

The Chronicle

Banking, Insurance and Finance

ESTABLISHED JANUARY, 1881

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THE MERCHANTS BANK OF CANADA

The addresses delivered at last week's annual meeting of shareholders of the Merchants Bank of Canada attained a high level of interest and deserve the close attention of every business man, who desires something more than a mere surface knowledge of present-day important developments in Canadian economics and finance. The admirable exposition by Mr. E. F. Hebden, managing-director of the functions of the banks in relation to the Dominion's business and prosperity, emphasised the absolute necessity of such encouragements being made in connection with the present calls to military service, as will allow the banking institutions to carry on their vital services to the community through an experienced staff with trained judgment. The weighty and dignified statement made by Mr. Hebden should have an excellent effect. There is a shrewd suspicion that the recent great demands of the military authorities upon the banks are not unconnected with the facts that the banks are easily reached, and that the bankers are not apt to be so vociferous as some other classes of the community in similar circumstances. From now on, the banks must be concerned increasingly with consideration of ways and means regarding the working-out of the enormous problems with which Canada will be faced at the close of the war, as well as pressed by the consistent day-to-day demands of war financing. In this connection, Mr. Hebden gave his influential support to the suggestion made some months ago by Mr. E. L. Pease, president of the Canadian Bankers' Association, for the establishment in Canada of a bank of re-discounts. He pointed out what some hasty critics overlooked at the time the suggestion was originally made, that while the need for re-discounting facilities may not be felt at present, it cannot be foreseen when the need for them may be felt, at the time the enforced industrial reorganization after the war has to be got under way. In other addresses, Mr. K. W. Blackwell, vice-president, showed up effectively the fallacies involved in the agitation in some quarters for "conscription of capital." The fallacies are so gross that they only need sufficient exposure to kill the whole agitation. Mr. D. C. Macarow, the general manager, spoke hopefully regarding the future, and indicated that

the general policy of the Bank had been influenced by the present-day necessity of a maximum of production in all directions.

The Bank's Balance Sheet.

The balance sheet of the Bank as at 30th April last, indicates that the Bank has participated fully in the expansion of Canadian business which has taken place during the past twelve months. Circulation shows an increase of almost \$3,000,000 from \$9,483,468 to \$12,327,168, following a growth of \$2,000,000 in the year preceding. The deposit accounts are particularly satisfactory, non-interest bearing deposits being up from \$27,101,588 to \$34,886,748, or by nearly \$7,900,000 and interest-bearing deposits from \$65,000,484 to \$75,946,935, or by almost \$11,000,000. Compared with two years ago, total deposits show a growth in excess of \$38,650,000. On the other side of the accounts, specie and Dominion note holdings are somewhat lower than a year ago, at \$10,802,154, but deposits in Central Gold Reserves have been increased by \$2,500,000 to \$6,000,000, covering most of the year's rise in the Bank's circulation. Canadian call loans are \$5,223,954 compared with \$4,627,864, the rise being doubtless accounted for by loans in connection with recent bond issues. Foreign call loans are about \$450,000 higher, at \$3,906,649 against \$3,461,420. The Bank's security holdings show a growth of approximately \$5,000,000, their present total of \$24,084,735 comparing with \$19,089,961 a year ago. The chief rise is under the heading of Canadian municipal, British, etc., securities which are up from \$11,263,196 to \$14,589,065.

A striking feature of the balance sheet is the development in current loans. Their total is reported as \$76,534,003, compared with \$53,115,541 in 1917 and \$49,038,691 in 1916. An advance in two years of \$27,500,000 in these loans indicates that the Bank has been doing its full share in providing for the enlarged needs of its customers, following upon the rise in values, and also in supporting production of all kinds, as well as, through its increase of security holdings, taking its share in war financing. At the same time the Bank's liquid position has been well maintained, the proportion of liquid assets to liabilities to the public now appearing as 45.9 per cent. Total assets again show notable enlargement, their aggregate of \$140,937,545 comparing with \$121,-

Continued on page 613

BANK OF MONTREAL

ESTABLISHED 100 YEARS (1817-1917)

Capital Paid up, \$16,000,000

Rest, \$16,000,000

Undivided Profits, \$1,784,979

Total Assets - - \$426,322,096

BOARD OF DIRECTORS:

Sir Vincent Meredith, Bart., President
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General Manager—Sir Frederick Williams-Taylor

BRANCHES OF THE BANK LOCATED IN ALL IMPORTANT CITIES AND TOWNS IN THE DOMINION.

Savings Department connected with each Canadian Branch and Interest allowed at current rates. Collections at all points throughout the world undertaken at favorable rates.

Travellers' Cheques, Limited Cheques and Travellers' Letters of Credit issued, negotiable in all parts of the world.

This Bank, with its Branches at every important point in Canada, offers exceptional facilities for the transaction of a general banking business.

PRINCIPAL BRANCHES OUTSIDE OF CANADA:

LONDON, Eng.: 47 Threadneedle St., E.C.

G. C. CASSELS, Manager.

Sub-Agency: 9 Waterloo Place

Pal Mall, S.W.

Trafalgar Square Branch

CHICAGO: 108 South La Salle Street.

NEW YORK: 64 Wall Street

R. Y. HEBDEN

W. A. BOG

A. T. SMITH

Agents

SPOKANE: Washington.

NEWFOUNDLAND: St. John's, Curling and Grand Falls.

THE CANADIAN BANK OF COMMERCE

Established 1867 Head Office: TORONTO

Paid-up Capital - \$15,000,000

Rest - - - - 13,500,000

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L.
President

SIR JOHN AIRD, General Manager.

H. V. F. JONES, Assistant General Manager.

BRANCHES OF THE BANK IN EVERY PROVINCE OF CANADA AND AT THE FOLLOWING POINTS OUTSIDE CANADA:

Great Britain—London. Mexico—Mexico City.

United States—New York; Portland, Ore.; San Francisco, Cal.; Seattle, Wash.

Newfoundland—St. John's.

Agents and Correspondents throughout the World

The Molsons Bank

Incorporated by Act of Parliament 1855

Paid-up Capital - \$4,000,000

Reserve Fund - - 4,800,000

HEAD OFFICE - - MONTREAL

Besides its 97 Branches in Canada, the Molsons Bank has agencies or representatives in almost all the large cities in the different countries of the world, offering its clients every facility for promptly transacting business in every quarter of the globe.

EDWARD C. PRATT

General Manager

THE BANK OF BRITISH NORTH AMERICA

Established in 1836 Incorporated by Royal Charter in 1840

Paid-up Capital - \$4,866,666
Reserve Fund, - 3,017,333

Head Office:

3 GRACECHURCH STREET, LONDON, E.C. 3

Capt. JACKSON DODDS Secretary W. S. GOLDBY Manager

Court of Directors

Lt.-Col. F. R. S. Balfour
 J. H. Brodie J. H. Mayne Campbell- E. A. Hoare
 J. at. E. Geoffrey Hoare. R.N.V.R.
 Freddie Lubbock Major C. W. Tomkinson
 G. D. Whatman Hon. A. R. Mills, M.P.

Head Office in Canada:

ST. JAMES STREET, MONTREAL

Advisory Committee in Montreal:

SIR HERBERT B. AMES, M.P.
 W. R. MILLER W. R. MACINNES

H. B. MACKENZIE, General Manager

J. ANDERSON, Superintendent of Branches.
 O. R. ROWLEY, Superintendent of Eastern Branches, Montreal.
 J. McEACHERN, Superintendent of Central Branches, Winnipeg.
 A. S. HALL, Inspector of Branch Returns.
 J. H. GILLARD and N. V. R. HUUS, Inspectors, Montreal.

This Bank has Branches in all the principal Cities of Canada, including Dawson (Y.T.), and Agencies at New York and San Francisco in the United States.

Agents and Correspondents in every part of the world.

COLLECTIONS MADE AT LOWEST RATES

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

Agents in Canada for Colonial Bank, London and West Indies

G. B. GERRARD, Manager, Montreal Branch

The MERCHANTS BANK OF CANADA

HEAD OFFICE - MONTREAL

Capital Paid-up - - - \$7,000,000
Reserve and Undivided Profits 7,437,973
Total Deposits - - - 112,000,000
Total Assets - - - 140,937,544

BOARD OF DIRECTORS:

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 F. ORR LEWIS A. J. DAWSON E. F. HEBDEN
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 C.C. BALLANTYNE G. L. CAINS Lt.-Col. J. R. MOODIE
 E. F. HEBDEN, Managing Director
 D. C. MACAROW, General Manager
 T. E. MERRETT, Supt. of Branches and Chief Inspector

How we can serve Corporations & Business Houses

Besides guarding their money while in our care, we can help them
 With information on financial questions.
 By buying their Drafts and other negotiable paper.
 By issuing Bank Money Orders, Travellers' Cheques and Letters of Credit.
 By making collections in every section of Canada and abroad.
 In short, by giving them a Banking Service that is modern and complete in every detail.



236 BRANCHES CANADA

Extending from the Atlantic to the Pacific

New York Agency: 63 and 65 Wall Street

ESTABLISHED - 1875

IMPERIAL BANK OF CANADA

Head Office: Toronto

Capital Paid Up - - \$7,000,000
Reserve Fund - - 7,000,000

War Supplies

This Bank is ready to assist merchants and manufacturers to increase their production of war supplies.

When a loan will effect this, consult our local manager.

Branches in all Principal Centres in Canada.

THE ROYAL BANK OF CANADA

Incorporated 1869

Capital Paid Up, \$12,911,700

Reserves, \$14,564,000 Assets, \$335,000,000

Head Office, Montreal

365 BRANCHES THROUGHOUT CANADA

59 Branches in Cuba, Porto Rico, Dominican Republic, Costa Rica and Venezuela

BRITISH WEST INDIES

Branches in Antigua, Bahamas, Barbados, Dominica, Grenada, Jamaica, Montserrat, Nevis, St. Kitts, Tobago, Trinidad, British Guiana and British Honduras

London, Eng.
Princes Street, 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.

Victory Loan Securities

Will be accepted for safekeeping from subscribers for moderate amounts for one year free of charge.

A special Savings Department has recently been opened. Deposits of \$1 and upwards received.

THE DOMINION BANK

160 St. James Street, MONTREAL

M. S. BOGERT, Manager

THE BANK OF TORONTO

Incorporated 1855.

Head Office: TORONTO, Canada

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

Reserved Funds, \$6,555,306

Business men are offered in this Bank the satisfactory banking service provided by our complete facilities and extensive connections.

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

DIRECTORS.

W. G. GOODERHAM, *President*
J. HENDERSON, *Vice-President*
WILLIAM STONE,
JOHN MACDONALD
LT.-COL. A. E. GOODERHAM,
BRIG.-GEN. F. S. MEIGHEN,
J. L. ENGLEHART,
WM. I. GRAE,
PAUL J. MYLER,
A. H. CAMPBELL,
THOS. F. HOW, *Gen. Manager*
JOHN R. LAMB, *Assistant Gen. Manager*
D. C. GRANT, *Chief Inspector*

THE BANK OF NOVA SCOTIA

INCORPORATED 1832

Capital - - - \$6,500,000.00
Reserve Fund - - - 12,000,000.00
Total Assets over - 130,000,000.00

Head Office - - HALIFAX, N.S.

CHARLES ARCHIBALD, *President*
Genl. Manager's Office, TORONTO, Ont.

H. A. RICHARDSON, *General Manager*
Branches throughout every Province in Canada, and in Newfoundland, Jamaica and Cuba
BOSTON CHICAGO NEW YORK

THE BANK OF OTTAWA

ESTABLISHED 1874

Capital Paid-Up \$4,000,000
Rest \$4,750,000

94 BRANCHES
in
CANADA

BOARD OF DIRECTORS.

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

RUSSELL BLACKBURN
SIR GEORGE BURN
SIR HENRY K. EGAN
HON. GEORGE GORDON
General Manager
D. M. FINNIE

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Asst. General Manager
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W. DUTHIE, *Chief Inspector*

The Home Bank of Canada

Original Charter 1854

Branches and Connections throughout Canada

MONTREAL OFFICES:
Transportation Bldg., St. James Street

Notre-Dame Branch:
Cor. Davidson and Ontario Streets

Verdun Branch:
1318 Wellington Street



A Bank well equipped to serve the public; Drafts, Money Orders and Letters' of Credit issued
Interest added half-yearly to Savings Balances.

The Chronicle

Banking, Insurance and Finance

ESTABLISHED 1881. PUBLISHED EVERY FRIDAY
F. WILSON-SMITH, *Proprietor and Managing Editor.*

Office:

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10 ST. JOHN STREET, MONTREAL.

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MONTREAL, FRIDAY, JUNE 14, 1918

WALL STREET'S CONFIDENCE.

Very slight difference of opinion appears in the Wall Street district as to the objects of the submarine raid. At the close of the week the incident is accorded no greater importance than that of an enemy demonstration intending primarily to produce fear and the possible withdrawal of American destroyers from positions wherein they are proving so completely efficient in convoying and protecting American troopships. If the menace had been intended as a serious movement it is not at all likely that it would have disclosed itself by attacking a few schooners and small craft generally. The element of surprise has been lost and no big game has been bagged nor, so far as has been reported, has there been any attempt to bag it. Our troopships will be guarded all the more completely and the lookouts in the zones of commerce will be all the more alert. The demonstration appears to have been somewhat belated, like the shelling of Paris from the long-range guns, timed with the expectation of producing a world-wide scare. A peculiar feature which is attracting critical attention is the efficiency shown in circulating advance reports of huge cruising submarines which Germany was reported to have added to its underwater fleet.

As an offset to the submarine incident there has been a week of much more satisfactory news from the battlefield in France and Flanders. If, as now seems so probable, the enemy offensive again has been definitely checked, the prospects, quoting the view which seems most widely current in the Wall Street district, is that the breach caused by the collapse of Russia in large measure has been spanned. Time is working effectively on the side of the Allies and will continue to work with increasing effectiveness. American troops already are beginning to show in the battlefield something of what may be expected of them later and there can be slight question that in number they already have passed the million point and that every day is increasing the arrivals. It is true that a considerable proportion of the arrivals may be classified properly as "raw." But some of the earlier arrivals already are in the seasoned class and the latter will continue expanding in the same general proportion as the new recruits are arriving.

Considering the potential possibilities of this week's submarine demonstration and its incentive

for nervousness until the real facts became reasonably well known, Wall Street certainly must be credited with having given a good account of itself. The closing of New York as well as other ports on the Atlantic by the Navy Department and the order of the New York Police Commissioner dimming the lights in the theatre districts and the seaside resorts hardly could fail to have produced psychological feeling of nervousness. But the volume of selling pressure on the Stock Exchange presented no corresponding activity. It is not improbable that some degree of banking support may have been responsible for the composure with which the first sensational reports were received. After the first shock the market was fully equal to the task of caring for itself.—Boston Transcript.

THE MERCHANTS BANK OF CANADA.

Continued from front page

130,559 a year ago, and \$96,361,363 two years ago.

The growth in loan accounts during the year is reflected in the Bank's profits, which are now reported as \$1,236,681, compared with \$1,120,309 in the year preceding, and equivalent to 8.8 per cent. upon the paid-up capital and rest combined, compared with 8.00 per cent. in 1917. A balance of \$421,293 brought forward makes the total available on this account, \$1,657,974. Of this amount, the 10 per cent. dividend absorbs \$700,000; \$400,000 has been transferred to contingent account; the war tax on note circulation taxes \$70,000, and \$50,000 is contributed to the Officers' Pension Fund, a slightly enlarged balance of \$437,974 being carried forward. The whole showing made by the Bank is one upon which those concerned may be heartily congratulated.

RECENT ISSUES OF MONTREAL BONDS.

In connection with the recent issues of Montreal bonds, and the price obtained, attention is drawn to the fact that the last issue was purchased by French-Canadian bond houses, notwithstanding the numerous tenders received by the city from other sources. The last issue of \$6,100,000 5-year 6 per cent. bonds were sold last week at 97 and interest. While the price obtained cannot be considered by any means a high one for six per cent. bonds of the Metropolitan City of Canada, it must be considered in the interests of Montreal, that French-Canadian bond houses have very clearly demonstrated on this occasion, a more correct view, of the value of the City of Montreal Securities, than that held by their English-speaking competitors. We understand that the issue in question is being very successfully marketed at a fair margin of profit.

The continued growth of Montreal is assured, as is its position of being the most important commercial centre in the Dominion, and it may therefore be assumed that the bonds of any city such as Montreal should command keen competition for the purchase of its securities.



**THE LIVERPOOL AND LONDON AND GLOBE
INSURANCE COMPANY LIMITED
CANADIAN BRANCH HEAD OFFICE - MONTREAL**

DIRECTORS:
 M. Chevalier, Esq. Sir Alexandre Lacoste
 William Molson Macpherson, Esq. Sir Frederick Williams-Taylor, LL.D.
J. Gardner Thompson, Manager. Lewis Laing, Assistant Manager
J. D. Simpson, Deputy Assistant Manager.



**THE LIVERPOOL - MANITOBA
ASSURANCE COMPANY**

Liability Guaranteed by THE LIVERPOOL and LONDON and GLOBE Insurance Company Limited
Head Office: Cor. Dorchester St. West and Union Ave., MONTREAL

DIRECTORS:
J. Gardner Thompson, President and Managing Director. Lewis Laing, Vice-President and Secretary
J. D. Simpson, Assistant Secretary.
 M. Chevalier, Esq. Sir Alexandre Lacoste A. G. Dent, Esq. John Emo, Esq.
 J. C. Zimmer, Esq. Wm. Molson Macpherson, Esq. Sir Frederick Williams-Taylor, LL.D.

FIRE INSURANCE



**The Globe Indemnity Company
of Canada**

Liability Guaranteed by THE LIVERPOOL and LONDON and GLOBE Insurance Company Limited
Head Office: 343 Dorchester Street W., MONTREAL

**CASUALTY Insurance including Accident, Sickness, Guarantee, Burglary
Employers' Liability and Automobile**
== FIRE INSURANCE ==

John Emo Secretary and General Manager
 Robert Welch Assistant Manager
 Lewis Laing Fire Manager
 J. D. Simpson Assistant Fire Manager

DIRECTORS
J. Gardner Thompson, President. Lewis Laing, Vice-President.
M. Chevalier Wm. Molson Macpherson A. G. Dent J. D. Simpson
Sir Frederick Williams-Taylor, LL.D. Sir Alexandre Lacoste

**410 TONS OF GOLD HAVE BEEN PAID TO POLICYHOLDERS BY
Insurance Company of North America**

THE OLDEST AMERICAN STOCK FIRE INSURANCE COMPANY

WE MAINTAIN A DEPARTMENT TO ASSIST AGENTS IN SECURING LOCAL RISKS CONTROLLED OUTSIDE. IF THERE ARE ANY SUCH RISKS IN YOUR FIELD, WRITE US ABOUT THEM. WE MAY BE ABLE TO HELP YOU. IT IS WORTH TRYING.

ROBERT HAMPSON & SON, LIMITED GENERAL AGENTS FOR CANADA MONTREAL

**LONDON & LANCASHIRE LIFE
AND GENERAL ASSURANCE ASSOCIATION
LIMITED
of LONDON, ENGLAND**

ESTABLISHED IN CANADA, 1868

ASSETS EXCEED \$22,000,000

DIRECTORS FOR CANADA:
 A. J. DAWER, Esq. H. B. MACKENZIE, Esq.
 E. F. HERRIN, Esq. E. C. PRATT, Esq.
 Manager for Canada: ALEX. BISSETT

BRANCHES THROUGHOUT THE DOMINION
HEAD OFFICE FOR CANADA:
 LONDON AND LANCASHIRE LIFE BUILDING
164 St. James Street, Montreal, P.Q.

Take Your Choice

We have several good openings for General Agents, both in urban and rural districts. Keen, energetic men, looking for advancement, will find it to their interest to connect themselves with a progressive Company like The Manufacturers Life which stands foursquare on the principles of sound Life Insurance.

**THE MANUFACTURERS LIFE
INSURANCE COMPANY**

TORONTO - - CANADA

TRAFFIC RETURNS

		Canadian Pacific Railway.			
Year to date	1916	1917	1918	Increase	
May 31 ..	\$49,909,000	\$50,569,000	\$58,185,000	\$1,616,000	
Week ending	1916	1917	1918	Increase	
May 7 ..	\$ 2,763,000	\$ 3,065,000	\$ 3,033,000	*\$2,000	
" 14 ..	2,592,000	3,123,000	3,109,000	*14,000	
" 21 ..	2,610,000	3,074,000	2,847,000	*\$27,000	
" 31 ..	4,220,000	4,806,000	4,035,000	*\$771,000	
June 7 ..	2,674,000	2,927,000	2,846,000	*\$81,000	
		Grand Trunk Railway.			
Year to date	1916	1917	1918	Increase	
May 31 ..	\$22,162,815	\$24,274,445	\$25,560,375	\$1,285,930	
Week ending	1916	1917	1918	Increase	
June 7 ..	\$ 1,147,091	\$ 1,333,194	\$ 1,383,669	50,475	
		Canadian Northern Railway.			
Year to date	1916	1917	1918	Increase	
May 31 ..	\$12,669,200	\$15,564,600	\$16,562,700	998,100	
Week ending	1916	1917	1918	Increase	
June 7 ..	\$ 1,107,091	\$ 906,700	\$ 843,100	*\$1,600	

*—Decrease.

IMPORTANT JUDGMENT.

Remi Gervais vs. Liverpool & London & Globe Insurance Co., Ltd.

A case of much importance to fire companies has recently been decided before Mr. Justice Martineau at St. Hyacinthe, P.Q. Judgment was rendered in favour of the Company, a synopsis of which is as follows:—

On the 16th of October, 1916, Remi Gervais, of St. Hyacinthe, insured in the Liverpool & London & Globe Insurance Company certain moveable effects comprising carriages, sleighs, building materials, etc., the application mentioning them in detail with his valuation and the amount of insurance required on each item. The policy indicated the amount of insurance on each article which aggregated \$1,500.00. All these effects were in a shed belonging to one, Blanchard, in St. Hyacinthe. During the night of the 29th-30th of November, 1916, the shed and all its contents were destroyed by fire.

The Insurance Company resisted Gervais' claim for the amount of the insurance on the following grounds:—(1) Fraudulent exaggeration of the value of the different articles in the application for insurance, (2) Fraudulent misstatements to the Company and its agent with regard to previous fire losses suffered by Gervais, he having stated in his application that he had only suffered damage by fire on one previous occasion—in 1903—when as a matter of fact he had had property destroyed by several fires and had collected insurance thereon; and (3) Fraudulent exaggeration of the amount of his loss and exaggerated claim for damages.

The case came for trial before Mr. Justice Martineau at St. Hyacinthe in December last, and he rendered judgment on the 31st of May last. He found that the Insurance Company's position was well taken and agreed with it on all of these three grounds.

Among the things insured was a cab called a "Victoria". The value given to this cab by the Plaintiff in his application was \$600.00, and it was insured by the Policy for \$300.00. In the Plaintiff's sworn claim after the fire its value was stated to be several hundred dollars. The proof established that this cab had been purchased

by Gervais from F. S. Ledoux, master carter of St. Hyacinthe, for a mere song, \$7.00 being the amount actually paid for it.

In answer to the question contained in the application: "Has the applicant ever had any property destroyed by fire, if so, when and under what circumstances?" Gervais replied: "Yes, in 1903, at the time of the great fire here" (in St. Hyacinthe). The proof showed that he had suffered loss from two other fires, one in 1906 and another several years previous thereto.

For these reasons the Court dismissed Gervais' action with costs. His Lordship's remarks on the applicant's conduct and attitude being very severe. He also declared that in his opinion certain of Gervais' witnesses were unworthy of credence.

Mr. Armitage Ewing, K.C., of Ewing & McFadden, of this city, with Mr. V. Ernest Fontaine, K.C., of St. Hyacinthe, as Counsel, acted for the Insurance Company, while Mr. Gervais was represented by Messrs. Lussier, Flynn & Gendron, Advocates, of St. Hyacinthe.

Mr. Charles H. Turner, fire adjuster, Montreal, investigated the claim for the Insurance Company and carefully looked after the interests of the Company throughout.

TAX ON BANK CHEQUES.

There is said to be considerable opposition in London to the additional bank cheque duty proposed in the British budget. It is considered that if enacted, the tax would greatly hamper British banking systems.

ESTABLISHED 1873

THE

Standard Bank

of CANADA

Head Office, TORONTO

TRUST
FUNDS

Our Savings
Department
gives you a
guarantee of
absolute
security and
interest at
current rate



Montreal Branch: 136 ST. JAMES ST.

E. C. GREEN, Manager

Commercial Union

ASSURANCE COMPANY LIMITED
of LONDON, England

The largest general Insurance Company in the world
(As at 31st December, 1916)

Capital Fully Subscribed.....	\$14,750,000
Capital Paid Up.....	1,475,000
Life Fund, and Special Trust Funds.....	76,591,535
Total Annual Income exceeds.....	51,000,000
Total Funds exceed.....	151,500,000
Total Fire Losses Paid.....	193,774,045
Deposit with Dominion Govern- ment.....	1,245,467

Palatine

INSURANCE COMPANY LIMITED
of LONDON, England

(As at 31st December, 1916)

Capital Fully Paid.....	\$1,000,000
Fire Premiums 1916, Net.....	\$2,566,130
Interest, Net.....	144,290
Total Income.....	\$2,710,420
Funds.....	\$5,248,690
Deposit with Dominion Gov't....	\$276,900

N.B.—In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Funds exceed \$151,500,000.

Applications for Agencies Solicited in Unrepresented Districts

Head Office: CANADIAN BRANCH

COMMERCIAL UNION BUILDING, - 232-236 St. James Street, - MONTREAL

J. MCGREGOR, Manager

W. S. JOPLING, Assistant Manager



THE Continental Insurance Company

OF NEW YORK

HENRY EVANS, - - - President

"THE BIG COMPANY"

TORNADO FIRE MARINE

ASSETS EXCEED \$35,866,635

W. E. BALDWIN
Manager

Head Office for Canada and Newfoundland:
17 ST. JOHN ST., MONTREAL

F. K. RIDGE
Agency Supt.

A Fire Insurance Policy does not cover

Loss or Damage resulting from Explosion, War, Invasion, Insurrection, Riot, Civil War, Civil Commotion, Military or Usurped Power. Protection against these hazards is provided by a special policy issued by

NOVA-SCOTIA-FIRE
UNDERWRITERS AGENCY

PREMIUM RATES MAY BE HAD FROM

McBEAN & HILL, GENERAL AGENTS, Lewis Building, 17 St. John Street, Montreal, Que.

C. R. G. JOHNSON, POIRIER & JENNINGS, INC.

AGENTS

INSURANCE

BROKERS

AETNA INSURANCE CO. OF HARTFORD
ST. PAUL FIRE & MARINE INSURANCE CO.
BRITISH TRADERS INSURANCE CO., LIMITED

11 ST. SACRAMENT STREET
MONTREAL, P.Q.

THE MERCHANTS BANK OF CANADA

Proceedings at the Fifty-fifth Annual Meeting of Shareholders on June 5th, 1918

The fifty-fifth Annual Meeting of the Shareholders of the Merchants Bank of Canada was held Wednesday, June 5, 1918, in the Board Room at the Head Office of the Bank at Montreal. The meeting was called to order at twelve o'clock noon.

Among those in attendance were: Messrs. K. W. Blackwell, Thomas Long, Andrew A. Allan, F. Howard Wilson, A. B. Evans, George L. Cains, E. F. Hebden, A. J. Dawes, Thomas Ahearn, Col. James R. Moodie, Farquhar Robertson, D. C. Macarow, Alex. D. Fraser, R. Campbell Nelles, P. C. Elgee, W. B. Blackader, Henry E. Rawlings, John Patterson, Walter Wilson, W. M. Ramsay, New York; H. A. Tofield, Renfrew; T. A. McKay, David Kinghorn, Vivian Harcourt, W. G. Hinds, Quebec; R. H. Arkell, Hamilton; Robert Shaw, W. B. Harshaw, Ottawa; T. E. Merrett, Arthur Browning, A. McDiarmid, J. D. G. Kippen, J. G. Muir, H. B. Loucks, A. B. Patterson, Toronto; H. R. Little, C. A. Karcourt and J. M. Kilbourn.

On motion of Mr. John Patterson, the Vice-President, Mr. K. W. Blackwell, in the absence of the President (Sir H. Montagu Allan), was asked to take the chair.

Mr. J. M. Kilbourn was appointed Secretary of the meeting.

The minutes of the last annual meeting were taken as read.

The Chairman, Mr. K. W. Blackwell, then presented the Annual Report, as follows:—

THE ANNUAL REPORT

It is my privilege to submit for your approval the Fifty-fifth Annual Statement of the Merchants Bank of Canada as at the close of business on the evening of the 30th April, 1918, the last day of the Bank's fiscal year, accompanied by a statement of the Profits covering the same period.

You will observe, with satisfaction, I doubt not, that the profits as a result of the year's operations amount to \$1,236,680.96, being an increase over last year of \$116,372.12.

Subscriptions by the Bank's clientele throughout the country to that important piece of national financing, known as the Victory Loan, amounted to no less a sum than \$25,000,000, distributed amongst fifty-three thousand depositors. Notwithstanding the heavy consequent withdrawals, our deposits have grown about \$20,000,000, or roughly, twenty-one per cent. Our commercial advances have correspondingly increased, thus enabling us, while maintaining a proper measure of liquid strength, to materially improve our earning power.

The whole position as reflected by the Balance Sheet will be viewed, I am sure, with feelings of entire satisfaction.

There has been no activity during the course of the year in branch extensions, owing to the exigencies of the staff situation. Indeed, we are, in all the circumstances, doing well to keep pace with the development of our business under the difficulties by which we are surrounded in this respect.

All the various offices have been inspected during the past twelve months.

- The Auditors' Certificate is appended.

All of which is respectfully submitted.

K. W. BLACKWELL,
Vice-President.

THE FINANCIAL STATEMENT

Statement of the result of the business of the Bank for the year ended 30th April, 1918

The Net Profits of the year, after payment of charges, rebate on discounts, interest on deposits, and making full provision for bad and doubtful debts, have amounted to.....	\$1,236,680.96
The balance brought forward from 30th April, 1917, was.....	421,292.96
Making a total of.....	\$1,657,973.92
This has been disposed of as follows:	
Dividend No. 120, at the rate of 10% per annum.....	\$175,000.00
Dividend No. 121, at the rate of 10% per annum.....	175,000.00
Dividend No. 122, at the rate of 10% per annum.....	175,000.00
Dividend No. 123, at the rate of 10% per annum.....	175,000.00
	\$ 700,000.00
Government War Tax on Note Circulation.....	70,000.00
Contribution to Officers' Pension Fund.....	50,000.00
Transferred to Contingent Fund.....	400,000.00
Balance carried forward.....	437,973.92
	\$1,657,973.92

K. W. BLACKWELL,
Vice-President.

E. F. HEBDEN,
Managing Director.

D. C. MACAROW,
General Manager.

The Trust and Loan Co.

OF CANADA

Capital Subscribed \$14,000,000.00
 Paid-up Capital 2,920,000.00
 Reserve Funds 2,753,996.38

MONEY TO LOAN ON REAL ESTATE

30 St. James Street, Montreal

The Royal Trust Co.

EXECUTORS AND TRUSTEES

CAPITAL FULLY PAID \$1,000,000
 RESERVE FUND 1,000,000

BOARD OF DIRECTORS:

SIR VINCENT MEREDITH, BART., President.
 LIBUT.-COL. SIR H. MONTAGU ALLAN, C.V.O., Vice-President.
 R. B. ANGLIS
 E. W. BEATTY, K.C.
 A. D. BRAITHWAITE
 E. J. CHAMBERLAIN
 H. R. DRUMMOND
 SIR CHARLES GORDON, G.B.E.
 HON. SIR LOMER GOUIN,
 K. C. M. G.
 C. R. HOSMER
 LIBUT. COL. BARTLETT
 MCLENNAN, D.S.O.
 WILLIAM MCMASTER
 MAJOR HERBERT MOLSON, M.C.
 LORD SHAUGHNESSY, K.C.V.O.
 SIR FREDERICK
 WILLIAMS-TAYLOR.

A. E. HOLT, MANAGER

OFFICE AND SAFETY DEPOSIT VAULTS:

105 St. James St., Montreal

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

Prudential Trust Company

LIMITED

Head Office 9 St. John St., Montreal	Trustee for Bondholders Transfer Agent & Registrar Administrator Receiver Executor Liquidator Guardian Assignee Trustee Custodian	Safety Deposit Vaults Terms Ex- ceptionally moderate.
	Real Estate and Insurance Departments Insurance of every kind placed at lowest possible rates.	Correspond- ence invited

B. HAL. BROWN, President and Gen. Manager

Western

Assurance Company

Incorporated in 1851

FIRE, MARINE, EXPLOSION AND
 AUTOMOBILE INSURANCE

ASSETS over \$6,000,000.00

LOSSES paid since organization
 of Company . . . over \$70,000,000.00

DIRECTORS

W. B. MEIKLE, President and General Manager
 Sir John Aird
 Robt. Bickerdike,
 Alfred Cooper
 H. C. Cox
 D. B. Hanna
 E. Hay
 John Hoskin, K.C., LL.D.
 Z. A. Lash, K.C., LL.D.
 Geo. A. Morrow, O.B.E.
 Lt. Col. The Hon.
 Frederick Nicholls
 Brig.-General Sir
 Henry Fellatt, C.V.O.
 E. E. Wood

HEAD OFFICE - TORONTO

A Practical Pointer on Salesmanship

It is of first importance in good salesmanship to select a worth-while article to sell, something about which you can become enthusiastic with a reason—a reason that will last. In life insurance salesmanship, for instance, a discriminating agent would naturally select the policies of the Mutual Life of Canada because—first, the company is well-established; second, it has an unblemished record; third, it has a continental reputation as a dividend payer; fourth, it is a democratic organization; fifth, it is a wonderfully successful going concern; and, lastly, being the only Canadian policyholders' company, its contracts find a ready market. Where a company is so favorably known one-half of the trouble of making the sale is avoided. If you get the best goods in your line and go to it, success is certain. Last year our agents placed \$20,000,000 paid for business.

The Mutual Life Assurance Co. of Canada
 WATERLOO, ONTARIO

CHARLES RUBY, Gen. Mgr. E. P. CLEMENT, K.C., Pres.

The LIFE AGENTS' MANUAL

THE CHRONICLE - - MONTREAL

A BRITISH COMPANY

Union Insurance Society of Canton, Limited

ESTABLISHED 1838

Head Office: HONGKONG

Assets over \$17,000,000

FIRE, MARINE AND AUTOMOBILE

Head Office for Canada, 36 Toronto Street, TORONTO

General Agent Montreal, JOSEPH ROWAT

Manager for Canada, C. R. DRAYTON

THE MERCHANTS BANK OF CANADA—Continued

STATEMENT OF LIABILITIES AND ASSETS AT 30th APRIL, 1918

LIABILITIES

	1918	1917
1. To the Shareholders.		
Capital Stock paid in	\$7,000,000.00	\$7,000,000.00
Rest or Reserve Fund	7,000,000.00	7,000,000.00
Dividends declared and unpaid	176,900.00	178,365.00
Balance of Profits as per Profit and Loss Account submitted herewith	437,973.92	421,292.96
	\$14,614,873.92	\$14,599,657.96
2. To the Public.		
Notes of the Bank in Circulation	12,327,168.00	9,483,468.00
Deposits not bearing interest	34,886,747.83	27,101,587.86
Deposits bearing interest (including interest accrued to date of statement)	75,946,985.48	65,000,484.42
Balances due to other Banks in Canada	1,400,941.75	628,863.08
Balances due to Banks and Banking correspondents in the United Kingdom and foreign countries	1,161,976.79	3,904,690.72
Bills payable		
Acceptances under letters of credit	598,851.20	411,806.78
Liabilities not included in the foregoing		
	\$140,937,544.97	\$121,130,558.82

ASSETS

Current Coin	\$4,800,061.36	\$4,766,438.82
Deposit in the Central Gold Reserves	6,000,000.00	3,500,000.00
Dominion Notes	5,912,092.50	7,650,790.50
Notes of other Banks	893,076.00	793,367.00
Cheques on other Banks	5,311,786.12	5,674,828.67
Balances due by other Banks in Canada	4,704.37	2,635.33
Balances due by Banks and banking correspondents in the United Kingdom	82,580.53	61,225.79
Balances due by Banks and banking correspondents elsewhere than in Canada and the United Kingdom	1,357,843.03	2,413,100.10
Dominion and Provincial Government securities, not exceeding market value	5,435,464.66	3,862,507.19
Railway and other Bonds, Debentures and Stocks, not exceeding market value	4,060,204.70	3,964,251.24
Canadian Municipal securities, and British, Foreign and Colonial public securities other than Canadian	14,589,065.54	11,263,196.20
Call Loans in Canada on Bonds, Debentures and Stocks	5,223,953.88	4,627,863.57
Call loans elsewhere than in Canada	3,906,648.93	3,461,420.47
	\$57,667,481.62	\$52,041,624.88
Current Loans and Discounts in Canada (less Rebate of Interest)	76,194,016.15	62,737,958.74
Current Loans and Discounts elsewhere than in Canada (less Rebate of Interest)	339,987.29	377,582.42
Liabilities of customers under letters of credit as per contra	598,851.20	411,806.78
Real Estate other than bank premises	312,928.11	294,197.07
Overdue debts, estimated loss provided for	272,226.60	149,039.68
Bank Premises, at not more than cost, less amounts written off	4,886,438.98	4,617,400.23
Deposit with the Minister for the purposes of the Circulation Fund	355,000.00	375,000.00
Other Assets not included in the foregoing	310,615.02	125,949.02
	\$140,937,544.97	\$121,130,558.82

K. W. BLACKWELL,
Vice-President.

E. F. HEBDEN,
Managing Director.

D. C. MACAROW,
General Manager.

Report of the Auditors to the Shareholders of the Merchants Bank of Canada

In accordance with the provisions of sub-Sections 19 and 20 of Section 56 of the Bank Act, we report to the shareholders as follows:

We have examined the above Balance Sheet with the Books of Account and other records at the Chief Office of the Bank and with the signed returns from the Branches and Agencies and have checked the cash and verified the securities of the Bank at the Chief Office against the entries in regard thereto in the books of the Bank at 30th April, 1918, and at a different time during the year and found them to agree with such entries. We also attended at some of the Branches during the year and checked the cash and verified the securities held at the dates of our attendances and found them to agree with the entries in regard thereto in the books of the Bank.

We have obtained all the information and explanations we have required. In our opinion, the transactions of the Bank which have come under our notice have been within the powers of the Bank, and the above Balance Sheet is properly drawn up so as to exhibit 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, and as shown by the books of the Bank.

VIVIAN HARCOURT,
GORDON TANSLEY,
Auditors.
(of the firm of Deloitte, Plender, Griffiths & Co.)

Montreal, 23rd May, 1918.

Continued on page 621



Security - - \$36,000,000

ONTARIO AND NORTH WEST BRANCH
14 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.

MOUNT ROYAL ASSURANCE COMPANY

PAID UP CAPITAL	\$250,000.00
TOTAL FUNDS	1,725,758.38
SURPLUS AND RESERVES	765,385.14

THE NATIONALE FIRE INSURANCE COMPANY OF PARIS, FRANCE

SUBSCRIBED CAPITAL	\$2,000,000
TOTAL FUNDS	7,481,380
NET SURPLUS	1,587,150

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.

Ætna Insurance Company

Established in Canada 1821

Ætna Fire Underwriters Agency

Of Ætna Insurance Co., Hartford, Conn.

Applications for Agencies Invited

J. B. HUGHES, Special Agent, WATERLOO, Ont.
J. E. STEWART, Special Agent, 36 Toronto Street,
TORONTO, Ont.

R. LONG, Special Agent, 21 Canada Life Bldg., CALGARY, Alta.

Union Assurance Society, Ltd.

OF LONDON, ENGLAND
(Fire Insurance since A.D. 1714)

CANADA BRANCH, MONTREAL. T. L. MORRISEY, Resident Manager.
NORTH WEST BRANCH, WINNIPEG. THOS. BRUCE, Branch Manager.

Agencies throughout the Dominion.

EXCELSIOR

INSURANCE LIFE COMPANY
A Strong Canadian Company

J. J. Robichaud, Provincial Inspector.
MONTREAL TRUST BUILDING, 11 Place d'Armes, 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.

UP-TO-DATE INSURANCE SALESMEN!

We have a few important points where we can place men of character and ability. If you are a productive worker, and would like to improve your position, write, stating experience to

H. A. KENTY, Superintendent of Agencies,

THE CONTINENTAL LIFE INSURANCE CO.

GEORGE B. WOODS, President. TORONTO, Ont. CHAS. H. FULLER, Secretary.

THE MERCHANTS BANK OF CANADA—Continued

THE VICE-PRESIDENT'S ADDRESS

In moving the adoption of the Report the Chairman said:

The figures in the statement you will observe indicate a satisfactory increase in the profits. You will notice the deposits on the Liability side of the account show a gratifying increase and concurrently loans and other items on the Asset side a very substantial and proportionate growth.

We are pleased to say that all the legitimate requirements of our clients—naturally upon a larger scale owing to the high cost of labor and all commodities—have been given the fullest measure of consideration, and on the whole well taken care of and we have reason to believe to the satisfaction of all concerned.

Having regard to the abnormal period through which we are passing, and the uncertainties which the future undeniably holds, you will observe that an amount of \$400,000 has been set aside and placed to the credit of "Contingent Account"—a step which I venture to think you will agree is prudent and proper under the circumstances.

With regard to the future, we have all read articles in the papers and magazines by many eminent financiers, and profound thinkers, giving their forecasts of the conditions that will prevail after the war.

I will not venture to make any forecast, but I feel sure that we shall be able to continue to use the funds of your Institution in safe and useful channels, not only while the war lasts, but also after it is over, provided the Chartered Banks continue to receive that measure of fair treatment which will enable them to maintain their present status of strength and efficiency.

This country is under a great strain as we all know. Men, money, crops and ammunition are demanded of us to the utmost limit of our capacity, and let us hope the strain will not go beyond the point of safety, as disorganization would follow, and defeat our aim to keep Canada well organized, productive and solvent, and in good shape to help to win the war.

There is another matter I wish to speak of very briefly. It is a question I know you all take a deep interest in. I refer to the subject of Vested Interests.

Some strange doctrines have recently taken possession of the minds of many people on this subject. It is a phase of the war excitement.

I am enthusiastic on the subject of fair play towards Vested Interests. You and I, gentlemen, as bankers, and Bank shareholders, are the natural guardians of Vested Interests.

We must argue against and oppose the mischievous propaganda of unthinking and illogical people. They will tell you that this is a socialistic age and complain that banks and large capitalists are banded together to keep on amassing wealth to the detriment of the conditions of the general community.

We may answer this in saying most truthfully that banks themselves are absolutely socialistic in their methods. They accept money from those who have it, and lend it to those who need it and can use it safely.

The great resources of any large bank belong mainly to its depositors, its own capital being, comparatively speaking, quite insignificant, nor do its depositors belong to any one particular class. It is a careful trustee of millions of dollars belonging to all classes.

In our case, for example, the large total of our deposits and current accounts belong to so many thousands of individuals that the average holding is only about \$500.

Surely such depositors are not capitalists! Therefore, it would be most unfair to accuse us of being prejudiced in favour of great capitalists.

The cost of the war is being paid for out of the savings of past years, and is now in some countries nearly approaching the limit of exhaustion, and the question of how interest charges are to be met, engages the deepest attention of all classes. Here again the treatment of Vested Interests must be carefully guarded against unwise and wanton action; when we hear people talk about the conscription of wealth, and levy on capital in a vague and indefinite way, we realize that this might be pushed to a limit that would break down the whole financial fabric.

There are some radicals who not satisfied with taxation desire to go further and conscript not only income and profit, but also capital. I would ask them what the nation would gain by it?

Only a small proportion of a man's or a company's means are in cash. If they took away a certain proportion of his stocks and bonds, what would the Government do with them? Keep them? No, the Government wants cash. They could not sell them for there would be no purchasers, because unsettlement and chaos would prevail.

Again, if they conscript a certain portion of a man's real estate, farm or factory, how can the proceeds of such conscription be converted into cash, or into any form that will be of tangible use to the Government?

No, a fair and well considered system of taxation is the proper course to be adopted. The man of small means must be treated with moderation, and the man who is rich and the corporations that are making money must pay proportionately. Neither Companies nor individuals would object to paying substantial taxes if they are allowed to make reasonable earnings.

It must be conceded that in order to realize substantial receipts from taxation, there must be substantial earnings; all values are based on earnings, and with poor earnings, values would soon fade away, and our whole system of credit and finance would go to pieces.

Vested interests are also threatened from another quarter. We, in this young country, must guard them against the free trader. I am not going into politics here, but the fact cannot be overlooked that amongst the agricultural community there are many who are favourable to taking down the tariff bars, in order to cheapen articles that enter into their own daily use. Without thinking of the consequences, they don't seem to realize that if they disturb the present equilibrium of tax distribution, a greater share of the taxation must undoubtedly fall upon their own shoulders.

We must appeal to the general public and the farmer for fair treatment of the vested interests, and finally we must appeal to the legislator for fair treatment also, his duty is to study proposed new laws most critically before voting for them, and he must not forget that a law which has a destructive tendency while it may create momentary notoriety and popularity for its promoters, is sure to incite radicals and extremists to apply the axe more and more till the whole body politic is in danger.

In conclusion I wish to testify to the fine spirit and loyalty of our management and staff. They are doing splendidly in spite of the difficulties under which they are working.

Continued on page 623

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

TEN 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

TUESDAY, THE SECOND DAY OF JULY

next, to Shareholders of record at the close of business on the Fifteenth day of June.

By order of the Board.

Toronto, May 29, 1918.

GEO. H. SMITH, Secretary

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

* * * *

THE OLDEST COMPANY IN AMERICA IS
THE COMPANY FOR YOU.

* * * *

For terms to producing agents address

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

34 Nassau Street . . . New York City

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.

The Life Agent's Manual
Published by The Chronicle, Montreal

ATLAS ASSURANCE COMPANY LIMITED of LONDON, ENGLAND

The Company commenced business in the REIGN OF GEORGE III and the following figures show its record—

At the Accession of	Income	Reserves
KING GEORGE IV.	\$ 387,065	\$ 800,005
KING WILLIAM IV.	657,115	3,038,380
QUEEN VICTORIA	789,865	4,575,410
KING EDWARD VII.	3,500,670	11,185,405
KING GEORGE V.	6,846,895	15,186,090

and at
31st DECEMBER, 1917 9,633,665 22,416,355

In addition the Company has a Subscribed Capital of Eleven Million Dollars (of which \$1,-320,000 is paid up.)

Agents wanted in unrepresented districts.

Head Office for Canada:

260 St. James St., MONTREAL
MATTHEW C. HINSHAW, Branch Manager



Assets:
\$22,022,227.19

Surplus:
\$7,426,114.26

Canadian Head Office:
MONTREAL.
J. W. BINNIE, Manager

L'UNION FIRE INSURANCE COMPANY, Limited

Established 1828 Head Office: PARIS, France.

Capital fully subscribed \$2,000,000.00
25 p. c. paid-up

Fire Reserve Funds 5,539,000.00

Available Balance from Profit
and Loss account 111,521.46

Net Premiums in 1916 5,630,376.43

Total Losses paid to 31 Dec., 1916 100,942,000.00

Canadian Branch:

LEWIS BUILDING, 17 St. John St, MONTREAL
Manager for Canada: MAURICE FERBAND.

THE MERCHANTS BANK OF CANADA—Continued

Our field of operations is very large, extending from the Atlantic to the Pacific, and there are many other banks in the field, besides ourselves, some of them being very great and powerful institutions, with enormous capital and highly efficient management and organization. So it is a comfort to feel that we have a good staff, and that they are right on the job. (Applause.)

I beg to move the adoption of the report, seconded by Mr. Thomas Long.

MR. THOMAS LONG

In seconding the adoption of the Report, Mr. Thomas Long then said:

It is a great pleasure to me to be invited to second the adoption of the Annual Report, which has been presented by the Vice-President. I am sure that as stock-holders we are all pleased and delighted to see the substantial growth that has taken place within the past few years in the volume of business transacted by this Bank. That this progress is still continuing is apparent by the report we have just heard, so that we may look forward to the future with both hope and confidence. (Applause.)

The Annual Report was then unanimously adopted, on motion of the Chairman, seconded by Mr. Thomas Long.

THE MANAGING DIRECTOR'S ADDRESS

MR. E. F. HEBDEN:—It was hoped, when we met a year ago, that before we came together again the great war would be drawing to a close. In this expectation the world has been disappointed. Certainly these are anxious days.

Meanwhile, the affairs of your bank continue to prosper, stimulated by favourable economic conditions certainly, but also because a hard-working and reasonably efficient organization, notwithstanding seriously increasing staff difficulties, has known how to turn the situation to the best account. In this your capable General Manager has been the main-spring. Notwithstanding possessing a staff, male and female, animated by great enthusiasm, owing to its serious depletion, the work, which is the work of the country, is greatly hampered and hindered with, I am sorry to say, the prospect of great and greater difficulties in this respect ahead. In our Dominion there is no more important part of the civil arm than the chartered Banks. I say it without the possibility of the statement being gainsaid that the chartered banks of Canada have been a pile-driving influence from Confederation on—notwithstanding some setbacks to themselves—in the development of Canada's material resources in every field of enterprise. No informed economist would attempt to deny that assertion. The banks of Canada, year by year, have played a great role herein and never greater than since the great war broke out, when competent well organized financial machinery was almost the breath of life of the nation—the life-line! Why am I at this meeting making this statement? Because it is too often forgotten when it should ever be remembered. It has been charged that banking profits have been excessive. The proprietary of the banks, a large part female, have never been made aware of this in any convincing way. As a matter of fact, the return to the investor, even at present prices, can reckon on six per cent. hardly more. No doubt the six per cent. is pretty sure. The business of banking cannot be carried on without some measure of risk. The profits of the banks must provide for losses, which are as inevitable as the sparks fly upward, and the bank that "lays out" to make absolutely no losses will make no profits and will sooner or later succumb to dry-rot. And so a proper and reasonable enterprise is the irreducible minimum in the operating of our great banking institutions.

The chartered banks of this country are working today for the civil and military interest under the highest pressure. Nevertheless, I greatly regret to state a further depletion of its trained staff is pending. The function of the banks extends to taking care of the savings of the people and also their current funds and their safe and profitable use. This heavy and weighty responsibility demands highly developed organization. The best interests of the country cannot be served by inadequacy or slackness herein. Banking is not a profession—it is science. It is also a highly specialized service. There are many departments. To allow the working machinery of the banks to run down under present and prospective conditions would be a policy of supreme folly and unwisdom in my view. It would be like throwing a hammer into the revolving wheels of the country's industries. Political sagacity could scarcely recede further than to withhold from the banks the necessary protection to insure them against confusion and disruption of their carefully adjusted and balanced organizations, never forgetting that the banks are continually engaged forwarding and promoting war work, as well as in advancing and facilitating the general commerce and trade of the Dominion, with its increasing swing and growing stride. Our native industries must never be forgotten or suffer neglect, especially in view of after-war problems looming larger and larger in our Canadian horoscope. There can be no higher or better statesmanship than to protect the chartered banks in their responsible and weighty work for the Dominion, equally against the time to come. Any other policy I believe to be reactionary, serving to keep heavily taxed executives busy working out problems inadequately, under most arduous conditions to the great hindering of the solid interest of the country at a time too when the banks will need to be worked to the last notch of efficiency.

We all realize how the country is growing in material wealth. In every direction it is expanding by leaps and bounds, economically. In agriculture, in manufacturing, in mining and the fisheries, in lumber and yet others—all have contributed their quota toward making Canada rich and great. All these great sources of wealth have vast interlocking interests with the banks and in increasing measure. But while the multitude and volume of the transactions is daily growing, the view would seem to be entertained that fewer, not more, trained assistants are needed to handle the increasing flood. Fifty per cent., or over 650 men, of the Merchants Bank have already taken up arms in the great war, and other banks have contributed in no less proportion, and, alas, all have suffered heavily. The chartered banks in Canada have given in man-power equal to ten regiments of one thousand each to the prosecution of the war.

May we respectfully urge on those in authority that the banks besides being charged with the public's savings and securities of every kind and description are also dispensers of credit in many forms. In all these grave and weighty responsibilities, experienced and trained judgment are a sine qua non. Bank branches cannot be managed with a rubber stamp. Let us trust the authorities will reconsider and leave us to struggle on with our already depleted and crippled organizations, for surely only along this line lies the path of prudence and safety.

73rd ANNUAL REPORT

New York Life Insurance Co.

346 and 348 BROADWAY - - NEW YORK CITY

Income for the year 1917:		
Premiums	\$100,279,122.00	
Interest and Rents	39,957,422.00	
Other Income	5,881,618.00	
		\$146,118,162
Paid Policy-holders, 1917 (Exclusive of Disability Benefits):		
Death Losses	\$30,599,371.00	
Matured Endowments	13,566,409.00	
Surrender Values	18,527,170.00	
Dividends	22,807,762.00	
Annuities	1,387,241.00	
		\$86,887,953
		\$23,722,213
Loaned Policy-holders during 1917		
		\$315,994,500
New Paid-for Insurance in 1917 (Exclusive of over \$16,000,000 increase by Policies revived and increased, and Additions by Dividends)		
		\$2,673,334,336
Paid for Insurance in Force Dec. 31		1,301,969
Number of Policies in Force Dec. 31		\$934,929,381
Admitted Assets, Dec. 31, 1917		
<small>These assets are the property of over 1,000,000 people with their dependents (in accordance with their contractual rights). The Company is purely mutual; it has no capital stock.</small>		
		\$760,742,335
Legal Liabilities		
Reserved for dividends payable in 1918	\$26,561,063.64	
Reserved for dividends on deferred dividend policies maturing subsequent to 1918	107,041,778.00	
Reserved for Contingencies	40,584,204.36	
		\$174,187,046
		\$934,929,381

THE ANNUAL DIVIDEND RATE OF 1917 WILL BE MAINTAINED IN 1918

FOR THE YEAR 1917 THE COMPANY'S MORTALITY RATE WAS THE LOWEST IN ITS HISTORY

Average earning power of total Ledger Assets	{	Dec. 31, 1917, 4.59 %			
		Dec. 31, 1916, 4.54 %			

A detailed statement will be sent to any person asking for it.

DARWIN P. KINGSLEY, President.

EAGLE, STAR AND BRITISH DOMINIONS INSURANCE CO. LIMITED

Assets over \$61,000,000 Premium Income over \$14,000,000

FIRE and MARINE

Canadian Managers, DALE & COMPANY, LIMITED, Coristine Bldg., Montreal
Branches at HALIFAX, TORONTO, WINNIPEG and VANCOUVER

THE YORKSHIRE INSURANCE COMPANY, LIMITED

ESTAB. 1824 YORK, ENGLAND ASSETS EXCEED \$23,000,000

FIRE

LIVE STOCK

ACCIDENT

CANADIAN DIRECTORS {	Hon. C. J. Doherty G. M. Bosworth, Esq.	Hon. Alporse Racine Alex. L. MacLaurin, Esq.	Canadian Manager. P. M. WICKHAM, Montreal
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APPLICATIONS FOR AGENCIES are invited from responsible persons.

THE MERCHANTS BANK OF CANADA—Continued

Before sitting down I should like to say a word on an important matter affecting the banks generally, namely, on the subject of the establishment of a bank of rediscount in Canada, the suggestion of Mr. Pease, the able President of the Canadian Bankers' Association. I should like to state that we are entirely in accord with his proposal. Its establishment would make available tens of millions of negotiable securities, at present locked up in the strong boxes of banking institutions. The need for such rediscounting facilities is not presently felt, but we cannot tell when it may be, and this country is behind the times in not having all the organization machinery and equipment ready at hand for instant operation. This bank would gladly participate.

One last word. I believe Canada's hour has struck. A great future looms before her. But we must keep her wheels moving and her financial machinery intact to avail ourselves of what opportunity will offer and destiny provide. (Applause.)

THE GENERAL MANAGER'S ADDRESS

MR. MACAROW:—The whole situation has been so comprehensively covered in the brief yet lucid comments of the Vice-President and Managing Director that there is really very little left for me to add, beyond repeating the hope and belief that the statement which has just been presented to you, reflecting, as it does, this Bank's full share in the country's prosperity and development, will be regarded by you with satisfaction.

During the year our assets have grown notably—now having reached the imposing total of \$140,000,000, being an increase of approximately \$20,000,000 or nearly sixteen and a half per cent.

In this connection I might pertinently say that ample provision has been made for any doubtful matters, and our Bond Holdings have been written down to present market quotations.

You may, therefore, entertain the very comfortable assurance that the whole asset column represents a minimum of dollar-for-dollar in the way of actual values.

Despite heavy withdrawals of a special nature, referred to elsewhere, you will perceive that our deposits show the very substantial growth of \$19,500,000, or twenty-one per cent. over last year's figures, and our commercial discounts, with consequent increase in earning power, have also grown apace.

Profits show, notwithstanding ever-mounting operating costs, a substantial increase, and, withal, a satisfactory measure of liquidity has been maintained.

The times through which we are passing are, indeed, anxious and exacting, and the future unquestionably holds many serious problems, upon the wise solution of which far-reaching issues will depend. But the potentialities of this great country are well nigh boundless, and if these potentialities continue to be developed along sound and businesslike lines, as we have no doubt they will be, the future may, I am sure, be regarded without undue apprehension.

Economists will tell you that the stability and wealth of a country such as ours lies largely in the measure and value of the exportable surplus of our products. Judged by this true standard and in the light of past achievements, which, even allowing for abnormal factors have been upon a plane of steady and practically uninterrupted progression in recent years, notably the last few, one would require to be a pessimist, indeed, to regard our future otherwise than with feelings of well-grounded confidence.

In this connection it is reassuring to note there is thus far every indication that this year's production, in practically all essential directions, will be upon a substantially enlarged scale. Let us bend every effort and extend every possible facility to the end that actual results in their realization may be in line with present promise. That consideration has had its influence, I may say—upon our general policy.

During the course of the past year, accompanied by a number of the Directors, I have visited the various Provinces, and we have had the benefit and pleasure of meeting personally in conference, all of our Managers, and principal officials. With their loyalty and enthusiasm we were deeply impressed, and I am not going too far in expressing the conviction that in your local Managers throughout the country practically one hundred per cent. efficiency is represented.

The members of our staff have, indeed, in full measure, taken their place amongst the gallant manhood of this country, who, by their deeds at the front, have established a record for self-sacrificing heroism, immeasurably enriching the golden annals of this death struggle for the preservation of the basic principles, upon which true Christianity and Civilization must rest.

To those of the staff who have gone overseas we pay every tribute of admiration and respect, and to those, who for one cause or another are debarred from participation in the war in a military sense, we must also extend—and do so with the fullest cordiality—our acknowledgment and sincere appreciation for the manner in which they are doing their part in fulfilling the heavy additional duties and responsibilities thrust upon them—cheerfully and efficiently. (Applause.)

On motion of Mr. John Patterson, seconded by Mr. A. D. Fraser, Messrs. Vivian Harcourt and Gordon Tansley, of Deloitte, Plender, Griffiths & Co., were appointed Auditors of the Bank, to hold office until the next annual general meeting.

Messrs. John Patterson and Arthur Browning were by unanimous vote appointed scrutineers, and instructed to cast one ballot for the election of the following persons as Directors: Sir H. Montague Allan and Messrs. K. W. Blackwell, Thomas Long, F. Orr Lewis, Andrew A. Allan, Lt.-Col. C. C. Ballantyne, A. J. Dawes, F. Howard Wilson, Farquhar Robertson, Geo. L. Cains, Alfred B. Evans, E. F. Hebden, T. Ahearn and Lt.-Col. Jas. R. Moodie.

On motion of Messrs. R. Campbell Nelles and John Patterson, a vote of thanks was tendered the Board of Directors, the General Manager and Staff, which was briefly acknowledged by the General Manager, Mr. D. C. Macarow.

This concluded the business of the meeting, which then adjourned.

At a subsequent special meeting of the Directors, Sir H. Montagu Allan, was re-elected President, and Mr. K. W. Blackwell, Vice-President.

THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated 1833

Fire, Marine, Hail and Automobile Insurance

HEAD OFFICE: TORONTO

Old	Reliable	Progressive
Assets over	-	\$3,500,000.00
Losses paid since organization over	-	\$43,000,000.00

DIRECTORS:

W. B. MEKLE, President

SIR JOHN AIRD
ROBT. BICKERDAKE, M.P.
ALFRED COOPER, London, Eng.
H. C. COX
E. HAY
JOHN HOBKIN, K.C., LL.D.
D. B. HANNA

Z. A. LASH, K.C., LL.D.
GEO. A. MORROW, O.B.E.
LT. COL. THE HON. FREDERIC NICHOLLS
BRIG.-GEN. SIR HENRY PELLATT, C.V.O.
E. R. WOOD.

W. B. MEKLE Pres. and Gen. Man. **JOHN SIMS** Asst. Gen. Man. **E. F. GARROW** Secretary

THOMAS F. DOBBIN, Resident Manager
MONTREAL

NORWICH UNION FIRE INSURANCE SOCIETY, Limited

INSURANCE AGAINST
Fire, Accident and Sickness
Employers' Liability
Automobile, Plate Glass
AGENTS WANTED FOR THE ACCIDENT BRANCH.

Head Office for Canada, - - - TORONTO
Head Office for Province of Quebec, MONTREAL
JOHN MacEWEN, Superintendent for Quebec.

FOUNDED A. D. 1819

THE PHENIX FIRE INSURANCE COMPANY OF PARIS, FRANCE

SURPLUS TO POLICYHOLDERS, \$5,828,500

THOMAS F. DOBBIN, Manager for Canada.
EDMUND FOSTER, Superintendent of Agencies.

Lewis Building, St. John Street, - MONTREAL
Applications for Agencies invited.

NOTICE

The Queensland Insurance Company, Limited, of Sydney, N. S. W. has received Dominion of Canada License No. 749 under the Insurance Act of 1917 for the transaction of Fire Insurance.

MONTREAL AGENCIES LIMITED,
Managers for Canada.

First British Insurance Company Established in Canada

A.D. 1864

Phoenix Assurance Co. Limited

OF LONDON, ENGLAND (Founded 1782)

FIRE

LIFE

TOTAL RESOURCES, over	\$84,000,000.00
LOSSES PAID	490,000,000.00
DEPOSITS with Federal Government and Investments in Canada, for security of Canadian policyholders only, exceed	3,000,000.00

AGENTS WANTED IN BOTH BRANCHES. Apply to

R. MacD. PATERSON, } Joint Managers
J. B. PATERSON, }

100 St. Francois Xavier Street - MONTREAL

ESTABLISHED 1864.

New York Underwriters Agency

A. & J. H. STODDART
REGISTERED

100 William Street - New York

Provincial Agents

MURPHY, LOVE, HAMILTON & BASCOM,
Toronto, Ont.
OSLER, HAMMOND & NANTON,
Winnipeg, Man.
ALFRED J. BELL & Co.
Halifax, N.S.

JOHN WM. MOLSON & ROBERT Y. HUNTER
Montreal, Que.
WHITE & CALKIN
St. John, N.B.
AYRE & SONS, LTD.
St. Johns, Nfld.

T. D. RICHARDSON, Supt. for Canada
TORONTO

OPPORTUNITIES

In Life Insurance are many
FOR AN AGENCY, ADDRESS
GRESHAM LIFE ASSURANCE SOCIETY, LTD.
Established 1848. Funds \$50,000,000
Gresham Building - - - MONTREAL

Founded
A. D.
1710

SUN INSURANCE OFFICE

Head Office: Threadneedle St., London, Eng.

THE OLDEST INSURANCE OFFICE IN THE WORLD

Canadian Branch:
15 Wellington St. East
TORONTO, Ont.

LYMAN ROOT
Manager

The LIFE AGENTS' MANUAL
THE CHRONICLE - - MONTREAL

NORTHERN ASSURANCE COMPANY, LIMITED.

Occupying a prominent position, in the front rank of the largest British fire offices, the Northern is noted for its skilful and successful fire Underwriting. But no amount of care in selection, or judgment in distribution of risks can prevent an occasional bad year from marring the customary prosperity of a well-managed company.

The Eighty-Second Annual Report of the Company, and the fourth report issued under war conditions, reflects in various ways (as the chairman remarked) the abnormal state of the world at the present time. While the fire premiums of the Northern for 1917 was the largest in its history, amounting to \$8,439,570 as against \$7,177,600 in the preceding year, an increase of no less than \$1,261,970, the abnormal conditions referred to, are reflected in the losses which amounted to \$4,626,460, as compared with \$3,607,045 in 1916, an increase of \$1,019,415, a loss ratio of 54.8 per cent. compared with 50.3 per cent for 1916 against 51.4 per cent in 1915. The chief factors in the adverse experience of the fire department for last year were the Salonica conflagration, and the unusually bad experience of fire companies operating in the United States during 1917.

Expenses showed a satisfactory decrease constituting a ratio of 35.1 per cent. as compared with 37.4 per cent. the preceding year, and 37.8 per cent. in 1915. Any decrease in working expenses under present circumstances may be regarded as particularly commendable, in view of the increase in taxation, in addition to the substantial advance for supplies and services of all kinds, and which are likely to remain so for many years.

Policyholders of the Northern enjoy excellent security. The reserve for unexpired risks is maintained at the very high standard of 50 per cent. of the premium income, and now amount to \$4,219,785, an increase of \$630,985, and in addition a conflagration reserve of \$6,000,000 is held. So that the fire funds of the Northern, including the balance of profit and loss account of \$878,950 amount altogether to \$11,098,735, apart altogether from the large subscribed capital, of which \$4,008,635 is paid up. The total assets are now \$54,724,460.

During recent years the Northern has displayed remarkable enterprise by the absorption of a number of sound undertakings, in other sections of the insurance field, the most important of which are the Provident Accident and Guarantee, and the "Indemnity Mutual Marine", both of which will be included in the accounts next year. The Northern owning the whole shares of the "White Cross", "National Guarantee" and "Royal Scottish" offices, these accounts were embodied in the balance sheet, and the whole expenses in connection with the purchase of these companies has been written off. The Northern has reached its present commanding position by cautious enterprise and able judgment which we prophecy will advance its position still higher amongst the largest

insurance offices in the world, in the near future. The total income of the affiliated companies for the year 1917 amounted to nearly \$20,000,000 with results from operations entirely satisfactory.

The Northern in Canada.

The Northern has been operating in Canada for over half a century in the fire business, with a strong organization, and an enviable reputation for fair and liberal treatment of its policyholders. Mr. George E. Moberly, its Canadian manager since Sept., 1916, has been connected with the company for a period extending over 25 years, and under his management considerable expansion has been noticeable, in keeping with the company's fine financial standing. Last year's net fire premiums received in Canada totalled \$865,048 compared with \$761,895 in the preceding year, a substantial increase of \$103,153. The losses incurred amounted to \$516,731, constituting a loss ratio of 59.73 per cent. as compared with 76.77 per cent. in 1916, a notable improvement.

EAGLE STAR AND BRITISH DOMINIONS INSURANCE COMPANY ABSORBS THE BRITISH CROWN INSURANCE CO.

It is officially announced this week, that the Eagle Star, and British Dominions Insurance Co., has absorbed the British Crown Insurance Co.

The amalgamation (according to the latest information), has been unanimously approved of by the shareholders interested, and all policies of the British Crown will in future be fully guaranteed by the Eagle Star and British Dominions.

It is well known that the Eagle Star and British Dominions Insurance Company occupies a position in the front rank of the largest British offices having assets exceeding \$61,000,000. The policyholders of the British Crown (which we understand will operate as a separate company) will henceforward enjoy greatly enhanced security.

SEVERE SENTENCE FOR ARSON.

Hilton and Robert Green, fishermen, residing on the shores of Devil Lake, near Newboro, Ont., were last week sentenced to ten and two years respectively in Kingston penitentiary for burning four cottages, and stealing some of the contents.

As a result of a fire inquest, conducted by Superintendent Rogers, of Brockville, the arrests were made, and both prisoners took a summary trial, and pleaded guilty after a clear case had been made against them.

The prisoners are said to have been prompted to the crime by spite against the cottagers, whose presence on the lake is said to have interfered with the practice of illegal fishing indulged in by the Green brothers. This fire was reported in last week's issue of The Chronicle, in which it was stated that the fire required investigation by the Fire Marshal.

It has been said that in the olden days the patriots bled for their country. We have some gentlemen in Canada who claim to be patriots and prove it by bleeding their country and bleeding it good and plenty.



The Northern Assurance Co. Limited

Of England

ACCUMULATED FUNDS, 1916 - \$39,935,000.00
 Including Paid up Capital Amount \$1,460,000.00

Head Office for Canada: No. 88 NOTRE DAME ST. WEST, MONTREAL
G. E. MOBERLY, Manager



OLDEST ACCIDENT OFFICE

Railway Passengers Assurance Co.

OF LONDON, ENGLAND

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

Head Office for Canada and Newfoundland: **TORONTO, ONTARIO**
F. H. RUSSELL, General Manager

Montreal Branch: 702 Lewis Building, 17 St. John Street

The Canada National Fire Insurance Company

HEAD OFFICE: WINNIPEG, MAN.

Total Assets - - - - - \$2,387,634.14

A Canadian Company investing its Funds in Canada

APPLICATIONS FOR AGENCIES INVITED

THE STRATHCONA FIRE INSURANCE COMPANY

HEAD OFFICE, 90 St. James Street, MONTREAL

CAPITAL Subscribed - - - - - \$300,000
 By over 500 Notaries of the Province of Quebec

TOTAL ASSETS, December 31st, 1917 - \$373,644

President and General Manager, - - A. A. MONDOU

NOTICE

The Insurance Act of the Dominion of Canada, 1910, having been replaced by the Insurance Act 1917, Notice is hereby given that license No. 750 has been issued to THE EMPLOYERS LIABILITY ASSURANCE CORPORATION LIMITED, of LONDON, ENGLAND, for the transaction of PLATE GLASS INSURANCE, in addition to:—FIRE, ACCIDENT, SICKNESS, BURGLARY, GUARANTEE, HAIL, AUTOMOBILE AND STEAM BOILERS insurance.

THE LONDON MUTUAL FIRE INSURANCE COMPANY

ESTABLISHED 1859

Assets - - - - - \$753,417.06
 Surplus to Policyholders - - - - - 411,808.66



DIRECTORS:

A. H. C. CARSON, Toronto - - - - - President
 R. HOME SMITH, Toronto - - - - - Vice-President
 F. D. WILLIAMS - - - - - Managing Director
 A. C. McMASTER, K.C. - - - - - W. T. KERNAHAN
 S. G. M. NESBITT - - - - - H. N. COWAN
 G. H. WILLIAMS

HEAD OFFICE - 33 SCOTT ST., TORONTO

QUEBEC BRANCH OFFICE
 LEWIS BUILDING, ST. JOHN STREET MONTREAL
 BRANCH MANAGER, W. J. CLEARY

THE NORTHERN ASSURANCE COMPANY LIMITED

Established 1836

THE EIGHTY-SECOND ANNUAL GENERAL MEETING of the Northern Assurance Company, Limited, was held in the Offices of the Company at Aberdeen on the 1st day of May, 1918, when the Directors' Report was presented.

FIRE DEPARTMENT

THE PREMIUMS received last year amounted to \$8,439,570 showing an increase of \$1,261,970 in comparison with those of the previous year.

THE LOSSES amounted to \$4,626,460, or 54.8 per cent. of the premiums.

THE EXPENSES OF MANAGEMENT (including commission to agents and charges of every kind) came to \$2,963,630, or 35.1 per cent. of the premiums as against 37.4 last year.

FIRE REVENUE ACCOUNT

Amount of Fire Insurance Fund at the beginning of the year		
viz.:—Reserve for unexpired Risks	\$3,588,800	
Additional Reserve	6,000,000	
	\$9,588,800	
Premiums		8,439,570
Interest, dividends and rents	\$525,970	
Less Income Tax thereon	62,010	
		463,960

Claims under Policies paid and outstanding	\$4,626,460
Commission	1,336,800
Expenses of Management	1,604,695
Contributions to Fire Brigades	22,045
Transferred to Profit and Loss account—	
Profit for the year	\$218,495
Interest	463,960
	682,455

Amount of Fire Insurance Fund at the end of the year, viz.:—	
Reserve for unexpired Risks, being 50 per cent. of Premium Income for the year	\$4,219,785
Additional Reserve	6,000,000
	\$10,219,785

\$18,492,330

\$18,492,330

FINANCIAL POSITION OF THE COMPANY

After providing for Debenture Interest and Dividends on the Preference and Ordinary Shares, the financial position of the Company as at 31st December last, was as follows:—

Capital (subscribed \$15,000,000) paid up	\$1,500,000
6 per cent Participating Preference Shares, fully paid	2,508,635
Debenture Stock	5,017,275
Fire Fund	10,219,785
Life and Annuity Funds	25,038,475
Endowment and Capital Redemption Fund	663,265
Employers' Liability and Accident Fund	1,145,185
Marine Fund	478,290
Staff Funds	934,450
Profit and Loss Balance	878,950

(\$5 taken as equivalent of £1 sterling.)

\$48,384,320

HEAD OFFICE FOR CANADA - - - MONTREAL

G. E. MOBERLY, Manager

GUARDIAN ASSURANCE CO., LIMITED, WINS CASE.

Summary of Judgment of the Court of Appeal, British Columbia, in the Case of the Guardian Assurance Company, Limited, Plaintiff- Appellant, and Garrett, Superintendent of Insurance, and A. S. Matthew, Defendant- Respondents.

The Plaintiff-Appellant is a British company which has had existence since 1821, and has been continuously in business ever since that time as a fire insurance company, and is world-wide known under the name of "The Guardian Assurance Company, Limited." It has done business in the Province of British Columbia for the last twenty-five years, has a license under the Insurance Act, 1910 (Canada), and is authorized to do business in British Columbia under the "British Columbia Fire Insurance Act." The Respondent, Matthew, applied to the Superintendent of Insurance for British Columbia for a license under the "British Columbia Fire Insurance Act" for a company incorporated in the State of Utah under the name of "The Guardian Fire Insurance Company." This latter company is without a license under the Insurance Act, 1910 (Canada).

The Plaintiff-Appellant brought action against the British Columbia Superintendent of Insurance and the said Matthew to restrain the latter from applying for, and the said Superintendent of Insurance from issuing a license to the Guardian Fire Insurance Company (the Utah Company) to do business in British Columbia on the ground of the similarity of the Utah Company's name to that of the Plaintiff-Appellant.

The action was tried before Clement, J., and was dismissed by him on the 26th of June, 1917.

An appeal was taken from this judgment by the Plaintiff-Appellant (the English Company), and judgment was rendered by the Chief Justice of the British Columbia Court of Appeal, and Judges Martin and McPhillips on the 2nd of April, 1918. The Appellate Court unanimously allowed the appeal, and did order that the Respondent, Matthew, be perpetually restrained from applying to the Superintendent of Insurance of British Columbia for a license under the Act of that province for any company under the name of the Guardian Fire Insurance Company or any other name likely to mislead or deceive the public into the belief that the company being licensed is the same as the Guardian Assurance Company, Limited (the English Company), and the Superintendent of Insurance for British Columbia was perpetually restrained from granting any such application. Further, the Respondent, Matthew, was perpetually restrained from issuing or publishing advertisements, circulars or prospectuses representing that a company is to be licensed or has been licensed pursuant to the British Columbia Fire Insurance Act under the name of the Guardian Fire Insurance Company or any such other name likely to mislead or deceive the public

as aforesaid and from commencing or carrying on any business under the name of the Guardian Fire Insurance Company or other similar name.

The costs of the action and the appeal were adjudged against the Respondent, Matthew.

The Judges of the Court of Appeal held that when circumstances point to an intention on the part of a company to do business under a name which might easily be mistaken for the name of an existing company doing the same class of business and thereby deceiving the public, the Court will at once interfere; it will not wait until the company actually commences to do such business, if its conduct be such as to make it reasonably certain that what is sought to be restrained is in furtherance of a plan to carry on such business.

BRITISH CROWN ASSURANCE CORPORATION.

On the occasion of the 11th annual meeting of the British Crown Assurance Corporation, held in Glasgow last month, the Right Hon. J. Parker Smith (Chairman of the Company) referring to the Canadian business, said: "Business in all departments at home had been maintained at about a level, the expansion being mostly in Canada, where under our able and energetic young manager. Mr. J. H. Riddel, whom we appointed a year ago, the results have been uniformly good, and the future is very promising. Until now and particularly last year, it will be remembered our loss experience in Canada was not so favourable."

The British Crown are now operating under a Dominion license in Canada, and the business has already shown considerable expansion, the net fire premiums were, last year, increased to nearly \$230,000 with a much improved loss ratio compared with previous years, the ratio being 55.06 per cent.

The annual statement reveals a very much improved condition of the affairs of the British Crown, the net loss ratio of the fire department was reduced to 41.5 per cent. a most satisfactory result compared with the previous year when the loss ratio was 15 per cent. higher. The expense ratio at 35 per cent. leaves a very satisfactory trading balance of nearly 24 per cent. The Company is gradually establishing a desirable connection and a good reputation for itself throughout Canada. During the past 18 months the shares of the Company have appreciated in value considerably. In 1916 the shares were quoted on the London market at eight shillings and sixpence per share of £2-stg. paid up. The latest quotation to hand being nearly £2-stg. This rapid rise might suggest amalgamation with one or other of the large Composite offices.

In the United States where the profiteering is going on the same as in Canada, someone suggested that the national song "Yankee Doodle" should be changed to "Yank The Boodle."

Vacation Time Suggests**BURGLARY INSURANCE**

Our Burglary policy provides a four months' vacancy permit without extra premium. Specimen policy and rate sheet cheerfully furnished upon request. Liberal commission to authorized Agents and Brokers.

The Canada Accident Assurance Company

HEAD OFFICE, MONTREAL

Managers—T. H. HUDSON, Fire Department. H. F. RODEN, Casualty Department

The Security Behind The Policy

Is the final argument in closing business, and the agent representing the Company, which can show such absolutely gilt-edge security as the investments of

**THE NATIONAL LIFE
ASSURANCE COMPANY OF CANADA**

has an advantage, which is of inestimable value. The complete list of securities owned by the Company is published in conjunction with the 19th Annual Report. A copy of this report, together with our latest agency folder, "Results that Satisfy," will be mailed upon request.

HEAD OFFICE :: :: TORONTO

"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.

1850

1918

**THE
UNITED STATES
LIFE
INSURANCE COMPANY**

In the City of New York
Issued Guaranteed Contracts

JOHN P. MUNN M.D.,
President

FINANCE COMMITTEE:
CLARENCE H. KELSEY,
Pres. Title Guaranty & Trust Co.

WILLIAM H. PORTER,
Banker

EDWARD TOWNSEND,
Pres. Importers & Traders Nat.
Bank

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

The Travellers Life Assurance Company

of Canada

HEAD OFFICE: MONTREAL
Hon. GEO. P. GRAHAM, President

TO AGENTS.—Write to the Home Office for particulars of direct renewal contract. Valuable territory available in Quebec and Eastern Ontario.

FIRE

British Crown Assurance

Corporation, Limited

of Glasgow, Scotland

Head Office for Canada: TRADERS BANK BLDG., TORONTO
J. H. RIDDEL, Manager. E. C. G. JOHNSON, Asst. Manager.

Joseph Rowat, 17 St. John Street, Montreal
GENERAL AGENT, PROVINCE OF QUEBEC

**THE PROVIDENT
ASSURANCE COMPANY**

All lines of

Accidents, Sickness,
Liability, Guarantee and
Automobile Insurance

Head Office

189 St. James St. - - Montreal

REPRESENTATIVES WANTED FOR ONTARIO AND
MARITIME PROVINCES

THE LIFE AGENT'S MANUAL
PUBLISHED BY THE CHRONICLE, MONTREAL

EQUITABLE

Q Mutual in Principal and Practice **Q**
U Impregnable in Strength **U**
I Enterprising, Conservative Management **I**
T Comprehensive, Adaptable Policies **T**
A Low Mortality Rate **A**
B Prompt Payment of Death Claims **B**
L Efficient Service to Policyholders **L**
E Training and Education for Agents **E**
S A satisfied constituency gained by Fifty-eight years of public service. **S**
These are some of the advantages enjoyed by representatives of
THE EQUITABLE LIFE ASSURANCE SOCIETY
OF THE UNITED STATES
 For agency openings address:
W. E. Taylor, Second Vice-President

EQUITABLE

ENLISTED UNDER AN ASSUMED NAME.

The settlement of the first actual war claim paid by one of the New York Life Insurance companies, created some difficulties. It transpired that the insured who lived in Cleveland, joined the Regular U. S. Army, and being anxious to see active service in the field as quickly as possible, he deserted and enlisted under an assumed name in a Canadian regiment. He subsequently died in England from wounds received in battle. Fortunately he had confided to a chum, the full story, and also his real name, and from that source and also, we understand, largely from the very obliging co-operation of the Canadian War Office, the company was able to connect the dead soldier with the man it had insured.

We believe when the war is over, a very interesting record might be compiled, setting forth the unusual cases, that came before the life insurance companies.

WESTERN CANADA FIRE UNDERWRITERS' ASSOCIATION.

The annual meeting of the Western Canada F. U. A. was held in Montreal on the 11th and 12th instants, Mr. T. H. Hall presiding. There was a large attendance of members from the West in addition to the members present from Toronto and Montreal. Some important business connected with the Association was discussed. Those present were: J. Holroyde, Commercial

Union; C. F. Codere, St. Paul; C. E. Sanders, Atlas; W. E. Fudger, Ocean; J. R. Stewart, Aetna; J. H. Curtin, Canada National; H. M. Lambert, Guardian; J. E. Moberly, Northern; Geo. Bell, National of Hartford; Lyman Root, Sun; J. E. Hounsoin, London Guarantee; John Pickering, Royal; F. W. Pace, Yorkshire; P. M. Wickham, Yorkshire; A. R. Pringle, Western; E. M. Foote, Scottish Union; W. A. Wilson, Union of Paris; T. Bruce, Niagara; J. W. Tatley, Phenix of Hartford; J. W. Green, Pacific Coast; A. W. Blake, London & Lancashire; F. W. Jeuness, Rochester Und.; F. W. Bryers, British America; James Wyper, Hartford Fire; J. W. Binnie, Globe & Rutgers; T. D. Richardson, New York Underwriters; J. G. Borthwick, Caledonian; G. S. Minty, Union of Canton; Harold Hampson, North America; W. P. Kennedy, London Assurance; John Jenkins, Employers; A. H. C. Carson, London Mutual; G. C. Johnson, British Crown; T. D. Belfield, Alliance of London; J. Gardner Thompson, Liverpool & Lon. & Globe; Alfred Wright, London & Lancashire; T. H. Hall, General of Perth; J. E. Wilson, St. Lawrence Und.; T. Meunier, British Colonial; E. Garrow, British America; A. Barry, Royal Exchange; T. F. Dobbin, British America; T. L. Morrisey, Union of England; J. B. Laidlaw, Norwich Union; F. W. Underdown, Home; and H. S. Angus, Eagle, Star and British Dominions.

CANADIAN FIRE RECORD.

(Specially Compiled by The Chronicle).

Fire at St. Catharines, Ont.—On the 4th instant a fire broke out in the pulpwood piles of the Ontario Paper Mills, St. Catharines, Ont. The loss is stated to be about \$150,000, insured in New England Mutuals. The property is owned by the Chicago Tribune.

Fire at St. Johns, P.Q.—On the 4th instant a fire broke out in the stables and storehouse of Mr. H. Clapgood, grocer, St. Johns, P.Q. Loss about \$10,000.

Fire at Millington, P.Q.—On the 5th instant a fire destroyed the dwelling house, mill and barn of Mrs. Patch, Millington, P.Q. Loss about \$6,000.

Fire at Halifax, N.S.—On the 7th instant a fire destroyed the machine shop at the dockyards, Halifax, N.S., and several smaller buildings adjoining. Loss about \$10,000.

Fire at Winnipeg, Man.—On the 8th instant a fire destroyed The Telegram building, Winnipeg, Man., entailing a loss of about \$100,000. The insurance loss is stated to be 75 per cent. of insurance carried.

Fire at Euphrasia, Ont.—On the 8th instant a fire destroyed the dwelling house of Richard Lyons, Euphrasia Township, in the remote part of Grey County. Five lives were lost by the fire.

AMERICAN CENTRAL OF ST. LOUIS

Messrs. Foss & Smith, Winnipeg, have been appointed Canadian General Agents for the American Central Insurance Company of St. Louis. Mr. W. P. Foss, of this firm, is well known as the Company's superintendent for Canadian business for the past ten years.

EXAMINATION OF INSURANCE COMPANIES PREVENTS FRAUD AND MISMANAGEMENT

Preventing fraud and mismanagement of insurance companies is one of the most important duties of an Insurance Commissioner.

Therefore, the work of the examiner of the Insurance Department of Minnesota is of inestimable value to both the companies and the insured.

The people of the state contribute vast sums in premiums to insurance companies annually as security against the various calamities of life.

These premiums are collected and distributed through these great insurance corporations operating under the laws of the state and the state owes to its citizens the duty of protecting them in every possible way from loss.

This is not only a legal but a moral obligation and the fearless and impartial examiner in the Insurance Department is the one man who stands as a buffer between the insured and the insurer.

For this reason the Insurance Examiner has the right to make public the affairs of any insurance corporation with respect to its organization and the manner in which it is conducted.

The legitimately conducted insurance corporation never objects to an examination and those who might object would immediately be placed under suspicion, but in the meantime all parties interested are fully protected.

THE MONTREAL CITY and DISTRICT SAVINGS BANK

NOTICE is hereby given that a Dividend of Two Dollars and Forty Cents per share has been declared on the Capital Stock called and paid up of this bank, and will be payable at its Head Office, in this City, on and after Tuesday, the second day of July, next, to Shareholders of record the 15th of June next, at 12 o'clock noon.

By order of the Board,

A. P. LESPERANCE, Manager.

Montreal, 12th June, 1918

MANAGING DIRECTOR OF CENTURY INS. CO.

Sheriff Lorimer, K.C., who has been chairman of the Century Insurance Company, of Edinburgh, for over thirty-one years, has owing to indifferent health, retired from that position, while retaining his seat upon the board, and Henry Brown, J.P., has been appointed to the chairmanship, which office he will combine with that of managing director.

WANTED

A competent fire insurance man experienced in schedule rating work to act as rating officer for an Association. Excellent opening for satisfactory man. Apply giving reference, experience and salary wanted. Replies confidential. Address:
ASSOCIATION,
c/o The Chronicle, Montreal.

WANTED

By a British Fire Office, a Junior Inspector for the Provinces of Ontario and Quebec.
Address

JUNIOR INSPECTOR,
P.O. Box 358,
Montreal.

Competent Fire Underwriter and Organizer with intimate knowledge of Canadian field, desires position with first class company.

Apply Organizer,

Care of Chronicle,

Montreal

THE ST. PAUL FIRE AND MARINE INSURANCE COMPANY

INCORPORATED 1865

REPRESENTED IN TORONTO BY

McADAM, SHERRITT & COMPANY

General Agents

ASSETS OVER \$13,000,000

Excelsior Life Building

36 Toronto Street

BRITISH TRADERS' INSURANCE COMPANY, LIMITED

ESTABLISHED 1865

Head Office: HONG KONG

Head Office for Canada: TORONTO

FIRE & MARINE INSURANCE

LOSSES PAID SINCE ORGANIZATION OVER \$50,000,000

C. R. G. JOHNSON, POIRIER & JENNINGS, Inc., General Agents,
MONTREAL

Manager for Canada, C. R. DRAYTON

Thirteenth Annual Statement**THE ALLIANCE INSURANCE COMPANY**
of Philadelphia

STATEMENT DECEMBER 31, 1917

ASSETS

Bonds and Stocks at present market value.....	\$2,630,719.50
Cash in Banks.....	244,115.25
Fire Premiums in course of Transmission.....	166,195.13
Marine Premiums in course of Transmission.....	30,522.96
Accrued Interest and all other Property.....	42,456.77
Total Assets.....	<u>\$3,114,009.61</u>

LIABILITIES

Capital Stock.....	\$ 750,000.00
Reserve for Reinsurance.....	978,627.31
Reserve for Unpaid Losses	444,485.00
Reserve for National and other Taxes.....	63,000.00
All other Liabilities.....	3,072.62
Contingent Fund.....	124,824.68
Surplus.....	750,000.00
Total Liabilities.....	<u>\$3,114,009.61</u>

Surplus to Policyholders.....	\$1,624,824.68
Losses Paid Since Organization.....	7,250,077.90

Robert Hampson & Son, Limited*Chief Agents for Canada***1 St. John St., Montreal****M. J. Walsh & Son***Sole Agents for Montreal***142 Notre Dame St. West**

Guardian Assurance Co.

LIMITED, OF LONDON, ENGLAND

Capital Subscribed - - \$10,000,000
 Capital Paid-up - - - \$5,000,000
 Invested Funds Exceed - \$35,000,000

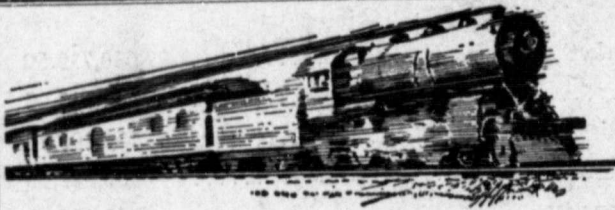
Fire Insurances at
 Moderate Rates

The Guardian Insurance Company of Canada

Accident, Liability, Automobile, Plate
 Glass, and Burglary Insurances
 and Guarantee Bonds

APPLICATIONS FOR AGENCIES INVITED

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 Free Sales Course, Prospect Bureau, Bulletin Service, Advertising and all
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YOU { Travel without expense.
 Are better equipped for the journey.
 Sure of getting there

With the
CANADA LIFE ASSURANCE COMPANY
 Home Office, TORONTO

THE ROYAL INSURANCE COMPANY, LIMITED

MAINTAINS UNALTERED
 DURING THE WAR
 the high uniform rate of
PROFITS
 paid to policy-holders for the past
FIFTY YEARS

LIFE DEPARTMENT
 GUARANTEES
PROFITS at the FULL RATE
 of \$15 PER ANNUM
 per \$1,000 assured, on ALL
 participating policies be-
 coming claims before 1920,
whether newly effected or not

HAS RECENTLY
 REDUCED ITS RATES
 for whole of life non-profit
 policies, and now offers
PERMANENT PROTECTION
 at the
MINIMUM OF COST

ENORMOUS FINANCIAL STRENGTH — PRUDENT ADMINISTRATION.

QUEEN INSURANCE COMPANY
 FIRE AND AUTOMOBILE INSURANCE — ABSOLUTE SECURITY

W. MACKAY, *Manager*

J. H. LABELLE, *Asst. Manager*