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THE LIFE UNDERWRITERS' CONVENTION.

MONTREAL, the metropolitan city of the Dominion, will welcome with open arms next week, the delegates who from east and west come to the fifth annual convention of the Life Underwriters' Association of Canada. The arrangements made both by the executive of the Dominion Association and by the Montreal Association promise a gathering which will be the most successful of any of the conventions that have yet been held by the Life Underwriters, and it is THE CHRONICLE'S pleasure to express the hope that each of the delegates will find his visit as pleasant and profitable an experience as anything in this line that he has ever enjoyed.

ITS UTILITY.

IT will be noted that we say profitable as well as pleasant, and that for the very good reason that the convention is not a mere junket. On the contrary, it meets with serious intentions and aspirations of service to the insurance man in the field, and to the business of insurance as a whole. It is true that the social side of the gathering will not be neglected—Montreal hospitality has seen to that. But the rule of the convention is business first, and the detailed programme which is printed elsewhere, shows the practical and inspirational character of that business. The subjects of discussion are all live topics; the special speakers, insurance executives and others—men like Mr. Haley Fiske, of New York, the Hon. W. T. White, etc.—who can not only speak, but speak with authority on their respective subjects. The result should be, and we doubt not, will be, that every delegate will go back from the conference, not only freshly inspired, but brim-full of new ideas, which will not only widen his horizon but be of practical service to him as he buckles to again at his work in the field.

THE ASSOCIATIONS' WORK.

THOSE who have followed the course of the insurance business in the Dominion at all closely during recent years will be familiar with the good work which has been accomplished by the Association movement in Canada during its comparatively short life. In bringing together the agents of the various companies, it has not only produced good feeling where, under other circumstances, there might easily be nothing but bad feeling, but it has accomplished good, solid work in the raising of the standard of insurance field representa-

tion, in stopping "twisting" and the like and in helping forward the social service side of insurance. So much it has already to its credit, and with the excellent spirit that animates alike the executives both of the Dominion and the local associations it is reasonable to anticipate that the immediate future will see not only a great extension of the movement, but a very large widening and intensifying of its interests with results that can hardly fail to be beneficial to the business of life insurance in Canada. For our own part, we are particularly glad to note that prominence is being given at the present convention to the subject of the insurance companies and social service, and that a speaker so eminently qualified as Mr. Haley Fiske has been secured to deal with it. Of the important part which social service will play in the insurance operations of the future, it is at the moment not necessary to speak. What is of moment at the present time is that insurance men in the field should appreciate its prospective importance and should become fully acquainted with the opportunities which they have of rendering that service. That many are aware of the opportunities and of the importance of their being taken advantage of is shown by the action along these lines, which several of the Associations have already initiated. The stimulus of Mr. Haley Fiske's address will no doubt result in further action.

THE CONVENTION AND MONTREAL.

WE do not propose to weary our visitors here by placing before them a bewildering array of statistics regarding the city in which they meet. If they are our frequent visitors they will be aware of the rapidity with which the city is developing, and of the importance, and quickly increasing importance, of its manufacturing, commercial and financial operations. If they are not frequent visitors, they will find on every hand, as they go about the city, the evidences of activity, and even our visitors from the young and enthusiastic west, will be fain to confess, when they have made our acquaintance, we fancy, that here in this city of Eastern Canada, we are managing to "keep our end up" pretty well in the task of development and upbuilding that is being undertaken in Canada from sea to sea. With a present population of 600,000, we look forward confidently to the time—and that at no distant date—when Montreal will have entered the "million class" of the cities of the world. Not perhaps before the convention comes again, because we hope that every member of the convention will find the present gathering so pleasant and profitable that he will want to come to Montreal again soon.

Established 1817 **BANK OF MONTREAL** Incorporated by Act of Parliament
 Capital Paid Up, \$15,992,880.00 Rest, \$16,000,000.00 Undivided Profits, \$698,463.27
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Drafts on South Africa and West Indies may be obtained at the Bank's Branches. Issues Circular Notes for Travellers, available in all parts of the world. Agents in Canada for the Colonial Bank, London and West Indies.

Prominent Topics.

Minister of Militia to Visit Europe. Colonel the Hon. Sam. Hughes, Minister of Militia, has returned to Ottawa from Western Canada. He says he found a splendid spirit existing amongst the troops. The cadet movement was particularly popular. "I find the respectable and reputable element are looking upon our volunteer system in a different light from the past."

The Minister will sail on Wednesday for England and take part in the manoeuvres at Aldershot. Subsequently he will visit France where he has been invited to be present at the army manoeuvres. He will also go to Germany and possibly some other European countries to study their respective military systems. Col. Hughes will be accompanied by several officers who will take part in the Aldershot manoeuvres. Col. Maunsell, Chief of the Engineering Staff, will study particularly aeroplanes and wireless; Col. Hartstone will study the question of arms and ammunitions. Other officers who are going with a view to making the Canadian army more efficient are Col. Morrison of Ottawa, Col. Hodgins, of London and Col. Landry, of Quebec.

Binder Twine Famine. Western Canada is threatened with a shortage of binder twine at a rather critical moment. The scarcity is attributed to two causes, the quality test, which keeps out a good deal of American twine; and the credit system, which has discouraged the English manufacturers. A Canadian dealer says that some of the principal English exporters have practically abandoned the market because of their losses, through the credit system prevailing. One of these firms on five-year-old debts was only able to collect forty or fifty cents on the dollar, and another lost twelve hundred on orders aggregating a little over three thousand. These English firms do business at home on a strictly cash basis, and were not prepared to undertake the very heavy expenses of collection here.

"The twine market is on a cash buying basis, and it requires a year's capital ahead to run it. It is unlike any other commodity, for it is impossible to take a lien note on it, like on farm machinery, as the security evaporates as harvest proceeds. If selling were on a cash basis, the selling price might be cheapened, and incidentally these British manufacturers would be encouraged to re-enter the field. But, of course, many farmers are in no shape to pay for the twine till after harvest."

The harvest is a bountiful one, and it ought not to be beyond the resources of Canadian ingenuity to get over such a difficulty as a shortage of binder twine on the spot. It seems to be largely a question of finance.

Canadian Northern Developments.

Sir Donald Mann states that the Canadian Northern, from the north end of the Mount Royal tunnel to Vancouver, will be finished in eighteen months. He also says that the Montreal terminals will cost from \$15,000,000 to \$20,000,000. Regarding the movement of the wheat crop Sir Donald states that the C. N. R. brought out last year about thirty per cent. of the export and no doubt they would get as much as they would be able to handle during the present year. "We realize what it all means," he added, "and for this reason 9000 men are at work between Montreal and Port Arthur building the main line with all possible speed and about the same number on the British Columbia sections."

The Canadian Railway and Maritime World says the Railway Commission has approved of the location plans of the James Bay and Eastern Railway in the township of Roberval, P.Q. Grading on the line from outside Roberval was on July 19 reported to be completed to Chute à l'Ours, about eighty miles, and track-laying was to be started on August 1. J. P. Mullarkey is the contractor. It is said that the line will be extended along the valley of the Ashuapmouchouan River and through the Chibougamou country to Nottaway Bay or James Bay.

This extension of the Lake St. John route is said to be part of the Canadian Northern system.

Montreal Harbour Statistics.

During the month of July this year vessels visiting the port numbered 21 less than in July last year, but there was an increase in their tonnage of 18,205 tons. Figures for this and the three preceding years are: 1909, 347 vessels, 899,128 tons. In 1910, 351 vessels, 1,041,721 tons; 1911, 372 vessels, 1,112,409 tons, and during July this year, 351 vessels and 1,130,614 tons. The collector of customs reported receipts amounting to \$38,000 during July, 1912, as compared with \$34,500 during July, 1911, from imports. Revenue from exports during the same periods, \$17,000 during the past month, and \$16,000 during July last year. Total, \$55,000, as against \$50,500 for July, 1911. The wharfinger for local traffic reported receipts amounting to \$67,530.74, as against \$57,381.71. Adding the amounts previously reported as having been received since the opening of navigation each year, totals are arrived at of \$191,729.16 for the present season up to and including July 31, as against \$176,380.73 for last year during the corresponding period. The increase is therefore \$15,348.43. The above totals were received, from imports \$105,000 this year and \$108,000 last; exports, \$38,000 this year and \$37,500 last; local traffic, \$48,729.16 this year and \$30,880.73 last. This shows a decrease of \$3,000 in imports, a small increase in exports, and an increase in local traffic amounting to nearly \$18,000.

THE CANADIAN BANK OF COMMERCE

Paid-up Capital - \$15,000,000
Reserve - 12,500,000

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The Bank transacts every description of banking business, including the issue of Letters of Credit, Travellers Cheques and Drafts on Foreign Countries, and will negotiate or receive for collection Bills on any place where there is a Bank or Banker.

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Incorporated by Act of Parliament, 1853.

Capital Paid up - \$4,000,000
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CAPITAL PAID UP - 6,425,000.00
RESERVE FUND - 6,425,000.00
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The Chronicle

Banking, Insurance and Finance

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THE GENERAL FINANCIAL SITUATION.

The Bank of England secured most of the \$4,250,000 African gold offered in London this week. Bank rate is unchanged at 3 p.c. In the London market call money is 1 3/4 to 2; short bills are 3 per cent.; three months' bills, 3 1/16 to 3 1/8. Bank rate in Paris is 3 p.c. and in Berlin 4 1/2 as heretofore. Private rate of discount in Paris is 2 5/8 and in Berlin, 4 per cent.

European financial circles are disposed to attach much importance to the American crops as an international factor, and buying orders emanating from the stock markets at the European centres have had some influence in making the Wall Street situation more favorable to higher quotations for securities. In New York call money is 2 7/8 to 3 p.c.; sixty day loans, 3 1/2 to 3 3/4; ninety days, 3 3/4 to 4 p.c.; and six months, 4 1/2 to 4 3/4. According to the Saturday statement the clearing house institutions (banks and trust companies) expanded loans \$955,000 and increased their cash holdings \$1,840,000.

As a result the excess cash reserve increased \$380,300 from \$20,398,050 to \$20,788,250. In the case of the banks alone the loan expansion was \$8,025,000, the cash increase \$373,000, and the decrease of surplus, \$1,803,000. The surplus here amounts to \$17,728,500.

This surplus appears none too large for financing such heavy crops as are indicated for the United States. From now until November the clearing house banks will be shipping large parcels of currency regularly to Chicago, St. Louis and other centres for use in crop moving, and the movement promises to have a marked effect on the bank position. However, while it is to be expected that money rates will tend to rise as the main body of the grain reaches the marketing centres, it is not anticipated that acute stringency will develop. If there had been in New York and in other important American centres periods of tight money during the summer or spring, then there would be more reason to expect abnormally high rates when the task of moving the crops was added to the other work of the banks. But that has not been the case. For a long time interest rates have been dishearteningly low from the lenders' point of view. Even in those periods in which the supply of cash at the centres has fallen to the lowest point for the year, interest rates have not been unduly high.

In short, the course of the money market during the past two or three years has been such as to indicate that there are important reserves or stores of liquid capital within reach of the market apart altogether from the surplus shown in the New York bank statement. If the occasion arises, as it doubtless will, the clearing house institutions at the metropolis can resort, to a certain extent, to the old device of shifting loans to trust companies and other outside institutions. Indeed as a matter of fact a moderate rise in interest rates operates automatically to increase the available funds of the New York banks. When call loan interest rates approach or pass the 4 p.c. level a considerable amount of deposits held by the banks will be utilized to take up the bank loans.

A wealthy capitalist with bank deposits aggregating \$2,000,000 will be tempted to put say \$1,000,000 of his funds into call loans when the rate to be obtained on them is practically double that paid by the banks on deposits. Hence occurs a fall of \$1,000,000 in the bank deposits not accompanied by a loss of cash; and the banks as a whole have a quarter of a million more in the way of surplus reserves.

Then there is Europe to draw upon. For the purpose of moving an enormous crop or for financing a great industrial and commercial revival, London and Paris can be counted upon to provide all that is needed. Such advances would be on short

THE BANK OF TORONTO

Incorporated 1855.

Head Office: TORONTO, Canada.

Capital - - - - - \$4,600,000
 Rest - - - - - 5,600,000

Directors:

DUNCAN COULSON President
 W. G. GOODERHAM Vice-President
 JOSEPH HENDERSON 2nd Vice-President
 Wm. H. Beatty, John Macdonald, Robert Reford,
 Lt. Col. A. E. Gooderham, Hon. C. S. Hyman, Nicholas Bawlf,
 William Stone, Lt. Col. Frank S. Melghe
 THOMAS F. HOW General Manager
 T. A. BIRD Inspector

BRANCHES:

ATLANTIC	London, 4 offices	Waterloo	Pilot Mound
Toronto, 19 offices	Lyndhurst	Welland	Portage la Prairie
Allandale	Millbrook	Wyoming	Rosburn
Barrie	Milton	QUEBEC	Swan River
Berlin	Newmarket	Montreal 5 offices	Transcona
Bradford	Oakville	Maisonneuve	SASKATCHEWAN
Brantford	Ottawa	Gaspé	Brandon
Brockville	Port Springs	St. Lambert	Churchbridge
Barford	Omeca	ALBERTA	Colonsay
Cardinal	Parry Sound	Calgary	Elstow
Colborne	Penetanguishene	Coronation	Glennavon
Coldwater	Peterboro	Lethbridge	Kennedy
Collingwood	Petrolia	Meaford	Kipling
Copper Cliff	Port Hope	Vancouver, 2 offices	Langenburg
Cresmore	Preston	N. Westminster	Montmartre
Dorchester	St. Catharines	Aldergrove	Pelly
Elmvale	Sarnia	Merritt	Preeceville
Galt	Shelburne	NAVIORA	Springside
Gananoque	Stayner	Winnipeg	Stenen
Hastings	Sudbury	Wolsley	Sommerberry
Haxelock	Thornbury	Bealto	Yank
Keene	Wallaceburg	Cartwright	Yorkton
Kingston			

BANKERS:

LONDON, ENO—The London City and Midland Bank, Limited.
 New York—National Bank of Commerce.
 Chicago—First National Bank.

Capital Paid up \$7,800,000 Reserves \$8,820,000
 Assets \$114,000,000

The Royal Bank of Canada

INCORPORATED 1869

HEAD OFFICE - MONTREAL.

185 BRANCHES THROUGHOUT CANADA

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

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 Bank of Nova Scotia

INCORPORATED 1832.

CAPITAL \$4,000,000
 RESERVE FUND 7,500,000

HEAD OFFICE: HALIFAX, N.S.

DIRECTORS

JOHN Y. PAYZANT, President CHARLES ARCHIBALD, Vice President
 G. S. Campbell, J. W. Allison, Hector McInnes
 N. Curry, J. H. Plummer, R. E. Harris
 General Manager's office, TORONTO, ONT.
 H. A. Richardson, General Manager, D. Waters, Asst. Gen. Manager
 Geo. Sanderson, C. D. Schurman, E. Crockett, Inspectors

102 BRANCHES 102

Branches in every Province of Canada, Newfoundland, Jamaica & Cuba.
 UNITED STATES: Boston, Chicago, New York
 Correspondents in every part of the World. Drafts bought and sold
 Foreign and Domestic letters of credit issued Collections on all points.

The Dominion Bank

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

Capital Paid Up : : : \$ 4,900,000
 Reserve Fund : : : 5,900,000
 Total Assets : : : 73,000,000

THIS BANK OFFERS

Corporations, Business Houses and Municipalities unsurpassed banking facilities.
 Branches, Agents and Correspondents all over the world.

Collections Promptly Made and remitted;

Head Office Toronto

The Metropolitan Bank

Capital Paid Up - - - \$1,000,000.00
 Reserve Fund - - - - 1,250,000.00
 Undivided Profits - - - 138,046.68

Head Office - - - TORONTO

S. J. MOORE, President
 W. D. ROSS, General Manager

A GENERAL BANKING BUSINESS TRANSACTED

The Bank of Ottawa

NOTICE is hereby given that a dividend of Three per cent. being at the rate of Twelve per cent. per annum, upon the paid up Capital Stock of this Bank, has this day been declared for the current three months, and that the said dividend will be payable at the Bank and its Branches on and after the third day of September, 1912, to shareholders of record at the close of business on the 17th August next.

By order of the Board,

Geo. Burn,
 General Manager.

Ottawa, Ont., July 15, 1912.

THE CHRONICLE

is THE BANKER'S weekly journal, widely appreciated for its special articles and comprehensive statistics—the latter equalled by no other publication in Canada.

date paper. Upon good names and satisfactory rates of interest, the big European banks would be ready to advance an ample sum. The congestion in Europe applies particularly to newly issued securities. However, with a rising stock market and crop financing both in evidence it is likely that call loan interest rates in New York would get several points above the present quotations.

Call loans in Montreal are 5 p.c. and in Toronto $5\frac{1}{2}$ as heretofore. The banking preparations for handling the Western crops are practically complete. Since the end of July large additional amounts of the new Government \$5 bills have been put into circulation and it is to be expected that by the end of August the total will have risen to very respectable figures. With the coming of September the extra issue power of the banks is available. Rumors to the effect that the Canadian Light & Power interests have been carrying on an aggressive campaign for control of the Montreal Light, Heat & Power Company have perplexed the street this week and last. But the disposition is to take them not too seriously until the evidences are more clearly visible. Some of the more optimistic speculators were disappointed that the C. P. R. directors had no announcements to make, after Monday's meeting, regarding a new stock issue. But those who know the management of the company did not expect that Sir Thomas Shaughnessy and his colleagues would allow themselves to be hurried or hustled by the too importunate speculative cliques. As it is, an official notice has since been issued that on October 2, there will be a special meeting of shareholders to authorise an increase of \$60,000,000 in the common stock.

HOW THE ROYAL BANK'S ISSUE POWER IS AFFECTED BY THE MERGER.

Attention has been drawn on several occasions to the fact that the going into effect of the Royal-Traders consolidation will tend to decrease the note issuing power of the Canadian banks. The Royal Bank's stock goes into the consolidation at 240, while Traders' stock goes in at 180. At the end of June the paid-up capital of the latter bank had been brought to the amount of \$4,480,000 to facilitate the conversion of the stock. Thus \$4,480,000 Traders Bank stock at 180 per cent. has a value of \$8,064,000 for consolidation purposes. At the fixed rate of 240 per cent. this \$8,064,000 worth of Traders' stock requires the issue of \$3,360,000 Royal Bank stock.

According to the figures appearing in the June bank statement the ordinary tax free issue power of the two banks was \$12,387,790—Royal, \$7,007,790, and Traders, \$4,480,000. The two banks actually had outstanding at the end of the month \$11,207,141—Royal, \$7,262,464, and Traders, \$4,034,677. The maximum amount of Royal Bank circulation outstanding at any one day in June is given as \$7,509,632 and the maximum for the Traders as \$4,043,453. So, if it happened that both banks reached the maximum on the same day the high point of the combined circulations would be \$11,613,085, or a matter of about \$775,000 less than the combined authorized circulation.

After the consolidation is effected, assuming that no increase takes place meanwhile in the Royal's paid-up capital, the authorized ordinary issue power of the consolidated bank will be \$7,007,790 (the Royal's capital as at present) plus \$3,360,000 (the increase necessitated by the purchase of Traders' stock), or \$11,267,790 in all. If the banks' circulation during July and August remains at the level obtaining at the end of June, the consolidated bank would have to contract its issues perhaps by half a million dollars or more immediately on taking possession of the Traders' business providing it does not have recourse to the excess issues. And if, as seems highly probable, the note issues of the two banks rise approximately to the legal limits during July and August, the Royal will require upon consolidation to reduce its outstanding notes by a million dollars or more in order to keep within the limits of the ordinary issue power.

However, a contraction of the note issues of the consolidated bank will not be forced upon it. Quite probably the bank officials selected September 1st as the date for the going into effect of the consolidation, for one reason because the excess issue rights become available then. No doubt it was necessary to give the clerical forces of the two banks several months' time to prepare and complete the work incidental to consolidation. And perhaps it would not have been easy to advance the date of consolidation to any great extent. But it is reasonable to suppose that the Royal officials considered that the transfer of issue power could be effected with the minimum of risk when the season of the excess issues had been entered.

By taking advantage of the extra power the consolidated bank need not contract the circulation at all. Suppose that at consolidation the Royal finds itself responsible for note issues amounting to \$12,300,000—approximately the sum of the authorized circulations of the two banks as separate concerns. After consolidation the ordinary issues power would be \$11,267,790. So, at once, without having increased its issues, the bank would have an excess issue, subject to tax, of \$1,002,210. During the six months from 31st August to 1st March, the hardship under which the bank would be, is the transfer of about \$1,120,000 of circulation from the free to the taxed column. If this amount of circulation were in use uninterruptedly for the period of six months, the tax payable by the bank would amount to \$28,000, which sum is an important consideration even for a big bank.

The liability to this tax would have a tendency to cause the bank to endeavor to work up its discount rates wherever that could be done. And, of course, after the season of the extra issues expired—on 1st March—the bank would then have to contract its issues until they came within the bounds of its paid-up capital.

So far as the extra right of issue is concerned the consolidation would have the following effect. As at June 30th, the Royal had capital \$7,007,790 and rest \$8,878,560. Acquisition of the Traders will call for the issue of \$3,360,000 new stock at 240. The total amount available for crediting capital and rest would be \$8,064,000. Of this total \$3,360,000 are to be credited to capital paid, making it \$11,267,790, and \$4,704,000 must be credited to rest, making it \$13,582,560. Combined capital and

THE HOME BANK of Canada

Notice is hereby given that a Dividend at the rate of SEVEN PER CENT per annum upon the paid up Capital Stock of the Home Bank of Canada has been declared for the THREE MONTHS ending the 31st August, 1912, and the same will be payable at its Head Office and Branches on and after Tuesday the 3rd September, 1912. The Transfer books will be closed from the 17th to the 31st August, 1912, both days inclusive.

By order of the Board.

JAMES MASON.

Toronto, 17th July, 1912.

General Manager

Montreal Trust Company

Incorporated 1889

CAPITAL - - - \$500,000.00
RESERVE - - - \$200,000.00

Our Booklet on Wills contains interesting and valuable information. It will be sent on application

DIRECTORS

H. S. Holt, President	N. Curry	Hugh Paton
Robt. Archer, Vice-Pres.	Hon. R. Dandurand	E. L. Pease
Sir W. M. Aitken, M. P.	Geo. E. Drummond	James Redmond
J. E. Aldred	T. J. Drummond	F. W. Ross
A. J. Brown, K.C.	F. P. Jones	W. B. Ross, K.C.
Fayette Brown	Wm. Nelson Macpherson	A. Haig Sims
Geo. Coverhill	C. E. Neill	

V. J. HUGHES, MANAGER

142 Notre Dame Street, W.

The National Life Assurance

COMPANY OF CANADA.

Head Office, National Life Chambers, TORONTO

Mr. ELIAS ROGERS, President.

Mr. ALBERT J. RALSTON, Vice President & Managing Director

Business in force on the 1st April 1912	-	\$16,400,000.00
Premium Income thereon	-	\$555,000.00
Total Cash Assets	-	\$2,010,000.00
Surplus to policyholders over	-	\$490,000.00

The LIFE AGENTS MANUAL, \$3.00

THE CHRONICLE - MONTREAL.

The Royal Trust Co.

TRANSPORTATION BUILDING

CAPITAL FULLY PAID - \$1,000,000

RESERVE FUND - \$1,000,000

Board of Directors:

Right Hon. LORD STRATHCONA & MOUNT ROYAL, G.C.M.G.
PRESIDENT.

Sir EDWARD CLOUSTON, Bart.,
VICE-PRESIDENT.

SIR H. MONTAGU ALLAN,	SIR W. C. MACDONALD, H.V. MERRIDITH
R. B. ANGUS	HON. R. MACKAY
A. BAUMGARTEN	A. MACNIDER
E. B. GREENSHIELDS	SIR T. G. SHAUGHNESSY, K.C.V.O.
G. R. HOMER	SIR WILLIAM C. VAN HORNE, K.C.M.G.
	C. B. GORDON

H. ROBERTSON, Manager

SAFETY DEPOSIT VAULTS:

Bank of Montreal Bldg., 109 St. James St.,
MONTREAL.

The Standard Loan Co.

We offer for sale debentures bearing interest at FIVE per cent per annum, payable half-yearly. These debentures offer an absolutely safe and profitable investment, as the purchasers have for security the entire assets of the company.

Capital and Surplus Assets - \$1,400,000.00
Total Assets - \$2,800,000.00

President: J. A. KAMMERER.

Vice-Presidents: W. S. DINNICK, Toronto, HUGH S. BRENNEN,
Hamilton.

Head Office: Cor. Adelaide and Victoria Sts., TORONTO

The Trust and Loan Co.

OF CANADA

Capital Subscribed.	-	\$14,600,000
Paid-up Capital.	-	2,920,000
Reserve Fund.	-	1,499,950
Special Reserve Fund	-	473,600

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

30 St. James St., Montreal

"THE OLDEST SCOTTISH FIRE OFFICE"

THE CALEDONIAN

INSURANCE CO. OF EDINBURGH.

Founded 1805.

Head Office for Canada,

DOMINION EXPRESS BUILDING
Montreal

JOHN G. BORTHWICK,
Canadian Manager.

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.

AUGUST 16, 1912

rest would be \$24,850,359, on which the excess issue power would be \$3,727,554.

As about a million dollars of this excess issue power may be exhausted through the shrinkage of the capital account at consolidation there might remain only about \$2,800,000 of margin. Last year the Royal did not use more than \$622,712 of its extra issue power; and the Traders used some \$5-5,000. In all the two banks used about \$1,150,000. If the consolidated bank uses an additional amount of say \$1,300,000 this fall, over and above the million dollars with which it may start, it would still have a comfortable margin of safety.

These calculations do not take account of increase of the Royal Bank's capital through continuation of the payments now being made or through issue of more new stock.

THE RISE AND FALL OF ASSESSMENT SOCIETIES.

The Spectator of New York has just published its annual informing statistics showing the lapses, death losses and membership in assessment societies.

The tabulation of 60 companies over 15 years old is divided into four groups, the first including twelve organizations over thirty-five years old. These companies have survived remarkably, but now show the logical results of decadence. In 1911, as in 1906 and 1901, the lapses have exceeded two-thirds of the certificates written, while death losses have steadily grown and the aggregate membership has fallen off.

The second group, of thirteen companies between thirty and thirty-five years old, presents a period in assessment life history where, although the membership shows steady increase through the decade, the lapses are also on the gain; but the mortality has also grown from 10.38 per 1,000 certificates in 1906 to 12.17 in 1911. This clearly shows how, although organizations which have reached the point where they can no longer recruit their membership from selected lives, and although they can still increase in numbers, it is only at the cost of losing the better risks through heavy lapsation, and suffering a high mortality from the impaired lives which persist.

In division three, containing organizations between twenty and twenty-five years old, is shown a sharp decline in death ratios as compared with the preceding groups. It is, however, here, as elsewhere, on the increase, although numerically smaller, and already shows the steady upward tendency which can lead to but one result—dissolution and disappointment.

The last section, of twenty-six companies organized between fifteen and twenty years ago, shows a slightly more favorable mortality, doubtless due to the youth of the majority of members; and the growth in membership may be ascribed to the same cause, which would make for low cost. On the other hand, the lapse ratio had in 1911 reached the appalling figure of 45.65 per cent. as compared with new issues.

A glance at the totals and averages of the entire table only brings out more sharply the conclusions to be drawn from an analysis of the several groups. Although the membership has increased from 2,758,299 in 1901 to 4,040,496 in 1906 and to 4,901,184 in 1911, the death rate per 1,000 certificates has advanced steadily and the lapses have been enormous.

THE PROPOSED NEW AMERICAN EXPERIENCE MORTALITY TABLE.

A committee of the Actuarial Society of America, composed of Arthur Hunter as chairman, John K. Gore and E. E. Rhodes, have reported on a proposition to compile a new American Experience Table of Mortality, to the effect that the time is not propitious for the task. In their report they say:

It is recognized that the Actuaries' Table is not well adapted to the mortality experience on insured lives in the United States and Canada, and that the American Experience Table is largely based on the data of one company and on the judgment of a single actuary, besides being an old experience. It has, however, served its purpose well, the reserves based upon it being safe and not excessive, so far as present experience goes. The companies have, known for many years that their experience, especially during the early years of insurance, has been more favorable than would be indicated by the American table, but advantage has been taken of this fact to meet a large part of the acquisition expenses out of the savings in mortality.....

LOWER RESERVES UNLIKELY.

There seems to be a widely prevalent impression that a new mortality table showing a lower death rate would result in lower reserves. Such a result, however, is unlikely. Let us assume that a new mortality table based upon the more recent experience of the companies in the United States and Canada on standard insured lives would show a death rate ranging from forty per cent. of the death rate according to the American table at the youngest age, to 90 per cent. at the older ages. It will be agreed, we think, that this reduction in the death rate would be, if anything, larger than could reasonably be expected. A comparison of this modified death rate with the death rate of the American table, and with the death rate shown by the OM table, which represents the latest experience of British companies, would be as follows:

Age.	American.	British.	Modified American.
10	.00749	.00338	.00300
20	.00780	.00404	.00290
30	.00843	.00595	.00506
40	.00979	.00915	.00686
50	.01378	.01504	.01102
60	.02669	.02887	.02269
70	.06199	.06207	.05579
80	.14447	.13844	.13002
90	.45454	.30075	.40909

The figures in the last column are necessarily arbitrary, the object having been to obtain rates which are under those of both the American experience and the latest British experience.....

The experience in Great Britain has been that with each successive table, showing generally a lower rate of mortality, higher reserves in the aggregate have been required. It is evident, therefore, that a table of mortality showing a lower death rate than at the present American table would not for that reason require lower policy reserves.

NO REDUCTION TO POLICYHOLDERS.

Moreover, the adoption of a new table of mortality showing a lower death rate than the present table would not necessarily reduce the cost of insurance to the policyholders. This cost is determined by the expenses of management and by the death rate

actually experienced, and not by the death rate shown in the table used for computing premiums and reserves. At the present time policyholders are receiving in the dividends credited to their policies the benefit of the death rate actually experienced, and this would not be affected by the adoption of a new mortality table. Among all companies, participating and non-participating, if lower net premiums were used the loadings would doubtless have to be increased, unless the margin of safety be possibly too greatly reduced. The resulting gross premiums would probably vary but little from those now charged.

While the reasons for the preparation of a new mortality table of insured lives are many and important, certain conditions exist that will prevent such a table from being entirely satisfactory for all purposes for which it may be used.

For example, the territory to be covered is so vast that there are substantial differences in the death rates among selected lives in the various sections. It might happen, therefore, that small companies operating in less favorable localities would eventually become insolvent by using insufficiently loaded premium rates based upon the mortality on select lives in the United States and Canada.

Again, the determination of the number of years of experience that should be included in the investigation will be of the greatest importance. In view of the improvement in average longevity during the last thirty years the table of mortality would not represent present-day conditions if the companies should contribute data taken from their entire experience, for the heavier mortality of the earlier years would have a tendency to increase the death rates of the new table.

Still another difficulty arises from the fact that investigations separating the experience under term, whole life, limited payment life and endowment policies generally show that the mortality on low premium policies is relatively greater than on higher premium policies. A new table based largely upon the experience on policies on the higher premium plans might not be suitable for a company whose business varied therefrom; for example, a company issuing the larger proportion of its business on the term system.....

The public mind has become enlightened to the fallacy of the "pay-as-you-go" idea in life insurance, where experience of the most bitter kind has shown that an adverse selection always operates against assessment associations. The typical history of such a company is that at the start many young and healthy risks, lured by the low cost, take policies. But the time arrives when mortality begins to be felt in the number and amount of assessments called. Then the new members, realizing that by sacrificing the few small assessments already paid they may secure fairer protection elsewhere, and foreseeing constant and intolerable increases in the rates, drop out. So the remaining membership is composed of impaired risks, who stick to their certificates as a last ray of hope, and those who have persisted so long that they continue their contracts in the hope that the association will last longer than they do.—The Spectator, N.Y.

PROGRAMME OF THE LIFE UNDERWRITERS' CONVENTION AT MONTREAL.

For months past the executive of the Life Underwriters' Association of Canada and the members of the Montreal association have been busy with their arrangements for the convention which opens next Wednesday evening. How far they have achieved success it will be for the 300 delegates to judge. All that need be said here is that if their intentions and the energy which has been brought to bear for many months are any criterion, the delegates will enjoy the best convention in the Association's history. Business and pleasure have been on this occasion separated. Thursday and Friday will see the transaction of a considerable amount of solid business, as well as the delivery of addresses by eminent insurance men, which cannot fail to be of great interest. The evenings and Saturday are devoted to the social side of the convention, and it goes without saying that Montreal will not fall behind in its traditional hospitality.

WEDNESDAY, AUGUST 21st.

Moonlight Excursion with reception by members Montreal Association.

Addresses of Welcome:—Mayor of Montreal;

Arthur B. Wood, Actuary, Sun Life Assurance Co. of Canada;

H. H. Kay, President, Montreal Association;

J. C. Tory, M.P.P., President, C. L. U. of Quebec.

Replies:—H. C. Cox, Chairman Executive Committee;

L. Brackett Bishop, President National Association of L. U., Chicago, Ill.

THURSDAY, AUGUST 22nd.

9.00 a.m.—Assembling of members and signing of register.

9.30 a.m.—Opening of Convention.

Prayer.

Roll Call.

President's Address.

Secretary's Report.

Treasurer's Report.

Report of Executive Committee.

Report of Special Committees:

Advisory Committee.

Transportation Committee.

Committee to act in conjunction with Committee from Life Officers' Association.

Committee to revise Constitution and By-Laws.

Committee on Publicity.

11.30 a.m.—Address, L. Brackett Bishop of Chicago, President National Association of Life Underwriters.

THURSDAY AFTERNOON.

2.30 p.m.—Appointment of Nomination Committee.

Five-minute topic in charge of E. R. Machum, St. John, N. B. Subject: "Insurance Literature and Advertising."

(a) To what extent should circulars be used in canvassing?

(b) Newspaper advertising.

(c) How can local Associations best interest the Press in Insurance information?

Presentation of Association cup and reading of prize essay. Subject: "A practical plan of co-operative publicity."

4.00 p.m.—Address: "Life Insurance and Social Welfare." Mr. Haley Fiske, New York.

THURSDAY EVENING.

Banquet.—Windsor Hotel. Speakers: Hon. W. T. White, Geo. A. Somerville, Toronto, Vice-Pres. Life Officers' Association; Hon. Geo. P. Graham; S. P. Stearns.

FRIDAY, AUGUST 23rd.

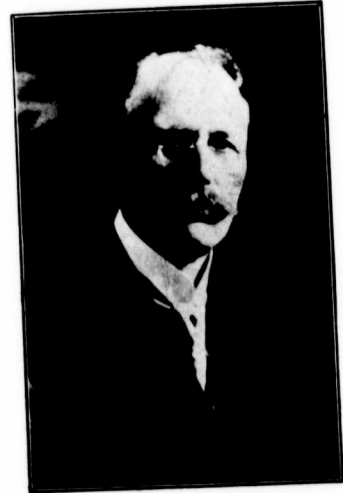
9.30 to 12.30 a.m.

9.30 a.m.—Discussion on Executive Committee's Report. Discussion on report of Committee to Revise Constitution, New Business.

*Prominent Officials at the Montreal Convention
Life Underwriters' Association of Canada.*



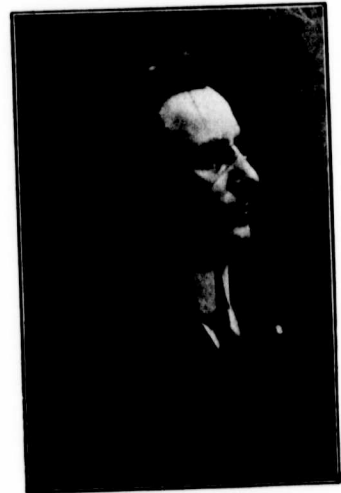
A. HOMER VIPOND.
President, L.U.A.C.



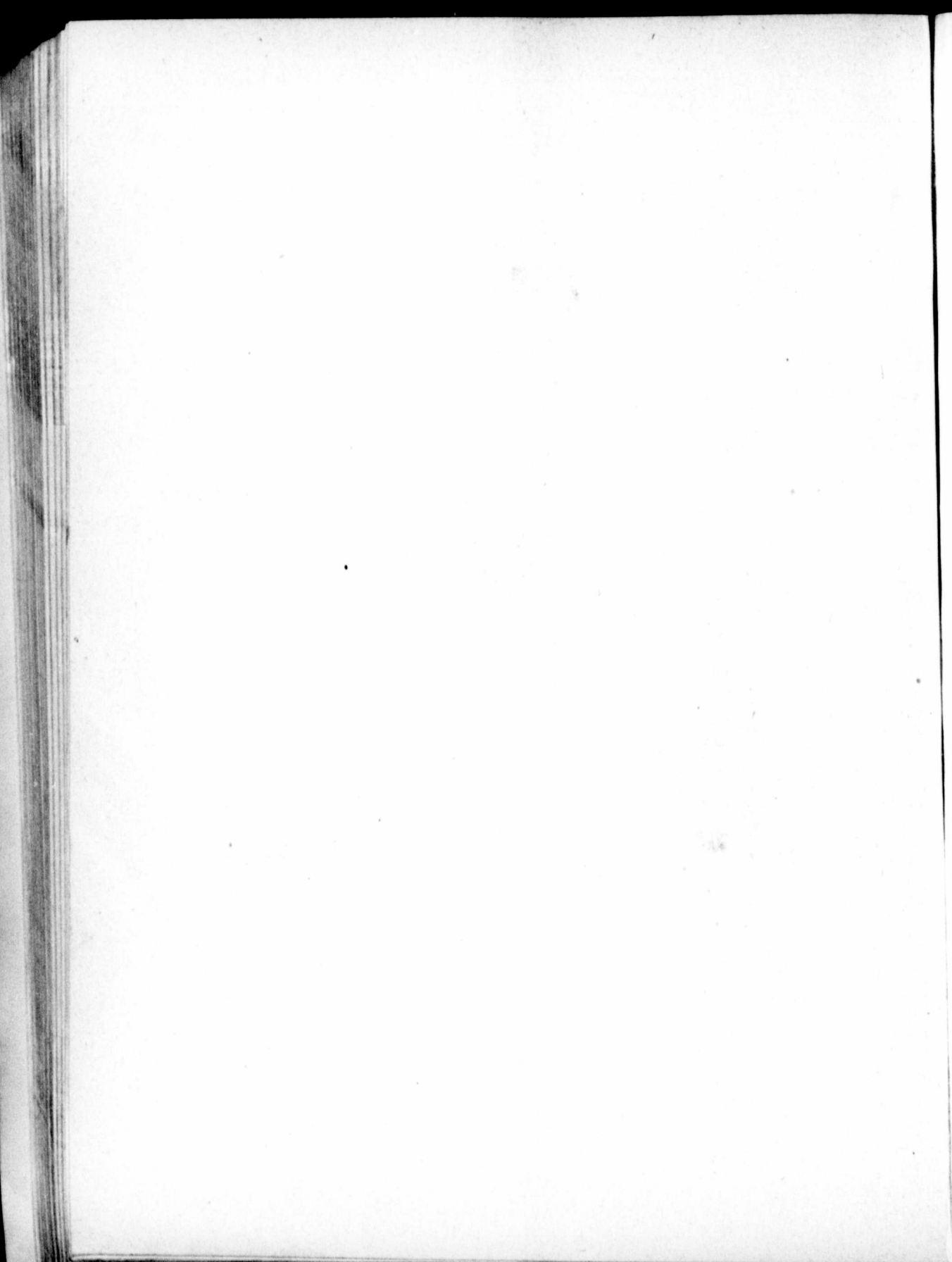
JAMES C. TORY, M.P.P.
President, Province of Quebec Association.



HARRY H. KAY.
President, Montreal Association.



GEORGE E. WILLIAMS.
Secretary-Treasurer, L.U.A.C.



- 10.30 a.m.—Reading of letters of regret, etc.
 Five minute discussion on "Is a pension for long service desirable?"
 "What are the best means of retaining agents with the Company?" (In charge, W. G. Keddie, Ottawa.)
- 11.30 a.m.—Address by W. C. Johnson, Esq. of Boston, Vice-Pres. Columbian National Ins. Co.
- 12.00 noon—Award of prize offered by Mr. Geo. H. Allen and reading of essay. Subject: "Building an Agency."

FRIDAY AFTERNOON.

- 2.30 p.m.—Five-minute topic, in charge of E. W. Owen, Calgary. Subject: "How best to increase our business by adopting new forms."
 (a) Partnership or corporation insurance.
 (b) Income Insurance.
- 3.30 p.m.—Address: Hon. J. A. De Boer, President, National Life of Vermont.
- 4.00 p.m.—Report of Nominating Committee.
 Election of Officers.
 Selection of next place of meeting.
 Award of cup offered by Mr. J. R. Reid for Association showing the largest percentage of increase in membership.
 Award of gold fob presented to the member proposing the largest number of new members, by Mr. Vipond.
 Award of cup offered by Mr. R. J. Stuart, of Toronto, for prize essay. Subject: "The service rendered by the L. U. A. to the public and its members."

NOTE.—All meetings on Thursday and Friday will be held at the Windsor Hotel.

FRIDAY EVENING.

Visit to Dominion Park (Special Cars).

SATURDAY, AUGUST 24th.

- 9.00 a.m.—Drive through city and up to Mount Royal.
 11.30 a.m.—Leave by special train for Ste. Anne de Bellevue.
 12.00 noon—Luncheon in Macdonald College grounds.
 1.00 p.m.—Inspection of College.
 4.00 p.m.—Take steamer for sail down Lake St. Louis and the Lachine Rapids.
 6.00 p.m.—Return to Montreal.

ONTARIO RETAIL MERCHANTS AND STATE INSURANCE.

Their Association Wishes the Merchants to be Left Out of any Scheme of Compulsory Accident Insurance—Sir William Meredith's Enquiry.

At the resumption of the sittings of the Commission on Workmen's Compensation at the Parliament buildings, Toronto, Mr. E. M. Trowern, secretary of the Retail Merchants' Association for Ontario, voiced an unequivocal opposition to any form of State insurance. He was against all forms of public ownership, anything that savored of socialism, and asked the Commissioner, Sir William Meredith, to leave the retail merchants out of any scheme that he would recommend to the Government. Mr. Trowern was anxious to know whether the proposed scheme would mean that business would be taken out of the hands of insurance companies and handed over to the State.

Sir William replied: "It means that an assessment will be made by a Government board upon all employers, varying according to the risk to cover compensation to be paid for all accidents. If an accident happens in a retail merchant's establishment he and his class are assessed to compensate for it. If occupations are classified then each class bears the loss in itself."

Instancing that assessments would vary according to risks and the dry goods man could not pay as

much as the butcher, Sir William answered Mr. Trowern's request that the merchants be an exception by pointing out the anomaly that would exist if a retailer's employe were exempt and that of a small manufacturer next door insured.

"We are unconsciously drifting into a socialism that has to be choked," declared Mr. Trowern. "The retail merchant is the poorest man who has invested the most and gets the least out of it. The moment you begin to remove responsibility from the individual you make him careless, and carelessness is the great danger."

F. J. Wegenast, representing the Canadian Manufacturers' Association, proceeded to argue from his brief, and refused to accept the professional risk theory that employes should be compensated regardless of negligence on their part. The Commissioner pointed out that contributory negligence usually had little weight with a jury as a vehicle of defence. Mr. Wegenast claimed that the individual employer should not be held responsible for damages for something that was not his fault. The English act was opposed to that principle. The employe should not be relieved of the result of his own wrongdoing. While juries had been against contributory negligence as a defence in litigation, Mr. Wegenast pointed out that the Court of Appeal often upheld this contention as an important factor in deciding the case.

Mr. Wegenast recommended that a non-partisan commission be appointed to manage the system. It should be quasi-judicial and a judge of the High Court should be chairman. He objected to railways being allowed to maintain their own insurance schemes, as, in the event of the railways becoming insolvent or passing to another company, there would be no guarantee the long term assurance would be kept up. Instead of driving the liability insurance companies out of business, Mr. Wegenast declared that the benefits derived from such assurance would at once become so apparent that an even greater business would be done.

WINNIPEG'S FIRE LOSS.

Fire Commissioner's Survey.

Slackness of administration and general carelessness leading to heavy fire losses are severally scored in a bulletin which has just been issued by Fire Commissioner Lindback, of Manitoba, drawing attention to the heavy fire record of 1912 in his district. Commissioner Lindback says in part:—

January 3, the Excelsior garage burned, with a loss of \$115,000, caused through carelessness and ignorance. On the 22nd of the same month a cold storage plant was destroyed through carelessness also, at a loss of \$15,000. March 6, a sash and door factory was destroyed with a loss of seven lives, and a property loss of \$24,000 because of non-conformity with the city by-law, and because of non-inspection by the proper city authorities. Other reasons were because two or three barrels of gasoline were handled under the name of naphtha, and were, therefore, not considered dangerous. March 5, fire started in a building while the occupants were still in the office, causing a loss of \$20,000 through a lighted match being carelessly thrown away.

April 23—The Brown-Rutherford plant was destroyed by a spark from their smoke stack falling in

Guardian Assurance Company

Limited, of London, England

Subscribed Capital, \$10,000,000 Paid-up Capital, \$5,000,000

Total Assets, over \$33,000,000

Deposited with Dominion Government, over \$600,000

Canadian Branch: Head Office, Guardian Building, MONTREAL.

CANADIAN TRUSTEES:

W. M. Ramsay, (Chairman)
J. O. Gravel, R. Wilson-Smith.

H. M. LAMBERT, Manager.

BERTRAM E. HARDS,
Assistant Manager.



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T. J. Drummond, *Esq.*
J. Gardner Thompson, *Manager* J. W. Binnie, *Deputy Manager*



Head Office: 112 St. James Street, Montreal

DIRECTORS:

Sir E. S. Clouston, Bart., *President*
J. Gardner Thompson, *Vice-President and Managing Director*
Sir Alex. Lacoste, *M. Chevalier, Esq.* Wm. Molson Macpherson, *Esq.*
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"Strong as the Strongest"

Accumulated Funds, \$38,800,000

HEAD OFFICE FOR CANADA,
88 NOTRE DAME STREET WEST,
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G. E. MOBERLY, *Supt. of Agencies.*

ROBERT W. TYRE, Manager.

LOSSES PAID EXCEED \$235,000,000

ROYAL EXCHANGE ASSURANCE

Founded A. D. 1720

Head Office for Canada
ROYAL EXCHANGE BUILDING,
MONTREAL.

ARTHUR BARRY, *Manager*



Office Royal Exchange, London

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

.. 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. S. COLLEY, *Joint Managers.*

the sash and door warehouse during a very heavy wind, and the fire getting beyond the fire department's control for want of sufficient water at the beginning of the blaze. Loss, \$250,000.

May 3.—A fire started on the platform of a warehouse located on the C.P.R. track by a spark from an engine falling in rubbish on the platform, notwithstanding the parties have frequently been warned about removing such rubbish. The loss from this fire was \$34,000, and to prove how little effect a lesson of this kind has, on June 20, another fire started under exactly similar conditions, but with less loss because there was not so much to burn.

May 30.—Fire started in an unfurnished house on Home street, causing a loss of \$20,000. At the time I suggested the need of watchmen in such buildings under construction, but with no other results than we have since lost about \$50,000 or more from similar fires in buildings under construction.

The province at large presents a similar record of indifference to fire prevention, although naturally a smaller money loss, but the fact to be deducted from the fire record is that while Canada and the continent have realized the need of prompt and drastic action, where epidemics and diseases are in evidence, we are lamentably far behind in the work of fire protection.

THE ITALIAN LIFE INSURANCE MONOPOLY.

Particulars of a Daring Experiment now to be made by a European Government—The First Important Instance of Life Insurance as a State Monopoly—How the Scheme will be Worked.

The daring action of the Italian Government in forcing through Parliament a bill establishing life insurance in Italy as a government monopoly—and this with little regard to existing interests—is interesting not only in itself, but because it is a novel departure for the government of a country occupying an important place in world politics. There has now been issued by the Association of Life Insurance Presidents an English translation of the new law. As the first important instance of life insurance being made a state monopoly, it may be useful to summarise some of the outstanding provisions. It may be noted that in addition to the Italian life companies, a number of English, notably the Gresham and the Norwich Union, and American life companies have transacted for many years life insurance in Italy. The treatment they receive under the present law is hardly complimentary to the Italian Government's sense of equity.

Section 1 of the new law provides that insurance on human life in all its possible forms shall be exercised as a monopoly by the National Insurance Institute, established in Rome. The insurance policies issued by the National Institute are guaranteed by the State.

Section 2 says that societies, associations, companies, firms and individuals who in any manner whatsoever exercise insurance on human life in the Kingdom, shall not be entitled to any guarantee, compensation or indemnity from the State or the National Insurance Institute for any reason or cause whatsoever, in connection with any consequence of whatever nature directly or indirectly arising from the monopoly established by this law.

Section 3 provides that Section 1 shall not apply to: (1) Insurance and savings institutions whose aim, recognized by law, is to provide annuities or pensions or indemnities in determined cases; (2) financial institutions for savings and indemnities, as are already recognized by Royal decree; (3) societies for mutual assistance and benevolent orders without purpose of gain and which accept insurance for their members for amounts not over 1,000 lire, or a yearly income not over 400 lire; (4) public administrations or private firms as provide directly annuities, pensions or indemnities in case of death to their personnel; (5) Contracts for life annuities stipulated in accordance with Sections 1780 and following of the Civil Code.

Section 4.—All contracts for life insurance concluded in the Kingdom against the provisions contained in this law are null and void and no action can be taken in order to enforce the execution of the said contracts or even for settlement of damages or reimbursement of expenses.

Whoever shall make or secure or induce others to secure contracts or propositions concerning insurance in the interest of Italian or foreign firms, shall be subject to a penalty not less than 10 per cent. and not more than 20 per cent. of the amount insured, or the value of the capital represented by the life annuity contract.

AGENTS' COMPENSATION.

Section 11.—Agents and solicitors shall be paid on a commission basis, proportionately to the number and amounts of contracts concluded. No other compensation of any kind whatsoever shall be paid to them, with the exception of bonuses as the Institute may decide to give to the solicitors who shall have secured the greatest amount of business.

Postmasters and other post-office employees, as shall be designated by the Minister of Post and Telegraphs, notaries, as well as secretaries and employees of municipalities, may be authorized to secure business for the Institute.

The yearly profits are to be distributed as follows:—(a) An amount equal at least to 7 per cent. for the ordinary reserve; (b) the amount established by the by-laws as guarantee reserve and any other reserve as may be necessary or convenient; (c) an amount not over 5 per cent. to be distributed among the technical and administrative personnel and solicitors of the Institute. The remainder shall be all paid to the Pension Institution for aged and invalid workmen.

RESERVE AND INVESTMENTS.

The technical rules for calculating the reserve shall be determined by the by-laws.

All reserves and funds of the Institute shall exclusively be employed as follows: 1. In bonds of the consolidated public debt of the Kingdom of Italy; 2. In other bonds issued or guaranteed by the Italian Government; 3. In bonds issued by financial institutions authorized to loan on real estate; 4. In advances on mortgages of the bonds as mentioned in preceding paragraphs 1, 2 and 3; 5. In purchasing, by cession or substitution, annuities due by the Italian Government; 6. In loans on insurance policies within the limits of their value in connection with loans; 7. In city real estate within the Kingdom, provided the properties are free from any mortgage or lien whatsoever and not over the 10

COMMERCIAL UNION

ASSURANCE COMPANY LIMITED
of LONDON, England

Capital Fully Subscribed	\$14,750,000
Capital Paid Up	1,475,000
Life Fund, and Special Trust Funds,	66,136,780
Total Annual Income exceeds	37,500,000
Total Assets exceed	115,000,000
Total Fire Losses Paid	147,603,475
Deposit with Dominion Govern- ment	1,269,327

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—
**Commercial Union Building,
MONTREAL**

W. S. JOPLING, J. McGREGOR.
Assistant Manager Manager

PALATINE

INSURANCE COMPANY LIMITED
of LONDON, England

Capital Fully Paid	\$500,000
Fire Premiums 1911, Net	\$2,264,769
Interest, Net	129,270
Total Income	\$2,394,039
Assets	\$4,000,000
Deposit with Dominion Gov't	\$105,666

*In addition to the above Assets there is the
further guarantee of the Commercial Union
Assurance Company Limited*

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—
**Commercial Union Building,
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Assistant Manager Manager

SUN INSURANCE OFFICE

FOUNDED A.D. 1710.

Head Office:
Threadneedle Street - London, England
The Oldest Insurance Office in the World

Surplus over Capital and all Liabilities exceeds
\$10,000,000

Canadian Branch:
15 Wellington Street East, Toronto, Ont.
H. M. BLACKBURN, Manager

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

ESTABLISHED 1809

Total Funds Exceed Canadian Investments Over
\$85,805,000 \$8,280,742

FIRE AND LIFE

North British and Mercantile
INSURANCE COMPANY

DIRECTORS
A. MACNIDER, Esq., Chairman CHAS. F. SISE, Esq.
G. N. MONCEL, Esq. WM. McMASTER, Esq.

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

ANGLO-AMERICAN FIRE INSURANCE COMPANY

Head Office, 61-65 Adelaide St. East, Toronto

E. E. A. DU VERNET, K.C., President
H. H. BECK, Manager

INSURANCE

Phœnix of Hartford Company

Total Cash Assets : \$10,737,657.32
Total Losses Paid : 67,969,830.19

J. W. Tatley, Manager.
MONTREAL.

Applications for Agencies Invited.

The MONTREAL-CANADA FIRE INSURANCE COMPANY

ESTABLISHED 1859.

Head Office: 59 St. James St., Montreal

per cent. of the reserve capital; 8. In advances to employees and workmen of the State, Provinces and Municipalities, Public Benevolent Institutions, Public Chattel Mortgage Institutions, Chambers of Commerce, financial institutions authorized to issue banknotes, provided these advances are guaranteed by the assignment of salaries due to such employees in the measure as fixed by the laws June 30th, 1908, No. 335, and July 13th, 1910, No. 444. The trustees shall be held jointly and severally responsible for any employment or investment of funds contrary to the provisions of this Section, with the exception of those trustees whose vote against such employment or investment is recorded in the minutes of the meeting.

HOW THE COMPANIES ARE TREATED.

Insurance contracts on human life which were stipulated previous to the enactment of this law shall continue to be valid in accordance with general and particular clauses as fixed by policies. Nothing contained in this law shall be so construed as to allow insurance companies to cancel or modify contracts outstanding.

Within ninety days of the enactment of this law, all foreign and domestic life insurance companies doing business in the Kingdom shall present to the Registry of the place where they have their principal office in Italy, a list of all life insurance policies issued by them and still outstanding, with the following details for each policy: Number, date of issue, Christian and family names of the beneficiary, form of insurance contract and amount insured.

The amount insured by each contract outstanding at the time of the enactment of this law cannot be increased. All contracts stipulated for the purpose of increasing the amounts previously insured shall be null and void.

All contracts of insurance on human life which shall not have been listed and closed in accordance with the provisions of this Section, and within the time as established for this purpose, shall be null and void and considered as a fraud against this law, whatever their dates may be.

Tontine associations and associations of similar nature, whether domestic or foreign, are forbidden in Italy, and their members are transferred to the National Accident and Pension Institute and the National Insurance Institute.

The domestic and foreign companies which, at the time of the approval of this law exercise the life insurance business in the Kingdom shall, within one month, present to the Minister of Agriculture, Industry and Commerce, their mortality tables and the rate of interest which was their basis for reckoning the reserves at the closing of their last fiscal year.

The National Insurance Institute may, if requested by any domestic or foreign life insurance company, take over the life insurance contracts of any such company, as were stipulated in the Kingdom previous to December 31st, 1911, provided the said company shall pay, or offer good guarantees for, acceptable to the Board of Trustees, to the Institute the amount of the reserves corresponding to the duration of the contracts, net of all cost and charges not yet settled.

(To be continued.)

LIABILITY COMPANIES AND THE PREVENTION OF INDUSTRIAL ACCIDENTS.

What is Being Done by One Insurance Company—Education that Pays—Workmen's Caution More Important than Machinery Safeguards.

(David Van Schanck, Director Bureau Inspection and Accident Prevention, Aetna Life of Hartford.)

My company have always maintained an expensive inspection department, whose expert inspectors have visited the plants and operations of our assured, pointing out dangerous conditions and recommending safeguards for them, and urging safer methods of doing work for which no safeguards could be employed. We have gathered together the experience of the entire world in these respects and have selected from it what seemed practicable here and placed it at the disposal of our clients. We have also to stimulate interest in accident prevention by exhibits, by illustrated lectures, and by a number of publications which we have gladly presented to anyone who wished to make use of them. All this we have done for three reasons—it pays us to prevent accidents, it pays our assured to prevent accidents, and it is our duty and theirs to do everything in our power to curtail the industrial waste of human life and limb so far as is possible.

It is hardly necessary to say that not all accidents can be prevented; if they could be, we should have to find a new definition for the word accident. Nor can all those which are preventable be prevented in the same way. So much has been said by well-meaning enthusiasts about mechanical and material safeguards, safety devices as they are commonly called, that one not familiar with the subject might easily infer that the installation of a sufficient number of those would prevent every accident that is at all avoidable. Without belittling the great value of such safeguards, it may be said that nothing could be further from the truth.

The work of accident prevention is a much more complicated problem, and divides itself into a number of closely allied branches. Prominent among these may be mentioned, in addition to the guarding of dangerous places:

The provision of ample room about machinery and of an adequate supply of light.

Regular inspection of all structures, machinery, tools, and other appliances, so that defects or unsuitable conditions may be promptly remedied.

Careful selection and instruction of workmen, and their assignment to work for which they are not unsuited.

The promulgation of rules for safe working, and their rigid enforcement.

The inculcation of habits of caution into the minds of all concerned.

The provision of ample room and of an adequate amount of light is so evidently a prime requisite for safety that the necessity for them need merely be mentioned.

Keeping a mill well cleaned up and orderly arranged is equally essential. One of the best safety experts in the country said to me recently that if he had to choose between a mill which had a lot of safeguards but was not well kept and one which had few safeguards but in which the practice was to have everything orderly and neat, he would take his chances on the latter.

(To be continued.)

THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated : 1833.

HEAD OFFICE : TORONTO

Old Reliable Progressive
Assets over - - 2,000,000.00
Losses paid since organization
over - - \$35,000,000.00

DIRECTORS :

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26 St. Sacrament Street : : MONTREAL

NORWICH UNION FIRE OFFICE.

Founded 1797.

AGENTS WANTED

Head Office for Canada : : TORONTO.

JOHN B. LAIDLAW, Manager.

JOHN MacEWEN, Superintendent at Montreal.

L'UNION FIRE INSURANCE COMPANY, Limited

Head Office : PARIS, France.

Established 1828

Capital fully subscribed . . \$2,000,000.00
Net Premiums in 1910 . . 4,651,840.00
Total Losses paid to 31st Dec., 1910 78,500,000.00

Canadian Branch :

94 NOTRE DAME ST. WEST, MONTREAL

Manager for Canada :

MAURICE FERRAND.

First British Insurance Office Established in Canada, 1804

INTENDING ASSURERS

Should read the "THREE MINUTES" Leaflet
of the

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

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

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

LIFE ASSURANCE

conducted under the most favourable conditions is capable of
affording:

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

(1) A **UNIFORM ADDITION** of \$85 per \$1,000 was
declared on all classes of Full-Bonus Policies.

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

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

Agents Wanted

Established 1864.

New York Underwriters Agency.

Policies secured by Assets - \$24,565,655

PROVINCIAL AGENTS.

MURPHY, LOVE, HAMILTON & BASCOM, Jno. Wm. MOLSON,
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OSLER, HAMMOND & NANTON, WHITE & CALKIN,
Winnipeg, Man. St. John, N.B.
ALFRED J. BELL, HORACE HANZARD,
Halifax, N.S. Charlottetown, P.E.I.

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

LONDON MUTUAL FIRE INSURANCE CO.

HEAD OFFICE TORONTO
ESTABLISHED 1859

Assets on December 31st 1911 . . \$926,906.76
Liabilities on December 31st, 1911 . . \$337,306.07
SURPLUS on December 31st, 1911 \$589,600.69
Security for Policy Holders . . . \$967,910.97

F. D. WILLIAMS,

Managing Director

Notes and Comments.

Increase of Railway Taxes.

There has been much comment in financial circles on the rapid increase in the amount of taxes paid by the big corporations. The executive head of the Union Pacific Railway system, in presenting his annual report, referred particularly to the increasing burden of taxation laid on the companies. President Lovett explained that in a single year the Union Pacific taxes increased \$906,000 and Southern Pacific taxes increased \$770,000. In the five years 1907 to 1912, on both systems taxes have doubled. Union Pacific was mulcted of \$4,368,788 in 1912 as against \$2,099,734 in 1907; and Southern Pacific was levied upon for \$5,621,239 in 1912 as against \$2,896,501 in 1907.

Reference was also made to other legislative enactments which serve to increase the expenses and enhance the difficulty of operation. The boiler inspection law, the hours of service law, the full train crews laws, and the so-called safety appliance laws are mentioned as having substantially increased operating expenses. If the course of events in United States railroading followed the natural course, these abnormal impositions of taxes and of troublesome performances would find practically instantaneous reflection in the schedules of freight rates published by the railways. When by means of harassing laws the legislatures interfere to make the operations of corporations more expensive, the first resource of the harassed concerns is to raise prices to their customers. The executive officers naturally wish to give the proprietors a reasonable return on the capital invested by them; and often the only way to continue doing that when taxes, etc., are increased is through passing the added costs on to the parties who buy the companies' products.

But in the case of the railways this means of relief is not available. Over them stands the Interstate Commerce Commission, with authority to regulate freight rates. Before the railways can raise freight rates they must secure the consent of the Commerce Commission. That body has hitherto stubbornly refused to allow any increases, and has even ordered rates reduced in some instances. Union and Southern Pacific are two rich corporations. They have a sufficient margin of earning power to maintain their dividends. But upon their stockholders injury has been inflicted through denying them increased returns. In the long run such a policy as is now in force in the States in connection with the railroad business must have considerable effect in lessening the value of the services performed by the transportation companies. These will seek at every turn to minimize and reduce their expenses and that must react injuriously on the public welfare.

More Valuable Rights on Bank Stocks.

It is quite possible that in making new capital increases the Canadian banks will more generally adopt the policy of giving the stockholders valuable rights. In the case of the issue of \$1,000,000 at 240 just announced by the Bank of Nova Scotia, the rights are more valuable than was the case in stock emissions recently made by that institution. Thus in 1910 the issue price was 268; in 1906, 268; in December, 1905, 205; and in January, 1905, 260. The issue price now made is, therefore, lower than any price made by the bank

for new stock in the past seven years, notwithstanding the fact that the intrinsic value of the stock is higher than ever before. The fixing of a lower price of issue has a tendency to enlarge the capital at the expense of the reserve fund or rest. Because of the lower price of issue a greater increase of paid-up capital is required to produce a given amount of new funds. So the giving of valuable rights has a tendency to increase the note issue power to a greater extent.

Of course, the banks which have not yet succeeded in accumulating a rest equal to 100 per cent. of capital are not so likely to issue stock at low prices. Until they have rests equal to capital, the executives of most of the banks will naturally be disposed to issue new stock at prices as high as the market will pay. Twelve banks now have rests equal to or superior to capital. And three more will, with reasonably good fortune, reach that position in a few years.

United States Crops.

At the close of last week the Washington Government's report on corn, wheat, oats, etc., was issued. In the case of corn a crop of over 2,800,000,000 bushels is indicated. The condition is 80 per cent. of normal as compared with 81.5 per cent. a month ago; the indicated average yield per acre 26 bushels as against 23.9 bushels in 1911. In the case of winter wheat the estimate is for a yield of 15.1 bushels to the acre which compares with 14.8 bushels last year. As the area seeded to winter wheat is approximately 25,744,000 acres, a total yield of 390,000,000 bushels is expected.

It is in the case of the spring wheat that the sharpest contrast is seen with last year's conditions. The condition of spring wheat is placed at 90.4 per cent. of normal as compared with 80.3 p.c. last month and 59.8 p.c. in the corresponding month of last year. And the indicated yield is 15.1 bushels to the acre as against 9.4 bushels in 1911. The planted area is 19,201,000 acres. So the yield is expected to be 290,000,000 bushels. In all, according to present estimates by the Government authorities, the wheat yield will be 680,000,000 bushels. In corn and wheat the promise is for a much better showing than in 1911.

Municipalities and Fire Prevention.

The announcement that the subject of the fire waste and fire prevention will be the principal topic for discussion at the annual convention of the Union of Nova Scotia Municipalities at Antigonish, N.S., on August 21 and 22, is a sign of the times that gives cause for some satisfaction. It is obvious that in any concerted effort for the reduction of the fire waste from its present preposterous levels, the municipalities of the country must play a very important part. Through their building by-laws, and through their administration of those by-laws, as well as by their control of fire brigades, they have a large measure of responsibility. The extent of that responsibility is not perhaps in every case altogether recognized, and a little instruction in facts and figures cannot fail to be of benefit. Mr. Franklin H. Wentworth, of Boston, secretary of the National Fire Protection Association, who is to be the principal speaker at Antigonish, can be relied upon to give the instruction in its most effective form. Other unions of municipalities in Canada might well copy this Nova Scotian example.



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



HEAD OFFICE - - - TORONTO
MONTREAL BRANCH: Thomas F. Dobbin, Resident Secretary, 164 St. James St.
QUEBEC BRANCH: C. E. Sward, Resident Secretary, 81 St. Peter St.
WINNIPEG BRANCH: A. W. Blake, District Secretary, Canada Building, Donald Street.

The Yorkshire Insurance Co., Limited

of YORK ENGLAND.
 ASSETS, \$13,000,000

Established 1824.

FIRE INSURANCE granted on every description of property at Tariff rates.
LIVE STOCK INSURANCE. This Company has a large Live Stock business in England and elsewhere, and is the FIRST COMPANY, licensed by the FEDERAL GOVERNMENT, to transact Live Stock Insurance in the Dominion.
APPLICATIONS FOR AGENCIES are invited from responsible persons.
ACCIDENT DEPARTMENT.—Personal Accident, Sickness, Employers' Liability, Elevator Liability, Teams Liability, Public Liability, Plate Glass.
CANADIAN DIRECTORS.—Hon. C. J. Doherty Alphonse Racine, Esq. G. M. Bosworth, Esq. Alex. L. MacLaurin, Esq.
Canadian Manager, P. M. WICKHAM, Montreal.

The WESTERN Assurance Company

Incorporated in 1851.

ASSETS over \$3,000,000.00

LOSSES paid since organization of Company over \$55,000,000

DIRECTORS

Hon. GEO. A. COX, President.	W. R. BROCK, Vice-President.
	W. B. MEIKLE, Managing Director.
ROBT. BICKERDIKE, M.P.	Z. A. LASH, K.C., LL.D.
D. B. HANNA	E. W. COX
JOHN HOSKIN, K.C., LL.D.	GEO. A. MORROW
ALEX. LAIRD	FREDERIC NICHOLLS [C.V.O.]
AUGUSTUS MYERS	COL. SIR HENRY M. PELLATT,
JAMES KERR OSBORNE	E. R. WOOD

HEAD OFFICE - TORONTO

FOUNDED 1792. INSURANCE COMPANY OF NORTH AMERICA PHILADELPHIA, PA.

CAPITAL,	\$4,000,000.00
SURPLUS TO POLICY HOLDERS	7,743,980.17
ASSETS	16,001,411.66
LOSSES PAID EXCEED	149,374,312.55

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

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

ESTABLISHED 1824

Capital,	\$30,000,000
Total Assets,	54,260,408
Deposited with Dominion Gov't,	276,000
Invested Assets in Canada, -	3,091,681

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

JAMES H. BREWSTER, Manager
 ESINHART & EVANS, Resident Agents Montreal
 MEDLAND & SON Toronto
 ALLAN, LANG & KILLAM Winnipeg

THE LIFE AGENTS' MANUAL - - \$3.00
 Published by The Chronicle, Montreal.

Insurance Briefs.

Press notices and dispatches, as collated by the bonding department of the Fidelity & Casualty Company, of New York, indicate for the months of May and June, 1912, the following defalcations:

	May.	June.
Banks and trust companies	\$208,735	\$149,000
Beneficial associations	17,060	5,135
Public service	23,498	55,214
General business	209,992	58,179
Insurance companies	944	281
Court trusts	240	60,350
Transportation companies	1,372	407
Miscellaneous	30,573	727
Total	\$491,414	\$329,293

Constantinople fire insurance companies could save large losses if they would revolutionize the regulations of the fire department. The city boasts of several brigades, but unfortunately they are provided with handpumps only. This is only one of the serious drawbacks to the department. A brigade cannot leave the barracks unless the Sultan authorizes, and the result is that often the firemen have to remain in with their outfit while the fire burns!

The London & Lancashire Life will absorb the Scottish Metropolitan Life.

It is announced that a provisional agreement has been entered into between the Commercial Union Assurance Company and the Imperial Accident Insurance Company, Limited, for the purchase by the Commercial Union of the business and assets of the Imperial Accident. The latter is an old-established company, having been founded in 1878, and transacts horse, carriage, motor, personal accident, workmen's compensation, burglary and plate glass insurance. It has a premium income of about £50,000, a subscribed capital of £50,000 in £2 shares, with £20,000 paid up (15,000 shares £1 paid and 10,000 shares ros. paid).

Circulars have been issued to the policyholders of the United London & Scottish Insurance Company notifying that an arrangement has been come to with the London & Lancashire Fire to guarantee the unexpired portion of the policies and meet any liabilities arising therefrom.

It is stated that Mr. George Chappell, general manager of the Royal Insurance Company, of Liverpool, is expected to visit America during September. He will make a comprehensive tour of both the United States and Canada.

It is now possible to buy furniture on the instalment plan and have one's life insured so that on the death of the purchaser the family may secure the furniture which has been bought without paying the additional instalments. A well-known furniture house in New York City has adopted this plan to attract trade.

A life insurance policy is issued which is payable on the death of the purchaser and automatically wipes out all indebtedness on the part of him or his heirs in regard to the goods purchased. The plan is similar to that originated by life insurance companies for encouraging insurance in connection with

the purchase of dwelling-houses on the instalment plan. This class of insurance has been written by both the Metropolitan and the Equitable Life, but the adoption of a similar scheme in connection with purchasing furniture appears to be a new wrinkle.

One of the "George E. McNeill" medals annually awarded for bravery by the International Association of Casualty & Surety Underwriters was formally presented this week at the Convention at Old Point Comfort, Va., to Mr. Alfred J. Assaf, of Montreal. On February 28, 1911, Mr. Assaf discovered that the tenement house in which he lived was on fire. After the fire was well under way it was learned that there remained three women whose escape was apparently cut off by the flames. Notwithstanding the danger and difficulties in the way Mr. Assaf made three trips to the room where these women were awaiting death and carried them to safety. For this deed Mr. Assaf has had the honor of receiving a medal from the Royal Canadian Humane Society. At the request of the Association's Committee this case was investigated by the Canadian Branch of the Law Union & Rock Insurance Company.

The Royal Insurance Company, of Liverpool, has secured control of the British Engine, Boiler & Electrical Company. The British company has specialized a great deal, and has worked up business to the amount of £100,000 a year.

To-morrow (Saturday), the members of the staff of the Metropolitan Life's Montreal English department will hold their annual field day at Bout-de-l'Isle, at the invitation of the Superintendent (Mr. H. H. Kay). There will be cricket matches, running races, etc., and an enjoyable time is anticipated.

STATE LIFE INSURANCE IN WISCONSIN.

Insurance Commissioner Ekern, of Wisconsin, has announced that, although the recently authorized State Insurance System, as provided by law, has until next June to be put in operation, preparations are now nearly completed, and it will doubtless be put into effect early in September.

The Commissioner estimates that the premium rates will be much lower than those charged by regular life companies, although life insurance and annuities will be written on a sound old-line basis. The liability of the State under its contracts is, however, limited to the insurance fund derived from premiums, interest earnings and kindred sources. There will be four classes of policies issued: Ordinary life; twenty-year endowment; ten-year endowment, and term to age 65. Annuities beginning at age 65 and not to exceed \$300, will later be issued. The life policies are to be issued between ages 20 and 50 in multiples of \$500; not over \$3,000, however, can be written on one life.

The reserve basis to be used is the American Experience, with three per cent. interest. Policyholders will be granted loan privileges, and in case of non-payment of premium an automatic non-forfeiture is provided through premium loans.

Applications may be made direct to the Commissioner of Insurance or through clerks and treasurers in towns, villages and counties, State factory inspectors or State banks. Such persons receive

THE CANADA LIFE

in each of the past 4 years has earned **A Substantially Increased Interest Rate**, and 1912 bids fair to exceed 1911.

Interest is a most important element in the earning of surplus, and this doubtless accounts for the fact that **In Each of The Past 4 Years** the Canada Life has earned **A Larger Surplus** than ever before in its history.

N.B.—Favorable mortality and low expenses, the result of **Good Management**, have helped.

Canada Life Assurance Company,
Head Office : TORONTO.

BRITISH AND CANADIAN UNDERWRITERS

OF NORWICH, ENGLAND.

ASSETS - - \$10,457,000

Head Office for Canada, - TORONTO.
JOHN B. LAIDLAW, Manager.

Chief office for Quebec,
Lake of the Woods Bldg., - MONTREAL.
JOHN MacEWEN, Superintendent.

AGENTS WANTED.

"Pre-eminence in Benefits to Policyholders
The Watchword.

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

PAID TO POLICYHOLDERS in 1911

\$57,353,726.13

RECEIVED FROM POLICYHOLDERS in 1911

\$55,582,183.20

EXCESS OF PAYMENTS OVER RECEIPTS

\$1,771,542.93

PAID DIVIDENDS IN 1911

\$13,631,857.73

APPORTIONED FOR DIVIDENDS IN 1912

\$15,146,685.72

**MUTUAL LIFE AGENTS MAKE MOST MONEY
BECAUSE
MUTUAL LIFE POLICIES SELL MOST FREELY**

For terms to producing agents, address :

George T. Dexter

2nd VICE PRESIDENT

34 Nassau Street New York, N.Y.

Union Mutual Life Insurance Co.

Of Portland Maine.

FRED. E. RICHARDS, President.

Accepted value of Canadian Securities held
by Federal Government for protection of policy-
holders, \$1,206,576.

All policies issued with Annual Dividends on
payment of second year's annual premium.

Exceptional opening for Agents, Province of
Quebec and Eastern Ontario.

WALTER I. JOSEPH, Manager,
151 St. James Street, Montreal.

Union Assurance Society Limited

OF LONDON, ENGLAND.

(Fire Insurance since A.D. 1714)

Canadian Branch :

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

THE LAW UNION & ROCK

INSURANCE CO. LIMITED, LONDON.

Founded in 1806

Assets Exceed - **\$45,000,000.00**

Over \$6,000,000 invested in Canada.

FIRE and ACCIDENT RISKS accepted.

Canadian Head Office : 112 St. James Street, Corner Place d'Armes
MONTREAL.

Agents wanted in unrepresented towns in Canada.

W. D. AIKEN, Superintendent,
Accident Dept.

J. E. E. DICKSON
Canadian Manager

twenty-five cents for each application and one per cent. for collecting premiums.

Interviewed respecting the forthcoming state system, President Dunham, of the Travelers, said that the State of Wisconsin going into the life insurance business would not make any material difference with the Travelers' business in that State. The laws there have been radical some two or three years, but the Travelers has complied with them and continued to do business. The State scheme does not intend to issue policies for more than \$3,000 to any one person, and its competition will not be any more serious than that of any insurance company, and besides the State insurance does not have solicitors. Vice-President English, of the Aetna Life, said that, although the Wisconsin laws have been onerous for a few years, and have entailed a lot of extra work for the company, the Aetna has continued to do its insurance business there, where it has a number of policies in the rural communities for moderate amounts on each policy. Mr. English did not think the State insurance as offered by Wisconsin is particularly attractive, as the State's liability for death losses does not go beyond the amount of the premiums received. He does not consider that the state in the business of insurance is going to be able to conduct life insurance at much less rates and certainly not on any better security than the old line companies. Vice-President Robinson, of the Connecticut Mutual Life, said that his company got out of Wisconsin some time ago, but he thinks the state about as good a place as any to try the experiment of state life insurance, regarding the success of which Mr. Robinson has his doubts.

* * * *

SENATOR DRYDEN'S LAST ARTICLE.

If anything were needed to convey to the public mind the story of the success of Industrial insurance throughout the world, an article written by the late United States Senator John F. Dryden would do it. Senator Dryden founded the Prudential Insurance Company of America and introduced Industrial insurance on this continent. This article was Mr. Dryden's last contribution to the literature of Industrial insurance and was written shortly before his death last November. So comprehensive is it of the subject treated that the Prudential has recently issued the article in pamphlet form and sent copies to the leading city, state, government, university and scientific libraries throughout the country, to be put on file with Senator Dryden's other addresses and papers.

In the article Mr. Dryden shows that sixty million policies for nearly five billion dollars of Industrial insurance were in existence at the beginning of 1910 throughout the world. England had twenty-nine million policies and the United States twenty-one million policies, or together five-sixths of the world totals, while Germany stood third with seven million policies in force. The English policies represented one billion, four hundred million dollars of insurance in force, and the United States two billion, nine hundred million dollars.

In one year, or by the end of 1910, the United States total had jumped to twenty-three million policies, for three billion, one hundred million dollars. The increase in the English figures is not shown, although the business is known to be constantly increasing in the United Kingdom.

Mr. Dryden states that by right of priority, the

use of the term Industrial insurance belongs to life insurance for the working people, and should not be confounded with workmen's compensation, employer's liability, accident and health insurance or pension schemes. Mr. Dryden states that the Industrial companies are constantly endeavoring to liberalize their policies and that voluntary financial concessions amounting to fifty million dollars have been paid to Industrial policyholders in the thirty-six years the business has been established, due to the fact that the companies have been able to conduct their business more economically; through the granting of increased insurance to new and old policyholders and by savings in mortality.

"It must be obvious that it is largely because of this course of fairness and liberality," adds Mr. Dryden, "that the Industrial companies have secured to themselves the universal regard and confidence of wage earners, who, to an ever-increasing extent, are converting the system of Industrial insurance into a universal provident institution."



Personals.

Mr. Tancrede Bienvenu, general manager of the Banque Provinciale, has been elected to the board of the Credit Foncier Franco-Canadien

* * * *

We regret to learn of the death of Mrs. Frank Sanderson, wife of Mr. Frank Sanderson, consulting actuary of Toronto. The deceased lady had been suffering for many months. All insurance men will extend their sincerest sympathy to Mr. Sanderson and his son in their sad bereavement.

* * * *

Mr. W. H. Draper, formerly inspector, succeeds the late Mr. A. D. Durnford as superintendent of branches of the Molsons Bank. Mr. E. W. Waud, formerly an assistant inspector, takes Mr. Draper's place as inspector, and Mr. Thos. Carlisle becomes an assistant inspector.

* * * *

The directors of the Norwich Union have recently appointed Mr. Edwin Gissing—who has been with the company since 1892, and was formerly accident foreign superintendent—to be accident manager for Canada, with headquarters at Toronto.

* * * *

Mr. C. B. Gordon has been elected a director of the Royal Trust Company.

* * * *

Mr. H. B. Walker, manager at Montreal of the Canadian Bank of Commerce, has returned from an English trip.

* * * *

Mr. C. H. Eason has been appointed general manager of the Bank of New Brunswick, and will assume the duties in a few weeks.

* * * *

Mr. E. F. Garrow who has been connected with the British America Assurance Company since 1892 and has for the past three years been manager at the company's branch at Winnipeg, Man., has been appointed secretary of the company at the Head Office in succession to Mr. P. H. Sims, who recently resigned after 20 years' service.

The vacancy at Winnipeg occasioned by Mr. Garrow's promotion has been filled by the appointment as branch manager at that city of Mr. F. T. Bryers, for some years on the Home Office staff.



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.

Canadian
Government
Deposit :: ::

\$655,545.00

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:

R. WILSON-SMITH, President. Hon. G. B. DEJARDINS, Vice-President.

Hon. B. C. WOOD. S. H. EWING. T. H. HUDSON.

T. H. HUDSON, Manager.

J. F. DALE, Asst. 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.

R. WILSON-SMITH

Financial Agent

160 St. James Street : : : Montreal

Specialty : { INVESTMENT SECURITIES—Suitable for Banks, Trust Estates, Insurance Companies, Investments for Deposit with Canadian Government.

CABLE ADDRESS: CHRONICLE.

The Canadian Fire Record.

PLATTSVILLE, ONT.—Battler bridge destroyed with loss of \$7,000. Supposed origin, incendiarism.

ST. SEBASTIEN, QUE.—Store and house of T. Gervais destroyed, August 10. Loss placed at \$14,000.

INGONISH, N.S.—Roman Catholic church, recently completed, burned. Loss placed at about \$10,000 with \$5,000 insurance.

BELLEVILLE, ONT.—Peck and Wills, sash and door factory damaged, August 10, together with adjoining buildings. Building and machinery owned by Alderman Alford. Little insurance.

GRANBY, QUE.—Mayer Thomas Box Company's plant destroyed, August 12, with residence of L. Thibodeau and 800,000 feet of lumber. Insurance as follows:—

Guardian	\$9,250	Fidelity Fire	\$1,700
Northern	7,500	Continental	1,700
London & Lanc.	4,750	Aetna	1,600
North British	4,700	German American	1,600
Norwich Union	4,250	N. Y. Underwriters	1,250
Hartford	4,250	Springfield	1,250
Liv. & Lon. & Globe	3,500	Employers' Liability	1,000
Union of London	3,200	North America	1,000
Union of Paris	2,000		

Loss total.
The Providence Washington had \$1,500 on machinery.

THE JULY FIRE LOSS.

The fire loss of the United States and Canada for the month of July, 1912, as compiled from the records of the New York Journal of Commerce, shows a total of \$15,219,100. This is a little over ten million dollars less than was charged against July last year when the figures, due to the heavy lumber and timber fires in the Northwest, including those in the Porcupine district of Ontario, reached the sum of \$25,301,150. The losses by fire since the first of this year now total \$149,591,850, as compared with \$154,992,900 for the first seven months of 1911. The following table gives a comparison of the losses by months thus far this year with the figures for the same months in 1910 and 1911, together with the losses for the balance of those years:

	1910.	1911.	1912.
January	\$15,175,400	\$21,922,450	\$35,653,450
February	15,489,350	16,415,000	28,691,650
March	18,465,500	31,569,800	16,650,850
April	18,091,800	17,670,550	16,349,400
May	18,823,200	21,422,000	21,913,950
June	13,183,600	29,691,950	16,103,450
July	26,847,900	25,391,150	15,219,100
Total 7 months	\$126,076,750	\$154,992,900	\$149,591,850
August	21,570,550	12,662,650	.....
September	11,790,000	11,333,250	.....
October	37,188,300	13,945,000	.....
November	16,497,000	18,680,600	.....
December	21,528,000	22,722,850	.....
Total for year	\$234,470,600	\$234,337,250	.....

There were some 235 fires during July which in each instance caused an estimated loss of \$10,000 or over. The lighter loss ratio for July, observes the Journal of Commerce, is a welcome relief to the fire underwriters who had suffered seriously during the first half of 1912. As it is, insurance men look for some retirements of companies before the new year.

C. P. R.'S FINANCIAL STATEMENT.

The C. P. R.'s financial statement for the year ended June 30th last, as passed upon by the directors at their meeting on Monday, shows total net earnings of \$44,402,602, an increase of \$6,584,512 over total net earnings for the previous year. Surplus after all dividends had been provided for was \$17,509,519, an increase of \$5,687,277. The principal figures for the year 1910-11 and 1911-12 compare as follows:

	Year Ending June 30 1911.	1912.
Gross earnings	\$104,167,808	\$123,319,541
Working expenses	67,467,977	80,021,298
Net earnings	\$36,699,831	\$43,298,243
Net earnings of steamships in excess of amount included in monthly reports	1,118,349	1,194,449
Deduct fixed charges	\$37,818,180	\$41,402,692
	10,911,971	10,524,937
Surplus	\$27,897,109	\$23,877,754
Deduct amount transferred to steamship replacement account	1,000,000	1,000,000
Contribution to pension fund	80,000	125,000
	\$26,727,109	\$32,752,754
Surplus after all dividends declared for the year have been provided for	11,873,242	17,569,519
Special income from land sales and other extraneous assets not included in above		5,158,585

WANTED.

A British Fire Insurance Company requires at Toronto a capable CLERK with knowledge of Casualty business. Good prospects. Apply stating age, qualifications, and salary expected to

THE CHRONICLE,
Box No. 1502,
MONTREAL.

WANTED.

CANVASSER required for Fire Insurance Office—splendid opportunity for whole of time or side line. Salary and Commission. Address,

CANVASSER,
THE CHRONICLE,
P. O. Box 1502,
MONTREAL.

WANTED.

Strong non-tariff Fire Insurance Office is open to appoint GENERAL AGENTS for the City of Montreal. Applications invited from responsible parties who can influence a desirable class of business. Address,

GENERAL AGENT,
THE CHRONICLE,
P. O. Box 1502,
MONTREAL.

GRESHAM

Life Assurance Society, Limited

Founded 1848

Funds : FIFTY MILLION DOLLARS.

Incomes Increased.

APPLY FOR AN AGENCY.

ADDRESS :

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

\$1,031,929.99

CITY OF OTTAWA, ONTARIO

DEBENTURES FOR SALE

TENDERS addressed to "The Chairman, Board of Control," and marked "TENDER FOR DEBENTURES," will be received by the City of Ottawa until 3 p.m., on Thursday the 29th August, 1912, for the purchase of **\$12,000.00, 40 year debentures, \$727,500.00 30 years and \$292,429.99 20 years.**

They are all a liability of the City at large, and bear 4 per cent interest, payable 1st January and 1st July.

Two separate tenders will be received, one for **\$40,000.00 30 year debentures**, and the other for the remainder of the debentures **\$991,929.99.**

All tenders must be on the official form. The tender for the **\$40,000.00 debentures** must be accompanied with an accepted cheque for **\$1,000.00**, and the tender for the **\$991,929.99 debentures** with an accepted cheque for **\$5,000.00.**

Accrued interest from 1st July, 1912, must be paid in addition to the price tendered.

The **\$40,000.00 debentures** are in **\$1,000.00** denominations, principal and interest payable at Ottawa.

The remainder of the debentures will be made payable in Ottawa, New York or London, at the option of the purchaser, and in denominations to suit.

Delivery of the **\$40,000.00 debentures** can be made at once, if required, and of the remainder of the debentures within one month if required.

The highest or any tender not necessarily accepted.

Full particulars, together with further conditions, and official forms of tenders, can be obtained on application to the City Treasurer, Ottawa.

CHAS. HOPEWELL,
Mayor.

Ottawa, 29th June, 1912.

A BEAUTIFUL BOOK

MR. OFFICE MANAGER

We have just issued the handsomest and most complete catalogue of Office Appliances ever issued in Canada, and we want you to have a copy of it.

IF REDUCING EXPENSE

In your Office is any object to you we are prepared to show you how to do it.

WRITE TO-DAY

and ask us to mail you "Catalogue M" and we will send this beautiful Book free to any Office Manager who asks us to do so.

Canada Furniture Manufacturers
LIMITED

General Offices : : : WOODSTOCK, ONT.



EVERY MODERN OFFICE NEEDS THIS BOOK

Market and Financial Briefs

A branch of the Bank of Montreal has been established at Granby, Que., under the management of Mr. C. A. Thompson.

Bank clearings in Canada last week were \$170,484,442, against \$135,445,903 for the corresponding week of last year, an increase of 36 per cent.

The Department of Labour reports that its July index number is 135. This is a drop of two points from June, but is nine points above the level of a year ago.

A branch of the Canadian Bank of Commerce has been opened at Cornwall, Ontario, under the management of Mr. A. E. Currie, formerly of Parrsboro, N.S.

The Canadian Bank of Commerce announces that a new branch has been opened at the corner of Prince Arthur Street and Park Avenue, Montreal, under the management of Mr. J. B. Beach.

Messrs. C. Meredith & Co., of Montreal, are issuing \$500,000 6 p.c. first mortgage sinking fund gold bonds due 1937, of the Rolland Paper Company, Limited. The price is par and accrued interest.

A branch of the Metropolitan Bank is being opened in Hamilton under the management of Mr. E. B. MacKenzie, who has for some years been manager of the Queen and McCaul Streets branch in Toronto.

The securities of Goodwins, Ltd., made their first appearance on the Montreal Stock Exchange on Saturday. No sales were made. There was a "wide" quotation for the preferred stock, 100 asked, 89 bid; the common was quoted at 50 asked, 49 bid.

The Bank of Nova Scotia has opened branches at Lethbridge, Alta., where Mr. E. F. MacNeill has been appointed manager; Gaagetown, N.B., with Mr. G. M. Schurman in charge, and Ville St. Pierre, Hochelaga County, Que., where Mr. B. W. Gavey is manager.

There were 26 new branch banks opened in Canada during July and six branches discontinued. Of the new offices six were located in Quebec, five each in Ontario, Alberta and British Columbia, four in Saskatchewan and one in New Brunswick. Of those closed two were in Ontario and one each in Manitoba, Alberta, Saskatchewan and Nova Scotia. The records show that on July 31 last the banks maintained 2793 branches, a net gain for the month of 20. Of the total 2718 were located in the Dominion.

(Continued on page 1212.)

DOMINION BOND COMPANY, LIMITED

MONTREAL, TORONTO, OTTAWA and LONDON, ENGLAND.

Dealers in

Municipal, Corporation and Industrial Bonds

MONTREAL OFFICE:

Merchants Bank Building.

CANADIAN BANKING PRACTICE

THIRD EDITION. NOW ON THE PRESS!

(HANDSOMELY BOUND IN CLOTH, \$3 PER COPY)

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

The hundreds of questions and answers on Canadian Banking Practice deal with nearly every possible point of practical interest likely to present itself during the daily routine of a bank. The replies relate to acceptances, cheques, endorsements, deposit receipts, letters of credit, circular notes, warehouse receipts, partnership accounts, bankers' lien on goods, forgery, alteration and loss of negotiable instruments, bills of exchange, promissory notes, principle and surety, etc., etc., etc. Mr. J. T. P. Knight, the compiler of "Canadian Banking Practice" has classified and indexed the Questions on Points of Practical Interest. The value of such a work must be apparent, and a copy of the book should be in the possession of every bank official and business man in the country who desires to be informed upon points likely to arise in the course of dealings between banks and their customers.

For Sale at The Chronicle Office, 160 St. James Street, Montreal,
or at the Office of The Publisher, 232 St. James Street, Montreal.

We Need More Good Agents.



If you have the qualities that will make you a good agent we want you.

Write us.

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Founded by JOHN F. DRYDEN, Pioneer of Industrial Insurance in America
 FORREST F. DRYDEN, President Home Office, NEWARK, N.J.
 Incorporated as a Stock Company by the State of New Jersey.

NOTICE of REMOVAL.

THE IMPERIAL LIFE ASSURANCE COMPANY OF CANADA

has removed its head offices to its own new building No. 20 Victoria Street just north of King Street in the City of Toronto.

The Toronto Branch Agency is located on the 6th floor.

The General Offices of the Company are on the 7th floor.

The Executive Offices are on the 8th floor.

A cordial invitation is extended to the general public and especially to the policyholders of the Company to call and inspect the new offices.

Toronto, July 29th, 1912

J. K. PICKETT,

Manager

GROWING APACE!

Abundant prosperity has attended the operations of the

Mutual Life of Canada

during the past year in every department of its business.

Death losses were very much below the "expected" and as usual the expenses of conducting the business were very moderate.

Policies in force January 1, 1912
\$71,024,770.88

A TORONTO AGENCY

WITH

Continuous Renewals for the RIGHT MAN

SEE

CONTINENTAL LIFE CONTRACT.

T. B. PARKINSON: Superintendent of Agencies

Continental Life Building, TORONTO

Organized 1850

THE UNITED STATES LIFE INSURANCE COMPANY

ISSUES GUARANTEED CONTRACTS

JOHN P. MUNN, M.D.

President

FRANCIS CROFT

CLARENCE H. REESEY

WILLIAM H. PORTER

EDWARD TOWNSEND

Pres. Agents of United Nat. Bank

Good men, whether experienced in life insurance or not, may make direct contracts with this company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, No. 277 Broadway, N. Y.

The Excelsior Life Insurance Co.

Established 1889

Head Office TORONTO, Canada

ALL PREVIOUS RECORDS BROKEN during the first six months of 1912.

New Insurance applied for \$1,836,000.00

New Insurance issued 1,719,048.50

Insurance in force 15,771,632.70

Cash Receipts, Premiums and Interest 310,640.55

Total Disbursements 153,814.85

Increase \$44,638.38

Decrease 4,415.01

The Assets, reserve and Surplus Funds show corresponding increases. Where increases are desirable—There are increases. Where decreases are desirable—There are decreases.

To be a successful agent, you must represent a successful company.

We have an opening for you, if you are a worker.

E. MARSHALL, General Manager. D. FASKEN, President

MOUNT ROYAL ASSURANCE COMPANY

AUTHORIZED CAPITAL \$1,000,000

HEAD OFFICE: MONTREAL

President, Hon. H. B. Rainville Vice-President, J. M. Wilson

J. G. CLEMENT, Jr., General Manager

Responsible Agents wanted in Montreal and Province of Quebec



THE CHIEF DIFFICULTY that confronts the new man entering the Life Insurance field is the securing of GOOD PROSPECTS. This difficulty is eliminated when you write for an INDUSTRIAL COMPANY, the debits of which are an inexhaustible mine for both ordinary and industrial business.

THE UNION LIFE ASSURANCE COMPANY

HEAD OFFICE, TORONTO, CANADA

More Policyholders than any other Canadian Company.



RAILWAY PASSENGERS ASSURANCE CO.

OF LONDON,
ENGLAND

Established 1849.

OLDEST ACCIDENT COMPANY IN THE WORLD

ACCIDENTS OF ALL KINDS AND ILLNESS

INSURED AGAINST

Also
ALL KINDS OF
EMPLOYERS' AND PUBLIC
LIABILITY

(INCLUDING AUTOMOBILE.)

PLATE GLASS AND FIDELITY GUARANTEES

Head Office for Canada, **TORONTO.** F. H. RUSSELL, Manager

The Imperial Guarantee

AND ACCIDENT INSURANCE CO., OF CANADA

Head Office: 46 King Street W.,

TORONTO, Ont.

A Strong Canadian Company.

ACCIDENT AND SICKNESS INSURANCE
GUARANTEE BONDS

PLATE GLASS AND AUTOMOBILE INSURANCE

E. WILLANS,
General Manager.

FRANK W. COX,
Secretary.

The General Accident Assurance Company

of CANADA

Head Office, - - TORONTO, Ont.

Personal Accident

Health, Liability and Industrial
Insurance

J. J. DURANCE,
Manager for Canada

General Agents for PROVINCE of QUEBEC
ROLLAND, LYMAN & BURNETT, MONTREAL

The Equity Fire Insurance Co.

TORONTO, CAN.

WM. GREENWOOD BROWN, General Manager

GENERAL AGENTS:

Carson Bros., Montreal	Faulkner & Co., Halifax, N.S.
Brown Clarke Agency, Winnipeg	W. S. Holland, Vancouver
Young & Lorway, Sydney, B. C.	Geo. A. Lavis, Calgary
McCallum, Hill & Co., Regina	J. M. Queen, St. John, N.B.

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.
FRANK HAIGHT,
Manager

GEORGE DIEBEL, Vice-President
ARTHUR FOSTER
Inspector

THE CHRONICLE

is filed regularly in leading offices
throughout Canada; advertising in
its columns has a permanent
value.

THE FEDERAL LIFE ASSURANCE COMPANY

Home Office, HAMILTON, CANADA.

Capital and Assets	:	:	:	\$5,316,968.65
Surplus December 31, 1911	:	:	:	529,973.65
Insurance in Force	:	:	:	23,887,141.41

The Contracts of this Company are free from unnecessary conditions and restrictions.

C. L. SWEENEY, District Manager,
Montreal District.

BONDS vs MORTGAGES

A South African Investor who recently visited Vancouver asked us to explain the seeming anomaly whereby $7\frac{1}{2}$ per cent. could be secured on first mortgages if they were as safe as the average Railway Bond bearing say $4\frac{1}{2}$ per cent.

Our explanation was that American Railroads are now bonded up to fully 60 per cent. of their value, while Vancouver first mortgages placed by this Company never exceeded 50 per cent. of conservative valuation and we knew our valuations to be conservative, while it must be admitted that water constituted an appreciable part of American Railway Capitalization.

But the Railroad is, generally speaking, able to place its loan when conditions are favorable and is, moreover, on account of the volume of its borrowings able to secure funds in that part of the world where money is, to some extent, a drug on the market, while the individual borrower on first mortgages on real estate requires comparatively small amounts and pays prevailing Vancouver bank rates.

We further pointed out that while money rates throughout the world have a tendency to increase, yet this tendency is greater in Vancouver than other places on account of the increasing demand for money to develop the natural resources of the Province.

The prevailing Bank or Mortgage rate in Vancouver a few years ago was about 6 per cent. while to-day it is 7 per cent. to 8 per cent.

Another point favorable to Vancouver first mortgages as compared with Bonds is the question of duration.

Bonds generally have long term maturities while first mortgages usually mature in 3 years.

Many shrewd financial men claim that the increase in the gold supply is due to improved methods of extraction of gold from ore.

That being true, it would seem likely that the increase in gold will continue, thus tending to further increase money rates. Consequently it would seem wise to loan on short terms rather than on long terms, thus permitting the reinvesting of funds at stated limited periods, whereby the maximum of earning power may be maintained.

We have a booklet telling of the care exercised and precaution used in making loans netting investors $7\frac{1}{2}$ per cent. This booklet will be promptly forwarded on application.

DOMINION TRUST COMPANY, LIMITED

Head Office: VANCOUVER, B.C.

Offices: VANCOUVER, VICTORIA, NANAIMO, NEW WESTMINSTER, REGINA, CALGARY AND LONDON, ENGLAND

Operating in Quebec Province as

DOMINION OF CANADA TRUSTS COMPANY

Quebec Bank Building, MONTREAL, P.Q.

W. R. ARNOLD, Managing Director.

Stock Exchange Notes.

Thursday, August 15, 1912.

Montreal Power, the Cement Stocks, both Common and Preferred, and Canadian Pacific, were the outstanding features of the trading. Canadian Pacific has continued its consistent advance and reached a new high level at 283 to-day, closing firm at a reaction of one point from the high level. The news comes from Ottawa that the Company has applied for power to increase its authorized capital, and, as stated elsewhere, shareholders are to be asked to meet in October to authorise an increase of \$60,000,000 in the common stock. The natural sequence of this authority will be a new issue of stock to shareholders and, whatever the issue price may be, it will mean valuable rights to the stockholders. The splendid earnings of the Company keep up from week to week and sentiment is extremely favourable towards a higher level for this premier Canadian security. Montreal Power sold up to 238 3/4 X D of 2 1/4, which is a new high point in the history of the stock. A great deal of Montreal Power has gone into purely investment hands and the future possibilities of the stock encourage buyers, even at the enhanced price at present prevailing. The movement in the cement stocks was a decided one, and on a big turnover the Common was advanced almost three points, reacting later to 30 3/4, while the Preferred was also in good demand at higher prices. The latter as a 7 per cent. Preferred Stock is considered attractive as a speculative investment. Toronto Railway was neglected this week and declined in price. Richelieu & Ontario was somewhat firmer on a small volume of trading, and it would not be surprising to see an upward movement in this stock at any time, although it has remained in the background so long. The securities of Goodwins Limited, were traded in this week and the Common closed at 47 1/4 bid. Montreal Tramways securities have been listed and will be called for the first time on Saturday. Quebec Railway figured more largely than for sometime past and the business of the week involved over 2,700 shares at a gain in price of three points over last week's closing bid. Detroit Railway had a spurt to 74, but has settled back again to about last week's level.

There was a fair business in the Unlisted Department, but no specially outstanding feature. The undertone of the market shows no tendency to change and bullish sentiment is still in control. There is no change in the local money conditions, although it is felt that there will be a certain tightening, as usual, when the crop moving period is at hand. The Bank of England rate is unchanged.

SUMMARY OF WEEK'S SALES AND QUOTATIONS.

Security.	Sales	Closing Bid Aug 8, 1912	To-day	Net change
Canadian Pacific.....	6,620	275 1/2	282	+ 6 1/2
"Soo" Common.....	1,110	151	153	+ 2
Detroit United.....	1,161	72	72 1/2	+ 1/2
Halifax Tram.....	..	151	151	..
Illinois Preferred.....	156	93	93	..
Quebec Ry.....	2,860	25	28	+ 3
Toronto Railway.....	626	144 1/2	142	- 2 1/2
Twin City.....	276	107 1/2	107 1/2	..
Winnipeg Ry.....	110	229	..	..
Richelieu & Ontario.....	790	117 1/2	118	+ 1/2
Can. Car. Com.....	400	86	88 1/2	+ 2 1/2
Can. Cement Com.....	10,189	29	30 1/2	+ 1 1/2
Can. Cement Pfd.....	3,409	91 x.D	94 1/2 x.D	+ 3 1/2
Dom. Can. Com.....	655	67	68 1/2	+ 1 1/2
Dom. Iron Preferred.....	113	105	104	- 1
Dom. Steel Corp.....	896	63 1/2	63 1/2	..
Lake of the Woods Com.....	..	135	135	..
Mexican Power.....	175	90 1/2	94 1/2	+ 4
Montreal Power.....	11,758	235	236 1/2	+ 1 1/2
Nova Scotia Steel Com.....	828	93	90 1/2	- 2 1/2
Ogilvie Com.....	40	127 1/2	127 1/2	..
Ottawa Power.....	210	157 1/2	159 1/2	+ 2
Rio Light and Power.....	528	148 1/2	147	- 1 1/2
Shawinigan.....	1,722	151	150 1/2	- 1/2
Smart Bag Com.....	..	..	61	..
Spanish River Com.....	360	62	29 1/2	+ 14 1/2
Steel Co. of Can. Com.....	1,201	28	44 1/2	+ 16 1/2
Can Converters.....	50	44 1/2	68 1/2	+ 24
Dom Textile Com.....	160	67 1/2	103	+ 35 1/2
Dom. Textile Preferred.....	182	102	103	+ 1
Crown Reserve.....	6,015	3.25	3.26	+ 1

Traffic Returns.

CANADIAN PACIFIC RAILWAY.			
Year to date.	1910.	1911.	1912.
July 31.....	\$52,595,000	\$56,378,000	\$70,983,000
Week ending	1910.	1911.	1912.
Aug. 7.....	2,065,000	2,272,000	2,726,000
GRAND TRUNK RAILWAY			
Year to date.	1910.	1911.	1912.
June 30.....	\$21,126,227	22,521,022	23,853,510
Week ending	1910.	1911.	1912.
July 7.....	879,367	943,095	.....
" 14.....	927,045	994,800	1,037,863
" 21.....	660,452	960,016	1,047,951
" 31.....	709,037	1,339,472	1,544,003
Aug. 7.....	726,509	1,017,982	1,109,682
CANADIAN NORTHERN RAILWAY.			
Year to date.	1910.	1911.	1912.
July 31.....	\$7,256,900	8,628,550	11,033,600
Week ending	1910.	1911.	1912.
Aug. 7.....	248,200	332,500	407,300
TWIN CITY RAPID TRANSIT COMPANY.			
Year to date.	1910.	1911.	1912.
June 30.....	\$3,544,791	3,733,122	3,875,004
Week ending	1910.	1911.	1912.
July 7.....	163,317	*183,360	166,467
" 14.....	146,526	153,600	152,560
" 21.....	152,739	151,223	158,985
" 31.....	213,063	213,319	230,062
HALIFAX ELECTRIC TRAMWAY COMPANY.			
Railway Receipts.			
Week ending.	1910.	1911.	1912.
Aug. 7.....	5,071	5,641	5,646
HAVANA ELECTRIC RAILWAY CO.			
Week ending	1911.	1912.	Increase
Aug. 4.....	48,021	51,358	3,337
" 11.....	49,056	52,856	8,800
DETROIT UNITED RAILWAY.			
Week ending	1910.	1911.	1912.
July 7.....	206,064	210,601	235,568
" 14.....	215,115	193,236	222,414
" 21.....	193,897	.....	.....
DULUTH SUPERIOR TRACTION CO.			
Week ending	1910.	1911.	1912.
Aug. 7.....	28,510	23,870	23,887

MONEY AND EXCHANGE RATES.

	To-day	Last week.	A Year Ago
Call money in Montreal...	5 %	5 %	5 1/2 - 6 %
" " in Toronto.....	5 1/4 %	5 %	5 1/2 - 6 %
" " in New York.....	2 1/2 %	2 1/2 %	2 1/2 %
" " in London.....	1 1/2 %	2 1/4 %	1 1/2 %
Bank of England rate.....	3 %	3 %	7 1/2 %
Consols.....	7 1/2 %	7 1/2 %	9 1/2 %
Demand Sterling.....	9 1/4 %	9 %	8 1/2 %
Sixty days' sight Sterling..	9 1/4 %	9 %	8 1/2 %

CANADIAN BANK CLEARINGS.

	Week ending Aug. 15, 1912	Week ending Aug. 8, 1912	Week ending Aug. 17, 1911	Week ending Aug. 18, 1910
Montreal.....	\$67,835,518	\$43,869,658	\$37,375,586
Toronto.....	39,117,000	32,332,862	26,353,656
Ottawa.....	4,032,772	3,723,533	3,687,862

BANK OF ENGLAND'S STATEMENT

Yesterday's weekly Bank of England Statement showed a proportion of reserve to liability of 49.82 p.c. This compares with 48.60 p.c. last week.

DOMINION CIRCULATION AND SPECIE.

	December 31, 1911.	December 31, 1912.
June 30, 1912.....	\$111,932,239	\$115,149,749
May 31.....	113,114,914	115,786,286
April 30.....	113,169,722	104,730,606
March 31.....	113,443,633	102,109,329
February 29.....	114,063,408	102,559,990
January 31.....	113,188,880	100,431,114

Specie held by Receiver-General and his assistants:-

	March 31, 1912.	June 30, 1912.
June 30, 1912.....	\$98,141,536	\$98,892,395
May 31.....	98,831,169	99,587,587
April 30.....	98,570,930	98,693,967

BUSINESS CARDS

OSWALD BROS

Established 1869

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Members Montreal Stock Exchange

115 St. Peter Street.

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Stocks and Bonds

Montreal Office:

Paris Office:

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Stock and Bond Brokers

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Stocks and Bonds

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FIRE INSURANCE COMPANY

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Newly and greatly Enlarged Edition. Revised
Down-to-date.

Price, \$3.00

The Chronicle - - Montreal

THE BENALLACK

Lithographing & Printing
Co., Limited

80-82 Victoria Square - - Montreal

Market and Financial Briefs.

(Continued from page 1205).

Real estate purchases have just been closed by George H. W. Pearson, of Glasgow, Scotland, brother of Lord Cowdray, which will ultimately result in the investment of \$1,000,000 of English capital in Edmonton. Mr. Pearson is planning to erect a number of business buildings on his newly acquired holdings which cost in the neighborhood of \$500,000.

* * * *

Until further notice the Toronto Stock Exchange will close on Saturdays. In view of the small amount of business being transacted and the prospect for a dull period during the next month, a petition was circulated and largely signed by the brokers asking that Saturday sessions be abandoned temporarily. At a meeting of the Stock Exchange Committee it was decided to accede to the request of the petitioners.

* * * *

W. J. Challis, of London, England, where he is secretary of the Western Canada Land Company, the Southern Alberta Land Company and the Can-

adian Wheat Lands, Limited, is in Edmonton from a visit to the southern part of the province, where 400,000 acres of land will be put under irrigation in a short time. He said in an interview that conditions in England, with vexatious labor problems and an over-supply of workmen, insure a permanent immigration to western Canada.

* * * *

The following official notice was issued yesterday by C.P.R.:—"The annual meeting will be made special for the purpose of authorizing the issue of consolidated debenture stock of the company to acquire the outstanding securities of the Dominion Atlantic Railway Company, and also for the purpose of considering and, if approved, of authorizing an increase of the present authorized ordinary capital stock of the company by an amount not exceeding \$60,000,000 for the purposes of the company, such increase of stock to be issued according to the requirements of the company and as may be determined by the directors, and of adopting such resolution or by-law as may be deemed necessary in connection therewith in order to enable the directors to give effect thereto."

BUSINESS CARDS

W. GRAHAM BROWNE & CO.

Dealers in Bonds

222 St. James Street - - Montreal

British American Bank Note Co., Ltd.

Head Office: WELLINGTON STREET, OTTAWA, CANADA

Most modern and complete appliances for the production and protection against counterfeiting of BANK NOTES, BONDS, CHECK CERTIFICATES, POSTAGE and REVENUE STAMPS and all Documents of a Monetary value.

The work executed by this Company is accepted by the LONDON, NEW YORK, BOSTON and other Stock Exchanges

Branch Offices:

9 Bleury Street, Montreal

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PRUDENTIAL TRUST COMPANY LIMITED

HEAD OFFICE

41-43
ST. FRANCOIS
XAVIER ST.,
MONTREAL.

Trustee for Bondholders
Transfer Agent & Registrar
Administrator Receiver Executor
Liquidator Guardian Assignee
Trustee Custodian
Real Estate and Insurance Departments
(C. W. MILLS, Supt.)
Insurance of every kind placed
at lowest possible rates.

Safety

Deposit Vault

Terms exceptionally moderate.

Correspondence invited.

B. HAL. BROWN, Vice-Pres. and Gen. Manager.

We make a Speciality of

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Printed on Onion Skin in one or two colors.

We can supply you QUICKER and MORE MODERATELY than any OTHER FIRM in Canada

WITHOUT EXCEPTION

JOHN LOVELL & SON, LTD.,
PUBLISHERS 23 St. Nicholas St., MONTREAL

ATLAS ASSURANCE COMPANY

LIMITED, of LONDON, ENGLAND

Established in the REIGN of GEORGE III

Income

\$ 6,916,365

Funds (excluding Uncalled Capital)

17,633,467

Including Uncalled but Fully Subscribed Capital, the resources of the Company exceed Twenty-seven million dollars.

Head Office for Canada - MONTREAL

MATTHEW C. HINSHAW, Branch Manager

Active and Influential Agents Wanted

STOCK AND BOND LIST, Continued

BONDS	Closing Quotations		Rate p.c. of Interest per annum	Amount outstanding.	When Interest due.	Where Interest payable	Date of Maturity.	REMARKS
	Asks	Bids						
Bell Telephone Co.....	102	100	5	\$3,649,000	1st Oct. 1st Apl.	Bk. of Montreal, Mtl.	April 1st, 1925	Red at 110 aft. Nov. '19 or in pt. aft. Nov. '11
Can. Car & Fdy.....	107 1/2	107	6	3,500,000	1st June 1st Dec.	"	Dec. 1st, 1939	
Can. Converters.....	87	86	6	474,000	1st June 1st Dec.	"	Dec. 1st, 1926	Redeemable at 110 after Oct. 1st, 1911
Can. Con. Rubber Co....	98	96 1/2	6 1/2	2,579,600	1st Apl. 1st Oct.	"	Oct. 1st, 1946	
Can. Colored Cotton Co..	..	..	6	2,000,000	2nd Apl. 2nd Oct	"	April 2nd, 1912	Redeemable at 110
Can. Cement Co.....	100	99	6 1/2	5,000,000	1st Apl. 1st Oct.	"	Oct. 21st, 1929	
Dominion Coal Co.....	99 1/2	98	5	6,300,000	1st May 1st Nov.	"	April 1st, 1940	Int. after May 1st, 1910
Dom. Iron & Steel Co....	95 1/2	95	5 1/2	7,332,000	1st Jan. 1st July	Bk. of Montreal, Mtl	July 1st, 1929	5 Redeemable at 110 and Interest.
Dom. Tex. Sers. "A"....	98	..	6	758,500	1 March 1 Sept.	Royal Trust Co. Mtl.	March 1st, 1925	
" " "B"....	..	102	6	1,000,000	"	"	"	Redeemable at par after 5 years
" " "C"....	98 1/2	98	6	1,000,000	"	"	"	Redeemable at 105 and Interest
" " "D"....	..	98	..	450,000	"	"	"	"
Havana Electric Railway	..	..	5	7,824,731	1st Feb. 1st Aug.	52 Broadway, N.Y.	Feb. 1st, 1912	Redeemable at 105
Halifax Tram.....	101	..	5	600,000	1st Jan. 1st July	Bk. of Montreal, Mtl.	Jan. 1st, 1916	Redeemable at 110
Keewatin Mill Co.....	..	..	6	750,000	1st March 1 Sept.	Royal Trust, Mtl.	Sept. 1st, 1916	
Lake of the Woods Mill Co	..	110	6	1,000,000	1st June 1st Dec	Merchants Bank of Canada, Montreal.	June 1st, 1932	Redeemable at 110
Laurentide Paper Co....	112	110	6	947,305	2 Jan. 2 July	Bk. of Montreal, Mtl	Jan. 2nd, 1920	
Mexican Electric L. Co..	..	..	5	5,778,600	1st Jan. 1st July	"	July 1st, 1935	Redeemable at 105 and Int. after 1912
Mex. Lt & Power Co..	..	..	5	11,725,500	1st Feb. 1st Aug.	"	Feb. 1st, 1933	
Montreal L. & Pow. Co..	100 1/2	100	4 1/2	6,787,000	1st Jan. 1st July	"	Jan. 1st, 1932	
Montreal Street Ry. Co..	..	100	4 1/2	1,500,000	1st May 1st Nov.	Bk. of Montreal, Mtl.	May 1st, 1932	Redeemable at 105 and Interest
Ogilvie Flour Mills Co..	109 1/2	108 1/2	6	1,750,000	1st June 1st Dec.	"	July 1st, 1932	
Penmae.....	..	..	5	2,000,000	1st May 1st Nov.	Bk. of M., Mtl. & Ln.	Nov. 1st, 1926	Redeemable at 110 after Nov. 1, 1911
Price Bros.....	..	..	6	833,000	1st June 1st Dec.	"	June 1st, 1925	Redeemable at 110
Quebec Ry. L & P. Co..	72	70	5	4,866,656	1st Jan. 1st Dec.	"	June 1st, 1929	
Rio Janeiro.....	..	..	5	25,000,000	1 Jan. 1 July	"	Jan. 1st, 1935	
Sao Paulo.....	..	..	5	6,000,000	1st June 1st Dec.	C. B. of C. London.	June 1st, 1929	Redeemable at 110
Toronto & York Radial..	..	..	5	1,620,000	1 July 1st Jan.	Nat. Trust Co. Tor.	Feb. 1st, 1919	
Winnipeg Electric.....	..	..	5	1,000,000	1st Apl. 1st Oct	B. of M., Tor. & N.Y.	Jan. 1st, 1927	
West India Electric.....	93	92	5	4,000,000	2 Jan. 2nd July	Bk. of Montreal, Mtl.	Jan. 1st, 1935	1929
				600,000	1st Jan. 1st July	"	"	"

Montreal Tramways Company
SUMMER SERVICE TIME TABLE

Lachine:
From Post Office: 20 min. service from 5.40 a.m. to midnight.
Lachine 20 " " " 5.30 a.m. to 12.50 mid-
night.

Sault au Recollet and St. Vincent de Paul:
From St. Denis—
15 min. service from 5.15 a.m. to 9.00 a.m.
20 " " " 9.00 a.m. to 4.00 p.m.
15 " " " 4.00 p.m. to 7.00 p.m.
20 " " " 7.00 p.m. to 10.00 p.m.
30 " " " 10.00 p.m. to 12.00 midnight.

From St. Vincent—
15 min. service from 5.45 a.m. to 9.30 a.m.
20 " " " 9.30 a.m. to 4.30 p.m.
15 " " " 4.30 p.m. to 7.30 p.m.
20 " " " 7.30 p.m. to 10.30 p.m.
30 " " " 10.30 p.m. to 12.30 midnight.
Cars from St. Denis, 12.00 and 12.40 midnight to
Hendersons only.
Cars from Hendersons 12.00 and 12.40 midnight.

Mountain:
From Park Avenue—
20 min. service from 5.40 a.m. to 12.20 midnight.
From Victoria Avenue—
20 min. service from 5.50 a.m. 12.30 midnight.

Cartierville
From Snowdon Junction—
20 min. service from 6.00 a.m. to 8.40 p.m.
40 " " " 8.40 p.m. to 12.00 midnight.
From Cartierville—
20 min. service from 5.40 a.m. to 9.00 p.m.
40 " " " 9.00 p.m. to 12.20 midnight.

Bout de l'île:
30 min. service from 5.00 a.m. to 9.00 p.m.
Hourly " " " 9.00 p.m. to 12.00 midnight

Terquillville:
15 min. service from 5.00 a.m. to 6.30 a.m.
30 " " " 6.30 a.m. to 9.00 p.m.

German American
Insurance Company
New York

STATEMENT MAY, 1911
CAPITAL

\$2,000,000

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