

The Chronicle

Banking, Insurance & Finance.

ESTABLISHED JANUARY, 1881

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THE MUNICIPAL BOND MARKET.

The signs are becoming evident of an improvement in the market for Canadian municipal bond issues. In the West, active steps are being taken to improve the conditions under which the smaller municipalities carry on their borrowing operations. Both in Saskatchewan and in Alberta legislation to this end is being undertaken. The Saskatchewan legislation provides for the appointment of a board of three commissioners, to whom are given powers of supervision in regard to proposals of local authorities to undertake borrowing operations and the expenditure of borrowed funds and authority to act for local municipalities as agent in the sale of debentures or stock and to manage sinking funds. There is good reason to believe that these proposals, while making it somewhat easier for the smaller towns and villages of the provinces in question to raise necessary funds will have a very favorable effect in London. Financial authorities in that centre have welcomed them in advance, and it is to be supposed that when the scheme gets into thorough working order, their approval of it will be shown in a practical way. At present, the plans of the two provinces mentioned apparently do not include the creation of Local Loans Stock—funds which would be borrowed by the Province and re-lent to the municipalities whose schemes of financing were approved, at a rate sufficient to cover the interest rate paid by the Province and expenses. In various quarters, this scheme has been warmly advocated and with good reason as an admirable method by which the smaller municipalities could obtain fairly cheap funds and the services of engineers and other experts of the highest standing, while at the same time their expenditures would be under competent control. However, probably the provincial authorities concerned consider that the present is an unpropitious period for an experiment of this kind. They recognise that they would have to pay a comparatively high rate of interest for the funds involved, while at the same time their own commitments and prospective commitments are heavy, so that they will be inclined to go carefully in regard to the creation of special funds of this kind.

Apart from these important plans in two of the Western provinces, the outlook for Canadian municipal bonds is more favorable than it was. Authorities generally are agreed that the turn of the tide has now come, and that henceforward the municipalities will be able to borrow on slightly more favorable terms than necessitous ones have been compelled to pay during recent months. Investors, both private and corporate, have realized that municipal bonds have lately been selling on a basis which has perhaps been more favorable than has at any previous time prevailed in Canada, and the bargains have accordingly been picked up. At the same time, the municipalities have slowed down their rate of emission. There are yet some municipalities who have to issue debentures to cover expenditures already made which are at present financed by temporary loans. But it is to be anticipated that these will be gradually absorbed and that henceforward the municipal authorities will be more careful to see that permanent financing of new works is arranged for before these are undertaken.

When this practice becomes general, the technical position in the financial markets of Canadian municipal bonds will be greatly strengthened. There has indeed never been the slightest doubt of their inherent excellence, and those investors and financial institutions who have added to their holdings during recent months, may congratulate themselves on having secured admirable bargains which should show a steady appreciation in the future. At the same time, municipal authorities will be well advised to remember that Canada is not the only borrowing country in the world, neither is their own municipality the centre of the universe, and that for a good many years to come they can hardly hope to borrow on the exceptionally favorable terms which prevailed a few years ago. With a willingness to pay a fair rate of interest, attention to the point that permanent financial arrangements should precede the expenditure of funds and deference in minor points of arrangements to the idiosyncrasies of the lender, there appears no good reason why the Canadian municipalities should not continue to fill their requirements with ease in the British and other money markets.



Established 1817

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The Chronicle

Banking, Insurance and Finance

ESTABLISHED 1881.

PUBLISHED EVERY FRIDAY.

R. WILSON-SMITH,

ARTHUR H. ROWLAND,

Proprietor.

Editor.

Chief Office:

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MONTREAL, FRIDAY, DECEMBER 19, 1913.

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The Season's Greetings.

To all its friends and readers THE CHRONICLE sends at this season its greetings. Age cannot wither nor custom stale the freshness and sincerity of the time-honored good wishes for "A MERRY CHRISTMAS and HAPPY and PROSPEROUS NEW YEAR."

THE STRENGTH OF OUR BANKING SYSTEM.

Notwithstanding the setback to trade and the pessimistic demeanour of the stock exchanges, the chartered banks continue to come forward with satisfactory exhibits of results of operations. In practically all cases the net profits are well in excess of last year. The bonuses to stockholders, which were inaugurated by four or five important banks in 1912, were all repeated this year, and the Union Bank has inaugurated this practice. In the case of the Canadian Bank of Commerce the results have been so satisfactory as to permit the distribution of a ten per cent. bonus among the employees. The Bank of Toronto, in addition to an increase of net profits, reports the transfer of \$200,000 from the reserves

for bad and doubtful debts to the profit and loss account—the reservation being no longer required. These are satisfying indications of sound banking practice. During a period such as we have just passed through, marked by a notable increase in the commercial failures, the conditions pointed to increased appropriations for losses. When, as in this case, it is possible to take past appropriations back into the profit and loss account the inference is that the soundest and most conservative policy as regards provision for weak accounts prevails.

STRENGTH OF BANKING SYSTEM.

Some of our newspaper friends in London and New York still profess to have fears as to the outcome of the Canadian situation. Probably they do not realize the strength of our banking system and the cleanness of our banking practice. Their expectations of a Canadian crash were not realized in the past year; and there are good grounds for believing that such expectations in regard to 1914 also will be totally disappointed. So far as can be seen here the worst of the strain on our financial system is definitely past. The crucial thing was to get that big Western wheat crop into the world-markets and receive the returns therefrom before any important weakness developed. That has been achieved. The movement of over \$14,000,000 gold into Canada in November illustrated the full success of the programme of liquidation laid down by our financiers. No anxiety need be felt abroad on Canada's account. We can bide our time until our securities are again saleable in Europe. Thanks to the fact that we have no central bank with monopolies and special privileges, and thanks to the fact that our Government does not feel called upon to interfere and meddle at every point, our banks have developed naturally and healthily in such a way as to be best fitted to serve the needs of the country and to meet the demands made upon them.

The money markets in Montreal and Toronto are unchanged. Call loans are quoted 6 to 6½ p.c.; and commercial discounts rule at from 6 to 7. The stock exchanges are making but light demands on the banks for credits; and it is understood that the leading houses are still discouraging their customers from enlarging their lines of stocks carried on margin.

EUROPEAN MONETARY POSITION.

The Bank of England again secured the bulk of the new gold offered in London. The shipments arriving this week amounted to \$3,400,000. Bank rate in London is held at 5 p.c. In the open market call money is quoted 4¼ to 4½ p.c.; short bills are 5 p.c.; and three months bills, 4¾ p.c. The demand for money promises to be keen over the year-end. Continued offerings of Canadian and other securities tend to absorb the available supplies. London bankers well know that the market should

The Bank of British North America

Established in 1836. Incorporated by Royal Charter in 1840

Paid-up Capital, \$4,866,666.66
Reserve Fund, - 2,920,000.00

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 CAPITAL PAID UP - 6,928,000.00
 RESERVE FUND and UNDIVIDED PROFITS - 8,100,000.00
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have a rest for a time; but the new bonds, etc., which are placed on offer bear attractive rates of interest, and investors seem to find means of taking them up.

NEW YORK SITUATION.

The tendency in the New York markets was towards ease, as regards call money but time money is firmly held. Call loans are 3½ per cent.; sixty day loans, 5½ per cent.; 90 days, 5¼ per cent.; and six months, 5 p.c. The Saturday bank statement was favorable from the stock market point of view. In case of all members of the clearing house loans were reduced by \$10,616,000 and the cash holdings increased \$7,090,000—the net result being a rise in the surplus reserve from \$7,645,150 to \$15,980,300, an increase of \$8,335,150. In case of the banks alone the reduction of loans amounted to \$5,849,000; the cash gain to \$6,336,000, and the increase of surplus, \$6,037,000.

WEAKNESSES IN RAILWAYS' CASE.

The stock market at New York has not yet fully recovered from the disagreeable effects of the passing of the New Haven dividend. The stock of that railway company is widely held throughout the whole of the Eastern States; and its 40 years of unbroken dividends made the omission on the present occasion a very conspicuous occurrence. It is generally recognized that the New Haven's troubles were due largely to the policy of expansion said to have been forced upon it by the bankers who were in control of the railway. This episode, and the revelations in connection with the 'Frisco System (in which case insiders and their associates made huge profits through selling new lines, etc., to the parent concern at inflated prices) have hurt the cause of the railways in the higher freight rate agitation. The critics say that if the railways were properly and honestly managed and controlled they could increase their revenues materially without raising freight rates.

FIDELITY-PHENIX UNDER NEW MANAGEMENT IN MONTREAL.

Messrs. Robert Hampson & Son, Limited, and the Fidelity-Phenix Fire Insurance Company, of New York, have come to a mutually satisfactory agreement by which they part company on the 31st December instant.

Mr. Joseph Rowat will from the first of January manage the business of that company in the Province of Quebec.

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THE ROYAL BANK'S REPORT.

The newly issued report of the Royal Bank differs from its predecessors of several years past in the fact that the changes therein shown in comparison with last year are not of so striking a character as was the case in every year between 1908 and 1912. In those four years, the assets of the Royal Bank were raised from \$50,470,211 to \$179,210,758, and every branch of its business showed a corresponding expansion under the sagacious and farseeing guidance of Mr. Edson L. Pease, the Bank's vice-president and general manager. The past year has not seen any such notable *coup* of the Royal Bank's management as the taking over of the Traders Bank in 1912, although by purchase further extensions of the Bank's system of branches in the tropics have been made. But in other ways the year has been a notably successful one for the Royal Bank, upon the result of which those responsible for its guidance may be heartily congratulated. For the first time in the Bank's history, the profits crossed the \$2,000,000 mark, reaching a total of \$2,142,100 after making the usual deductions—a ratio of earnings on the paid-up capital of the Bank slightly in excess of 18½ per cent. Of the net profits the 12 per cent. dividend absorbed \$1,387,200, there was transferred to the Officers' Pension Fund, \$100,000 and written off bank premises' account, \$250,000. The large balance of \$1,015,120 is carried forward on profit and loss account, an increase of over \$400,000 on the balance of \$610,219 brought forward from last year.

The following figures show the leading items of the Bank's present balance sheet in comparison with last year and also with 1908—five years ago:—

	Nov. 30, 1913.	Nov. 30, 1912.	Dec. 31, 1908.
Capital paid up . . .	\$ 11,560,000	\$ 11,560,000	\$ 3,900,000
Reserve	12,560,000	12,560,000	4,600,000
Total Deposits . . .	138,177,662	137,891,668	37,443,442
Circulation	13,176,635	12,584,618	3,556,433
Liabilities to the public	154,761,440	154,137,719	41,693,796
Specie	7,802,068	5,204,964	3,221,717
Dominion Notes . . .	11,664,142	14,443,785	3,760,344
Call Loans	19,819,690	23,978,642	3,286,141
Quick Assets	72,385,792	73,428,782	21,944,440
Current Loans	102,540,985	99,828,880	26,736,165
Total Assets	180,246,786	179,210,758	50,470,211

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

The Bank is in an admirably strong position in regard both to cash and quickly available assets. As against total liabilities to the public, amounting to \$154,761,440.04, are cash reserves of \$21,466,209.72, being 13.83 per cent., while the liquid assets amount to \$72,385,791.71 and bear the ratio of 46.66 per cent. to the liabilities.

In comparison with a year ago, deposits show a very slight change, at \$138,177,662 being some \$300,000 higher than in 1912. Call loans are some \$4,000,000 lower. Current loans, including provincial and municipal loans are about \$2,700,000 higher than a year ago, and the total assets show an expansion of about \$1,000,000 to \$180,246,786. The position shown is one with which stockholders of the Bank may well be gratified.

THE ROYAL BANK OF CANADA

INCORPORATED 1869

Capital Paid up \$11,560,000 Reserves \$13,000,000

Assets \$180,000,000

HEAD OFFICE - MONTREAL.

305 BRANCHES THROUGHOUT CANADA

24 Branches in Cuba, Porto Rico and Dominican Republic

Kingston, Jamaica. Bridgetown, Barbados.

Nassau, Bahamas.

Port of Spain and San Fernando, Trinidad.

Belize, British Honduras.

LONDON, Eng.
Princes St. E. C.

NEW YORK,
Cor. William & Cedar Sts.

SAVINGS
DEPARTMENT

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

The Dominion Bank

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

C. A. BOGERT, General Manager

TRUST FUNDS SHOULD BE DEPOSITED

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

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

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

THE BANK OF TORONTO

Incorporated 1855.

Head Office: TORONTO, Canada.

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

Reserved Funds, \$6,307,272

Letters of Credit issued for Importers' Drafts, Money Orders and Foreign Cheques sold. Travellers' Cheques and Letters of Credit issued. Savings Department at every Branch. Current Accounts opened. General Banking business transacted.

BANKING SERVICE.

DIRECTORS:

Hon. C. S. Hyman
W. G. GOODERHAM Vice-President
William Stone
Lt. Col. Frank S. Melghen,
DUNCAN COULSON
John Macdonald,
President
JOSEPH HENDERSON 2nd Vice-President
Lt. Col. A. E. Gooderham,
J. L. Englehart,
Wm. I. Gear,
Nicholas Bowif,THOMAS F. HOW, General Manager.
T. A. BIRD, Chief Inspector.

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

THE BANK OF NOVA SCOTIA

INCORPORATED 1832.

CAPITAL \$5,985,810
RESERVE FUND 10,870,134
TOTAL ASSETS 80,000,000

HEAD OFFICE: HALIFAX, N.S.

DIRECTORS

JOHN Y. PAYVANT, 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, General Manager, D. Waters, Asst. Gen. Manager
Supts. of Branches, J. A. McLeod, Geo. Sanderson, E. Crockett,
Chief Inspector, C. D. Schurman,

140

BRANCHES

140

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 Metropolitan Bank

Capital Paid Up - - - \$1,000,000.00
Reserve Fund - - - 1,250,000.00
Undivided Profits - - - 181,888.26

Head Office - - - TORONTO

S. J. MOORE,
President

W. D. ROSS,
General Manager

A GENERAL BANKING BUSINESS TRANSACTED

The Bank of Ottawa

Established 1874

Paid-up Capital and Rest \$8,378,760

THE BANK ISSUES

LETTERS OF CREDIT,
DRAFTS, &c.

Negotiable in any of the Commercial Cities and Travellers' Resorts throughout the World.

GEORGE BURN,

General Manager.

THE BANK OF OTTAWA.

The annual report and general statement presented to the shareholders of the Bank of Ottawa at their annual meeting on Wednesday were again of a very satisfactory character. There was a gratifying expansion in the Bank's profits during the year ended November 30 last, these amounting to \$706,741, compared with \$640,220 in 1912, an increase of \$66,000. The balance forward from 1912 of \$260,560 makes the total amount available on profit and loss account \$706,741. Of this amount, the quarterly dividend payments at the rate of twelve per cent. per annum absorb \$471,250; \$37,291 is applied in reduction of bank premises and furniture, \$15,000 is transferred to the officers' pension fund, and an additional allocation of \$250,000 is made to the reserve fund, making this fund, with premiums received during the year from new stock issued, \$4,750,000, a proportion of 118.75 to the paid-up capital. There is then a balance of \$202,759 on profit and loss account to be carried forward to the current year.

The following table shows the leading items of the Bank's balance sheet in comparison with last year:

	1913.	1912.
Capital Stock	\$ 4,000,000	\$ 3,825,480
Reserve	4,750,000	4,325,480
Circulation	4,468,075	3,960,040
Deposits not bearing interest	7,768,592	6,080,850
Deposits bearing interest	33,038,907	32,076,827
Total liabilities to public	45,601,132	42,257,696
Specie and legals	5,035,860	3,915,560
Call Loans in Canada	497,152	1,404,319
Total of Quick Assets	15,153,635	14,361,348
Current loans in Canada	36,472,199	34,851,114
Total Assets	54,674,231	50,909,243

The Bank has achieved during the year a steady increase in deposits amounting in the aggregate to about \$1,700,000. Current loans in Canada increased by about \$1,600,000 to \$36,472,199. The Bank has substantially strengthened its cash holdings during the year, those having been raised from \$3,915,560 to \$5,035,860—the latter figure being a proportion of 11 per cent. to the Bank's liabilities to the public. The Bank's assets are increased to \$54,674,231, of which \$15,153,635 are quick assets, a proportion of 33.2 to liabilities to the public. Altogether the statement is one upon which Mr. George Burn, the Bank's well-known general manager, may be warmly congratulated. Mr. Francis Cole represents this Bank in St. James Street, Montreal.

CANADIANS AT LIFE PRESIDENTS' MEETING.

The following Canadians were present at the annual convention of the Association of Life Insurance Presidents, held in New York City last week: Hon. W. T. White, Minister of Finance; Messrs. T. B. Macaulay, managing director Sun Life, L. Goldman, first vice-president and managing director North American Life, W. C. Macdonald, secretary and actuary Confederation Life, George A. Somerville, general manager Manufacturers' Life, J. F. Weston, Imperial Life, J. B. Morissette, Quebec, and Dr. B. E. Mackenzie, Policyholders' Mutual Life.

The Canada Life's Christmas Number of its agency journal *Life* is exactly what such a number should be—bright, sparkling and crammed with good things for the agency forces of this fine old Company.

SASKATCHEWAN'S LOANS TO FARMERS

TERMS OF NEW MEASURE—LOAN BUSINESS TO BE UNDER DIRECTION OF THREE COMMISSIONERS—AN ADVISORY BOARD OF FIFTEEN.

Premier Scott has announced in the legislature at Regina, Sask., that he will introduce a measure providing for government loans to farmers along the lines of the report of the recent commission appointed to enquire into the question of agricultural credits. The bill as presented provides that:

Any resident of the province, who associates himself with nine other persons, to form a local group, may join the association. He must apply for a first mortgage loan on farm land, and pay a membership fee of \$10, returnable if no loan is granted. The association formed by the aggregation of local groups will be administered by three commissioners, appointed by the lieut.-governor in council. One member only of this board will be employed on a permanent salary, the others will simply be reimbursed whatever expenses they may incur in the service of the association. There will also be an advisory board of 15 persons, three to be appointed by the government, one each by various agricultural and other organisations, and 6 by ballot of the association.

NOT RUN FOR PROFIT.

Some outstanding features of the new organization are that it will not be run for profit, although a reserve fund may be created, that the government will guarantee principal and interest of bonds issued for an amount to be determined on from time to time, that members of the association will be liable for indebtedness to the extent of 50 per cent. in excess of their borrowings, and that borrowers may pay off their loans prior to the expiration of their mortgages if they so desire.

Loans will not be made in respect to more than 40 per cent. of the value of farm property and the Commissioners will be the valuers. No loan will be for less than 15 years or more than 35 and all loans will be repayable in equal annual or semi-annual instalments of principal and interest. It is provided, as an offset to the foregoing relation, that on giving three months' notice or a bonus of three months' interest, any member may pay an amount toward the discharge of his loan in excess of the regular payment. He will not, however, in consideration of having made an excess payment be allowed to miss making payments on the subsequent dates when regular payments fall due.

The rate of interest will be designed barely to cover the cost of marketing securities, of conducting the business of the association, and of creating a reserve.

OTHER POWERS CONFERRED.

Power will be accorded to the association to borrow, to hypothecate its real and personal property, and to lend to agriculturists. It may also invest disposable funds by depositing the same in any chartered bank, by investing in such securities or ways as a trust company is permitted to lend trust funds in its hands, or by the purchasing of its mortgage bonds.

Borrowers from the association must devote the funds so raised to permanent improvement of their properties, or to productive purposes connected with it. Where land depreciates in value the association has power to require a partial repayment of the loan.

National Trust Co.,

LIMITED

CAPITAL	-	\$1,500,000
RESERVE	-	1,400,000

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

MONTREAL DIRECTORS

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

Offices:

National Trust Bldg.

153 ST. JAMES STREET
PERCIVAL MOLSON, Manager.

The Royal Trust Co.

ROYAL TRUST BUILDING, 107 St. James St. MONTREAL

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

BOARD OF DIRECTORS:

Rt. Hon. Lord Strathcona and Mount Royal, G.C.M.G., President.
H. V. Meredith, Vice-President.

SIR H. MONTAGU ALLAN,	E. B. GREENSHIELDS	A. MACNIDER
K. B. ANGLU	C. H. HOSMER	DAVID MORRICE
A. BAUMGARTEN	SIR W. C. MACDONALD	
A. D. BRAITHWAITE	HON. R. MACKAY	
H. R. DRUMMOND	SIR T. G. SHAUGHNESSY, K.C.V.O.	
C. B. GORDON	SIR WILLIAM C. VAN HORNE, K.C.M.G.	
SIR LOUIS GOUIN, K.C.M.G.		

A. E. HOLT, Manager

SAFETY DEPOSIT VAULTS:
Bank of Montreal Bldg., 109 St. James St., Montreal

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

Montreal Trust Company

Incorporated 1889

CAPITAL	-	\$500,000.00
RESERVE	-	\$300,000.00

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

DIRECTORS

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

V. J. HUGHES, MANAGER

142 Notre Dame Street, W.



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

Dominion Trust Company

Head Office - VANCOUVER, B.C.

BRANCHES

Vancouver, B.C.	Victoria, B.C.	Nanaimo, B.C.	New Westminster, B.C.
Montreal, Que.	Calgary, Alta.	Winnipeg, Man.	Regina, Sask.
London, England	Charlottetown, P.E.I.	Antwerp, Belgium	

Subscribed Capital	-	\$2,500,000
Paid-up Capital	-	\$2,000,000
Reserve	-	\$ 800,000

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

Loans money for clients on first mortgages on improved real estate in amounts not exceeding 50% of conservative valuations, netting the investor 6% to 7 1/2%.

Deals in Municipal and industrial debentures.

W. R. ARNOLD, Managing Director.

PRUDENTIAL TRUST COMPANY

LIMITED

<p>HEAD OFFICE</p> <p>9 ST. JOHN STREET MONTREAL.</p>	<p>Trustee for Bondholders Transfer Agent & Registrar</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td>Administrator</td> <td>Receiver</td> <td>Executor</td> </tr> <tr> <td>Liquidator</td> <td>Guardian</td> <td>Assignee</td> </tr> <tr> <td>Trustee</td> <td>Custodian</td> <td></td> </tr> </table> <p>Real Estate and Insurance Departments</p> <p>Insurance of every kind placed at lowest possible rates.</p>	Administrator	Receiver	Executor	Liquidator	Guardian	Assignee	Trustee	Custodian		<p>Safety Deposit Vault</p> <p>Terms exceptionally moderate.</p> <p>Correspondence invited.</p>
Administrator	Receiver	Executor									
Liquidator	Guardian	Assignee									
Trustee	Custodian										

B. HAL. BROWN, President and Gen Manager.

The Trust and Loan Co.

OF CANADA

Capital Subscribed,	-	\$14,600,000
Paid-up Capital,	-	2,920,000
Reserve Fund,	-	1,713,193
Special Reserve Fund	-	577,000

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

30 St. James St., Montreal

HON. W. T. WHITE ON LIFE INSURANCE

ENTERTAINING ADDRESS TO LIFE PRESIDENTS—THE IDEA OF TRUSTEESHIP—FINANCIAL STRINGENCY CONTAINS WITHIN ITSELF SEEDS OF ITS OWN CURE.

The Hon. W. T. White, Minister of Finance, made an entertaining address before the Association of Life Insurance Presidents at their annual meetings in New York City, last week. Mr. White said he had always had an admiration for the life insurance fraternity because insurance was the only subject at which he had made an absolute and complete failure. He was a life insurance agent for about six months and the result, to say the least, would be disappointing to the most indulgent of general managers.

THE IDEA OF TRUSTEESHIP.

There are one or two features of life insurance, proceeded Mr. White, in which the public are very much interested, and which really have been the occasion of the legislation which has brought insurance under government supervision, and, in a measure, control. The first is the idea of trusteeship. When life insurance companies enter into contracts with the public and agree to pay a sum stated in a certain contingency, or to divide profits, and especially in the latter case, they are constituted trustees. The idea of trusteeship, in my opinion, is the most prominent feature, from the public's standpoint, of life insurance. In equity it is a cardinal principle that no man who is a trustee shall be allowed to make any personal profit out of his trust, and the idea that I desire to emphasize here is that what should be aimed at by governments is to so control life insurance companies, by wise legislation, that the trust, the great trust which they exercise, shall be carried out in strict accordance with the laws of equity, and that no profit shall be made by presidents or managers or executive officers or by directors or by shareholders of life insurance companies, except such as they are justly entitled to. You may say that is very obvious. Most of the troubles that we have had in life insurance companies, in Canada, at all events, have arisen from breach of trust. Men controlling life insurance companies, directors of life insurance companies, have been able to serve, in some cases—and I am speaking not generally—I want to make that very clear, because the history of life insurance in Canada has been good; but in the cases which I have in mind the trouble has arisen by reason of the fact that men in close connection with life insurance companies, controlling their business, controlling their funds, have been able to take an inequitable and unlawful advantage of their administration for their own personal aggrandizement—it is not all directly, but sometimes it is done through an intermediary company; but I lay down the principle that the public is interested in seeing that the administration of life insurance companies shall be in strict accordance with the law and with equity and justice and fair play, and that the stockholders and directors and executive officers of these companies must not make any personal profit out of their trust.

THE QUESTION OF LONGEVITY.

In lighter vein, life insurance companies of Canada and the United States are interested in the ques-

tion of longevity. The contract of life insurance, in common law, is what is called a betting contract; one of the class of betting contracts that is lawful. You really bet that a man will live a certain number of years, and he bets he won't, and the common law, making that exception, with one or two others, from the general rule, recognizes that betting contract as a lawful contract and permits people to enter into it with life insurance companies.

I may be not correctly informed, but although we say a great deal as to what science has done in late years in promoting longevity, I understand that the gains have all been made in earlier years of life; that infant mortality is less; that in cases of youth medical interference and assistance will save where formerly they used to die; but I believe it is a fact, that if you will take those of to-day who have reached the age of forty years and those of a generation or more ago who reached the age of forty, that we have not increased longevity for that class. This is one of the outstanding facts and quite a commentary upon our civilization. As you gentlemen are interested not only from a humanitarian standpoint, but from the standpoint of business, I think you should direct your attention to that feature or phase of civilization.

PRESSURE TOO GREAT.

The pressure to-day upon the business man of Canada and the United States is too great. You have men breaking down at thirty-five, forty and forty-five, who ought to live to be seventy-five or eighty. You may say that is inherent in the conditions under which we work and to a very large extent that is true; but I think much could be done by insurance companies and they have done much along these lines to prevent those breakdowns among business men, the most productive men in our communities, to prevent those breakdowns at an untimely age. It seems to me that the solution of the question is to make them play more, sleep more and eat less. I think that if we could introduce those cardinal practices into the lives of our business men in this busy, material age, we would do very much for the uplifting of the nation, the improvement of its virility and for the benefit of life insurance. So, if you want to take a message from me, it is to use your immense influence not only with others but with yourselves and play more—golf, I suggest as a useful diversion. (Applause) I am not sure that it would not be more valuable for nations to subsidize golf grounds than railways. I suggest golf as a useful avocation—play more, sleep more, eat less, drink less, if you like—I think more men kill themselves over-eating than over-drinking. It is literally true for a great number of our population that they dig their graves with their teeth. If they would play more, eat less, and sleep more, I think we would be able to achieve longevity in those who have achieved middle age.

THE FINANCIAL STRINGENCY.

I think it is pretty well recognized that there has been an extraordinary and abnormal demand for capital from all parts of the world, during the last few years, and that a great deal of that capital which has been taken from the international money markets, has become fixed, by the great demands from the Orient—modernizing the Orient, Japan and China. Enormous sums of money have been called for in

SEASONED SECURITIES

This Corporation was established in 1855, and for more than fifty-seven years has been steadily growing in strength and in the confidence of the depositing and investing public. In that long period there have been "hard times" as well as seasons of prosperity, but the moneys entrusted to our keeping have always been ready when called for.

The Corporation's Bonds are, therefore, a "seasoned security." They are issued in accordance with the restrictive provisions of the Corporation's Charter, and also those with which the Legislature circumscribes the investment of Trust funds. Nine and Three-Quarter Million Dollars of Shareholders' money are a further pledge of their security.

These Bonds may be had in sums of One Hundred Dollars and upwards.

We shall be glad to send you a copy of the Annual Report, Specimen Debenture, and full particulars.

CANADA PERMANENT MORTGAGE CORPORATION

Established 1855

Toronto Street, TORONTO.

THE HOME BANK OF CANADA

ESTD 1854

Head Office **TORONTO** 8-10 King St., West

Branches and Connections throughout Canada

SIX OFFICES IN MONTREAL

Main Office, Transportation Building, St. James Street
 Bonaventure Branch, 523 St. James Street
 Hochelaga Branch, Corner Cuvillier and Ontario Streets
 Mount Royal Branch, Corner Mount Royal and Papineau Avenues.
 Papineau Branch, Papineau Square
 St. Denis Branch, 478 St. Denis Street

British American Bank Note Co., Ltd.

Head Office: WELLINGTON STREET, OTTAWA, CANADA

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

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

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 Commercial and Municipal Audits and Investigations
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MONTREAL

CABLE ADDRESS "RYKERT"

E. G. RYKERT & COMPANY

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22 St. John Street,
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EDWIN P. PEARSON

AGENT

OFFICES:
 Adelaide St. East, Toronto

NORTHERN
 ASSURANCE CO

The LIFE AGENTS' MANUAL

PRICE, \$3.00

Published by The Chronicle, Montreal

THE CHRONICLE

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

GOVERNMENT, MUNICIPAL AND CORPORATION BONDS

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

WOOD, GUNDY & COMPANY.

LONDON, ENG.

TORONTO, CAN.

India and from Egypt, and in South America and in Mexico, and in this Northern part of the Continent of North America, which you and ourselves divide between us. Then trade has been expanding all over the world enormously, calling for money. In addition to that we have had enormous increases in armaments all over the world. In London this summer, I was talking with a member of the Government, and he told me that the expenditure upon naval armaments of Great Britain this coming year was greater than the expenditure upon all the naval armaments of the world, including Great Britain, thirty years ago. In addition to all of these and some other minor causes which I shall not mention, we have had during this past year, the terrible Balkan War, which has taken enormous sums of money, the aftermath of which is being felt now. All of these causes have produced the world-wide financial stringency which we have heard about so much. In regard to that financial stringency, my own view is—I put it forward for what it is worth—that any financial stringency always contains within itself the seeds of its own cure, and that the tendency will be, with the brakes being put on as they have been put on all over the world, towards easier money conditions. Put it this way: The bankers are the doctors; the patient is now aware of his own condition, and is disposed to accept medical advice, and in all probability he will be in a condition of convalescence within a comparatively early date.

LIFE BUSINESS IN UNITED STATES UNSATISFACTORY.

Life insurance men are feeling blue over conditions in the business world, which make new business scarce in the various agencies, says the *Insurance Press* of New York. It is not only that the last two months of the year are not panning out as well as last year or as satisfactorily as usual, but also owing to the tightness of money, many policies which have been written have not been paid for.

Practically all of the outside companies doing an agency business in New York report the same trouble of slowness of collections and scarcity of new business, especially within the past two months. While September and October were unusually good in several agencies, in the last two months business has fallen off so as to make the average for the year probably much lower than the record for 1912.

The tightness of money and the poor business situation are also responsible for an increase in lapses and the resulting cancellations or taking of cash values for policies, added to the reduced production of new business, will make considerable difference to the insurance in force of many of the small companies, particularly in the West and South.

GROWTH IN LOANS.

The agents report that while the business written would make a good showing for most agencies for the year 1913, the amount paid for is much less than usual, and as a result the agents in many cases have had to pay the premiums out of their own pockets, accept notes, or take the chance of waiting till conditions improved.

It is difficult for agency managers to secure new men, although December is usually regarded as the harvest time in the business. If present conditions continue a large increase in policy loans is feared

by company officers, and this at a time when there is every reason to believe that the loan privileges are too liberal, as they have been taken advantage of in the past five years by an increasingly larger number of policyholders.

The four big life insurance companies in New York are reported to be writing well up to their limit, but in many cases written business, locally, has not been up to the average, although that from other States has kept the total up.

STEAMSHIP MERGER COMPLETED.

Official announcement is made by Mr. James Carruthers, of Montreal, of the completion of the consolidation known as the Canada Steamship Lines, Ltd., which has been under way for some time past. The following companies are included:—Richelieu & Ontario Navigation Company, Limited; Inland Lines, Limited; Northern Navigation Company, Limited; Niagara Navigation Company, Limited; Canada Interlake Line, Limited; Quebec Steamship Company, Limited; Ontario & Quebec Navigation Company, Limited; Richelieu & Ontario Navigation Company, of the U. S. A.; Thousand Islands Steamboat Company, Limited; Steamers: Jaques, Bickerdike, Haddington, City of Hamilton, City of Ottawa."

The capital of the Canada Steamship Lines, Limited, amounts to \$25,000,000, divided into \$12,500,000 of 7 per cent. cumulative preference shares, and \$12,500,000 of ordinary shares, with an authorized issue of \$9,000,000 par value of 5 per cent. consolidated first mortgage debenture stock, which stock is convertible into bonds at the option of the holder; \$6,106,300 par value of which will be now issued.

The London interests in charge of the financing of the Company having come to the conclusion that the present was not a proper time to make any public issue, the debenture stock has been taken up by a syndicate of financial houses and corporations in England and Canada.

The Company, says Mr. Carruthers, has physical assets valued by the Canadian Appraisal Company, Limited, at over three times the amount of the debenture stock, and net earnings, even for the current year, without the advantage of any of the benefits of the consolidation, of over three times the amount of the bonds, and sufficient to meet the fixed charges, the 7 per cent. dividend on the preference shares, and a small dividend on the ordinary shares, which latter, however, it is not the intention of the company to pay for the present.

With the savings that can be effected by the consolidation, the net earnings should amount to approximately \$2,000,000 per annum on the basis of the business that the different companies have done this year.

The Bank of England's official rate was continued yesterday at 5 per cent.

* * * *

The London & Lancashire Fire Insurance Company, a London cable says, is reinsuring and taking over a considerable portion of the business of the National General Insurance Company and National Live Stock Insurance Company. The agreement with the London & Lancashire will, as far as it goes, supersede the arrangements recently made between the Licenses Insurance Corporation and the National General.

Guardian Assurance Company Limited, of London, England

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

Total Assets, over \$33,000,000

Deposited with Dominion Government, over \$600,000

Canadian Branch: Head Office, Guardian Building, MONTREAL.

CANADIAN TRUSTEES
J. O. GRAVEL,
K. W. BLACKWELL,
TANCREDE BIENVENU.

M. M. LAMBERT, Manager.
BERTRAM E. HARDS,
Assistant Manager.



CANADA BRANCH HEAD OFFICE, MONTREAL.

DIRECTORS:

Sir Alexandre Lacoste, M. Chevalier, Esq. William Molson Macpherson, Esq.
T. J. Drummond, Esq.
J. Gardner Thompson, Manager. J. W. Binnie, Deputy Manager.



Head Office: 112 St. James Street, Montreal

DIRECTORS:

J. Gardner Thompson, President and Managing Director.
J. W. Binnie, Vice-President and Secretary.
Sir Alexandre Lacoste M. Chevalier, Esq. Wm. Molson Macpherson, Esq.
T. J. Drummond, Esq. A. G. Dent, Esq. J. C. Rimmer, Esq. John Emo, Esq.



The Northern Assurance Co. Limited

"Strong as the Strongest"

Accumulated Funds, \$38,800,000

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.

MR. RUSHER'S EXPLANATION.

ENGLISH ACTUARY'S STATEMENT REGARDING HIS COMMENDATION OF UNION LIFE IN 1910—POINTS WHICH SATISFIED HIM.

The investigation into the affairs of the defunct Union Life Assurance Company, of Toronto, has now been completed. At the penultimate hearing an important statement was read from Mr. E. A. Rusher, formerly assistant actuary of the Prudential of England, in regard to the conditions under which he prepared a special report for the English prospectus of the Company in 1910.

Mr. Rusher begins with a statement that in 1909 Mr. Harry Symons, K.C., of the National Agency Company, approached him with an offer to become consulting actuary of the Union Life, but owing to the opposition of the Prudential Life Rusher deferred giving a definite answer. Subsequently Mr. H. Pollman Evans consulted him and he consented to act in a private capacity, indefinitely.

In referring to the report prepared by him, Mr. Rusher emphasized the fact that the proof prospectus supplied him differed materially from the one actually published in the newspapers and issued to the public. He stated that in July, 1910, in a letter he charged Mr. Evans with a serious breach of faith, and also with having used the name of the Prudential Assurance Company on the prospectus, contrary to the agreement by which he had consented to do the work. Mr. Rusher added that Mr. Evans in his reply evaded this point.

CAPABLE MANAGEMENT NEEDED.

"With regard to the actual life insurance business," the communication proceeds, "I cannot do better than give the opinion of Mr. T. B. Macaulay, a leading Canadian actuary, in defending the action of the Canadian Insurance Commissioners, in a letter to the press, dated July 25, 1913, which was as follows: 'At that time (July, 1910), the Union Life Company could still look forward to a successful future, if under capable management. The additional capital from England should have ensured that success. The one essential was capable management, and that had to be supplied, not by the Government Department of Insurance, but by the shareholders.'"

Mr. Rusher proceeds:—"This report endorses the position I have always held, that, given capable management, the company had all the elements for developing a successful business. The fact that the Metropolitan Life Assurance Company of New York, on a forced sale, gave £80,000 for the acquisition of the business of the Union Life, in July last, is evidence that they, at least, thought the business was good."

Dealing with the position of the assets, Mr. Rusher points out that two considerations influenced him decisively in taking them at the value entered in the Canadian Insurance Superintendent's annual reports. The first was the knowledge that the Canadian Insurance Commissioners are supposed to pass no assets at an amount greater than their market value and to throw out all doubtful ones.

COMMISSIONERS SEEMED SATISFIED.

"There was nothing whatever in these reports by way of note or comment," proceeds Mr. Rusher, "to show that the Commissioners had not satisfied themselves as to the value of the assets of the Union Life

Company, and I maintain that I was perfectly justified in accepting these figures as representing the real facts, and that any blame for any consequences of my doing so rests with the Canadian Insurance Commissioners. I understand that they defend themselves upon the ground that they had hoped the company would pull itself straight, and that by making no comment public confidence in the company would not be destroyed.

"The second consideration, in my mind at the time of making my report, was the fact that the Dominion Government a few months previously had passed a special act authorizing the raising of additional capital. I was impressed by this fact. Surely no one could not have conceived that such an act had been passed in favor of the company, which was known to be in a bad financial position. I would only add that I would never have agreed to the issue of the shares at the high premium. It was obviously inconsistent with the tenor of my report. I contend that I acted with reasonable caution in framing my reports.

"The assets are really the crucial point of the whole matter. Had they been of the value set out in the Insurance Commissioners' report all that the company would have had to fear would have been that critical early stage in the history of all insurance companies—especially those transacting industrial business—giving way to the expense of launching the business, appearing to be enormous as measured against the directly visible results."

In conclusion Mr. Rusher said that in its issue of November, 1913, the *Canadian News* implied that he resigned the post of assistant actuary to the Prudential Company owing to charges of bribery and bad faith.

WHY HE LEFT PRUDENTIAL.

"I have shown that there is nothing whatever in the charges," says Mr. Rusher. "The innuendo is equally false. I have resigned because of the withholding of material facts from me, my name had become connected with a company that was insolvent, and I did not desire that the Prudential Company should in any way suffer from this. My reports were based upon facts placed before me. Had I known the true facts it is quite certain that my reports never would have been given."

The Beaver Fire Insurance Company, of Winnipeg has received a Dominion license. The chief agent is Mr. André Gouzé.

* * * *

An exceptionally fine showing is made by the Canadian Car & Foundry Company in the fourth annual statement which has been sent out to shareholders. Gross sales for the year ended September 30th last showed an increase of \$3,800,000, or 23 per cent., and net profits available for dividends an increase of \$331,721, or 32 per cent., over the previous year. The balance available for dividends on the company's common stock of \$3,975,000, after all deductions, including a special appropriation of \$350,000 for a contingent reserve fund was \$913,153, equal to 22.98 per cent. earned, against \$616,432, or 15.51 per cent., the previous year. After all disbursements a balance of \$754,153 remained to be carried forward out of profits to surplus account, bringing that account on September 30th last up to \$2,114,419.

COMMERCIAL UNION

ASSURANCE COMPANY LIMITED
of LONDON, England

(As at 31st December 1912)

Capital Fully Subscribed . . .	\$14,750,000
Capital Paid Up	1,475,000
Life Fund, and Special Trust Funds,	68,056,830
Total Annual Income exceeds	39,500,000
Total Funds exceed	118,000,000
Total Fire Losses Paid	155,780,550
Deposit with Dominion Government	1,284,327

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 1912)

Capital Fully Paid	\$500,000
Fire Premiums 1912, Net	\$2,421,745
Interest, Net	127,350
Total Income	\$2,549,095
Funds	\$4,000,000
Deposit with Dominion Gov't	\$105,666

In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Funds exceed \$118,000,000

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

Surplus over Capital and all Liabilities exceeds

\$10,000,000

Canadian Branch:

15 Wellington Street East, Toronto, Ont.

H. M. BLACKBURN, Manager

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

ESTABLISHED 1809

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

FIRE AND LIFE

North British and Mercantile

INSURANCE COMPANY

DIRECTORS

A. MACNIDER, Esq., Chairman CHAR. F. SIBB, Esq.
G. N. MONCEL, Esq. WM. MCMASTER Esq.

Head Office for the Dominion:

80 St. Francois Xavier Street - MONTREAL.

Agents in all the principal Towns in Canada.

RANDALL DAVIDSON, Manager.

ANGLO-AMERICAN

FIRE INSURANCE COMPANY

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

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

INSURANCE

Phœnix of Hartford

Company

Total Cash Assets : \$11,404,634.19

Total Losses Paid : 70,700,545.46

J. W. Tatley, Manager.

MONTREAL.

Applications for Agencies Invited.

The MONTREAL-CANADA

FIRE INSURANCE COMPANY

ESTABLISHED 1859.

L. A. LAVALLER, President. F. PAOR, Provincial Manager.

Head Office: ROOM 21, DULUTH BUILDING,
Cor. Notre Dame & St. Sulpice Sts
MONTREAL.

BANK OF TORONTO'S ANNUAL STATEMENT.

The statement of the Bank of Toronto for the year ended November 20, issued in anticipation of the annual meeting on January 14, is of a satisfactory character. Net profits, after making the usual deductions, reach \$850,694 comparing with \$835,787 in 1912. To these has to be added an amount of \$200,000 received from debts recovered previously written off, making with the balance at credit of profit and loss account brought forward from 1912 of \$176,578, a total amount available of \$1,227,272. Of this amount the eleven per cent. annual dividend together with a bonus of one per cent. making a distribution of 12 per cent. in all, absorbs \$600,000; the usual allocation of \$20,000 is made to the officers' pension fund, \$300,000 is written off bank premises and there is carried forward to next year, the largely increased balance of \$307,272.

The following are the leading items of the bank's general statement in comparison with 1912:—

	1913.	1912.
Capital paid up	\$ 5,000,000	\$ 5,000,000
Rest	6,000,000	6,000,000
Circulation	5,439,107	5,474,917
Deposits (not bearing interest)	6,885,927	6,457,519
Deposits (bearing interest)	36,420,668	35,164,826
Total Liabilities to Public	49,617,892	47,838,671
Specie and Legals	6,645,779	4,870,833
Call and Short Loans	1,784,841	1,905,841
Total of Quick Assets	14,072,237	12,189,218
Current loans and discounts	43,478,485	44,763,603
Total Assets	60,925,164	59,226,549

It will be seen from this comparison that the Bank's deposits at the end of last month were in all nearly \$1,700,000 more than at the corresponding date of 1912, while call and short loans were \$120,000 lower than 1912 and current loans and discounts, \$1,285,000 lower. This increase in deposits and decrease in financial and commercial loans has enabled the Bank to make substantial additions to its reserves. Cash holdings are \$1,800,000 higher than a year ago, and at \$6,645,779 stand in a ratio of about 13.40 per cent. to the liabilities to the public against 10.18 per cent. in last year's balance sheet. A year ago quick assets were in the proportion of 25.48 to the liabilities to the public; in the present balance sheet they have been increased by \$1,900,000 to \$14,072,237 and stand in a proportion of 28.36 to the liabilities to the public of \$49,617,892. This is an admirable showing upon which the General Manager, Mr. Thomas F. How, may well be congratulated.

WESTERN BANK MEETINGS.

At the annual meeting of the Union Bank of Canada held in Winnipeg on Wednesday, announcement was made of a bonus of 1 per cent. for the year, in addition to the 8 per cent. dividend. Profits for the year ended November 30, were \$750,095 against \$706,832, an increase of \$46,263. The dividend and bonus absorbed \$450,000, \$100,000 was placed to the reserve fund, \$125,000 set aside for depreciation of securities and \$50,000 for premises. The increased balance of \$90,579 was carried forward on profit and loss account. Total assets are \$80,766,532 against \$69,408,227, a year ago. Deposits are \$64,595,288 against \$55,643,353 and current loans \$48,439,441 against \$45,015,074.

The Northern Crown Bank, which also held its annual meeting in Winnipeg on Wednesday, reported profits of \$281,167. An allocation of \$50,000 was made to reserve. Assets total \$21,302,105.

LIFE INSURANCE TAXATION.

The taxation of life insurance is a taxation of thrift. The taxation of life insurance premiums is taxation of a tax. These are cardinal points which need to be kept well to the front in the fight against the unjust systems of taxation of life insurance which have become entrenched in provincial and municipal legislation throughout Canada. Of the methods which should govern the campaign, there can be but one opinion. If even a small or partial success is to be achieved, the public—the policyholders—must be stirred up to action. A frontal attack by the companies is poor strategy. He would be a something more than human provincial treasurer who yielded to direct representations in regard to a tax which is so easily collectable, which never gives any trouble and shows a most delightful tendency to steady increase year by year. Besides from the point of view of the politician, who are the insurance companies anyway? Part of the "money trust" of course and accordingly the "dear people's" oppressors, who ought to be bled.

But if policyholders get on the track of the politician, there will be another tale to tell. Policyholders have votes—in the aggregate lots of votes, and voters have to be humoured, sometimes at all events. The real task that lies before those who have the campaign against this unjust taxation in hand is the education of the policyholder. Once he is educated to an appreciation of the facts, it will be an easy enough task to so guide his action as to ensure that it will have the maximum of effect. Education will be a long job, but it is the only certain method. At present the policyholder doesn't know anything about this taxation. He doesn't know that were it not for the extortionate and ever increasing demands of the Canadian provinces and municipalities, either his life insurance premiums would be lower, or he would have bigger dividends on his policies. He doesn't know that of every dollar which he uses in payment of his life insurance to protect those dear to him or to provide for his own old age, the state takes a good fat portion and spends it. He doesn't know that this is a direct tax on his thrift which the unthrifty escape, for there is no corresponding tax on the man who saves nothing.

Recently, Mr. Edward A. Woods, head of a well-known Pittsburgh agency, suggested apropos of this subject that the 100,000 agents in the United States should average speaking against life insurance taxation once a day for 200 days a year, which would mean 20,000,000 intelligent arguments forcibly urged by active, aggressive insurance men annually. Certain it is that the field forces of the various companies big and little are in the best position to speed the good work of education. Their enthusiastic co-operation is absolutely necessary for the success of any movement of this kind and fortunately there is every evidence that it is freely given.



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



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

The Yorkshire Insurance Co., Limited

of YORK ENGLAND.

Established 1824.

ASSETS, \$13,000,000

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

The WESTERN

Assurance Company

Incorporated in 1851.

ASSETS OVER \$3,000,000.00

LOSSES paid since organization of Company over \$56,000,000

DIRECTORS

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

HEAD OFFICE TORONTO

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

CAPITAL \$4,000,000.00
 SURPLUS TO POLICY HOLDERS 8,844,871.95
 ASSETS 17,816,188.57
 LOSSES PAID EXCEED 159,000,000.00
ROBERT HAMPSON & SON, LIMITED
 GENERAL AGENTS FOR CANADA. MONTREAL

MOUNT ROYAL ASSURANCE COMPANY

AUTHORIZED CAPITAL \$1,000,000
 HEAD OFFICE: MONTREAL

President, Hon H. B. Rainville Vice-President, J. M. Wilson
J. E. CLEMENT, Jr., General Manager
 Responsible Agents wanted in Montreal and Province of Quebec

THE LAW UNION & ROCK

INSURANCE CO. LIMITED, LONDON. Founded in 1809
Assets Exceed - \$47,500,000.00

Over \$10,500,000 invested in Canada.
FIRE and ACCIDENT RISKS accepted.
 Canadian Head Office: 112 St. James Street, Corner Place d'Armes
MONTREAL.
 Agents wanted in unrepresented towns in Canada.
 W. D. AIKEN, Superintendent, J. E. E. DICKSON
 Accident Dept. Canadian Manager

GROUP INSURANCE—ITS AIMS AND FIELD.

(Hon. William A. Day, President Equitable Life Assurance Society, N.Y.).

Group Insurance is a phase of the economic and social tendencies of the day for just relations between employer and employed. It has the double function of protecting families of the employed and rewarding efficient and persistent service. It marks a progressive development of the business of life insurance and a departure on the part of the employer in recognizing an important necessity to the welfare of his employee. The characteristic feature is the application of life insurance to a great social need in perhaps the widest and most general manner yet devised.

The aim and the field of Group Insurance has been admirably summed up in a recent editorial of the *Saturday Evening Post* which concludes as follows:—

"Life insurance ought to be universal. No married man who has not a fortune has any business to be without it. We should like this group-risk plan elaborated until life insurance and pay check go together."

The broader concepts of the mission of life insurance, which have given Group Insurance its being, call insistently upon life insurance thinkers and workers for every practicable enlargement of its field of usefulness. An ever broadening and bettering service is our obligation, and unless our institution possesses elasticity sufficient to reach every part of the social fabric, it is vitally defective.

While the interests of our countrymen are interwoven, and we are dependent one upon another, the effects of business derangements are mainly borne by those of limited means. The demands of living in these days leave most American families a margin between living conditions and poverty that is not over-strong. To be sure, there always will be those who are provident and those who are not, but I am speaking of the wider aspect of the American people. The extensive workmen's insurance systems of England and Germany were devised largely to ward off the suffering and losses ordinarily caused by temporary unemployment. That something should be done in a comprehensive way in this country to protect against the permanent stoppage of family income has long been patent to thoughtful observers. Individual insurance does its part well, but does not adequately answer the call. Group Insurance, like a great wall stretching around thousands of homes, widens the margin between, and provides security against, distressful poverty. Its widespread adoption would materially reduce the number of women and children annually forced into the struggle with adversity.

FAVORABLE GROUP OF RISKS.

Group Insurance carries completely through the realm of the employer who presents for consideration a favorable group of risks. In such groups ability to hold a job effects a selection as to physical fitness that makes the group under one employer a super-standard group, so far as mortality is concerned. Groups must be of sufficient size to present reasonable opportunity for the law of average to operate. Each group is associated with other groups in a special class. This class is segregated from the individual business of the company and receives dividends based upon its own experience. Each new group is merged

into the main ever-increasing group. Thus far experience has clearly shown that the strong lives support the weaker ones in an average that gives a lower mortality than that secured on individual insurances through regular medical examinations.

As to the safety of the plan, it has frequently been stated that a company could afford to accept any one thousand persons that pass a given street corner in the business center of any of our large cities on a working day and obtain from these lives a favorable mortality experience. It is reasoned that a thousand lives engaged actively in daily pursuits should give a fair average and naturally would not include many seriously impaired lives, if any. There would be an absence of moral hazard, as it is reasonable to assume that such a selection would be free of fraud and speculation.

But let us suppose one of our large industrial or mercantile corporations advertised for one thousand employees and that number responded, then a very different and more careful selection would be had.

The less intelligent, the less fit physically and, therefore, the weaker lives, would be eliminated and those who demonstrated aptitude for the work and were employed would have to maintain the necessary level of bodily and mental fitness to continue employment.

Of the thousand persons applying for employment in response to the advertising, the ultimate sifting would put only a comparatively small number on the permanent payroll.

If a favorable experience could be obtained from a thousand active persons passing a street corner, as stated, it would seem that those selected by an employer by rigid preliminary tests and finally by demonstrated capability for regular and satisfactory work, would furnish much safer risks.

PERSONAL EQUATION VALUED.

Regard has been had to the high standards raised in the sphere of industry by years of keen struggle for excellence of output, which means a corresponding order of workmanship. Modern trade and commerce are not less exacting respecting efficiency of individual units. In other words, the personal equation in production and distribution is measured and valued to-day as perhaps never before, and chiefly by creditable and steady results. Another vital phase is the wide recognition of the truth that working conditions that conduce to healthfulness and contentment are essential to highest productivity. The trend towards conforming conditions of labor to the laws of science and health is well defined. There is ample evidence that the practice of reducing cost of production at the expense and to the detriment of the human factor is no longer regarded as either advantageous or moral.

This outlines roughly the Group Insurance field. The method of application by the Society of which I have the honor to be the Executive, represents the well-considered judgment of those qualified by careful study and exhaustive investigation to advise. As a rule, each group presented embodies, within and subject to the conditions outlined, its own peculiar subordinate problems. The groups taken have met our requirements which, generally speaking, include every safeguard that prudence and discretion demand.

Sufficient time has not elapsed since the inauguration of Group Insurance on which to predicate final judgment on all details, but it can be said that up to the present the theory indicated has been sub-

THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated : 1833.

HEAD OFFICE : TORONTO

Old **Reliable** **Progressive**
Assets over . . . \$2,000,000.00
Losses paid since organization
over . . . \$36,000,000.00

DIRECTORS:

Hon. GEO. A. COI, President.

ROBT. BICKERDIKE, M.P.

E. W. COX

JOHN HOSKIN, K.C., LL.D.

D. B. HANNA

ALEX. LAIRD

Z. A. LARR, K.C., LL.D.

W. R. BRACK, Vice-President

W. B. MEIRLE

GEO. A. MORROW

AUGUSTUS MYERS

FREDERIC NICHOLLS

JAMES KERR OSBOENE

COL. SIR HENRY M. PELLATT

K. R. WOOD

W. B. MEIRLE,

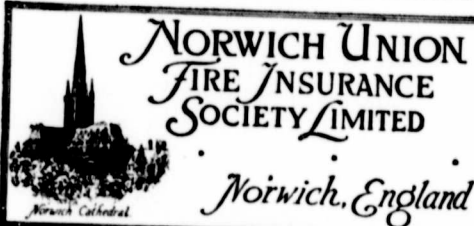
General Manager

E. F. GARROW,

Secretary

EVANS & JOHNSON, General Agents

26 St. Sacrament Street : : MONTREAL



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.

L'UNION

FIRE INSURANCE COMPANY, Limited

Head Office : PARIS, France.

Established 1828

Capital fully subscribed . . . \$ 2,000,000.00
Net Premiums in 1912 . . . 5,303,255.00
Total Losses paid to 31st Dec., 1912 86,000,000.00

Canadian Branch:

94 NOTRE DAME ST. WEST, MONTREAL

Manager for Canada :

MAURICE FERRAND

First British Insurance Office Established in Canada, 1804

INTENDING ASSURERS

Should read the "THREE MINUTES" Leaflet
of the

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

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

100 ST. FRANCOIS-XAVIER STREET, MONTREAL

The Company offers to the Public every advantage which

LIFE ASSURANCE

conducted under the most favourable conditions is capable of
affording:

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

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

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

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

Agents Wanted

Established 1864.

New York Underwriters Agency.

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

PROVINCIAL AGENTS.

MURPHY, LOVE, HAMILTON

& BARCOM,

Toronto, Ont.

OSLER, HAMMOND & NANTON,

Windsor, Man.

ALFRED J. BELL,

Halifax, N. S.

AYRE & SONS, LTD., St. John's, Nfld.

JOHN W. MOLSON

& ROBERT Y. HUNTER

Montreal, Que.

WHITE & CALLEN

St. John, N. B.

EDMUND T. HIGGS,

Charlottetown, P. E. I.

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

LONDON MUTUAL FIRE INSURANCE CO.

HEAD OFFICE TORONTO
ESTABLISHED 1859

Assets on December 31st, 1912 . . . \$1,012,673.58
Liabilities on December 31st, 1912 . . . \$368,334.81

SURPLUS on December 31st, 1912 \$644,338.77
Security for Policy Holders . . . \$1,031,161.17

F. D. WILLIAMS,
Managing Director

stantiated in practice; namely, that the mortality in Group Insurance is a superstandard mortality. Thus, in insuring the employees of one establishment, an excellent selection is obtained without medical examination. The expense of soliciting the individuals and of medical reports is eliminated. Administrative economies also are affected, such as the issuance of one group policy instead of individual policies; savings in premium notices and postage, and by the use of the negative system of accounting.

From the employer's standpoint, Group Insurance is the one way by which he can make sure that every man and woman in his employ is covered by life insurance. Employers rightly regard it as an effective welfare measure and an opportunity to prove in good faith their interest in those who collectively assure the success of their enterprises. For many years, and increasingly of late, employers have turned to pensions, cash bonuses, profit-sharing plans and similar excellent ideas, but they have lacked a comprehensive scheme to insure the lives of their employees. Insurance against the consequences of the day when the hand of the breadwinner is stilled, is the first form of welfare work which the individual provides for his family, and yet it has been the last form of welfare work that life insurance has offered the employer for the collective necessities of his extensive business family.

HIGH COMMENDATION.

Employers who have applied the Group plan of life insurance for the protection of their workmen give it high commendation. One large manufacturer says:

"There have been several instances to our knowledge where beneficiaries under the Group plan, who had practically no savings, were supported and kept from great distress by means of it. I have always believed that this great problem must be met more by the voluntary act of the employer than through the compulsion of legislation, and that it would create a far more beneficial result in the attitude of labor toward capital if employers generally should extend these benefits voluntarily without waiting for compulsory legislation. We can, therefore, most heartily recommend this system of insurance to the employers generally as the result of our own practical experience of its benefits."

The head of several financial institutions in another large city says:

"What astonishes me is that this character of insurance is not more thoroughly exploited and that employers are not more generally urged to purchase the same for the protection of their employees.

"I believe if 10 per cent. of the amount spent by organized charities in St. Louis were used systematically for a period of ten years buying life insurance, thus aiding the poor that they are now trying to relieve, the charity organizations would have much less work to do at the end of ten years and thousands would be benefited and made happier on account of the insurance."

The sentiments of these two employers reflect those of virtually all who have taken Group Insurance.

So far as employees are concerned, Group Insurance makes life insurance general, at least during the period of employment, and it comes to them without cost in nearly all cases.

It comes during the active period of life, when the children are young and when the family burdens would fall heaviest upon the widowed mother.

There are those who seem to feel that unless employers insure their employees for their entire lives, it would be better for these mothers and children to be without this protection during this period of the greatest family responsibility, but I, for one, am not among them.

CONTINUANCE OF PAY ENVELOPE.

Group Life Insurance insures the continuance of the pay envelope for a generous period and goes to the heart of the problem by protecting producing values. Usually the amount of insurance is one year's wage and the employer generally supplies this much gratis, leaving to the employee the burden of carrying individual insurance. Group Insurance overcomes the procrastination and failure with respect to insurance of which so many are guilty and which leaves so many families unprovided for in event of death.

While Group Insurance is a logical and reasonable response to a real public need, it is not in advance of the times. It is, however, expressive of the spirit of the times. We can claim that it is not quite so far behind the times as were other forms of insurance at the times they were put into use.

This plan is not a substitute, but rather a supplement to all other forms of insurance. It operates not to replace, but to create a demand for individual insurance.

Psychologically it should operate much the same as might be expected if an employer who as an incentive to thrift, gave each man in his employ a savings bank book showing a small balance to his credit in a local savings bank. Would it not be extraordinary to contend that to thus initiate savings bank accounts for employees would be destructive of habits of saving and would tend to cause those employees already having such accounts to discontinue them?

The chief form of life insurance education to any man is the possession of a policy. Active soliciting agents know that it is easier to sell additional than first insurance because the first policy usually brings home to a man vividly the value of insurance.

The employer who protects his employees with Group Insurance thus assists materially in spreading life insurance education among wage-earners, and it is obvious that a person so protected, having been subjected to this educational influence and familiarized and impressed with the value and benefits of life insurance, would be more prone to take out an individual policy than he would be without such experience.

THE PRODUCTIVE LIFE.

Broadly speaking, the value of life lies in productiveness—the job precedes the policy just as the pay check precedes the premium and pleads its need. Let us help those who are seeking to solve economic problems of our day to appreciate that every conscientious employer of labor is to-day a benefactor of his community. The more this fact is realized by both employer and employee, the nearer will both come to understand where their common interests lie.

The Honorable Burton Mansfield, Insurance Commissioner of Connecticut, well expressed the purpose of Group Insurance and the need for encouraging the plan in an address before the Insurance Commissioners' Annual Convention last year. He said:

"Life insurance in groups is a progressive step, in consonance with acts regulating workmen's com-

A TYPICAL RESULT.

On October 30th, 1913, Dr. J. J. Brownlee of Detroit wrote concerning his recently matured Endowment policy as follows:—"The outcome of my policy has been very satisfactory, for the dividends applied on my premiums from year to year have reduced the cost by over 25 p.c. and the policy, which was for \$1,000, has given me a cash return of \$379.14 over and above its cost, besides the insurance protection."

"I wish the company the continued success it so well deserves."

In each of the past five years the surplus earnings have broken all previous records. In 1912 they were over \$1,530,000. This accounts for the satisfactory dividends being paid policyholders of the

Canada Life Assurance Company
Head Office . TORONTO, ONTARIO

THESE ARE FEATURES

That Make Imperial Policy Contracts desirable

- Large profits to policyholders.
- Unusually strong policy reserves.
- High interest rate on sound investments.
- Favorable mortality experience.
- And absolute security to policyholders.

Several good agency openings for producers.

THE
IMPERIAL LIFE ASSURANCE COMPANY
of CANADA
Head Office - TORONTO

Union Mutual Life Insurance Co.

Of Portland Maine.

FRED. E. RICHARDS, President.

Accepted value of Canadian Securities held by Federal Government for protection of policyholders, \$1,206,376.

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

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

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

YOUR CARD

As a representative of the "Oldest Life Insurance Company in America" will prove your best introduction.

**THE MUTUAL LIFE
INSURANCE COMPANY
OF NEW YORK**

Impregnable Strength

Incomparable Dividends

Maximum Benefits

Minimum Net Cost

FOR TERMS TO PRODUCING AGENTS, ADDRESS:

George T. Dexter

2nd VICE PRESIDENT

34 Nassau Street New York, N.Y.

THE NATIONAL LIFE ASSURANCE

COMPANY OF CANADA.

Head Office: National Life Chambers, - - - Toronto, Ontario

ELIAS ROGERS, President. ALBERT J. RALSTON, Vice-President and Managing Director.
F. SPARLING, Secretary

Applications for new assurances received as from the first of January last to September 2nd, 1913, \$7,000,000.00. An increase of \$2,900,000 by way of comparison with the first eight months of 1912. By way of comparison with 1911 the increase is over \$4,000,000.00.

The Company report on September 2nd no arrears of interest or principal on any of its invested funds, a continuous record for almost fifteen years.

For agencies apply direct to Head Office.

pensation in case of accident, sickness and death; old age pensions and the like, all striving for the better protection of those who are employed in mechanical, business or other pursuits. Any plan for its development cannot be perfect at the start. Many obstructions, real or imaginary, may retard its progress, but they are only of temporary nature and it seems to me that as public servants, we should welcome such a measure and join with both employer and employed, with both the insurer and the insured, in all reasonable efforts for its promotion."

In these sentiments I believe we may safely and fully concur.

BE A PHILANTHROPIST.

As the world grows older and civilization advances, the proportion of those who realize that there is more pleasure in giving than in receiving increases. Philanthropists are relatively more numerous now than generations ago, and in this class we include both those who are able to give their millions and those whose benefactions are limited to the widow's mite. We would not detract from the merit, or question the motives, of the rich men of the present day, who out of their abundance give magnificent sums for the uplift of humanity; but in every community there are numbers of persons of whom the world has never heard who (comparing their little with the abundance of the rich) "give more than they all."

Among such we include those who stint and deny themselves, from the beginning of the year to the end, to pay the premiums on a life insurance policy; for of all benevolent actions this is the most unselfish, involving, as it does in most cases, constant self-denial in order to provide benefits for others in which the giver himself can never share.

Among those whom we would term philanthropists are the persons who help men to help themselves. This they may do by kindly advice or counsel, and by pointing out to men opportunities for bettering their condition; or, in the prosecution of their own business, they may all the while be leading others to benefit themselves. The life insurance agent prosecutes his calling primarily for his own benefit, as do other men; but one of his greatest sources of satisfaction is the knowledge that in the prosecution of his own business he is doing more for others, perhaps, than are the members of any other profession or calling. The life insurance companies of this continent pay to policyholders, their widows and orphans, more than four hundred million dollars every year. Had it not been for the persistent labors of the life insurance agent, probably less than ten per cent. of this money would have been saved at all. Life insurance premiums in general represent small sums that, but for this systematic method of saving, would have gone for current expenses, as the earnings of most men go.

But there is another class of philanthropists of whom the public seldom takes notice, and it is larger than might be supposed. We refer to those who, without expectation of profit or gain for themselves, advise people who have confidence in them to provide for their dependents by means of life insurance. The reader is probably in that class. He has often noted the improvident ways of the average man, who, however benevolent his intentions, constantly defers making provision for the future.

That man may be in your employ; he may be a

friend or acquaintance, in whom you feel an interest and who has confidence in your judgment; he may be your brother or your sister's husband. He is industrious and capable; he is devoted to his wife and children; but he is laying up nothing for their maintenance in the event of his death. He needs life insurance first of all things. He needs to cultivate habits of thrift and saving; but if he depends upon the slow methods of the savings bank he may be taken away before more than a pittance has been accumulated. He can carry life insurance, but have you advised him to do so? He will listen to you and be guided by your counsel, when he might be very loath to talk with the life insurance agent at all. You are in a position to help him to help himself merely by giving friendly counsel and advice. Among our readers are many who have seen the widow and the orphan provided for through their own intervention, when this involved nothing more than urging the deceased husband and father to take out life insurance for their protection.—*Mutual Interests.*

NEW YORK'S NEW COMPENSATION LAW.

In view of the sympathetic effect which the new workmen's compensation law in New York State is likely to have on similar legislation, it is of interest to note the principal points of the laws. These are as follows:—

Provides definite payments for specified periods to injured employes, with a basis rate of 66 2-3 per cent. of the average weekly wages earned.

Affects only so-called hazardous industries divided into forty-two groups and will in effect apply to about 90 per cent. of the employes in the State.

Law makes employer liable for compensation to injured workmen without regard to cause of accident. Entirely supersedes old common law defenses.

To be administered by commission of five to be appointed by the Governor and provides four alternatives for insuring compensation.

Commission to be appointed after January 1, 1914, but employers not to become liable for compensation as provided until July 1, 1914.

Employers made liable for cost of medical attendance and hospital service for injured employes during period of sixty days. Penalties are provided for failure to meet the obligations of the law, and employers, who fail to pay compensation are liable to suit for lump sum payment over period of years plus 50 per cent.

Employers who do not insure are to be held liable to negligence suits and also fine of \$1 a day for each employe.

Disability rates are provided on graduated scale of time and amount, according to extent of injury or disability. Percentage basis generally higher than nearby States, such as New Jersey, Massachusetts and Connecticut.

The new workmen's compensation law means that after July 1 next practically every employer in the State will have to insure. The law is so phrased that unless he insures he is subjected to the severest penalties. He has four ways of insuring open to him—with the stock liability companies, with newly formed mutual liability companies, with the State fund, or has the opportunity to insure himself if his solvency is unquestioned.



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 : : :

\$1,021,187

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

TORONTO:
Traders Bank Building

VANCOUVER

WINNIPEG

MONTREAL
Merchants Bank Building

FOUNDED 1871

The OCEAN ACCIDENT & GUARANTEE CORPORATION, Limited

of LONDON, England

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

UNRIVALLED SECURITY

LIBERAL POLICIES

ASSETS EXCEED . . . \$11,250,000
CLAIMS PAID, over . . . \$45,000,000

Canadian Head Office **TORONTO, Ontario**

CHARLES H. NEELY, General Manager for Canada and Newfoundland

The CANADIAN RAILWAY ACCIDENT INSURANCE COMPANY,

112 ST. JAMES STREET, MONTREAL, CANADA

All classes of Personal Accident and Health Insurance, Employers' Liability, Elevator Liability, Teams Liability and Automobile Insurance.

LOWEST RATES CONSISTENT WITH SAFETY.

All Policies Guaranteed by The Liverpool and London and Globe Insurance Co., Limited.

ASSETS OVER FIFTY-SIX MILLION DOLLARS.

FIRE PERIL IN HOTELS.

Hotels are burning with alarming frequency, says *Safety Engineering*. During the first day of 1913 five hotels in widely separated sections burned, sacrificing two lives and over \$100,000 in property values. During January there were 25 fires and in three of them seven persons lost their lives. The property loss was nearly \$700,000.

A hotel fire every 33 hours was the rate of burning in 1912, and so far in 1913 there has been a fire every 27 hours.

Hardly a day passes without news of a hotel fire somewhere in the country. Despite the encouraging progress in the fire prevention campaign, hotel fires were more frequent in 1912 than in any of the five years preceding, and if the rate of burning in 1913 continues as it has started, this year will surpass all others. In 11 months of 1913 there have been 300 hotel fires.

From a partial list of reported fires it is estimated that the property loss in average hotels throughout the country for a period of five years has been over \$25,000,000, and the loss of life has been even more serious.

MOST FIRES OCCUR DURING PERIOD OF SLEEP.

Nearly half of all hotel fires occur between midnight and 3 a.m., fully 20 per cent. between 3 a.m. and 6 a.m., and more than 15 per cent. between 9 p.m. and midnight. In short, fully 85 per cent. of all hotel fires occur during the night hours, 6 p.m. and 6 a.m., and 75 per cent. during the period of sleep.

The momentous fact is that hotel perils are increasing. Defective hotels are growing more defective.

The causes of trouble must be removed. The difficulty in the way of improvements is the "inertia of investment." Improvements that make for safety in hotels cost money and there is the interest on the added investment to consider. That is the way that most hotel proprietors will regard this proposition. But the interest on an investment in safety should be figured in a different way.

The interest of public authorities in hotel safety has been confined chiefly to the means of exit. The elimination and improvement of conditions, without which the necessity of exit might not occur, have been disregarded.

TRAVELLING MEN SHOULD NOT SLEEP IN UNSAFE HOUSES.

Those that suffer most from the result of defective conditions in hotels are travelers. The interest of travelling men demands that they shall get safety. They are constantly exposed to risks that there is not any good reason for, as safety can be had at small cost.

The influence of the powerful commercial travelers' associations has been felt in matters that affect the convenience of their members in travel. It would seem that these organizations could force improvements in hotels. A classification could be made of unsafe hotels and commercial travelers warned to avoid houses that were not safe to sleep in.

Of Prince Albert's new £200,000 issue at 90 and interest, 66 per cent. was left with underwriters. The public has since been picking it up at a discount.

LA NATIONALE OF PARIS ENTERS CANADA.

Arrangements have been completed by the above well known French fire company to commence operations in Canada as a non-tariff company.

Mr. J. E. Clement, manager of the Mount Royal Assurance Company, Montreal, will also manage La Nationale in Canada, excluding the Maritime Provinces, and while as above stated La Nationale is not a board company, it will be managed by Mr. Clement on a conservative basis.

The resources of the Company amount to \$6,600,000. Premium income for 1912 was \$3,780,000 and losses and expenses, \$2,984,000. The members of the board of directors include many wealthy and influential French gentlemen. The General Manager is Mr. M. F. Muisant.

AMORTIZATION OF VALUES OF FIXED TERM SECURITIES.

At the annual meeting of the Association of Life Insurance Presidents, held in New York City, Mr. Robert Lynn Cox, general manager, stated on the question of amortization of values of fixed term securities that recently the Association had again taken this matter up but were not yet ready to report the results. Those addressed had been a little slow in replying, evidently giving the matter great weight, because those that had replied have made such replies that showed that they had given the matter serious consideration. "I may say, offhand," continued Mr. Cox, "that a majority of those addressed seem inclined now to recognize that method of valuation as being a proper one so that I fancy the area which will recognize that method of valuing those securities is going to be very much enlarged. Of course, there are some states in which legislation will be required before it can be made uniform throughout the United States, but even in those states the Commissioners seem to be disposed to look with favor upon the matter of obtaining legislation. It is an important matter, and it looks as if we were leading toward uniformity on that proposition."

COST OF LIVING STILL THE SAME WAY.

The Department of Labour's index number of wholesale prices stood at 138.4 for November as compared with 136.8 in October and 136.6 in November, 1912. The increase was due to advances in the prices of grains and fodders, cattle, beef, sheep, dairy products (especially eggs) and fresh vegetables. These increases, however, were somewhat offset by declines in flour, glucose, honey, raw cotton and silk, coke, iron pipe, linseed oil, resin, and raw rubber. The level was higher than a year ago in animals and meats, dairy products, textiles, hides, leathers, boots and shoes, lumber, miscellaneous building materials, furniture and crockery. A lower level than last year appeared in grains and fodders, fish and paints and oils. Fruits and vegetables were slightly higher, but miscellaneous groceries were somewhat lower than last year. The feature of the month in retail prices was the advance in eggs, but the movement was also upward in butter, potatoes, coal, milk and prunes. Beef, veal and mutton advanced in some localities, but fresh pork and lard declined in a number of Canadian cities.

RAILWAY PASSENGERS ASSURANCE CO.

OF LONDON,
ENGLAND

Established 1840.

OLDEST ACCIDENT COMPANY IN THE WORLD

ACCIDENTS OF ALL KINDS AND ILLNESS

INSURED AGAINST

Also
ALL KINDS of
EMPLOYERS' AND PUBLIC
LIABILITY

(INCLUDING AUTOMOBILE.)

PLATE GLASS AND FIDELITY GUARANTEES.

Head Office for Canada, Confederation Life Building, TORONTO

F. H. RUSSELL, Manager

The Imperial Guarantee

AND ACCIDENT INSURANCE CO., OF CANADA

Head Office: 46 King Street W.,

TORONTO, Ont.

A Strong Canadian Company.

ACCIDENT AND SICKNESS INSURANCE
GUARANTEE BONDS

PLATE GLASS AND AUTOMOBILE INSURANCE

E. WILLIAMS,

FRANK W. COX,

General Manager.

Secretary.

The General Accident Assurance Company

of CANADA

Head Office, - - TORONTO, Ont

Personal Accident

Health, Liability and Industrial
Insurance

J. J. DURANCE,

Manager for Canada

General Agents for PROVINCE of QUEBEC

ROLLAND, LYMAN & BURNETT, MONTREAL

THE LIFE AGENTS' MANUAL - \$3.00

Published by the Chronicle, Montreal

THE DOMINION OF CANADA GUARANTEE AND ACCIDENT INSURANCE COMPANY

ACCIDENT INSURANCE SICKNESS INSURANCE GUARANTEE BONDS

PLATE GLASS INSURANCE BURGLARY INSURANCE

THE OLDEST AND STRONGEST ACCIDENT INSURANCE COMPANY

MONTREAL
J. E. ROBERTS, President.

OFFICES
TORONTO WINNIPEG CALGARY VANCOUVER
C. A. WITHERS, General Manager. J. L. TURQUAND, Secretary-Treasurer.
E. ROBERTS, Manager, Montreal Branch.

THE FEDERAL LIFE ASSURANCE COMPANY

Home Office, HAMILTON, CANADA.

The year 1912 shows the largest gains in the Company's history. Substantial increases made in all departments.
Assets increased \$440,648.30; The Cash Income by \$130,808.60; Surplus earned during the year
amounted to \$107,050.90; Assurances at risk now amount to \$25,555,267.00

Several attractive openings for live agents in the Province of Quebec. Apply to

C. L. SWEENEY, Provincial Manager,

Montreal, Quebec

CANADIAN FIRE RECORD

(Specially compiled by The Chronicle)

MONTREAL.—M. Levy's tailor shop, 384 Beaubien Street, damaged, December 12. Supposed origin, hot ashes.

J. A. Mongeau's house, 1989 St. Denis Street, damaged. Loss, \$400.

A. Courtemanche's house, 1491 St. Andre Street, damaged. Loss, \$100.

Premises of Wood Mosaic Flooring Company, St. Catherine Street West, gutted, December 11.

Premises of Douglas Bros., metal roofing, 19 St. Maurice Street, damaged, December 16.

Apartments of Mrs. N. Gauthier, 875 Dorchester Street West, damaged, December 11. Loss, \$1,000.

Grocery shop of I. Goldstein, 848 St. Lawrence street, damaged, December 7. Origin, dropped match.

Premises at 549 Ontario Street east damaged, December 13. Loss, \$500; insurance, \$700. Origin, dropped match.

Shed in rear of 264 De la Roche Street, burned, December 12. Loss, \$100, with \$500 insurance.

A. Berthiaume's home, 2165 St. Denis Street, damaged, December 9. Originated in cupboard.

Factory of Columbia Rubber Company, 710 St. Dominique Street, damaged, December 10.

M. Geler's fruit store, 1137 St. Lawrence Boulevard, burned out, December 3.

A. Clement's barber shop, 55 Inspector Street gutted, December 1.

Premises of Bourgeon Bros., men's furnishers, 2259 Notre Dame Street, gutted, December 11. Loss, \$5,000.

T. Secker's house at 35 Forbes Street, destroyed, December 5. Insurance \$800. Origin, wood near stove.

A. Menard's butcher stall at 3152 Verville Street, Bordeaux ward, destroyed, December 9.

M. Faubert's butcher shop, 3365 St. Hubert Street destroyed, December 9.

Home of P. Girzels, 847 Cuvillier Street, damaged, November 19. Loss, \$1,000; insured.

Fire in engine room of Itzwere and Sarazin, sash and door factory, Charlevoix and Duvernay Streets, November 27. Started in engine room. Loss, slight.

H. J. Lussier's apartment, 1081 Des Erables Street, damaged, November 27.

Block of tenement houses, 1823 to 1833 Mance Street damaged, November 27. Origin, hot ashes.

Drapeau & Champagne's hardware store, 494 St. Catherine Street East, damaged, November 27. Loss, \$400. Origin, lighted match in rubbish.

C. Russell's residence, 316a Aqueduct Street, damaged, November 26. Origin, overturned lamp.

A. Cohen's home, 2346 Clarke Street, damaged, November 27.

WINNIPEG, MAN.—Nos. 479-481 Main Street, frame buildings, gutted, December 9. Loss, \$3,000.

City stables at Elmwood badly damaged, December 9.

Basement of Weldon building damaged, December 13. Loss, \$200.

LE PAS, MAN.—Fire which started in Imperial Hotel, December 13, destroyed this, the Lynn Theatre, Dreamland Theatre, Mercer jewellery store, a pool room and other establishments. Loss, \$75,000, partially covered by insurance. Companies interested are: British America, London and Lancashire, Central Canada, Occidental, \$3,000 each; Can-

adian Fire, Palatine and North British for \$2,000 each; Hartford, for \$3,000; Norwich Union, \$4,700; Sun, \$1,000; Winnipeg and Royal, \$500 each; the Liverpool-Manitoba, for \$250; Robinson & Black office, \$9,000; firms whose names are not known, \$6,000.

SAULT STE. MARIE, ONT.—Stables of Pearl Laundry Company destroyed with seven houses, December 15. Loss, \$2,000, partly covered by insurance.

NORTH VANCOUVER, B.C.—John McEwan's shop, corner of Chesterfield Avenue and Third Street, damaged, November 30. Loss, \$1,200 covered by insurance.

HEAVY LOSS AT QUEBEC.

Tourigny & Marois' shoe factory at Quebec was destroyed on December 15. Insurance, \$81,400 as follows, loss on stock being total:—

ON BUILDING—Liverpool & London & Globe, \$2,200; London Mutual, \$6,400; Mount Royal, \$8,400. Total, \$17,000.

ON STOCK—British America, \$2,000; German-American, \$1,000; Industries, \$2,000; London Assurance, \$4,000; N. Y. Underwriters, \$1,000; Norwich Union, \$5,000; Provinciale Mutual, \$4,000; Quebec, \$8,000; Queen, \$5,800; Royal, \$4,700; Scottish Union and National, \$3,000; Sun, \$3,100; Union, \$1,000; Western, \$1,500; Yorkshire, \$3,000. Total, \$49,100. Loss, total.

ON MACHINERY—Alliance, \$2,300, Norwich Union, \$700; Quebec, \$1,450; Rimouski Mutual, \$2,000; Royal, \$2,250; Sun, \$1,650, Western, \$1,400; Yorkshire, \$800. Total, \$12,550.

ON PATTERNS—Alliance, \$150; Norwich Union, \$300; Queen, \$300; Royal, \$550; Western, \$100.

THE NOVEMBER FIRE LOSS.

The fire loss of the United States and Canada for the month of November, 1913, as compiled from the carefully kept records of the New York *Journal of Commerce* shows a total of \$15,207,600. The following table gives a comparison of the losses by fire during the eleven months of this year, together with the same in 1912 and 1911, also the losses for the balance of those years:

	1911.	1912.	1913.
January	\$ 21,922,450	\$ 35,653,150	\$ 20,193,250
February	16,415,000	28,601,650	22,084,600
March	31,569,800	16,650,850	17,511,900
April	17,670,550	16,349,400	16,738,250
May	21,422,000	21,013,950	17,225,850
June	20,691,950	16,103,450	24,942,700
July	25,301,450	15,219,100	20,660,900
August	12,662,650	14,158,800	21,180,700
September	11,333,250	13,779,300	17,919,300
October	13,945,000	13,651,650	14,932,750
November	18,680,600	16,172,300	15,207,600

Total 11 months \$211,614,400 \$207,253,600 \$208,596,900
 December 22,722,850 17,967,000

Total for year . \$234,337,250 \$225,320,600

There were 245 fires during the month of November, each of which caused an estimated property damage of \$10,000 or over.

It will be seen from the comparative table, says the *Journal of Commerce*, that the 1913 losses so far exceed those for the same period in 1912, and in view of the expensive fires in December this year, it is likely that the total for 1913 will exceed the sum charged against 1912, which was not a good year for the fire underwriters. An unusual number of fire insurance companies have retired from the field during the current year, which has been marked by unnecessary and abnormal fire loss.

GRESHAM

Life Assurance Society, Limited

Founded 1848

Funds : FIFTY MILLION DOLLARS

Applications are wanted
for Agencies. Liberal
commissions would be
arranged for Agents and
Brokers.

ADDRESS :

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

BRITISH AND CANADIAN UNDERWRITERS

of NORWICH, ENGLAND,
ISSUING POLICIES OF THE

Norwich Union Fire Insurance Society
Limited, of NORWICH, ENGLAND.

AGENTS WANTED AT ALL POINTS IN THE DOMINION.

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

JOHN MacEWEN, Superintendent for Quebec

THE AIM of the Mutual Life
of Canada has always been to
give a maximum of service at a
minimum of cost: not to be
"THE BIGGEST" but "THE BEST."

THE RESULT is apparent
in rapidly increasing business of
the very best quality, this our
Forty-fourth year being the best
since the formation of the Com-
pany in 1869.

The Mutual Life Assurance Co. of Canada
Waterloo, Ontario

A TORONTO AGENCY


WITH
Continuous Renewals for the RIGHT MAN
SEE

CONTINENTAL LIFE

CONTRACT.

T. B. PARKINSON : Superintendent of Agencies
Continental Life Building. TORONTO

Organized 1850



THE
UNITED STATES
LIFE
INSURANCE COMPANY

ISSUES GUARANTEED CONTRACTS

<p>JOHN P. MUNN, M.D. PRESIDENT</p> <p>FRANCIS CONVERSE CLARENCE H. KELSEY Exec. Vice President and Trust Co.</p> <p>WILLIAM H. PORTER Banker</p> <p>EDWARD TOWNSEND Pres. Insurance of Trades Nat. Bank</p>	<p>Good men, whether experienced in life insurance or not, may make direct contracts with this company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, No. 277 Broadway, N. Y. C.</p>
--	---

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 849, Regina, Sask.

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

FORTY-FOURTH ANNUAL STATEMENT OF THE ROYAL BANK OF CANADA



LIABILITIES

To THE PUBLIC:—		
Notes of the Bank in circulation		\$ 13,176,634.69
Deposits bearing interest, including interest accrued to date	\$101,900,790.87	
Deposits not bearing interest	36,276,871.60	
		138,177,662.47
Deposits by other Banks in Canada	\$ 405,669.90	
Deposits by Banks and Banking Correspondents elsewhere than in Canada ..	1,649,466.73	
		2,055,136.63
Bills Payable		990,899.59
Acceptances under Letters of Credit		361,106.66
		\$154,761,440.04
To THE SHAREHOLDERS:—		
Capital Stock Paid-up		11,560,000.00
Reserve Fund	\$ 12,560,000.00	
Balance of Profits carried forward	1,015,119.58	
		13,575,119.58
Dividend No. 105 (at 12 per cent. per annum), payable Dec. 1st, 1913	\$ 346,800.00	
Dividends Unclaimed	3,426.11	
		350,226.11
		\$180,246,785.73

ASSETS

Current Gold and Silver Coin	\$ 7,802,067.72	
Dominion Government Notes	11,664,142.00	
		\$19,466,209.72
Deposit in the Central Gold Reserves	2,000,000.00	
Deposit with Dominion Government for the purposes of the Circulation Fund ..	578,000.00	
Notes of other Banks	2,576,878.07	
Cheques on other Banks	6,566,249.32	
Due by other Banks in Canada	1,160.12	
Due by Banks and Banking Correspondents elsewhere than in Canada	3,603,452.05	
Dominion and Provincial Government Securities, not exceeding market value ..	1,127,312.91	
Canadian Municipal Securities and British, Foreign and Colonial Public Securities other than Canadian, not exceeding market value	2,081,533.53	
Railway and other Bonds, Debentures and Stocks, not exceeding market value ..	14,565,306.32	
Call and Short Loans in Canada, on Bonds, Debentures and Stocks	9,002,193.01	
Call and Short Loans elsewhere than in Canada	10,817,496.66	
		72,385,791.71
Loans to Provincial Governments	\$ 247,435.89	
Loans to Cities, Towns, Municipalities and School Districts	3,686,624.08	
Other Current Loans and Discounts (less rebate of interest)	98,606,925.14	
Overdue Debts (estimated loss provided for)	175,673.57	
		\$102,716,658.68
Bank Premises, at not more than cost, less amounts written off		4,783,228.68
Liabilities of Customers under Letters of Credit, as per contra		361,106.66
		\$180,246,785.73

PROFIT AND LOSS ACCOUNT

Balance of Profit and Loss Account, 30th November, 1912	\$ 610,219.36	
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	2,142,100.22	
		\$2,752,319.58
Appropriated as follows:		
Dividends Nos. 102, 103, 104, and 105, 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	
Balance of Profit and Loss carried forward	1,015,119.58	
		\$2,752,319.58

EDSON L. PEASE,
General Manager.

THE BANK OF OTTAWA

THIRTY-NINTH ANNUAL MEETING

The thirty-ninth Annual Meeting of the Shareholders of the Bank of Ottawa was held on Wednesday, the 17th day of December, 1913, the President, the Honorable George Bryson, in the chair.

GENERAL STATEMENT OF LIABILITIES AND ASSETS AS ON 29th NOVEMBER, 1913

LIABILITIES.	
Capital Stock Paid in	\$ 4,000,000.00
Reserve Fund	4,750,000.00
Dividends declared and unpaid	120,339.19
Balance of Profits as per Profit and Loss Account	202,759.45
	\$ 9,073,098.64
Notes in Circulation	4,468,075.00
Deposits not bearing interest	\$ 7,768,592.08
Deposits bearing interest including interest accrued to date of statement	33,038,907.18
	40,807,499.26
Balances due to other Banks in Canada	337.24
Balances due to Banks and Banking Correspondents in the United Kingdom and foreign countries	139,059.71
Acceptances under Letters of Credit	90,414.51
Liabilities not included in the foregoing	95,746.66
	\$54,674,231.02
ASSETS.	
Current Coin held by the Bank	\$ 1,031,807.49
Dominion Notes held	4,004,052.25
Notes of other Banks	421,480.00
Cheques on other Banks	2,157,010.57
Balances due by other Banks in Canada	1,565,277.83
Balances due by Banks and Banking Correspondents elsewhere than in Canada	1,524,129.17
Dominion and Provincial Government Securities not exceeding market value	1,227,287.32
Canadian Municipal Securities and British Foreign and Colonial Public Securities other than Canadian	2,020,695.14
Railway and other Bonds, Debentures and Stocks, not exceeding market value	704,743.44
Call and Short (not exceeding thirty days) loans in Canada on Bonds, Debentures and Stocks	497,151.71
	\$15,153,634.92
Other Current Loans and Discounts in Canada (less rebate of interest)	36,472,199.28
Liabilities of Customers under Letters of Credit as per Contra	90,414.51
Real Estate other than Bank Premises	165,845.59
Overdue Debts (estimated loss provided for)	291,352.97
Bank Premises, at not more than cost, less amounts (if any) written off	1,700,000.00
Deposit with the Minister for the purposes of the Circulation Fund	195,000.00
Deposit in the Central Gold Reserves	500,000.00
Other Assets not included in the foregoing	105,783.75
	\$54,674,231.02

GEORGE BRYSON, President.
GEORGE BURN, General Manager.

We have examined the books and accounts of the Bank of Ottawa at its Head Office and at five of its principal Branches, and have been duly furnished with certified returns from the remaining Branches, and with all information and explanations required by us. The Bank's Investments and the Securities and Cash on hand at the Branches visited were verified by us as at the close of business, November 29th, 1913. And we certify that the foregoing General Statement of Liabilities and Assets as at November 29th, 1913, is in agreement with the books, and in our opinion exhibits a true and correct view of the state of the Bank's affairs according to the best of our information and the explanations given to us.

PRICE, WATERHOUSE & CO., Chartered Accountants.

THE BANK OF OTTAWA

REPORT OF THE DIRECTORS

The Directors beg to submit the Thirty-ninth Annual Report showing the result of the Bank's business for the year ended the 29th November, 1913.

Balance at credit of Profit and Loss Account on 30th November, 1912, was	\$ 269,559.64
Net profits for the year ended 29th November, 1913, after deducting expenses of management, and making necessary provision for interest due to depositors, unearned interest on current loans and for all bad and doubtful debts, and contingencies	706,740.62
	\$976,300.26
Appropriated as follows:—	
Dividend No. 86, Three per cent., paid 1st March, 1913	\$ 115,904.82
Dividend No. 87, Three per cent., paid 2nd June, 1913	117,743.86
Dividend No. 88, Three per cent., paid 2nd Sept., 1913	118,254.91
Dividend No. 89, Three per cent., payable 1st Dec., 1913	119,346.19
Applied in reduction of Bank Premises and Furniture	37,291.03
Transferred to Officers' Pension Fund	15,000.00
Transferred to Rest Account	250,000.00
	\$ 773,540.81
Balance carried forward at credit of Profit and Loss Account	\$202,759.45
The Rest Account on 30th November, 1912, was	\$4,325,480.00
To which has been added premium on new stock issued	174,520.00
Transferred from Profit and Loss Account	250,000.00
	\$4,750,000.00

Your Directors regret to have to record the retirement of Mr. David Maclaren from the Presidency, on account of ill health. They are glad to be able to report, however, that the Bank will still have the benefit of his counsel and advice as a Director. The Honorable George Bryson was elected to succeed him as President, and Mr. J. B. Fraser was elected to succeed Mr. Bryson as Vice-President.

Since the last Annual Meeting, branches of the Bank have been opened at Estevan, Sask., Fort George, B.C., on the corner of Ashdale and Gerrard Streets, Toronto, and at Dalketh, Ont., a sub-office has been opened three times a week, under the supervision of the Vankleek Hill Manager. The Branches at Englehart, Ont., South Porcupine, Ont., and Birch Hills, Sask., have been closed.

From the accompanying statement it will be seen that the Balance of the Five Thousand Shares of new stock issued in September, 1912, has been sold.

The revised Bank Act came into force on 1st July last. Under Section 56 of that Act, the shareholders are required to appoint Auditors for the Bank at this meeting, and to vote the amount of their remuneration.

During the year buildings have been erected at Pembroke and Cobden, Ont., and a piece of land next to the office at Prince Albert having been secured, the enlargement of that building is now proceeding. In addition, the premises occupied by the Bank at Arnprior, Ont., and Rouleau, Sask., have been purchased.

The usual careful inspection of the Head Office and branches has been made, and the independent audit continued, as shown by the certificate appended to the Balance Sheet.

The Directors desire to testify to the satisfactory performance of their duties by the officers of the Bank.

GEORGE BRYSON, President.

GEORGE BURN, General Manager.

TOWN OF SMITHS FALLS DEBENTURES.

TENDERS, marked "Tenders for Debentures" will be received by the Undersigned, up to 5 o'clock p.m. Tuesday, December 23rd, 1913, for the purchase of \$47,194.00 Trunk Sewer Debentures, Town of Smiths Falls, payable in 30 Instalments, bearing Interest at 5 p.c. per annum.

By-law and Debentures have been validated by The Ontario Railway and Municipal Board.

The Highest or any Tender not necessarily accepted.

JAMES A. LEWIS.

Town Clerk.

\$34,000 C.N.R. LOSS.

The crushing plant of the Canadian Northern Railway at the western portal of the new Montreal tunnel was destroyed on December 14, and much valuable machinery damaged. Insurance as follows:

ON SCHEDULE—Royal Exchange, \$30,000; Employers' Liability, \$10,000; Mount Royal, \$15,000; Yorkshire, \$15,000; Rochester-German, \$7,500; Royal, \$11,350; Queen, \$5,000; Liverpool & London & Globe, \$10,350; London Mutual, \$5,000; German-American, \$5,000; Scottish Union & National, \$5,000; Providence-Washington, \$2,500; North America, \$2,500; Fidelity-Phenix, \$2,500; British Dominions, \$15,000; Western, \$12,500; Guardian, \$5,000; Fidelity Underwriters, \$5,000; Continental, \$5,000. Total, \$169,200. Loss, 20 per cent.

Traffic Returns.

CANADIAN PACIFIC RAILWAY.				
Year to date.	1911.	1912.	1913.	Increase
Nov. 30	\$97,797,000	\$119,296,000	\$126,364,000	\$7,068,000
Week ending	1911.	1912.	1913.	Increase
Dec. 7	\$2,478,000	\$2,771,000	\$3,009,000	\$238,000
" 14	2,522,000	2,825,000	2,681,000	Dec. 14,000

GRAND TRUNK RAILWAY.				
Year to date.	1911.	1912.	1913	Increase
Nov. 30	\$48,650,219	\$47,777,438	\$51,796,424	\$4,018,986
Week ending	1911.	1912.	1913.	Increase
Dec. 7	\$892,957	\$1,005,097	\$1,015,199	\$10,102
" 14	929,821	1,052,340	1,029,319	Dec. 23,021

CANADIAN NORTHERN RAILWAY.				
Year to date.	1911.	1912.	1913.	Increase
Nov. 30	\$15,655,900	\$19,311,800	\$21,848,800	\$2,537,000
Week ending	1911.	1912.	1913.	Increase
Dec. 7	\$461,600	\$567,900	\$583,500	\$15,600
" 14	423,800	471,600	503,200	31,600

TWIN CITY RAPID TRANSIT COMPANY.				
Year to date.	1911.	1912.	1913.	Increase
Nov. 30 .....	.....	\$7,398,188	\$8,002,991	\$611,803
Week ending.	1911.	1912.	1913	Increase
Dec. 7	\$147,634	\$158,892	\$172,616	\$13,724

HAVANA ELECTRIC RAILWAY CO.				
Week ending	1912.		1913.	Increase
Dec. 7	\$53,282	\$57,327	\$4,045
" 14	50,160	53,267	3,107

DULUTH SUPERIOR TRACTION CO				
Dec. 7	1911.	1912.	1913.	Increase
.....	\$21,256	\$21,668	\$24,816	\$3,148

DETROIT UNITED RAILWAY.				
Week ending	1911.	1912.	1913.	Increase
Nov. 7	\$187,563	\$213,230	\$215,256	\$2,026
" 14	179,094	213,718	205,454	Dec. 8,264
" 21	179,459	213,193	211,375	" 1,818
" 30	241,302	284,981	279,070	" 5,911

CANADIAN BANK CLEARINGS.

	Week ending Dec. 18, 1913	Week ending Dec. 11, 1913	Week ending Dec. 19, 1912	Week ending Dec. 21, 1911
Montreal	\$56,573,019	\$61,237,092	\$60,394,231	\$51,971,216
Toronto	45,068,524	49,819,475	45,141,838	41,591,921
Ottawa	4,558,318	4,061,397	4,249,129	5,739,956

MONEY RATES.

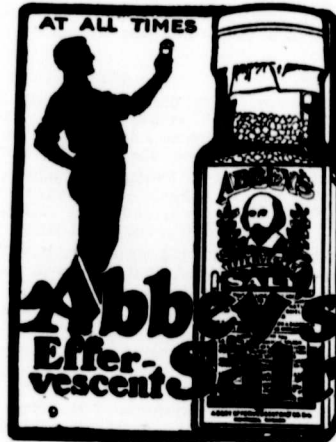
	To-day	Last Week	A Year Ago
Call money in Montreal...	6 1/2 %	6 1/2 %	6 %
" " in Toronto....	6 1/2 %	6 1/2 %	6 %
" " in New York...	3 1/2 %	5 1/2 %	4 1/2 %
" " in London....	4 1/2-4 3/4 %	4 1/2-4 3/4 %	3 1/2-4 %
Bank of England rate....	5 %	5 %	5 %

DOMINION CIRCULATION AND SPECIE.

Oct. 31, 1913	\$118,460,674	April 30, 1913.....	\$114,296,017
Sept. 30	115,496,540	March 31	112,101,886
August 31.....	113,401,170	February 28.....	110,484,879
July 31.....	.....	January 31.....	113,602,030
June 30	116,363,538	December 31.....	115,836,488
May 31.....	113,746,734	Nov. 30	118,958,620

Specie held by Receiver-General and his assistants:-

Oct. 31, 1913	\$101,716,293	April 30, 1913	\$100,706,287
Sept. 30	98,986,515	March 31	98,507,113
August 31.....	91,593,052	February 28.....	98,782,004
July 31.....	.....	January 31.....	101,898,960
June 30	100,437,594	December 31, 1912	104,076,547
May 31.....	100,481,562	Nov. 30	106,698,599



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List of Leading Stocks and Bonds

CORRECTED TO THURSDAY, DECEMBER 18th, 1913

Table with columns: BANK STOCKS, Closing price or Last sale, Par value of one share, Return percent on investment at present prices, Rate of Annual Dividend, Capital subscribed, Capital paid up, Rest Fund, Per cent'ge of Rest to paid up Capital, When Dividends payable. Includes entries for British North America, Canadian Bank of Commerce, Dominion, Hamilton, etc.

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STOCK AND BOND LIST, Continued

BONDS	Closing Quotations		Rate p.c. of Interest per annum	Amount outstanding.	When Interest due.	Where Interest payable	Date of Maturity.	REMARKS
	Ask	Bid						
Bell Telephone Co.....	96½	96	5	\$3 649,000	1st Oct. 1st Apl	Bk. of Montreal, Mtl.	April 1st, 1925	
Can. Car & Fdy.....	..	103	6	3,500,000	1st June 1st Dec.	.....	Dec. 1st, 1939	Red. at 110 aft. Nov. '19 or in pt. aft. Nov. '11
Can. Converters.....	..	..	6	474,000	1st June 1st Dec.	.....	Dec. 1st, 1926	
Can. Cement Co.....	96½	96	6½	5,000,000	1st Apl. 1st Oct.	" "	Oct. 21st, 1929	Redeemable at 110
Dominion Coal Co.....	97½	96½	5	6,300,000	1st May 1st Nov.	" "	April 1st, 1940	Red. at 105 and Int. after May 1st, 1910
Dom. Iron & Steel Co...	86½	85	5½	7,332,000	1st Jan. 1st July	Bk. of Montreal, Mtl.	July 1st, 1929	
Dom. Tex. Sers., "A"....	99	..	6	758,500	1 March 1 Sept.	Royal Trust Co. Mtl.	March 1st, 192	5 Redeemable at 110 and Interest.
" " "B".....	100	..	6	1,000,000	" "	" "	" "	Redeemable at par after 5 years
" " "C".....	98	..	6	1,000,000	" "	" "	" "	Red. at 105 and Interest
" " "D".....	..	..	..	450,000	" "	" "	" "	" "
Havana Electric Railway	..	..	5	7,824,731	1st Feb. 1st Aug	52 Broadway, N.Y.	Feb. 1st, 1912	Redeemable at 105
Halifax Tram.....	99½	..	5	600,000	1st Jan. 1st July	Bk. of Montreal, Mtl.	Jan. 1st, 1916	
Keewatin Mill Co.....	..	..	6	750,000	1st March 1 Sept.	Royal Trust Co., Mtl.	Sept. 1st, 1916	Redeemable at 110
Lake of the Woods Mill Co	..	101	6	1,000,000	1st. June 1st Dec.	Merchants Bank of Canada, Montreal.	June 1st, 1932	
Laurentide Paper Co....	..	..	6	947,305	2 Jan. 2 July	Bk. of Montreal, Mtl.	Jan. 2nd, 1920	
Mexican Electric L. Co..	..	..	5	5,778,600	1st Jan. 1st July	" "	July 1st, 1935	
Mex. Lt & Power Co...	..	..	5	11,728,500	1st Feb. 1st Aug.	" "	Feb. 1st, 1933	
Montreal L. & Pow. Co..	97½	97½	4½	6,787,000	1st Jan. 1st July	" "	Jan. 1st, 1932	Red. at 105 and Int. after 1912
Montreal Street Ry. Co..	..	100	4½	1,500,000	1st May 1st Nov.	Bk. of Montreal, Mtl.	May 1st, 1932	
Ogilvie Flour Mills Co...	..	..	6	1,750,000	1st June 1st Dec.	Bk. of Montreal, Mtl.	July 1st, 1932	Redeemable at 105 and Interest
Penmans .....	..	..	5	2,000,000	1st May 1st Nov.	Bk. of M., Mtl. & Ln.	Nov. 1st, 1926	Redeemable at 110 after Nov. 1, 1911
Price Bros	83	81	6	833,000	1st June 1st Dec.	.....	June 1st, 1925	
Quebec Ry. L & P. Co...	..	43	5	4,866,666	1st June 1st Dec.	.....	June 1st, 1929	
Rio Janeiro.....	..	..	5	25,000,000	1 Jan. 1 July	.....	Jan. 1st, 1935	
Sao Paulo.....	..	..	5	6,000,000	1st June 1st Dec.	C. B. of C. London.	June 1st, 1929	
Toronto & York Radial..	..	..	5	1,620,000	1 July 1st Jan	Nat. Trust Co. Tor	July 1st, 1919	
Winnipeg Electric .....	..	..	5	1,000,000	1st Apl. 1st Oct	Bk. of Montreal, Mtl.	Jan. 1st, 1927	
West India Electric.....	..	..	5	4,000,000	2 Jan. 2nd July	" "	Jan. 1st 1935	
				600,000	1st Jan. 1st July	.....	1929	

**Montreal Tramways Company
SUBURBAN SUMMER TIME TABLE**

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

From Lachine—
20 min. service 5.30 a.m. to 5.50 a.m. 10 min. service 12.00 noon to 8.00 p.m.
10 " " 5.50 " 9.00 " 20 " " 8.00 p.m. to 12.10 a.m.
20 " " 9.00 " 12.00 noon Extra last car at 12.50 a.m.

Sault aux Recollets and St. Vincent de Paul:
From St. Denis to St. Vincent—
20 min. service 5.20 a.m. to 6.00 a.m. 30 min. service 8.00 p.m. to 11.00 p.m.
10 " " 6.00 " 8.00 " Car to St. Vincent 11.30 p.m.
20 " " 8.00 " 4.00 p.m. Car to Hendersons only 12.00 mid.
10 " " 4.00 p.m. to 7.30 " Car to St. Vincent 12.40 midnight
20 " " 7.00 " 8.00 " "

From St. Vincent to St. Denis—
20 min. service 5.50 a.m. to 6.30 a.m. 30 min. service 8.30 p.m. to 11.30 p.m.
10 " " 6.30 " 8.30 " Car from St. Vincent 12.00 midnight
20 " " 8.30 " 4.30 p.m. Car from Hendersons 12.30 a.m.
10 " " 4.30 p.m. to 7.30 " Car from St. Vincent 1.10 a.m.
20 " " 7.30 " 8.30 p.m. "

Cartierville:
From Snowdon's Junction— 20 min. service 5.20 a.m. to 11.20 p.m.
40 " " 11.20 p.m. to 12.00 mid.
From Cartierville— 20 min. service 5.40 a.m. to 11.40 p.m.
40 " " 11.40 p.m. to 12.20 mid.

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

Bout de l'Île:
20 min. service 5.00 a.m. to 9.00 p.m.
40 " " 9.00 p.m. to 12.00 midnight

Tetraultville:
15 min. service 5.00 a.m. to 6.30 a.m.
30 " " 6.30 " 9.30 p.m.

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