

The Chronicle

Banking, Insurance and Finance

ESTABLISHED JANUARY, 1881

PUBLISHED EVERY FRIDAY



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MONTREAL, JANUARY 22, 1915.

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OUR BOND ISSUES.

Mr. E. R. Wood's annual compilation of the amount of Canadian bond issues again contains much information of more than passing interest. In 1913 our bond issues were on an unprecedented scale, aggregating \$373,795,295; from this huge total they were brought down last year to \$272,935,067, within \$3,000 of the figures reported for 1912. Of the 1914 total, \$15,353,771 were issues of Canadian corporations operating in foreign countries, leaving a net total of \$257,581,296 as the issues of our governments, municipalities, railways, public service and miscellaneous corporations for the year, against \$351,408,629 in 1913. Over 68 per cent. of our total issues of bonds, \$185,990,659, were absorbed in Great Britain; \$53,944,548 or 19.77 per cent. in the United States and \$32,999,860 or 12.09 per cent. in Canada. In regard to these ratios, it may be noticed that both British and Canadian consumption again shows a decline, while the proportion of our bonds placed in the United States shows a 5 per cent. gain over 1913, and an 8 per cent. gain over 1912.

* * * * *

Mr. Wood very clearly points out that for purposes of comparison with former years, the bond market of 1914 may be divided into two periods, the first period covering the seven months to the end of July, and being prior to the outbreak of the European war, the second period covering the remainder of the year. Up to the end of July the total output of Canadian bonds amounted to \$230,448,989, as compared with \$211,998,108 for 1913. Of this total, Great Britain absorbed \$178,675,660, as against \$159,937,536 in 1913; the United States \$25,851,116, as against \$26,187,262 in 1913, and Canada \$25,922,153, as against \$26,873,310 in 1913. It is interesting to notice the very large amount of our bonds taken by Great Britain during this period—almost \$20,000,000 more than in the corresponding period of 1913. While throughout the period there were many disquieting factors to affect the financial markets, Canada was able to dispose freely of very large amounts of securities, a fact which in view of the sequence of subsequent events has proved to be of even greater importance than could have been at that time anticipated. With the declarations of war in Europe, a period of absolute stagnation in the bond market developed. When new offerings re-appeared they were at very materially reduced figures, and the total of five months' business is only some \$40,-

000,000, compared with \$230,000,000 in the previous seven months.

* * * * *

The United States market for our bond issues continues to develop. As a matter of fact, our bonds were purchased in greater amount south of the boundary line during the five months of the year that the war was in progress than they were during the corresponding five months of 1913. Doubtless, the present year will see a further large increase in the amount of our bonds taken in the United States, so that at least for the time being that market will become an important source of supply of funds to many of our borrowers. To what extent Great Britain will purchase our bonds during the current year remains to be seen and meantime furnishes an interesting subject of speculation. It seems possible that the British Treasury's embargo on new capital issues announced this week will not affect business of this kind to the overwhelming extent that might at first sight be anticipated. Apart from the exception made in the case of renewal of Canadian short dated securities of which there must now be a considerable volume held in London and included in the figures which have been already quoted, it must be remembered that a large amount of our bonds are disposed of in London through private negotiations and not by public sale, and it does not appear that private business of this kind will be prejudiced or hindered by the embargo that has now been announced.

* * * * *

It may be assumed as probable in any case that our bond offerings during the current year will not be so large as those of 1914. The Dominion Government undoubtedly is likely to be a heavy borrower, but an increase in this direction is likely to be offset by a reduction in the demands of our municipalities who are at length aware of the necessity for economy in their expenditures whether on capital and current account, and of the railways and various trading corporations, owing to their disinclination to undertake new construction and development. But even if our demands in the immediate future are lighter, the necessity for the safeguarding and upholding of our credit at the highest possible level remains pressing. Credit maintained at a high level means the ability to borrow economically. The necessity of borrowing economically, and not merely borrowing, does not need enforcement in these days.

Established 1817

BANK OF MONTREAL

Incorporated by Act of Parliament

Capital Paid Up, \$16,000,000.00

Reserve, \$16,000,000.00.

Undivided Profits, \$1,252,689.42

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The National Provincial Bank of England, Limited.

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SCOTLAND, The British Lines Bank and Branches.

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National Bank of Commerce.
National Park Bank.

PHILADELPHIA Fourth Street National Bank.
BUFFALO, The Marine National Bank.

BOSTON, The Merchants National Bank
SAN FRANCISCO, First National Bank.
The Anglo and London-Paris National Bank.

Savings Bank Department connected with each Canadian Branch, and interest allowed at current rates.
Collections at all points of the world undertaken at most favourable rates.
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This Bank, with its Branches at every important point in Canada offers exceptional facilities for the transaction of a general Banking business.

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Rest - 13,500,000

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ALEXANDER LAIRD, General Manager
JOHN AIRD, Assistant General Manager.

Branches of the Bank in Canada are distributed geographically as follows :

Alberta - - - - 53	Ontario - - - - 86
British Columbia - 45	Prince Edward Island 5
Manitoba - - - - 23	Quebec - - - - 82
New Brunswick - - 7	Saskatchewan - - 62
Nova Scotia - - - 13	Yukon Territory - 2

Branches of the Bank outside Canada :

Newfoundland—St. John's.

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Great Britain—London. Mexico—Mexico City.

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Incorporated by Act of Parliament, 1855.

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

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H. A. HARRIES, Asst. Inspector. THOS. CARLISLE, Asst. Inspector.

BRANCHES:

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Calgary	Dutton	St. Thomas	Montreal—Cont.
Camrose	Exeter	West End Br.	St. Henri Br.
Edmonton	Forest	East End Br.	Maisonneuve
Lethbridge	Frankford	Teoswater	Cote des Neiges
	Hamilton	Toronto—	St. Lawrence
British Columbia	James Street	Bay Street	Boul. Br.
Revelstoke	Market Br.	Queen St. W	Cote St. Paul
Vancouver	Hensall	Trenton	Branch
Main Street	Highgate	Wales	Park & Bernard
Hastings St.	Irquois	West Toronto	Ave. Branch
	Kingsville	Williamsburg	Tetrasville
	Kirkton	Woodstock	Branch
Manitoba	Lambton Mills	Zurich	Mont-Joli
Winnipeg—	London		Pierreville
Portage Av.	Lucknow		Quebec
Main St.	Meaford		Richmond
Ontario	Merlin		Riviere du Loup
Alvinston	Morrisburg		Roberval
Amherstburg	Norwich		St. Cesaire
Aylmer	Ottawa		Sorel
Belleville	Owen Sound		Ste. Marie Beauce
Berlin	Port Arthur		St. Ours
Brockville	Eldertown		Ste. Therese de
Chesterville	Simcoe		Blainville
Clinton	Smiths Falls		Sutton
Delhi	St. Mary's		Victoriaville
Drumbo			Ville St. Pierre
			Waterloo

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London, England, Agents, Parrs Bank, Limited. New York Agents, Mechanics and Metals National Bank.
Collections made in all parts of the Dominion, and returns promptly remitted at lowest rates of exchange. Commercial Letters of Credit and Travellers' Circular Letters issued, available in all parts of the world.

The Chronicle

Banking Insurance and Finance

ESTABLISHED 1881.
F. WILSON-SMITH.

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ARTHUR H. ROWLAND.

Proprietor.

Editor.

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MONTREAL, FRIDAY, JANUARY 22, 1915.

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STOCK MARKET STRENGTH.

One remarkable feature of the past week has been the strength displayed by the Wall Street stock market. Early in the week the representative stocks rose abruptly several points, Canadian Pacific being conspicuously in the lead. At the high point then scored C. P. R. stood 10 or 11 points above the recent low level; and other American rails showed advances of from 6 to 10. Possibly there has been some buying of our premier railway by parties who expect that a deal may be announced in connection with the segregation of the steamship lines from the general property of the Company; but the probability is that the improvement in prices has been due to the gradual strengthening of the financial situation in America and in England, and to the accumulation of large supplies of cheap call money in New York and London. This together with the high prices of wheat and the prospects of heavy exports to Europe would naturally stimulate the interest of speculators at the American centre.

WAR PROSPECTS.

At the same time it is to be remembered that no such demonstration of strength in the stock markets would be possible if the well informed experts handling the finances of the two big Anglo-Saxon centres

had any good reason to fear important German successes in Europe. The financial interests of New York and London are so closely intertwined that New York may be counted on to reflect faithfully the changes of sentiment occurring in London as regards the war prospects. Both markets will undoubtedly be depressed whenever the Teutonic enemy scores a decided gain, and both will be buoyant whenever the fortune of war favors the Allies in a decided way. So it is reasonable enough to take this week's rise as a good indication that the war is progressing in eminently satisfactory manner for ourselves. Probably a good rise in stocks at New York constitutes better ground for cheerfulness or optimism than anything which the newspapers are permitted to publish. With reference to good news from the front it is altogether likely that publication of the same in the press would be preceded by a rising stock market movement.

A GRADUAL IMPROVEMENT.

The general business situation here continues to move gradually towards improvement. There has been further increase of industrial activity as a result of the special war orders, and the excitement in the wheat market has had a tendency to arouse strong expectations of better times all round in the course of two or three months when the farmers are able to get on the land. It seems also that satisfactory progress is being made in the matter of developing a good market in New York for Canadian bonds and debentures. It is thought that several issues of some consequence may be announced before very long. If negotiations are successful a marked effect will be produced on our foreign exchange market, and the question of heavy gold exports will be shoved for the time into the background.

Money market conditions are slowly improving. The bankers and other financiers are regaining their confidence and showing more disposition to make investments as usual. Call loans in Montreal and Toronto are however still held at 6 to 6½ p.c., and mercantile discounts range from 6 to 7.

FOREIGN MONEY MARKET.

Call money in London is 1 p.c.; short bills are 2 1-16; three months' bills, 2½ p.c. Bank of England rate is still held at 5 p.c. There have been rumors of a pending reduction, but perhaps the bank directors will consider it good policy under present circumstances to ignore the apparent ease in the London market and hold their official rate at such a level as will not induce too extensive speculative commitments. Bank rates at Paris and Berlin stand at 5 p.c. The Imperial Bank of Germany continues to make great claims of increasing gold holdings, but in view of the doubt as to what items are counted as gold, these statements should be taken with skepticism.

Call money in New York is steady at 1¾ to 2 p.c., most of the loans being at the higher rate. Time

The Bank of British North America

Established in 1836. Incorporated by Royal Charter in 1840.

Paid-up Capital, \$4,866,666 66
Reserve Fund, - 3,017,333.33

Head Office: _____

5 GRACECHURCH STREET, LONDON, E.C.

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

COURT OF DIRECTORS

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J H. Brodie	Frederic Lubbock
J. H. Mayne Campbell	C. W. Tomkinson
E. A. Hoare	G. D. Whatman

Head Office in Canada: ST. JAMES ST., MONTREAL

H. B. MACKENZIE, General Manager

J. ANDERSON, Superintendent of Branches.
 H.A. HARVEY, Superintendent of Eastern Branches, Montreal.
 J. McEACHERN, Superintendent of Central Branches, Winnipeg.
 O. R. ROWLEY, Chief Inspector.
 A. S. HALL, Inspector of Branch Returns.
 J. H. GILLARD and N. V. R. HUUS, Inspectors, Montreal.
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This Bank has Branches in all the principal Cities of Canada, including Dawson City (Y.T.), and Agencies at New York and San Francisco in the United States.

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Collections Made at Lowest Rates.

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

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

G. B. GERRARD, Manager,
 MONTREAL BRANCH

THE MERCHANTS' BANK OF CANADA

HEAD OFFICE, MONTREAL
 Capital Paid-up \$7,000,000 Reserve Funds \$7,248,134

Pres: SIR H. MONTAGU ALLAN. Vice-Pres: K. W. BLACKWELL.
 E. F. HERRIN, General Manager.
 T. E. MERRITT, Superintendent of Branches and Chief Inspector

BRANCHES AND AGENCIES.

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Acton	Lucan	Montreal (Head Office)	St. James St.
Alvinston	Lyn	"	1255 St. Catherine St. East
Athens	Markdale	"	320 St. Catherine St. West
Belleville	Meaford	"	1330 St. Lawrence Blvd.
Berlin	Mildmay	"	1966 St. Lawrence Blvd.
Bothwell	Mitchell	"	372 Centre Street
Brampton	Napanee	"	St. Denis Street
Brantford	Newbury	Beauharnois	Quebec. St. Sauveur
Bronte	Oakville	Bury	Maisonneuve
Chatham	Orkilla	Chateauguy	Ormstown St. Jerome
Chateaufort	Ottawa	"	Quyon St. Jovite
Cheley	Owen Sound	Huntingdon	Ricaud St. Johns
Clarkson	Perth	Lachine	Shawville Vaudreuil
Creemore	Prescott	Napierville	Sherbrooke Verdun
Delta	Preston	Quebec	St. Agathe
Essexville	Renfrew	Manitoba	
Elgin	Sarnia	Brandon	Oak Lake
Elora	Stratford	Carberry	Portage la Prairie
Finch	St. Eugene	Gladstone	Russell
Fort	St. George	Hartney	Souris
Fort William	St. Thomas	Macgregor	Starbuck
Galt	Tara	Morris	Winnipeg
Gananoque	Thamesville	Napinka	" Bannerman Av.
Georgetown	Thorold	Neepawa	
Glencoe	Tilbury	Alberta	
Gore Hay	Toronto	Acme	Leduc
Granton	" Dundas St.	Brooks	Lethbridge
Guelpth	" Dufont and	Calgary	Mannville
Hamilton	" Christie Sts	" 2nd St. E.	Medicine Hat
" East End	" Parl. St.	Camrose	Munson
Hanover	" Parkdale	Carstairs	Okotoks
Hespeler	Walkerton	Castor	Olds
Ingersoll	Walkerville	Chauvin	Raymond
Kincardine	Wallaceburg	Coronation	Redcliff
Kingston	Watford	Daysland	Red Deer
Lancaster	West Lorne	Delburne	Rimbey
Lansdowne	Westport	Donalds	Rumsey
Leamington	Whitby	Edmonton	Sedgewick
Little Current	Williamstown	Edmonton	Stettler
London	Windsor	" Namaya Av.	Strome
London, East	Yarker	" Alberta Av.	Tofield
Saskatchewan		" Athabasca Av.	Tochu
Antler	Limerick	Edson	Vegreville
Arcola	Maple Creek	Hughenden	Viking
Battleford	Melville	Islay	Wainwright
Carnduff	Moose Jaw	Killam	West Edmonton
Frobisher	Oxbow	Lacombe	Wetaskiwin
Gainsborough	Regina	British Columbia	
Gull Lake	Saskatoon	Chilliwack	Oak Bay, Sidney
Humboldt	Shaunavon	Ganges Harbour	Vancouver
Kisbey	Unity	Nanaimo	" Hastings St.
	Whitewood	New Westminster	Victoria

St. John, N.B. Halifax, N.S.

SUB-AGENCIES—Ontario—Beachville, Calabogie, Frankville, London South, Lyndhurst, Mulrirk, Newington, Pelee Island, Manitoba—Austin, Griswold, Laurier, Sidney, Alberta—Botha, Czar, Saskatchewan—Dollard, MacNutt

IN UNITED STATES—New York Agency, 63 Wall Street.
 BANKERS IN GREAT BRITAIN—The London Joint Stock Bank, Limited.

D. C. MACAROW - - - Local Manager, Montreal

IMPERIAL BANK OF CANADA

DIVIDEND No. 98.

NOTICE is hereby given that a dividend at the rate of TWELVE PER CENT. (12 p.c.) per annum upon the Paid-up Capital Stock of this institution has been declared for the three months ending 31st January, 1915, and that the same will be payable at the Head Office and Branches on and after Monday, the 1st day of February Next.

The transfer books will be closed from the 17th to 31st January, 1915, both days inclusive.

By order of the Board,

E. HAY,
 General Manager.

TORONTO.
 23rd December, 1914.

loans also have been easy: 60 days, 3 p.c.; 90 days, 3 p.c.; 6 months, 3½ p.c.

POLITICS AND BANKING.

In their Saturday statement the clearing house institutions at New York showed a good gain in reserve strength. Their loans increased \$8,500,000, but this expansion was far more than offset by the gain of \$20,800,000 in aggregate reserves, two-thirds of which occurred in the cash held by themselves. Note circulation decreased \$3,200,000 and the excess reserve increased \$15,391,000, rising to about \$136,000,000. The position of the federal reserve banks has not greatly changed. The New York institution shows a drop of \$1,000,000 in deposits, an increase of \$1,300,000 in rediscounts and a decrease of \$3,000,000 in cash. Boston and Philadelphia show slight gains in cash but Chicago shows a loss. With reference to the discount rates quoted by the federal reserve banks, they are now all on the 4½ p.c. basis for 30 day paper excepting San Francisco which quotes 4. The rates for longer periods are 5 p.c. straight in case of New York, Philadelphia and Boston; and from 5 to 6 in case of the others.

There is constant political pressure to have these quoted rates put down to the lowest possible level, and in various other ways the political connections of the reserve banks have made themselves felt. It is becoming clear that the bankers at the head of these institutions will have to be unceasingly watchful to prevent the encroachment of politics.

STEEL DEVELOPMENTS.

It appears that the American iron and steel industries have been taking interested note of the recent sales of Canadian steel rails to transportation companies in the United States. Owing to the drop in orders from Canadian sources our plants have been offering cut prices to American roads as a means of keeping their equipment employed. This, of course, is a temporary expedient, and as soon as normal conditions are restored our own requirements will absorb pretty much the whole output of the Canadian plants.

CONFEDERATION LIFE ASSOCIATION.

Mr. Peleg Howland, president of H. S. Howland, Sons & Company, Limited, and recently appointed president of the Imperial Bank, has been elected a director of the Confederation Life Association in succession to the late Colonel D. R. Wilkie.

Lieut.-Col. Frederic Nicholls, president and general manager Canadian General Electric Company, has been elected a director of the Confederation Life Association in succession to the late Sir William Whyte.

MR. ALBERT J. RALSTON.

A well-earned tribute to the work of Mr. Albert J. Ralston as managing director of the National Life Assurance Company, of Toronto, during the last ten years, has been paid by his election as first vice-president. The success of Mr. Ralston's efforts in building up the National Life is well known throughout Canada. In his ten years' management he has increased by practically 500 p.c. the insurance in force, premium income and assets of his Company. The facts speak for themselves of the energy and discretion of his administration.

MR. GEORGE BURN.

In the election of Mr. George Burn, general manager of the Bank of Ottawa, as president of the Canadian Bankers' Association, in succession to the late Col. D. R. Wilkie, fitting honor is paid by the bankers of the Dominion to one who is held in the highest esteem by the Canadian banking fraternity. Like so many others who have helped prominently to shape the credit structure of the Dominion and guide its financial policy, Mr. Burn is a Scotchman, having first seen the light in a Presbyterian manse at Thurso in the North of Scotland, 67 years ago. When a youth he received his first training in sound banking principles in the Royal Bank of Scotland, but at the age of nineteen, he set sail for Canada. His first fourteen years in the Dominion he spent in the service, first of the Royal Canadian Bank of Toronto, then of the Canadian Bank of Commerce, and subsequently of the Exchange Bank of Montreal.

In 1880 the directors of the Bank of Ottawa, looking about for a new general manager, decided that Mr. Burn was the man they wanted. The wisdom shown in their choice thirty-five years ago is now a matter of Canadian banking history. Not only has the Bank of Ottawa under Mr. Burn's management gone forward from year to year and decade to decade steadily building itself up on the soundest principles and conservative practice, but its executive has become known throughout the Dominion as a banker of outstanding personality, deep in the knowledge of all the intricacies of his craft, judicious in counsel, wise in policy. For many years he has been an active and valued member of the Bankers' Association, his residence at Ottawa, in addition to his personal qualifications, causing him to be in frequent demand when negotiations or communications with the Government were being carried on. His active services at such times as the periodical revisions of the Bank Act are well known. His invaluable counsel in the crisis caused by the outbreak of war in August is perhaps known less widely. But those who are aware of the extent of his services on that occasion, in collaboration with one or two other prominent bankers, know full well that Canada owes a great deal to the general manager of the Bank of Ottawa for the safeguarding of her financial structure.

Mr. Burn too has found time to write about banking—to write about it in that easy and interesting style that is only possible to those of profound knowledge. Ottawa city knows him well as a philanthropist; the links and the sea welcome him at holiday times. For the Dean of Canadian bankers, it may be hoped that there are yet many years of wise activity in store.

Bank of England rate was continued yesterday at 5 per cent.

THE ROYAL BANK OF CANADA

INCORPORATED 1869

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

HEAD OFFICE - MONTREAL.

340 BRANCHES THROUGHOUT CANADA

28 Branches in Cuba, Porto Rico and Dominican Republic
Kingston, Jamaica. Bridgetown, Barbados.
Nassau, Bahamas. St. George's, Grenada.
Port of Spain and San Fernando, Trinidad.
Georgetown and New Amsterdam, British Guiana.
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Princes St., L. C.

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DEPARTMENT

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

The Dominion Bank

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

W. D. MATTHEWS, Vice-President

C. A. BOGERT, General Manager

TRUST FUNDS SHOULD BE DEPOSITED

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

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

Head Office, Toronto

THE BANK OF TORONTO

Incorporated 1855.

Head Office: TORONTO, Canada.

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

Directors

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

Bankers

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

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Are served when you place your Banking affairs with the Bank of Toronto. In addition to its ample facilities, widespread, well-chosen connections, and the strong financial prestige of this Institution, you will find careful and interested attention given to your account and an accuracy in handling the smallest details that you will appreciate.

THE BANK OF NOVA SCOTIA

INCORPORATED 1832.

CAPITAL \$6,500,000.00
RESERVE FUND 11,900,000.00
TOTAL ASSETS 80,181,929.99

HEAD OFFICE: HALIFAX, N.S.

DIRECTORS

[JOHN Y. PATEANT, President, CHARLES ARCHIBALD, Vice-President, G. S. Campbell, J. W. Allison, Hector McInnes, Hon. N. Curry, J. H. Plummer, R. E. Harris, James Manchester, Walter W. White, M.D., General Manager's Office, TORONTO, ONT., H. A. Richardson, Gen'l Manager, D. Waters, Asst. Gen. Manager, Supts. of Branches, J. A. McLeod, Geo. Sanderson, E. Crockett, Chief Inspector, C. D. Schurman.

190 BRANCHES 190
Branches in every Province of Canada, Newfoundland, Jamaica & Cuba. UNITED STATES: Boston, Chicago, New York.
Correspondents in every part of the World. Drafts bought and sold Foreign and Domestic letters of credit issued. Collections on all points.

THE HOME BANK OF CANADA

NOTICE OF QUARTERLY DIVIDEND.

Notice is hereby given that a Dividend at the rate of Seven per cent. (7 p.c.) per annum upon the paid up Capital Stock of this Bank has been declared for the three months ending the 28th February, 1915, and that the same will be payable at its Head Office and Branches on and after Monday, March 1st, 1915. The Transfer Books will be closed from the 15th to the 28th February, 1915, both days inclusive.

By Order of the Board,

JAMES MASON,

General Manager.

Toronto, January 15th, 1915.

The Bank of Ottawa

Established 1874

Head Office - - - OTTAWA, Canada

Paid-up Capital - - - \$4,000,000
Rest and Undivided Profits - - 4,978,299
Total Assets, over - - - 53,000,000

BOARD OF DIRECTORS

HON. GEORGE BRYSON, President.
JOHN B. FRASER, Vice-President.

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

GEORGE BURN, D. M. FINNIE,
General Manager. Assistant General Manager.
W. DUTHIE, Chief Inspector.

THE ROYAL BANK OF CANADA.

The addresses made at the annual meeting of the Royal Bank's shareholders continued the note of cautious optimism which has been characteristic of the leading bankers' utterances this year. The able summary of Mr. Edson L. Pease, the Bank's general manager, including a wealth of informing statistics, will repay careful study. Mr. Pease thinks it is possible that Canada can solve the problem of living within itself until the flow of foreign capital to us is resumed. "Some revision of pre-conceived plans will be unavoidable," he says, "our progress may be less rapid and retrenchment will be necessary, but the manner in which the country has faced the situation during the first five months, of the war is a fair augury for the future." Such views, coming from a leading banker whose conservatism is well-known are well calculated to create a feeling of encouragement.

THE BANK'S BALANCE SHEET.

The following figures show the leading items of the Bank's present balance sheet in comparison with last year and 1912:—

	Nov. 30, 1914.	Nov. 30, 1913.	Nov. 30, 1912.
	\$	\$	\$
Capital paid up.....	11,560,000	11,560,000	11,560,000
Reserve.....	12,560,000	12,560,000	12,560,000
Total Deposits.....	136,051,208	138,177,662	137,891,668
Circulation.....	13,505,255	13,176,635	12,584,618
Liabilities to the			
Public.....	154,319,273	154,761,440	154,137,719
Specie.....	12,995,484	7,802,068	5,204,964
Dominion Notes.....	12,688,371	11,664,142	14,443,785
Call Loans.....	14,654,905	19,819,690	23,978,642
Quick Assets.....	71,244,678	72,385,792	73,428,782
Current Loans.....	99,588,461	102,540,985	99,828,880
Total Assets.....	179,404,054	180,246,786	179,210,758

*Plus \$2,000,000 deposited in Central Gold Reserve.

The Bank has succeeded in placing itself in a stronger position than ever before in regard to liquid assets and that without hardship to its borrowing clients. Cash reserves standing at \$30,688,000, equal to 25.72 per cent. of the Bank's liabilities to the public. Liquid assets amount to 46.17 per cent. of liabilities to the public. While this very strong position has been attained, Canadian business loans show a contraction of less than \$2,500,000 in comparison with last year.

INCREASE IN DEPOSITS.

In regard to deposits, a particularly satisfactory position is shown. Deposits not bearing interest at the end of the year totalled \$31,224,129, as compared with \$36,276,871 at the end of the previous year, while deposits bearing interest reached a new high level at \$104,827,078, as compared with \$101,900,790. The total deposits aggregated \$136,051,208, as against \$138,177,622, a decrease of approximately \$2,000,000. During the year, however, the Bank repaid the deposit of the Alberta and Great Waterways Company amounting to \$7,000,000, and allowing for this the ordinary deposits during the year showed an increase of \$5,000,000.

The conservative policy pursued by the Bank during the year naturally affected profits. These are reported as \$1,886,142, against \$2,142,100—a ratio of earnings on the paid-up capital and rest combined of 7.8 per cent. against 8.9 per cent. last year. The amount brought forward on profit and loss account was \$1,015,119, the total available for distribution being \$2,901,262. Of this amount, the 12 per cent. dividend absorbed \$1,387,200, \$100,000 was transferred to the officers' pension fund, \$250,000 written off bank premises' account, \$50,000 contributed to the Canadian Patriotic Fund and \$500,000 allocated to cover depreciation in investments. A balance on profit and loss account of \$614,062 is then carried forward to the current year.

THE PRAIRIE PROVINCES.

In his careful survey of local conditions throughout Canada and in the various foreign fields where the Royal Bank has large and important interests, Mr. Pease has collected much interesting information. Indications point, he says, to the important prairie provinces passing more successfully and with much less strain through the critical period than could have been hoped for a year or two ago. The value of the four principal grain crops is estimated as only \$10,000,000 less than in the previous year, when the crops were particularly heavy—the slight decline in value being due to the appreciable advance in prices which has taken place. General trade has fallen off appreciably, largely owing to the absence of outside capital. Real estate speculation has completely died out, and a readjustment of values has occurred. Both farmers and business men in these provinces are making every effort to liquidate their liabilities, and it may safely be said that individual indebtedness is less to-day than for some years past—a distinctly gratifying fact, as Mr. Pease noted. In the eastern provinces, broadly speaking, crops appear to have produced one with another about average results, while manufacturing industries have been going slow, except those which lately have been kept busy with war orders from Europe. To sum up, said Mr. Pease, "when one considers the amazing progress the Dominion has made there is strong reason for confidence regarding the manner in which the country will emerge from the present trying conditions."

EMPLOYERS' LIABILITY ASSURANCE CORPORATION, LIMITED.

We are officially informed that Mr. R. I. Griffin, who for the last thirty years has been associated with The Employers' Liability Assurance Corporation, Limited, of London, England, and has acted as joint manager for Canada for fourteen years, has retired on a liberal yearly allowance. Mr. Charles W. I. Woodland, of Toronto, has been appointed sole general manager for Canada and Newfoundland.

We understand that the Montreal office will be under the supervision of Mr. John Jenkins, fire manager.

National Trust Co.,

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

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

MONTREAL DIRECTORS

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

TEMPORARY OFFICES:

179 St. James Street

PERCIVAL MOLSON, Manager.

The Royal Trust Co.

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

EXECUTORS AND TRUSTEES

BOARD OF DIRECTORS:

H. V. Meredith, President.
 Sir William C. Van Horne, K.C.M.G., Vice-President.
 SIR H. MONTAGU ALLAN, E. B. GREENSHIELDS
 R. B. ANOUS, C. R. HORNBER
 A. BAUMGARTEN, SIR W. C. MACDONALD
 A. D. BRAITHWAITE, HON. R. MACKAY
 H. R. DRUMMOND, SIR T. G. SHAUGHNESSY,
 C. R. GORDON, K.C.V.O.
 SIR LOWEL GOUIN, K.C.M.G.
 SIR FREDERICK WILLIAMS-TAYLOR

A. E. HOLT, Manager

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

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

THE EASTERN TRUST CO.

CAPITAL PAID UP AND RESERVE \$1,210,000
ESTATES \$14,000,000
 IN BUSINESS 21 YEARS

Carries on a fiduciary Trust business
 on conservative lines only.

HALIFAX ST. JOHN MONTREAL CHARLOTTETOWN
 ST. JOHNS, NFLD.

ESTABLISHED 1873

The

Standard Bank

of CANADA

THE business man
 who has customers
 in various parts of Can-
 ada or elsewhere will
 find the services of this
 Bank of invaluable as-
 sistance in collecting
 drafts, etc.

Head Office, TORONTO

113 BRANCHES THROUGHOUT THE DOMINION



THE
CROWN TRUST COMPANY
 145 ST. JAMES STREET, MONTREAL

Trust Company Service

This Company offers prompt, efficient
 and courteous service in connection with
 any matters coming within the scope of a
 conservative trust company business
ENQUIRIES ARE CORDIALLY INVITED

PRUDENTIAL TRUST COMPANY LIMITED

HEAD OFFICE 9 ST. JOHN STREET MONTREAL.	Trustee for Bondholders	Safety Deposit Vault Terms exceptionally moderate. Correspondence Invited.
	Transfer Agent & Registrar	
G. HAL. BROWN, President and Gen. Manager	Administrator	Receiver
	Liquidator	Guardian Assignee
	Trustee	Custodian
	Real Estate and Insurance Departments	
	Insurance of every kind placed at lowest possible rates.	

The Trust and Loan Co.

OF CANADA

Capital Subscribed, \$14,600,000.00
 Paid-up Capital, 2,920,000.00
 Reserve Funds, 2,511,049.15

MONKEY TO LOAN ON REAL ESTATE AND
 SURETYHOLDER VALUES OF LIFE POLICIES

30 St. James St., Montreal

THE BANK OF TORONTO.

The statement presented at the annual meeting of the Bank of Toronto was decidedly a satisfactory one. The falling-off in profits in comparison with those of the previous year was slight, these being returned at \$829,539 against \$850,694 in 1913. The balance brought forward on profit and loss account made the total available on this account \$1,186,811. Of this the eleven per cent. dividend and bonus of one per cent. absorbed \$600,000; \$100,000 was appropriated for depreciation in value of stocks and bonds held; \$25,000 was transferred to the Officers' Pension Fund and \$9,000 allocated to various philanthropic objects, leaving the largely increased balance of \$402,811 to be carried forward.

The following are the leading items of the bank's general statement in comparison with 1913:—

	1914.	1913.
Capital paid up	\$ 5,000,000	\$ 5,000,000
Reserve	6,000,000	6,000,000
Circulation	4,687,332	5,439,107
Deposits (not bearing interest)....	7,377,060	6,885,927
Deposits (bearing interest).....	37,547,920	36,420,668
Total Liabilities to Public.....	50,526,552	49,617,892
Specie and Legals	8,162,624	6,645,779
Call and Short Loans	2,171,419	1,784,841
Total of Quick Assets	15,485,645	14,072,237
Current loans and discounts.....	42,658,735	43,478,485
Total Assets	61,929,368	60,925,164

Deposits show an increase of about \$1,600,000 in comparison with last year, but this increase, it is stated, is due to some special transactions and will not be permanent. Current loans are about \$800,000 lower than a year ago, owing to the necessity of keeping a larger amount of assets in cash and liquid form. The Bank increased its holdings of specie and legals by over \$1,500,000 and call and short loans by \$400,000, thereby further strengthening the Bank's liquid position. Against total liabilities to the public of \$50,526,552, liquid assets are \$15,485,645, a proportion of 30.6 per cent. as compared with a proportion of 28.4 per cent. a year ago. The whole statement should be satisfactory to all concerned and must be particularly gratifying to Mr. Thomas F. How, the general manager.

At the Bank's annual meeting last week, an interesting speech was read on behalf of Mr. Duncan Coulson, the president of the Bank who was unable to be present at the meeting on account of ill-health. Mr. Coulson, who throughout his long career has been known as a banker pre-eminent in caution, referred to the necessity not only of increased production, but of greater attention so that districts already cultivated may be made more productive. We have still in Canada, says Mr. Coulson, many difficulties to face:—"The war found us with uncompleted works, and with the source of supply for money to complete these suddenly cut off. We have to a large extent, therefore, been cast upon our own resources, and must endeavor to meet the new conditions that have been created. Both collectively and individually we must cut off all unnecessary expenditure and seek to make available such resources as will increase our capital and help us to make the best of a difficult situation." However, in Mr. Coulson's opinion, the progress that has been made during these past months is most encouraging, and we are justified in looking forward with confidence.

NEW YORK LIFE'S REPORT.

The summary of the seventieth annual report of the New York Life Insurance Company, published on another page, furnishes a remarkable exhibit of financial magnitude and strength. But perhaps even more important than these figures is the way in which the Company has served its one million policyholders at a time when unprecedented difficulties have destroyed a large part of the world's commerce, disarranged international credits and shattered international relations to an unprecedented degree. That it should at such a time have met every obligation and satisfied every just claim, after the first period of strangulation of credit passed, without resort to the privilege of the moratoria declared by various governments, indicates a high degree of managerial skill and great efficiency of organization. Its new business fell short of that for 1913 by about ten million dollars, but the report says there has never been a year in which it did so much good as in 1914. It relieved human suffering, without charity, over a wider portion of the earth than ever before.

It is made clear in the full report that the company has not suffered and will not suffer any severe mortality losses by reason of the war, and that its investments in the warring countries have not depreciated in price appreciably more than have domestic securities. Not a single security issued by or in any such country is in default of either interest or principal. Loans have been called for on foreign policies in only about the same proportion as on policies issued in the United States.

The figures of income, disbursements, insurance in force and accumulated funds show the magnitude of the Company's operations, its increasing strength and power of usefulness in the years to come. Total admitted assets are \$799,935,395; insurance in force, \$2,347,098,388. It is a wonderful showing.

PUBLIC CAPITAL ISSUES IN LONDON.

The British Treasury authorities have given notice that no new public issues of capital in the United Kingdom may be made without their approval, since it is felt by the Government that all other considerations must be subordinated to the necessity of husbanding the financial resources of the country during the war. With a view to its prosecution, new issues for undertakings outside of the British Empire will not be allowed at all. Those proposed for undertakings within the United Kingdom will only be allowed if considered to be advisable in the national interest, and those for undertakings in the British Empire only where urgent necessity and special circumstances exist.

The Treasury will not ordinarily insist on the restrictions where the issues are required for the renewal of Treasury bills and other short instruments held in London and falling due for foreign or colonial governments or municipalities, or for railways or other undertakings. Neither, of course, will the restrictions cover private transactions, which account for a considerable proportion of British capital coming to Canada.

Mr. Ronald Olaf Hambro (Messrs. C. J. Hambro & Son) has been appointed a director of the London Assurance Corporation.

CANADA PERMANENT MORTGAGE CORPORATION

Established 1855.

Toronto Street, Toronto

President, W. G. GOODERHAM.

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

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

Superintendent of Branches and Secretary, GEORGE H. SMITH.

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

DEBENTURES

For sums of one hundred dollars and upwards, we issue Debentures bearing a special rate of interest, for which coupons payable half-yearly are attached. They may be made payable in one or more years, as desired. They are a

LEGAL INVESTMENT for TRUST FUNDS.

The

WESTERN

Assurance Company

Incorporated in 1851

ASSETS OVER \$3,500,000.00

LOSSES paid since organization of Company over \$57,000,000

DIRECTORS

W. R. BROCK, President.

W. B. MEIKLE, Vice-President and Managing Director.

ROBT. BICKERDIKE, M.P.	Z. A. LASH, R.C., LL.D.
D. B. HANNA	GEO. A. MORROW
JOHN HOSKIN, K.C., LL.D.	FREDERIC NICHOLLS [C.V.O.]
ALEX. LAIRD	GOL. SIR HENRY M. PELLATT
AUGUSTUS MYERS	E. R. WOOD
JAMES KERR OSBORNE	H. C. COX

HEAD OFFICE TORONTO

ESTABLISHED 1809

Total Funds Exceed

\$109,798,258.00

Canadian Investments Over

\$9,000,000.00

FIRE AND LIFE

North British and Mercantile

INSURANCE COMPANY

DIRECTORS

W.M. MCMASTER ESQ. G. N. MONCEL, ESQ.

E. L. PRABER, ESQ.

Head Office for the Dominion:

80 St. Francois Xavier Street - MONTREAL.

Agents in all the principal Towns in Canada.

RANDALL DAVIDSON, Manager.

Organized



Assets

\$8,020,276.62

Surplus to Policyholders

\$3,615,126.66

Applications for Agencies invited.

Canadian Head Office

MONTREAL

J. W. BINNIE Manager

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

AUSTRALIA and NEW ZEALAND

BANK OF NEW SOUTH WALES

(ESTABLISHED 1817)

Paid-up Capital	- - - -	\$17,500,000.00
Reserve Fund	- - - -	12,500,000.00
Reserve Liability of Proprietors	- - - -	17,500,000.00
		<u>\$47,500,000.00</u>
Aggregate Assets 31st March, 1914		\$254,228,600.00



J. RUSSELL FRENCH, General Manager.

347 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London
The Bank transacts every description of Australian Banking Business. Wool and other Produce Credits arranged.

Head Office:
GEORGE STREET, SYDNEY.

London Office:
29, THREADNEEDLE STREET, E.C.

THE BANK OF NOVA SCOTIA.

Comparison of the Bank of Nova Scotia's experience in 1914 with that of 1913 is complicated by the absorption of the Metropolitan Bank which was completed in the closing months of the year. The new annual statement, however, shows both the satisfactory earning power and the great strength of position that have been characteristics of the Bank of Nova Scotia for many years. Net profits for the calendar year 1914 are reported as \$1,196,117. Last year the Bank's profits were reported as \$1,210,774, so that there was a decrease of \$14,650 after the earnings of the Metropolitan Bank's business in the closing months of the year have been allowed for. The amount available on profit and loss account including the balance forward from the previous year is \$1,237,241. Dividends for the year at the rate of 14 per cent. absorb \$848,700, \$100,000 is transferred to the reserve fund, making this \$12,000,000 against a paid-up capital of \$6,500,000; \$50,000 is contributed to the officers' pension fund; \$37,433 to various patriotic and philanthropic objects and the largely increased balance of \$201,058 is carried forward.

Following are the leading items of the bank's annual statement in comparison with those of the previous year:—

	1914.	1913.
Paid-up Capital	\$ 6,500,000	\$ 6,000,000
Reserve	12,000,000	11,000,000
Circulation	7,148,813	5,948,022
Deposits	68,955,351	55,976,385
Liabilities to public	76,651,578	61,924,407
Specie and Legals	14,333,641	10,440,849
Call Loans	16,642,862	14,837,315
Quick Assets	49,232,413	39,073,108
Current loans, etc.	43,066,631	39,016,438
Total Assets	95,733,671	80,151,830

*Plus \$1,500,000 deposit in Central Gold Reserve.

While during the period covered by the report, the deposits of the public with all Canadian banks decreased some \$3,000,000, those made with the Bank of Nova Scotia, excluding the Metropolitan Bank entirely, increased \$4,675,000. The Bank has extended its policy, long adhered to, of carrying heavy cash reserves and so assuring strength to the Bank and safety to its depositors in any contingency by which it might be confronted, a policy which, inasmuch as it involves the carrying of unproductive funds to a large amount, means a reduction in profit-earning power while ensuring strength and safety. Reserves of actual cash in hand and Bank balances are 30.96 per cent. of the liabilities to the public, while the total liquid and practically immediately available resources amount to over 60 per cent. of these liabilities, a position which it must be conceded affords unusual as well as unquestionable security to depositors. That the Bank's settled policy of sacrificing possible profits to absolute security for its clients is being recognized and appreciated is evidenced by the material increase in its deposits to which reference is above made.

The whole statement is, in fact, an excellent one and while through the absorption of the Metropolitan Bank, the other comparisons usually made are not on this occasion available, the figures given are sufficient to indicate the very strong position occupied by the Bank of Nova Scotia under the efficient management of Mr. H. A. Richardson.

Mr. W. P. Hunt continues as the manager of this bank at its important St. James street, Montreal, branch.

NATIONAL LIFE'S STATEMENT.

The conservative investment policy pursued by the National Life of Canada is well known and has many times been the subject of complimentary notice by independent critics whose opinion is of weight and value. From the 1914 statement it appears that over 56 per cent. of the Company's total assets of \$3,051,407 are invested in government and municipal bonds and debentures, and nearly 30 p.c. in other high grade securities. Again in its annual report the Company is able to record the fact that since its inception—a period of almost sixteen years—it has never had a dollar of interest or principal of its invested funds overdue, nor has it lost a single dollar of interest or principal on any of its investments. This admirable record forms a sufficient justification for the course which the National Life has consistently followed. While in consequence of this policy it has not been able to report such high interest yields as some of its competitors, it may be doubted whether even in this respect in the long run the Company has fared less well than those who have pinned their faith almost entirely on high interest yielding mortgages. Net return is of considerably more importance than gross return, and in the case of mortgages there are considerable deductions to be made from the gross returns for investment expenses, and for overdue interest which deductions have not to be met in the case of government and municipal securities.

THE YEAR'S BUSINESS.

In regard to volume of business, last year applications for \$6,302,483 new assurances were received of which \$5,492,497 were accepted. This volume of new business shows a falling off from 1913, accounted for by the fact that since the outbreak of war, the National Life put in force a rule of acceptance of the highest class business only, and at the same time cut expenses wherever possible. A comparison of first-year premiums last year with those of 1913 shows that last year a much higher rate per thousand was obtained than in the former year. The total volume of business in force (December 31, 1914), is \$23,908,408, an increase of \$1,609,330 over the total at the close of 1913.

Total payments to policyholders were \$179,513, the rate of mortality being a trifle over 61 p.c. of the expected. The year's income of \$943,319, including \$155,607 interest and rents, showed an advance of \$100,000 upon the previous year, and there was left, after payments to policyholders and expenses, a balance of \$405,615. The assets are accordingly increased to \$3,051,407. Of these assets, \$1,728,973 are represented by government and municipal bonds and debentures, \$474,535 by loans on policies, \$230,000 by the head office building, which has been valued at \$275,000, and \$155,750 by bank stocks. After setting aside from the year's surplus a special reserve of \$50,000 to meet the Hm. 3 p.c. values on participating policies at the end of twenty years from date of issue and making other allocations, the net surplus to policyholders is increased to \$417,426, an advance of \$37,000 over 1913. These results are in every way satisfactory, and reflect great credit on Mr. Albert J. Ralston, the National Life's well-known managing director.

The Prudential Life of Winnipeg is reported as likely to pass under new control.



CANADA BRANCH HEAD OFFICE, MONTREAL.

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



Head Office: 112 St. James Street, Montreal.

DIRECTORS:

J. Gardner Thompson, *President and Managing Director.*
 Lewis Laing, *Vice-President and Secretary.*
 M. Chevalier, Esq. A. G. Dent, Esq. T. J. Drummond, Esq.
 John Emo, Esq. Sr. Alexandre Lacoste Wm. Molson Macpherson, Esq.
 J. C. Rimmer, Esq. Sir Frederick Williams-Taylor



The Northern Assurance Co. Limited

"Strong as the Strongest"

Accumulated Funds, \$41,265,000

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

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

ROBERT W. TYRE, *Manager.*

"THE OLDEST SCOTTISH FIRE OFFICE"

THE CALEDONIAN

INSURANCE CO. OF EDINBURGH.

Founded 1805.

Head Office for Canada,
 DOMINION EXPRESS BUILDING
 Montreal

JOHN G. BORTHWICK
Canadian Manager

.. THE ..
London Assurance
 CORPORATION
 OF ENGLAND.

INCORPORATED BY ROYAL CHARTER A.D. 1720

CAPITAL PAID UP \$2,241,375
 TOTAL CASH ASSETS 22,457,415

Head Office for Canada, - MONTREAL
 W. KENNEDY, W. B. COLLEY, *Joint Managers.*

ATLAS ASSURANCE COMPANY
 LIMITED, of LONDON, ENGLAND

Established in the REIGN of GEORGE III

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

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

Head Office for Canada - MONTREAL

MATTHEW C. HINSHAW, *Branch Manager*

Active and Influential Agents Wanted

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

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

11 ST. SACRAMENT STREET
 MONTREAL, P.Q.



LIABILITY OF OWNER OF ADJOINING PROPERTY

IN CASES OF FIRES DUE TO NEGLIGENCE OR VIOLATION OF LAW—BOSTON FIRE PREVENTION COMMISSIONER'S IMPORTANT ACTION.

"Has an owner of adjoining property, which is damaged by fire by reason of the neglect of the owner of the property to properly clean his chimneys and flues, a right of action at common law?" This is the question that Fire Prevention Commissioner O'Keefe of Boston put up to a firm of prominent attorneys and to which they replied, after a thorough and exhaustive study of the matter, that a property owner has a right for a suit for damages in such a case. In view of this decision Commissioner O'Keefe states that he stands ready to lend the aid and assistance of his department in every case throughout the district where a property owner can prove that his property has been damaged by fire originating through the negligence or carelessness of an adjoining property owner.

AIDING AGGRIEVED PARTIES.

"Since the recent important decision in New York," said Commissioner O'Keefe, "where it was held that a private individual is responsible and may be held liable for the expense incurred by the Fire Department in subduing a fire originating through neglect to conform to the rules of the Fire Commissioner, there has been considerable conjecture as to what might be done in a similar case in this State. There is no specific law on the Massachusetts statutes covering this point. I believe such a bill has been framed to be presented to the present legislature. However, I was satisfied in my own mind that the common law would cover such a case, but in order to make sure I put the question up to a prominent firm of lawyers. They returned a full and lengthy opinion, in which they held that the common law is sufficient to hold a party liable in such a case. Therefore there is no need of a new law on the matter, and I will give every assistance of my office to parties seeking damage for property loss where they can show proof that such loss was due to neglect or failure of an adjoining property owner to live up to the fire prevention laws.

"If persons realize, and are made acquainted with the fact, that they are liable for property damage if a fire starts through their neglect, they will be on their guard and it will all be for the general public benefit and good. I have written to every fire department chief in the metropolitan district, requesting them to hereafter report to me in detail the circumstances attending fires that originate from negligence or malice, and destroy the property of other persons. It is the intention of this department in all such cases to lend its aid to any effort to make negligent or malicious persons pay the damage occasioned to others by their negligent or malicious acts in connection with fires.

COST OF CARELESSNESS.

"The carelessness of a small percentage of the whole population is responsible each year for a great burden of fire loss. All the people pay that bill of costs, which includes fire department upkeep, expensive water pressure service and heavy insurance rates. In Boston alone the fire department is \$2,000,000 annually; the total insurance premiums considerably over \$4,000,000, making over \$6,000,000,

which is only a part of the total bill paid by the public annually. It is in your rent and in the cost of the goods you buy for your daily needs, and averages nearly \$9 yearly for every member of every family.

"A most elementary principle of all government is the right of that government to protect the lives and property of the citizens. It is costing \$9 per person yearly in Boston to protect or replace the costs due to fires. The recognized right and the duty of the government is to protect lives and property against attack and destruction by an outside foe, or a foe on the inside, against intentional or accidental destruction and against destruction due to negligence or carelessness. The trend of all government activities is toward protection of the public and each separate individual against the consequences of another's wrongdoing or carelessness, and we are constantly demanding new rules for safety in travel and in public assembly, and in all cases where one must surrender his safety into the keeping of another person. And we are demanding that responsibility shall be fixed on the proper individuals. The best students of the fire losses in the United States, and of the conditions of criminal carelessness, arson, negligence and faulty building construction, and other reasons for that loss, are now convinced that the public has an equal right to demand safety from fire by fixing the responsibility on those whose neglect or carelessness causes fire or spreads fire."

IMPERIAL GUARANTEE AND ACCIDENT INSURANCE COMPANY.

This company, whose tenth annual report appears on another page, continues to build up its business on conservative lines. The directors state that the establishment of the new Government workmen's compensation scheme in Ontario does not affect their business, it having never been deemed advisable to enter the field of employers' liability or workmen's compensation insurance. The Company has always confined its business to accident, sickness, fidelity, guarantee, plate glass and automobile insurance, and its persistence in those lines only has been well justified by events.

The Imperial Guarantee last year issued 13,388 policies for \$33,593,513. Premium income was \$298,480 and interest earnings at the higher level of \$16,139, an increase during the year of \$1,640.

The assets of the Company now amount to \$415,274. The surplus on policyholders' account is further increased to \$274,460, which together with the uncalled subscribed capital of \$800,000 makes the available security for all contracts, \$1,074,460.

The Imperial Guarantee and Accident is fortunate in the possession of an influential directorate, and it is strongly officered. Mr. H. C. Cox is president, and Mr. E. Willans the able general manager.

MR. OLIVER E. HURD.

Mr. Oliver E. Hurd, for many years a resident of Montreal, and a well known figure in the bond business, has accepted an important position with the firm of E. H. Rollins & Son, bond dealers, 234 La-salle Street, Chicago, and left for that city this week to take up his new duties.

During his residence in Montreal, Mr. Hurd enjoyed the friendship of many of its influential citizens and had a large business connection throughout Canada.

COMMERCIAL UNION

ASSURANCE COMPANY LIMITED
of LONDON, England

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

Capital Fully Subscribed . . .	\$14,750,000
Capital Paid Up	1,475,000
Life Fund, and Special Trust Funds,	69,826,740
Total Annual Income exceeds	42,500,000
Total Funds exceed	1:4,500,000
Total Fire Losses Paid	164,420,280
Deposit with Dominion Govern- ment	1,077,033

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—

**Commercial Union Building,
MONTREAL**

J. McGREGOR,
Manager

W. S. JOPLING,
Assistant Manager

PALATINE

INSURANCE COMPANY LIMITED
of LONDON, England

(As at 31st December 1913)

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

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

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—

**Commercial Union Building,
MONTREAL**

J. McGREGOR,
Manager

W. S. JOPLING,
Assistant Manager

SUN INSURANCE OFFICE

FOUNDED A.D. 1710

Head Office:

Threadneedle Street - London, England

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

Canadian Branch:

15 Wellington Street East, Toronto, Ont.

H. M. BLACKBURN,
Manager.

LYMAN ROOT,
Assistant Manager.

Established

1859

The London Mutual Fire Insurance Co.
of CANADA
ACTIVE AGENTS WANTED
for MONTREAL CITY.

PROVINCE OF QUEBEC BRANCH

W. J. CLEARY,

R. de GRANDPRE,

Provincial Manager

Inspector

LEWIS BUILDING, 17 St. John Street,
MONTREAL

THE CANADA NATIONAL FIRE INSURANCE COMPANY.

Authorized Capital	\$3,000,000.00
Subscribed Capital	2,055,100.00
Paid in Capital	1,100,000.00
Assets	1,416,730.00
SURPLUS TO POLICY HOLDERS	1,305,064.00

Board of Directors:

President: CAPT. WM. ROBINSON

Vice-Presidents: D. E. Sprague F. H. Alexander

Managing Director: W. T. Alexander

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

General Fire Insurance Business Transacted

Business Solicited Prompt Settlement of Losses
Liberal Policy

Head Office, 356 MAIN STREET, WINNIPEG

THE

Life Agents Manual, \$3.00

THE CHRONICLE, MONTREAL

STOCK COMPANIES vs. STATE INSURANCE.

AN UNANSWERABLE ARGUMENT AGAINST STATE MONOPOLY OF WORKMEN'S COMPENSATION INSURANCE, BY GENERAL MANAGER A. W. WHITNEY, OF THE WORKMEN'S COMPENSATION SERVICE BUREAU.

The stock companies, years before workmen's compensation came to be understood or even generally known by the public, had recognized the superiority of the compensation principle and had urged its adoption in place of the principle of employers' liability.

The situation to-day is entirely changed. Workmen's compensation is now dominant; the stock companies are no longer in opposition to public sentiment, the aggressiveness of the stock companies now finds its place in developing the good effects of a good law instead of the bad effects of a bad law. It is, therefore, only right that in problems involving workmen's compensation the companies should be given a fair trial under present conditions and not be obliged still to face the prejudice that existed under the old conditions.

It may be granted at once that workmen's compensation insurance is impressed with a strong social quality, that it is indeed almost of the nature of a public utility.

Insurance is only a part of the process of distribution. It spreads the cost evenly among employers having the same hazard. It has nothing, however, to do with passing the cost on to the consumer. That must be done by the manufacturer when he charges the cost of his insurance into the price of his goods.

SHOULD INSURANCE BE UNDERTAKEN BY STATE?

Is there a good reason why insurance should be undertaken by the State? Is the State ready to take over all railroads, all steamships, all trolley lines, all waterworks, all gas plants, all electric plants, all irrigation ditches and a score of other enterprises, all of them acknowledged public utilities? Furthermore, is the State not only prepared to do this, but prepared to forbid private enterprise to enter any of these fields.

The fact is, we have been misled by a name. To say that insurance is a tax is to beg the question; if it is a tax, of course it should be collected by the State. What we are really concerned with is the question: Is insurance really of the nature of a tax and so of necessity and solely a State activity? The answer to this must certainly be "No."

You cannot afford to get along without the private insurance companies, for one reason, because they are doing the most progressive work that is being done to-day along the lines of accident prevention. There are two sides to a compensation law, one direct, the actual payment of compensation; the other indirect, the prevention of accident. If a compensation law is wisely administered, the indirect effect will be more important than the direct effect. If a law is treated primarily as a tax, it will be administered as a tax—that is, in a perfunctory way—but if it is administered primarily as a preventive measure, it will be a thing of life.

The system of schedule rating is now being operated on the plans laid out by the bureau in thirteen

States, and during this year inspections have been made on 20,000 plants, having 1,200,000 employees, and having a payroll of over \$700,000,000.

IMPORTANT SERVICE OF AGENTS.

It is only fair also to explain the important service of the agents and brokers in the production of these results (a reduction in premiums of over two millions of dollars and the actual savings of life and efficiency). That agent will in general secure the most business who can perform the greatest service for his client. One very great service that he can perform for the assured is to show him in detail—and that often means by the employment of skilled engineers—how he can reduce his rate. The agents, therefore, in their competition with each other for business become an exceedingly powerful influence for accident prevention and their work becomes of the greatest social value.

We shall help to inaugurate a wonderful advance in industrial safety, particularly since we are prepared to give economic effect by a reduction in rate to every device that passes the test.

You may treat compensation merely as a tax if you wish, but we propose also to develop it as a machine for producing industrial safety.

We doubt very much if there are many other lines of business which have as few secrets as this bureau in the matter of making rates. We have recognized the high social quality in workmen's compensation and workmen's compensation insurance and have felt that we could not afford to use in the process of rate determination anything but the most scientific and unimpeachable methods.

NORTH AMERICAN LIFE ASSURANCE COMPANY.

Mr. George H. Allen, Toronto city manager of the North American Life, has addressed the following letter to his agents, complimenting them upon their success during 1914:—

"You will be delighted to know that the North American Life Assurance Company wrote more business in the City of Toronto during 1914 than in any previous year in the history of the Company.

The Toronto agency produced more new business than any other agency of the Company and made the largest net increase for 1914, thus winning the Nalaco Cup, a handsome trophy.

The Cup has arrived at this office and is a beauty. I want you to come in and see it. We have won this in direct competition with many of the largest cities in the United States as well as Canada. It is ours for a year beyond a doubt and it is up to us to retain it for many years to come.

I must express to you my thanks for the share you had in accomplishing such an enviable result and I know you share with all, the pride in our achievement and a determination for still greater records in 1915."

The final standing in the Nalaco Cup contest was as follows:—

- 1, Toronto; 2, Moose Jaw; 3, Regina; 4, Illinois;
- 5, Chatham; 6, Michigan; 7, Halifax; 8, Waterford;
- 9, Newfoundland; 10, Sherbrooke.

Under the new super income tax imposed as a necessity of the war financing, British millionaires pay about 25 per cent. of their annual incomes into the British Exchequer.

CENTRAL CANADA OF BRANDON'S POSITION.

Mr. Arthur E. Fisher, provincial superintendent of insurance, has issued the following bulletin:

"To the policyholders of the Central Canada Insurance Co.:

"So many inquiries have of late been received at my office relative to the matter of the Central Canada Insurance Company, now in liquidation, that I have deemed it advisable to issue a bulletin showing the condition of affairs at the present time as far as Saskatchewan policyholders are concerned.

"On December 10, 1914, the Central Canada Insurance Company went into voluntary liquidation and appointed A. E. Ham, superintendent of insurance for Manitoba, as provisional liquidator. Mr. Ham at once entered into negotiations with several companies relative to the re-insurance of the fire and livestock contracts at that time in force. From December 19 until December 22, at 10 a.m., the outstanding fire policy liability was carried by the Home Insurance Company, of New York. All losses occurring during that time will be paid by the Home Insurance Company.

"Negotiations were entered into with the British Colonial Fire Insurance Company, of Montreal, and, as a result, this latter company has assumed the liability of the fire contracts in force on December 22, 1914. A telegram received this morning (January 5), from Mr. Ham verifies this fact.

"The outstanding losses in Saskatchewan, amounting to \$19,000, will be covered, although it may take a little time to secure funds for this purpose. By the terms of the Saskatchewan Insurance Act, the deposit made with the government will protect these liabilities *pro rata*.

"The claims for unearned premiums on policies cancelled since the 10th of December should be filed in this office, even if claims have already been filed with either Mr. Ham or the Central Canada. By this means the interest of the insured will be more effectively protected, the government deposit being available for this purpose, also on a *pro rata* basis.

"Arrangements are being made for the re-insurance of the livestock contracts. At present, I am unable to make any definite announcement, as negotiations for the purpose of re-insurance are now pending."

CANADIAN BANKERS' ASSOCIATION.

Following the elevation of Mr. George Burn to the presidency of the Canadian Bankers' Association, Mr. Clarence A. Bogert, general manager of the Dominion Bank, was elected a vice-president, and Mr. E. Hay, the new general manager of the Imperial Bank, a member of the Executive.

METROPOLITAN INSURES AT BIRTH.

Announcement of an innovation is made by the Metropolitan Life. Hereafter, the company will insure infants at birth, instead of waiting until they are one year old, as has generally been the custom. No death benefit will be paid if the child dies before reaching the age of one year, but the premiums will be returned with 3½ per cent. added. If the infant survives, the premiums paid will be applied to pay for such time as they will cover from the time the child is one year old.

THE UNDERWRITERS' AGENCIES PROBLEM.

The much discussed question of underwriters' agencies, with all its perplexities and inequalities, has been advanced a stage toward a definite solution by resolutions approved in several boards during the past year, writes Mr. E. F. Garrow, secretary of the British America Assurance Company, in a review of fire insurance in Canada during 1914. In fact, while the course pursued was in the nature of a compromise, it was nevertheless based upon logical grounds and for this reason has perhaps removed the issue from the field of insurance politics. The abuses attendant upon the duplication of these agencies had become more marked in British Columbia than elsewhere in Canada, due to the large number of companies operating that field, so that the question was urgently brought home to the members of the mainland board at Vancouver. While the majority were disposed to entirely withdraw recognition, such a course was felt to be impossible because certain underwriters' agencies, previously accorded full membership, had built up considerable incomes which it would be unfair to disturb. Instead, and as a compromise, it was decided to apply a method of classification which would accord recognition to those underwriters' agencies laying claim to it on the ground of (a) maintaining a separate field and office force in the entire territory in which they operate, separate and distinct from the parent company; (b) having been formed for the purpose of taking over or continuing the business of a duly incorporated company which has retired. To these two classes of underwriters' agencies were accorded full membership privileges, including separate votes and a separate set of agents.

COMPREHENSIVE LEGISLATION.

All other underwriters' agencies, namely, those that could not qualify under class "A" or class "B," fall into class "C" and become associate members only, without vote or agency privileges except at places where two agents are allowed to each company, when one of the two may be put down in the name of the associate member. Thus was put into effect the first comprehensive legislation on the subject, to be followed soon after by similar action at Winnipeg and Victoria and finally by the Canadian Fire Underwriters' Association, which recently approved amendments to its constitution based upon the Vancouver rule. No claim of perfection can be made for what is after all a makeshift, but at least it may be said a simple method is provided for dealing with all future cases, and, what is perhaps of greater consequence, a contentious matter involving many jealousies has been temporarily laid to rest.

INSURANCE OF IMMIGRANTS.

Three of the larger American life companies have in recent years secured thousands of dollars of industrial insurance and millions of ordinary insurance from foreign immigrants. Previously this field had been given little consideration, but within the last five years the matter has been carefully studied and organisations developed for the purpose. There are now active nearly 400 Italian agents for various companies in New York City, producing excellent results, whereas five years ago there were hardly fifty.

\$590,000,000



Is the amount paid policyholders since organization, plus amount held at interest to their credit—a wonderful story of thrift and self-help
Agents Wanted

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

GENERAL

ACCIDENT **FIRE** AND LIFE
ASSURANCE CORPORATION, LTD.
OF PERTH, SCOTLAND.

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

PELEG HOWLAND,
Chairman
Canadian Advisory Board

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

MADE-IN-CANADA

THE CANADIAN SURETY CO

Investments of Capital, Surplus
and Earnings are

MADE-IN-CANADA

Suretyship bonds exclusively
Maximum Protection - Minimum Cost
Head Office, **TORONTO, ONT.**

W. H. HALL, General Manager.
WM. H. BURGESS, Secretary. **S. L. LYON,** Supt. of Agencies

The Imperial Guarantee

AND ACCIDENT INSURANCE CO., OF CANADA

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

A Strong Canadian Company.

ACCIDENT AND SICKNESS INSURANCE
GUARANTEE BONDS

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

Representing

THE MUTUAL LIFE
INSURANCE COMPANY
OF NEW YORK

You will make money.

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

FOR TERMS TO PRODUCING AGENTS, ADDRESS:

George T. Dexter

2nd VICE PRESIDENT

34 Nassau Street New York, N.Y.

Union Assurance Society Limited

OF LONDON, ENGLAND.

(Fire Insurance since A.D. 1714)

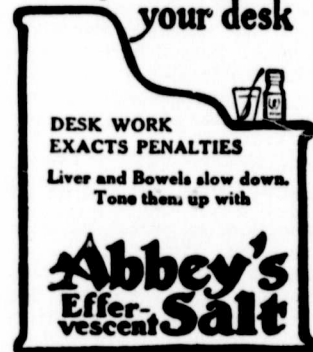
Canadian Branch:

Corner St. James and McGill Streets, Montreal

T. L. MORRISSEY, Resident Manager

Agencies throughout the Dominion.

Keep it handy on
your desk



TAKE ABBEY'S VITA TABLETS
The Best Tonic for Sick Nerves

The Imperial Guarantee & Accident Insurance Company OF CANADA

TENTH ANNUAL REPORT

The Directors have much pleasure in submitting to the Shareholders their Tenth Annual Report for the twelve months ending 31st December, 1914.

BUSINESS:—The Company issued 13,388 policies for insurance of \$33,593,513.00. The premiums paid amounted to \$298,479.52. The Interest earnings amounted to \$16,138.83, being an increase of \$1,640.32.

ASSETS AND LIABILITIES:—The assets of the Company now amount to \$415,273.90, while the liabilities are reduced and substantial Reserves provided for all contingencies.

SURPLUS:—The surplus to policyholders is \$274,460.27, which together with the uncalled subscribed Capital of \$800,000.00, makes the available security for all contracts of \$1,074,460.27.

The adoption of the new Workmen's Compensation Act in the Province of Ontario does not affect the business of the Company, our operations having been altogether confined to Accident, Sickness, Fidelity Guarantee and Plate Glass Insurance, and Automobile Insurance.

HERBERT C. COX, President.

Toronto, 14th January, 1915.

BALANCE SHEET, DECEMBER 31st, 1914.

ASSETS.		LIABILITIES.	
Bonds and Debentures, depreciated value	\$288,992.50	Government Reserve for Unearned Premiums	\$102,858.91
Real Estate	1,215.25	Reserve for Filled and Unfiled Claims	25,109.21
Loans on Mortgages	11,100.00	Contingent Reserve	10,000.00
Accrued Interest	1,539.72	Sundry Accounts	2,845.51
Outstanding Premiums (Reserve on same included in Liabilities)	40,861.25	Capital Stock Paid	\$200,000.00
Other Assets	9,284.84	Surplus over all Liabilities	74,460.27
Cash in Savings Bank bearing interest	50,342.88		
Cash in Banks and on hand	11,937.46		
	\$415,273.90		\$415,273.90

CANADIAN FIRE RECORD

(Specially compiled for The Chronicle.)

GLADSTONE, MAN.—A Scaife's residence burned, January 16.

TWO CREEKS, MAN.—F. Collier's barn destroyed with contents, January 14. Loss \$3,000.

KINGSTON, ONT.—House of E. A. Turner, destroyed by fire, which started from furnace, January 14. Loss, \$2,000.

CORNWALL, ONT.—B. Goldstein's men's furnishing store in Ross block gutted, and adjoining premises damaged, January 18.

TORONTO.—K. N. Saba's house and store, 470 Queen Street West, damaged, January 14. Loss, \$2,700. Supposed origin, incendiary.

MONTREAL.—Rear of three flats of tenement house 1332-6 Lajoie Avenue, Outremont, owned by Joseph Ainey gutted, January 18. Loss, \$5,000.

Slight damage at St. Alexis orphanage, corner of St. Denis and Demontigny Streets, December 20. Origin, unknown.

B. Rosenweig's dry goods store, 2633 St. Hubert Street, gutted, January 20.

WINNIPEG, MAN.—Fire in the Palace Cafe, Main street north, January 14, spread to adjoining stores, doing damage of \$40,000. Cafe premises destroyed, loss, \$4,500; Western News Agency, next door, loss, \$10,000. Loss by the Boston Clothing Co., J. Udow, proprietor, \$25,000. All losses are partially covered by insurance.

SHERBROOKE, QUE.—Premises of Codere, Sons & Co., wholesale hardware, damaged, January 15. Origin, explosion from wood alcohol being tipped on gas stove. Loss, \$100,000.

SACKVILLE, N.B.—Potato houses owned by C. Fred. Fawcett and contents destroyed by fire, January 14. Store at Middle Sackville contained 2,000 bushels of potatoes and ninety barrels of turnips, property of George A. Fawcett. Five potato digging machines, owned by manufacturers and stored in building, also destroyed. Middle Sackville loss will be \$3,000; partly covered by insurance. Store at Upper Sackville contained 3,000 bushels of potatoes; loss, \$3,000; partly covered by insurance. I. C. R. car at Upper Sackville, partly loaded with potatoes, also destroyed.

Montreal Tramways Company.

DIVIDEND NOTICE.

NOTICE is hereby given that a quarterly dividend of two and one half per cent (2 1/2%) for the quarter ending December 31st, 1914, has been declared upon the Capital Stock of the Company paid in, to shareholders of record on Friday the 15th January next, at 4 o'clock p.m. payable on Monday the 1st February, 1915.

By order of the Board,

PATRICK DUBEE,
Secretary-Treasurer.

January 12th, 1915.



RAILWAY PASSENGERS ASSURANCE COMPANY

OF LONDON, ENGLAND

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

HEAD OFFICE FOR CANADA
AND NEWFOUNDLAND

TORONTO, ONTARIO

F. H. RUSSELL, General Manager.

**Oldest Accident
Office**

MONTREAL BRANCH

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



Transacts :

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

Applications for direct Agencies invited.

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

Head Office, GRESHAM BUILDING MONTREAL
502 ST. JAMES STREET

F. J. J. STARK, General Manager.

"BUSINESS AS USUAL"

is Great Britain's motto and it ably typifies the cool courageous spirit of the Anglo-Saxon race, that spirit that has put them where they are to-day. Make it your own individual motto and show your ability in the next few months of trial. This is applicable especially to Life Insurance men. Good Agencies are open with

THE FEDERAL LIFE ASSURANCE COMPANY OF CANADA

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

AGENCY APPOINTMENTS FOR 1915.

The National Life is now re-arranging certain territory for the year 1915, and has excellent openings for men of ability.

If you are a HUSTLER there's a place for YOU, and a CONTRACT THAT MAKES HUSTLING WORTH WHILE.

Apply direct to Head Office :

THE NATIONAL LIFE ASSURANCE COMPANY OF CANADA
25 TORONTO STREET, TORONTO, ONT.

THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated : 1833.

HEAD OFFICE : TORONTO

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

DIRECTORS :

W. R. BROCK, President

W. B. MEIRLE, Vice-President


ROBT. BICKERDIE, M.P.
 H. C. COX
 JOHN HOBKIN, K.C., LL.D.
 D. B. HANNA
 ALEX. LAIRD
 Z. A. LASH, K.C., LL.D.

GEO. A. MORROW
 AUGUSTUS MYERS
 FREDERIC NICHOLLS
 JAMES KERR OSBORNE
 COL. SIR HENRY M. PELLATT
 E. R. WOOD.

W. B. MEIRLE,
 General Manager

E. F. GARROW,
 Secretary

THOMAS F. DOBBIN, Resident Manager
MONTREAL



NORWICH UNION FIRE INSURANCE SOCIETY LIMITED
Norwich, England

INSURANCE AGAINST:
 FIRE ACCIDENT AND SICKNESS
 EMPLOYERS' LIABILITY PLATE GLASS

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

Agents wanted for the Accident Branch.

JOHN MacEWEN, Superintendent for Quebec.

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

First British Insurance Company Established in Canada

A. D. 1804

Phœnix Assurance Co. Ltd.

OF LONDON, ENGLAND. (Founded 1782)

FIRE LIFE

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

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

AGENTS WANTED IN BOTH BRANCHES. Apply to
 R. MacD. Paterson, | Managers.
 J. B. Paterson,

100 St. Francois Xavier St. - Montreal

Established 1864.

New York Underwriters Agency.

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

PROVINCIAL AGENTS.

MURPHY, LOVE, HAMILTON & BASCOM,
 Toronto, Ont.
 OBLER, HAMMOND & NANTON,
 Winnipeg, Man.
 ALFRED J. BELL,
 Halifax, N.S.
 AYRE & SONS, LTD., St. Johns, Nfld.
 JOHN WM. MOLSON & ROBERT Y. HUNTER,
 Montreal, Que.
 WHITE & CALKIN,
 St. John, N.B.
 EDMUND T. HIGGS,
 Charlottetown, P.E.I.

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

L'UNION

FIRE INSURANCE COMPANY, Limited

Head Office : PARIS, France.

Established 1828

Capital fully subscribed . . \$ 2,000,000.00
 Net Premiums in 1913 . . . 5,561,441.00
 Total Losses paid to 31st Dec., 1913 90,120,000.00

Canadian Branch:

LEWIS BUILDING 17 ST. JOHN STREET, MONTREAL

Manager for Canada :

MAURICE FERRAND

BRITISH COLONIAL FIRE INSURANCE COMPANY

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

STRONG AS THE STRONGEST

Agents wanted in Unrepresented Districts

President : HON. C. E. DUBORD

Director and Secretary : THEODORE MEUNIER

Manager : H. W. THOMSON

INSPECTORS.

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

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

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

Summary of 70th Annual Report

— OF THE —

NEW YORK LIFE INSURANCE CO.

346 and 348 BROADWAY, NEW YORK

DARWIN P. KINGSLEY, President

NEW INSURANCE PAID FOR IN 1914

Exclusive of Revivals and Increase in Old Policies

\$223,571,200

TOTAL ADMITTED ASSETS

\$790,935,395

TOTAL PAID-FOR INSURANCE IN FORCE

\$2,347,098,388

JANUARY 1, 1915

BALANCE SHEET, JANUARY 1, 1915

ADMITTED ASSETS

Real Estate	\$ 9,826,142.06
Loans on Mortgages	156,674,059.30
Collateral Loans	150,000.00
Loans on Policies	153,375,218.04
Bonds and Stock (Market Value Dec. 31, 1914)	438,322,671.10
Cash	13,964,565.01
Interest and Rents due and accrued	9,291,253.31
Premiums due and deferred	9,331,486.79
Total	\$790,935,395.61

LIABILITIES

Policy Reserve	\$651,889,465.00
Other Policy Liabilities	11,856,997.88
Premiums and Interest prepaid	4,048,933.57
Commissions, Salaries, Taxes, etc.	1,333,293.05
Dividends payable in 1915	17,104,119.86
Reserve for Deferred Dividends	88,902,104.00
Reserves for other purposes	15,800,482.25
Total	\$790,935,395.61

INCOME, 1914

Premiums:	
On New Policies	\$ 9,061,420.82
On Renewed Policies	79,153,606.31
Annuities, etc.	2,252,150.86
	\$90,467,177.99
Real Estate Rentals	693,969.50
Interest on Mortgages	7,509,010.87
Interest on Policy Loans	7,158,715.58
Interest on Bonds	19,293,228.99
Interest on Bank Deposits, etc.	284,474.61
Profit on Sale or Maturity of Assets	30,263.58
Increase by adjustment in Book Value of Ledger Assets	256,967.41
Other income	572,766.11
Total	\$126,266,574.64

DISBURSEMENTS, 1914

Payments to Policyholders:	
Death Losses	\$26,269,756.21
To Living Policyholders	45,693,733.36
	\$71,963,429.57
Paid under supplementary contracts and other payments	365,019.12
Commissions and other Payments to Agents	6,831,867.23
Medical Examination and Agency Expenses, etc.	2,657,836.44
Home Office Salaries	1,786,881.72
Taxes, Licenses and Insurance Department Fees	1,190,478.01
Rent and Real Estate Taxes and Expenses	887,186.65
All other Expense	1,269,732.81
Loss on Sale or Maturity of Assets	621,589.06
Decrease by adjustment in Book Values	1,704,666.22
For Reserves to meet Policy Obligations	36,987,887.81
Total	\$126,266,574.64



The Employers' Liability

Assurance Corporation Limited

" " " OF LONDON, ENGLAND " " "

TRANSACTS:

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

Most Liberal Policies Issued

Offices: MONTREAL, TORONTO

Managers for Canada, GRIFFIN & WOODLAND.

JOHN JENKINS, Fire Superintendent.

Canadian
Government
Deposit over
\$1,340,000

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

THE CANADA ACCIDENT ASSURANCE COMPANY

HEAD OFFICE: Commercial Union Building, MONTREAL

CAPITAL \$500,000.00

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

Board of Directors:

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

Branches: MONTREAL VANCOUVER CALGARY REGINA

FOUNDED 1871

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

Accident, Health, Employers' Liability, Guarantee and Plate Glass Insurance
UNRIVALLED SECURITY LIBERAL POLICIES

ASSETS EXCEED - - - \$14,500,000
CLAIMS PAID, over - - - \$50,000,000

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

WHY NOT HAVE THE BEST ?

The Globe Indemnity Company of Canada

Head Office, MONTREAL.

formerly--The Canadian Railway Accident Insurance Company.

DIRECTORS:—J. Gardner Thompson, President. Lewis Laing, Vice-President. A. G. Dent, W. Molson MacPherson, T. J. Drummond, Sir Alexandre Lacoste, Martial Chevalier, Sir Frederick Williams-Taylor.

JOHN EMO, General Manager & Secretary.

ROBERT WELCH, Assistant Manager.

Transacts ACCIDENT INSURANCE, SICKNESS INSURANCE, LIABILITY INSURANCE IN ALL ITS BRANCHES, AUTOMOBILE INSURANCE IN ALL ITS BRANCHES, BURGLARY INSURANCE, GUARANTEE INSURANCE.

Policies issued by this Company are the most liberal and up-to-date issued in Canada, free from unnecessary restrictions and conditions.

All policies guaranteed by the Liverpool & London & Globe Insurance Co., Ltd.; assets over Sixty Five Million Dollars (\$65,000,000.00.)

The National Life Assurance Company OF CANADA

REPORT OF THE DIRECTORS

FOR THE YEAR ENDING 31st DECEMBER, 1914

To the Shareholders and Policyholders:

Your Directors have pleasure in presenting the Sixteenth Annual Report of the operations of the Company.

During the year, 2,297 applications for \$6,302,483 new assurances were received, of which 2,215 for \$5,492,497 were accepted, and for which policies were issued and placed.

Applications for \$59,500 were deferred. Applications for \$750,986 were declined.

The total assurance in force on the 31st December, 1914, is \$23,908,408, the gain for the year being \$1,609,330

The total premium income on the business in force amounts to \$849,708.90, the gain for the year being \$52,437.59.

The total cash receipts for the year 1914 were \$943,318.62.

The Directors again report not a dollar of interest or principal overdue on any of our invested funds. This is a continuous record covering sixteen years.

The amount paid during the year to policyholders was \$179,513.35, made up of death claims \$97,324, and all other payments, including profits to policyholders, of \$82,189.35.

The Reserves for Insurance, based on the Hm. Table of Institute of Actuaries, 3½% interest, in addition \$50,000 set aside as a special reserve, are \$2,511,621, an increase of \$365,828.

The total available assets of the Company are \$3,801,408 (including uncalled capital), an increase of \$441,955.

The total Surplus per Dominion Government Standard now stands at \$417,425.56.

The rate of interest earned on the Company's invested funds is at the rate of over 5¼%, being an increase of over ¼ of 1% for the year.

The Company's books have been duly audited each month, and the vouchers and securities carefully examined by a special committee of the Board, as well as by the Auditors of the Company and the Canadian Government Insurance Department.

ELIAS ROGERS, President.

ALBERT J. RALSTON, Managing Director.

TORONTO, January 13th, 1915.

FINANCIAL STATEMENT, 31st DECEMBER, 1914

BALANCE SHEET

LIABILITIES.		ASSETS.	
Reserves, Government Standard Hm. 3½%	\$2,511,621.00	Government and Municipal Bonds and Debentures	\$1,728,973.08
Death Claims outstanding, awaiting claim proof papers	41,075.00	Bank Stocks	155,750.50
Medical Fees	1,383.50	Toronto Consumers' Gas Stock	14,378.53
Present Value Instalment Claims	65,574.00	Head Office Building (Market value per independent valuation for Dominion Government, \$275,000)	230,000.00
Matured Endowments unpaid	2,902.00	Loans on Policies secured by Legal Reserves (interest paid one year in advance)	474,534.66
Unearned Interest on Policy Loans	9,394.80	Cash at Head Office and in Banks	23,770.72
Accrued Taxes	1,788.50	Current Sundry Ledger Accounts	7,353.52
Dividends unpaid	243.15	Furniture, Equipment, and Treasury Vault	19,475.92
SURPLUS, \$487,425.56, being a gain for the year of \$107,050.22, out of which the Company have set aside a Special Reserve of \$50,000 to meet the Hm. 3% Values on Participating policies at the end of twenty years from date of issue; also paying a dividend to shareholders and profits to policyholders, leaving a		Outstanding and Deferred Premiums (Reserves included in Liabilities, less 25% and 2% for collection)	238,489.18
		Reserves on Policies reinsured with other companies	104,608.00
		Death Claims Outstanding, due from other companies	21,000.00
		Accrued Interest	33,093.60
SURPLUS TO POLICYHOLDERS	417,425.56		
	\$3,051,407.51		\$3,051,407.51

CASH ACCOUNT

RECEIPTS.		DISBURSEMENTS.	
First Year Premiums	\$264,377.84	Death Claims, Surrenders, Profits and Annuities	\$179,513.35
Renewed Premiums	523,333.57	Salaries, Commissions and Expenses	234,262.33
Interest, Rents, etc.	155,607.21	Reinsurance Premiums	41,575.92
		General Expenses, Medical Fees, etc.	40,272.21
		Dividend to Shareholders	20,000.00
		Licenses and Taxes	6,893.50
		Furniture (Amount written off) and Rents	15,186.62
		BALANCE	405,614.69
	\$943,318.62		\$943,318.62

Forty-Sixth Annual Meeting

— OF —

THE ROYAL BANK OF CANADA

The Forty-Sixth Annual General Meeting of the Shareholders was held, pursuant to notice, at the Head Office of the Bank, in Montreal, on Thursday, January 14, 1915, at 11 o'clock a.m.

On motion of Mr. Wiley Smith, seconded by Mr. E. F. B. Johnston, K.C., Sir Herbert Holt took the chair. The Chairman requested Mr. W. B. Torrance, Superintendent of Branches, to act as Secretary of the meeting, and Messrs. C. R. Hosmer and A. Haig Sims to act as scrutineers.

The minutes of the last Annual General Meeting were confirmed, and the Annual Statement was taken as read. The Secretary was then called upon to read the Directors' Report, as follows:—

DIRECTORS' REPORT.

The Directors have pleasure in submitting to the shareholders the Forty-Fifth Annual Report, for the year ending November 30, 1914, accompanied by the Statement of Assets and Liabilities.

PROFIT AND LOSS ACCOUNT.

Balance of Profit and Loss Account, November 30, 1913.....	\$1,015,119.58	
Profits for the Year, after deducting Charges of Management and all other Expenses, Accrued Interest on Deposits, full Provision for all Bad and Doubtful Debts and Rebate of Interest on Unmatured Bills.....	1,886,142.67	\$2,901,262.25
Appropriated as Follows:—		
Dividends Nos. 106, 107, 108 and 109, at 12 per cent. per annum.....	\$1,387,200.00	
Transferred to Officers' Pension Fund.....	100,000.00	
Written off Bank Premises Account.....	250,000.00	
Contribution to Patriotic Funds.....	50,000.00	
Depreciation in Investments.....	500,000.00	
Balance of Profit and Loss carried forward.....	614,062.25	\$2,901,262.25

The assets of the Bank have recently been subjected to the usual careful revaluation.

Branches have been opened during the year as follows:—

In British Columbia—Fort Fraser; Hazelton; Prince George.

In Alberta—Calgary, 3rd St. West; Craigville; Peace River Crossing.

In Ontario—London East; Morewood; St. Thomas; Toronto, College and Bathurst.

In Quebec—Coaticook; Longueuil; Montreal—Amherst and Ontario Sts.; Beaumont St.; Cote des Neiges; St.

Catherine and Bleury Sts.; St. Denis and St. Catherine Sts.; Ville Emard.

In Prince Edward Island—Tyne Valley.

In Newfoundland—St. John's, West End.

In British Guiana—Georgetown; New Amsterdam.

Sub-branches have been established at Copetown, Ont.; Kintore, Ont.; and West Side, Peace River Cross-

ing, Alta.

The following branches have been closed:—

In British Columbia—Princeton; Salmo; Sapperton; Vancouver, Campbell Ave.

In Alberta—Calgary, 1st Street West.

In Ontario—Callander, Sault Ste. Marie, Queen and Bruce Sts.; Trenton; Wroxeter.

In Quebec—East Sherbrooke.

Also the sub-branch at Matsqui in British Columbia.

The Head Office and all the branches of the Bank have been inspected, as usual, during the year.

Your Directors desire to express their appreciation of the efficient manner in which the officers of the Bank continue to perform their respective duties.

All of which is respectfully submitted.

H. S. HOLT, President.

E. L. PEASE, Vice-President.

PRESIDENT'S ADDRESS.

Sir Herbert S. Holt, the President, in moving the adoption of the report, said: I now have the pleasure to move that the report and balance sheet be adopted. Considering the very exceptional circumstances under which we meet this year, your Directors are specially gratified in being able to present such satisfactory results. In point of liquid assets, the financial statement is the strongest we have ever submitted. Profits have fallen off somewhat, compared with the previous year, but in these unprecedented times your Directors deemed it wise to consider strength before profits.

The usual facilities to clients have been continued without interruption, as indicated by the slight change in the amount of our commercial loans.

The thing of paramount importance, which agitates us all to-day, is the lamentable fact that Great Britain is at

war. Needless to say, Canada intends to aid the Mother Country to the utmost of her ability, and will accept the consequent sacrifice of men and resources in the high spirit which the cause demands. As a result of the liquidation which has taken place since the culmination of the boom two years ago, the country is now in a better position to bear its share of the Empire's burden.

The outbreak of war was followed by a convulsive derangement of international exchange and general trade. Stock exchanges were closed, in many countries a moratorium was proclaimed, and a financial catastrophe of world-wide proportions was only averted by the wise and timely action of the British Government in providing through the Bank of England powerful machinery for sustaining and protecting credit during the war, and for twelve months after peace is concluded. Much credit is due to the Canadian Minister of Finance for the emergency measures so promptly intro-

duced to protect the situation in Canada. The efficiency of these is demonstrated by the fact that the business of the country has pursued its ordinary course, and we enjoy the distinction of requiring no recourse to a general moratorium. A limited moratorium applying to real estate payments is in force in the provinces of Manitoba, Saskatchewan and Alberta.

Having no misgivings regarding the final outcome of the war, we venture the prediction that its economic effect upon Canada will be beneficial, although the magnitude of the struggle is without precedent. Previous wars during the past half century (namely, the war of Prussia against Austria in 1866 and against France in 1870, the South African War and the Russo-Japanese War) were all followed by active and expanding trade; but in each case only two countries were engaged, as against the inclusion of nearly all Europe on the present occasion, and the scale of expenditure cannot be compared with that of to-day. If the present war be long continued, the European nations involved may become financially prostrated for many years. Even if the war is not long continued, the flow of capital from Great Britain to this country is not likely to be resumed for a considerable time, and new construction work will

therefore, be retarded. On the other hand, we reap distinct commercial advantages from our geographical position and remoteness from the scene of warfare, which permit us to prosecute our farming and manufacturing industries unmolested, in spite of our participation in the conflict. Britain is buying from us all the war supplies we can produce—many factories are working twenty-four hours a day—and we are securing for our crops and foodstuffs generally, the highest prices in our experience.

The importance of increasing our productive powers is obvious. Only by so doing and by the exercise of rigid economy can we dispense temporarily with the aid of foreign capital. In the interval we must pay the formidable annual interest charge of approximately \$140,000,000 on our foreign obligations. We cannot continue to add this amount to our indebtedness, and the only way we can meet it is by increasing exports and reducing imports to the barest necessities, in order to convert the customary adverse trade balance into a favorable one. As it is, we shall probably find that we have borrowed more than we can comfortably carry, especially as much of the money expended is yet unproductively employed. I believe, therefore, that a pause in our borrowings will not prove an unmixed evil.

GENERAL MANAGER'S ADDRESS.

Mr. E. L. Pease, Vice-President and General Manager, in seconding the adoption of the Report, said:—

Our President has referred to the policy adopted by your Directors on the sudden announcement of the Great European War, namely, to further strengthen the ready resources of the Bank. The financial statement submitted to-day reflects this policy. Cash reserves, which stand at \$39,688,000—equal to 25.72 p.c. of our total liabilities to the public—show an increase of approximately \$5,000,000. This was accomplished without hardship to our borrowing clients, by the curtailment of international operations. Our liquid assets amount to 46.17 p.c. of our total liabilities to the public. Profits, which decreased from 18.5 p.c. to 16.3 p.c., permitted the payment of the usual dividend of 12 p.c., the writing down of Bank Premises by the sum of \$250,000, the transferring of \$100,000 to the Officers' Pension Fund, and the contribution of \$50,000 to the Canadian

Patriotic Fund. Deposits show a decrease of \$2,126,000, but in reality we have gained approximately \$5,000,000 in commercial deposits, inasmuch as we repaid during the year the deposit of the Alberta & Great Waterways Railway, amounting to \$7,000,000. Commercial loans decreased \$2,500,000. Bank Premises stand at \$5,861,000. Conditions have been unfavorable for the sale of the Traders' Bank Building in Toronto, on the disposal of which the account will show a large reduction. The sum of \$500,000 has been appropriated from Profit and Loss to write down the value of investments, which now stand at less than the market values of July 30th last. All classes of investments have been affected by the general decline. We may hope for a rapid recovery when general conditions improve.

The trend of Canadian commerce for the past year is revealed by the following statistics:—

	1913.	1914.		
Field Crops (Dec. 31)	\$ 553,000,000	\$ 639,000,000	Increase	\$ 86,000,000
Railroad Earnings (June 30)	256,700,000	241,300,000	Decrease	15,400,000
Bank Clearings (Dec. 31)	9,260,163,000	8,073,461,000	Decrease	1,186,702,000
Note Circulation (Nov. 30)	119,497,000	114,777,000	Decrease	4,730,000
Public Deposits in Chartered Banks, Post Office Savings Bank, etc. (Nov. 30)	1,205,430,000	1,212,289,000	Increase	4,730,000
Chartered Banks—Current Loans (Nov. 30)	921,700,000	881,941,000	Decrease	39,759,000
Total Exports (Dec. 31)	474,413,000	454,006,000	Decrease	20,407,000
Total Imports (Dec. 31)	673,240,000	612,729,000	Decrease	60,511,000
Customs Receipts (Dec. 31)	113,881,000	76,819,000	Decrease	37,062,000
	(12 mos.)	(11 mos.)		

It will be observed that decreases were general, whereas during the five preceding years increases were the rule. The latter were years of rapid and much artificial development, attended, as always, by speculation, inflation and extravagance. It is providential that the inevitable reaction set in a considerable time before the outbreak of hostilities. If the war had caught us in the throes of a boom, it would have been a sad day for Canada. As a result of the drastic liquidation which has taken place, a spirit of caution and conservatism now prevails, and our economic condition is infinitely sounder than it has been for many years. Fortunately so, because we were confronted in August last by an unprecedented situation, being suddenly thrown upon our own resources by the stoppage of the flow of foreign capital. Until this flow is resumed it is evident that we must live within ourselves. The problem is, can we do so? I think it is possible. Some revision of preconceived plans will be unavoidable. Our progress may be less rapid and retrenchment will be necessary, but the manner in which the country has faced the situation during the first five months of the war is a fair augury for the future. Imports in this period decreased \$82,247,000, compared with the same months of the previous year, but exports decreased only \$27,847,000, leaving a balance of \$49,258,000 in our favor. This achievement is remarkable considering that our imports have invariably exceeded our exports for many years past, the advance balance for the fiscal year 1910 being \$71,002,000; for 1911, \$161,745,000; for 1912 \$213,732,000; for 1913, \$292,932,000; and for the first seven months of 1914, \$96,218,000. The statement shows how quickly we have adjusted ourselves to the new conditions.

An economic question of vital concern to the country is that of immigration. For the first seven months of 1913 British immigrants entering Canada numbered 121,781, those from the United States 79,251, and from other countries 118,223—total, 319,255. For the corresponding period of 1914 the numbers were 40,617, 51,920 and 47,412 respectively, making a total of 139,949. During the four months following the outbreak of war in August last, we received from Britain 8,614, from the United States 14,689, and from other countries 2,671—a total of 25,974.

Of the large number of reservists who have left the country in the last few months we have no particulars.

Emigration from the United States to Canada will doubtless continue on a very large scale, but will be completely cut off from Europe during the war, and probably for some time afterwards, as a great shortage of labor in Europe will result from the consequent devastation.

In Mr. E. R. Wood's review of the bond market in Canada in 1914, the total Canadian bond issues are placed at \$256,086,000, compared with \$341,000,000 in 1913. Of this amount Government issues represented \$85,415,000, municipal issues \$83,498,000, railway issues \$64,406,000, public utility issues \$6,486,000, and miscellaneous \$16,281,000. Great Britain absorbed 68.98 per cent., Canada 19.7 per cent., and the United States 11.38 per cent.

The following is a brief statement of general conditions in the various districts in which the bank is operating.

BRITISH COLUMBIA.

For about ten years previous to 1914 British Columbia experienced almost continuous prosperity, escaping even

the acute depression which affected the rest of Canada in 1907. Speculation became general, and real estate values were carried to unreasonable heights, but the money stringency of 1913 caused a reaction, followed by a general depression, which has since been intensified by the war.

Crops in general were good last year and prices satisfactory, but the fruit crop, although unprecedentedly heavy, brought disappointing returns.

The lumber business has been in an unsatisfactory condition for some years on account of overproduction, keen American competition and restriction in building operations in British Columbia and the Middle-West Provinces. Building permits issued during 1914 in Vancouver, Victoria and New Westminster show decreases of 57, 49 and 72 per cent. respectively, as compared with 1913. A preferential tariff with Australia, which is now being discussed, would be of great benefit to the lumber industry of the province, whose exports of lumber now amount to only 7 per cent. of total lumber exports from the Pacific seaboard of North America.

The mineral output for 1914 is estimated to be 80 per cent. of the output of the previous year, or about \$25,000,000 in value, against \$30,000,000 in 1913. This decrease is caused by the inactivity of the smelters on account of market conditions, and by labor troubles among the coal miners.

The salmon run was an average one, and the total pack somewhat smaller than last year. Prices were satisfactory.

The opening up of large areas of undeveloped agricultural lands by the Grand Trunk Pacific and the Canadian Northern Railways, and the development of mineral properties adjacent thereto, will prove in time of great profit to the province.

MIDDLE WEST PROVINCES.

The retrenchment and curtailment necessitated in the Middle West Provinces by the world wide monetary stringency of last year was accentuated, of course, by the war and the reduction in crops. It is still early to judge the full effect of conditions prevailing during the past twelve months but indications are that these provinces will pass through the critical period more successfully and with much less strain than could have been hoped for a year or two ago.

The dry summer caused considerable loss of crops in certain districts, the yield of wheat, oats, barley and flax being only 289,000,000 bushels, as compared with 405,000,000 bushels in 1913. Prices, however, have been such that the value of the four crops mentioned is estimated to be \$222,000,000—only \$10,000,000 less than the amount realized from the heavy crop of the previous year.

General trade has fallen off appreciably, largely owing to the absence of outside capital. Real estate speculation has completely died out, and a readjustment of values has occurred. It is gratifying to note that both farmers and business men in these provinces are making every effort to liquidate their liabilities, and it may safely be said that individual indebtedness is less to-day than for some years past.

ONTARIO.

Crops in Ontario last year were good on the whole. Fall wheat, the principal grain crop of the province, yielded 14,333,000 bushels, or an average of 20.9 to the acre, against 15,945,000 bushels, or an average of 24.7 in 1913. Spring wheat, barley, oats, rye, and buckwheat yielded 130,400,000 bushels against 124,700,000 in 1913, but the hay and alfalfa crop was 82,000 tons less. The area of tobacco under cultivation was only one-half of that in the previous year, and the production decreased accordingly.

The fruit crop was unfortunately unproductive. Apples, though abundant, made but small returns to growers, prices being so low that in many districts the fruit was left ungathered. It is of interest to observe that Ontario's twelve and one-quarter million fruit trees produce 75 per cent. of all fruits grown in Canada.

The dairying industry experienced a most satisfactory year.

Prices of agricultural products of all kinds have been good. Sales of cattle were somewhat greater than in 1913, but sales of horses, sheep and swine were less. In the case of sheep and swine, increased prices offset the limited sales. Manufacturing suffered from the general depression, with the exception, as in other provinces, of certain industries turning out military equipment and supplies.

The value of the mineral production during the nine months ended September 30, 1914, was \$27,019,000—an increase of \$766,778 over the same period in 1913. Silver produced shows a decrease of \$2,885,000; and gold, pig iron and cobalt oxides, small increases. The prospects of gold mining appear to be good. Production has increased from \$32,000 in 1909, to \$4,558,000 in 1913.

The lumber cut during the past year was about 75 per

cent. of the average and operations in the woods this winter have been reduced about 50 per cent. Wages are much lower than usual, and operators should be able to produce profitably.

QUEBEC.

The dairying industry experienced a satisfactory year. Cheese prices ruled high on account of large War Office orders, and prices for butter were maintained at the level of 1913. Exports of cheese from the Port of Montreal were 1,483,000 boxes, as compared with 1,571,000 in 1913, and of butter 7,228 packages against 1,728 for the previous season.

Crops were average with the exception of hay, which suffered from the drought of early spring.

Manufacturing industries were adversely affected by the war—foundries, rolling mills, etc., operating with largely reduced staffs on account of lack of orders for cars, steel rails, construction steel, etc. Efforts are being made to secure orders in Europe for railroad equipment. Such industries as clothing, boots and shoes, woolen mills, saddlery and saddlery hardware, and factories furnishing supplies for military purposes, have been busy latterly with Government orders.

There was a sharp decline in Montreal in the value of new buildings, but a substantial increase in the City of Quebec. The figures for 1913 and 1914 are as follows:

	Permits.	Value.
Montreal—		
1913.....	3,794	\$27,032,000
1914.....	3,629	17,638,000
Quebec—		
1913.....	340	1,940,000
1914.....	571	2,759,000

The lumber trade was quiet on account of the comparatively small demand for building purposes, but prices were fairly well maintained, those of the British market showing improvement. The present winter's cut will be smaller than last year's. There was a good demand from the United States for pulpwood and paper.

The steamship business in Montreal and Quebec was seriously disorganized by the war, many of the largest and most modern steamers having been requisitioned for the transport of troops and supplies, or as merchant-cruisers. Up to the outbreak of war, eastbound passenger traffic was normal, but westbound traffic had fallen off considerably. Westbound freight decreased 50 per cent. as compared with last year, while eastbound freight was tied up by the lack of steamers and the high rates asked for the limited tonnage available.

MARITIME PROVINCES.

Business throughout the Maritime Provinces continued about normal except in the steel and coal industries, in which operations were necessarily curtailed on the outbreak of the war. Latterly, however, the British Government has placed orders for steel products which will have a stimulating effect upon business in general.

Lumber brought better prices in the British market during the year, but poorer in the United States, South America and the West Indies. On the whole, the outlook for the coming season is bright, provided sufficient shipping facilities are available.

With respect to fisheries, the catch is reported to be smaller than for several years. Prices declined severely on the declaration of war owing to the difficulty of financing shipments to South America, which was at that time the only market available outside of the West Indies. The small catch should be offset by present high prices. The lobster season, which promised to be particularly satisfactory, has suffered through the closing of continental markets, much of the output being still held in storage.

Grain, hay and root crops were larger than for some years past, and good prices have been obtained. The apple crop was fairly large. Prices at the beginning of the season were lower than in previous years, but are now improving.

Results have been generally unsatisfactory in the black fox industry, in which considerable capital has been invested.

Only one province in Canada shows a decrease in the number of cases of insolvency during the year, viz., Nova Scotia. Prince Edward Island shows the same results in this respect as in 1913, while increases are reported for all the other provinces. Newfoundland holds the same enviable record as Nova Scotia.

NEWFOUNDLAND.

Reports from Newfoundland indicate favorable conditions in that colony. Although the fish catch was small, and the war has interfered with the exporting of lobsters (Germany previously affording the principal market), the total exports

have somewhat increased during the year. Imports show a small decrease. Satisfactory features of the outlook are the probability that the present high prices for fish and oil will continue, and the fact that exportation of pulpwood and pit props is now permitted by the Government.

As stated above, Newfoundland enjoys with the Province of Nova Scotia the distinction of showing a decrease in the number of cases of insolvency during the year.

CUBA.

The sugar crop of 1913-14 was the largest in the history of the island, viz., 2,597,000 tons. It is estimated that the crop now being harvested will be somewhat greater. At present prices (fully 1c. per lb. higher than the average price obtained last year), the prospects of the planters must be considered most encouraging in spite of recent unfavorable weather and advanced freight rates.

Tobacco planters are less fortunate, owing chiefly to a serious falling off in the European demand. Exports for the 11 months ending November 30th last were some \$7,000,000 less than in the previous year. In view of the large stocks of tobacco on hand, credit for cultivation of new plantings has been restricted and it is estimated that the next crop may amount to less than 50 per cent. of the past one.

Weather conditions have been favorable for the fruit crops. Exports are increasing annually.

The state of the cattle industry continues to be satisfactory, both supply and demand showing substantial gains.

The total exports of Cuba last year were valued at \$170,000,000 (an increase of some \$5,000,000), while imports were about the same—\$132,000,000.

There has been absolutely no trouble of a political nature and the Government apparently continues to hold the confidence of the people.

BRITISH WEST INDIES.

In the British West Indies, generally speaking, the outlook is fairly satisfactory. The effect of the war on the different colonies will be determined largely by the nature of their products.

Trade in general throughout Jamaica is in a depressed condition, partially due to the war, but principally to long-continued drought. Recent good rains, however, will greatly benefit the crop of bananas, which make up by far the largest item of export.

Conditions in the island of Trinidad are somewhat unfavorable. The price of cacao, the principal crop, has been adversely affected by the war, as Germany formerly figured as a large consumer. Sugar will show a substantial increase in value. Shipments of asphalt have fallen off owing to the general depression in the United States and the stoppage of shipments to Europe. The production of oil is increasing, this industry having now passed the speculative stage.

Practically the total exports of Barbadoes are sugar and sugar products. The weather has been very favorable, and the island will benefit greatly from the advance in price of this commodity.

Cacao is the principle product of Grenada, and conditions are therefore likely to be somewhat depressed, although nothing serious is anticipated.

In the Bahamas the production of sponges will be greatly reduced during the coming year, owing to the cutting off of

several markets. It is thought, however, that the stagnation in this industry will be of a temporary nature.

In British Honduras conditions are satisfactory, although the export of mahogany will be greatly restricted owing to the general depression.

WAR LOAN.

I may say, in conclusion, that we applied for and were allotted £100,000 of the recent British War Loan.

STAFF.

One hundred and ten members of the Bank's staff are now on active military service, and 121 are members of the Montreal Home Guard, in addition to which a considerable number have joined Home Guards in other cities.

I have pleasure in seconding the motion for the adoption of the Directors' Report.

It was moved by Mr. Fayette Brown, seconded by Mr. Alex. Paterson, and resolved, that Mr. J. Marwick and Mr. S. R. Mitchell be appointed auditors for the ensuing year under Section 56, Sub-Section 6, of the Bank Act.

It was moved by the Hon. W. H. Thorne, seconded by Mr. Hugh Paton, and resolved, that the remuneration of the auditors be not more than \$12,000.

It was moved by Mr. A. Haig Sims, seconded by Mr. C. R. Hosmer, and resolved, that the thanks of the shareholders are due and are hereby tendered to the President, Vice-Presidents and Directors for their careful attention to the interests of the bank during the past year.

Sir Herbert Holt replied.

It was moved by the Hon. David MacKeen, seconded by Mr. D. K. Elliott and resolved, that the thanks of the shareholders be tendered to the General Manager and officers of the bank for the efficient manner in which they have performed their respective duties.

The General Manager replied on behalf of the staff.

On motion of Mr. G. R. Crowe, seconded by Mr. A. E. Dymont, it was resolved that a ballot be opened for the election of seventeen Directors.

It was moved by Mr. C. R. Hosmer, seconded by Mr. Fayette Brown, and resolved, that the following be elected Directors for the ensuing year, and that one ballot be cast.

Sir Herbert Holt	Hon. W. H. Thorne
E. L. Pease	Hugh Paton
E. F. B. Johnston, K.C.	T. J. Drummond
Wiley Smith	Wm. Robertson
Hon. David MacKeen	A. J. Brown, K.C.
Jas. Redmond	W. J. Sheppard
G. R. Crowe	C. S. Wilcox
D. K. Elliott	A. E. Dymont

C. E. Neill

Upon receiving the scrutineers' report, the Chairman declared that the Directors listed above had been elected for the ensuing year.

It was moved by Mr. Fayette Brown, seconded by Mr. Alex. Paterson, and resolved, that a vote of thanks be tendered to the scrutineers.

On motion, the meeting adjourned.

At a subsequent meeting of the Board of Directors, Sir Herbert Holt was unanimously re-elected President, Mr. E. L. Pease Vice-President, and Mr. E. F. B. Johnston, K.C., Second Vice-President, for the ensuing year.

ENFORCING PERSONAL RESPONSIBILITY.

Those interested in the fire prevention campaign believe that the education of the public has gone far enough to justify entering upon the next important step. This is the enactment into law of the enlightened official and public sentiment which has been aroused for the reduction of the fire waste. The public now understands as never before the essential principles that the property owners, not the insurance companies, pay the fire losses; that the best way to get lower insurance rates is to have fewer fires; and that the great bulk of the fires are due to carelessness, municipal or individual, and could easily be prevented by the exercise of proper precautions.

The important thing to accomplish, says an exchange, is to arouse and enforce the sense of personal responsibility for fires which is so effective a

factor in the foreign situation. The foundations have been laid, and upon this it is proposed to erect a body of law enforcing a reasonable degree of personal responsibility. It is assured that if this could be enacted and enforced it would have a tremendous effect in reducing the fire waste. A few years ago such a proposition would have been impracticable, but wonderful changes in public sentiment have taken place since then. The rapid growth of the workmen's compensation idea, enforcing upon the employer liability for accidents, has accustomed the public to this idea of responsibility, and there is no good reason why, if a man is held financially accountable for industrial injuries received in his employ, he should not be held equally responsible for injuries received and damages caused as a result of fires, especially when they are due to his carelessness or negligence.

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CENTRAL METHODIST CHURCH
W. E. Pascott, Pastor,
S. B. Best, Treasurer,
M. J. Wigle, Rec.-Secretary.

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

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