a direct relation between business failures and suicides, resulting in consequence of economic distress.

NECESSITY FOR LIFE COMPANIES' CAUTION.

As a special suggestion, continues Mr. Hoffman, attention is directed to the apparently increasing number of suicides resulting from mere suggestion of previous cases of self-murder in the same family. A typical case of this kind was reported from Springfield, Mass., under date of October 30, where a woman committed suicide in exactly the same manner as her husband had done a year previous. This case was complicated by another suicide in the family of a very close friend of the woman, who had apparently ended her life in a similar manner. Such cases are reported with increasing frequency and they warrant the most serious apprehensions regarding the future. The psychology of suggestion is a much-neglected branch of modern medicine and education. The ever-present possibilities of self-murder, regardless of an overwhelming amount of evidence, are generally disregarded and treated lightly even in cases where the indications point strongly in the direction of unsoundness of mind. Child suicides are also seemingly more common now than in former years. A case was reported from Seattle under date of July 30, of a boy thirteen years of age who ended his life by drinking poison in exactly the way his father had done six years before, simply because he had been reproved by his mother for smoking. Also under the same date a case was reported from Mount Vernon, Wash., of a boy thirteen years of age who, upon being reproved by his mother for quarreling with his younger sister, ended his life by blowing out his brains. Under date of November 2 a case was reported from New York city, where a boy of sixteen years of age shot himself because he believed himself to be incurable of an ailment the nature of which was not disclosed in the newspaper account. All such cases indicate a decided tendency toward moral and mental deterioration, and they emphasize the urgency of greater caution on the part of life insurance companies in the assumption of risks, especially for large amounts, and

the justice of a suicide clause which adequately protects the interests of all the policyholders against adverse selection during the first year of insurance.

The modern increase in suicide, Mr. Hoffman concludes, is in part attributable for exceptionally convenient facilities for it, particularly by poison.

LIFE INSURANCE FOR THE CLERGYMAN.

It is doubtless true that many clergymen, more particularly those whose compensation is small, fail to carry life insurance. It has been our observation, however, that clergymen are more likely to carry insurance than professional men generally. If a clergyman in receipt of a small salary deems it extremely inconvenient to set aside any part of it for insurance protection, he should remember that it will be far more inconvenient for the family after his death, when there is no salary at all. The question for every man in receipt of a definite income to solve is, how will the wife and children subsist when the breadwinner is gone? He may feel that his small salary is barely sufficient to provide current needs, and yet the family could subsist upon less. It would be better to do that now and set aside a part to provide for the future, when the income is reduced by reason of the infirmities of age or health, or when there is no income at all by reason of the death of the husband and father.—*Mutual Interests.*

PERSONALS.

Mr. A. R. D. Paterson, a prominent insurance adjuster of Winnipeg, Man., spent a few days in the city this week.

* * *

The death is announced in Winnipeg of Mr. William H. Woodrow, the local representative of the Manufacturers' Life.

* * *

Mr. James I. Griffin, a prominent insurance and real estate broker of Weyburn, Sask., spent this week in Montreal, where he was a former resident.

* * *

Mr. W. S. Baber, formerly manager at Montreal of the Excelsior Life, has been appointed a provisional lieutenant with the new 148th Battalion for Overseas Service.

* * *

Mr. J. J. Atkinson, sub-manager Royal Insurance Company, Liverpool, England, paid his first visit to Canada this week and spent two or three days in Montreal. He has been on this side of the water for some weeks visiting Chicago and New York, and expects to sail for home this week.

A popcorn wagon with a sprinkler equipment is a new risk reported from Minnesota. The examiner was unable to understand how the sprinkler operated, and no credit being asked for it, the wagon was given the same rate as a garage.

* * *

It is conceivable that the zenith of the war supplies movement has been passed, through the mere economic problem of financing such imports—a problem which is beginning to suggest a limit to purchasing power.—London Cable.



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



PERSONAL ACCIDENT
SICKNESS
FIDELITY GUARANTEE

PLATE GLASS
AUTOMOBILE
GENERAL LIABILITY

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

THE YORKSHIRE INSURANCE COMPANY, LIMITED

ESTBD. 1824

YORK, ENGLAND

ASSETS EXCEED \$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. C. 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



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

Head Office, Royal Exchange, London

FOUNDED 1792.
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 1808
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, Accident Dept. | J. E. E. DICKSON, Canadian Manager.

THE LIFE AGENTS' MANUAL - \$3.00

Published by The Chronicle, Montreal

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

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

11 ST. SACRAMENT STREET
 MONTREAL, P.Q.

UNFAIR TAXATION OF INSURANCE COMPANIES.

In his presidential address to the Insurance Institute of Toronto Mr. G. B. Woods, president of the Continental Life, referred at length to the taxation question, particularly the legislation passed at the last session of the Ontario Legislature. Mr. Woods pointed out that Hon. W. T. White, Canadian Minister of Finance, when asked in Parliament why life companies were to be exempt from the Dominion war tax, said it was because it would fall upon the policyholders, who should not be burdened with taxation in making provision for their dependents. The Minister had pointed out that life insurance policies are a class of property different from other property, on account of the dependence of a man's family upon his life policy, and as the tax would fall upon policyholders, and as all classes are interested in life insurance, it was considered inadvisable to impose the tax.

This view is commended, said Mr. Woods, to the attention of the Ontario and other Provincial Governments, especially those publicists who charged Canadian life companies with being unpatriotic. It must be manifest to all, the speaker continued, that the only effective remedy lies in a vigorously prosecuted educational campaign among policyholders, real and prospective, for until they are universally aroused to see the injustice of this taxation—that they are vitally interested with us in keeping the tax down to the lowest possible point, viz.: the cost of proper supervision—the fight of the insurance companies against increased levies from time to time will be an uphill one. If the Government does not mean to discourage the spread of life insurance in Canada by taxation methods, why should they not follow the example of the older countries in Europe, where this greatest known movement for organized thrift and improved conditions of society is encouraged to the fullest extent, rather than penalized? It has been stated that no English Cabinet taxing life insurance would hold office for twenty-four hours, and if the people of this continent thoroughly understood that this largely-increased cost of insurance protection is not coming out of the so-called wealthy life companies, but out of their own pockets, the increased taxes would cease and reductions would at once become popular.

A MORTALITY ILLUSION.

The law of mortality has been both the opportunity and the menace of assessment insurance. When it is understood that not until near age fifty does the mortality rate go above 12 per 1,000, and that not until age sixty does it reach 25 per 1,000, it becomes very plain why an assessment organisation admitting members mostly between ages twenty and thirty can go on twenty or thirty years or even longer before the discovery is made that it is doomed. Every young member of a fraternal order is charged more than his insurance protection actually costs. The excess is never returned to him, and when he gets old he is dependent upon the charity of new young members to make good the assessments he is unable to pay. The thousands of members who pay excess charges for years, and drop out have not the opportunity to solicit such charity.—*Insurance Observer, N.Y.*

THE WAR LOAN AND MUNITION CREDITS.

At the close of last week, Hon. W. T. White, Minister of Finance, announced that in view of the large over-subscription of the Dominion War Loan, it has been decided to extend its limit to \$100 millions instead of \$50 millions. Under the changed conditions, the plan of allotment will be as follows:—

(1) All subscriptions of fifty thousand dollars and under will be accepted in full.

(2) Subscribers, other than the chartered banks, for amounts exceeding fifty thousand will be allotted their subscriptions in full, but will be allowed to withdraw or reduce the amount of their subscriptions by written notification lodged with the Finance Department on or before December 18.

(3) The chartered banks, which subscribed an aggregate of twenty-five millions, will be allowed to take such portion of their subscription as they desire, but so that the total issue shall not exceed one hundred million dollars.

CREDITS FOR THE IMPERIAL TREASURY.

Mr. White also states that "of the total loan so increased to one hundred million dollars the Government will employ fifty millions to establish a credit with the Finance Department for the Imperial Treasury, to be availed of during the next few months, for the purchase in Canada of shells, munitions and other supplies. Such a credit will not only give relief *pro tanto* to the sterling exchange situation, but will materially assist in financing orders already placed and procure the placing of further orders in Canada by the Imperial Government.

"At a later date, when the credit in question becomes exhausted, it is the purpose of the Minister of Finance to devise a plan whereby, with the co-operation of the chartered banks, a further credit for the same purpose will be created. Under the present arrangement the banks will, by their subscriptions, materially assist in the present credit."

Apparently, the present credits proposed are a continuation of the practise which has been followed for some time of the Canadian Government making temporary loans to the Imperial Treasury, the total of which so far has amounted to about \$60 millions and which loans are in due course repaid, in order to facilitate the financial end of the operations of the Shell Committee, now the Munitions' Commission. The new plan spoken of by the Minister of Finance for the creation of further credits, possibly suggests a more ambitious scheme than the present one.

NORTH AMERICAN LIFE.

The current issue of "Nalaco," the agents' journal of the North American Life, reports for the month of November an increase in every department of the business. Received business, issued business and collections all exceed the figures for the same month of last year, while it is also notified that received business for the eleven months of the year is greater than for the same period in any other year since the Company commenced business.

The contest for the "Nalaco Cup" among agencies shows Edmonton in the first place with Toronto, the present holders, a strong second. Personal production is headed by Mr. G. H. Allen, of Toronto, and Mr. Allen also heads the Nalaco Club, having already qualified for membership next year.

BANK OF MONTREAL

Statement for Year ended October 31st, 1915

PROFIT AND LOSS ACCOUNT

Balance of Profit and Loss Account, 31st October, 1914.....		\$ 1,232,669.42
Profits for the year ended 30th October, 1915, after deducting charges of management, and making full provision for all bad and doubtful debts.....		2,108,631.06
		<u>\$ 3,341,300.48</u>
Quarterly Dividend 2½ per cent. paid 1st March, 1915.....	\$ 400,000.00	
Quarterly Dividend 2½ per cent. paid 1st June, 1915.....	400,000.00	
Bonus 1 per cent. paid 1st June, 1915.....	160,000.00	
Quarterly Dividend 2½ per cent. paid 1st Sept., 1915.....	400,000.00	
Quarterly dividend 2½ per cent. payable 1st December, 1915.....	400,000.00	
Bonus 1 per cent. payable 1st December, 1915.....	160,000.00	
	<u>\$1,920,000.00</u>	
War Tax on Bank Note Circulation to 30th October, 1915.....	127,347.53	
		\$ 2,047,347.53
Balance of Profit and Loss carried forward.....		<u>\$ 1,297,952.95</u>

LIABILITIES

Capital Stock.....		\$ 16,000,000.00
Res't.....	\$16,000,000.00	
Balance of Profits carried forward.....	1,293,952.95	
	<u>\$17,293,952.95</u>	
Unclaimed Dividends.....		72.00
Quarterly Dividend, payable 1st December, 1915.....	\$ 400,000.00	
Bonus of 1 per cent. payable 1st December, 1915.....	160,000.00	
	<u>\$ 560,000.00</u>	
		\$ 17,854,024.95
		<u>\$ 33,854,024.95</u>
Notes of the Bank in circulation.....	\$ 17,276,782.00	
Deposits not bearing interest.....	75,745,729.78	
Deposits bearing interest, including interest accrued to date of statement.....	160,277,083.72	
Deposits made by and Balances due to other Banks in Canada.....	9,474,694.61	
Balances due to Banks and Banking Correspondents elsewhere than in Canada.....	482,631.89	
Bills payable.....	1,283,836.56	
		\$264,540,758.56
Acceptances under Letters of Credit.....		3,675,559.00
Liabilities not included in the foregoing.....		910,212.47
		<u>\$302,980,554.98</u>

ASSETS

Gold and Silver coin current.....	\$15,808,701.46	
Government demand notes.....	24,461,103.00	
Deposit in the Central Gold Reserves.....	1,500,000.00	
Deposit with the Minister for the purposes of the Circulation Fund.....	790,000.00	
Deposits made with and Balances due by other Banks in Canada.....	266.42	
Balances due by Banks and Banking Correspondents elsewhere than in Canada.....	\$ 26,793,149.87	
Call and Short (not exceeding thirty days) Loans in Great Britain and United States.....	70,957,527.82	
	<u>\$97,750,677.69</u>	
Dominion and Provincial Government Securities not exceeding market value.....	463,281.08	
Railway and other Bonds, Debentures and Stocks not exceeding market value.....	13,332,074.07	
Canadian Municipal Securities, and British Foreign and Colonial Public Securities other than Canadian.....	4,475,487.35	
Notes of other Banks.....	1,532,471.00	
Cheques on other Banks.....	9,893,506.02	
	<u>\$170,007,568.00</u>	
Current Loans and Discounts in Canada (less rebate of interest).....	99,078,506.38	
Loans to the Government of Canada.....	5,000,000.00	
Loans to Cities, Towns, Municipalities and School Districts.....	11,203,472.08	
Current Loans and Discounts elsewhere than in Canada (less rebate of interest).....	5,893,975.38	
Overdue debts, estimated loss provided for.....	594,686.93	
	<u>\$ 121,770,640.77</u>	
Bank Premises at not more than cost (less amounts written off).....	4,000,000.00	
Real Estate other than Bank Premises.....	175,959.67	
Liabilities of Customers under Letters of Credit (as per Contra).....	3,675,559.00	
Other Assets not included in the foregoing.....	3,350,827.45	
	<u>\$302,980,554.98</u>	

H. V. MEREDITH,
PRESIDENT.

FREDERICK WILLIAMS-TAYLOR,
GENERAL MANAGER.

THE BANK OF MONTREAL

Proceedings at the 98th Annual Meeting of Shareholders

The ninety-eighth Annual General Meeting of the shareholders of the Bank of Montreal was held in the Board Room of the Head Office of the Bank, on Monday, December 6th. The meeting was addressed by Mr. H. V. Meredith, the president, and Sir Frederick Williams-Taylor, the general manager.

THE PRESIDENT'S ADDRESS.

Mr. H. V. Meredith, in moving that the report of the directors be adopted and the same be printed for distribution among the shareholders, said:

The unprecedented conditions under which trade and commerce have been conducted during the past year remain unchanged, and are the cause of constant anxiety to those concerned with financial affairs.

It will be gratifying to you to learn that after making liberal and, it is believed, adequate appropriation for known losses and doubtful debts and war taxes, the profits of the year have enabled the usual distribution to be made to shareholders and a surplus to be carried to credit of profit and loss account. In view of the trying circumstances prevailing, the need of maintaining large reserves and the low rates of interest obtainable in the United States and until quite recently in England, I think you will agree with me that this result of our banking year is quite satisfactory.

Our widespread operations make us concerned with conditions in other countries. In Great Britain normal conditions no longer prevail. Large numbers of men have been withdrawn from their customary occupation to enter the army, factories have been diverted to the production of war supplies, and a considerable shortage of labor exists. The result is that trade passes from British firms into the hands of neutrals, thus disturbing the balance of trade, but it is believed that in the early future this condition will right itself and the obligations abroad of Great Britain will be correspondingly reduced.

The financial situation has, of course, been affected by the disturbance of trade and large domestic borrowings by the Government, but it is gratifying to know that the strain arising from the war has been readily and easily borne.

I am glad to say that business in the United States has greatly improved during the year. War orders account for much of this improvement, while large grain crops, following a period of liquidation, have stimulated trade. Deposits in the banks of that country are enormous, and the United States, for the time being, has become the great creditor nation.

TRADE WELL MAINTAINED.

All things considered, the trade of Canada has been well maintained both as to volume and character. For some time before the outbreak of war, a restraining hand was placed on speculative ventures, which, in an era of prosperity, had run to dangerous excess, and we were, as a consequence, fairly well prepared to face the closing of the London money markets to flotations of all kinds. A temporary dislocation in many branches of trade followed. Reorganizations in some cases were, and may yet be, found necessary to adjust capitalization to earning power, the only logical course to be pursued when such conditions have to be dealt with. As the year progressed, the effect of the war on the trade of Canada proved less injurious than was expected. In fact, business conditions distinctly improved.

Natural resources continue to be developed and their product to find a ready and profitable sale, while many branches of manufacture have been employed to capacity in turning out munitions of war, the money value of which runs into scores of millions. The resulting employment of labor has been of almost incalculable advantage.

The most encouraging feature of the year, however, from a trade and finance standpoint, has been the bountiful harvest of the Northwest, where a greatly increased area under cultivation has given the highest average yield in the history of the country. It is estimated that the grain crop of Manitoba, Saskatchewan and Alberta

has a market value to the producers of approximately four hundred million dollars, in the use of which we may anticipate not only the liquidation of much indebtedness, but the stimulation of current trade.

These truly remarkable results will, I think, have the effect of attracting the tide of emigration to our shores when the world is again at peace.

In the older provinces, the harvest has been rather better than the average.

Farming, the backbone of the country, is prosperous. There is a greater demand for the products of the mines, at higher prices.

From the Atlantic to the Pacific good fisheries are reported, also at enhanced prices.

The lumber business generally throughout Canada, though suffering from inability to obtain tonnage to market the cut, shows some improvement.

The Textile and allied industries are at the moment well employed, while the Steel Companies and those engaged in the manufacture of munitions of war are fully occupied.

In the wholesale trade, stocks of merchandise had become depleted, and necessary replenishing and better demand have stimulated business.

The financial position of the Dominion Government has been recently so clearly defined by the Minister of Finance that I refer to it now only to state that the country has been fortunate to have come through a period of general financial upheaval with its needs fully provided for and with the strength and soundness of its credit unimpaired.

FAVORABLE TRADE BALANCE.

The restoration of a favorable balance in our foreign trade is a factor of supreme importance at the present time, as it enables us to conserve our gold supplies and to curtail our borrowings abroad to some extent. As you are aware, the balance of foreign trade against Canada had been quite large for several years past, due principally to the ease with which we were able to borrow in the London market. Now that this avenue is closed, we have been compelled to curtail imports and increase exports in order to meet interest obligations and maintain our credit. How successfully we are meeting the situation a few figures will show: In the seven months ending October 31st, 1913, the value of exports of Canadian products was \$245,550,000, and in the same period of 1914 was \$226,757,000; while this year in these seven months we have exported Canadian products of the value of \$326,430,000, or \$100,000,000 more than last year, and the great crop surplus has still to go forward.

Comparing the foreign trade of Canada for the seven months period ending with October, imports have declined from \$390,544,000 in 1913 to \$253,107,000 in 1915, while exports of domestic products, as I have said, have risen from \$245,550,000 to \$326,430,000; an adverse balance of \$145,000,000 being converted into a favorable balance of \$73,323,000 or a betterment in respect of foreign trade of no less than \$218,000,000 within the short space of two years.

War contracts, of course, have contributed substantially to this expansion, the value of manufactures exported having risen from \$39,000,000 in the first seven months of the last fiscal year to \$84,000,000 in the same period of the present year, and, as in the case of cereals, this export trade is on an ascending scale.

CANADIAN LOAN IN STATES.

An outstanding feature in Canadian finance has been the issue by the Dominion of its first loan in the United States. The rate of interest at the time, to those unacquainted with conditions, might have been considered onerous, but the important collateral advantages which the loan achieved by giving immediate relief to the Exchange situation, as well as, in a degree, to the London money market, greatly counterbalanced the rate of interest paid and amply demonstrated the prudence and wisdom of the transaction.

The same remarks apply to the recent Anglo-French Loan, which may properly be considered as an Exchange

THE BANK OF MONTREAL—Continued

transaction. The sum obtained was known to be inadequate to regulate the chaotic situation which had arisen, and consequently failed for the time being in its purpose, but it is hoped that the loan, together with the other measures now being taken for the purpose of giving stability to rates, will prove effective and gradually bring about the results desired.

SUCCESS OF CANADIAN LOAN.

The signal success of the recent Canadian Loan is very gratifying on every ground, the large public subscriptions evincing the patriotic spirit of the people and their ability to share the burdens entailed by the war, while at the same time measurably relieving the Mother Country. It is well, however, to remember that, in the nature of things, Canada is and must long continue to be a borrowing country, with large annual commitments for interest and principal payments which can be met only with gold or commodities. Largely owing to the strength of its banking position, Canada is at present able to bear this strain without curtailing the supply of credit and capital for business requirements. Obviously there is a limit to the conversion of floating into fixed capital without impairment of banking resources, and it is most desirable that, as far as possible, our borrowings should be effected in outside markets in order to avoid the depletion of bank deposits or a too great redundancy of the circulation of Dominion notes, as in either or both contingencies the whole financial fabric might be seriously menaced.

The Moratoria Acts which have become law in so many of the provinces and which were primarily designed for the protection of mortgagors against possible unjust action by mortgagees, have no doubt been of service in isolated cases in preventing hardships to mortgagors. It is doubtful, however, if the advantages gained by these Acts have not been more than counterbalanced by the withholding by timid lenders of investment funds, which are so essential to the building up of a new country, as well as by the delay caused in clearing up an extended speculative real estate situation.

POSITION OF CANADA.

The position of Canada is a highly favored one, with an assured future of growth, development and general prosperity. At present, however, we live in the shadow of the great war, to which all else must be subservient. What its duration will be, and the position in which its termination will find us, can be matter of the merest conjecture. The vast armies now engaged in the struggle cannot be kept in the field indefinitely. The financial factor is daily assuming increased importance, and in this respect the advantage is unquestionably with Great Britain and her allies.

After the war, a readjustment of trade conditions is to be expected. The flood of wealth which has attended the export of munitions and war supplies must of necessity be largely curtailed, and a new set of problems will have to be faced. As I have said on former occasions when I have had the pleasure of addressing you, if economy be exercised to meet the increased burden of taxation, of which we must bear our share, and the production of exportable articles increased to the utmost extent, to protect our gold supply and minimize our borrowings, and if we keep strong in working capital, no matter what difficulties the future may have in store for us, we can look forward to them with a degree of complacency. Our agricultural resources and undeveloped wealth will enable us to bear the strain which may be imposed upon us, and we shall in the end come safely through the period of economic upheaval and world-wide conflict—with a larger debt, it is true, but with our ability to meet it unquestioned and our economic position not seriously impaired.

In the meantime, our duty as Canadians is to watch closely the current of events, to be prepared for emergencies and to take advantage of propitious circumstances as they arise.

I cannot properly close these remarks without some reference to 400 odd gallant young men of the staff of the Bank who have joined the Colors and gone to the front to fight the Empire's battles. Of these, the names of 16 have been added to the Roll of Honor, having been killed in action.

Their courage and patriotism, their deeds of valor and their glorious end will be inscribed in the Bank's archives, and to the families and relations we give expression of

our profound admiration of their devotion to country and Empire and tender our sincere sympathy in their loss.

Mr. R. B. Angus seconded the motion for the adoption of the report, which was carried unanimously.

THE GENERAL MANAGER'S ADDRESS

Sir Frederick Williams-Taylor, the General Manager of the Bank, then made his annual address, as follows:

Gentlemen: The balance sheet, which it is my privilege and duty to present to you to-day, reflects the result of twelve months of business conducted under conditions such as this country and its banks have never before been called upon to face.

In previous years we have experienced the effects of outside panics and crises, many of them of an injurious and even alarming nature, but as a rule the danger was brief, and the damage quickly repaired.

The year under review differs, in that there have been no such financial crises, but what has been more difficult to surmount, a continuous period of anxiety with problems not only varying in character, but differing from any in our former experience.

You will undoubtedly feel gratified that your Bank has come through the unsettled conditions referred to without loss of strength, and is enjoying increased prestige.

As for the future, the daily difficulties will be grappled with as they arise, and we gauge, to the best of our ability, the somewhat obscured trend of coming events.

As the President has reviewed in general the trade and financial conditions in Canada and at the chief financial centres abroad, my duties are confined to a short account of the working of the Bank, an explanation of the more important features of the accounts submitted to you to-day, with some detailed references to the points arising therefrom, and to local conditions in our Provinces.

As you are well aware, this Bank long ago ceased to be merely a domestic financial institution, and therefore it is necessary, in presenting to you the annals of the business, to touch upon conditions affecting us in London and in New York, where we carry such a material portion of our primary and secondary reserves.

LONDON.

During the first six months of our bank year, rapid disbursements by the Imperial Government made monetary conditions in London so extremely easy, that our earning power at that point was seriously diminished. Indeed, for many weeks the large balances we felt impelled by discretion to carry with our London bankers were free of interest.

Subsequently the rate for money rose to a point in keeping with its real value, and had we felt free to fully employ our funds there without regard to liquidity, the profit thereon would have been materially augmented. Caution and established policy, however, coupled with the fact that we had large deposits of a special nature, decided us to keep an important portion of our resources readily available. Since last June the earning power of money has been greater in London than in New York, a condition reflected in fair profits at the former point, even after payment of the now onerous income tax.

In March of this year, the Dominion Government floated a £5,000,000 4½ per cent. five year loan in London at 99½. With that exception, an outstanding feature of Anglo-Canadian finance is that Canada has received no capital supplies from London, as in the years preceding the war. On the other hand, Canadian Treasury Bills, to the extent of about £10,000,000, afloat in that market at the outbreak of war have been reduced to the nominal sum of about £325,000. The fact that we were thus able to protect our maturing obligations redounded to the credit of the Dominion.

It is noteworthy that during the ten years prior to the war, your Bank alone was the medium through which some \$600,000,000 of loan moneys were raised in London and transferred to Canada.

UNITED STATES.

In the United States money has been continuously cheap and plentiful. This condition has been highly disadvantageous as regards our profits, but of the utmost importance to Canada, as it has enabled the Dominion, our Provinces, Cities, and Railways to finance their requirements to an extent that we could scarcely have hoped for a year ago. Including the \$45,000,000 Government loan,

THE BANK OF MONTREAL—Continued

Canada borrowed in Wall Street during the past twelve months about \$142,000,000, an amount that can with interest be compared with about \$50,000,000 from that source in the previous year, and with \$165,000,000 borrowed in London in the calendar year 1913.

Another interesting fact is that the balance of trade between Canada and the United States during the past year was \$113,000,000 in favor of the latter, to which must be added the year's interest of approximately \$32,000,000 on our previous borrowings in the United States, or a total of \$145,000,000. It will therefore be seen that the United States is acting in accordance with my forecast of a year ago in providing us with funds by way of loans with which to purchase goods, wares and merchandise in that country.

The balance of our trade with Great Britain for the same period was \$191,000,000 in our favor, but this sum is automatically reduced to \$41,000,000 by our annual interest indebtedness of \$150,000,000.

It is obvious that New York has made ambitious strides towards becoming a greater international financial centre. In view of this development, it is satisfactory that our credit is good in that market, and of vital importance that it should be maintained.

PROFITS.

It seems in place to further comment upon our Banking Profits by stating that in the ninety-eight years during which this Bank has been in existence the interest return on capital has averaged over 8 per cent per annum. As for the year under review, you will doubtless agree that you have good reason to feel satisfied that your dividend and bonus have been maintained in times that have tested the strength of every important business institution throughout the British Empire.

In this connection it may seem superfluous, but it is certainly advisable, to impress upon those interested that the ability of the Banks of Canada to maintain steady dividends is due to the conservative policy adopted long ago of setting aside in years of plenty a measure of earnings. In pursuance of this policy, your Bank has, as you know, accumulated in the course of many years a reserve equal to its capital, which naturally means that dividends large in the eyes of the captious and uninitiated critic are moderate when calculated upon the combined capital and reserve.

DEPOSITS.

Canadian Bank Deposits aggregate \$1,240,308,190, as compared with \$1,444,199,224 the preceding year, and \$1,146,739,868 in 1913. Your total deposits have increased \$38,000,000 during the past year and are \$46,450,000 greater than in 1913, the figures for the three years being:—

1913	\$189,572,838
1914	197,222,674
1915	236,922,812

We have had entrusted to our care since the outbreak of war special deposits running into large figures in connection with special transactions.

CIRCULATION.

Our Notes in Circulation are \$45,280 more than a year ago. The tax on our circulation payable to the Government amounts to \$127,347.

QUICK ASSETS.

Partly from policy, and partly from force of circumstances, the ratio of our quick assets to liabilities has increased to 64 per cent. from 55 per cent. a year ago, and from 49 per cent. two years ago. There have been times when the percentage has seemed needlessly high but you will, doubtless, agree as to the wisdom of being on the safe side.

Idle reserves are a safeguard, not a feature for regret, and should prove invaluable when the situation clears.

In this connection it is well to emphasize the fact that we have not only met the usual legitimate requirements of merchants, manufacturers, farmers and ranchers, but have given special consideration to applications from those temporarily embarrassed by the prevailing conditions.

CURRENT LOANS IN CANADA.

The fact that our current loans in Canada are lower than a year ago reflects the general trade conditions throughout the Dominion. They were on

31st October, 1913	\$117,596,073
31st October, 1914	108,845,332
31st October, 1915	99,078,506

Our loans to Municipalities have varied as follows:—

31st October, 1913	\$ 5,227,905
31st October, 1914	9,017,324
31st October, 1915	11,203,472

Over 80 per cent. of such advances have been made in anticipation of the collection of taxes, and less than 20 per cent. represent capital expenditure.

COMMERCIAL FAILURES IN CANADA.

Commercial failures in Canada during the twelve months ended October 31st, 1915, numbered 2,883 against 2,583 for the previous year and 1,669 during our bank year 1912-13.

SUMMARY.

In summarizing my remarks I may say that a year ago I expressed the opinion that Canada was standing the strain without collapse. "his summing up of the situation still holds good. The strain is less than could have reasonably been expected, and we are encouraged to calmly face the troubles still ahead of us because of the confidence that comes from having successfully surmounted the ordeals of the past twelve months, ordeals that came upon this country without warning and found us inadequately prepared.

There is now a decidedly more hopeful feeling throughout the Dominion, and there is excellent ground for that reassurance in the material advantages that have resulted from a bountiful harvest. When we consider that the North-West alone has produced several hundreds of millions of dollars' worth of agricultural products in the past year in an area where in the boyhood of the middle-aged not a sod was turned, we feel that this is a form of genuine prosperity to inspire confidence and in which our pride is pardonable.

When we begin to analyse other features of the situation there is less room for satisfaction.

The war in which the Empire is engaged to protect its integrity has made it incumbent upon Canada to assist the mother country in every way possible.

We have already provided a large number of troops and more will follow.

In the manufacture of munitions, clothing and other requisites, we are doing our full share. This has brought profitable employment to Canada when sorely needed, and at the same time rendered great service to the common cause. Let us, however, remember that the manufacture of war materials is a grim and transient form of so-called prosperity, that the cost thereof comes out of the national exchequer of Great Britain or of Canada, and from the blood of the flower of our manhood.

Also the United Kingdom has advanced large amounts to Canada for military expenditure, and the time may come when it will be desirable, if not necessary, for the Dominion to finance its own requirements. In any case, we must economize in every way possible so that we may bear our full measure of responsibility during the war and be prepared for the taxation that must follow.

Canada's greatest wealth lies at her feet, her economic future is bound up in the development of vast agricultural areas of unsurpassed fertility. The rate at which that development can be accelerated is dependent upon the rate of increase in our farming population. In natural sequence immigration can best be attracted to the Dominion by reducing and keeping down the cost of living. That, in my opinion, is the key to the whole situation.

GENERAL MANAGER'S SUPPLEMENTAL REPORT ON PROVINCIAL CONDITIONS.

ONTARIO.

A year ago conditions in Ontario were the reverse of satisfactory. With business already severely restricted and further dislocated as a result of the war, with many factories closed and others running with reduced pay-rolls and shortened hours, and with collections slow, manufacturers, wholesalers and retailers looked for hard times. The lumber trade was dull, building at a standstill, and lower prices for real estate were deemed inevitable. The problem of the unemployed was an added concern for the approaching winter.

Presently, however, Government orders for the manufacture of war munitions increased rapidly and many woollen mills, tanneries and machine shops were soon working to capacity. With prospects of a large crop and with increasing Government expenditure for war munitions, misgivings began to disappear. The farmers, the least affected, had placed under cultivation a larger acre-

THE BANK OF MONTREAL—Continued

age than ever before, and, as a result, a bountiful crop, perhaps the best in the history of the province, has been harvested. Prices have been good. Economy is still being practised in keeping with new conditions. Wholesale and retailers report smaller turnovers, with collections slow.

The lumber trade has been quiet. Stocks are heavy for this time of year, and the local demand light. The American trade has been moderate, but a marked revival is promised. It is expected that the cut this season will be much reduced.

The mines are now active, though the total production is less than last year. The output of silver will doubtless increase in consequence of the rapid rise in price. The value of gold mined has increased by 50 per cent. The nickel and copper mines have been greatly stimulated by the demand created by the war.

Municipal expenditure has been in keeping with the general spirit of economy. No new railway construction of importance has been attempted, nor any large power scheme undertaken.

The value of first class city property and good farm lands is maintained, holders being unwilling to make sacrifices. Building in Toronto is reported to show good progress and the labor situation has greatly improved.

Confidence, which was lacking a year ago, now seems to be restored.

PROVINCE OF QUEBEC.

With improved agricultural markets, and crops above the average, the rural sections of the province are in a satisfactory condition.

The high freight rates and scarcity of tonnage for shipments to Great Britain, together with a limited demand, until recently, from the United States, have resulted in a somewhat unsatisfactory year for the lumber trade. Large stocks of lumber are being wintered, and forest operations for the coming season will, as a rule, be curtailed. Scarcity of tonnage for shipment of paper to England has increased the export of that important commodity to the United States, although the price of news print there has not maintained the level to which it rose during the early days of the war.

Wholesale and retail business is reasonably good, but the commercial agencies report failures above the average.

General manufacturing conditions, especially in Montreal, have steadily improved throughout the year. The textile companies report business as being quite good, and the manufacture of munitions of war has brought activity and profit to certain important industries.

There has been little movement in real estate. The high prices at which properties are still held in the chief centres are not an accurate guide to realizable values.

MARITIME PROVINCES.

General conditions are reasonably satisfactory throughout our Maritime Provinces. The crops, excepting apples, have been bountiful, with good prices.

Fishermen have had a successful season with a larger catch than last year and high prices.

Lumbermen on the whole have not had a good year. Last season's cut was above the average, but a dull American market, combined with scarcity of tonnage and high freight rates to England, caused a falling off in sales. Large stocks of lumber are being carried into the winter and in consequence the coming season's operations probably will be curtailed. Within the last few weeks, however, there has been a marked revival in the American demand.

The output of the coal mines will be greater than last year, due in large measure to the requirements of the steel plants, the business of which has been largely increased by war orders.

Wholesale and retail trade is reported as in a healthy condition.

NORTH-WEST PROVINCES.

The North-West has recovered to a marked extent from the economic dislocation of a year ago.

The season's wheat and other cereal crops have exceeded all previous records in quantity and quality, and despite the enormous yield, prices have been uncommonly well maintained.

It would be difficult to exaggerate the importance of these results to the Prairie Provinces—and the Dominion at large.

Live stock, which was decreased somewhat last year when feed was scarce, is again being increased, and the prosperity of those engaged in mixed farming and in ranching is most encouraging.

Packing plants are finding business satisfactory. The combined capacity of the plants in the North-West is about 15,000 hogs daily.

The flour mills in Manitoba, Saskatchewan and Alberta are busy and are doing well. Their combined daily capacity is about 27,000 barrels.

With important exceptions, coal mining, which is largely confined to the Province of Alberta, has not been profitable during the past year.

Oil prospects have been disappointing.

Real estate is quiet—speculation has ceased.

Public and private expenditures in the North-West have been comparatively small in the year.

The expenditures of the provinces and the municipalities were reduced to a minimum. There has been some expenditure by railways on new construction, principally in Southern and Northern Alberta, in both cases serving good arable lands. Work on the Hudson's Bay Railway has been continued.

A considerable amount has been spent by the Dominion Government in the erection of large storage elevators.

The large advances of the Dominion Government to farmers in certain districts, principally in the form of seed, were made very opportunely and have been amply justified by the very large crop yield in those districts.

Business in many important lines is good, and should continue to improve as returns from grain yet to be marketed are received.

The general business outlook has been transformed by the large crop.

BRITISH COLUMBIA.

Following the outbreak of war, British Columbia was seriously affected by the stoppage of expenditure on railway construction and extension, and in the outlay upon public works, also by the cessation of inflow of capital to develop the lumber, mining and other resources of the province. Speculation in real estate had risen to a height where prices were quite beyond reasonable productive values. Business has now been forced by adversity to a sounder basis, and shows signs of recovery. There has been a very general tendency toward economy and retrenchment with beneficial result.

During the past year mining of all classes has revived, bringing increased employment and a growth of orders for equipment and supplies. The establishment of a refinery would be of great benefit to the country. In agriculture good crops are reported, and although prices are disappointing, it is satisfactory that the province is gradually getting into the position of feeding itself. The fruit crop is excellent, and is being marketed under better conditions than formerly and at better prices.

The salmon catch exceeded expectations for an off year, and demand and prices have been satisfactory. The halibut catch has been satisfactory also, and marketed under favorable conditions. The lumber trade is in a better position than when under review a year ago, largely in consequence of improved demand from the Prairie Provinces, but still suffers through lack of shipping for the export trade, which trade could be greatly increased with adequate facilities.

The population has temporarily fallen off through enlistment and lack of employment in building trades and railway construction.

With return to more settled conditions, there is bound to be an influx of new people and some resumption of the flow of capital to develop the great natural resources of this province.

NEWFOUNDLAND.

This year's catch of cod, the great staple product of Newfoundland, will be equal to that of last season, while the prices being realized are exceptionally high. In consequence trade, wholesale and retail, is good and general business conditions throughout the country may be considered satisfactory.

The sealing voyages of last spring were the most unprofitable on record. On account of the very high freight rates offering, it is probable some of the best iron ships will be withdrawn from seal fishing for service elsewhere; therefore the prospects of next spring's sealing are poor.

THE BANK OF MONTREAL—Continued

The pulp and paper business has been disappointing. Markets for ground wood pulp were poor, freights high and tonnage scarce. Large quantities will be carried over this winter by the mills. The adverse sterling exchange has largely militated against profits, as exports of this product are mainly to Great Britain.

General conditions, however, are largely governed by the cod fisheries, and the excellent returns from them are enabling the colony to weather the universal storm with a fair measure of comfort and confidence.

MEXICO.

The business of our office is practically at a standstill, and our very limited operations are being performed under extraordinarily trying conditions.

ELECTION OF DIRECTORS.

The ballot for the appointment of auditors and the election of directors for the ensuing year was then proceeded with, and the scrutineers appointed for the purpose reported that Messrs. George Hyde, C.A., J. Maxtone Graham, C.A., James Hutchison, C.A., were duly appointed auditors, and the following gentlemen duly elected directors: D. Forbes Angus, Esq., R. B. Angus, Esq., A. Baumgarten, Esq., J. C. Drummond, Esq., C. B. Gordon, Esq., E. B. Greenshields, Esq., C. R. Hosmer, Esq., Sir William Macdonald, Hon. Robt. Mackay, Wm. McMaster, Esq., H. V. Meredith, Esq., Sir Thos. Shaughnessy, K.C.V.O.

The meeting then terminated.

At a subsequent meeting of the directors, Mr. H. V. Meredith was re-elected president.

ONE MORE EXAMPLE OF STATE INSURANCE.

West Virginia has had for some time State workmen's compensation insurance pure and simple. The stock companies were denied by law the right to operate in the State. Employers who insured with the State Fund were relieved from all liability for compensation or common law damages to their injured employes. The rates were inadequate, and a mine disaster some time ago practically wiped out the Fund. A week or two ago, a second mine disaster resulting in at least twenty deaths occurred, and the question is now raised as to how the dependents of the victims are to be compensated. Employees under this law are in fact not protected at all, as they can look nowhere for compensation except to the bankrupt State Fund.

INSTITUTE OF ACTUARIES' EXAMINATIONS ABANDONED.

The Council of the Institute of Actuaries announces the abandonment of the annual examinations arranged to be held in April, 1916, in both Great Britain and various centres in Canada and other portions of the British Empire. This step, it is understood, has been taken partly owing to the small number of students remaining, and partly because of the feeling that an advantage should not be accorded to the latter which has been sacrificed by their fellow-students who have donned khaki; while another consideration which weighed with the Council in forming a decision was the view that there should be no unnecessary disturbing influence in the way of students eligible for enlistment.

The Council also announce the abandonment until further notice of the regular Sessional meetings "owing to the absence of so many members of the Institute on war service and to the great amount of work which has consequently fallen on those who remain."

"As you know all about them, what kind of an auto do you think best for my use?" was an agent's written inquiry of the special agent of one of his companies. The special agent replied: "There are three well-known kinds, either or all of which would be useful in your business:—1st., Auto do more business; 2nd., Auto report more promptly; 3rd., Auto keep your accounts paid up more closely. Try number three first."—Glens Falls Now and Then.

CONTINGENT COMMISSIONS.

The insurance companies in the United States have decided to test the contingent commission plan in Texas before undertaking to apply it generally. At present, 15 per cent. flat is paid in Texas, while graded commissions are paid in the other southern states. The agents petitioned for an increase, but the companies held that as business in the state had been unprofitable for several years it was not right to increase expenses on a losing business. The principal argument in favor of contingent commissions is that they will reduce the loss ratio by causing agents to be more careful in the selection of their business, as the contingent is dependent upon the profit in their agency. As a compromise the companies offered a contingent on any profits in place of the graded commissions asked for.

UNIVERSITIES COMPANY, P. P. C. L. I.

The Fifth Universities' Company, reinforcements of the Princess Patricia's Canadian Light Infantry is now recruiting, and preliminary training is being undertaken in Montreal. Men in any part of Canada can join, but must receive a rigorous medical examination and be attested locally. Free transportation to Montreal is given. Nearly 1,200 men have already been raised by this organization, which is efficient, and also economical, inasmuch as there are no officers above the rank of captain.

A considerable number of young men who cannot get commissions in Canada are joining the Universities' Companies with a view to commissions in England. About fifty men who joined as privates, have already been appointed as officers. Information has been received from London that there is room for forty to fifty a month if suitable men are forthcoming.

Particulars may be obtained from Captain A. S. Eye, 382 Sherbrooke St. West Montreal, who is in charge of the depot.

If economy be exercised to meet the increased burden of taxation, of which we must bear our share, and the production of exportable articles is increased to the utmost extent, to protect our gold supply and minimize our borrowings, and if we keep strong in working capital, then no matter what difficulties the future may have in store for us, we can look forward to them with a degree of complacency.—Mr. H. V. Meredith.

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. RICKERDIE, M.P.
H. C. COX
JOHN HOSKIN, K.C., LL.D.
D. B. HANNA
Z. A. LARR, K.C., LL.D.
GEO. A. MORROW

AUGUSTUS MYERS
LT. COL. FREDERIC NICHOLLS
JAMES ORR OSBORNE
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 MacEWEEN, Superintendent for Quebec.

THE LIFE AGENT'S MANUAL, \$3.00

Published by 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. HUNTER
Montreal Que.

WHITE & CALKIN,
St. John, N.B.
ATYS & 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

2 PLACE D'ARMES, MONTREAL

Agents Wanted in Unrepresented Districts

THE FOREST FIRE LOSS.

The Dominion of Canada suffered a loss of fully \$10,000,000 through forest fires during 1915.

It is obvious that destruction of such dimensions cannot continue indefinitely. New growth does not equal more than a minor portion of the amount abandoned to smoke nor do the iniquitous effects of the 1915 fires end with an estimate of ten millions of cash. The burned areas of this year too often mean a second fire in a few months or years with the ultimate vicious consequences to the productivity of the soil and the ruin of young growth and seed trees. It is fair to say, therefore, says the Canadian Forestry Journal, that the estimated ten million dollars loss set down for 1915 is only the beginning of the bill chalked against the country.

That ten thousand forest fires occur every year in Canada, or over 1,400 a month between snow and snow, is an estimate based upon actual figures for the various provinces. Some of these fires are small and do little harm. Others denude large areas of magnificent growth.

Statistics regarding forest fire losses in Canada are complete only in relation to localities. So long as some of the provinces compile no estimate of their forest destruction annually, the total for the country may only be approximated. It is an unfortunate habit of some of those responsible for forest guarding to make their announcements in pleasant generalities, giving the public the idea that forest protection is amply looked after by perfected fire ranging systems, and requires no further public agitation and no radical house-cleaning of official attitudes.

AN INDICTMENT OF NEGLECT.

The plain fact is that a ten-million dollar annual loss in standing timber and young growth makes an excellent testimony to the half-thoroughness of forest protection organizations in any and every part of Canada. No one will dispute that Quebec and British Columbia have made remarkable progress in building up forest-guarding systems, appointing conscientious overseers, and striking at the evil from every angle within their reach, but the fresh strength required for further rapid progress must to a large extent come from an awakened public. No minister, however determined, can plan and spend very far ahead of Public Opinion. And one must admit, in considering the forest legislation and administration of Ontario, Quebec and British Columbia, etc., that the departments dealing with forest matters in those provinces have proceeded probably faster than public sentiment urged.

A telegraphic despatch makes the following statement:

"Throughout the Dominion last summer forest fires caused losses valued at no less than \$9,536,867. The loss by forest fires is considerably lower this year than it was previously. Quebec province during the eight first months of 1915 lost through forest fires \$2,254,115, which is a good deal lower than the losses in Ontario, where, although the forest areas are considerably smaller than Quebec's, the losses by fire reach the figure of \$3,694,823. British Columbia with its vast forests, only lost \$913,125, due largely to its forest fire-fighting organization. The small loss by forest fires in Quebec province is attributed to the protective

measures employed by the government to prevent, fight and control fires."

ONTARIO SUFFERS.

In Ontario, Quebec and New Brunswick and British Columbia 85 per cent. of the losses were due to settlers' fires. Quebec and British Columbia have secured splendid results from their "permit" laws, by which all settlers are obliged to obtain the supervision of a forest ranger before setting out their clearing fires.

Ontario has no such law, and has suffered serious consequences, but it is recognized that the Minister of Lands, Forests and Mines has the problem under consideration, and may evolve an adequate remedy in the near future. New Brunswick has already made a good start in the regulation of settlers' fires, and will presumably spread the plan across the entire province.

Perhaps the outstanding fact of the season's forest destruction is the absence of any serious loss along the lines of railway governed by the Dominion Board of Railway Commissioners and their forest protection regulations. Before the imposition of these laws, the Canadian railways were pointed out as the chief offenders in burning of forests. Now, however, the non-government lines under the Board's control are annually presenting a record of fire immunity which places them permanently among the minor causes of damage to the country's timber. As a matter of fact, only two or three fires of over ten acres in extent were attributed this year to those lines where the system of the Railway Commission has been put completely into effect. On two railways of relatively small mileage, to which the board's regulations do not apply, no less than 200 fires were reported. Many of them were serious in extent, and at least 600,000 acres were burned over by fires due either to locomotives or men travelling along the right of way of these two roads.

MANITOBA'S LOSS.

Manitoba lost more than \$1,000,000 in damage to mature timber and young growth in 1915. The total area burned over was 800,000 acres, according to official reports thus far received. Final reports will probably show an increased loss.

The fires in Manitoba took place mainly in the latter part of May and the early part of June, and were particularly destructive in the vicinity of the Hudson Bay Railway.

In the Province of Saskatchewan the most destructive fires took place during the same period as in Manitoba, but the fires were confined more to the areas under effective patrol, and the total destruction is not so great. The present figures indicate a total burned area of about 160,000 acres, and a total damage of \$170,000.

In the southern portion of Alberta there has been an exceptional amount of rain throughout the season, so that the fires reported from the region south of the Peace river country and Athabaska Landing are comparatively small in number, and covered only about 25,000 acres, on which the damage is estimated to be about \$1.00 per acre.

B. C. RAILWAY BELT.

In the valleys of the Peace river, the Lower Athabasca river and the Mackenzie river conditions have, on the other hand, been phenomenally



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

CHARLES W. I. WOODLAND,

General Manager for Canada and Newfoundland.

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



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 MONTREAL
302 ST. JAMES STREET

F. J. J. STARK, General Manager.



Founded 1871

BUSINESS TRANSACTED

PERSONAL ACCIDENT ELEVATOR LIABILITY
HEALTH AUTOMOBILE LIABILITY
EMPLOYERS' LIABILITY PLATE GLASS
PUBLIC LIABILITY GUARANTEE BONDS
TEAMS LIABILITY FIRE INSURANCE

Canadian Head Office - TORONTO

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).

dry, resulting in fires that have been more destructive than in many years previous. Probably not less than half a million acres were burned over. As a good deal of the country burned over is probably incapable of producing merchantable timber, the loss would not be over \$200,000.

In British Columbia, the area patrolled by the Dominion rangers is confined to the railway belt. In the eastern portion of the belt rains occurred at fairly regular intervals, and while there was at several times considerable danger from fire, the ranger staff was able to cope with the situation effectively, with the exception of the month of August in the Lower Fraser valley, where several fires got beyond control. While 10,000 acres of logged-over land were burned, the fires were kept out of the merchantable timber, only 36 acres of which were burned.

MULTIPLYING POLICY FORMS.

In noting the revival of the practice, more or less general among life companies some years ago, but in recent years discontinued, of issuing a large variety of policy forms, a leading life company criticises the practice adversely. But in this, as in most other cases, there are two sides to the question. If policy forms are being multiplied for the purpose of deceiving the public, adverse criticism of the practice is justified. But it is hard to believe that any life insurance company would thus deliberately plan a campaign of deception, or that it could induce its agents as a body to engage in such a campaign. Assuming the existence of insulated cases of the sort, the offenders could not possibly build up any permanent business by such means nor would State insurance commissioners allow them to continue the deception. Moreover, it cannot be denied that unscrupulous agents have been known to sell limited payment policies for endowments, yet no one has ever advocated the discontinuance of limited payment forms of contract. No business man is criticised adversely for displaying his wares to the best advantage and if by a change in the form of a contract it is made to appear more attractive, and is sold more readily, where is the harm? Or, when an applicant for insurance desires a special form of contract, provided he is charged the correct premiums, why should he not be given the contract best suited to his needs? In neither case is there any deception; the policyholder gets what he expects and what he pays for. No one questions the value of life insurance, and the more of it is sold the better for everybody. If, by multiplying policy forms, the sale can be increased legitimately, where is the evil?—Boston Standard.

WARNINGS FOR STORES, CHURCHES AND BAZAARS.

Holiday fires in these while filled with people are usually holocausts.

Light, inflammable decorations make fires easy to start and easy to spread. A match, a gas flame or an electrical defect may do it.

Watch gas jets! Decorations may be carried against them by air currents.

Watch smokers! Do not permit them to light cigars inside buildings.

Do not make the slightest change in electric wiring without consulting electrical inspector.

SEVERE CONFLAGRATION HAZARD AT LONDON, ONT.

A Canadian Fire Underwriters' Association report, dated July, 1915, shows that little or nothing has been done toward improving fire fighting facilities at London, Ont., for the last seven years, and the conflagration hazard of the congested value district is characterised as severe. The report criticises the water supply because the city is practically dependent on one reservoir, which is not divided by a partition to permit cleaning without entirely emptying; because there is only one supply main, and it is inadequate for domestic demands, and because of the large percentage of small mains, 77 per cent. of the total being six inch or less, and the poor condition of the hydrants. The system was designed as a gravity system, with pumps in reserve, but to keep pace with the consumption one pump has to be kept running and often two during the day.

The report also criticises the fire department as being weak in the number of men. During meal hours the aerial truck does not respond to alarms, as there are not enough men to operate it. It summarizes conditions by stating that the "conflagration hazard is increased by the presence of lumber, woodworking and other manufacturing in and immediately adjoining the main business section, also the difficulty of obtaining easy access to the rears of some of the business premises."

It will clearly not be long before the leading Dominion life offices rival those of the United Kingdom in point of magnitude.—Insurance Observer.

THE MONTREAL CITY and DISTRICT SAVINGS BANK

NOTICE is hereby given that a Dividend of Two Dollars per Share on the Capital Stock of this institution has been declared and will be payable at its Head Office, in this City, on and after Monday, the 3rd January next, to Shareholders of record at the close of business on the 15th of December next.

By order of the Board,

A. P. LESPERANCE, Manager.

Montreal, November 29th, 1915.

"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 *Man* 117.



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

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.

COMMENCE THE NEW YEAR RIGHT!

A REDISTRIBUTION OF TERRITORY as from January First 1916 offers excellent opportunities in several districts to men who can produce.

LIBERAL CONTRACTS AND HEARTY SUPPORT TO THE RIGHT MEN.

If you are looking for a **GOOD COMPANY, A GOOD CONTRACT** and an **ATTRACTIVE SELLING PROPOSITION**, write to-day for particulars, direct to:

THE NATIONAL LIFE ASSURANCE COMPANY OF CANADA

Head Office - 25 TORONTO STREET, TORONTO, ONT.

MOUNT ROYAL ASSURANCE COMPANY

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

THE NATIONALE FIRE INSURANCE COMPANY OF PARIS, FRANCE.

SUBSCRIBED CAPITAL	\$2,000,000
TOTAL FUNDS	7,491,390
NET SURPLUS	1,857,150

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

Traffic Returns.

CANADIAN PACIFIC RAILWAY.				
Year to date	1913	1914	1915	Decrease
Oct. 31.	\$113,193,000	\$92,113,000	\$80,428,000	\$11,685,000
Week ending	1913	1914	1915	Increase
Nov. 7.	3,204,000	1,908,000	3,015,000	1,107,000
14.	3,124,000	1,878,000	3,035,000	1,157,000
21.	3,119,000	1,729,000	2,960,000	1,231,000
30.	3,733,000	2,308,000	4,104,000	1,796,000

GRAND TRUNK RAILWAY.				
Year to date	1913	1914	1915	Decrease
Oct. 31.	\$47,252,791	\$43,617,818	\$41,530,305	\$2,087,513
Week ending	1913	1914	1915	Increase
Nov. 7.	1,118,707	906,941	986,765	79,824
14.	1,022,375	860,676	971,715	111,039
21.	1,080,010	841,607	935,884	94,277
30.	1,322,541	1,161,182	1,296,507	135,325

CANADIAN NORTHERN RAILWAY.				
Year to date	1913	1914	1915	Decrease
Oct. 31.	\$19,175,500	\$16,985,900	\$15,351,200	\$1,634,700
Week ending	1913	1914	1915	Increase
Nov. 7.	620,400	525,800	806,500	280,700
14.	643,500	533,700	820,800	287,100
21.	608,000	511,500	768,900	257,400
30.	801,400	657,000	1,139,000	482,000

TWIN CITY RAPID TRANSIT COMPANY.				
Year to date	1913	1914	1915	Increase
Oct. 31.	\$7,265,080	\$7,661,154	\$7,731,059	\$69,905
Week ending	1913	1914	1915	Increase
Nov. 7.	\$173,311	174,617	180,384	5,767
14.	173,063	173,206	183,538	10,332
21.	175,743	177,031	186,689	9,658

HAVANA ELECTRIC RAILWAY COMPANY.

Week ending	1914	1915	Increase
Oct. 3....	\$48,810	\$50,281	\$1,471
10....	53,934	50,336	Dec. 3,598

DULUTH SUPERIOR TRACTION Co.

	1913	1914	1915	Decrease
Nov. 7..	\$25,184	\$24,191	\$23,435	\$756
14..	24,666	23,741	24,105	Inc. 361
21..	25,390	24,515	24,594	" 79

MONEY RATES.

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

CANADIAN BANK CLEARINGS.

	Week ending Dec. 9, 1915	Week ending Dec. 2, 1915	Week ending Dec. 10, 1914	Week ending Dec. 11, 1913
Montreal..	\$65,841,716	\$65,135,922	\$48,184,646	\$61,237,092
Toronto..	44,519,857	45,933,966	35,854,306	49,840,475
Winnipeg..	68,209,321	59,844,842	30,172,844	43,590,365
Ottawa..	4,970,977	5,119,344	4,970,977	4,061,397

McGIBBON, CASGRAIN, MITCHELL & CASGRAIN
CASGRAIN, MITCHELL, HOLT, McDOUGALL,
CREELMAN & STAIRS

TH. CHASE-CASGRAIN, K.C. VICTOR E. MITCHELL, K.C.
CHARLES M. HOLT, K.C. A. CHASE-CASGRAIN, K.C.
ERROL M. McDOUGALL, JOHN J. CREELMAN,
GILBERT S. STAIRS, PIERRE F. CASGRAIN.
ADVOCATES, BARRISTERS, ETC.
ROYAL TRUST BUILDING, 107 ST. JAMES STREET, MONTREAL.
Bell Telephone Main 8069.

ATWATER, DUCLOS & BOND
ADVOCATES

Guardian Building, 166 St. James Street, Montreal.

A. W. ATWATER, K.C. C. A. DUCLOS, K.C.
W. L. BOND, K.C.

McCarthy, Osler, Hoskin & Harcourt

BARRISTERS, SOLICITORS, ETC.

HOPE LIFE BUILDING,
VICTORIA STREET, **TORONTO**

JOHN HOSKIN, K.C. F. W. HARCOURT, K.C. H. S. OSLER, K.C.
LEIGHTON MCCARTHY, K.C. D.-L. MCCARTHY, K.C.
BRITTON OSLER, J. F. H. MCCARTHY.
COUNSEL: WALLACE NESBIT, K.C.

H. J. KAVANAGH, K.C.
H. GERIN-LAJOIE, K.C.
PAUL LACOSTE, K.C.

JULIUS MATHIEU
ALEXANDRE LACOSTE, JR.
T. J. SHALLOU
J. H. GERIN-LAJOIE

Sir Alexandre Lacoste, K.C.

Kavanagh, Lajoie & Lacoste

ADVOCATES, SOLICITORS, ETC.

Provincial Bank Building, 7 Place d'Armes
Montreal, Canada

Montreal Tramways Company
SUBURBAN TIME TABLE, 1915

Lachine :

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

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

Sault aux Reclotet and St. Vincent de Paul:

From St. Denis to St. Vincent—
15 min. service 5.15 a.m. to 8.00 a.m. 30 min. service 8.00 p.m. to 11.35 p.m.
20 " " " 8.00 " 4.00 p.m. Car to Henderson only 12.00 mid.
15 " " " 7.00 " 8.00 p.m. Car to St. Vincent 12.40 a.m.
20 " " " 7.00 " 8.00 p.m.

From St. Vincent to St. Denis—
15 min. service 5.45 a.m. to 8.30 a.m. 30 min. service 8.30 p.m.
20 " " " 3.30 " 4.30 p.m. Car from Henderson to St. Denis
15 " " " 4.30 p.m. 7.30 p.m. 12.30 a.m.
20 " " " 7.30 " 8.30 p.m. Car from St. Vincent to St. Denis
1.10 a.m.

Cartierville:

From Snowdon's Junction—20 min. service 5.20 a.m. to 8.40 p.m.
40 " " " 8.40 p.m. to 12.00 mid.
From Cartierville—20 " " " 4.00 a.m. to 9.00 p.m.
40 " " " 9.00 p.m. to 12.30 a.m.

Mountain :

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

Bout de l'Île:

60 min. service 5.00 a.m. to 12.00 midnight.

Tetraultville:

15 min. service 5.00 a.m. to 9.00 a.m. 15 min. service 3.30 p.m. to 7.00 p.m.
30 min. service 8.00 a.m. to 3.30 p.m. 30 min. service 7.00 p.m. to 8.30 p.m.

Pointe aux Trembles:

15 min service 5.00 a.m. to 9.00 a.m. 30 min service 7.00 p.m. to 11.00 p.m.
20 " " " 9.00 a.m. to 3.30 p.m. 60 " " " 11.00 p.m. to 1.00 a.m.
15 " " " 3.30 p.m. to 7 p.m.

EDWIN P. PEARSON

AGENT

Offices:

Adelaide St. East, Toronto

NORTHERN

ASSURANCE CO.

THE PRUDENTIAL

40th ANNIVERSARY, OCTOBER 13, 1915



**Mutualized
Benefits Increased
A Policyholders'
Company**

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

**THE ASCENDENCY
OF THE MUTUAL SYSTEM**

Mutual Life Insurance Companies issue seventy-five per cent of all the policies written on this continent. The most progressive companies in the whole world were either mutual from the beginning or have afterward been mutualized.

Therefore The Mutual Life of Canada sells the most modern and the most popular type of life insurance contract.

You have not secured THE BEST in life insurance unless your policy is a MUTUAL policy.

Mutual Companies are democratic. The entire assets are the property of the policyholders and the control of the Company belongs to them.

**The Mutual Life Assurance Co.
Of Canada,**

WATERLOO - - - ONTARIO
CANADA'S ONLY MUTUAL.

.. 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.

**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 St.

The Imperial Guarantee

AND ACCIDENT INSURANCE CO., OF CANADA

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

A Strong Canadian Company.

ACCIDENT AND SICKNESS INSURANCE
GUARANTEE BONDS

PLATE GLASS AND AUTOMOBILE INSURANCE
E. WILLANS, FRANK W. COX,
General Manager. Secretary.

**GET OUR PRICES
FOR
FIRST CLASS WORK**

Orders Filled on Dates Promised

JOHN LOVELL & SON, LTD.
PRINTERS & BOOKBINDERS

23 St. Nicholas Street - - MONTREAL

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



**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.