# The Chronicle

**Banking, Insurance & Finance.**

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## THE BANKS' CANADIAN LOANS.

Those who have followed closely the development of events in Canada during recent months are well aware that the comparative stability which has prevailed here during a particularly trying and anxious period has been largely due to the long-sighted policy of the banks. Months before some of our outside critics had discovered the mare's nest which set them howling that Canada was on the road to ruin, the bankers, studying the trend of world-wide developments, had foreseen the probability of the present stringency, had noted the development of weak spots in the fabric of Canadian credit and had begun to take measures accordingly. The speculator found his credit withdrawn; municipalities were urged to wipe out their special loans by the flotation of their bonds, all round there was a general tightening up. The task that was in fact undertaken was the gradual re-adjustment of affairs to a new set of conditions. That re-adjustment is still in progress, but so far it may be said that it has been performed in a way which is highly creditable to those concerned, and that by the manner in which it has been carried out, a distinct service to the Dominion has been rendered. Those foreign critics who had been anticipating a panic on the grand scale in Canada have been thus far disappointed and there is no present reason for thinking that their at one time confident expectations are likely to be realised in the immediate future.

However, the action that has been taken does not seem to commend itself to some of our own people. That fact is perhaps not surprising since there is a type of mind which has a temperamental antipathy to financial institutions of all kinds, and is apt to regard bankers' actions as constantly inspired by Machiavellian motives. When, as is not infrequently the case, this temperamental antipathy is united with lack of knowledge regarding the most elementary facts of finance, the result is sometimes not without a touch of humour. As for instance, a Vancouver daily paper complained gravely in its editorial columns the other day that "the banks are holding up their capital at the very time when it should be loosed to tide the people over the world-wide financial stringency." And it goes on to say "if the government intervened between these great monied institutions and the people and insisted that the money which the people of the country contribute to their upkeeping should be returned at reasonable rates of interest, there would be less talk of a money stringency." Would there?

"The money which the people of the country contribute to their upkeeping" is presumably a demagogic synonym, though not a very accurate one, for the banks' deposits. At May 31, which is the latest return at present available, the Canadian deposits of the banks were as follows:—Dominion government, $9,177,632; provincial governments, $30,582,146; demand deposits, $364,159,642; notice deposits, $630,755,603, a total of $1,034,675,023. At the same date the total of the banks' loans in Canada was $981,691,741 made up of the following items:—Loans to provincial governments, $3,739,690; call and short loans on stocks and bonds, $69,982,540; current loans, $898,959,650. Additionally, the banks at the same date held Dominion and provincial government securities totalling $9,009,861, and Canadian municipal and other securities—home and foreign—of above $90,000,000. A very moderate allowance for the purely Canadian securities comprised in the latter total would be $25,000,000—in all probability, they are much more. However, making this exceedingly modest estimate, there is left as a cash reserve a $19,000,000 balance of the banks' Canadian deposits over their Canadian loans and investments in Canadian securities. The figures show conclusively that the banks are employing in Canada at the present time the funds which they receive from Canadian depositors. Moreover, in the twelve months to May 31 last, the banks increased their current loans in Canada by over $61,000,000—which hardly looks as if they were "holding up their capital" in an arbitrary manner. As to whether the funds are lent at "reasonable rates of interest," those who followed the evidence given before the Banking and Commerce Committee know that the banks were able to present an exceedingly good case in defence of their present practises. They were able to show that banking in Canada is not unduly profitable; that last year nineteen Canadian banks gave an average profit on capital and reserve of 8.84 per cent.—one-half the rate of profits made by a number of ordinary industrial concerns, and that, as a matter of fact, capital is deterred from entering the banking business in Canada because it is able to find more profitable employment elsewhere.

The Vancouver criticism overlooks the fairly obvious fact that a bank cannot lend what it has not got to lend. The banks' capacity to lend depends upon the capacity of the Canadian people to make deposits and upon the readiness with which foreign investors send their funds here. It may be argued that at certain times the banks are over-careful, that they should lend a larger proportion of total funds than they do lend. We fancy, however, that the sober common-sense of the country will prefer to leave this matter of policy in the hands of men whose life has been devoted to the study of the problems with which they have to deal, and who have more to lose than any one else by following a rash or indiscreet course of action, rather than commit it to the tender mercies of those whose only qualification for being regarded as possessed of supreme wisdom is the fact that they hold a government job.

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R. WILSON-SMITH, *Proprietor.* ARTHUR H. ROWLAND, *Editor.*

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# MUNICIPAL METHODS.

A natural effect of the prolonged monetary stringency is seen in the action of one or two of the smaller Canadian cities in endeavoring to dispose of debentures locally. Guelph furnishes a recent instance of this kind. According to news items appearing in the daily press the finance committee of the Guelph city council are endeavoring to dispose of an issue of $60,000 debentures in lots of from $100 to $1,000 among investors living in the city or its vicinity.

### DISADVANTAGES OF THIS PLAN.

It is quite true that there are a considerable number of parties in and around any of the old-established Ontario towns and cities who would buy the local debentures if the municipal authorities set themselves earnestly and systematically about the task of developing the market. But it is likely that most municipalities would consider it best to stick to the present method of selling debentures—by means of bond dealers or fiscal agents. There is considerable trouble and expense in connection with selling bonds and debentures by retail. The returns or proceeds may come dribbling in; and at times perhaps when money was most urgently needed, the incoming stream would almost cease to flow. For these and other reasons the general practice among the municipalities is likely to be as in the past—namely to sell the securities in bulk and get the proceeds in one sum when the money is needed. The derangement of the international money markets, which serves to prevent large borrowing by municipalities at present, is merely a temporary phenomenon. Already there are signs of a brightening outlook in Europe; and a decided improvement there would make itself felt in Canada almost immediately.

### PREPARATIONS FOR CROP-MOVING COMPLETED.

News comes of municipalities in the East and in the West abandoning construction projects and discharging laborers. To a certain extent the same process of readjustment has been at work in connection with industrial enterprises. And in that way the demands on the money market are kept down to minimum figures. The crop-moving period is fast approaching and in all probability the financial arrangements therefor have been completed. Apparently the grain and milling concerns have been able to get the credits necessary for their operations. No disposition has been shown by the banks to increase their loans to stock market borrowers. More or less continued liquidation of securities has been in evidence. Call loan rates at Montreal and Toronto are 6 to 6½ p.c. as heretofore; and discount rates applying to commercial paper range from 6 to 7 p.c.

### EUROPEAN DEVELOPMENTS.

The African gold marketed in London this week amounted to about $4,000,000. The Bank of England secured most of it, as the demand from the continent was not so keen. Bank rate in London is held at 4½. Not for 40 years, says the London *Bankers Magazine*, has the Bank of England rate ruled so high in midsummer as in 1913. Call money in London is quoted 2¾ p.c.; short bills are 3⅝ p.c.; and three months bills, 4 per cent. Open market rate of discount in Paris is 3¼ and in Berlin, 4½. Bank of France rate is held at 4 p.c. and that of the Imperial Bank of Germany at 6 p.c. The strain at Berlin appears to be diminishing.

### THE BELLICOSE BALKANS.

Balkan affairs continue to engage the attention of the rest of Europe. Sir Edward Grey, the British Foreign Secretary, this week remarked that perhaps the fighting would continue until exhaustion ensued. The New York *Evening Post* comments that this official remark may have been less pessimistic in reality than it seemed to be—it may have been meant as an intimation to Bulgaria that she had better make haste to come to terms with Greece and Servia. At

any rate, even if they do fight, like wild beasts, until they are exhausted, the end cannot now be long delayed. Thanks to the manifestation of a greedy and quarrelsome disposition, the Balkan States will apparently derive no real profit or gain from their defeat of Turkey.

### NEW YORK POSITION.

Call loans in New York are quoted from 2 to 2¼ p.c. with most of the business at 2¼. Time money is reported very firm and scarce, as the city institutions are practically out of the market. Sixty day loans are quoted 4 p.c.; ninety days, 5 to 5¼; and six months, 6½. The outgo of gold to Paris has had a tendency to offset the return flow of dividend money to the big American centre. All clearing house institutions, in their Saturday statement, reported loan expansion of $10,313,000, cash gain of $2,900,000, and decrease of $541,000 in surplus. After this reduction the surplus stood at $19,414,800. In the case of banks alone there was a slight increase of surplus—$144,250. Loan expansion amounted to $6,386,000, and the cash gain was about $3,000,000.

### ADVANCES AD INFINITUM.

The demand for increased wages preferred by the conductors and trainmen of the Eastern railways is to be submitted to arbitration under a new bill just passed by Congress. So the danger of a great strike is believed to have been averted. However, railways stockholders have to take into account the probability that the arbitrators will grant a part at least of the men's demands. Every arbitration yet has had that result and it will be strange if this one differs from preceding cases. Then, if the conductors and trainmen get an increase, the engineers will probably put in their demands, and finally the firemen, to complete the cycle. Then the conductors and trainmen begin again and so on *ad infinitum*. With these prospective increases of expenses and the Government forbidding rate increases, it is small wonder that the investment public is losing interest in railway shares. The companies cannot get capital except at exorbitant rates. Northern Pacific the other day paid over 6 p.c. on an issue of notes. This state of affairs has a tendency to depress industry and trade.

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It now looks as if the year 1913 would prove as disastrous for marine insurance underwriters as was the exceptionally unfortunate year 1912, says a London advice. The first six months of last year included the Titanic disaster, which involved underwriters in tremendous losses, but it now proves that the first half of the present year has brought even greater hardship in the aggregate. The total claims against Lloyds' underwriters for the last six months are semi-officially returned at £3,876,400, or £62,700 more than for the corresponding period of 1912. Actually it is believed the total will work out at about £5,000,000 for the last six months, against approximately £4,000,000 for the first half of 1912.

## BRITISH BANKS' HALF-YEAR.

### A Very Favorable Period—But Depreciation will Probably Prevent a Rise in Dividends.

There can be little doubt that when the various British banks have issued their statements it will be seen that the past half-year has been one of the best and most profitable on record. Owing to the general political unrest, and to a very considerable extent to the flood of new issues, rates have been very high during the period, and especially was this so during the first three months, in which time, observes the *Financial News*, the banks found themselves in the somewhat unusual position of being able to leave their money at call and yet to be able to earn almost as much thereby as if they had bought bills.

The level of rates was considerably higher than in the corresponding half-year of 1912, in particular the day-to-day money commanding about 17s. 8d. and three months bills £1 0s. 8d. more than twelve months ago. On the other hand, it must not be forgotten that bankers have had to pay for their deposits much more this year than last, the difference being about £1 6s. 8d. But this has only had to be paid on the deposits, which may be taken roughly as 50 per cent. of the total current and deposit accounts on the books, the rest remaining with the banks free of interest. The good fortune of bankers, however, has not stopped at these augmented rates. In addition, they have had an increased amount of funds to use, as a consequence of the fact that current and deposit accounts have been generally on a higher level, this being one of the results of the lack of confidence in the investment market, whereby much money has remained with the banks which in normal times would have been utilised in the purchase of Stock Exchange securities.

### DEPRECIATION IN INVESTMENTS.

Turning now, however, to the other side, we find that there is still one unsatisfactory feature, and that is the depreciation in the value of investments. At one period during the half-year it was thought that the depreciation would have been less than formerly, but the very decided slump during the last month has unfortunately completely altered the aspect, and it may be taken that the amount which has to be set on one side for depreciation during the past six months will be certainly not less than has been the normal level during the last year or so. Of course, these continued appropriations to depreciation have the effect of raising the yield on the securities held by the banks, and in this respect, so far as profit is concerned this half year, the benefit is being reaped of the large sums which have been so applied in the past.

While on this question of depreciation it may be pointed out that as an increasing number of banks now only make up their balance-sheet yearly, frequently in December, it may be anticipated that the actual accounts set aside for depreciation will, in many cases, not be stated for the end of June, although, of course, internal provision will be made for it, and it may be possible that before the figures for December are compiled there may have been a reaction on the Stock Exchange which will have wiped out a certain proportion of the present fall.

### ADVANCED DIVIDENDS IMPROBABLE.

Although the general tenor of the foregoing remarks is satisfactory, it is not probable that dividends will be increased, as although in many cases the

actual half-yearly profits would have justified such a course, yet conditions are still unsettled. Bankers have had to face a very considerable drain for depreciation, and, on the whole, it may be anticipated that most of them will prefer to allow their dividends to remain at the present level until they have had a little more experience of good profits.

## THE FARMER'S CHEAP MONEY.

That the farmer, whether in the East or West, should be able to secure capital for farming purposes at reasonable rates of interest is a proposition which secures general assent. But difficulties begin to arise when it is sought to put the theory into practise. Of the various methods used in other countries, there are many variations, but broadly speaking, it may be said that they come under the heading either of co-operative banking or of loans at cost by the State. Of the possibilities of co-operative banking in a new country like Western Canada, a sceptical view can be expressed without fear of an accusation of prejudice. The demand for loans is so far in excess of the supply of deposits, and quite naturally so, as to render the success of any experiment on these lines highly problematical. There remains the alternative of Government action through some kind or other of administrative machinery—a policy upon which it would appear the Saskatchewan government is about to embark, and for the purposes of which it is now collecting information. A scheme of this kind, when it is got well under way, will presumably be a big affair and there is a preliminary point which deserves serious consideration. The amount of funds available in the international markets for high-class securities such as those issued by the Canadian provinces is limited. The fact is well known—is there any danger of the demand for these funds exceeding the supply? The point appears to have been overlooked by some of our municipalities and before any scheme of Government loans to farmers involving extensive financing is embarked upon, should, we suggest, receive ample consideration.

## TIGHT MONEY AND THE MORAL HAZARD.

Fire underwriters are complaining that the losses of June and the present month to date have been unusually heavy. The fact is the more unwelcome since they look to this period of the year to recompense them in some measure for the heavy losses of the winter months. It seems not altogether improbable that this fact is in part the result of an increased moral hazard, owing to the monetary stringency. The report of Fire Chief Tremblay, of Montreal, shows an all-round increase in the activities of his brigade during the last six months in comparison with the corresponding six months of 1912. Fires in Montreal numbered 926 in the first half of this year against 766 in the corresponding period. That moral hazard increases in times of commercial quiet or depression is well-known, and the facts mentioned suggest that some movement of this kind is being felt.

## CANADA'S TRADE WITH THE UNITED KINGDOM.

**British Imports not Keeping Pace with Imports as a Whole—Trade Absorbed by the United States.**

Interesting comparisons in regard to the United Kingdom's trade with Canada are contained in a newly-issued report by Mr. Hamilton Wickes, British Trade Commissioner for Canada. After referring to the enormous growth in Canadian trade during recent years, Mr. Wickes goes on to say:—

Considerable as has been the rise in the imports into Canada from the United Kingdom in the last sixteen years ($87,600,000), it has not kept pace with the remarkable expansion in the total value of imports into the Dominion from all countries. During the period 1873-97 imports from the United Kingdom steadily declined from $68,500,000 to $29,400,000, *i.e.*, from 53.5 per cent. (1873) to 24.6 per cent. (1897) of the total import trade. In the following year (1898) the value of imports into Canada from the United Kingdom showed an increase of $3,000,000 (about £600,000), and has continued to advance annually since that year. In April, 1897, the Canadian Government inaugurated preferential Customs treatment for goods imported from the United Kingdom to the extent of one-eighth of the duties payable under the general tariff (since increased to an average of one-third), and it will be noted that imports into Canada from the United Kingdom began to show an increase in the year following, an increase which has been maintained without interruption year by year since that date. The expansion in the total imports into Canada began about two years before, *i.e.*, in 1895-6.

A DECLINE IN PROPORTION.

Between 1896-7 and 1912-13 imports from the United Kingdom for consumption in Canada quadrupled in value; but, nevertheless, the proportion of imports from the United Kingdom to the total imports from all countries showed a decline of 7.3 per cent. Although there was actually a falling off in the United Kingdom's share of the total imports entered as dutiable between 1897 (the year in which a preference to British goods was granted) and 1913, the decline was not as great as in the case of imports entered as free. On the other hand, the United States improved their position both in dutiable and free imports. It should also be noted that during the last two years there has been a very marked falling off in the United Kingdom's share of dutiable imports. This decrease would appear to be due principally to a falling off in the United Kingdom's share of the trade in iron, steel, and other metals, and machines and machinery.

On the other hand, the figures of imports from the United Kingdom include, in later years, diamonds of considerable value (of which quite a proportion are unsold and taken back to England); settlers' effects entering free, and amounting to nearly $5,000,000; Indian tea and raw wool accounting, approximately.

for $5,000,000, and a number of other items which are entirely or mainly of foreign origin.

The trade lost to the United Kingdom represented by the decline in the proportion of imports from the United Kingdom, which has been gradual and consistent, is a serious matter. The trade so lost to that country has not been divided between a number of other countries, but has been almost entirely absorbed by the United States, as the figures of imports from the latter country clearly show. Mr. Wickes is not however, prepared to go so far as to believe that this loss of percentage by the United Kingdom in the import trade with the Dominion has been due to any general decrease in the competition for trade. In fact, certain individual firms of the United Kingdom have, within the last three or four years, not only taken their share of the increased trade, but have actually secured trade which formerly went to the United States. British manufacturers are taking a greater interest, and are watching this market with greater attention; but he fears a number have not realised the extraordinary expansion which has taken place in the last few years; and many lines have been either overlooked, or the volume of business to be done has not been fully appreciated.

## THE YORKSHIRE INSURANCE COMPANY, LIMITED.

Remarkable expansion in all departments is being made at the present time by the well-known Yorkshire Insurance Company, Limited, of York, England, and as the outcome of recent negotiations its importance as a large composite office bids fair to be materially enhanced. By the acquisition, for instance, of the Scottish Boiler Insurance and Engine Inspection Company, Limited, it has secured control of an income from premiums and fees aggregating from $125,000 to $150,000, derived from a class of business in which the vendor Company has specialised for over 30 years. In the Yorkshire's marine department, which since its inauguration in 1910 has built up a premium income of over $600,000, development will be still more marked, control having been acquired of the London and Provincial Marine and General Insurance Company, whose premium income is upwards of a million dollars. Further, arrangements are now awaiting the approval of the parties concerned for the transfer of the business of the Eagle Insurance Company (a London life office dating from 1807) to the Yorkshire, and as a comparatively minor event, the Premier Insurance Company, a ten-year old organization transacting fire and various departments of casualty, etc., insurance, after a creditable endeavor to secure a sound and profitable footing, has made arrangements whereby it will obtain from the Yorkshire satisfactory consideration in respect of such of its business as that Company is prepared to accept.

These developments form an admirable illustration of the power of sound and even notable progress acquired by an institution guided along conservative lines by a management whose first care is the security of foundations. Established in 1824, the Yorkshire has for many years held an honoured position among British insurance institutions and it may be confidently expected that the result of the present policy of expansion will be the continuance of its record of success in a larger field of operations.

### FIRE DEPARTMENT'S SUCCESSFUL YEAR.

Excellent results were achieved by the Yorkshire's fire department last year. The net fire premium income for 1912 was $2,005,815, a total which marks the large advance of over $400,000 upon the premium income of 1911. The loss experience was remarkably favorable, claims absorbing $835,410, a ratio of only 41.6 p.c. to premium income, as compared with 51.7 p.c. in 1911. Commission, expenses and contributions to fire brigades, amounting in all to $740,145 were a shade higher proportionately than in 1911 at 36.9 per cent., but still a fraction better than in 1910. After increasing the reserve for unexpired liabilities to $802,330, or by over $160,000, the Yorkshire was unable to transfer $297,745 to profit and loss account as a result of the year's operations in its fire department. It is to be noted that in addition to the reserve of $802,330 against unexpired liability, there are available to meet the claims of the Yorkshire's fire policyholders, a general reserve of $1,764,360, and a profit balance of $264,030, so that the Company's fire fund amounts to $2,830,720, a proportion to last year's premium income of 141 per cent. Its assets, invested in the highest grade of securities, reach nearly $18,000,000.

### THE YORKSHIRE IN CANADA.

The Yorkshire has now been operating in the Canadian field six years, having entered it in 1907, and under the management of Mr. P. M. Wickham, of Montreal, its business here has already attained important proportions and it advancing in a very satisfactory manner. Last year, the Yorkshire received net cash in fire premiums in Canada $273,327, and incurred losses of $119,321, giving the favorable proportion of losses incurred to premiums of 43.66 per cent. In the six years 1907-12 inclusive, the Yorkshire received in premiums in Canada $1,300,723, and paid out losses of $627,548, a ratio of losses paid to premiums received of 48.25.

In addition to its fire business, the Yorkshire has also for several years transacted in Canada live stock insurance, it having been the first company licensed by the Dominion Government to carry on this form of insurance in Canada. In this department last year it received in Canada in premiums $51,223, and paid claims of $34,771. Recently also it has established a Canadian accident department, transacting accident and sickness, automobile, employers' liability and plate glass insurance. The influential connections possessed by the Yorkshire, no less than the skill of its management, and the rapid development of the Canadian field for these departments of insurance, suggest in the future a decided importance for these branches of its business.

# HOW CANADIAN LIFE COMPANIES INVEST THEIR FUNDS.

There are published on another page analytical statistics regarding the invested assets of the Canadian life companies. Under the heading of invested assets, are included the following: the real estate owned, the loans on real estate, the loans on collaterals, the loans on policies and "premium obligations on policies in force," the bonds, debentures and stocks held. These invested assets represent over 94 p.c. of the companies' *total* assets, which include, in addition to the invested assets, cash on hand and in banks, interest and rents due and accrued, outstanding and deferred premiums and "other assets." At December 31, 1912, the total assets of the life companies included in our tables were $211,695,437. The total of their invested assets at the same date was $199,229,167, so that their uninvested assets were $12,466,270. This is an increase in uninvested assets of about $1,500,000, compared with December 31, 1911.

### THREE YEARS' INVESTED ASSETS.

The following is a summary table of the companies' invested assets as at the close of December, 1912, and in two previous years:—

| | 1912. | 1911. | 1910. |
|---|---|---|---|
| Real Estate Owned. . . . | $ 8,893,197 | $ 7,958,157 | $ 6,676,250 |
| Mortgages on Real Estate. . . . . . . | 75,205,667 | 63,443,648 | 52,925,758 |
| Loans on Collaterals. . | 3,229,833 | 2,388,758 | 1,685,809 |
| Loans on Policies, etc. . | 25,810,787 | 22,896,068 | 20,252,542 |
| Bonds and Debentures. . | 69,782,629 | 68,099,271 | 63,497,669 |
| Stocks. . . . . . . . | 16,307,053 | 14,328,472 | 15,059,986 |
| Totals (Unadjusted). . . | $199,229,167 | $179,114,376 | $160,098,077 |

From these figures, it will be seen that the Canadian life companies increased their invested assets last year by over $20,000,000, a somewhat larger increase than that of 1911, which was $19,000,000. Nearly two-thirds of these additional funds was placed in real estate mortgages, which were added to last year to the extent of about $12,000,000, following an increase of some $10,500,000 in 1911, and thus bringing up their total from $52,925,758 as at December 31, 1910, to $75,205,667 as at December 31 last. The remaining eight millions' increase in invested assets last year, beyond the amount placed in real estate mortgages, was widely distributed. Real estate owned absorbed about a million; loans on collaterals, $840,000; loans on policies, $3,000,000; bonds and debentures, $1,700,000; stocks, $2,000,000. The advance in stocks follows an actual reduction of some $700,000 in 1911, and last year's increase is probably to be accounted for largely in two ways. In the first place, the life companies would subscribe to the new issues of stock to existing shareholders made last year by many established undertakings. Secondly, among the assets of some of the companies are included bonus stocks, acquired in connection with bond purchases. When these stocks are not deemed to be of appreciable or certain value, they are not included in the returns; but when a value has been assigned by the companies to the stocks, they are then included.

### GROWTH OF REAL ESTATE MORTGAGES.

The variations in the proportions of assets invested in the different classes of securities during the last three years are shown in the following table:—

| | 1912. | 1911. | 1910. |
|---|---|---|---|
| **Real Estate Owned. . . .** | 4.47 | 4.44 | 4.17 |
| **Mortgages on Real Estate. .** | 37.75 | 35.42 | 33.06 |
| **Loans on Collaterals. . . .** | 1.62 | 1.33 | 1.05 |
| **Loans on Policies, etc. . . .** | 12.95 | 12.78 | 12.65 |
| **Bonds and Debentures. . . .** | 35.03 | 38.02 | 39.66 |
| **Stocks. . . . . . . . . . . .** | 8.18 | 8.00 | 9.41 |

The most striking tendency shown by these figures is the growth in the proportion of the loans on real estate, and coincidently the fall in the proportion of bonds and debentures held. Last year, for the first time for a prolonged period, the real estate mortgages took the lead from bonds and debentures as the form of security in which the Canadian life companies have most funds invested. The partiality of the life companies for real estate mortgages has been very marked during recent years. In the last two years they have placed over $22,000,000 additional in real estate mortgages, while their holdings of bonds and debentures have only increased by $6,300,000 in the same period. It will be interesting to see whether the present rise in the rate of interest for high-class bonds and debentures has the tendency to divert in the immediate future a larger proportion of the companies' new funds towards this form of investment. In many cases, the companies have established within recent years elaborate administrative machinery for the handling of their real estate mortgages, and it may quite possibly be that the attraction will not be strong enough to result in a slackening along the present lines of activity.

### INCREASE IN POLICY LOANS.

Policy loans continue on the upward grade. They were increased last year in amount by a little less than $3,000,000, a larger advance than has been seen in any year since 1907, when they were advanced by almost exactly $3,000,000. At that time, of course, the loaning power of policies in force was considerably smaller than in 1912, so that a $3,0000,000 increase in policy loans in 1907 has more significance than the same increase in 1912, which followed an advance of $2,650,000 in 1911 and $2,000,000 in 1910. However, last year's increase brings the loans on policies up to practically 13 per cent. of the life companies' invested assets. That these policy loans will show a very considerable advance when the current year's figures become available there is every indication. The demands upon the companies for these loans during the past few months have been very great. In many cases, no

(*Continued on page* 1011.)

# How Canadian Life Companies invest their Assets.

*(Compiled by THE CHRONICLE.)*

## 1911

Percentage to total invested assets of

| | Total of Invested Assets | Real Estate owned | Loans on Real Estate | Loans on Collat-erals | Loans on Policies etc. | Bonds and Deben-tures held | Stocks held |
|---|---|---|---|---|---|---|---|
| British Columbia | $71,408 | .... | 19.37 | .... | .... | 80.63 | .... |
| Canada | 42,391,559 | 6.30 | 33.39 | 0.51 | 15.01 | 34.05 | 10.74 |
| Capital | ........ | .... | .... | .... | .... | .... | .... |
| Confederation | 15,324,528 | 8.28 | 38.09 | 0.27 | 14.02 | 34.75 | 4.58 |
| Continental | 1,175,086 | 38.29 | 27.24 | 2.00 | 7.53 | 24.94 | .... |
| Crown | 810,691 | 5.99 | 51.86 | 0.99 | 16.89 | 23.91 | 0.36 |
| Dominion | 2,359,811 | .... | 85.96 | .... | 5.81 | 8.23 | .... |
| Excelsior | 2,153,744 | 5.29 | 83.28 | .... | 8.94 | 2.49 | .... |
| Federal | 4,001,169 | 8.00 | 29.85 | 4.78 | 13.92 | 42.56 | 0.87 |
| Great-West | 9,650,903 | 5.26 | 77.13 | .... | 11.00 | 2.71 | 3.90 |
| Home | 1,232,772 | 13.11 | 49.64 | .... | 14.48 | 22.77 | .... |
| Imperial | 6,401,393 | 2.17 | 73.79 | 1.39 | 10.36 | 11.92 | 0.37 |
| London of Canada | 3,336,599 | 0.74 | 86.39 | 0.05 | 5.54 | 4.96 | 2.31 |
| Manufacturers | 13,472,704 | 4.64 | 38.42 | 0.70 | 13.71 | 35.94 | 6.59 |
| Monarch | 281,589 | 0.48 | 78.77 | .... | 1.36 | 19.38 | .... |
| Mutual of Canada | 17,143,592 | 1.06 | 56.69 | .... | 13.28 | 28.98 | .... |
| National | 1,604,373 | 9.97 | .... | .... | 13.94 | 66.27 | 9.82 |
| North American | 11,795,760 | 0.91 | 31.53 | 1.99 | 12.74 | 37.77 | 15.06 |
| Northern | 1,482,301 | .... | 65.44 | 1.57 | 11.39 | 19.59 | 2.01 |
| Sauvegarde | ........ | .... | .... | .... | .... | .... | .... |
| Security | 53,940 | .... | .... | .... | .... | 100.00 | .... |
| Sovereign | 819,298 | .... | 42.81 | .... | 12.82 | 44.37 | .... |
| Sun of Canada | 42,247,831 | 2.33 | 4.01 | 2.58 | 11.84 | 66.18 | 13.06 |
| Travellers of Canada | 65,738 | .... | .... | .... | .... | 100.00 | .... |
| Union of Canada | 1,207,587 | 15.80 | 12.04 | 30.99 | 4.32 | 21.14 | 15.70 |
| TOTALS AND AVERAGES | $179,114,376 | 4.41 | 35.42 | 1.33 | 12.78 | 38.02 | 8.00 |

## 1912

Percentage to total invested assets of

| | Total of Invested Assets | Real Estate owned | Loans on Real Estate | Loans on Collat-erals | Loans on Policies etc. | Bonds and Deben-tures held | Stocks held |
|---|---|---|---|---|---|---|---|
| British Columbia | $111 764 | .... | 48.49 | .... | .... | 51.51 | .... |
| Canada | 46,383 919 | 6.53 | 36.34 | 0.33 | 15.04 | 30.97 | 10.79 |
| Capital | 155 383 | .... | 38.49 | .... | .... | 61.51 | .... |
| Confederation | 16,157,625 | 9.94 | 37.32 | 0.13 | 14.13 | 33.45 | 5.02 |
| Continental | 1,350,020 | 33.33 | 28.88 | 1.74 | 8.24 | 37.80 | .... |
| Crown | 1,022,364 | 20.59 | 41.87 | 0.78 | 16.64 | 17.26 | 2.85 |
| Dominion | 2,679,356 | 0.80 | 85.77 | .... | 6.39 | 7.04 | .... |
| Excelsior | 2,603,743 | 4.38 | 84.78 | .... | 8.84 | 2.00 | .... |
| Federal | 4,475,130 | 7.15 | 36.07 | 3.74 | 14.04 | 38.18 | 0.81 |
| Great-West | 11,281,142 | 4.69 | 76.74 | .... | 12.89 | 2.74 | 2.94 |
| Home | 1,181,256 | 14.11 | 41.63 | 1.69 | 15.73 | 24.99 | 1.86 |
| Imperial | 7,470 919 | 3.96 | 74.66 | 0.97 | 10.73 | 9.32 | 0.36 |
| London of Canada | 3,820,262 | 0.65 | 87.42 | 0.03 | 5.58 | 4.28 | 2.03 |
| Manufacturers | 14,910 186 | 0.05 | 52.11 | 1.19 | 14.01 | 25.23 | 6.72 |
| Monarch | 350 649 | 0.31 | 81.84 | .... | 2.28 | 15.56 | .... |
| Mutual of Canada | 18,866,285 | 1.22 | 58.58 | .... | 13.40 | 26.81 | .... |
| National | 1,921,326 | 8.42 | .... | .... | 13.71 | 68.72 | 9.14 |
| North American | 12,660,409 | 0.95 | 32.80 | 1.23 | 13.21 | 37.09 | 14.72 |
| Northern | 1,521 807 | .... | 63.02 | 1.35 | 9.39 | 23.71 | 2.52 |
| Sauvegarde | 668 151 | 25.99 | 28.14 | .... | 5.05 | 40.81 | .... |
| Security | 53,940 | .... | .... | .... | .... | 100.00 | .... |
| Sovereign | 900 276 | .... | 48.79 | .... | 13.74 | 37.47 | .... |
| Sun of Canada | 47,273 491 | 2.62 | 4.53 | 4.16 | 11.96 | 62.56 | 14.17 |
| Travellers of Canada | 86 700 | .... | .... | .... | .... | 100.00 | .... |
| Union of Canada | 1,223,064 | 15.60 | 12.16 | 27.80 | 5.00 | 23.90 | 15.54 |
| TOTALS AND AVERAGES | $199,229 167 | 4.47 | 37.75 | 1.62 | 12.95 | 35.03 | 8.18 |

## HOW CANADIAN LIFE COMPANIES INVEST THEIR FUNDS.

*(Continued from page 1007.)*

doubt, these loans have been used to finance merely speculative purchases of real estate or securities, and that by both large and comparatively small policyholders. But one contributory reason for these loans —a perfectly legitimate one so far at it goes—appears to have been overlooked hitherto. Not all the purchases of sub-divided lots made in recent years have been for purposes of speculation—if they had been the boom would have burst with a bang long ago, instead of gently subsiding. Many of them, especially in the vicinity of great towns have been thoroughly *bona fide* purchases for use and occupation. Those whose income has been small have found themselves unable to continue paying the extraordinary and rapidly rising rentals demanded in the cities and have accordingly purchased a lot and built their own home in the suburbs. This capital expenditure—modest as it is—has required to be financed and the loan value of life insurance policies has been utilised for the purpose. Insurance-wise, the practice is of course deplorable. But it suggests that some at least of the borrowing upon life policies has a case for the defence, and is not merely for the purposes of squandering upon automobiles or use in illegitimate and undesirable purposes of speculation. Probably the rise in the loans upon collateral is a result of "tight money."

## THE METROPOLITAN'S WAY.

A requirement of the Metropolitan that admits of no exception, is that every man in its service shall realize that the Company's most solemn duty is to its policyholders—that policyholders shall always be treated fairly, courteously and with the most patient consideration. Harshness toward them will under no circumstances be tolerated, much less deceit or misrepresentation in dealing with them. We demand that every application written shall be with full knowledge on the part of the applicant of the provisions of the contract to which he is invited to become a party; that the proposed insured shall undergo an actual physical examination or inspection as may be required; that when the policy is issued its owner's rights shall be respected; that while advance payments are to be commended, they are not to be had by threatening a lapse, or by compelling the policyholder to call at the Metropolitan office to pay his premiums, because, perchance, he avails himself of the right accorded him to keep his payments two or three weeks in arrears; that he is not to be persuaded to carry more insurance than he can readily pay for, thereby imperilling not only the additional insurance, but the original insurance as well. We demand, in the language of our "Watchword," which appears at the head of this publication, "A Business First, Last and All the Time in Every Respect Beyond Reproach," and we recognize that the way to get and maintain it is to win, and cultivate, the respect and goodwill of the Company's present and future clients. —*Second Vice-President Geo. H. Gaston.*

## CONDITIONS IN THE LIABILITY BUSINESS.

*(Vice-President J. Scofield Rowe, before Liability Section at Quebec Convention of International Association of Casualty and Surety Underwriters.)*

Because of the fact that the casualty insurance companies have found it necessary to establish organizations such as this association, and also to establish bureaus for the purpose of compiling dependable experience data as a guide to the safe and economic conduct of their business, they have not infrequently been accused by the so-called political reformers of seeking to maintain an insurance combination or monopoly; and while we are thus maligned for daring to indulge only in such a degree of friendly co-operation as is absolutely essential to the solvency of our companies and the protection of the insuring public, we are at the same moment being warned by the more experienced and conservative State Insurance Departments that further demoralizing and rate cutting practices must cease and that the competition between companies for the patronage of insurance agents and brokers by the payment of high commissions must in future be restricted and regulated in order to better guarantee the ultimate protection of the policyholder.

### EXPENSES MUST BE REDUCED

It would seem, therefore, that we are almost between the proverbial 'devil and the deep sea.' If we attempt to co-operate among ourselves in the maintenance of adequate rates we are accused of establishing a trust or monopoly, and if we compete too actively and vigorously in open competition we are in danger of such demoralization as may result in the insolvency of some companies and a heavy ultimate loss to the insuring public.

While it is generally conceded that the cost of procuring business should and must be further reduced —and this has been accomplished in States having Accident Compensation laws—there seems to have been a wide difference of opinion as to whether the end sought could possibly justify such radical means as the limiting by law of the amount of its own money which a private corporation may expend.

Reasonable regulative legislation should be encouraged and directed along proper lines, but any legislation designed to restrict development and competition —to prevent any private corporation, whether engaged in the insurance business or something else, from expending any of its own funds in its own way so long as its financial obligations are fully protected, should be vigorously opposed

### MORE FALSEHOODS NAILED.

Now one of the reasons given by many of those who, for reasons best known to themselves, would like to put all the private insurance companies out of business in order to give the State machines a free monopoly of the field, is that the companies have appropriated to their own use from 70 to 75 per cent. of the premiums received, while paying out only 25 or 30 per cent. for the adjustment of losses. That these statements are deliberate falsehoods may be easily proven upon inquiry as to the facts from any one of the Insurance Departments with which full and detailed reports of our business are filed; and while our experience on employers' liability as distinguished from other liability lines has not been filed

separately, this would be easily obtainable by any Insurance Department on request.

Now the truth is that on our straight employers' liability when separated from all other forms—and it is only the employers' liability that is related to workmen's accident compensation—the insurance companies are and have been for years maturing a loss ratio between 60 and 70 per cent., all of which has been paid for the direct benefit and protection of the insuring employer.

Every liability underwriter knows that the loss ratio on straight employers' liability policies exceeds by at least 15 or 20 per cent. the average loss ratio on other liability lines, and exceeds by at least 10 per cent. the general average shown on all liability lines including employers, as indicated by published reports.

### Companies' Heavy Losses.

Every underwriter knows that the companies without exception have all lost heavily on the straight employers' portion of their business; and while they have fought hard to obtain adequate rates and to secure better results by a more careful selection of business, the irresistible undertow of public sentiment in favor of claim making and bigger judgments which is now culminating in workmen's accident compensation laws has resulted in their incurring a very heavy loss on this class of business.

Every liability underwriter knows full well that had it not been for the small margin of profit made on lines other than employers' liability and the interest on invested capital that some of the companies still with us would have been justified in giving up the struggle as others have done by seeking reinsurance and retiring gracefully from the field, or applying for the appointment of a receiver.

Last year I called your attention to the fact that one of the most important problems we must solve, and that speedily, was the adoption of a logical and scientific basis of rating based upon a merit system that will give employers rates for insurance in proportion to their accident prevention methods.

The development of a rating system based upon a fixed standard of physical and moral hazard with a penalty for all sub-standard and a credit for all super-standard features, will do much toward establishing more friendly relations between insurance companies and the insuring public generally.

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The Census and Statistics office now estimates the area under wheat in Canada at 9,816,300 acres or 57,900 acres more than in 1912. Oats are estimated to occupy 9,646,400 acres, an increase of 429,500 acres; barley, 1,430,800 acres, an increase of 15,600 acres; rye, 127,200 acres a decrease of 8,910 acres, and hay and clover, 7,621,600 acres, a decrease of 12,000 acres.

* * * *

During June the crops throughout Canada maintained generally the favorable average of a month ago. On June 30, the condition, expressed in percentage of the usual standard of 100, taken as representing the promise of a full crop, was as follows: Fall wheat, 81.46; spring wheat, 87.80; oats, 87.71; barley, 88.39; rye, 85.95; peas, 87.43; mixed grains, 87.12; hay and clover, 71.52; alfalfa, 77.23, and pasture, 82.31.

## MERIT RATINGS IN WORKMEN'S COMPENSATION INSURANCE.

*(Carl L. Hanson, to Quebec Convention of International Association of Casualty and Surety Underwriters.)*

I have found it somewhat difficult to define satisfactorily the synonym merit-rating when applied to liability and workmen's compensation insurance, because the definition depends largely upon the system's application or where we fix our basis rate. There are three plans or methods through which merit rating can be successfully applied.

1. We may construct a hypothetically perfect plant, establish standards for safety and sanitation in that plant, and charge the owner a certain number of dollars, cents or a certain percentage of the basis rate for each deviation from these prescribed standards.

2. We may, on the other hand, establish a hypothetically very poor plant with no guards at all; use the same standards of safety promulgated for the hypothetically perfect plant, and credit the owner of the establishment for each item of the standard complied with, and

3. We may take what we term an average plant; average as they are to-day, establish sub and super standards, and charge or credit for each item, respectively, as to whether they are below or above the average.

The Ultimate Result of the three Methods.

must of necessity be the same (provided our basis rate is correct in all cases), and as to which one of the three to use or apply is a matter of expediency rather than principle.

In the first method we make the basis rate comparatively low, and build by charging for all deficiencies. This was the method I originally favored, but it is held by many students of the subject, and I now believe their contention warranted, that the moral effect upon many employers would be bad if they were charged for all items and no credits given; that it would be inducive to continual dissatisfaction and contention on account of the rate, and that, therefore, even though theoretically and practically the actual result would be the same under this as the other methods, for psychological reasons this plan was discarded, at least for the present.

In the second method we make our basis rate comparatively high, and reduce by crediting for each safeguard adopted in compliance with our standard. This method, whereas it will undoubtedly have the best moral effect and create the least amount of dissatisfaction among employers in general, will meet with opposition on the part of our law makers and State factory inspection departments, because the entire hazard with every item in the shop unguarded is covered in the basis rate, the same as under liability insurance, and therefore should the employer be so inclined he might without danger of financial ruin to himself refrain from doing any safeguarding at all, and it would make it more difficult for the factory inspection departments to enforce safety statutes. You will, of course, appreciate that the employer to whom this line of reasoning would apply is a rare exception, but the argument has been advanced, and I believe with some merit.

Of the two, the first method is the most logical and scientific because it keeps before us at all times the ideal and perfect, with a penalty affixed if no efforts are exercised to approximate that ideal, where-

as in the second method we would often be crediting or economically remunerating a man for obeying the law; a state of affairs not to be desired in any phase of human endeavor. The third method, that of the establishment and definition of an average plant as they are to-day, with debits and credits for sub and super standards respectively, is the method or procedure

ADOPTED BY THE WORKMEN'S COMPENSATION SERVICE BUREAU.

It has one distinct advantage, and that is, the basis rate will be more easily determinable under this plan than either of the two foregoing. The basis rate under the third method will more nearly approximate our present rates for workmen's compensation insurance as based on the law of average. The absence of dependable data, public or private, on this continent as to causes, frequency and severity of industrial accidents, will make it difficult to establish the basis rate under either of the two first methods.

I said the basis rate under the third method would more nearly approximate the present workmen's compensation rates (that is, of course, assuming that these rates are correct), and I think that statement is justified. This rate is, as we know, computed on the law of average or based on the cost of accidents over a wide area in the particular classification under consideration. Now I think we will all agree that a number of the industries embraced in that classification have been paying too large a share of the average in comparison to the number of accidents which have occurred in theirs and in other plants, and in comparison to the probable or anticipatory accidents which the physical and moral condition of their plants presents as against others. On the other hand it is equally true that many of them have been paying too little in the same comparison, and to equalize this injustice, merit rating steps in—not to annihilate the law of average on which all true insurance is based—but rather to amplify that law. I think, therefore, that we may now define a merit rate as "a rate on an individual plant, based on the basis rate of the classification to which the plant belongs, with debits and credits in direct ratio to the ratio of safety to probable or anticipatory accidents that particular plant presents compared to the average plant of to-day of the same classification."

NECESSITY OF INSPECTION.

We are, however, not so much interested in the phraseology or term of what we are going to do as are we, in how are we to do it. The question as to how we are going to measure the degree of safety in the individual plants in comparison to the average plant naturally presents itself first. How must it be done? The answer is simple—by inspection. The inspection is the crux of the entire problem, because here is where the expenses are incurred, and it is expenses that company managers are all endeavoring to keep down. However, this is an absolutely essential and necessary expense that must be incurred, and charged to the ultimate cost of workmen's compensation and other forms of liability insurance, whether this insurance is underwritten by stock companies or by other methods, and it is here hardly necessary to state that the stock companies, with their already existing organizations of experts and trained men, offer an advantage over other insurance carriers in this respect as in every other, so great as to be entirely beyond comparison.

Next we may ask, after we have gathered through inspection of the individual plants, the data requisite to prove whether a plant is above or below the established average, how are we going to measure the value on the different items in the schedule so constructed? Here, gentlemen, the answer is not so simple, because as previously stated, we have no dependable American data or statistics as to causes, frequency and severity of industrial accidents on which to base these values scientifically. There are very few American companies who have kept statistics on either of these three subjects under liability insurance. They were not essential to the conduct of that class of insurance, and therefore the companies were justified in not incurring the added expense of gathering them; an expense which would have increased the cost of their statistical departments considerably. They will, however, be essential under workmen's compensation insurance, and it may not be amiss to suggest (although I know the company managers have already given it attention) that the sooner all the companies agree on a uniform system of keeping statistics on these items, the sooner we will be able to use them in assigning the scientific and true value to any given cause.

WE ARE NOT ENTIRELY WITHOUT USEFUL DATA,

however. Several companies have kept statistics on these subjects, and we have tens of thousands of accidents classified under specific common causes, which undoubtedly will be placed at our disposal when affixing the values in our schedules, and besides we have volumes of European experience and statistics on the same subject; statistics, by the way, which are positively dependable. I take the liberty to state, and without fear of successful contradiction, that we have shown too great an aversion to the use of European statistics at all; that is, as far as the causes, frequency and severity of accidents is concerned. There is a way in which these statistics, and especially the German and Austrian, may be of great value to us for comparative purposes, and in which they may be quite safely utilized.

In an address delivered before the Actuarial Society of America at their annual convention in Toronto, Mr. A. H. Mowbray, a consulting actuary of San Francisco, Cal., outlined a plan, which I for one believe has a great deal of merit. I agree fully with him that if the German and Austrian statistics on these items are handled carefully by the underwriter, actuary and safety engineer co-ordinately, we will find their use of great benefit in the solution of our problems on this continent. Differences in amount of compensation, and all basic conditions bearing upon the cost of insurance must be taken care of in the basis rate, and simply the varying conditions in the individual plants, in the merit rate.

Another factor entering into the successful application of merit rating of compensation risks, and one with which we are going to have some trouble, is the segregation of payroll so as to determine the relative importance of a given cause, that is, the amount of payroll which is exposed to a specific cause in a particular plant; this you will appreciate will vary in practically every instance. For the present, however, we must be satisfied if we secure data on the approximate number of employees so exposed. To endeavor more refinement on that point at this time would be suicidal.

### ABSENCE OF STATISTICS.

The absence of dependable statistics and data would, on cursory reflection, seem a handicap. I am, however, of the opinion, that it will rather prove a blessing, and for this reason—it will inspire conservatism. It precludes our going into the problem too fast, which, if done, might result disastrously. The very absence of the statistics referred to prohibits this. Further, it will give us an opportunity to educate ourselves, as well as the employers and public at large, to this new system. It will, as it were, compel us to crawl before we walk, but it will, on the other hand, give us a splendid opportunity for building our foundations solidly, getting to bed rock, so to speak.

The absence of these statistics should, therefore, under no circumstances deter us from going ahead with our merit rating system as fast as prudence dictates. Our experience as liability underwriters, actuaries and safety engineers has given us sufficient training to warrant our assessing the common and apparent causes of accidents on the data already at hand, with comparative charges where found unguarded, and corresponding credits where they are found guarded, and likewise does our experience justify our judging the comparative importance, which the character and intelligence of employees bear to the ratio of accidents in the individual plants, and the relative value of good and poor management expressed in general cleanliness, order and sanitation of shops.

Acting upon the advice of the most experienced men on this subject, we have, however, refrained from going very far in our first general schedule. We have embodied in that schedule about eighty items, charges and credits, distributed under the following headings: Buildings, foundations, skylights, tanks on roofs, floors, floor openings, hoistways, stairs, elevated runways and platforms, boilers, boiler stacks, engines and prime movers, gas engines, electrical equipment, power transmission equipment not including direct transmission of power to working machine, maintenance and inspection, moral hazard, protection against fire hazard, explosives, sanitation, ladders, hand trucks, yards, grinding wheels, elevators.

To go into detail of each item comprised under these headings, and analyze the why and wherefore we have affixed a specific or discretionary value to them, is impossible in the time at my disposal. Suffice it to say that each item was taken up separately and discussed from all angles by representatives of nearly all companies before being submitted for final adoption.

### STANDARDS AND SUPER-STANDARDS.

We have in addition to the schedule so constructed established an equal number of standards and super-standards to be used in connection with it. You will realize it is not enough to tell the owner of a plant that he must guard his equipment with approved safeguards. We must be able at the same time to lay down definite rules as to what constitutes approved safeguards, and we have done so. The standards are necessarily imperfect, and will undoubtedly have to be revised frequently, and suggestions to that end are invited, not alone from the inspection departments of the individual liability companies, but also from manufacturers, private safety engineers and State factory inspection departments, but until revised or altered it is absolutely necessary that they be adopted *in toto* by all the subscribing companies, and that their inspectors be instructed to adhere strictly to them in making recommendations, that is, of course, as far as local conditions will permit, but on this principle only can we hope to finally get perfect standards. We appreciate the fact that it will work injustice in some cases, but in the long run it will be conducive to the greatest good to the greatest number, and anything based on that principle is fundamentally just and practicable. In the general schedule enumerated above you will note we have not taken into consideration the actual hazards inherent in the working machines used in the operation of the various industries. For this purposes we are now preparing special machine hazard schedules. They will necessarily also be imperfect in the beginning. There is a great divergence of opinion among safety engineers themselves as to what constitutes a proper safeguard on a given machine. The requirements which I would demand of a safeguard would be:

(*a*) That it be, if possible, automatic in its action, application or operation.

(*b*) That it be, if possible, an integral part of the machine itself.

(*c*) That it afford all possible safety to the operator and surrounding workmen.

(*d*) That it do not materially diminish the output or efficiency of the machine on which it is applied.

These are at least the principal points to be considered in general. Individual problems will arise in addition on separate machines in question, but my suggestion would be that the bureau approve no safeguards unless they fulfill these requirements. This would not mean that no credit should be given for safeguards which did not come up to that standard, but it would mean that safeguards not meeting at least the three first mentioned requirements would not be designated standard, and could not be advertised as having the indorsement of the bureau, and therefore be entitled to the maximum credit in the schedule, if applied.

### RESEARCH WORK NECESSARY.

On this point there is apparent need for research work immediately in order to test and determine the relative value of the different safeguards on the market, and my suggestion would be that we lose no time in getting at it, because information so gathered will be absolutely necessary in the construction of scientific schedules for working machines.

Contractors' and mining schedules must also be constructed, but we have in the short time during which the Bureau has been in existence, not been able to get around to them. They are, however, as important as the manufacturers' schedule and will receive attention in due course.

I have so far dealt with the subject from the point of workmen's compensation insurance only, but I feel that merit rating is as essential and practicable in other forms of liability insurance. Let us take, for instance, elevator insurance. The hazards inherent in elevators are well known to all liability underwriters and engineers. Now if part of these hazards are eliminated, it appeals to reason and seems a matter of common justice that consideration should be given in premium rate in direct ratio to degree of elimination. The same argument applies to public liability on buildings.

# The Yorkshire Insurance Company, Limited

### Extracts from the 89th Annual Report of the Directors for the year ending 31st December, 1912

#### IN THE FIRE DEPARTMENT.

The Net Premium Income, after deduction of Re-insurances, amounted to **$2,005,815**, as against **$1,597,225** in the previous account.

The Losses were **$835,410**, the ratio being **41.6** per cent., as against 51.7 per cent. for the previous year.

From the balance at credit of this account **$297,745** has been carried to Profit and Loss, and the Reserve for unexpired liability has been increased to **$802,330**.

#### FIRE INSURANCE ACCOUNT.

| | | |
|---|---|---|
| Reserve for unexpired liabilities brought from last year | | $ 638,900 |
| Premiums | | 2,005,815 |
| Interest, Dividends and Rents | 34,135 | |
| Less Income Tax thereon | 1,830 | |
| | | 32,305 |
| | | **$2,677,020** |

| | |
|---|---|
| Claims under policies, paid and outstanding | $ 835,410 |
| Commission | 248,425 |
| Expenses of Management | 478,395 |
| Contributions to Fire Brigades | 13,325 |
| Bad Debts | 1,390 |
| Carried to Profit and Loss Account | 297,745 |
| Reserved for unexpired risks, being 40 p.c. of Premium Income for the year. | 802,330 |
| | **$2,677,020** |

## BALANCE SHEET ON THE 31st DECEMBER, 1912

**Liabilities**

| | | |
|---|---|---|
| Shareholders' capital: authorized— | | |
| 190,000 shares of $25 each | $4,750,000 | |
| 50,000 shares of $5 each | 250,000 | |
| | | $5,000,000 |
| Issued— | | |
| 111,314 shares of $25 each, $2.50 paid | $278,285 | |
| 20,000 shares of $5 each, fully paid | 100,000 | |
| | | $ 378,285 |
| Life assurance and annuity fund | | 11,361,990 |
| Sinking fund and capital redemption fund | | 183,740 |
| Fire insurance fund | | 802,330 |
| Accident insurance fund | | 29,450 |
| Accident insurance account balance | | 24,115 |
| Employers' liability fund | | 302,895 |
| Employers' liability account balance | | 46,275 |
| General account fund | | 395,930 |
| General account balance | | 107,520 |
| Marine insurance fund | | 485,830 |
| Profit and loss account | | 264,030 |
| General reserve fund | | 1,764,360 |
| Investment reserve fund | | 125,000 |
| Dividend reserve fund | | 100,000 |
| Pension and guarantee fund | | 53,970 |
| | | $16,425,720 |
| Claims admitted or intimated but not paid— | | |
| Life assurance | $ 43,060 | |
| Fire insurance | 209,495 | |
| Marine insurance | 71,980 | |
| General insurance | 99,990 | |
| | | 424,525 |
| Bills payable—fire | | 79,025 |
| Unclaimed dividends | | 6,100 |
| Due to other companies and agents— | | |
| Life assurance | $ 2,685 | |
| Fire insurance | 504,005 | |
| Accident insurance | 2,240 | |
| Employers' liability insurance | 2,265 | |
| General insurance | 45,545 | |
| Marine insurance | 93,370 | |
| | | 650,110 |
| Premiums and interest paid in advance | | 10,690 |
| Sundry creditors— | | |
| Life assurance | $32,295 | |
| Fire insurance | 4,955 | |
| Accident insurance | 230 | |
| Employers' liability insurance | 18,850 | |
| General insurance | 12,070 | |
| Marine insurance | 1,400 | |
| | | 69,800 |
| | | $17,665,970 |
| Liabilities of the *Great Britain* Mutual Life Assurance Society as per separate balance sheet | | 175,040 |
| | | **$17,841,010** |

**Assets**

| | | |
|---|---|---|
| Mortgages on property within the United Kingdom | | $3,174,645 |
| Mortgages on property out of the United Kingdom | | 2,095,295 |
| Loans on parochial and other public rates | | 59,270 |
| Loans on life interests | | 579,975 |
| Loans on reversions | | 580,645 |
| Loans on Company's policies within their surrender values | | 422,200 |
| Loans on personal security | | 395,450 |
| Investments— | | |
| Deposit with the High Court— | | |
| £6,500 North British Railway 3 p.c. consolidated lien stock | $25,920 | |
| £14,924 10s. 7d. Midland Railway consolidated 2½ p.c. perpetual preference stock | 49,625 | |
| £6,500 Consols | 26,325 | |
| | | 101,870 |
| British government securities | | 29,065 |
| Municipal and county securities, United Kingdom | | 41,645 |
| Indian and colonial government securities | | 139,530 |
| Indian and colonial provincial securities | | 130,410 |
| Indian and colonial municipal securities | | 469,140 |
| Foreign government securities | | 1,019,425 |
| Foreign provincial securities | | 84,190 |
| Foreign municipal securities | | 582,090 |
| Railway and other debentures and debenture stocks—home and foreign | | 2,145,500 |
| Railway and other preference and guaranteed stocks | | 568,125 |
| Railway ordinary stocks | | 458,815 |
| Rent charges | | 26,280 |
| Freehold ground rents | | 31,960 |
| Leasehold ground rents | | 37,280 |
| House property | | 1,770,885 |
| Life interests | | 51,865 |
| Reversions | | 286,870 |
| Fixed deposits with colonial and continental banks; and deposit stocks | | 157,100 |
| Investments not otherwise classified | | 29,775 |
| Agents' balances | | 1,555,920 |
| Outstanding premiums | | 28,875 |
| Outstanding interest, dividends and rent | | 41,930 |
| Interest accrued but not payable | | 79,950 |
| Bills receivable | | 3,925 |
| Cash—On deposit | $ 3,505 | |
| In hand and on current account | 410,710 | |
| | | 414,215 |
| Due from other companies | | 63,360 |
| Sundry debtors | | 8,495 |
| | | $17,665,970 |
| Assets of the *Great Britain* Mutual Life Assurance Society, as per separate balance sheet | | 175,040 |
| | | **$17,841,010** |

($5 taken as equivalent to £1 sterling.)

**Head Office for Canada, Montreal.** **P. M. WICKHAM, Manager.**

## AUTOMOBILE INSURANCE.

(*A. T. Graham, in The Spectator.*)

The appearance of the automobile a few years ago called forth a form of insurance protection theretofore unknown—that of motor car insurance such as would protect the owner of such a vehicle against practically all financial losses incident to the ownership and operation of his car, except deterioration, wear and tear.

The Boston Insurance Company was the first American company to write such a policy. Lloyds of London soon followed, and their contracts were so favorable to the assured that a great majority of motorists selected them in preference to the forms of indemnity furnished by the Boston and by other stock companies which subsequently came into the field.

The growth of the automobile industry during the last twelve years has exceeded that of any other industry for a like period in the history of the world. The appearance of motor cars upon all the public highways of the habitable globe bears testimony of this phenomenal growth. When we realize that the automobile industry in this country had its inception only a dozen years ago and that it is now the third largest industry in the United States, we will have some idea of the magnitude of this business.

### ENORMOUS GROWTH OF BUSINESS.

The value of the automobile output in the United States increased over 5100 per cent. between the years 1899 and 1909, and the wage-earners in this industry increased nearly 3300 per cent. in the same period. It is estimated that over 100,000 men are employed in the business at the present time in this country. There were nearly 250,000 cars manufactured in 1912 in the United States alone and the gross value of this product closely approximated a half billion dollars. The total capital employed by companies in North America making automobile accessories is over $200,000,000, exclusive of companies making tires. It is estimated that over 900,000 cars of all kinds are in use in the United States at this time. It is estimated that one in every 100 persons in the United States is a motorist.

The value of these cars is estimated at $900,000,000, and the tire expense alone at $90,000,000 per year, or $100 per car. If all these cars were insured for their full value against fire and theft at an average rate of about 2.81 (which would be the average schedule rate) they would yield an annual premium income of $25,290,000. If we assume the average cost of these cars when new to have been $1,500 each, the premium for collision insurance would yield $27,000,000 more, or a total of $52,290,000 annually. There is no way to calculate the average horsepower; but, assuming the average to be 20 horsepower, each car having an open body and seating at least three passengers, the returns for liability and property damage insurance of $1,000 in each case would aggregate $42,175,000 per annum, making a grand total of $92,565,000 per year.

### MOTOR TRUCKS.

The motor truck is rapidly taking the place of the horse and, therefore, we may reasonably expect a largely increased output of this type of car in the future. This branch of the automobile industry is growing in leaps and bounds. The horse is not immune from the numerous ills to which flesh is heir, nor can he escape the infirmities of old age. He must be fed and sheltered and harnessed. He becomes an unproductive asset when sick. His ability to pull a load cannot always be employed to its fullest extent, because the law restricts man from imposing too heavy a burden upon him. These are some of the considerations which prompt merchants to substitute the motor truck for the horse.

Eventually, when the demand for the gasoline-propelled pleasure vehicle is on the wane, many manufacturers will undoubtedly retire from the business, either voluntarily or through failure, and only the builders of the better grade of cars will remain in the field. These, in turn, through their efforts to reduce operating expenses, will, in all probability, form combinations, and the competition of these combinations —one with the other—will, in the end, result in further consolidation, so that only a few large manufacturers will be left to carry on the business.

While this process of elimination and curtailment is going on the annual output will gradually decrease until it reaches a certain level, and thereafter the fluctuation will be above or below this level ,according to the natural conditions of trade. Standard cars will then be built, and the desire for a new model every year will be reduced to a minimum.

### AN INSURANCE MORAL HAZARD.

While we are leading up to this stage the insurance companies will have an ever-increasing moral hazard to deal with. It has truthfully been said that a motor car is the rich man's plaything. Most men of ordinary means do not realize that the first cost of a machine is not the only heavy expense to be considered. The cost of maintenance and incidental expenses are important items to be reckoned with. People will continue to deplete their savings accounts, to borrow money on their life insurance policies, to mortgage their homes and even their furniture for the purpose of raising money with which to buy automobiles; and these are all danger signals to a well conducted insurance company.

The question of depreciation is another important item that should not be lost sight of. There is only a short span between the date of purchase and the time when the investment vanishes. Any car used moderately for pleasure driving and kept in the best of condition is bound to depreciate from 20 per cent. to 30 per cent. the first year and from 10 per cent. to 20 per cent. during every succeeding year, and when a car is used for touring long distances, over rough roads, it depreciates more rapidly.

Cars used for livery purposes, especially those equipped with taximeters, are usually subject to the greatest depreciation, on account of frequent use and the resulting wear and tear. Starting a machine suddenly to run at a rapid pace, and stopping abruptly, as is often the case with taxicabs, does not conduce to longevity in a machine. I have been told by owners of taxicabs that it takes about two years' receipts to defray the cost of a car of this sort and the expense of maintenance, and that the car is of little value thereafter.

Ordinarily the taxicab chauffeur makes his car cover the greatest distance in the shortest time, because the mileage registered indicates the price of the service. Rapid running increases the danger of damage from collision, and every time an injury from this cause is repaired the desirability of a car is lessened and its value decreased.

(*To be continued.*)

# PERSONAL PARAGRAPHS

Mr. F. W. Broughall, general manager of the Sterling Bank, has retired and will go to England to represent important Canadian interests there. His successor is Mr. A. H. Walker, who has been chief inspector of the Bank for four years.

* * * *

Following the appointment of Mr. G. B. Gerrard as Montreal manager of the Bank of British North America, Mr. A. G. Fry, manager at Winnipeg, has been appointed the Bank's first agent at San Francisco. Mr. G. A. C. Weir, manager at Regina, succeeds to the Winnipeg management, being followed at Regina by Mr. C. A. B. Kirk, formerly of Fredericton, N.B.

* * * *

Mr. John Emo, of Montreal, general manager and secretary, Canadian Railway Accident Insurance Company, has been elected a member of the executive committee, International Association of Casualty and Surety Underwriters. The work performed by Mr. Emo, as chairman of the entertainment committee at the recent Quebec convention was much appreciated. "The authorities both of the province and of the city," observes one New York writer, "have extended extraordinary courtesies to the association for the convention, and Mr. Johns Emo appeared to be able to induce the whole Government to turn itself inside out if desired to entertain the delegates."

# INSURANCE NOTES & NEWS

A Montreal paper informed fire underwriters at their breakfast tables one morning this week, that there was an eight million dollar loss at London, Ont. But underwriters kept calm. It was merely a case of too many ciphers.

* * * *

The report of Fire Chief Tremblay, of Montreal, for the first six months of the present year, shows that there were 1,564 calls during the period against 1,417 in the same period of 1912. Number of fires, 926 against 766; number of deaths, nine against seven.

* * * *

The annual convention of the Life Underwriters' Association of Canada is fixed to take place at Ottawa on August 19, 20 and 21. Among the principal names on a crowded programme are Right Hon. Sir Wilfrid Laurier, G.C.M.G., Hon. Mr. Justice D. B. MacTavish, Ottawa, Hon. James V. Barry, assistant secretary Metropolitan Life Insurance Company, and Mr. Neil D. Sills, president of the National Association of Life Underwriters.

* * * *

On the first day of the convention twenty-five field men will deal with problems of soliciting. Prizes are to be awarded for the best essays on certain life insurance topics.

* * * *

The Ottawa Association are actively engaged on preparations for the reception and entertainment of this gathering of insurance representatives. Special transportation arrangements have been made for this visit to Ottawa. Mr. F. T. Stanford, Toronto, secretary of the association, will supply any desired information relative to the convention.

The Dominion-Gresham Guarantee and Casualty Company has been elected a member of the International Association of Casualty and Surety Underwriters.

* * * *

The Alberta-Saskatchewan Life Insurance Company of Edmonton will shortly begin business. J. S. Wallace, formerly with the Canada Life and Imperial Life, is general manager.

* * * *

Our American neighbours are congratulating themselves on the fact that the Fourth of July fire and casualty record was a low one. The safe and sane movement is gaining a secure foothold—thanks largely to insurance men.

* * * *

How many people are aware of the fact that life companies go to considerable trouble to locate policyholders in order to pay them the amount due under policies that have long since lapsed but still have a paid-up value. Many of the companies circulate lists of such policyholders among their agents with instructions to make an effort to locate the missing men. Some companies even advertise for policyholders who have thus dropped out of sight. Every now and again one is thus located.

* * * *

A recent instance is one who took out his policy so far back as in 1865, lapsed it, and finally, when it was burned in 1871, dismissed the matter from his memory as he believed the policy to be valueless. He is now 78 years of age, and in circumstances that made the unexpected payment of the money to which he was entitled most acceptable.

* * * *

It is certainly pertinent, observes the Boston *Standard*, in commenting upon this incident, to ask what, if any, other line of business is conducted on so high an ethical plane. And the fact that the life insurance business is thus generally so conducted is surely deserving of being made known and generally recognized.

* * * *

The location of this one man, remarks the *Standard*, ought to prove a powerful lever for business to all the life agents in his locality and all the agents of the company in which he was insured. Just now, when everybody is clamoring for a square deal, why not let it be known that life insurance companies give their policyholders the squarest deal it is possible for them to secure.

* * * *

The public at large is now thoroughly convinced of the importance of life insurance, not only as a protection for the family, but as a safeguard against misfortunes in business, and also as a recompense for the loss of persons who are the guiding hands of important financial and manufacturing institutions.—*Spectator*, N.Y.

The point to be remembered is that the borrowing of Canada is finally determined by immigration, and when we had no immigration we were not, of course, borrowers. Now we are forced to build whether we like it or not, because of the increasing population, and because of the new areas in Canada being opened for settlement.—*Sir Edmund Walker.*

# FINANCIAL GOSSIP

Tight money is making more municipal bank talk.

* * * *

London, Ont., has sold through a Toronto house $300,000 debentures at prices which range from 90 for 4 per cent. bonds to 93 for 4½ per cent.

* * * *

Montreal is thinking of trying New York and other American cities instead of London for a new $13,000,000 loan which will have to be raised in the fall.

* * * *

Twenty-two branches were opened by the banks during last month and ten closed, six of the latter being in the province of Quebec. The banks' offices now number 2,992.

* * * *

Statistics compiled by the Bureau of Commerce of the United States show that $500,000,000 of American capital was placed in Canada in 1912 against $417,000,000 in 1911.

* * * *

A Calgary paper wants the Dominion Government to lend Alberta farmers ten million dollars. Some people we know nearer home would be quite content with one million.

* * * *

Further taxation of banks, insurance companies, trust companies, loan companies and other corporations is foreshadowed in Ontario. The Provincial Government is said to be now working on the scheme.

* * * *

The task of the Canadian banker has been to make the municipalities understand that the investor is the one who really decides, not whether the investment ought, but whether it can be made.—*Sir Edmund Walker.*

* * * *

New Bank Branches:—*Nova Scotia,* at Elmwood, Winnipeg, under management of Mr. D. B. Scott; *Home,* at 1158 Yonge Street north, Toronto, under management of Mr. H. S. Hase. This is the Home's eighth Toronto branch.

* * * *

Grand Trunk Pacific directors announced on Wednesday that the G.T.P. main line to Prince Rupert will be ready for business by June 1, 1914. About a year later the G. T. P. trains will be able to enter Montreal by the North Railway, which crosses the National Transcontinental at Belle River.

* * * *

C.P.R.'s first decrease in gross earnings for several years was reported yesterday. Traffic returns for the second week of July were $2,604,000, a decrease of $97,000, or 3.6 per cent. as compared with the same week a year ago. As the company showed a gain of $129,000 in the first week of the month, gross earnings are still $32,000 higher than in the first fortnight of July, 1912.

* * * *

Operators at this centre are predisposed to take a more hopeful view of financial as well as political affairs. They interpret developments in the last two days in the Balkans as showing improvement and as being reassuring and marking a possible permanent removal of the Balkan nightmare. This optimism has exerted a reassuring influence on nearly all the Paris markets.—Paris correspondent, *N. Y. Journal of Commerce.*

Another group is said to have had a shot at the game of trying to secure control of the Grand Trunk with a view of transferring headquarters to this side. They failed.

* * * *

"Apparently," comments a London writer on the season's international movement of gold, "the country that will get the larger portion of the new supplies of gold will be Germany, which is practicing much greater economy, is consequently keeping down its imports, and is expanding its exports in a really remarkable manner."

* * * *

American capital in Canada is not invested or used for the exclusive benefit of the Canadian people. As American production increases and there is a growing surplus to dispose of, not only will markets be found for it, but acumulating capital wil be invested more and more abroad and will make a rich return for its use. It will contribute to relations of mutual advantage and amity and help the solidarity of commercial interests and promote the peace of the world. *N. Y. Journal of Commerce.*

* * * *

At the municipalities' convention at Saskatoon this week an address was given by ex-Mayor W. Sanford Evans, of Winnipeg, upon municipal financing, in which he advocated the establishment of a local government board which shall fulfil the same capacity as the Local Government Board of Great Britain, so that before municipal debentures can be floated on the world's money market the official approval of the board would be given for proposed expenditures under such loan.

* * * *

Directors of Spanish River Pulp and Paper on Wednesday ratified an agreement with the Lake Superior Paper Company, Limited, providing for the acquisition by Spanish River of all the stock of the Lake Superior Company.

* * * *

Spanish River shares will be given to Lake Superior shareholders share for share, preferred and common, with this exception, that in exchange for 30,000 shares of Lake Superior preferred stock will be given 37,000 shares of Spanish River preferred, and 50,000 common, but against this Spanish River will receive $900,000 in cash from the Lake Superior interests, giving it that much more working capital at a time when working capital means much to all industrial companies.

* * * *

Application will be made for the enlargement of the capital of Spanish to $20,000,000. The combined output of the plants will make Spanish the largest producer of news print paper in Canada. The Lake Superior interests will have four direct representatives on the board of Spanish.

* * * *

Corporations of the United States earned $3,304,000,000 above all expenses during the calendar year of 1912, exceeding all previous records since the enactment of the corporation tax law by $400,000,000. This banner showing is divulged by the compilation of assessments made by Commissioner Wm. H. Osborn of the Internal Revenue Bureau under the corporation tax law. The increased prosperity of the corporations is expected to yield the Federal Government more than $36,000,000, including $3,000,000 of omitted taxes for previous years.

# CANADIAN FIRE RECORD

*(Specially compiled by The Chronicle)*

BRANDON, MAN.—C.N.R. elevator burned, July 16. Supposed origin, incendiarism.

BROCKVILLE, ONT.—James McFarlane's house burned with contents, July 9.

HERBERT, SASK.—Royal elevator damaged, July 1. Loss, $5,000. Origin, unknown.

HIGH BLUFF, MAN.—New house of J. H. Moss damaged, July 7. Loss, $1,000; insured.

LONDON, ONT.—Box factory of Hon. Adam Beck, Albert Street, damaged, July 15. Loss, $10,000.

Shoe store of Johnston & Murray, Dundas Street, damaged, July 15. Loss on building owned by G. Hiscox, $5,000; on stock, $5,000.

NELSON, B.C.—A. S. Horswill's residence damaged, July 2. Loss, $6,000. Insurance, $2,500. Origin, chimney.

ST. JOHN, N.B.—J. Harvey Brown's grist mills damaged, July 5. Loss, $20,000. Origin, supposed incendiary.

LEAMINGTON, ONT.—Barn of H. Emerson, Talbot road east destroyed, July 9. Loss, about $3,000. Origin, lightning.

COBALT, ONT.—Premises of Campbell & Deyelle, assayers, destroyed, July 16. Origin, explosion of oil tank. Loss, $600, covered by insurance.

JACKSONBURGH, ONT.—Jackson-Tyndall Company, of Buffalo, had a loss of $20,000 in recent bush fires, chiefly saw logs and an isolation hospital.

MONTREAL.—A. Rousseau's sash and door factory, 1025 Boyer Street damaged, July 10. Loss, $3,000.

Grocery store of I. Lafranchette, 534 St. Denis Street damaged, July 10. Loss, $600.

MONTREAL.—Stables of Gunn, Langlois Company, rear of 261 Dorchester Street East, damaged, July 11. Loss, $4,000. Origin, carelessly thrown match.

Grocery store of William Upton, 358 Bourgeois Street, Pointe St. Charles, gutted, July 14. Loss, $5,000. Origin, explosion of kerosene lamp.

Planing mill of Crevier & Sons, 498 Clarke Street, damaged, July 17. Loss, $700.

### $160,000 CHURCH LOSS AT MONTREAL.

Insurance concerned in the total loss on St. Charles R. C. Church, Centre Street, Montreal, destroyed on July 5, is as follows:—

| | | | |
|---|---|---|---|
| North American | $20,000 | Scottish U. & N. | $10,000 |
| Royal | 20,000 | German-American | 10,000 |
| Fidelity-Phenix | 17,500 | Commercial Union | 10,000 |
| Queen | 15,000 | Guardian | 10,000 |
| Phoenix of London | 13,000 | Fabrique Mutual | 24,500 |
| Connecticut | 10,000 | | |
| | | Total | $160,000 |

On annual revenue of branches:—Scottish Union, $2,000.

### ELEVATOR FIRE AT MEAFORD, ONT.

On July 9, the large elevator owned and controlled by the Meaford Elevator Company at Meaford, Ont., was destroyed with a heavy loss. Plant said to be sprinklered. Insurance as follows:—

ON BUILDING AND MACHINERY.

| | | | |
|---|---|---|---|
| Factories Undrs | $25,000 | Cen. Can, Brandon | $5,000 |
| Cen. Can. Mfrs. | 23,000 | Lumber of N.Y | 5,000 |
| Factories | 15,000 | Missisquoi & Rouville | 2,500 |
| Continental | 10,000 | | |
| | | Total | $85,500 |

ON GRAIN.

| | | | |
|---|---|---|---|
| Factories | $20,000 | Millers & Mfrs. | $8,000 |
| Royal | 7,500 | | |

LACHINE, QUE.—Sheds in rear of Lachine Syndicate's store damaged, July 17. Loss, $1,500.

TAMWORTH, ONT.—Hayward Ripley's barn near Elgin destroyed, July 16.

LONDON, ONT.—Piggeries at the Asylum destroyed, July 16. Loss, several thousand dollars.

BRIDGEWATER, N.S.—Fire which broke out in L. L. Morris' jewellery store, July 10, destroyed this and also Johnson's bakery, Barnaby's drug store, the Bridgewater dry goods store, Ducoff's dry goods store, a barber shop and a tenement house. Origin, unknown.

### THEATRE FIRE AT OTTAWA.

The theatre fire at Ottawa on July 5, produced an insurance loss of $57,000. Details as follows:—

COLONIAL THEATRE: ON BUILDING.

| | | | |
|---|---|---|---|
| B. & C. Undrs. | $2,000 | St. Paul | $2,500 |
| Dominion | $3,000 | Westchester | 2,500 |
| Phoenix of Hartf'd | 2,500 | Wellington | 2,500 |
| Queen | 2,500 | | |
| Sun | 2,500 | Total | $20,000 |

ON CONTENTS.

| | | | |
|---|---|---|---|
| Aetna | $1,500 | Scottish U. & N. | $1,500 |

Loss, total.

HARMONY HALL: BUILDING AND CONTENTS.

| | | | |
|---|---|---|---|
| British America | $3,000 | Royal Exchange | $1,000 |
| Caledonian | 21,000 | Rimouski | 3,000 |
| Guardian | 2,000 | Sun | 3,000 |
| North British | 1,000 | | |
| | | Total | $34,000 |

Loss, total.

### $200,000 INSURANCE LOSS AT SARNIA.

The insurance on the plant of the Point Edward Elevator Company at Sarnia, Ont., destroyed on July 7, is $110,000, and on grain $102,000. The loss is total. Details:—On building and machinery:

| | | | |
|---|---|---|---|
| Commercial Union | $5,000 | Equity | $1,250 |
| Phoenix of Lon. | 5,000 | Mercantile | 2,000 |
| Guardian | 7,500 | Home | 5,000 |
| Caledonian | 5,000 | Western | 2,500 |
| Liv. & L. & G. | 10,000 | St. Paul | 2,500 |
| North America | 5,000 | Economical | 2,000 |
| North Empire | 6,500 | Nova Scotia | 2,500 |
| North British | 3,500 | National, Hartford | 2,500 |
| British Colonial | 4,500 | Hudson Bay | 1,500 |
| Law Union & R. | 2,500 | Minnesota Undw | 2,500 |
| Sherbrooke | 2,000 | Acadia | 3,000 |
| Atlas | 5,000 | Aetna | 2,000 |
| Lloyd's | 4,000 | Canada National | 2,500 |
| Norwich Union | 4,000 | Hamilton | 1,500 |
| Mercantile | 1,250 | Merchants | 1,500 |
| Quebec | 1,000 | Gladbach | 1,000 |
| Canada | 2,500 | | |
| Total | | | $110,000 |

Distributed as follows: Buildings, $60,000; machinery, $35,000; boiler house, $6,000; machinery, $9,000; total, $110,000.

Insurance on grain for account of Canada Cereal Company—

| | | | |
|---|---|---|---|
| Phoenix, London | $25,000 | Caledonian | $20,000 |
| Guardian | 22,000 | Employer's Liab. | 10,000 |
| | | Total | $77,000 |

Insurance on grain for account of Taylor & Co.—

| | | | |
|---|---|---|---|
| National, Hartf'd | $15,000 | Scottish U. & N. | $10,000 |

Bank of England rate was unchanged yesterday.

## Traffic Returns.

### Canadian Pacific Railway.

| Year to date. | 1911. | 1912. | 1913. | Increase |
|---|---|---|---|---|
| June 30 | $47,087,000 | $59,342,000 | $64,323,000 | $4,981,000 |
| Week ending | 1911. | 1912. | 1913. | Increase |
| July 7 | 2,096,000 | 2,571,000 | 2,700,000 | 129,000 |

### Grand Trunk Railway

| Year to date. | 1911. | 1912. | 1913 | Increase |
|---|---|---|---|---|
| June 30 | $22,521,022 | $23,855,411 | $27,138,193 | $3,282,782 |
| Week ending | 1911. | 1912. | 1913. | Increase |
| July 7 | 994,800 | 1,012,051 | 1,087,463 | 75,412 |

### Canadian Northern Railway.

| Year to date. | 1911. | 1912. | 1913. | Increase |
|---|---|---|---|---|
| June 30 | $7,152,600 | $9,203,900 | $10,739,900 | $1,536,000 |
| Week ending | 1911 | 1912. | 1913. | Increase |
| July 7 | $346,500 | 391,900 | 432,700 | 40,800 |

### Twin City Rapid Transit Company.

| Year to date. | 1911. | 1912. | 1913. | Increase |
|---|---|---|---|---|
| June 30 | $3,733,122 | $3,875,004 | $4,188,880 | $313,876 |
| Week ending. | 1911. | 1912. | 1913 | Increase |
| June 7 | 155,060 | 155,165 | 169,745 | 14,580 |
| " 14 | 255,071 | 160,760 | 272,863 | 12,102 |
| " 21 | 161,732 | 156,464 | 181,948 | 25,483 |
| " 30 | 201,104 | 207,495 | 222,054 | 14,559 |

### Havana Electric Railway Co.

| Week ending | | 1912. | 1913. | Increase |
|---|---|---|---|---|
| July 6 | ........ | 51,659 | 56,480 | 4,821 |
| " 13 | ........ | 48,533 | 57,931 | 6,398 |

### Duluth Superior Traction Co.

| | 1911. | 1912. | 1913. | Increase |
|---|---|---|---|---|
| June 7 | $21,280 | 22,079 | 24,492 | $2,413 |
| " 14 | 21,983 | 22,409 | 25,433 | 3,024 |
| " 21 | 23,295 | 22,659 | 25,684 | 3,025 |
| " 30 | 28,868 | 30,127 | 33,339 | 3,212 |

### Detroit United Railway.

| Week ending | 1911. | 1912. | 1913. | Increase |
|---|---|---|---|---|
| June 17 | 183,349 | 213,040 | 250,668 | 37,628 |
| " 14 | 197,102 | 221,178 | 252,944 | 31,765 |
| " 21 | 205,089 | 224,079 | 255,570 | 31,491 |

## CANADIAN BANK CLEARINGS.

| | Week ending July 17, 1913 | Week ending July 10, 1913 | Week ending July 18, 1912 | Week ending July 20, 1911 |
|---|---|---|---|---|
| Montreal | 55,816,789 | $60,567,295 | $59,957,489 | $48,900,475 |
| Toronto | 39,811,262 | 44,073,478 | 49,330,263 | 35,239,929 |
| Ottawa | 4,303,441 | 4,714,975 | 5,772,348 | 5,358,242 |

## MONEY RATES.

| | To-day | Last Week | A Year Ago |
|---|---|---|---|
| Call money in Montreal | 6-6½% | 6-6½% | 5 % |
| " " in Toronto | 6-6½% | -6½% | 5 % |
| " " in New York | 2¼% | 2⅞% | 2⅞% |
| " " in London | 2¾% | 2¾-3% | 3 1/16% |
| Bank of England rate | 4½% | 4½% | 3 % |

## DOMINION CIRCULATION AND SPECIE.

| | | | |
|---|---|---|---|
| May 31, 1913 | $113,746,734 | Nov. 30, 1912 | $118,958,620 |
| April 30 | 114,296,017 | October 31 | 115,748,414 |
| March 31 | 112,101,886 | Sept. 30 | 115,995,602 |
| February 28 | 110,484,879 | August 31 | 116,210,579 |
| January 31 | 113,602,030 | July 31 | 113,794,845 |
| December 31, 1912 | 115,836,488 | June 30 | 111,932,239 |

Specie held by Receiver-General and his assistants:-

| | | | |
|---|---|---|---|
| May 31, 1913 | $100,481,562 | Nov. 30, 1912 | $106,698,599 |
| April 30 | 100,706,287 | Oct. 31 | 103,054,008 |
| March 31 | 98,507,113 | Sept. 30 | 103,041,850 |
| February 28 | 98,782,004 | August 31 | 103,014,276 |
| January 31 | 101,898,960 | July 31 | 100,400,688 |
| December 31, 1912 | 104,076,547 | June 30 | 98,141,536 |

# List of Leading Stocks and Bonds

CORRECTED TO THURSDAY, JULY 17th, 1913

| BANK STOCKS. | Closing prices or Last sale. Asked. | Bid. | Par value of one share. | Return per cent. on investment at present prices. | Rate of Annual Dividend | Capital subscribed | Capital paid up | Rest Fund | Per cent'ge of Rest to paid up Capital | When Dividend payable. |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | $ | Per Cent. | Per cent | $ | $ | $ | | |
| British North America | .... | .... | .. | .... | 8 | 4,866,667 | 4,866,667 | 2,920,000 | 60.00 | April, October. |
| Canadian Bank of Commerce | 203 | 202 | 50 | 5 41 | 10+1 | 15,000,000 | 15,000,000 | 12,500,000 | 83.33 | March, June, Sept., Dec. |
| Dominion XR | .... | .... | 100 | .... | 12+2 | 5,427,700 | 5,356,227 | 6,356,227 | 118.67 | Jan., April, July, Oct. |
| Hamilton | .... | | 100 | .... | 11 | 3,000,000 | 3,000,000 | 3,500,000 | 116.66 | March, June, Sept., Dec. |
| Hochelaga | 153¼ | 152 | 100 | 5 86 | 9 | 3,894,400 | 3,560,925 | 3,000,000 | 84.25 | March, June, Sept., Dec. |
| Home Bank of Canada | .... | .... | 100 | .... | 7 | 2,000,000 | 1,938,208 | 650,000 | 33.54 | March, June, Sept., Dec. |
| Imperial XD | .... | .... | 100 | .... | 12 | 6,910,000 | 6,776,159 | 6,776,159 | 100.00 | Feb., May, August, Nov. |
| Merchants Bank of Canada XD | 185 | ... | 100 | 5 40 | 10 | 6,764,700 | 6,764,700 | 6,419,175 | 94.90 | March, June, Sept., Dec. |
| Metropolitan Bank | .. | .... | 100 | .... | 10 | 1,000,000 | 1,000,000 | 1,250,000 | 125.00 | Jan., April, July, Oct. |
| Molsons | 190 | .... | 100 | 5 78 | 11 | 4,000,000 | 4,000,000 | 4,700,000 | 117.50 | Jan., April, July, Oct. |
| Montreal | 231 | 230 | 100 | 5 19 | 10+2 | 16,000,000 | 16,000,000 | 16,000,000 | 100.00 | March, June, Sept., Dec. |
| Nationale XD | 138 | 134 | 100 | 5 14 | 7 | 2,000,000 | 2,000,000 | 1,550,000 | 77.50 | Feb., May, August, Nov. |
| Northern Crown Bank | .... | .... | 100 | .... | 6 | 2,862,400 | 2,760,065 | 300,000 | 10.87 | January, July. |
| Nova Scotia | 257 | .... | 100 | 5 41 | 14 | 6,000,000 | 5,957,320 | 10,830,248 | 181.80 | Jan., April, July, Oct. |
| Ottawa | 205 | .... | 100 | 5 85 | 12 | 3,951,500 | 3,935,820 | 4,435,820 | 112.70 | March, June, Sept., Dec. |
| Provincial Bank of Canada | .... | .... | 100 | .... | 6 | 1,000,000 | 1,000,000 | 575,000 | 57.50 | Jan., April, July, Oct. |
| Quebec | 125 | 122 | 100 | 5 60 | 7 | 2,721,200 | 2,684,396 | 1,250,000 | 46.57 | March, June, Sept., Dec. |
| Royal | 215 | 214½ | 100 | 5 58 | 12 | 11,560,000 | 11,560,600 | 12,560,000 | 108.65 | Jan., April, July, Oct. |
| Standard XR | .... | .... | 50 | .... | 13 | 2,487,050 | 2,479,760 | 3,179,760 | 128.23 | Feb., May, Aug. Nov. |
| Sterling | .... | .... | 100 | .... | 8 | 1,211,700 | 1,123,472 | 300,000 | 26.70 | Feb., May, August, Nov. |
| Toronto | .... | .... | 100 | .... | 11+1 | 5,000,000 | 5,000,000 | 6,000,000 | 120.00 | March, June, Sept., Dec. |
| Union Bank of Canada | .... | 137½ | 100 | 5 80 | 8 | 5,000,000 | 5,000,000 | 3,300,000 | 66.00 | March, June, Sept., Dec. |
| Vancouver | .... | .... | 100 | .... | .... | 1,174,700 | 857,140 | 40,000 | 4.67 | .... |
| Weyburn Security | .... | .... | 100 | .... | 5 | 631,200 | 315,600 | 65,000 | 20.60 | .... |
| **MISCELLANEOUS STOCKS.** | | | | | | | | | | |
| Bell Telephone | 139½ | 139½ | 100 | 5 74 | 8 | 15,000,000 | 15,000,000 | .... | .... | Jan., April, July, Oct. |
| Brazilian Traction | 86½ | 86 | 100 | 6 94 | 6 | 104,500,000 | 104,500,000 | .... | .... | Feb., May, Aug., Nov. |
| B. C. Packers Assn, pref | .... | .... | 100 | .... | 7 | 635,000 | 635,000 | .... | .... | May, Nov. |
| do Com | .... | .... | 100 | .... | 6 | 1,511,400 | 1,511,400 | .... | .... | May, Nov. |
| Canadian Pacific | 216½ | 215 | 100 | 4 61 | 7+3 | 260,000,000 | 198,000,000 | .... | .... | Jan., April, July, Oct. |
| Canadian Car Com | 59¼ | 59 | 100 | 6 69 | 4 | 3,500,000 | 3,500,000 | .... | .... | April, Nov. |
| do Pfd XD | .... | .... | 100 | .... | 7 | 6,100,000 | 6,100,000 | .... | .... | Jan., April, July, Oct. |
| Can. Cement Com | 26½ | 26¼ | .... | | .... | 13,500,000 | 13,500,000 | .... | .... | .... |
| Do. Pfd | 89 | 88½ | .... | 7 86 | 7 | 10,500,000 | 10,500,000 | .... | .... | .... |
| Can. Con. Rubber Com | 85 | 83 | 100 | 4 70 | 4 | 2,805,500 | 2,805,500 | .... | .... | Jan., April, July, Oct. |
| do Pref | .... | 96 | 100 | 7 29 | 7 | 1,980,000 | 1,980,000 | .... | .... | Jan., April, July, Oct. |
| Canadian Converters | 41 | | 100 | 9 75 | 4 | 1,733,500 | 1,733,000 | .... | .... | Feb., May, Aug., Nov |
| Canadian General Electric | 108 | 104 | 100 | 7 40 | 7+1 | 5,640,000 | 5,640,000 | .... | .... | Jan., April, July, Oct. |
| Canadian Cottons | 38 | 35 | 100 | .... | .... | 2,715,000 | 2,715,000 | .... | .... | .... |
| do do. Pfd | 72½ | 72 | 100 | 8 21 | 6 | 3,661,500 | 3,661,500 | .... | .... | Jan., April, July, Oct. |
| Canada Locomotive | 47 | .... | 100 | | .... | 2,000,000 | 2,000,000 | .... | .... | .... |
| do. do. Pfd | 90 | .... | 100 | 7 77 | 7 | 1,500,000 | 1,500,000 | .... | .... | Jan., Apl., July Oct. |
| Crown Reserve XD | 3.16 | 3 12 | | .... | 60 | 1,999,957 | 1,999,957 | .... | .... | Monthly. |
| Detroit United Ry | 68 | 67 | 100 | 8 82 | 6 | 12,500,000 | 12,500,000 | .... | .... | March, June, Sept., Dec. |
| Dominion Canners | .... | 65 | 100 | 9 09 | 6 | 2,118,600 | 2,118,600 | .... | .... | .... |
| Dominion Coal Preferred | .... | 109 | 100 | 6 42 | 7 | 3,000,000 | 3,000,000 | .... | .... | January, August. |
| Dominion Textile Co. Com | 78 | 77½ | 100 | 7 67 | 6 | 5,000,000 | 5,000,000 | .... | .... | Jan., April, July, Oct. |
| do Pfd | 100 | .... | 100 | 7 00 | 7 | 1,859,030 | 1,859,030 | .... | .... | Jan., April, July, Oct. |
| Dom. Iron & Steel Pfd. | 95 | .... | 100 | 7 36 | 7 | 5,000,000 | 5,000,000 | .... | .... | April, October |
| Dominion Steel Corpn. | 43⅜ | 43¼ | 100 | 9 25 | 4 | 35,656,800 | 35,656,800 | .... | .... | Jan., April, July, Oct. |
| Duluth Superior Traction | .... | .... | 100 | .... | 5 | 3,500,000 | 3,500,000 | .... | .... | Jan., April, July, Oct. |
| Halifax Tramway Co | 160 | .... | 100 | 5 00 | 8 | 1,400,000 | 1,400,000 | .... | .... | Jan., April, July, Oct. |
| Havana Electric Ry Com | .... | .... | 100 | .... | 6 | 7,463,703 | 7,463,703 | .... | .... | Jan., Apl., July, Oct. |
| do Preferred | .... | .... | 100 | .... | 6 | 5,000,000 | 5,000,000 | .... | .... | Jan., April, July, Oct. |
| Illinois Trac. Pfd | 90 | 88 | 100 | 6 66 | 6 | 5,304,600 | 5,304,600 | .... | .... | Jan., April, July, Oct. |
| Kaministiquia Power | .... | .... | 100 | .... | 5 | 2,000,000 | 2,000,000 | .... | .... | Feb., May, August, Nov |
| Laurentide Com | 166 | 165 | 100 | 4 81 | 8 | 7,200,000 | 7,200,000 | .... | .... | ebruary, August. |
| Lake of the Woods Mill. Co Com | 124 | 123½ | 100 | 6 45 | 8 | 2,100,000 | 2,100,000 | .... | .... | Mar., June, Sept., Dec. |
| do do Pfd | .... | .... | 100 | .... | 7 | 1,500,000 | 1,500,000 | .... | .... | Jan., Apl., July, Oct. |
| Mackay Companies Com | 77½ | 76 | 100 | 6 45 | 5 | 41,380,400 | 41,380,400 | .... | .... | Jan., April, July, Oct. |
| do Pfd | 70 | .... | 100 | 5 71 | 4 | 50,000,000 | 50,000,000 | .... | .... | Jan., April, July, Oct. |
| Mexican Light & Power Co | 69 | .... | 100 | 5 79 | 4 | 13,585,000 | 13,585,000 | .... | .... | Jan., April, July, Oct. |
| do do Pfd. | .... | .... | 100 | .... | 7 | 2,400,000 | 2,400,000 | .... | .... | May, November. |
| Minn. St. Paul & S.S.M. Com | 125 | 121½ | 100 | 5 60 | 7 | 20,832,000 | 20,832,000 | .... | .... | April, October. |
| do Pfd. | .... | .... | 100 | .... | 7 | 10,416,000 | 10,416,000 | .... | .... | April, October. |
| Montreal Cottons | 56 | 54 | 100 | 7 14 | 4 | 3,000,000 | 3,000,000 | .... | .... | March, June, Sept. Dec. |
| Montreal Light, Ht. & Pwr. Co | 205¼ | 205½ | 100 | 4 85 | 10 | 17,000,000 | 17,000,000 | .... | .... | Feb., May, August, Nov. |
| Montreal Telegraph | 140 | .... | 40 | 5 71 | 8 | 2,000,000 | 2,000,000 | .... | .... | Jan., April, July, Oct. |
| Northern Ohio Traction Co. | .... | .... | 100 | .... | 5 | 9,000,000 | 9,000,000 | .... | .... | March, June, Sept., Dec. |
| N.Scotia Steel & Coal Co. Com | 75 | 71 | 100 | 8 00 | 6 | 6,000,000 | 6,000,000 | .... | .... | Jan., Apl., July, Oct. |
| do Pfd. | .... | .... | 100 | | 8 | 1,030,000 | 1,030,000 | .... | .... | Jan., April, July, Oct. |
| Ogilvie Flour Mills Com | 108 | 107 | 100 | 7 47 | 8 | 2,500,000 | 2,500,000 | .... | .... | Jan., Apl., July, Oct. |
| do Pfd | 112 | .... | 100 | 6 25 | 7 | 2,000,000 | 2,000,000 | .... | .... | March, June, Sept., Dec. |
| Penman's Ltd. Com | 51 | .... | 100 | 7 84 | 4 | 2,150,600 | 2,150,600 | .... | .... | Feb. May, August, Nov |
| do Pref | .... | .. | 100 | .... | 6 | 1,075,000 | 1,075,000 | .... | .... | Feb. May, August, Nov. |
| Quebec Ry. L. & P. | 11 | 10⅛ | ... | .... | .. | 9,999,500 | 9,999,500 | .... | .... | .... |
| Richelieu & Ont. Nav. Co. | 104½ | 104 | 100 | 7 67 | 8 | 3,132,000 | 3,132,000 | .... | .... | March, June, Sept., Dec. |
| Shawinighan Water & Power Co. XD | 121 | 120 | 100 | 4 95 | 6 | 10,000,000 | 10,000,000 | .... | .... | Jan., April, July, Oct. |
| Toledo Rys & Light Co. | .... | .... | 100 | | .... | 13,875,000 | 13,875,000 | .... | .... | .... |
| Toronto Street Railway | 136½ | 136 | 100 | 5 87 | 8 | 10,968,383 | 10,968,383 | .... | .... | Jan., April, July, Oct. |
| Tri-City Preferred | | 93½ | 100 | 6 43 | 6 | 2,826,200 | 2,826,200 | .... | .... | Jan., April, July, Oct. |
| Twin City Rapid Transit Co. | 103½ | 103 | 100 | 5 79 | 6 | 20,100,000 | 20,100,000 | .... | .... | Jan., Apl., July, Oct. |
| Twin City Rapid Transit, Pfd. | .... | .... | 100 | .... | 7 | 3,000,000 | 3,000,000 | .... | .... | Jan., Apl., July, Oct. |
| West India Electric | 94 | .... | 100 | 6 31 | 5 | 800,000 | 800,000 | .... | .... | Jan., April, July, Oct. |
| Windsor Hotel. | 140 | .. | | 3 82 | 5 | 3,000,000 | 3,000,000 | .... | .... | May, November |
| Winnipeg Electric Railway Co | .... | .... | ... | 6 21 | 12 | 6,000,000 | 6,000,000 | .... | .... | Jan., Apl., July, Oct. |

## 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 |
|---|---|---|---|---|---|---|---|---|
| | Asked | Bid | | | | | | |
| Bell Telephone Co....... | 98½ | 98⅜ | 5 | $3,649,000 | 1st Oct. 1st Apl | Bk. of Montreal, Mtl. | April 1st, 1925 | |
| Can. Car & Fdy......... | 104½ | 103 | 6 | 3,500,000 | 1st June 1st Dec. | ................... | Dec. 1st, 1939 | Red. at 110 aft. Nov. '19 or in pt. aft. Nov 11 |
| Can. Converters......... | .. | .. | 6 | 474,000 | 1st June 1st Dec. | ................... | Dec. 1st, 1926 | |
| Can. Cement Co......... | .. | 95 | 6½ | 5,000,000 | 1st Apl. 1st Oct. | " " | Oct. 21st, 1929 | Redeemable at 110 |
| Dominion Coal Co....... | 98 | 97 | 5 | 6,300,000 | 1st May 1st Nov. | " " | April 1st, 1940 | Red. at 105 and Int. after May 1st, 1910 |
| Dom. Iron & Steel Co... | 89⅞ | .. | 5½ | 7,332,000 | 1st Jan. 1st July | Bk. of Montreal, Mtl | July 1st, 1929 | |
| Dom. Tex. Sers, "A".... | .. | .. | 6 | 758,500 | 1 March 1 Sept. | Royal Trust Co. Mtl. | March 1st, 1925 | Redeemable at 110 and Interest. |
| " "B".... | .. | .. | 6 | 1,000,000 | " | " " | " | Redeemable at par after 5 years |
| " "C".... | 100 | 99¾ | 6 | 1,000,000 | " | " " | " | Red. at 105 and Interest |
| " "D".... | .. | .. | .... | 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........... | .. | .. | 5 | 600,000 | 1st Jan. 1st July | Bk. of Montreal, Mtl. | Jan. 1st, 1916 | |
| Keewatin Mill Co........ | .. | .. | 6 | 750,000 | 1st March 1 Sept. | Royal Trust Co., Mtl. | Sept. 1st, 1916 | Redeemable at 110 |
| Lake of the Woods Mill Co | 101 | .. | 6 | 1,000,000 | 1st. June 1st Dec. | Merchants Bank of Canada, Montreal.. | June 1st, 1932 | |
| Laurentide Paper Co.... | .. | 104 | 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 | |
| Mex. L't & Power Co.... | .. | .. | 5 | 11,728,500 | 1st Feb. 1st Aug. | | Feb. 1st, 1933 | |
| Montreal L. & Pow. Co.. | .. | .. | 4½ | 6,787,000 | 1st Jan. 1st. July | " " | Jan. 1st, 1932 | Red. at 105 and Int. after 1912 |
| Montreal Street Ry. Co.. | 100¼ | 190 | 4½ | 1,500,000 | 1st May 1st Nov. | | May 1st 1932 | |
| Ogilvie Flour Mills Co... | 108 | 106 | 6 | 1,750,000 | 1st June 1st Dec. | Bk. of Montreal, Mtl. | July 1st, 1932 | Redeemable at 105 and Interest |
| Penmans................ | 92½ | 90 | 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 .... ........ | 85 | .. | 6 | 833,000 | 1st June 1st Dec, | ................ | June 1st, 1925 | |
| Quebec Ry. L & P. Co... | .. | 44 | 5 | 4,866,666 | 1st June 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. Nat. Trust Co. Tor | June 1st, 1929 | |
| Toronto & York Radial.. | .. | .. | 5 | 1,620,000 | 1 July 1st Jan. | B. of M., Tor. & N.Y. | Feb. 1st, 1919 | |
| Winnipeg Electric .. ... | 99¾ | .. | 5 | { 1,000,000 | 1st Apl. 1st Oct | Bk. of Montreal, Mtl. | Jan. 1st. 1927 | |
| | | | | { 4,000,000 | 2 Jan. 2nd July | " " | Jan. 1st. 1935 | |
| West India Electric...... | .. | .. | | 600,000 | 1st Jan. 1st July | .................. | 1929 | |

# Montreal Tramways Company

## WINTER SERVICE TIME TABLE, 1912-1913

**Lachine:**

From Post Office: 20 mins. service from 5.40 a.m. to 12.00 midnight.
" Lachine: 20 " " " 5.10 a.m. to 12.45 midnight.

**Sault au Recollet and St. Vincent de Paul:**

From St. Denis Station:—
15 mins. service from 5.15 a.m. to 9.00 a.m.
30 " " " 9.00 a.m. to 4.00 p.m.
15 " " " 4.00 p.m. to 8.00 p.m.
30 " " " 8.00 p.m. to 12.00 midnight.
From St. Vincent:—
15 mins. service from 5.45 a.m. to 9.30 a.m.
30 " " " 9.30 a.m. to 4.30 p.m.
15 " " " 4.30 p.m. to 8.30 p.m.
30 " " " 8.30 p.m. to 12.00 midnight.
Cars from St. Denis, 12.00 and 12.40 midnight to Henderson only.

**Mountain:**

From Park Avenue and Mount Royal:—
20 mins. service from 5.40 a.m. to 12.20 midnight.
From Victoria Avenue:—
20 mins. service from 5.50 a.m. to 12.30 midnight.

**Cartierville:**

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

**Bout de l'Ile:**

30 mins. service from 5.00 a.m. to 9.00 a.m.
60 " " " 9.00 a.m. to 1.00 p.m.
30 " " " 1.00 p.m. to 8.00 p.m.
60 " " " 8.00 p.m. to 12.00 midnight.

**Tetraultville:**

15 mins. service from 5.00 a.m. to 6.30 a.m.
30 " " " 6.30 a.m. to 8.00 p.m.

### POINTS ABOUT BUSINESS INSURANCE.

It will provide a fund which, if desirable, could be used in acquiring a deceased's interest in the business for the survivors.

This provision has the double effect of converting into cash the interest of the deceased for the benefit of his estate, and, on the other hand, taking care of that interest for the benefit of those remaining in the business and obviating any possibility of such an interest getting into unfriendly hands, as has so often been the case through the manipulation of unwise, indifferent, unscrupulous administrators or advisers. In the case of a business conducted under a partnership agreement, the protection of partnership insurance is vital to accomplish this object. It provides an automatic method for buying the deceased partner's interest, and does not involve any burden of debt or charge upon future earnings.

It will provide a fund which in an extreme case will make liquidation of the business easy.

Many concerns are doing business on the special ability of some one man, and with the whole investment dependent upon him. If the death of such a man should necessitate liquidation, a sum of money received from insurance would overcome a possible shrinkage or loss in winding up the company's affairs.

# REFERENCE DIRECTORY

## Legal Firms, Brokers, Agents, Etc.