

The Chronicle

Banking, Insurance & Finance.



ESTABLISHED JANUARY, 1881

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SELF-INSURANCE AGAIN.

The self-insurance fallacy, that hardy perennial, has bobbed up again, this time in Toronto. The Toronto board of control have recommended the council to consider the question of carrying its own fire risks. Apparently the gift of saving commonsense is not a qualification for membership of the Toronto board of control or we should not have heard once again put forward this hoary fallacy, which utterly ignores the conflagration risk as an important factor in fire insurance. Self-insurance by a municipality simply means the placing upon the tax-payers of a financial risk that those who are placed in charge of affairs are not justified in assuming on the ratepayers' behalf. That financial risk is no joke; it may be transformed into heavy taxation to repair the ravages of a large fire unexpectedly breaking out at any moment.

* * * *

There was a famous proposal for municipal insurance in Toronto put forward by an active member of the City Council some twenty years ago. It seemed to be based on the assumption that Toronto would never again be visited by a big conflagration, and received a prompt quietus when two fires in the city in January, 1895, within four days of each other between them caused a loss of some million and a half dollars. This was a practical demonstration of the coming into effect of contingencies which the promoter of the scheme refused to take serious notice of, and was much more effective than reams of written arguments or hours of frenzied orations in deciding the citizens of that day that municipal insurance was not good enough, and that strong insurance companies, willing and able to pay losses of this calibre as promptly as the adjustments could be made had their uses. It is to be hoped that the Toronto board of control does not now require a similar demonstration, say the burning down of the City Hall, to convince them of their present wrong-headedness.

* * * *

Doubtless the city fathers have been looking into the matter of premiums paid and compensation for losses received during the past ten years or so and having found that they have not received back so

much as they have paid in have jumped to the wrong conclusion that in the matter of fire insurance they have not been getting their money's worth. As a matter of fact, the man who pays fire insurance premiums for twenty years and never has a fire during that period gets his money's worth for his premiums as much as the man who has half a dozen fires. He pays for protection against the possibility of a loss by fire and he gets it. The excellent theorists who advance the idea that payments for fire insurance losses during normal times plus expenses should approximate premiums received ignore the fact which is fairly obvious to the ordinary mind, that the fire risk has not yet been chained down within the boundaries of a formulae but that it has a habit of developing into disastrous losses at unexpected and often most inconvenient times for the individual. The habit, if such an erratic course of action can be called a habit, is unfortunate but incurable, argue the theorists what they may.

* * * *

No fire insurance rates or funds can be said to be on a sound basis which do not provide for the conflagration hazard. It is clear that no one individual or city alone can provide adequately against that hazard out of his or its own resources except at a prohibitive cost; the risk can only be borne by a large number who can share without obvious financial hurt a risk that one individual could not carry except at the imminent risk of financial disaster. Individualism in regard to the fire risk is simply folly—in the case of the Toronto proposal at the expense of the long-suffering taxpayers.

* * * *

The Toronto proposal is also reported to have another phase. The idea is put forward that the city should purchase sufficient stock to give it a controlling interest in an existing fire insurance company which has stock to sell below par. The best that can be said for this is that the carrying into effect of such a proposal would be an act of benevolence to the present owners of any third rate insurance company, whose experience of the hazardous fire insurance business has been so unfortunate as to necessitate their selling further stock below par. Otherwise, it has nothing to recommend it.

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Rest, \$16,000,000.00

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Amherstburg	Ottawa	Drummondville	Sorel
Aylmer	Owen Sound	Fraserville	Ste. Marie Beauce
Belleville	Port Arthur	Knowlton	St. Ours
Berlin	Ridgetown	Lachine	St. Therese de
Brockville	Simcoe	Montreal—	Blainville
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The Chronicle

Banking, Insurance and Finance

ESTABLISHED 1881.

PUBLISHED EVERY FRIDAY.

F. WILSON-SMITH,
Proprietor.ARTHUR H. ROWLAND,
Editor.**Office:**406-408 LAKE OF THE WOODS BUILDING,
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RESTRICTED TRADING.

The arrangements for restricted trading on the Canadian stock markets went into force this week. Of the stocks in the general list, limited trading is permitted in nine issues, viz.: Canadian Pacific, Twin City, Mackay common, Mackay preferred, Duluth Superior, Duluth S. S. & A. common, Duluth S. S. & A. preferred, Detroit United, and Minneapolis, St. P. & S. S. M. common. All of these are common to the Canadian centres and New York, and transactions must be at prices prevailing at New York. There cannot well be much activity under the conditions imposed, and probably no great reliance can be placed on the quotations as representative of actual values, until absolutely free trading is resumed. It is said that there are signs of further activity on the London and New York stock exchanges. The special committee of the New York exchange has now given premission for trading in listed guaranteed stocks, of which there are some three dozen, at concessions from the July 30th quotations.

WAR POSITION.

The German successes in Belgium and Russian Poland have served to depress sentiment at London, New York, and at Montreal and Toronto. Unless the Russians are very badly defeated the danger of the Germans overwhelming the Franco-British forces

is not extreme. Man to man the French and British have proven their superiority to the Germans—the latter can only drive the allies back when they are two to one or three to one; and under present conditions they have not enough men in the Western theatre of war to enable them to outnumber their opponents to that extent. But if they succeed in demolishing great Russian armies, they would be in position to transfer large bodies of men from East to West.

FOREIGN EXCHANGE COMPLICATIONS.

The allies' reverses also served to further complicate the foreign exchange market in New York. Cables and sight drafts bounded upwards under the increased demand—the former to 4.97 $\frac{3}{4}$ and the latter to 4.97. This perhaps reflects increased disposition on the part of British financial interests to recall funds and to require payment of debts due by foreign and colonial markets. A little while ago it was thought that in the second half of October and thereafter till December the exports of American and Canadian wheat and other goods sold to Europe at high prices would more than offset the maturing obligations payable to England and France. It is understood that the British, French, and Russian Governments are buying huge amounts of war material in the United States; but notwithstanding these extraordinary purchases and the movement of wheat, some London experts say that there is no immediate prospect of a balance of international payments in favor of the United States.

THE GOLD POOL.

The famous \$100,000,000 gold pool formed by New York bankers is working more or less actively, and from time to time shipments of gold are made to Ottawa for account of the Bank of England; but critics on the other side of the Atlantic declare that our American friends are supporting their gold standard in rather a half hearted way and that if they would let it be known that they would use the large gold reserves in their country courageously for the settlement of their debts, exchange would soon be back near a normal basis.

NEW YORK FUNDS AT DISCOUNT.

We in Canada, also, are experiencing considerable inconvenience and loss as a result of New York's inability or disinclination to pay gold in settlement of debts. In Montreal, New York funds are persistently quoted at a heavy discount. All last week the quotations ranged from $\frac{1}{2}$ to 1 p.c. discount; and this week the situation is no better. It is understood that our banks are sending considerable amounts of grain bills to New York for negotiation, and at the same time continuing to call their New York loans. It is almost impossible to convert these funds into gold for importation to Canada, hence the heavy discount on the funds.

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.

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 Bronte Oakville
 Chatham Orillia
 Chatsworth Ottawa
 Chesley Owen Sound
 Clarkson Perth
 Presmore Prescott
 Delta Preston
 Eganville Renfrew
 Elgin Sarnia
 Elera Stratford
 Finch St. Catharines
 Ford Hartney
 Fort Williams St. George
 Galt St. Thomas
 Gananoque Tara
 Georgetown Thamesville
 Glencoe Thorold
 Gore Bay Tilbury
 Granton Toronto
 Guelph " Dundas St.
 Hanilton " Parl. St.
 " East End " Parkdale
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 Hespeler Walkerville
 Ingersoll " Wainfoburg
 Kincardine " Wat rd
 Kingston West Lorne
 Lancaster Westport
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 Leamington Williamstown
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 " 320 St. Catherine St. West
 " 1330 St. Lawrence Blvd.
 " 1866 St. Lawrence Blvd.
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 " St. Denis Street
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Manitoba
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 Napinka " Bannerman Av.
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 Ganges Harbour " Hastings St.
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 Battleford Melville
 Carleton Moose Jaw
 Eastend Oxbow
 Frobitsher Regina
 Gainsborough Saskatoon
 Gull Lake Shaunavon
 Humboldt Unity
 Kisbey Whitewood

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SUB-AGENCIES—Ontario—Addison, Calabogie, Frankville, Hawkstone, London South, Lyndhurst, Mulrind, Newington, Pelee Island.
Manitoba—Austin, Griswold, Laurier, Sidney.
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D. C. MACAROW - - - Local Manager, Montreal

IMPERIAL BANK OF CANADA

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

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Savings Bank Department

THE NEW YORK VIEW.

In explaining the partial deadlock in regard to sterling exchange the New York bankers say that the London bankers have been insisting determinedly on the payment of American debts in gold, but they are unwilling apparently to give any assurances that when international balances become favorable to New York they will send back the gold received from New York. It is understood that the visit of Sir George Paish to the United States has been arranged with the object of settling these differences.

MONEY RATES.

Practically no change has occurred in the rates for money in the local market. Call loans bear interest at 6 to 6½ per cent. as heretofore, and commercial paper rules at 6 to 7 p.c.

Bank rate in London is 5; and call money is 1 to 1¼ p.c. Discount rates are 3¼ to 3¼. Bank rate at Paris is 5, and at Berlin, 6; the quoted rates for discounts in the private market at these centres are 4 and 6¼ respectively.

NEW YORK POSITION.

Call loans at New York are 6 to 8 per cent., according to the class of collateral. Time money is loaned in small amounts at 7 per cent. The weekly statement of clearing house banks in New York was highly satisfactory. Loans contracted \$26,200,000; cash increased \$3,700,000; note circulation increased \$5,300,000; and the net result was an improvement of \$10,200,000 in the reserve position—in other words the deficit was reduced from \$17,986,650 to \$7,791,350. This applies to all members of the clearing house. In case of the banks alone, owing to a somewhat larger gain in cash, the deficit was nearly wiped out—it stood at \$1,445,250. This is quite a satisfactory development; its tendency is unmistakably in the direction of restoration of normal conditions.

DEPRESSING FACTORS.

Taking the American situation generally, however, there are many depressing factors to be considered. In spite of some extraordinary orders arising from the European war, the iron and steel industry shows little or no improvement; and the position of the railways also is in some respects very unfavorable. Their revenues are declining; they have no means of borrowing new capital except at very high rates; and they have huge amounts of bonds and short-date notes maturing this year and next. They seem to have the greatest difficulty in inducing the Interstate Commerce Commission to act promptly in the matter of their recent applications for higher freight-rates.

In spite of the financial stringency and the war, more than two-thirds of the Mutual Life of Canada's agencies report a substantial increase in business over that written during the corresponding period last year.

OGILVIE FLOUR MILLS COMPANY.

Ogilvie Flour Mills Company reports profits for the year ended August 31 last, as \$581,943, an increase of \$5,209 on those of the previous year, and the best showing since the record year, 1909. Earnings on the common stock were 12.39 per cent. against 13.27 per cent. last year, the fall being due to the advance in fixed charges caused by the sale of bonds against new capital expenditure on the new plant at Medicine Hat.

Following is the profit and loss statement in comparison with the two previous years:—

	1914.	1913.	1912.
Profits.....	\$581,943	\$576,734	\$521,431
Bank interest.....	132,000	105,000	105,000
	<u>\$449,943</u>	<u>\$471,734</u>	<u>\$416,431</u>
Preferred Div.....	140,000	140,000	140,000
Available for Com.....	\$309,943	\$331,734	\$276,431
Percentage.....	12.39	13.27	11.06
Common Dividend.....	200,000	200,000	200,000

The total credit at profit and loss account is \$582,466.

The balance sheet shows important changes consequent upon the issue during the year of \$600,000 6 per cent. gold bonds. Liabilities to the Bank of Montreal, were reduced from \$1,447,850 to \$863,885. Total current liabilities were \$1,807,503, liquid assets being as follows in comparison with previous years:—

	1914.	1913.	1912.
Cash.....	\$ 54,685	\$ 3,949	\$ 51,249
Bills and accounts receivable.....	1,618,414	1,474,541	1,350,600
Wheat, etc., on hand.....	1,234,379	1,280,847	1,086,147
Investments, stable plant, etc.....	246,520	229,988	208,487
	<u>\$3,153,998</u>	<u>\$2,989,484</u>	<u>\$3,340,058</u>

PROSPECTIVE DEMAND FOR GRAINS.

At the annual meeting, Mr. W. A. Black, vice-president and managing director, stated that whilst the harvest in the Northwest has not resulted in as large a crop as the preceding year, the quality in the main is satisfactory, and the total monetary return should equal, if not exceed, that of last year. Some considerable area suffered very severely from drought and heat, but the Dominion Government has taken the matter in hand, and are furnishing feed where necessary to enable those requiring assistance to prepare the land this fall and seed for spring sowing. "It is to be hoped," added Mr. Black, "that the farmers will make the most of the present opportunity to put under seed the greatest possible area, for owing to the war the demand for grains of all kinds will be very great from this side of the Atlantic, and prices are likely to remain on a high level for at least another crop year. Our recent advices from the West indicate that this policy is being carried out by our farmers, and favorable weather has prevailed for fall ploughing."

The Bank of England yesterday continued its official rate of discount at 5 p.c.

THE ROYAL BANK OF CANADA

INCORPORATED 1869

Capital Paid up \$11,560,000 Reserves \$13,575,000
Assets \$185,000,000

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.
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Belize, British Honduras.

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

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Cor. William & Cedar Sts.

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DEPARTMENT

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

The Dominion Bank

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

W. D. MATTHEWS, Vice-President

C. A. BOGERT, General Manager

TRUST FUNDS SHOULD BE DEPOSITED

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

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

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

THE BANK OF TORONTO

Incorporated 1855.

Head Office: TORONTO, Canada.

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

Directors

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

Bankers

NEW YORK—National Bank of Commerce.
CHICAGO—First National Bank.
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THE BANK OF NOVA SCOTIA

INCORPORATED 1832.

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RESERVE FUND.....11,000,000.00
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A GENERAL BANKING BUSINESS TRANSACTED

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Established 1874

Paid Up Capital - - - \$4,000,000
Rest - - - \$4,750,000

An efficient Banking Service is furnished by this institution to

CORPORATIONS MERCHANTS and BUSINESS FIRMS

GEORGE BURN,
General Manager.

A SUGGESTION FOR CHECKING LAPSATION.

(By J. L. Kenway.)

After many years of experience in the business, and after careful consideration of the subject, the writer has been forced to the conclusion that the only effective method of curbing the excessive lapsing of life insurance is the standardization of commissions paid by the companies and the writing of contracts providing in all cases for renewal commissions, such renewals not to become effective unless the agent remains for a reasonable period in the Company's service.

The chief causes of lapses are threefold, namely: 1st., Rebating by the Agent; 2nd., the issuance of more insurance than the applicant is able to continue after the first year, and 3rd., the fact that so many agents do not remain with the Company more than a limited period of time, or do not receive renewal commissions, in both of which events they naturally lose interest in securing renewal of the business.

The companies have come together on a great many issues. Policy contracts are largely uniform. In fact, under the Laws of the various Provinces in Canada and States of the Union they must necessarily be so both in the benefits and restrictions contained in the policies and the values guaranteed thereunder. The Public are beginning more and more to realize that life insurance is a necessity. Men, however, will not insure their lives without solicitation and they appreciate that the agent is entitled to a fair compensation for work done. I believe it would be advantageous if the Insuring Public knew just what proportion of their premiums was paid to the Agent as compensation for his services, both in first year commissions and renewals, provided such amounts were reasonable.

The standardization of commissions would relieve the officials of the Company from a great deal of embarrassment and annoyance and would, to a very large extent, do away with the shifting of agents from one company to another merely for the sake of some supposed temporary advantage.

I am further of the opinion that the adoption of such a plan would ultimately result in the securing of a better grade of agents. We all realize that the improvement in the character of the agency forces of the companies has been very marked in the last twenty years and that most of the old-time agents who reflected discredit on our business have been eliminated. There is no reason, however, why this improvement should not be helped along in every possible manner.

The Hudson Bay Insurance Company has hit upon a novel method of making a contribution to the Canadian Patriotic Fund. From September until the war is over, it will pay monthly five per cent. of premiums received to the Fund.

"MADE IN CANADA."

The arguments of the manufacturers who are now proclaiming from the housetops the bounden duty of the Canadian public to buy nothing else but goods "made in Canada" would be more persuasive if the manufacturers themselves would assure us that they practice what they preach.

Any argument which the Canadian manufacturer uses in his new "made in Canada" campaign can be equally well used by the fire insurance companies, who are regularly licensed in Canada, pay Canadian taxes, and employ Canadian brains and labour, as an argument why the manufacturers should patronise them in preference to the foreign unlicensed companies who do an underground business here.

Will the manufacturers kindly say whether the risks they have hitherto carried in unlicensed concerns of this type, have been transferred as a matter of patriotic duty to the regularly licensed companies? If there is the duty which the manufacturers assure us there is, in the one case, there equally is in the other.

In order to provide employment as far as possible, the public generally is probably well-disposed towards a "made in Canada" campaign—an all-round "made in Canada" campaign, and not merely a one-sided one. But the plain man is not likely to be convinced that it is less patriotic to buy, say, a suit of clothes in London and pay the Canadian duty upon it than it is to carry a line of insurance in companies located in Bulgaria or Spain, which do not contribute a cent towards Canadian revenues.

DEATH OF MR. W. R. ARNOLD.

The death is announced from Vancouver of Mr. W. R. Arnold, managing director of the Dominion Trust Company. Mr. Arnold was accidentally killed under regrettable circumstances. He had returned from a hunting trip, and on Monday was putting away his gun when it went off. Mr. Arnold was shot in the breast and died instantly.

Through his association with the Dominion Trust Company, Mr. Arnold had become widely known in financial circles. In the course of a comparatively short period he had built up this undertaking from modest beginnings to an important position, with an extensive organisation both in Canada and in Europe, and his death removes prematurely a financier of energy and judgment.

Mr. Arnold's successor as managing director of the Dominion Trust Company is Mr. C. G. Pennock, a well known banker and lately general manager of the Bank of Vancouver.

Among recent donations and subscriptions acknowledged by the Insurance Clerks' Orphanage, is a contribution of £86 12s. 9d. from Mr. George C. Morant, formerly of the Commercial Union, being proceeds of the sale of his book "Odds and Ends of Foreign Travel."

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.

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The Royal Trust Co.

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 Sir Frederick Williams-Taylor

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THE EASTERN TRUST CO.

CAPITAL PAID UP AND RESERVE \$1,210,000
 ESTATES \$14,000,000

IN BUSINESS 21 YEARS

Carries on a fiduciary Trust business
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 Westminster, B.C. Calgary, Alta. Winnipeg, Man.
 Montreal, Que. Halifax, N.S. Charlottetown, P.E.I.
 Regina, Sask. St. John, N.B. Antwerp, Belgium
 London, England

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

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

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

C. G. PENNOCK, Managing Director.

EDWIN P. PEARSON

OFFICES:

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NORTHERN

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

Safety

Deposit Vault

Terms exceptionally
 moderate.

Correspondence
 invited.

The Trust and Loan Co.

OF CANADA

Capital Subscribed, \$14,600,000
 Paid-up Capital, 2,820,000
 Reserve Fund, 1,713,193
 Special Reserve Fund 577,000

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

30 St. James St., Montreal

INTEREST EARNINGS OF LIFE COMPANIES IN CANADA, 1913.

The statistics published on another page of this issue regarding the interest earnings of the life companies doing business in Canada show that generally speaking these continue on the upward grade. The method of compiling these statistics which has been used by THE CHRONICLE for many years is as follows—The mean of the assets is determined by dividing by two the sum of ledger assets as at December 31, 1913, and at the same date a year earlier and adding thereto the market values of bonds, stocks, etc., over book values, or deducting in cases where the market value is less than the book value. The addition or deduction is not made in the case of the British and certain of the United States companies, where the Government Blue Book gives ledger values without information as to market divergence. The interest is considered as made up by receipts from interest and rents during the twelve months ending December 31, 1913, adding thereto the interest and rents due and accrued at the end of the year, less the same items outstanding in 1912. This method has been found generally satisfactory. There are occasional differences in the form of returns made by individual companies, but these do not materially affect the results shown.

CANADIAN COMPANIES' EARNINGS.

Last year, there was again a distinct advance in the average rate of interest earned by the Canadian life companies as a whole. This rate was for 1913, 6.17 per cent. comparing with 5.87 per cent. in 1912 and 5.72 per cent. in 1911. The steady and even pronounced upward trend in these earnings is shown in the following summary:—

1900.	1901.	1902.	1903.	1904.	1905.	1906.
4.56	4.66	4.75	4.80	4.80	4.93	4.98
1907.	1908.	1909.	1910.	1911.	1912.	1913.
5.24	5.30	5.41	5.45	5.72	5.87	6.17

Thus last year, the Canadian companies were on an average earning 1.37 per cent., more upon their assets than they were ten years previously, in 1903.

ORIGINS OF THE RISE.

This remarkable rise in interest earnings, probably a unique movement, is due to more than one cause. The world-wide advance in the rate of interest during recent years and the necessity for writing down the values of securities already held have undoubtedly had an important effect upon the rate of the companies' interest earnings. The exceptionally high figures returned by some of the companies are, however, not due so much to the general rise in the rate of interest as to their investments in high yielding western mortgages. Illus-

trating the effect of these mortgage loans upon the interest earnings, the following table shows the percentage to total invested assets of the loans on real estate held by the various companies and the rate of their interest earnings:—

	A*	B†
British Columbia.....	66.2	7.49
Canada.....	38.1	5.62
Capital.....	40.4	5.75
Confederation.....	38.4	5.88
Continental.....	29.2	5.88
Crown.....	44.5	6.09
Dominion.....	86.6	7.56
Excelsior.....	80.1	7.68
Federal.....	36.7	5.95
Great West.....	77.2	7.67
Home.....	45.2	6.69
Imperial.....	71.7	6.92
London of Canada.....	87.1	6.55
Manufacturers.....	53.7	6.37
Monarch.....	77.0	7.30
Mutual of Canada.....	58.8	6.15
National.....	None	4.86
North American.....	35.8	5.92
Northern of Canada.....	60.0	6.27
Sauvegarde.....	22.2	4.78
Security.....	None	4.74
Sovereign.....	50.5	6.40
Sun of Canada.....	9.8	6.20
Travellers of Canada.....	None	5.31

*Percentage of loans on real estate to total invested assets, December 31, 1913. †Rate of interest earned, 1913.

The following is a summary table of the companies' invested assets as at the close of December, 1913, and in two previous years:—

	1913.	1912	1911.
Real Estate Owned.....	\$ 9,967,470	\$ 8,941,457	\$ 7,958,157
Mortgages on Real Estate.....	87,085,966	75,131,638	63,443,648
Loans on Collaterals.....	1,477,726	2,889,833	2,388,758
Loans on Policies, etc.....	30,800,808	25,810,787	22,896,968
Bonds and Debentures.....	77,144,914	69,388,972	68,099,271
Stocks.....	11,691,607	16,298,097	14,328,472
Totals (Unadjusted).....	\$218,168,490	\$198,460,784	\$179,114,376

MORTGAGES AND EARNINGS.

It will be seen from the first table that uniformly those companies which report exceptionally large interest earnings have invested very considerable proportions, in some cases almost the whole, of their assets in mortgages, while the one Canadian company which has consistently followed the conservative course of putting the greater part of its funds in municipal and school debentures, reports in comparison with these a comparatively low interest rate. For some years past, mortgages have been in great and increasing favor with the insurance companies, on account of the high interest return. But it is evident, in times like these particularly, that they have also their disadvantages.

In any case, there is little doubt but that the earning power of the Canadian life companies will continue to be high for many years to come, and as the majority of the companies assume a low interest rate in valuing their liabilities, with capable management dividends to policyholders should be, generally speaking, on an increasing and decidedly satisfactory scale.

CANADA PERMANENT MORTGAGE CORPORATION

Established 1855

Toronto Street, TORONTO.

President: W. G. GOODERHAM.

First Vice-President: W. D. MATTHEWS.

Second Vice-President, G. W. MONK.

Joint General Managers, R. S. HUDSON, JOHN MASSEY,

Superintendent of Branches and Secretary: GEORGE H. SMITH.

PAID-UP CAPITAL, \$6,000,000.00 RESERVE FUND (earned) \$4,250,000.00 INVESTMENTS, \$31,826,618.37
DEPOSITS RECEIVED DEBENTURES ISSUED

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

THE CANADA PERMANENT TRUST COMPANY incorporated by the Dominion Parliament. This Trust Company is now prepared to accept and execute Trusts of every description, to act as Executor, Administrator, Liquidator, Guardian, Curator, or Committee of the Estate of a Lunatic, etc. Any branch of the Business of a Legitimate Trust Company will have careful and prompt attention.

The WESTERN

Assurance Company

Incorporated in 1851

ASSETS over \$3,500,000.00

LOSSES paid since organization of Com-
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CANADIAN BANKING PRACTICE

THIRD EDITION.

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

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

ON SALE AT THE CHRONICLE OFFICE,

..

10 ST. JOHN STREET, MONTREAL

INTEREST EARNINGS OF LIFE INSURANCE COMPANIES OPERATING IN CANADA.

(Compiled exclusively by THE CHRONICLE)

CANADIAN LIFE COMPANIES

COMPANY.	Rate.	Mean Amount of Assets.			Interest Earned.			Rate.		
	1910	1911	1912	1913	1911	1912	1913	1911	1912	1913
		\$	\$	\$	\$	\$	\$			
British Columbia			106,531	145,759		8,523	10,917	8.00	7.49	
Canada	5.03	41,090,988	44,638,326	47,909,142	2,126,813	2,405,030	2,692,063	5.17	5.39	5.62
Capital				168,116			9,666			5.75
Confederation	5.40	15,000,987	15,929,811	16,861,230	832,919	890,420	991,904	5.55	5.59	5.88
Continental	5.50	1,132,792	1,315,029	1,499,400	62,237	72,081	88,252	5.49	5.47	5.88
Crown	5.95	832,996	943,826	1,220,043	50,152	51,656	74,274	6.02	5.47	6.09
Dominion	7.43	2,198,459	2,522,819	2,870,487	163,264	188,423	217,133	7.42	7.47	7.56
Excelsior	7.15	2,149,678	2,466,954	2,817,437	164,617	186,023	216,492	7.66	7.54	7.68
Federal	5.32	3,946,218	4,383,739	4,853,557	219,140	254,262	288,824	5.55	5.80	5.95
Great West	7.43	8,775,060	10,488,421	12,304,562	664,532	790,472	944,181	7.57	7.54	7.67
Home	6.04	1,252,517	1,221,124	1,200,057	74,489	67,720	80,377	5.95	5.84	6.69
Imperial	6.31	6,210,335	7,142,088	8,106,083	408,957	471,691	560,620	6.58	6.60	6.92
London of Canada	6.33	3,283,256	3,658,147	4,161,725	207,783	237,480	272,458	6.33	6.49	6.55
Manufacturers	5.53	13,070,202	14,504,699	15,820,066	755,187	888,752	1,008,385	5.78	6.13	6.37
Monarch	7.09	265,820	320,906	386,218	19,798	25,631	28,183	7.45	8.00	7.30
Mutual of Canada	5.64	16,438,112	18,240,906	19,968,552	945,593	1,078,205	1,227,205	5.75	5.91	6.15
National	4.89	1,496,438	1,796,758	2,106,830	70,389	81,955	102,395	4.70	4.56	4.86
North American	5.28	11,586,036	12,453,743	13,163,670	629,941	700,931	779,599	5.44	5.63	5.92
Northern of Canada	5.84	1,421,815	1,598,096	1,781,175	83,275	98,106	111,699	5.86	6.22	6.27
La Sauvagarde			775,008	775,008			37,017			4.78
Security			69,646	57,835		2,412	2,739			3.46
Sovereign	4.94	795,430	876,144	941,488	43,286	54,633	60,293	5.44	6.24	6.40
Sun of Canada	5.11	39,959,845	45,524,164	51,469,380	2,281,134	2,611,239	3,192,121	5.71	5.73	6.20
Travellers of Canada		93,846	116,435	139,687	3,166	5,444	7,423	3.37	4.68	5.31
Union of Canada	3.72	1,286,956	983,094		56,769	65,018		4.41	6.61	
Totals	5.45	172,287,786	191,301,406	210,727,507	9,863,441	11,236,107	13,004,220	5.72	5.87	6.17

NOTE—The National Life alone among the established Canadian life companies has no mortgage investments. The greater part of its assets are invested in municipal and school debentures.

BRITISH LIFE COMPANIES

COMPANY.	Rate.	Mean Amount of Assets.			Interest Earned.			Rate.		
	1910	1911	1912	1913	1911	1912	1913	1911	1912	1913
		\$	\$	\$	\$	\$	\$			
Gresham			51,604,363	51,962,862		2,078,945	2,058,341	4.03	3.96	
London & Lancashire	4.11	13,619,578	14,215,852	14,728,272	522,144	613,015	616,947	3.83	4.31	4.19
Phoenix			53,524,693	55,452,890		2,113,048	2,289,874			3.95
Standard	4.27	64,332,928	66,054,444	67,478,998	2,710,861	2,790,981	2,911,361	4.21	4.23	4.31
Totals	4.25	77,952,506	185,399,352	189,623,020	8,233,005	7,595,989	7,876,523	4.15	4.10	4.15

NOTE—The Royal's figures are not given, the form of the Company's balance sheet precluding calculations on the lines here followed.

AMERICAN LIFE COMPANIES

COMPANY.	Rate.	Mean Amount of Assets.			Interest Earned.			Rate.		
	1910	1911	1912	1913	1911	1912	1913	1911	1912	1913
		\$	\$	\$	\$	\$	\$			
Etna	4.84	94,317,342	97,459,935	100,282,586	4,483,564	4,723,156	5,460,175	4.75	4.85	5.44
Equitable	4.59	487,189,717	498,811,104	509,201,710	22,394,728	22,323,654	23,341,707	4.60	4.47	4.58
Metropolitan	4.92	324,747,516	363,323,889	408,877,658	16,091,760	17,984,740	20,360,606	4.95	4.95	4.98
Mutual of N. Y.	4.64	570,379,510	582,672,735	592,278,716	26,356,651	27,043,901	27,708,927	4.62	4.64	4.68
New York	4.54	654,453,855	686,271,550	717,749,101	29,522,208	31,749,568	34,148,044	4.51	4.63	4.76
Provident Savings			10,033,957	9,630,980		603,629	521,495			6.02
Prudential	4.63	236,448,008	266,381,957	297,362,860	11,194,745	12,822,319	14,560,246	4.73	4.80	4.89
State	5.79	10,099,233	11,216,569	12,471,750	587,413	665,288	738,334	5.82	5.93	5.92
Travelers	4.91	59,043,720	63,604,937	66,784,832	2,970,526	3,144,941	3,429,525	5.03	4.94	5.14
Union Mutual	4.62	17,099,717	17,681,858	17,795,419	785,327	823,342	848,145	4.59	4.66	4.77
United States	5.14	8,378,547	8,156,108	7,954,967	441,732	411,906	401,451	5.27	5.05	5.05
Totals	4.61	2,462,157,165	2,605,614,599	2,740,390,579	114,828,654	122,296,444	131,518,655	4.66	4.69	4.80



CANADA BRANCH HEAD OFFICE, MONTREAL.

DIRECTORS:
 M. Chevalier, Esq. T. J. Drummond, Esq. Sir Alexandre Lacoste.
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**CAPITAL PAID UP \$2,241,375
 TOTAL CASH ASSETS 22,457,415**

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

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

Head Office for Canada - MONTREAL

MATTHEW C. HINSHAW, Branch Manager

Active and Influential Agents Wanted

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

AGENTS

INSURANCE

BROKERS

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

**11 ST. SACRAMENT STREET
 MONTREAL, P.Q.**

CANADIAN FRATERNAL INSURANCE GOING FAST DOWNHILL.

There is ample evidence in the returns published by the Dominion Insurance Department that the fraternal societies in Canada are going fast down-hill. Members are lapsing their certificates in considerably greater numbers than new members are being brought in. Four organisations carrying on business on the assessment system report to the Dominion Insurance Department, three being fraternal and the fourth, the Commercial Travellers Mutual Benefit Society. This is their record of business new and terminated during 1913:—

	New Certificates taken up.	Terminated by Death.	Surrender, expiry or lapse.	Total terminated.
Catholic Mutual Benefit Association.....	\$ 2,098,500	\$428,000	\$ 1,294,500	\$ 1,722,500
Commercial Travellers' Mutual Benefit Society.	242,000	39,000	169,000	208,000
Independent Order of Foresters (Canadian business).....	11,230,862	995,567	20,009,463	21,005,030
Woodmen of the World.....	2,020,300	136,750	1,295,500	1,432,250
Totals, 1913....	\$15,591,662	\$1,599,317	\$22,768,463	\$24,367,780
Totals, 1912....	\$19,167,381	\$1,625,293	\$11,285,447	\$12,910,740

These organisations wrote in 1913 about \$3,600,000 less new business than in 1912. At the end of 1913 they had certificates in force amounting to \$136,244,519, \$8,700,000 less than at the end of 1912, when the amount in force was \$144,913,387. Their surrenders and lapses in 1913 were more than double what they were in 1912 and totalled 146 per cent. of the amount of new certificates issued in 1913.

Insurance organisations in which the members have so little faith that they are getting out as fast as possible and whose new business is on the decline are obviously not desirable organisations for new members.

ROUNDOABOUT METHODS.

In this connection it may be noted that in the United States where the insurance commissioners have for a considerable period been trying to get the fraternal up to the mark as regards solvency, some of the organisations have not yet come up to it and others are trying to reach it by roundabout ways.

The lapse factor has been a matter of consideration, plea having been advanced that it should be taken into account in the valuation reports. The situation has been met by the resolution of the commissioners' fraternal committee that "all valuation reports of life benefits of fraternal societies be made upon the factors of mortality and interest and that no valuation including a lapse factor shall be recognized or accepted." The committee recommended that the rule be adopted in each State.

That will put a damper on the plans to receive credit for lapses that have been caused by the pressure for adequate rates of assessment to meet the demands for sufficient reserves. It says little for the fraternal that they should cite lapsation as a factor for favor.

GERMAN LIFE COMPANIES AND THE WAR RISK.

A German insurance journal recently received in New York had an interesting note on the effect of the war upon the German life insurance companies. The following is a translation of the note:—

The world war that has so unexpectedly broken out has led many of those under the obligation of military service who have already been called to the colours, also of those who may expect hereafter to be called, to take out life insurance policies, with the inclusion of protection against the war risk, partly entirely new policies and partly, in case where life insurance policies were already being carried, in the shape of a war risk clause added to these already existing policies. For this inclusion of the war risk it is only natural that corresponding additional premiums should be asked. The rates, however, at which the various companies undertake this coverage of the war risk vary very sharply. One South German Mutual life insurance company holds itself out as furnishing life insurance with the inclusion of the war risk without any extra premium at all. Other companies appear to provide such insurance preferably with an extra premium proportionate to the size of the policy; others increase this extra premium in the way of requiring old policies, long outstanding, to pay not only the extra premium, but also the interest on this extra premium from the time when the policy of life insurance was originally issued. Another South German institution undertakes war life insurance at the flat premium rates of 10 per cent. for officers, 8 per cent. for members of the reserve and the second reserve and 4 per cent. for the members of the Landsturm and the medical service. The variation of the conditions under which the various companies will undertake the war risk is, accordingly, very marked. It would perhaps have been better if the association of life assurance companies could have decided upon a uniform method of procedure.

NORTHERN ASSURANCE COMPANY, LIMITED.

The White Cross Insurance Association, Limited, has been registered at Somerset House with a nominal capital of £101 in £1 shares, the objects being to take over the business of the White Cross Insurance Company, Limited (in voluntary liquidation), and to procure all or any policies issued by the Company, to be guaranteed by the Northern Assurance Company, Limited, or any other company or person, etc. £31,000 Consols have been deposited with the Paymaster of the Chancery Court, pursuant to the Assurance Companies Act, 1909. The Company is a private one. The first directors are to be Messrs. H. E. Wilson, W. S. Gayford, W. E. Trenam, T. Forbes, and A. L. Sturge, of whom the first three are nominees of the Northern Assurance Company.—Policyholder.

Mr. H. A. Bailey, of Halifax, N.S., has been appointed manager of the Moncton branch of the Bank of Montreal, succeeding Mr. R. Clark. Mr. Clark has been superannuated. Mr. Bailey has been inspector of the Bank of Montreal branches in the Maritime Provinces and Newfoundland for some years.

COMMERCIAL UNION

ASSURANCE COMPANY LIMITED
of LONDON, England

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

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

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—

Commercial Union Building,
MONTREAL

J. McGREGOR,
Manager

W. S. JOPLING,
Assistant Manager

PALATINE

INSURANCE COMPANY LIMITED
of LONDON, England

(As at 31st December 1913)

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

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

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—

Commercial Union Building,
MONTREAL

J. McGREGOR,
Manager

W. S. JOPLING,
Assistant Manager

SUN INSURANCE OFFICE

FOUNDED A.D. 1710.

Head Office:

Threadneedle Street - London, England

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

Canadian Branch:

15 Wellington Street East, Toronto, Ont.

H. M. BLACKBURN, LYMAN ROOT,
Manager. Assistant Manag

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

ESTABLISHED 1809

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

FIRE AND LIFE

North British and Mercantile

INSURANCE COMPANY

DIRECTORS
WM. MCMASTER Esq., G. N. MONCEL, Esq.
E. L. PEASE, Esq.

Head Office for the Dominion:

80 St. Francois Xavier Street - MONTREAL.

Agents in all the principal Towns in Canada.

RANDALL DAVIDSON, Manager.

THE CANADA NATIONAL FIRE INSURANCE COMPANY.

Authorized Capital	\$3,000,000.00
Subscribed Capital	2,055,408.00
Paid in Capital	1,100,000.00
Assets	1,495,796.00
SURPLUS TO POLICY HOLDERS	1,305,054.00

Board of Directors:

President: CAPT. WM. ROBINSON

Vice-Presidents: Nicholas Bawlf, D. E. Sprague, F. H. Alexander
Managing Director: W. T. Alexander.

Directors: E. F. Hutchings, E. D. Martin, E. L. Taylor, K. C. M. P. P., E. S. Popham, M. D., S. D. Lazier, F. N. Darke, Regina, Sir Gilbert Parker, London, Eng., Andrew Gray, Victoria, Jonathan Rogers, Vancouver.

General Fire Insurance Business Transacted

Business Solicited Prompt Settlement of Losses
Liberal Policy

Head Office, 356 MAIN STREET, WINNIPEG

INSURANCE

Phoenix of Hartford Company

Total Cash Assets : \$11,404,634.19
Total Losses Paid : 70,700,545.46

J. W. Tatley, Manager.
MONTREAL.

Applications for Agencies Invited.

LEGITIMATE BORROWING FROM BANKS.

The average business man has three legitimate reasons for borrowing. First, to extend his plant, by purchasing real estate, erecting additional buildings or installing new machinery or fixtures. Second, to increase his stock of goods. If he is a manufacturer, this would mean raw material; if a retailer or wholesaler, ordinary stock. Third, to extend additional credit to customers.

Although there may seem to be other reasons for an ordinary business man borrowing, yet, if they are analyzed, you will find that they come under one of these three heads, suggests the Sterling Bank's house journal.

Money should not be borrowed for extending a plant in six-months' loans. For permanent improvements of this character, additional capital stock should be sold, if possible or, failing this, bonds or a long-term mortgage issued.

As to the second purpose, a business should have enough capital to carry the necessary minimum of stock all through the year. There are times, however, when a larger stock than usual must be carried. At such times a business man is justified in seeking the necessary loans from the banks.

"BILLS RECEIVABLE."

The third purpose is the one we are concerned with mostly in this article—that of extending credit to customers.

This is done in two ways—by carrying the customer's account and borrowing money to do so, or by accepting the customer's note and either holding it or discounting it at the bank. From a bank's point of view, these notes are the best and safest form of commercial paper. They are backed by two independent firms or men, each of whom is, presumably, good for the amount of the note.

Bankers, however, must be very careful of the amount of credit extended to one firm on this kind of paper. It is a safe form of loan, providing the borrower is sound financially.

It is a sign of weakness, however, for a firm to have a large amount of "bills receivable" on their books. A bad habit which is unfortunately growing on modern business men is that of extending almost indiscriminate credit to customers. This should be discouraged to a great extent by the banker.

BAD FOR BUSINESS AND BANKER.

If a man's customers are good, their own bank will lend them the money they need. If they are not, he should not be extending them credit. An experienced assignee says that in investigating a great many bankrupt concerns he has found the "bills receivable account" their weakest asset. This does not necessarily mean that it was the cause of their failure, but that it was an important contributing cause.

It stands to reason that what is bad for a man's business is bad for his banker. So the banker should educate the business man to keep down his "bills receivable account"—to insist on thirty-day payments if possible. The result will be a sounder business, and therefore a safer and more profitable banking account.

The annual meeting of the Canadian Bankers' Association is fixed to take place on November 12, at the head office of the Bank of Toronto, at Toronto.

BANKS HELPING THE FARMERS.

Mr. Vere C. Brown, superintendent of western branches of the Canadian Bank of Commerce, when addressing a gathering of Calgary business men on the importance of increasing agricultural production in western Canada, urged a better and closer social and commercial relationship between the farmer and the business man. That the banks were willing to do their share towards helping to increase the productivity of the man on the land and would give not only their moral, but their material support to any reasonable scheme for furthering that object, was the message brought by Mr. Brown. Consequent on this assurance it was decided to form a live stock association which would, obtaining funds from the banks, guarantee the repayments within say, two years, of any sums loaned to responsible farmers who wished to borrow for the purchase of additional livestock within a radius of 30 miles of Calgary. Whatever security the farmer could give would, of course, be taken to protect the association against loss. The details of the scheme are to be worked out, the chief difficulty to be overcome being in the question of selecting the risks. This and subsequent overseeing add to the expense borne by the borrower and can easily be made so high as to preclude any business. The promoters, however, hope for a satisfactory outcome.

RESTRICTED TRADING ON THE STOCK EXCHANGE.

The committee of the Montreal Stock Exchange has decided to issue an official notice to members, sanctioning trades at the closing prices of July 28th, except in the case of interlisted securities, where the minimum will be the price fixed by the New York Exchange.

The circular announces that brokers with buying and selling orders, conforming with the regulations laid down, may send them in to the stock exchange committee each day and the committee will act as a sort of clearing house when transactions can be effected. It is understood that the members will be expected to accept no new business on the selling side; that is, that selling orders which may be sent into the committee must represent stock now being carried on the members' books.

Accompanying the notice to members is a list of the official minimum prices. These are largely the closing bids of July 28th. The prices of New York-Montreal stocks will be fixed by the quotations at which business is permitted in New York.

The Toronto exchange is taking somewhat similar action. It is expected that this first step in the re-organisation of business will shortly be followed by one regulating purchases for cash.

Press notices and dispatches as collated by the bonding department of the Fidelity & Casualty Company of New York, indicate, for the month of August, 1914, the following defalcations:

Banks and trust companies	\$233,615.64
Beneficial associations	4,200.00
Public service	69,203.16
General Business	217,317.40
Insurance companies	775.00
Transportation companies	4,889.00
Miscellaneous	4,319.82
Total	\$534,320.02



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



PERSONAL ACCIDENT
SICKNESS
FIDELITY GUARANTEE

PLATE GLASS
AUTOMOBILE
GENERAL LIABILITY

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

THE YORKSHIRE INSURANCE COMPANY, LIMITED

ESTBD. 1824

YORK, ENGLAND

ASSETS EXCEED \$20,000,000

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

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

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

Canadian Manager,
 P. M. WICKHAM, Montreal.

ROYAL EXCHANGE ASSURANCE

Founded A.D. 1720

Losses paid exceed \$235,000,000

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

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



Head Office, Royal Exchange, London

INSURANCE COMPANY OF NORTH AMERICA

PHILADELPHIA, PA.

FOUNDED 1792.

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

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

THE LAW UNION & ROCK

INSURANCE CO. LIMITED, LONDON. Founded in 1806
Assets Exceed - \$48,500,000.00
 Over \$10,500,000 invested in Canada.
 FIRE and ACCIDENT RISKS accepted.
 Canadian Head Office: 57 Beaver Hall Hill.
 MONTREAL.

Agents wanted in unrepresented towns in Canada.
 W. D. AIKEN, Superintendent, Accident Dept.
 J. E. E. DICKSON, Canadian Manager

THE LIFE AGENTS' MANUAL - \$3.00

Published by the Chronicle, Montreal

MOUNT ROYAL ASSURANCE COMPANY

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

THE NATIONALE FIRE-INSURANCE COMPANY OF PARIS, FRANCE.

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

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.

INSPECTION OF FACTORY SAFETY APPLIANCES.

A system of investigating and approving all factory safety appliances and devices and labelling those approved is about to be put into effect by the Workmen's Compensation Service Bureau of New York. This new departure in accident prevention endeavor will be undertaken on behalf of the bureau by the Underwriters' Laboratories, Inc., of Chicago, with which the bureau has affiliated for this important work.

The Underwriters' Laboratories, with its extensive plant and well established inspection and testing system, has facilities for extending its inspection work to cover safety to life devices and thereby render great service to the bureau members. When the plan is fully put in operation it is intended that the fullest credit in rates shall be applied to workmen's compensation and employers' liability risks which use the labelled appliances of the laboratories.

The scheme of standardizing appliances for protecting life has been under consideration by the bureau for the past two months, but its application was only established by the governing committee of the bureau approving an affiliation with the Underwriters' Laboratories, Inc., by which, under the direction of a council of technical experts of the bureau, the laboratories will extend its inspection work to cover safety to life as well as to property. Under this arrangement the label of the laboratories will indicate conditions standardized as regards safety to life from all causes as well as with regard to the risk of property loss from fire. The new system will have an important bearing on workmen's compensation and employers' liability rating.

THE MONEY VALUE OF A MAN.

Far-seeing creditors insist that their debtors shall insure the goods that have been delivered to them, against destruction. Practically all combustible property of any value is insured against destruction by fire and practically no vessel is afloat that is not insured and this is as it should be, but if we turn our attention to human life, we find that only a small portion of its actual money value is insured. Every man who is in receipt of wages, salary or income has a definite money value which varies with his age. Apart from his moral and spiritual value to society, as a wealth producer he has a certain definite monetary value and this monetary value consists of the present worth of the annual sums which he will continue to earn if he lives out the expectation of life. This money value, as far as possible, should be insured so that if the expectation of life is not realized, the dependents of the deceased will not suffer want. It will amaze many of our readers to learn that a careful approximation shows that only 7 per cent. of the life value of the population is insured. It would of course be too much to expect that every citizen would insure his life for such a sum as carefully invested would continue to reproduce his wages, salary or income in the event of his death, but certainly 7 per cent. of such "life value" is too little to leave and that is all that the insurance which is now in force amounts to. We would not for a moment urge any worker to take more insurance than he is able to bear without undue sacrifice. On the other hand, a very much greater insurance should be carried than is actually in force.—*Mutual Life of Canada's Agents' Bulletin.*

PRUDENTIAL OF AMERICA'S BIRTHDAY.

The Prudential of America celebrated its thirtieth birthday on Tuesday, this being the anniversary of the date on which the late Hon. John F. Dryden in 1875 started the business which has since had such a wonderful growth. At the outset there were but a scant three or four clerks to look after the office detail, while to-day there is a home office army of 3,500 employees, to say nothing of a superintendency and agency force of more than 13,000.

At the beginning of 1876 the number of Prudential outstanding policies was but 4,816, as compared with a total of more than 12,500,000 in force on the books to-day. Then the total insurance was \$443,072, as against an aggregate to-day which exceeds \$2,500,000,000. The first year's assets were \$2,232, while at the close of 1913 they totaled \$323,167,249, with a surplus of \$25,644,459. Then the death claims paid were \$1,958. Now they have advanced to more than \$21,472,133.

To-day the Prudential is doing more business than ever in its history, and its officers look upon its thirtieth birthday as but the stepping-stone to greater results for its policyholders.

GENERAL ACCIDENT FIRE AND LIFE.

One hundred and thirty-five members of the clerical staff of the General Accident, Fire and Life Assurance Corporation in Great Britain are now serving with the colours, or 35 per cent. of the total employees in the British Isles. Of these, 60 are from the head office in Perth. Including the Colonial, French and Belgian offices, there are over 300 of the clerical staff serving with the Allies. The directors have decided that full pay shall be given to all whose salaries are under 35s. per week, and that those over that sum shall receive full pay, less any payment made by the Government. All positions are being kept open for members of the staff on military duty.

The General Accident is also identifying itself with the work of the War Refugees' Committee, at whose disposal it has placed spacious accommodation at General Buildings, Aldwych. A visit from Her Majesty the Queen one day recently, to see something of the work going forward, was an honour which was duly appreciated and will not soon be forgotten by the recipients.

DOMINION TRUST COMPANY.

The amount at the credit of this Company's profit and loss account for the eight months ending August 31st, was approximately \$185,158.22. From this amount two quarterly dividends of 2 p.c. each were paid, amounting to \$88,900, leaving \$96,258.22 available for distribution for the current quarter.

In view of the Company's expanding business, necessitating advances to estates, and the generally unsettled financial conditions due to the European War, the directors have deemed it good judgment and acting in the best interests of the shareholders to defer for the present the declaration of the present quarter's dividend.

This decision has largely been influenced by the special efforts being made to have a moratorium proclaimed in British Columbia. Such legislation would undoubtedly work great hardship on those companies loaning funds on mortgage.



The Employers' Liability

Assurance Corporation Limited

" " " OF LONDON, ENGLAND " " "

TRANSACTS:

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

Most Liberal Policies Issued

Offices: MONTREAL, TORONTO

Managers for Canada, GRIFFIN & WOODLAND.

JOHN JENKINS, Fire Superintendent.

Canadian
Government
Deposit over

\$1,340,000

STANDS FIRST

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

THE CANADA ACCIDENT ASSURANCE COMPANY

HEAD OFFICE: Commercial Union Building, MONTREAL

CAPITAL \$500,000.00

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

Board of Directors:

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

TORONTO:
Traders Bank Building

VANCOUVER

WINNIPEG

MONTREAL
Merchants Bank Building

FOUNDED 1871

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

Accident, Health, Employers' Liability, Guarantee and Plate Glass Insurance

UNRIVALLED SECURITY

LIBERAL POLICIES

ASSETS EXCEED - - - \$11,250,000

CLAIMS PAID, over - - - \$45,000,000

Canadian Head Office - - - - - TORONTO, Ontario

CHARLES H. NEELY, General Manager for Canada and Newfoundland

WHY NOT HAVE THE BEST ?

The Globe Indemnity Company of Canada

Head Office, MONTREAL.

formerly---The Canadian Railway Accident Insurance Company.

DIRECTORS ---J. Gardner Thompson, President. Lewis 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.)

MUTUALISATION OF THE PRUDENTIAL.

Mutualization of the Prudential Insurance Company of America was advanced another step toward final consummation last week when seventy-seven per cent. of the outstanding capital stock was voted favorable to the plan at a special meeting of the stockholders.

The next step will be to secure similar ratification by the millions of policyholders of the big company, and another special meeting for this purpose will soon be called by President Forrest F. Dryden. In the meantime advertisements notifying the policyholders of the date of the meeting and of its purpose will be issued. It is believed this date will be around December 1.

Should the policyholders agree to mutualisation, as it is, of course, believed they will, then the succeeding move will be to have the chief judicial officer of New Jersey, the Chancellor, confirm the voting and place his final and concluding seal of approval on the plan. Inasmuch as he has already affirmed the appraisal of the stock it is thought he will continue his affirmation, providing he is convinced the terms of the act under which mutualisation was made possible have been fully complied with.

Under mutualisation the stockholders will receive \$910 for each \$100 per share, the stock valuation of the company being fixed by the appraisers at \$18,174,108.89.

The mutualisation of the company is being carried through on the initiative of President Dryden. A small minority of shareholders anxious to secure the whole of the Company's surplus for division among the shareholders put up a stiff legal fight against the scheme, but were over-ruled by the Courts, and the management has since been able to proceed with its plan in peace.

**PUTTING IT UP TO THE AGENCY MANAGER.
A September Experience of Favors Asked.**

A New York agency manager, badgered more than ever by agents who had favors to ask, has drawn up a list of what he was asked for during September. Here it is:—

1. Over 200 requests from Southern agents to buy one or more bales of cotton, each putting it up as an original proposition starting in his own little town.
2. Request for a loan to help the local bank with \$25,000 capital finance the cotton crop.
3. Request to take part in advertising the agency at State and county fairs by furnishing novelties, such as pocketbooks, coin purses, clocks, knives, fountain pens, blotters, etc. (He sent the blotters.)
4. Demand for help in a subscription for purchasing regalia for use of some secret society composed of leading citizens and large insurers.
5. The modest request for from \$25 to \$100 to help rebuild a church, also the usual solicitation for the organ fund. (Agency off the line of railway, with annual receipts of \$150).
6. Demand that the company should not employ any adjuster without consulting the agent. (As the result of a questionable loss where agent granted overinsurance).
7. Eloquent tributes to local hook and ladder companies and request for subscription to purchase men uniforms from several.
8. Requests for extension of payment of balances (generally unanimous); reasons, the war.

CANADIAN FIRE RECORD

(Specially compiled for The Chronicle.)

MONCTON, N.B.—I.C.R. freight sheds burned, October 1. Loss, \$15,000. Origin, unknown.

PEACE RIVER CROSSING, ALTA.—Steamer Grenfell destroyed, 200 miles west. Insurance, \$11,250.

MONTREAL.—M. Tremblay's cottage, 11th Avenue, Rosemount, destroyed, October 13. Loss, unknown.

I. Kichner's dry goods store, 271 Beaumont street, damaged, October 9. Loss, \$2,000.

Shed of Dominion Bridge Company, corner of Seminary and Ottawa Streets, destroyed, with automobile and quantity of machinery, October 14. Supposed origin, lantern explosion.

Premises at 192 St. Lawrence Street, damaged, October 14.

MONTREAL.—Plant of Factory Waste & Metal Company, 223 Wellington Street, damaged, October 3. Adjoining plants of Dominion Machinery & Supply Company, Canadian Steel Products Company & Industrial & Manufacturing Company also damaged.

LAC DU BONNET, MAN.—Insurance on J. D. McArthur's lumber yards as follows:—Canadian Fire \$5,000, British Colonial \$1,000, American Central \$2,000, New York Underwriters \$5,000, American of Newark \$4,000, Pacific Coast \$6,000, British America \$3,000, North Empire \$2,000, Royal Exchange \$4,000, Acadia \$2,000, Globe and Rutgers \$2,000, Factories \$1,000, and Royal \$3,000. Loss, total.

HEAVY LOSS AT ST. JACQUES L'ACHIGAN.

The church at St. Jacques l'Achigan, Que., and a number of other buildings in the village were destroyed and damaged on October 5. Details of insurance are as follows:—

CHURCH.	
Phenix of London	\$10,000
Mount-Royal	10,000
North British & Mercantile	15,000
Fabrique	13,000
Loss, total.	
LA SALLE GENERAL STORE.	
London & Lancashire	\$ 900
Queen	2,100
North British & Mercantile	2,500
Phenix of London	2,000
Merchants Mutual	3,000
North America	3,000
Northern	1,000
Loss, total.	
CONVENT BUILDING.	
Phenix of London	\$10,000
Liverpool & London & Globe	10,000
North British & Mercantile	10,000
Guardian	10,000
Loss about \$1,500.	
CONVENT CONTENTS.	
Northern	\$5,000
Loss about \$200.	
PRESBYTERY.	
Phenix of London	\$7,500
Liverpool & London & Globe	5,500
DUGAS.	
London Mutual	\$1,500
Phenix of London	2,000
VENNE.	
Phenix of London	\$2,000
LESAGE.	
Phenix of London	\$4,500
North America	4,000
FOREST.	
Royal	\$2,100
North British & Mercantile	1,500
MALCOMSON.	
Mount Royal	\$2,000
London & Lancashire	2,000

THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated : 1833.

HEAD OFFICE: TORONTO

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

DIRECTORS:

W. R. BROCK, President

W. B. MEIKLE, Vice-President

ROBT. BICKERDIKE, M.P.

H. C. COX

JOHN HOBKIN, K.C., LL.D.

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General Manager

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Secretary

THOMAS F. DOBBIN, Resident Manager

MONTREAL



**NORWICH UNION
FIRE INSURANCE
SOCIETY LIMITED**
Norwich, England

INSURANCE AGAINST:
**FIRE ACCIDENT AND SICKNESS
EMPLOYERS' LIABILITY PLATE GLASS**
Head Office for Canada TORONTO
Head Office for Province of Quebec, MONTREAL
Agents wanted for the Accident Branch.
JOHN MacEWEN, Superintendent for Quebec.

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

First British Insurance Company Established in Canada

A. D. 1804

Phoenix Assurance Co. Ltd.

OF LONDON, ENGLAND. (Founded 1782)

FIRE

LIFE

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

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

AGENTS WANTED IN BOTH BRANCHES. Apply to

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

100 St. Francois Xavier St. - Montreal

Established 1864.

New York Underwriters Agency.

A. & J. H. STODDART REGISTERED

100 William Street, NEW YORK

PROVINCIAL AGENTS.

MURPHY, LOVE, HAMILTON

& BARCOM,

TORONTO, Ont.

OSLER, HAMMOND & NANTON,

Winnipeg, Man.

ALFRED J. BELL,

Halifax N.S.

AYRE & SONS, LTD., St. Johns, Nfld.

JOHN WM. MOLSON

& ROBERT Y. HUNTER

MONTREAL Que.

WHITE & CALKIN,

St. John, N.B.

EDMUND T. HIGGS,

Charlottetown, P.E.I.

JOHN, Nfld.

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

L'UNION

FIRE INSURANCE COMPANY, Limited

Head Office: PARIS, France.

Established 1828

Capital fully subscribed . . . \$ 2,000,000.00

Net Premiums in 1913 . . . 5,561,441.00

Total Losses paid to 31st Dec., 1913 90,120,000.00

Canadian Branch:

LEWIS BUILDING 17 ST. JOHN STREET, MONTREAL

Manager for Canada:

MAURICE FERRAND

BRITISH COLONIAL FIRE INSURANCE COMPANY

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

STRONG AS THE STRONGEST

Agents wanted in Unrepresented Districts

President: HON. C. E. DUBORD

Director and Secretary: THEODORE MEUNIER

Manager: H. W. THOMSON.

INSPECTORS.

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

R. T. BROWN, P. O. Box 840, Regina, Sask.

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

WHOLE-LIFE vs. ENDOWMENT ASSURANCE.

(By W. H. Somerville, A.I.A., A.A.S., Associate Secretary, Mutual Life of Canada.)

Mr. W. W. Smith has an article in the July number of Moody's Magazine and a second article in the August number recommending whole-life rather than endowment assurances. The title "Systematic Bank Deposits with Life Insurance Protection" explains his idea which is that insurance companies should not undertake an investment business as this can be better attended to by a bank or trust company operated to handle savings and make investments of trust funds. He would have the insurance company provide life insurance only, eliminating endowments. If, however, a particular individual wished to accumulate \$1,000 by the end of 20 years and also have insurance of \$1,000, Mr. Smith would suggest dividing the endowment premium into two parts, the one equal to the ordinary life premium and the other the difference between the ordinary life and the 20 year endowment premiums. The individual would then apply for a whole-life policy and if accepted, would pay the premium. He would then go to the loan or trust company and deposit the balance. He continues making his deposits and paying his premiums until the end of 20 years when, if he wishes to surrender the life policy, he may have \$1,000, the cash value and accumulated bank deposits making up the amount. The great advantage claimed for the plan is that if the man who takes the life policy dies at the end of the fifteenth year, for example, his heirs not only get \$1,000 from the life insurance company but they also receive the accumulated deposits from the savings bank; whereas the man who has the endowment policy gets merely \$1,000.

RESULTS NOT SO GOOD AS INSURANCE.

Considering in the first place results at the end of 20 years only, an examination of our policies does not indicate that whole life insurance with bank deposits at 4 per cent. would give as good a result as one of our 20 year endowment policies. This of course involves the consideration of dividends but in order that there may be no question of dividends or premium loading, net premiums may be used. Mr. P. C. H. Papps, actuary of the Mutual Benefit, prepared the following table on the basis of the American Experience table of mortality with 4 per cent. interest. He says in explanation "The net premiums for 20 year endowment and ordinary life policies are shown, together with the difference. The sum to which this difference would accumulate if deposited each year at 4 per cent. interest for 20 years is then shown. To this is added the reserve on the ordinary life policy at the end of 20 years and the total is the amount of the reserve and the supposed bank account at the end of 20 years. The amount by which this falls short of \$1,000 is shown in the last column.

Age	PREMIUM		Amount of diff. per annum, accumulated for 20 yrs.		Ord. Life reserve end of 20 years	Total	Deficiency (\$1000)
	End't. 20	Ord. Life	Diff.	for 20 yrs.			
(1)	(2)	(3)	(4)=(2)-(3)	(5)	(6)	(7)=(5)+(6)	(8)-(7)
25	\$37.36	\$14.21	\$23.15	\$716.94	\$196.87	\$913.81	\$ 86.19
35	38.35	18.84	19.51	604.21	294.75	898.96	101.04
45	41.35	27.12	14.23	440.69	412.91	853.60	146.40
55	50.56	42.79	7.77	240.63	529.23	769.86	230.14
60	60.07	55.45	4.62	143.08	588.70	731.78	268.22

The deficiency in the last column shows how much a man must forfeit who is unwilling to take the

chance of not living for 20 years." Thus, the man of thirty-five who takes a life policy and deposits the differences each year, on surrender of the life policy at the end of 20 years will not have as much by \$101.04 as the man who takes the endowment policy and the deficiency increases with advancing age at entry.

THE DIFFERENCE BETWEEN THEORY AND PRACTICE.

As for results at death prior to the end of 20 years, it is true that if the deposits have been regularly made and the life insurance kept up the heirs will realize a greater sum than they would under an endowment policy only; but when it is remembered what pressure it is so often necessary to bring to bear upon policyholders in order to induce them to remit premiums when due, it seems improbable that the differences would be regularly deposited—as the making of these deposits would not be regarded as so urgent as the payment of the life premium. While therefore the plan would be all right in theory, it is very unlikely it would work out in practice, especially in this country where the opportunities of investment are so many and varied. The deposit itself would be so readily available to meet pressing demands that it is not likely it would be kept intact to carry out the original purpose of accumulating a substantial amount at the end of a given period of years.

The man who wishes "the greatest amount of assurance for the least possible outlay" takes the ordinary life policy and it is a mistake to suppose that the insurance company does not welcome this class of business; but it is not to every man that a whole-life policy will be issued so that even if Mr. Smith's contention were to be generally accepted, there would still be a field for endowment assurances among sub-standard risks. The endowment policy fits the case with certain hazards which are not liable to arise until after a certain number of years. The insurance terminates before the critical period of life arrives but furnishes protection in the meantime. Using Mr. Smith's arguments in these cases, the endowment policy is the half loaf which is better than no bread.

A general summing up leads to the conclusion that in deciding upon the plan it is a matter of fitting the policy to the policyholder. An improvident young man might never save anything unless he were induced to take an endowment policy so that the inference in this case, as in others which might be cited, is plain. Nevertheless, credit is due Mr. Smith for placing in an interesting manner an idea which cannot fail to be a benefit to life insurance in general.

BRITISH LIFE COMPANIES' BUSINESS.

It is stated that the British life offices are doing well enough just now in regard to new business. Policies which partake of an investment character appear to be chiefly in demand and single payment assurances are also proving more attractive than usual. This kind of policy appeals to the alarmed investor as being "safe as Consols," and, while providing a sum assured which is liable to no shrinkage, is readily employable for any needs that may arise by means of loan or part-surrender. Immediate annuities, too, are selling well, and some companies which hitherto have not been keen on the business are now showing activity in this department.



RAILWAY PASSENGERS ASSURANCE COMPANY

OF LONDON, ENGLAND

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

HEAD OFFICE FOR CANADA
AND NEWFOUNDLAND

TORONTO, ONTARIO

F. H. RUSSELL, *General Manager.*

**Oldest Accident
Office**

MONTREAL BRANCH

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



Transacts :

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

Applications for direct Agencies invited.

ELECTRICAL BANK and STORE PROTECTION
SPRINKLER SUPERVISORY SERVICE
NIGHT WATCHMEN'S SIGNAL and FIRE ALARM SYSTEMS

Head Office, GRESHAM BUILDING MONTREAL
302 ST. JAMES STREET

F. J. J. STARK, *General Manager.*

THE FEDERAL LIFE ASSURANCE COMPANY OF CANADA

made a record for 1913 that will be hard to surpass. The Annual Report just issued showed improvement and increase in every item of the Company's operations. One of the most gratifying was that the Total General Expenditure WAS LESS THAN IN EITHER 1912 OR 1911, despite a large increase in business in force and new business written. The percentage of General Expenses to Premium Income showed the large decrease of 2.2 per cent. An Agency with this Company would therefore be desirable.

—Write—

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

WAR

WILL TEST THE STRENGTH OF THE WORLD'S FINANCIAL INSTITUTIONS.

THE NATIONAL LIFE ASSURANCE COMPANY OF CANADA

holds an IMPREGNABLE POSITION by reason of the Unequaled character of its Assets, which are immune from the effects of War, Panic or Depression.

A CONTINUOUS RECORD FOR FIFTEEN YEARS—NO ARREARS of Interest or Principal on any of its invested funds.

—SAFETY FIRST—

A COMPANY OF QUALITY

Several good agency openings for Producers. Apply direct to

Head Office: 25 Toronto Street, Toronto.

ELIAS ROGERS, *President.*

ALBERT J. RALSTON, *Managing Director.*

F. SPARKING, *Secretary*

WANT A BETTER JOB?

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

For further particulars, write

THE
IMPERIAL LIFE ASSURANCE COMPANY
Head Office - TORONTO

WAR EXTRA.

No extra premium for service with Canadian Contingents while in Canada and Great Britain.

Reasonable extras for Active Service elsewhere.

Special terms to non combatant members of Contingents.

GRESHAM LIFE ASSURANCE SOCIETY, LTD.

Established 1848. Funds \$53,000,000

GRESHAM BUILDING - - - MONTREAL.

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

ESTABLISHED 1824

Capital,	\$30,000,000
Total Assets,	56,646,549
Deposited with Dominion Gov't,	320,645
Invested Assets in Canada,	5,188,555

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

JAMES H. BREWSTER, Manager

ESINHART & EVANS Resident Agents Montreal
MEDLAND & SON Toronto
ALLAN KILLAM & MCKAY, LTD. Winnipeg

TABLES OF COMPOUND INTEREST

for each rate between $\frac{3}{4}$ and 10 per cent per annum proceeding by intervals of one-eighth, and from 1 year to 100 years. I. Present value of £1 receivable at the end of each year. II. Present value of £1 per annum receivable at the end of each year. III. Amount of £1 at the end of each year. IV. Amount of £1 per annum at the end of each year.

By the Late Lieut.-Col. W. H. OAKES, A.I.A.

Price \$5.

On Sale by The Chronicle, Montreal.

Endowments of The Mutual of Canada.

Dejected speculators in mining stocks, real estate bargains, oil shares, etc., bestrew the landscape thick as autumn leaves these days. Their hopes have fallen "thick in the blast."

The lucky man to-day is the one who invested his money in Mutual Life Endowment policies! These combine household protection with a safe and remunerative investment.

Each \$100.00 invested has produced all the way from \$127.00 to \$193.00, according to the term of the endowment, exclusive of the insurance feature.

Mutual Life endowments are the very thing to buy and to SELL in days of panic and in war-time.

The Mutual Life Assurance Co.

Of Canada,

WATERLOO - - - ONTARIO

PROVINCE OF QUEBEC { To Wit :-
CITY OF MONTREAL

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

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

ANGLO-AMERICAN FIRE INSURANCE COMPANY MONTREAL-CANADA FIRE INSURANCE COMPANY

Established 1859

J. W. RUTHERFORD, A. B. DUFRESNE,
General Manager, Provincial Agent.

ROOM 21, DULUTH BUILDING,

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

CABLE ADDRESS "RYKERT"

E. G. RYKERT & COMPANY
Stocks Bonds and Investments
22 St. John Street,
MONTREAL.

LIFE AGENTS' MANUAL.

New and Greatly Enlarged Edition now ready.

Price \$3.00.

PUBLISHED BY

THE CHRONICLE

Lake of the Woods Bldg., St. John St., Montreal.

Over \$481,000,000



new business paid for in 1913. Faith kept with Policyholders made possible this wonderful achievement.

WE WANT AGENTS.

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

GENERAL

ACCIDENT **FIRE** AND LIFE

ASSURANCE CORPORATION, LTD.
 OF PERTH, SCOTLAND.

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

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

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

The WATERLOO
Mutual Fire Insurance Co.

ESTABLISHED IN 1863

HEAD OFFICE : WATERLOO, ONT.

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

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

Union Assurance Society Limited

OF LONDON, ENGLAND.

[Fire Insurance since A.D. 1714]

Canadian Branch :

Corner St. James and McGill Streets, Montreal
T. L. MORRISEY, - Resident Manager
 Agencies throughout the Dominion.

Representing

THE MUTUAL LIFE
INSURANCE COMPANY
OF NEW YORK

You will make money.

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

FOR TERMS TO PRODUCING AGENTS, ADDRESS:

George T. Dexter

2nd VICE PRESIDENT

34 Nassau Street

New York, N.Y.

Organized



Assets

\$8,020,276.62

Surplus to
Policyholders

\$3,615,126.66

Applications for Agencies invited.

Canadian Head Office
MONTREAL

J. W. BINNIE . . . Manager

GOVERNMENT, MUNICIPAL AND CORPORATION BONDS

Our list comprises carefully selected offerings of Canadian Municipal, Government and some of the best class of corporation bond issues suitable for the investment of the funds of banks, trust and insurance companies, estates and private investors. The securities we offer combine the two essentials of a satisfactory investment, namely, safety and good interest return.

WOOD, GUNDY & COMPANY.

LONDON, ENG.

TORONTO, CAN.

Traffic Returns.

CANADIAN PACIFIC RAILWAY.				
Year to date.	1912.	1913.	1914.	Decrease
Sept. 30...	\$94,191,000	\$98,836,000	\$82,959,000	\$15,877,000
Week ending	1912.	1913.	1914.	Decrease
Oct. 7....	\$2,765,000	\$3,145,000	\$2,275,000	\$872,000

GRAND TRUNK RAILWAY.				
Year to date.	1912.	1913.	1914.	Decrease
Sept. 30...	\$38,252,976	\$42,205,150	\$39,213,401	\$2,991,749
Week ending	1912.	1913.	1914.	Decrease
Oct. 7....	\$1,058,587	\$1,088,759	\$1,008,265	\$80,494

CANADIAN NORTHERN RAILWAY.				
Year to date.	1912.	1913.	1914.	Decrease
Sept. 30...	\$14,450,900	\$16,488,400	\$14,407,600	\$2,080,800
Week ending	1912.	1913.	1914.	Decrease
Oct. 7....	\$471,700	\$575,600	\$563,900	\$11,700

TWIN CITY RAPID TRANSIT COMPANY.				
Year to date.	1912.	1913.	1914.	Increase
Sept. 30...	\$6,014,835	\$6,506,116	\$6,870,005	\$363,889
Week ending	1912.	1913.	1914.	Increase
Sept. 7....	\$2,8,093	\$218,422	\$185,293	Dec. *\$33,129
" 14....	160,559	170,362	200,402	Inc. *30,040
" 21....	158,502	170,276	181,489	" 11,213
" 30....	196,132	222,049	228,615	" 6,566

* Change in date of State Fair.

HAVANA ELECTRIC RAILWAY COMPANY			
Week ending	1913.	1914.	Decrease
Oct. 4....	58,554	48,810	9,744
" 11....	56,861	53,634	2,927

DULUTH SUPERIOR TRACTION CO.				
Week ending	1912.	1913.	1914.	Decrease
Sept. 7	24,033	25,934	25,760	174
" 14	10,477	25,529	23,784	1,745
" 21	4,885	25,043	25,736	Inc. 693
" 30....	11,910	33,788	32,036	Dec. 1,752
Oct. 7....	12,879	24,299	24,856	Inc. 557

CANADIAN BANK CLEARINGS.

	Week ending Oct. 15, 1914	Week ending Oct. 8, 1914	Week ending Oct. 16, 1913	Week ending Oct. 17, 1912
Montreal..	\$42,360,992	\$55,000,664	\$59,787,975	\$68,192,936
Toronto....	30,956,255	41,284,806	45,579,131	46,582,098
Ottawa....	3,445,364	4,334,300	4,371,715	4,471,292

NOTE: Five days only this week.

MONEY RATES.

	To-day	Last Week	A Year Ago
Call money in Montreal...	6-7%	6-7%	5½-6%
" " Toronto ..	6-7%	6-7%	5½-6%
" " New York..	6-7%	6-8%	3½%
" " Londo	1½-2%	1½-2%	3½-3½%
Bank of England rate	5%	5%	5%

**Montreal Tramways Company
SUBURBAN TIME TABLE, 1914**

Lachine :

From Post Office—		10 min. service 5.40 a.m. to 8.00 a.m.		10 min. service 4 p.m. to 7.10 p.m.	
10	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	5.50	8.00	20	8.00 p.m.	to 12.10 a.m.
10	9.00	4 p.m.	Extra last car at 12.50 a.m.		

Sault aux Recllet and St. Vincent de Paul:

From St. Denis to St. Vincent—		20 min. service 5.20 a.m. to 6.00 a.m.		30 min. service 8.00 p.m. to 11.30 p.m.	
10	6.00	8.00	30	8.00 p.m.	to 12.00 mid.
10	4.00 p.m.	8.00	Car to Hendersons only 12.00 mid.		
10	4.00 p.m.	8.00	Car to St. Vincent 12.40 a.m.		

From St. Vincent to St. Denis—

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

Cartierville:

From Snowdon's Junction—		20 min. service 5.20 a.m. to 10.40 p.m.	
40	10.40 p.m.	to 12.00 mid.	
From Cartierville—		20 min. service 5.40 a.m. to 11.00 p.m.	
40	11.00 p.m.	to 12.20 mid.	

Mountain :

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

Bout de l'Île:

20 min. service 5.00 a.m. to 8.00 p.m.	
30	8.00 p.m. to 12.00 midnight

Tetraulville:

15 min. service 5.00 a.m. to 6.30 p.m.	
30	6.30 " 8.30 p.m.

The organisation of the London and Lancashire Indemnity of New York, which the London and Lancashire Fire is backing in order to take care of the business in the United States of the London and Lancashire Guarantee and Accident of Toronto, has been delayed owing to the European war. The Company was to have been ready for business during August. As soon as the European situation assumes a more settled condition the organisation will be completed. Until then the Canadian Company will take care of the business.

SPRINKLER PROTECTION INSUFFICIENTLY APPRECIATED.

Why is it that so many business men who are generally, and properly, regarded as capable and astute, continue to forego both protection and profit which may be had without cost to themselves? We refer to the advantages which may be derived from the installation of automatic sprinkler equipments in mercantile and manufacturing plants, says the New York *Spectator*. These are, and are so widely recognized as being, thoroughly efficient protectors of property from fire, that the fire insurance companies grant great concessions in premium rates for their presence in buildings upon which (or their contents) insurances are written. This system of heavy discounts has become so well settled that there are various responsible construction concerns which will undertake to install approved automatic-sprinkler systems, without a cent of additional outlay by the property-owner, upon a basis of remuneration derived solely from the savings in insurance premiums for a certain limited period. Thus it is that the property-owner not only virtually assures his immunity from loss by fire, with its consequent vexations and interruption of business, but ultimately becomes the owner of a protective system which yields material financial savings annually. Again, we ask, why do so many bright and enterprising business men fail to take advantage of such an opportunity to protect themselves from loss and at the same time save considerable money yearly?

Lloyds' Underwriters are reported to have been doing a big business this week in insurance against bombs dropped by German Zeppelins on London. The rate has varied all the way from 60 cents to \$2.50 per cent., the higher rates being for buildings in localities, which it is popularly supposed would be particularly susceptible to attack—near the Houses of Parliament, the Mansion House, the Bank of England, St. Paul's and Buckingham Palace.

