

The Chronicle



Banking, Insurance & Finance.

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THE VALUATION PROBLEM.

The problem of the valuation of investments for balance sheet and other purposes, always a matter for keen thought on the part of those in charge of large amounts of invested funds, has been intensified ten-fold by present circumstances. The solutions which have been thus far suggested are as numerous as they are varied. A good many undertakings are in the position of being a law unto themselves in this matter, and the course eventually adopted can be that which the judgment and discretion of those responsible consider safe and sound. Others responsible for immense amounts of invested funds have their decision in this respect made for them by supervising authorities, whose decision they are bound to follow, whether or not they agree that it is the best course that can be adopted. Notably is this the case with the life companies, who are practically in the position of trustees of hundreds of millions of investments for their policyholders. These supervising authorities, however, do not agree as to the best course to be adopted. The Canadian Superintendent of Insurance has arranged that for this year's government returns, values of life companies' securities will generally be taken as they were at December 31, 1913, an exception being made in the case of any securities which have obviously depreciated in intrinsic value since that date. The Insurance Commissioners of the United States, on the other hand, favor June 30th, 1914, for fixing the values of securities. Which of these two dates or anyone of half a dozen others which might quite reasonably be suggested, is the best, is a matter for academic argument. The ordinary business man responsible to others for invested funds will pin his faith less on the figures of these particular valuations of whatever date they may be, than on his own knowledge of the intrinsic values of the securities he holds.

* * *

Some interesting aspects of this problem of valuation of securities were touched upon in a recent paper prepared by Mr. Henry Moir, the well-known New York actuary, for the Faculty of Actuaries in Scotland. Mr. Moir is a firm believer in the amortisation method for the valuation of life insurance funds for the reasons that life companies accumulate funds not for immediate necessities, but for the distant future; that in a progressive company funds steadily increase and there is no need for liquidation of assets; that life companies are not (or should not be) speculative dealers in securities; a rate of in-

terest is assumed for discounting liabilities, which rate will be effective until the obligations mature; while life companies are permanent institutions, whose primal duty is to equalise the ups and downs of life, and the valuation of fixed term securities by means of amortisation is a scientific development tending towards equalisation. The adoption of this method, however, does not, in Mr. Moir's opinion, shut out the necessity for unceasing vigilance in investment supervision. "A careless and wasteful management," he says, "might manipulate investments so as to show considerable profits while concealing losses under the amortisation method. If a company were deliberately to sell bonds which appreciated in value and carry on the amortised basis those which depreciated, it is easy to see that the condition of the company would be imperilled. Judicious and honest management is needful under this plan as under any other."

* * *

Mr. Moir considers that for the valuation of securities which are not to be sold, the valuation at the price on a single day is altogether indefensible. Even with annual valuations, as on this side the Atlantic, fluctuations from year to year, he points out, may be quite violent, though admittedly the method may be suitable under occasional market conditions. He also pleads for stability and uniformity in practice. It seems objectionable, he says, to change from time to time either the basis of valuation of policies or the method of treating sound securities. An average system and consistent policy regarding both conditions is sounder practice than frequent change of either or both.

"I do not wish to be misunderstood," he says in conclusion, "as suggesting that fixed rules can ever supersede personal judgment and acumen on the part of a board of directors. Investments cannot be made by rule, and directors cannot relax their vigilance over the classes of securities as well as the individual securities to be purchased. In boom times they can with propriety lay out the available funds in short-term loans, mortgages, and other investments which can be easily realised, while in periods of depression, like the recent past, they can with advantage place a much larger proportion of their funds in long-term well-selected securities, even taking up some of the maturing short-term loans in order that funds may be permanently invested and fluctuations in the interest rate minimised. This attitude represents the best guiding principle for the investment of accumulating funds, and it is a principle which has been followed by many of the most successful financiers."

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 world.

The Chronicle

Banking Insurance and Finance

ESTABLISHED 1881.

PUBLISHED EVERY FRIDAY.

F. WILSON-SMITH,
Proprietor.ARTHUR H. ROWLAND,
Editor.

Office:

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MONTREAL, FRIDAY, DECEMBER 4, 1914.

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A REVIVAL OF CONFIDENCE.

Apparently the military experts here and in the United States believe that the campaign in France and Belgium is changing into a new stage or phase. It is thought that the western German armies have to a considerable extent exhausted themselves in their continuous but futile attempts to break the Allied lines. At the same time pressure of the most serious nature has suddenly developed against the eastern armies of Germany and Austria. One need not assume that the Russians are on the point of cutting off or annihilating whole armies of Germans. Even without assuming that much it is clear that the German position in the east is extremely critical. In Galicia, Poland and East Prussia, the Russians are in great force, well-equipped and very aggressive. It is difficult to see how the Germans can hope to push them back unless they draw heavily upon their lines in the West, where by far the greater part of their best troops are engaged.

POSSIBLE DEVELOPMENTS.

As we have seen, these western armies of the Teutonic powers are dispirited and exhausted after

the failure of their attempts to reach the French coast. It, therefore, certainly seems as if the psychological moment for a determined advance on the part of the British and French were rapidly approaching. There have been persistent stories of the despatch of large additional British forces to the Continent. Press despatches have told of great fleets of transports off Havre. American critics are disposed to believe that within a couple of weeks or so the British armies in France will have reached a total of 400,000. The French also it must be presumed have been preparing to throw reserves extensively into the firing line. By thus putting strong pressure on the German invaders, the Allied generals might hope to accomplish one or other of several important things. In the first place there would be the chance of breaking through the Germans or of defeating them more or less decisively in the West. If this object were attained perhaps France and a considerable part of Belgium would be freed from invasion. Even if this part of the programme could not be carried out at present, the special activity of Generals Joffre and French would probably prevent the German General Staff from withdrawing heavy forces from the West to fight the Russians—and in that way it would help importantly to achieve success for the Allied cause in the eastern theatre.

A REVIVAL OF CONFIDENCE.

Consequently there is marked revival of confidence in financial and military circles, as to the conclusion of the war within a year or a year and a half. This confidence has had its effects on the money market situation in London and New York. Financial and commercial affairs in Canada are developing quietly. The railways are, however, showing very heavy decreases in gross earnings; and especially in Western Canada there have been sensational declines in the volume of bank clearings. It is plain that a very large part of the western wheat crop of 1914 yet remains unsold in farmers' hands. The war has caused our agriculturists to hold back their deliveries, in the belief that prices will definitely work to a higher basis. Also there has been less pressure from the creditor classes this fall. Another important point is that in the early stages of the war there was great difficulty in procuring ocean space, marine insurance, etc.; and this circumstance caused the grain dealers to curtail their activity in purchasing at the various primary points. However, the grain is there and its value is not likely to decrease to any material extent, and our commerce and finance will doubtless derive the benefit when it is sold and exported during the next few months or in the spring.

Money rates in Canada are not much changed. Call loans in Montreal and Toronto are 6 to 6½ p.c. as in the past; and commercial loans and discounts, 6 to 7 p.c.

The Bank of British North America

Established in 1836. Incorporated by Royal Charter in 1840

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

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Kingston	West Lorne	Coronation Red Deer	
Lancaster	Westport	Daysland Rimbey	
Lansdowne	Wheatley	Delburne Rumsey	
Leamington	Williamstown	Donalda Sedgewick	
Little Current	Windsor	Edmonton Stettler	
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		Edson Vogreville	
		Hughenden Viking	
		Islay Wainwright	
		Killam West Edmonton	
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Saskatchewan		British Columbia	
Antler	Ilmerick	Chilliwack Oak Bay, Sidney	
Arcoia	Maple Creek	Elko Vancouver	
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Humboldt	Shaunavon		
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	Whitewood		

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Caledon E.	Harrow	Falls (2)	pine	Toronto (17)
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Cochrane	Ingersoll	the-Lake	les	Welland
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Savings Bank Department

FOREIGN MONEY.

Call money in London declined further to 1 p.c.; short bills are 2 $\frac{7}{8}$ to 3 p.c.; and three months' bills, 2 $\frac{7}{8}$ to 3 p.c. Bank of England rate is 5 p.c. The Bank of France still quotes 5, and the Imperial Bank of Germany 6 p.c. The market rate in Paris is 4, and in Berlin 6 $\frac{3}{4}$. It is to be noted that the official bank rate at Vienna is 8 p.c. This serves to indicate the chaos prevailing in the Austrian financial centre.

Call money at New York is growing more abundant—the banks and trust companies increasing their offerings. Call loans are 4 $\frac{1}{2}$ p.c. Time money also has been in greater supply. Rates are from 4 $\frac{1}{2}$ to 4 $\frac{3}{4}$ p.c. for all periods from two to six months. An interesting feature of the New York money market this week was found in the re-establishment of the "money crowd" on the floor of the Exchange. The changes reported in the clearing house statement on Saturday were: loans, increased \$7,900,000; net demand deposits, increased \$15,300,000; net time deposits, increased \$2,600,000; note circulation decreased \$14,300,000; reserve in own vaults, decreased \$2,800,000; reserve in Federal Reserve Bank decreased \$340,000; excess reserves, decreased \$5,400,000.

CHEERFUL NEW YORK SENTIMENT.

The clearing house institutions at New York now have reserve in their own vaults, \$347,700,000; in Federal Reserve Bank \$95,700,000; and in other depositories, \$25,450,000—the aggregate reserve being \$468,800,000; and the excess reserve, \$132,420,000. The sentiment on the stock exchange has been cheerful during the week. One reason for this is that the predictions of decidedly unfavorable developments in connection with heavy selling of securities on the reopening of the bond market have not materialized. Also the buying of bonds by investors has shown a satisfactory increase. The American cities where clearing house loan certificates were

issued in August are rapidly retiring the issues, and it is expected that the entire issue of such certificates will be cleared off by the end of the year.

CANADIAN BANKS AND THE NEW WAR LOAN.

Referring to the Canadian banks' subscriptions to the new British war loan, a Toronto correspondent points out that the eligibility of these bonds for special loans at the Bank of England, at a rate one per cent. below the market rate of discount, is an important consideration for the Canadian banking institutions. In the first place, they are able to borrow the money from the Bank of England to take up their allotments, if they wish to do so; but the current impression is that the Montreal and Toronto bankers will not lean heavily upon the big British central bank for this purpose. They realize clearly that the hands of the British authorities will be strengthened to better effect if they pay their subscriptions in bills of exchange or actual money—however, some of them may need to borrow to a certain extent at the outset.

The war bonds will be exceedingly useful for other purposes. The Canadian banks are accustomed at all times to carry a certain amount in British consols. India Government stock, Dominion Government bonds and such gilt-edged items, with the idea of pledging them in London as cover for finance bills and other sterling drawings from New York and Canada. As the new bonds have the special feature of being acceptable at the Bank of England at a substantial reduction from the market rate of discount prevailing in London, they will be very good to hold, and they should facilitate the sterling transactions conducted by the Canadian banks in New York. The banks are assured of a little more than four per cent. on their investment—for fourteen years if they wish to hold that long—and at the same time can depend on realizing at a couple of hours' notice at any time.

ABSTRACT OF THE BANK STATEMENT FOR OCTOBER, 1914.

(Compiled by The Chronicle).

	October 31, 1914.	September 30, 1914.	October 31, 1913.	Month's Change.	Year's Change.
LIABILITIES.					
Circulation	\$ 123,744,682	\$ 120,365,786	\$ 118,234,359	+\$ 3,378,896	+\$ 5,510,223
Demand deposits	348,732,830	348,284,206	389,856,507	+ 448,624	- 41,123,677
Notice deposits	659,806,682	658,401,501	621,511,207	+ 1,405,181	+ 38,295,475
Foreign deposits	90,866,894	100,981,564	100,892,180	- 10,114,670	- 89,384
Total liabilities	1,328,854,020	1,328,255,074	1,328,497,371	+ 598,946	+ 356,649
ASSETS.					
Specie	\$ 62,228,400	\$ 65,562,226	\$ 44,386,542	-\$ 3,333,736	+\$17,841,948
Dominion Notes	121,023,100	110,688,842	90,111,738	+ 10,334,258	+ 30,911,362
Deposit in Central Gold Reserve	13,000,000	10,950,000	7,373,977	+ 2,050,000	+ 5,626,023
Securities held	103,963,592	104,274,741	106,437,013	- 311,149	- 2,473,421
Canadian call loans	70,201,939	70,063,414	71,118,255	+ 138,525	- 916,316
Foreign call loans	81,201,671	89,521,589	93,346,810	- 8,319,918	- 12,145,139
Canadian current loans	816,623,852	826,514,621	862,313,367	- 9,890,760	- 45,689,514
Foreign current loans	42,040,716	41,347,231	58,171,884	+ 693,485	- 16,131,168
Loans to municipalities, etc.	47,316,076	44,338,873	37,846,369	+ 2,977,203	+ 9,469,707
Total assets	1,577,919,069	1,577,927,202	1,575,550,980	- 8,133	+ 1,368,089

THE ROYAL BANK OF CANADA

INCORPORATED 1869

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

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Nassau, Bahamas. St. George's, Grenada.
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Georgetown and New Amsterdam, British Guiana.
Belize, British Honduras.

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Princes St., E. C.

NEW YORK,
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The Dominion Bank

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W. D. MATTHEWS, Vice-President

C. A. BOGERT, General Manager

TRUST FUNDS SHOULD BE DEPOSITED

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

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

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

THE BANK OF TORONTO

Incorporated 1855.

Head Office: TORONTO, Canada.

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

Directors

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The Accounts of

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THE BANKS' MUNICIPAL LOANS.

The extent to which the Canadian municipalities have been affected by their temporary inability to make arrangements for permanent financing, whether at home or abroad, is shown by the great rise in the banks' loans to these authorities. At the end of October, the loans of the banks to cities, towns, municipalities and school districts totalled \$47,316,076, a new high figure since these loans were first separately reported in July, 1913.

During October, these loans increased by \$3,000,000, while in the period covered by the war, since the close of July, they have risen no less than eleven millions. At April 30 last, they were as low as \$30,168,812, so that in the six months to the end of October they rose over 17 millions. Thus prior to the outbreak of war, the municipalities found some difficulty in arranging permanent financing and increased their indebtedness to the banks over six millions in three months.

PROBABLE LARGE OUTPUT OF SECURITIES.

Doubtless the banks' loans to the municipalities since the outbreak of war have been in part provided for through the issue of Dominion notes against the deposit of approved securities with the Canadian Treasury. It may be anticipated that with the first signs of ability to borrow from permanent investors, there will be a large output of Canadian municipal securities on the market. Doubtless arrangements will be made by a number of the larger municipalities to issue short or fairly short term securities with the idea that while they will have to pay a high rate of interest at present, in the future they may be able to get their securities back to a lower interest level. Generally speaking, the recent experience of Canadian municipalities in regard to short-term borrowing is not encouraging. Mainly, however, this has been owing to the fact that a good many municipal authorities declined to adjust their vision to changed economic circumstances and insisted upon higher prices for their permanent debentures than conditions warranted. In these cases short term borrowing merely became a method of transferring themselves from frying pan to fire, since conditions from the borrower's point of view gradually grew worse, and so far from short-term financing tiding the municipalities over to a period when they could issue their long-term obligations more favorably, in a number of instances the best they could do was to renew the short-term financing at higher rates.

DEMAND FOR CAPITAL.

As a result of this expensive experience, it is to be hoped that the majority of Canadian municipal authorities will have learnt the lesson that if they want funds, they must be prepared to pay the current market rate of interest for them, and that expert advice is worth giving heed to. It is certain that the five years following the conclusion of the war will

be a period of great demands for capital, both for construction and trade purposes, and it will accordingly command high rates of interest. Canadian municipalities, like other borrowers, will have to be prepared to pay for their funds accordingly.

The following table shows in detail the fluctuations of the bank's loans to municipal authorities during the past year:—

October, 1914	\$47,316,076
September	44,338,873
August	39,664,534
July	36,372,334
June	37,260,571
May	33,689,577
April	30,168,812
March	31,890,843
February	30,372,854
January	29,301,620
December, 1913	30,518,573
November	25,173,817

THE BANKS' RESERVE POSITION.

The reserve position of the Canadian banks weakened slightly in October, but it is still very strong at 25.3 p.c. against 21.5 per cent. at the corresponding date a year previously. The ratio at the end of September was 25.9 per cent. The falling off in the proportion of reserve during October was mainly due to the decline in the banks' net foreign balances from \$47,824,000 to \$38,628,000 and the fall in foreign call loans from \$89,522,000 to \$81,202,000. These declines more than offset the further rise of 10½ millions in Dominion notes to a total of over \$121,000,000, this advance being in part, probably due to the pledging of securities as provided for by the recent emergency legislation.

GREAT BRITAIN'S ECONOMIC POSITION.

Mr. Edgar Crammond, a well known English statistician refers in the *Quarterly Review* to the inevitable cost to be met and the provision made for the cost of the war in increased budgets, heavier taxation and large loans carrying increased interest charges. On the eve of the outbreak he estimated the national wealth of the United Kingdom at \$80,000,000,000 and the national income at \$10,000,000,000. "Taking the most unfavorable view possible," he says, "namely, that at the end of the war we find we have lost in direct and indirect expenditure, say, half a year's income, and, say, one sixteenth part of our capital, we shall still be a very rich nation." Relatively, he says, Great Britain will be far richer than it was at the beginning of the war; and, provided it keeps the sea, it may "rest under the absolute certainty" that it will be at the conclusion of the war "in a better position than any other power—not excepting the United States—to take full advantage of the vast expansion of trade which experience of all previous wars justifies us in believing will take place throughout the world." His final conclusion is that "six months of universal war will involve an expenditure well over £2,000,000,000, apart from the many millions of capital destroyed," but the result will be to "revolutionize the method of conducting many businesses" in Great Britain, and "have far-reaching effects upon the method of financing international trade and the adjustment of international trade balances."

National Trust Co.,

LIMITED

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RESERVE	-	1,500,000

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NOTICE is hereby given that a Dividend of Two Dollars per Share on the Capital Stock of this institution has been declared and will be payable at its Head Office, in this City, on and after Saturday, the 2nd January next, to Shareholders of record at the close of business on the 15th December next.

By order of the Board,
A. P. LESPERANCE, Manager.

Montreal, November 23rd, 1914.

The Trust and Loan Co.

OF CANADA

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

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

30 St. James St., Montreal

MORE HURRIED INSURANCE LEGISLATION.

A fortnight ago, THE CHRONICLE published an editorial discussing the question of hurried insurance legislation, and gave some instances of the objectionable kind of thing which insurance companies have to put up with, both in Canada and elsewhere. Since the publication of that editorial, there have been brought to our attention further Canadian instances of hurried legislation. The circumstances are of a remarkable character and deserve the fullest publicity as examples of how not to legislate.

STATUTORY CONDITIONS.

In the early September of this year, the Insurance Superintendents of the four western provinces, Manitoba, Saskatchewan, Alberta and British Columbia, held a joint conference, the announced purpose of which was to make portions of the insurance legislation of the four provinces generally identical in terms. Among the questions considered were the statutory conditions affecting policies, the western Superintendents apparently taking as their model in regard to these conditions, those already existing in Ontario. Among the Ontario conditions is one to the following effect:—

"If the assured has any other insurance on any property covered by this policy which is not disclosed to the company or hereafter effects any other insurance thereon without the written assent of the company, he shall not be entitled to recover in excess of sixty per cent. of the loss or damage in respect of such property....."

A good deal of thought and experience having shown fire underwriters the extraordinary problems arising from the operation of this clause, the committee of the All-Canada Fire Insurance Federation decided to address the western Superintendents on the subject. Accordingly, Mr. T. L. Morrisey, the chairman of the committee, sent a night letter to the Saskatchewan Superintendent of Insurance at Regina, where the western Superintendents were holding their meeting, which put the problems set up by this statutory condition as follows:—

This condition is inconclusive. It does not say how the sixty per cent. will be paid. Suppose a stock valued at fifteen hundred dollars insured Company A one thousand dollars, value increased to three thousand dollars, insured Company B one thousand dollars, neither Company notified. Loss one hundred dollars sustained. Condition fixes amount recoverable sixty dollars and as each Company in same position presumably each Company pays half. But suppose Company B had been notified—how would they contribute? Would Company B be entitled to benefit by condition. Company A might claim that having no notice of other insurance it was only liable for its share of sixty per cent., or that other policy being valid and loss within sixty per cent. it should pay all. Why should Company B benefit? If not would it pay balance of loss after Company A liability of thirty dollars, say seventy dollars, or only its pro rata proportion of the loss, fifty dollars?

Suppose another case: Dwelling worth ten thousand dollars insured for seven thousand. Assured decides to carry eighty per cent., and effects one thousand in another Company. Dwelling destroyed. Cannot recover more than six thousand. How would second policy contribute if notified and if not notified. Or suppose stock worth five hundred

insured Company A three hundred without notice, another policy three hundred Company B with notice. Loss three hundred. Who pays and how?

These complications can be multiplied innumerable. Better far stick to old plan—other insurance without notice voids policy.

OTHER OBJECTIONS.

The objections to and complications arising from the use of this Statutory Regulation as it at present exists in the Ontario law were thus put clearly before the Insurance Superintendents. In the same night letter, observations were also made on several other of the statutory regulations as they exist in Ontario for the benefit of the Superintendents, who were considering their adoption in the western provinces. With regard to a provision insisting on fifteen days' notice to the insured in writing instead of seven when a company wishes to terminate the insurance, the night letter said:—

"Why make it easier for the firebug? A Company only wants to get off quick where it fears moral hazard. It would be in public interest to enable it to get off more quickly rather than grant longer delay."

Again, another Ontario regulation provides that proof of loss may be made by other than the insured, on which it was pointed out that it is against public policy to provide for proof of loss by someone who may not know.

NO NOTICE TAKEN.

Thus on three points at least, the fire underwriters put forward arguments for consideration by the western insurance Superintendents in conference, the force and appositeness of which it might be expected would be appreciated by the Superintendents. The underwriters pointed out that the 60 per cent. regulation in its present form is ridiculously inconclusive, that by another regulation the firebug is distinctly encouraged and that a third is against public policy. It would naturally be imagined that having had the matters in question thus cogently put before them, the Superintendents, if they were not convinced, would at least have intimated their desire to discuss the matter further and not act precipitately on points to which, as they had been made aware, serious and well-founded objections were raised by parties keenly interested.

Not a bit of it. *The night letter was not even acknowledged.* After waiting several days, Mr. Morrisey wrote to the Saskatchewan Superintendent, mildly suggesting that he was interested to know what had taken place. A further interval of time elapsed, and then the Superintendent wrote back blandly stating that the new legislation had passed the Saskatchewan legislature—it was assented to on September 24.

The new legislation embodies, of course, all the points to which the fire underwriters took objection.

CANADA PERMANENT MORTGAGE CORPORATION

QUARTERLY DIVIDEND

Notice is hereby given that a Dividend of TWO and ONE-HALF PER CENT for the current quarter, being at the rate of

10 PER CENT PER ANNUM

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable on and after

SATURDAY, THE SECOND DAY OF JANUARY

next, to Shareholders of record at the close of business on the fifteenth day of December.

By order of the Board,

GEO. H. SMITH, *Secretary.*

Toronto, November 25th, 1914.

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THE CHRONICLE, MONTREAL

ESTABLISHED 1809

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

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North British and Mercantile

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Capital Subscribed	-	-	-	-	-	£31,304,200
Capital paid up	-	-	-	-	-	5,008,672
Reserve Fund	-	-	-	-	-	3,600,000
Advances, &c.	-	-	-	-	-	56,159,957
Deposits, &c.	-	-	-	-	-	105,210,059

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Eng.



The underwriters might as well have saved themselves the trouble of pointing out their objections to the western Superintendents for all the effect they had. Within a fortnight of the western Superintendents' meeting, this new Saskatchewan legislation was shoved through a legislature which knew nothing about the subject—and the fire underwriters were not even informed that it was to be put through!

ALBERTA'S LEGISLATION.

Since the meeting of the western Superintendents, the Alberta legislature has also been busy in turning out new legislation, assented to last month. The method by which this was done may be judged from the fact that none of the fire insurance men in Winnipeg, the western centre of fire insurance, were advised that this legislation was going through, and it was not until nearly a month afterwards that the fact became generally known. A curious fact about the new Alberta legislation is that the statutory conditions, as passed, have several variations to the statutory conditions agreed on at the meetings of Insurance Superintendents. So that the Superintendents' conference has apparently failed of its announced object to make legislation uniform. Most of the changes in comparison with the Saskatchewan legislation are verbal changes, but in view of the subtleties of legal interpretation cannot be said to be unimportant on that account. Beyond these, the Alberta legislation in one respect is amazing—it makes the fire companies responsible for loss by tempest. Statutory Regulation 15 of the new Alberta law reads as follows:—

"The company will make good loss or damage caused by the explosion of coal or natural gas in a building not forming part of gas works, and loss or damage by fire caused by any other explosion or loss or damage caused by lightning or tempest whether fire ensues therefrom or not. . . ."

That is to say, fire companies in Alberta are to be called upon to pay a loss if a window is left open, a storm of rain comes on, and driving in the window damages the wall-paper! Equally they may be called upon to pay such a cyclone loss as that at Regina, Sask., on Dominion Day two or three years ago when damage was done to the extent of hundreds of thousands of dollars.

A SURCHARGE IMPOSED.

The first effect of this legislation has been to cause the Board fire companies to impose an extra premium of fifty cents per hundred per year as from January 1st next, with double the amount on policies issued for three years—which is certainly an efficacious way of bringing home to the public the absurd action of the Alberta legislature. Over and above this, however, the hurried legislation of the Alberta authorities raises all kinds of thorny questions. The charters of many companies which transact fire insurance do not empower them to transact insurance against the tempest risk. Again, many insurance companies transacting business in Alberta hold a

license from the Dominion Government to transact fire insurance only. Has either of these classes of companies power to insure against the tempest risk? Webster defines the word "tempest" as "wind rushing with great violence, usually accompanied by rain, hail, etc.; hurricane, tumult." Legal opinion is to the effect that the word as used in the new statutory conditions would be construed by the Courts in accordance with its usually accepted definition and that it would include cyclone and tornado insurance and probably also hail insurance. So that a policy written and covering the new Alberta conditions would not only cover loss or damage caused by fire, but also loss or damage caused by lightning, tornado, cyclone or hail.

The companies, as stated above, are meeting this contingency by imposing a surcharge. But unfortunately, the effects of this hasty and ill-advised legislation cannot be well got rid of in this way, and it is probable enough that the fire companies will have to suffer the trouble and annoyance of legal proceedings in order to straighten out the complications introduced by legislators in a hurry.

A QUICK CLIMB-DOWN.

Since the above was written and as THE CHRONICLE goes to press, word comes from the Albert Superintendent of Insurance that the words "or tempest" will be eliminated from the statutory regulations by order-in-council. This quick climb-down is satisfactory. But as an example of hurried insurance legislation without apparently the least thought of the possibilities arising therefrom, the Alberta legislation of last month will be hard to beat.

NOT TOO PESSIMISTIC.

On this side of the Atlantic there has been a hope, stimulated by accounts that have been received as to the general realisation upon the American continent of the necessity for increased care in the prevention of fire, that the abnormal fire hazard prevailing over yonder would show some gradual abatement. But an article in a recent issue of the Montreal CHRONICLE would seem to prove that congratulations were somewhat premature. Moral hazard is the present fly in the ointment, and we are told that it is probable that there will be during the coming winter a considerable increase in this risk. The curious code of morality always prevalent in some quarters, reinforced by the argument of poor trade, forces the expectation "That a number of people dishonestly inclined will avail themselves of any opportunities there may be of obtaining ready cash from the insurance companies." This is not encouraging reading, and it is sincerely to be hoped that the writer is taking a far too pessimistic view of the immediate future. In case not, perhaps the advice given to local agents and inspectors, to carefully note the condition of property proposed to be insured and the position of those endeavouring to secure insurance upon property, will prove efficacious.—*London Insurance Record.*



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

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AGAINST THE TAXATION OF LIFE INSURANCE.

The official intimation that the Canadian Life Officers' Association have decided to put up a stern legal fight in the Courts against the gross impositions of the majority of the Canadian Provinces in the matter of taxation upon life insurance premiums is welcome news to life insurance men. The impositions of the provincial governments in this connection have been allowed to go on too long practically unchecked. On no theory of sound taxation, can these impositions be defended; these taxes have been imposed simply and solely for the reason that they are easy to collect. Everybody who takes two minutes to think about the matter must be aware that these taxes are in reality taxes on thrift. To every policyholder in each one of seven Canadian provinces, the provincial government says in effect:—"You must be penalised for your efforts to provide for your family or your own old age," and the penalty is a stiff one—one per cent. in the case of five provinces, 1¾ per cent. in the case of Ontario and Quebec. The following are the details of this taxation throughout Canada:—

ALBERTA.

Tax on premium income of 1 per cent.

BRITISH COLUMBIA.

Tax on premium income of 1 per cent.

MANITOBA.

Tax on premium income of 1 per cent.

NEW BRUNSWICK.

No tax on premium income of life companies, which pay an annual tax of \$250 to the province.

NOVA SCOTIA.

Tax on premium income of 1 per cent.

ONTARIO.

Tax on premium income of 1¾ per cent.

PRINCE EDWARD ISLAND.

No tax on premium income of life companies, which pay an annual flat rate tax of \$225 to the province.

QUEBEC.

Tax on premium income of 1¾ per cent., with a minimum of \$400.

SASKATCHEWAN.

Tax on premium income of 1 per cent.

Only two provinces, it will be seen, New Brunswick and Prince Edward Island, do not impose this tax, which it must be remembered is above and beyond taxation upon the companies' investments, fees for registration, etc., which in themselves are a considerable burden.

INDIRECT TAXATION.

While the Life Officers' are reinforced by legal opinion in the decision they have now taken, to fight these impositions, the general basis of their attack has not been declared. Some interesting indications on this point were, however, given in a recent address by Mr. T. B. Macaulay, managing director of the Sun Life of Canada, and president of the Canadian Life Officers' Association to life underwriters. Mr. Macaulay then said in part:

"We in Canada are governed by the British North America Act by which our Confederation was formed, and that Act sets forth exactly what are the

powers of the Dominion and of the provinces respectively. Under its provisions the Federal Government has power to impose taxation of any form without restriction, but the provinces have power to impose only direct taxes as distinguished from those that are indirect. The question arises, what is direct taxation? By a decision of the Privy Council, the definition given by John Stuart Mill has been formally adopted, that being the definition in the minds of the framers of the Confederation, that direct taxation is taxation which shall actually bear on the party upon whom the tax is levied and the burden of which cannot naturally be passed on to third parties. For instance, a tax on real estate is direct. A tax on a man's income is direct; it will be borne by the person upon whom it is levied. Indirect taxation, on the other hand, is a tax which is not intended, in the end, to be borne by the person upon whom it is levied, but to be, in reality, paid by others. For example, a customs tax is nominally paid by the importer, but no one expects that the importer will pay that tax out of his own pocket. He is expected to add the tax to the price of the goods so that it will fall on the consumer. Now the question has arisen whether a percentage tax on insurance premiums is direct or indirect.

A PREVIOUS VICTORY.

If it is a direct tax we can only submit; if it is indirect, then the province has no power to levy such a tax, and the legislation can be overthrown. We already have some backing to our contention that this tax is indirect and, therefore, *ultra vires*. In 1876 the Province of Quebec proposed a stamp tax of 1 per cent. on insurance premiums collected in the province, and special stamps were attached to every receipt, the amount thereof being usually added to the premium. The constitutionality of this tax was questioned and the Privy Council in the case of Parsons vs. the Queen, decided that it was indirect and could not be levied, and that the companies, or rather the policyholders, were entitled to get back from the Government what they had paid on the production of the stamps. For a few years thereafter we had no fresh taxation, and then our provinces began to follow the example of the States to the south of us, and we had these taxes levied upon premiums, not in the form of stamps, but as one sum to be paid by each company. This tax was not opposed, largely because of inertia."

The period of inertia has now come to an end. It will be a great victory in the policyholders' interest if eventually the provinces get the same kind of shaking-up as a result of this fight as they have lately had in the John Deere Plow case.

ROYAL EXCHANGE ASSURANCE.

Mr. Vivian Hugh Smith, of Messrs. Morgan, Grenfell & Company, has been appointed Governor of the Royal Exchange Assurance of London, succeeding the late Sir Nevile Lubbock. This Royal Exchange Assurance is well known in Canada, its growing business in the Dominion being under the management of Mr. Arthur Barry, Montreal.

The Bank of England yesterday continued its official rate of discount at 5 per cent.

COMMERCIAL UNION

ASSURANCE COMPANY LIMITED
of LONDON, England

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

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

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—

**Commercial Union Building,
MONTREAL**

J. McGREGOR,
Manager

W. S. JOPLING,
Assistant Manager

PALATINE

INSURANCE COMPANY LIMITED
of LONDON, England

(As at 31st December 1913)

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

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

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—

**Commercial Union Building,
MONTREAL**

J. McGREGOR,
Manager

W. S. JOPLING,
Assistant Manager

SUN INSURANCE OFFICE

FOUNDED A.D. 1710.

Head Office:

Threadneedle Street - London, England
**THE OLDEST INSURANCE
OFFICE IN THE WORLD.**

Canadian Branch:

15 Wellington Street East, Toronto, Ont.

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

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

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

ESTABLISHED 1824

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

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

JAMES H. BREWSTER, Manager

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

THE CANADA NATIONAL FIRE INSURANCE COMPANY.

Authorized Capital	\$3,000,000.00
Subscribed Capital	2,065,400.00
Paid in Capital	1,100,000.00
Assets,	1,405,786.00
SURPLUS TO POLICY HOLDERS	1,305,054.00

Board of Directors:

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

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

General Fire Insurance Business Transacted

Business Solicited Prompt Settlement of Losses
Liberal Policy

Head Office, 356 MAIN STREET, WINNIPEG

INSURANCE

Phoenix of Hartford Company

Total Cash Assets	: \$71,404,634.79
Total Losses Paid	: 70,700,545.46

J. W. Tatley, Manager,
MONTREAL.

Applications for Agencies Invited.

MUTUALIZATION AND LIFE RATES.

Thoughtful life underwriters are beginning to speculate on the probable effects of the mutualization of the two great American industrial companies on premium rates of life insurance. By their mutualization, all the new policies of the two companies will be participating, while issued at the present non-participating rates, which will give their field men a decided advantage in competition with those of other companies. Not that the ultimate net cost of the insurance will necessarily be lower in the two companies than that of the insurance written by their competitors, but their agents will be able to use all of the arguments in favor of a low first cost, and hold forth the expectation of a dividend as well. The analysis given in the Brown Book of Life Insurance Economics of the profits made by the life companies shows, says a Boston journal, that one of the leading non-participating ordinary companies has derived very handsome returns from this business, so that a dividend on the new business of the two industrial companies may safely be promised even at stock rates. The question is whether the non-participating companies will not be obliged to reduce their rates, and thus suffer a corresponding loss of profit to meet this new competition, and whether also the steady downward trend of the premium rates on the participating business of the mutuals will not be accentuated, though in this case the ultimate net cost of the business would be unaffected. Admitting the force of all that may justly be urged in favor of high premium participating insurance, the outlook is that the new competition must force these rates down, for it can hardly be assumed that the two industrial companies will increase their present rates. Furthermore, it would seem a logical deduction from the present situation that it will have the effect of hastening the day when non-participating life insurance will have become a thing of the past.

ST. PAUL FIRE AND MARINE INSURANCE COMPANY.

The St. Paul Fire and Marine Insurance of St. Paul, Minnesota, of which Mr. George A. Sherritt is Canadian superintendent of agencies, is issuing a novel souvenir in the shape of a statue of the apostle whose name the Company bears. Artistically, it is an admirable production and will be much appreciated by those who receive it. At the same time the hope may be expressed that the Company's association in this manner with its saintly namesake does not indicate that sooner or later, it will meet with his fate!

An agent of our acquaintance on whose office desk one of these statues now rests was a little dubious at first as to whether the Saint's sword was a sign of the Company's intention to cut rates, but was entirely reassured on being informed that it was on the contrary simply a symbol of an intention to cut its way through to further success. The same agent opines that the fact that the second toe of St. Paul's right foot is shown to be larger than the other is a sign that he was hen-pecked—which may be a tip for the higher critics who are puzzled over the Saint's references in his writings to a "thorn in the flesh."

CANADIAN FIRE UNDERWRITERS' ASSOCIATION.

The semi-annual meeting of the C. F. U. A. was held in Montreal on Wednesday and Thursday this week, under the Presidency of Mr. J. Gardner Thompson (Liverpool & London & Globe). There was a large attendance and a considerable volume of important business was brought before the meeting for discussion.

The following out of town members of the Association were present:—Mr. A. M. M. Kirkpatrick and Mr. J. R. Stewart (Ætna) Toronto. Mr. W. E. Baldwin (Fidelity-Phenix) New York. Mr. T. H. Hall (General of Perth) Toronto. Mr. H. B. Churchill and Mr. W. Robins (German-American) New York. Mr. E. M. Garrow (British America) Toronto. Mr. P. A. McCallum (Hartford) Toronto. Mr. Lyman Root (Imperial Underwriters) Toronto. Mr. Alfred Wright (London & Lancashire Fire) Toronto. Mr. C. C. Hall (National of Hartford) Toronto. Mr. T. D. Richardson (New York Underwriters) Toronto. Mr. J. Murphy (Niagara) Toronto. Mr. J. B. Laidlaw (Norwich Union) Toronto. Mr. George A. Sherritt (St. Paul) Toronto. Mr. W. H. Frankum and Mr. E. M. Foot (Scottish Union) Hartford, and Mr. John Sime (Western) Toronto.

THE SUICIDE RECORD.

Mr. Frederick L. Hoffman's annual analysis of the American suicide record shows a rate in one hundred American cities of 18.7 per 100,000 population against 19.7 per cent. for the period 1903-12. The smaller cities, *i.e.*, those under 250,000 population have a suicide rate almost identical with those of the larger cities where the stress and strain of life, it is generally assumed, are much greater. A maximum suicide figure for American cities was attained in 1908, when the rate reached 21.8 per 100,000 of population. The rate of 18.7 for the year 1913 was the lowest on record since 1903, with the exception of 1906. A diminishing suicide rate may be safely assumed to reflect in a general way an improvement in the social and economic condition of the country.

GOING TO THE FRONT.

Lieutenant W. C. G. Burton Thompson, of Vancouver, B.C., expects to leave for England en route for the front, to do his duty in defence of the Empire, with the Highland regiment, now being formed in Vancouver, to accompany the next contingent. This officer is the oldest son of Mr. J. Gardner Thompson, manager for Canada of the Liverpool & London & Globe Insurance Company, who is also president of the Canadian Fire Underwriters' Association.

It will be found at the end of the present war that insurance men in Canada as well as in other parts of the British Empire, will have done their duty.

The Gresham Life Assurance Society, Limited, has made a gift of a motor ambulance to the Red Cross Society for service at the front.

* * * *

The New York State insurance report shows the premiums of all stock fire insurance companies for 1913 as \$321,554,973 and underwriting gain on same \$5,145,980. The emergency war tax will amount to not less than \$2,500,000, or about 50 per cent. of the underwriting profit for the year.



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



PERSONAL ACCIDENT SICKNESS FIDELITY GUARANTEE **PLATE GLASS AUTOMOBILE GENERAL LIABILITY**
 Head Office: TORONTO.
 Montreal, 164 St. James Street. Quebec, 81 St. Peter Street.

THE YORKSHIRE INSURANCE COMPANY, LIMITED

ESTBD. 1824

YORK, ENGLAND

ASSETS EXCEED \$20,000,000

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

CANADIAN DIRECTORS { Hon. C. J. Doherty
 G. M. Bosworth, Esq. Alphonse Racine, Esq. Canadian Manager,
 Alex. L. MacLaurin, Esq. P. M. WICKHAM, Montreal

ROYAL EXCHANGE ASSURANCE

Founded A.D. 1720

Losses paid exceed \$235,000,000

Head Office for Canada
 Royal Exchange Building
 MONTREAL

ARTHUR BARRY, Manager

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



Head Office: Royal Exchange, London

THE LIFE AGENTS' MANUAL - \$3.00

Published by The Chronicle, Montreal

INSURANCE COMPANY OF NORTH AMERICA

FOUNDED 1792.

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

THE LAW UNION & ROCK

INSURANCE CO. LIMITED, LONDON. Founded in 1806

Assets Exceed - \$48,500,000.00

Over \$12,500,000 invested in Canada.

FIRE and ACCIDENT RISKS accepted.

Canadian Head Office: 57 Beaver Hall Hill.

MONTREAL.

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

MOUNT ROYAL ASSURANCE COMPANY

PAID UP CAPITAL \$250,000.00
TOTAL FUNDS 729,967.36
NET SURPLUS 202,041.02

The NATIONALE FIRE INSURANCE COMPANY OF PARIS, FRANCE.

SUBSCRIBED CAPITAL \$2,000,000
TOTAL FUNDS 7,491,390
NET SURPLUS 1,867,160

AGENTS WANTED IN UNREPRESENTED DISTRICTS.

HEAD OFFICE FOR CANADA - - - MONTREAL.

J. E. CLEMENT, General Manager.

H. H. YORK, Inspector for Ontario.

L. C. VALLE, Inspector for Quebec.

MONTREAL LIFE UNDERWRITERS' MEETING.

The last regular meeting for the year of the Montreal Life Underwriters' Association, was held on November 26th, at Cooper's Restaurant, under the chairmanship of Mr. G. E. Williams, the attendance being 41.

The minutes of the last meeting having been confirmed, the chairman introduced "Captain" J. F. Weston, managing director of the Imperial Life, who has been appointed to command a section of the Toronto Home Guard composed of assurance men. Mr. Williams regretted that a similar organization of assurance men had not taken place in Montreal. "Captain" Weston's progress from salesman to managing director then received attention, and his great services to the underwriters' association movement were recalled.

Mr. Weston in reply said that the beneficial effects of the Association movement were patent to all who had been many years in the business, and needled no elaboration in his remarks.

Referring to the minutes of the last meeting, he expressed great dissatisfaction with the Ontario License Act, and disclaimed any responsibility therefor. His efforts had been directed towards a reduction in the license fee, which was placed at \$5. It had been reduced to \$3. The main objection to the Act was that it gave no return in value for the fee charged. Mr. Weston was wholly in sympathy also with the complaint that non-residents were unable to do business in Ontario.

The allusion in the minutes to a state of jealousy between Head Offices caused his statement that such a condition had vanished, and that the officers of the various companies now acted in complete harmony. He hoped that a similar harmony existed among the field men; if not, it should.

As regarded legislation, his opinion was strongly in favor of conserving the Federal legislative rights, and against transferring them to the Provincial authorities.

Discussing the prevailing business depression, he recalled the fact that life companies almost always do well under such conditions, and mentioned the partial explanation that agents could select as a field of operations those lines of business least affected. At the present time, also, some lines were doing very well indeed—for example, farm products and livestock.

Mr. Williams warmly thanked the speaker for his helpful address, and called for expressions of opinion on present conditions. Mr. Dingman told how he had written nearly \$80,000 of business in about six weeks in rural districts, business obtained by preaching the gospel of protection. Mr. L'Esperance told how business could be had in Montreal by hard work; Mr. Schneyer confirmed this, and explained that he had done well among real estate and clothing men; Mr. McCuish found business as good as usual; and Mr. Butler had been very successful through advising his agents to canvass rural communities. After this general expression of optimism the meeting adjourned.

IMPERIAL BANK OF CANADA.

Mr. E. Hay, who has been appointed general manager of the Imperial Bank of Canada to succeed the late Mr. D. R. Wilkie, has been in the service of the Bank since its inauguration and received its first deposit. He is a most popular Banker.

MR. GOLDMAN ON THE SITUATION.

Interesting views on the life insurance and general financial situation are given by Mr. L. Goldman, the well-known vice-president and managing director of the North American Life. Until recently, says Mr. Goldman, life business had been excellent. But within the past two or three weeks, he states, there has been a decided falling off in new business, and at the same time there has been indicated an increased demand for policy loans.

There has been a remarkable increase in terminations—policyholders dropping out from various causes—during the past few weeks. This is particularly the case with regard to lapses, where premiums have not been paid, the number being greater than has been noted for many years. These lapses are to a greater extent in Western Canada than in the East. When policies have come to a natural termination it is noticed that there has developed a demand for cash payments in full rather than for paid up policies.

INVESTMENT POSITION SOUND.

Interest payments have been found to be excellent—so far they have been beyond expectations, and here Mr. Goldman points out that the policy of his company had always been a very conservative one. The position of the company was never stronger than to-day, and, after a careful review of the securities held, he has not the slightest anxiety with regard to any of the mortgages, debentures, stocks or bonds. Despite the difficulties of the financial situation, he anticipates that the year will be one of the best that the company has ever had.

The company has not been pressing for payment of mortgages. A policy has been adopted that where mortgages are due, and where the interest is paid, the principal will be allowed to run. Of course, there may be some exceptions to this, but, being satisfied that Canadian security remains good, the company is not pressing for payments. Notwithstanding this attitude of the company, Mr. Goldman states that the payments of principal have been satisfactory beyond what could have been expected.

AN OPTIMISTIC VIEW.

The remarkable condition of to-day, in Mr. Goldman's mind is not that the situation is as bad as it is, but that it is not much worse. He points out the pace at which Canada had been living, the debt that was being piled up, and then, just when the settlement call was strongest, came a world disaster, rending the whole fabric of commerce and finance. And yet the damage which had been done is comparatively small; Canada is weathering the storm in splendid shape when all things are considered. There have been some failures—and there will be more—but Mr. Goldman believes that this had to be.

For the future he can see nothing but prosperity. The country must develop. There may be a handicap for some comparatively short time, but out of it all will be a readjustment that will bring a real prosperity on a solid economic basis. Real estate values must be readjusted, and rents must be reduced and people must live more closely to their means.

The Union of Manitoba Municipalities wants the Provincial Government to devise a scheme by which the municipalities' debentures can be realised upon to better advantage than at the present time.

THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated : 1833.

HEAD OFFICE : TORONTO

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

DIRECTORS:

W. R. BROCK, President

W. B. MEIKLE, Vice-President

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

GEO. A. MORROW
AUGUSTUS AYERS
FREDERIC NICHOLLS
JAMES KEIR OSBORNE
COL. SIR HENRY M. FELLATT
E. R. WOOD.


W. B. MEIKLE,

General Manager

E. F. GARROW,

Secretary

THOMAS F. DOBBIN, Resident Manager
MONTREAL



NORWICH UNION
FIRE INSURANCE
SOCIETY LIMITED
Norwich, England

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

L'UNION

FIRE INSURANCE COMPANY, Limited
Head Office : PARIS, France.
Established 1828

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

Canadian Branch:
LEWIS BUILDING 17 ST. JOHN STREET, MONTREAL
Manager for Canada :
MAURICE FERLAND

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
& BARCOS,
TORONTO, Ont.
OSLER, HAMMOND & NANTON,
Winnipeg, Man.
ALFRED J. BELL,
Halifax N.S.
AYRE & SONS, LTD., St. Johns, Nfld.

JOHN WM. MOLSON
& ROBERT Y. HUNTER
Montreal Que.
WHITE & CALKIN,
St. John, N.B.
EDMUND T. HIGGS,
Charlottetown, P.E.I.

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

Established 1859

The London Mutual Fire Insurance Co.

of CANADA
ACTIVE AGENTS WANTED
for MONTREAL CITY.

PROVINCE OF QUEBEC BRANCH
W. J. CLEARY, R. de GRANDPRE,
Provincial Manager Inspector
LEWIS BUILDING, 17 St. John Street,
MONTREAL

LIABILITY UNDER POLICY OF RE-INSURANCE.

AN IMPORTANT JUDGMENT—RE-INSURANCE AN INDEPENDENT CONTRACT, NOT A CONTRACT OF INDEMNITY.

The recent case of the Australian Widows' Fund Life Assurance Society, Limited, v. The National Mutual Life Association of Australasia, Limited, deals with the liability of an insurance company under a policy of re-insurance.

The case is of considerable interest, and, in view of the fact that it was held that the policy of re-insurance in question was an independent contract and not a contract of indemnity, shows the importance which attaches to the terms of a policy drawn up for the purpose of re-insuring a risk.

The case was an appeal to the Judicial Committee of the Privy Council from a judgment of the High Court of Australia, affirming a decision of the Supreme Court of Victoria, which had set aside a judgment of Chief Justice Madden, of Victoria. It was held that the appellants were not liable under the policy.

THE MATERIAL FACTS.

The material facts are as follows: The National Mutual Life Association of Australasia having granted to one Patrick Moran a policy of assurance on his life for £5,000 with profits, re-insured his life with the Australian Widows' Fund Life Assurance Society for the same amount without profits, the liability of the re-insurers being expressly limited to what was paid, irrespective of bonus additions, under the original policy.

The original policy was dated 2nd January, 1908. It recited that the assured had lodged with the association a proposal and declaration and had made a personal statement to a Medical Officer of such association, which proposal, declaration, and personal statement formed the basis of this contract. By the operative part of the policy the association contracted to pay the sum assured or other the moneys payable thereunder within one calendar month after the death of the assured, with a proviso postponing payment until such proof of the identity of claimant, the validity of the claim, and the age of the assured, as the directors should consider necessary had been deposited with the association. The policy contained a clause to the effect that the policy should be avoided and all moneys paid thereunder forfeited to the association in any of the events therein specified, that was to say (a) if any premium should be unpaid for 30 days after it became payable, but so that if the policy had a surrender value such surrender value should be applied by the directors in payment of the premium in arrear; (b) if the proposal or any document on the faith of which the policy was granted contained any untrue statement, or if the person making the proposal had, with a view of obtaining the policy, made any false statement or been guilty of any concealment or misrepresentation. The policy also contained a clause reducing the sum assured and the amount payable in respect of profits, if the age of the assured had been understated.

THE RE-INSURANCE POLICY.

The policy of re-insurance was dated 29 January, 1908. It recited that the respondent association, having an interest in the life of the assured, had, by

a proposal and declaration dated 2nd January, 1908, applied to the appellant society to have such life assured in the appellant society by effecting a policy on such life payable within one month after proof of the death of the assured. It also contained a recital that the statements in the proposal and declaration, together with the statements contained in the personal statements made to two doctors, were the basis of the contract, and were deemed to be part of the contract therewith. It further contained a recital that the appellant society had agreed to accept the proposal of the respondent association. By the operative part of the policy the appellant society contracted that, in the event of the death of the assured while the premiums under the policy were duly paid, the society would pay to the association £5,000 within one calendar month after such evidence as the board of directors of the appellant society might consider necessary to establish the age, identity, and death of the assured had been supplied to the society.

PAYMENT IN SPITE OF PROTEST.

Patrick Moran died, and the respondent association having, notwithstanding the protest of the appellant society, paid to his legal personal representative £5,000, sued the appellant society for that amount under the policy of re-insurance.

The appellant society contended that its liability under the policy of re-insurance, as also the liability of the respondent association under the original policy, was conditional on the truth of certain statements made by Moran when he effected the original policy, and that these statements were false to his knowledge. The respondent association put the falseness of these statements in issue, and further alleged that whether the statements in question were true or false it had acted reasonably and in good faith in admitting and settling the claim on the original policy, and that the appellant society was, under the terms of the policy of re-insurance, bound by such settlement, and could not rely on the untruth of the statements in question.

(To be continued.)

BANKERS' ASSOCIATION NEW SECRETARY.

Mr. G. W. Morley, the new secretary of the Canadian Bankers' Association, has had a varied experience. From 1900 to 1906 he was in the service of the Canadian Bank of Commerce, becoming assistant accountant at Hamilton in the latter year. In December of the same year he resigned this post and elected to take a course in political science at Trinity College and the University of Toronto. After graduation in 1910 he was appointed accountant of the Canadian Bank of Commerce at Moose Jaw, one of the largest branches of that bank in the Northwest. In February, 1911, when a clearing house was opened in Moose Jaw, he was appointed manager. These two positions Mr. Morley held till September of the same year, when he resigned and decided to take a law course at Osgoode Hall. At the same time he was appointed to a position with the law firm of Bicknell, Bain and Strathy, where he gained valuable experience in the winding up of banks, such as the Ontario Bank and the Farmers Bank of Canada. After being called to the bar in May of this year he became one of the solicitors in the same firm which he had served when a law student.

LARGELY INCREASED DIVIDENDS

will be paid in January, 1915, to holders of Canada Life policies eligible to share in them at that date.

THE CANADA LIFE CAN DO THIS

because its earnings of surplus in the past five years have established new records in the history of Canadian Life Insurance.

HERBERT C. COX,
President and General Manager.

WANT A BETTER JOB?

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

For further particulars, write

THE
IMPERIAL LIFE ASSURANCE COMPANY
Head Office - TORONTO



WANTED
FOR MONTREAL AND DISTRICT
TWO OR THREE EXPERIENCED
SALESMEN.

RELIABLE MEN WITH A GOOD
CONNECTION CAN BUILD UP
A PROFITABLE AGENCY.

Apply to: Provincial Manager
QUEBEC BANK BUILDING, - MONTREAL
HEAD OFFICE - - TORONTO
EXCELSIOR LIFE INSURANCE CO

Representing

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

You will make money.

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

FOR TERMS TO PRODUCING AGENTS, ADDRESS:

George T. Dexter

2nd VICE PRESIDENT

34 Nassau Street New York, N.Y.

AGENCY APPOINTMENTS FOR 1915.

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

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

Apply direct to Head Office:

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

THE ENEMY UNDER COMPENSATION LAW.

An interesting compensation point which arose in consequence of the war has been decided in the Clerkenwell County Court, London, England, defining the rights of an injured German workman under the compensation act. Counsel for the employers said the man was awarded compensation at £1 per week in November last. The point his clients wanted to be certain about was whether the workman, being a German subject, was entitled to have his compensation continued. Counsel for the workman said his client was not a naturalized British subject, but he had been registered as an alien. The other side took up the attitude that the man was an alien enemy, and, therefore, they must not pay him. It was a pure point of law. The Treasury was of the opinion that there was nothing in the proclamation to prohibit payment of compensation. The judge held that the man was a registered German who was entitled to reside in England subject to restrictions, and it would be inconsistent with the principles of natural justice to take the view that such a man had no rights under English law. He must hold that the workman was entitled to enforce proceedings under the workmen's compensation act.

CANADA LIFE'S NEW CONCESSION.

The Canada Life announces a further concession to policyholders. It is well known that the automatic non-forfeiture clause, under which the policy is kept in full force and effect so long as there is a balance of value in it, is a purely modern idea. Older policies do not enjoy it, because it was thought of after they were issued. It has now been decided to extend this important privilege to all the Canada Life's premium-bearing policies, except term assurances, which are in force at time of applying for it. Agents have been supplied with the necessary forms and policyholders desiring to avail themselves of this valuable privilege are asked to get in touch with the nearest Canada Life agent, who will gladly complete and forward the form.

Doubtless this new evidence of Canada Life liberality will be appreciated by policyholders, and it is hoped they will generally avail themselves of it.

WESTERN AND BRITISH AMERICA ASSURANCE COMPANIES.

Sir Charles Johnston, who was elected last month Lord Mayor of London, has accepted a seat on the London boards of the Western and British America Assurance Companies. These old-established Canadian companies are exceedingly well known in Great Britain and held in high esteem by British insurance men by reason of their careful and conservative management.

Mr. J. R. Stewart, special agent Aetna Insurance Company, Toronto, spent a few days in Montreal this week.

* * * *

Mr. Robert Inman has been appointed supervisor of agencies for Ontario for the National Life Assurance Company of Canada. Mr. Inman has for the past five years been manager for South Africa for the Manufacturers Life and during that time made an enviable record for himself.

CANADIAN FIRE RECORD

(Specially compiled for The Chronicle.)

BRANTFORD, ONT.—Home of R. Hope, 217 Terrace Hill Street, damaged, November 23. Loss, \$100.

KINGSTON, ONT.—Tug *Shanley*, owned by Sowards Coal Co., destroyed, November 24. Loss, \$4,000; no insurance.

GUELPH, ONT.—Building at 17 MacDonnell Street, owned by G. Chamberlain, and occupied by A. Surbray as bakeshop, damaged, November 30.

MONTREAL—Grocery store of P. Charest, corner of De L'Epee Avenue and Lajoie Street, Outremont, damaged, November 30. Loss, \$2,500.

Premises at 200 St. Lawrence Street, damaged, November 27.

M. Schosberg's dry goods store, 844 St. Lawrence Street, damaged, November 27.

A. Cadotte's restaurant at 30 Lagauchetiere Street East, damaged, December 2. Origin, spark.

M. Payette's home, 626 Dorion Street, gutted, December 1. Fire originated in clothes press.

Stock of Brockton Shoe store, St. Catherine Street West, damaged, November 25, was insured in Hartford Fire.

DOMINION HOUSE FURNISHING LOSS.

The following are the details of insurance of Dominion House Furnishing Company, Mount Royal Avenue East, Montreal, whose premises were destroyed this week: On building, Montreal-Canada, \$5,000; loss \$4,500. On stock, Fidelity-Phenix, Continental, Fidelity Underwriters and Union, \$2,500 each. Total, \$10,000. Loss, total.

HARRISTON, ONT.—A. Brown's dwelling on George Street, destroyed in absence of family, November 20. No insurance.

WOODSTOCK, ONT.—J. C. Smart's barns near Springford, destroyed with contents, November 20. Loss partly covered by insurance.

CORNWALL, ONT.—Barns of L. David on Cornwall Island, destroyed with season's crops, farming implements and lumber. Loss, \$2,000. No insurance.

BELLEVILLE, ONT.—Balmoral Hotel block, Black's restaurant, and Amodas & Company's fruit store on Front Street, destroyed, November 25. Loss, \$35,000.

MACLEOD, ALTA.—Roseland Dairy's buildings and contents and stockyard destroyed, November 28. Fire originated in stack of green feed. Loss partly covered by insurance.

MONCTON, N.B.—Central Methodist Church, destroyed, November 24. Third church within three years destroyed in Moncton, by fire.

DRUMMONDVILLE, QUE.—The match factory loss on November 13 has been settled for \$1,400. Insurance, \$50,000 divided equally among following:—Guardian, Liverpool & London & Globe, Union of Paris, Mount Royal and Lloyds of London.

INGERSOL, ONT.—Old Royal Bank building, corner King and Thomas Streets, damaged \$2,000, November 30, also adjoining premises of G. Naylor & Co., clothing store (stock smoke damaged), J. C. Hegler, barrister, Ingersol Telephone Co. and W. Kirwin's apartment.

PEEL, N.B.—Fire destroyed railway station house and four warehouses stocked with potatoes and other produce, November 19. Loss, \$15,000; 40 p.c. covered by insurance. Warehouses property of the H. H. McCain Produce Company, A. A. Rideout, F. J. Hatfield and D. S. Smith.



The Employers' Liability

Assurance Corporation Limited

“ “ “ OF LONDON, ENGLAND “ “ “

TRANSACTS:

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

Most Liberal Policies Issued

Offices: **MONTREAL, TORONTO**

Managers for Canada, **GRIFFIN & WOODLAND.**
JOHN JENKINS, Fire Superintendent.

Canadian
Government
Deposit over
\$1,340,000

STANDS FIRST

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

THE CANADA ACCIDENT ASSURANCE COMPANY

HEAD OFFICE: **Commercial Union Building, MONTREAL**

CAPITAL \$500,000.00

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

Board of Directors:

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

Branches: **MONTREAL VANCOUVER CALGARY REGINA**

FOUNDED 1871

The OCEAN ACCIDENT & GUARANTEE CORPORATION, Limited

of LONDON, England

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

UNRIVALLED SECURITY

LIBERAL POLICIES

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

Canadian Head Office - - - - **TORONTO, Ontario**

CHARLES H. NEELY, General Manager.

WHY NOT HAVE THE BEST ?

The Globe Indemnity Company of Canada

Head Office, MONTREAL.

formerly--The Canadian Railway Accident Insurance Company.

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

JOHN EMO, General Manager & Secretary.

ROBERT WELCH, Assistant Manager.

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

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

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

Traffic Returns.

CANADIAN PACIFIC RAILWAY.				
Year to date.	1913.	1914.	Decrease	
Oct. 31 . . .	\$107,151,000	\$113,193,000	\$92,113,000	\$21,080,000
Week ending	1912.	1913.	1914.	Decrease
Nov. 7 . . .	\$2,938,000	\$3,204,000	\$1,908,000	\$1,296,000
" 14 . . .	2,916,000	3,124,000	1,878,000	1,246,000
" 21 . . .	2,704,000	3,119,000	1,729,000	1,390,000
" 30 . . .	3,587,000	3,733,000	2,308,000	1,425,000

GRAND TRUNK RAILWAY				
Year to date.	1912.	1913.	1914.	Decrease
Oct. 31 . . .	\$43,154,930	\$47,252,791	\$43,617,818	\$3,634,973
Week ending	1912.	1913.	1914.	Decrease
Nov. 7 . . .	\$1,061,984	\$1,118,707	\$906,941	\$211,766
" 14 . . .	1,064,317	1,022,375	860,676	161,699
" 21 . . .	1,053,798	1,080,010	841,607	238,403
" 30 . . .	1,442,409	1,322,541	1,161,182	161,259

CANADIAN NORTHERN RAILWAY.				
Year to date.	1913.	1914.	Decrease	
Oct. 31 . . .	\$16,802,100	\$19,175,500	\$16,302,900	\$2,872,600
Week ending	1912.	1913.	1914.	Decrease
Nov. 7 . . .	\$590,300	\$620,400	\$384,300	\$236,100
" 14 . . .	609,500	643,500	370,600	272,900
" 21 . . .	561,500	608,000	372,800	235,200
" 30 . . .	748,400	801,400	542,500	258,900

TWIN CITY RAPID TRANSIT COMPANY.				
Year to date.	1912.	1913.	1914.	Increase
Oct. 31 . . .	\$6,014,835	\$7,265,080	\$7,661,154	\$396,074
Week ending	1912.	1913.	1914.	Increase
Nov. 7 . . .	\$161,800	\$173,311	\$174,617	\$1,306
" 14 . . .	158,669	173,063	173,206	143

HAVANA ELECTRIC RAILWAY COMPANY				
Week ending	1913.	1914.	Increase	
Nov. 1	45,198	50,271	50,271	5,073
" 8	54,269	55,467	55,467	1,198
" 15	54,016	53,564	53,564	452
" 22	53,090	49,836	49,836	3,254
" 29	52,538	49,149	49,149	3,389

DULUTH SUPERIOR TRACTION CO.				
Week ending	1912.	1913.	1914.	Decrease
Nov. 7	20,455	25,184	24,191	993
" 14	20,247	24,666	23,741	925
" 21	21,195	25,390	24,515	875

CANADIAN BANK CLEARINGS.

	Week ending Dec. 3, 1914	Week ending Nov. 26, 1914	Week ending Dec. 4, 1913	Week ending Dec. 5, 1912
Montreal . . .	\$46,369,730	\$45,445,581	\$61,463,466	\$61,189,536
Toronto	36,417,616	33,489,416	46,711,658	48,290,114
Ottawa	4,690,887	4,126,936	4,427,611	4,451,910

MONEY RATES.

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

Montreal Tramways Company

SUBURBAN TIME TABLE, 1914

Lachine :

From Post Office—
10 min. service 5.40 a.m. to 8.00 a.m. 10 min. service 4 p.m. to 7.10 p.m.
20 " " 8.00 " 4 p.m. 20 " " 7.10 p.m. to 12.00 mid.

From Lachine—
20 min. service 5.30 a.m. to 5.50 a.m. 10 min. service 4 p.m. to 8.00 p.m.
10 " " 5.50 " 9.00 " 20 " " 8.00 p.m. to 12.10 a.m.
20 " " 9.00 " 4 p.m. Extra last car at 12.50 a.m.

Sault aux Recllet and St. Vincent de Paul:

From St. Denis to St. Vincent—
20 min. service 5.20 a.m. to 6.00 a.m. 30 min. service 8.00 p.m. to 11.30 p.m.
10 " " 6.00 " 8.00 " Car to Hendersons only 12.00 mid.
20 " " 8.00 " 4.00 p.m. Car to St. Vincent 12.40 a.m.
10 " " 4.00 p.m. to 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 12.00 mid.
10 " " 6.30 " 8.30 " Car from Hendersons 12.20 a.m.
20 " " 8.30 " 4.30 p.m. Car from St. Vincent 1.10 a.m.
10 " " 4.30 p.m. to 8.30 "

Cartierville:

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

Mountain :

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

Bout de l'île:

30 min. service 5.00 a.m. to 9.00 p.m.
60 " " 9.00 p.m. to 12.00 midnight

Tetrautville:

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

INCREASE IN OTTAWA FIRE INSURANCE RATES.

The following are the details of the recent increase in fire insurance rates at Ottawa, owing to the serious deficiency in the water supply:—

All rates on mercantile and manufacturing risks, except those of "fire-proof" or "mill" construction or equipped with automatic sprinklers, are increased on buildings and contents by 50 cents on the no-coinsurance rate and proportionately on the co-insurance rate.

All rates on lumber yards are increased by 50 cents on the no-coinsurance and co-insurance rates.

Rates on all risks rated under the three-year tariff are increased by 25 cents for three years, or one-half of this amount if written for one year.

All sprinklered, mill construction and fireproof buildings will be re-rated and ratings published immediately.

The Board of Control has called for tenders for three new fire engines as a temporary measure of protection against a possible conflagration.

The proposed sale of the Sun & Hastings Savings & Loan Company's interest to the Standard Reliance Mortgage Corporation has now been confirmed by the former's shareholders. By this transaction the assets of the purchasing concern, are increased by \$1,500,000 and the reserve fund by \$200,000. The capital stock of the corporation is also increased by \$600,000, the entire capital stock now being \$2,500,000 paid up and the total assets nearly \$7,000,000.

TABLES OF COMPOUND INTEREST

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

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

Price \$5.

On Sale by The Chronicle, Montreal.

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INSURANCE ADJUSTER,

**103 St. Francois Xavier Street,
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WAR EXTRA.

No extra premium for service with Canadian Contingents while in Canada and Great Britain.
Reasonable extras for Active Service elsewhere.
Special terms to non-combatant members of Contingents.

GRESHAM LIFE ASSURANCE SOCIETY, LTD.
Established 1848. Funds \$53,000,000
GRESHAM BUILDING - - - MONTREAL.

Union Assurance Society Limited

OF LONDON, ENGLAND.
[Fire Insurance since A.D. 1714]

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

**The Imperial Guarantee
AND ACCIDENT INSURANCE CO., OF CANADA**

Head Office : 46 King Street W.,
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A Strong Canadian Company.
ACCIDENT AND SICKNESS INSURANCE
GUARANTEE BONDS

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

**The WATERLOO
Mutual Fire Insurance Co.**

ESTABLISHED IN 1863

HEAD OFFICE : WATERLOO, ONT.

TOTAL ASSETS 31st DEC., 1912, \$849,000.00
POLICIES IN FORCE IN WESTERN ONTARIO OVER 30,000

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

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 848, Regina, Sask.
B. A. CHARLEBOIS, P. O. Box 208, Montreal, Que.

"MUTUALIZATION"

A long word, and significant. One of the largest life companies in the world, having a business of \$2,500,000,000, is being changed from a stock to a MUTUAL basis.

One more argument, if one were needed, in favor of the MUTUAL system. So much desired is the change in the above instance that the policyholders are paying the stockholders \$910 for each \$100 share.

The Mutual of Canada has been conducted on a MUTUAL basis from its inception in 1869. It is the only Canadian Company established on this ideal system. A company of policyholders, conducted by policyholders, for policyholders.

The Mutual Life Assurance Co.
Of Canada,

WATERLOO - - - ONTARIO

PROVINCE OF QUEBEC { To Wit :-
CITY OF MONTREAL

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

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



JOHN P. MUNN, M.D.
PRESIDENT

FRANCIS COMMITTEE
CLARENCE H. KELSEY
Vice President and Trust Co.
WILLIAM H. PORTER
Banker
EDWARD TOWNSEND
Fire Department Trustee, New York

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.