

The Chronicle

Banking, Insurance and Finance



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THE GENERAL FINANCIAL SITUATION

In view of the similarity of the lines on which the war taxation of Canada and the United States has been developing, the new American revenue bill as reported to the House of Representatives, commands the interested attention of financial circles here. The bill is designed to raise \$8,000,000,000 by way of taxes during the current fiscal year. A very large proportion of the money is to be derived from the war profits tax and the income tax. As the bill now stands both of these are heavily increased, but it is to be remembered that the measure, after passing the House of Representatives, requires to go through the Senate, and possibly it may be amended in some important respects. As regards the income tax the exemption limits are the same as in the existing law, namely, \$1,000 for single persons and \$2,000 for married persons. The normal tax now, however, is to be 6 per cent. from the exemption limits up to \$4,000, and 12 per cent. on all incomes in excess of \$4,000. Last year's bill provided for a normal tax of but 2 per cent. up to \$4,000. So the tax on the incomes from the exemption limits up to \$4,000 is trebled; and the tax on all incomes from \$4,000 up to \$200,000 is more than doubled. As compared with the existing law in the United States, our own income tax is the heavier; but the rates fixed by the new American taxation measure are considerably higher than those now in force here. The legislators at Washington have framed their bill in such manner as to cause or induce corporations to distribute in dividends a large proportion of the net earnings. Thus the tax on undivided profits is to be 18 per cent., while that on divided profits is to be but 12 per cent. This item is, however, left open for final determination, and it may be changed as it does not seem to be advisable to put such a heavy penalty upon the accumulation of reserves which place the corporations owning them in better position for meeting the dangers and uncertainties of the future. The purpose of the discrimination against undivided profits is merely to swell the amount of dividends paid and in that way to increase the amount of income liable for taxation.

The financial community has been discussing the Manitoba Free Press estimate of the western wheat crop of 1918. This estimate of about 150,000,000 bushels for the wheat crop falls consider-

ably under the figures which had generally been accepted in the East up to a short time ago. If the Free Press turns out to be correct, the surplus we have for export will be considerably less than had been expected, and the effect of the wheat export movement on our exchange situation will not be as important as in other years. The Winnipeg newspaper calculates that the value of all grains produced this year in the three prairie provinces will be approximately \$520,000,000. Of this amount the wheat crop represents roughly \$300,000,000. Under the circumstances that is not a bad showing—but it is to be remembered that this is the total value produced, and that it is the value of the surplus exported that affects the exchange market.

In connection with the financing of our wheat crops, a statement issued in Washington at the end of last week has more than usual interest. Officials of the United States Treasury, in commenting on the balance of \$350,000,000 against Canada in foreign trade for the year ending June 30, 1918, explained that this was more than offset by the use of British credits—something like \$400,000,000 of the funds loaned to Britain by the United States Government being expended in the Dominion for British purchases of wheat and munitions. Then Canada, in the year mentioned, privately arranged a loan of \$65,000,000 in New York with the approval of the American Government. And it is said that the contracts placed in Canada by the War and Navy Departments at Washington, now outstanding, amount to about \$125,000,000. Attention is also drawn to the fact that a substantial part of the large American exports to Canada represent munitions or materials subsequently re-exported in finished form to United States or Great Britain—the transactions being largely financed by means of the United States credits to Great Britain.

This statement from Washington regarding the financing of our trade balance in the year ended last June, leads one to conclude that the British credits in New York will be similarly available for settlement of our grain exports during the coming fall and winter. Assuming this to be the case, we may count with confidence upon receiving funds in New York for the grain exported to England and France; and providing that the British purchasing agents here have completed

(Continued on page 981.)

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

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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.
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The Molsons Bank

152nd DIVIDEND

The Shareholders of the Molson's Bank are hereby notified that a Dividend of TWO AND THREE-QUARTERS PER CENT. (being at the rate of Eleven per cent. per annum) upon the capital stock has been declared for the current quarter, and that the same will be payable at the office of the Bank, in Montreal, and at the Branches, on and after the

FIRST DAY OF OCTOBER NEXT,

to Shareholders of record on 15th September, 1918,

THE ANNUAL GENERAL MEETING

of the Shareholders of the Bank will be held at its banking house, in this City, on MONDAY, the 4th of NOVEMBER next, at three o'clock in the afternoon.

By the order of the Board,

EDWARD C. PRATT,
 General Manager.

Montreal, 21st August, 1918.

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

DIVIDEND NOTICE

The Court of Directors hereby give notice that an interim dividend for the half year ended 31st May last, of Forty Shillings per share, less Income Tax, being at the rate of eight per cent. per annum, will be paid on the 5th day of October next to the Proprietors of shares registered in the Dominion of Canada.

The Dividend will be payable at the the legal par of exchange on the 5th day of October next.

No transfer can be made between the 21st instant inclusive and the 4th proximo inclusive, as the books must be closed during that period.

JACKSON DODDS,
Secretary

NO. 5 GRACECHURCH STREET,
LONDON, E.C.
5TH SEPTEMBER, 1918.

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 (May, 1918) 113,000,000
Total Assets (May 1918) - 144,000,000

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Extending from the Atlantic to the Pacific

New York Agency: 63 & 65 Wall Street

ESTABLISHED - 1875 IMPERIAL BANK OF CANADA

Head Office: Toronto

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

PELEG HOWLAND
President

E. HAY
General Manager

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, \$14,000,000

Reserves, \$15,000,000 Assets, \$360,000,000

Head Office, Montreal

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Newfoundland, Cuba, Porto Rico, Dominican Republic,
Costa Rica, Venezuela

BRITISH WEST INDIES

In Antigua, Bahamas, Barbados, Dominica, Grenada,
Jamaica, Montserrat, Nevis, St. Kitts,
Tobago, Trinidad, British Guiana and British Honduras
Spain, Barcelona, Plaza de Catalina 6

London, Eng.
Princes Street, E.C.

New York
Cor. William & Cedar Sts.

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DEPARTMENT

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

THE DOMINION BANK

Head Office, TORONTO.
London, Eng., Branch

Established 1871
73 Cornhill, E.C.

Capital Paid Up \$6,000,000
Reserve Fund \$7,000,000

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A. N. NANTON

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Montreal Branch:

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 satis-
factory 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.

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J. HENDERSON, *Vice-President*.

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LT.-COL. A. E. GOODERHAM,
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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

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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, SEPTEMBER 20, 1918

AUSTRIAN PROPOSAL FOR PEACE.

In a leading editorial The Journal of Commerce, New York, says:—

Nothing could be more amazing than for a leading American newspaper to favor the Austrian proposal for a conference of any kind on the possible terms of peace at this time. The promptness, directness and brevity of our Government in its response ought to put a stop to any controversy over the question, not only by the Allies on the other side, but by neutral nations, however closely affected by the present situation. It ought also to put a stop to any further plotting, by subtle propaganda or by outspoken pretensions on the subject, by the directing power of the enemy from which the Austrian suggestion must have come. Of the position of the people as well as the Government of this country there can be no shadow of doubt, and the voice of America is pretty sure to silence any further outcry of the kind, for that voice is to be the decisive factor in this war.

It may not be surprising if the Allies on the other side of the ocean, who have been in the conflict with all their might these four years, are war-weary and feeling the pangs of exhaustion; but our assistance with growing strength and encouragement will keep them up to the task of working out their salvation and establishing a peace for the world which will make the long future safe. France, which has had to bear the direct brunt of the conflict all this time, and has suffered so much, has not lost its spirit and determination, and is duly grateful for the rescue that America has brought. That rescue must be made complete and a barrier raised that will make it everlasting. England has suffered much, though it is not such a direct victim, and the sentiment of its people has been shaken and wavering in spots from time to time, but they too have much at stake. The interests of their nation the world over have been put in peril, and the future of its subjects at home has been put in the greatest danger. They may need encouragement, but they are getting it and the United States is becoming their friend as never before.

Why should any question be raised about it at this critical moment? The Teutonic power has left no doubt about its original purpose or about its persistent determination to accomplish as much of that purpose as may be possible. It has kept up its secret propaganda wherever it has

been possible, and it has practiced deception to the utmost in striving to make it effective. It has practiced so much of this deception and been so inconsistent in it, according to circumstances and what it regarded as possible results, that trusting any profession at a conference, or even holding a conference at all, would hardly be short of ridiculous at a time when there is every prospect of administering the punishment it deserves and compelling terms that would make the world safe.

BANKING CONDITIONS IN THE UNITED STATES.

Discussing financial conditions throughout the United States, the New York Journal of Commerce says:—

Banking conditions are generally very satisfactory with high rates for money. The disposition is growing more and more general to discriminate between the paper of essential and unessential industries and to discourage borrowers from making large applications for credit for the purpose of sustaining business that is not regarded as absolutely requisite under existing conditions. Liquid paper is being preferred more than ever before and both banks and large investors are reported as putting themselves into position so far as practicable to meet the requirements of the Fourth Liberty Loan. In the West the demand

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THE GENERAL FINANCIAL SITUATION.

(Continued from Front Page).

the financial arrangements for taking delivery of all our wheat as it comes forward, the export bills should be a factor in the exchange market within another month.

With reference to the amount of grain available this year for export, it is to be noted that Miss E. Cora Hind, the expert of the Manitoba Free Press, states that owing to the extraordinary season it has been more than usually difficult to estimate the crop results, and that the final returns, when published, may be more favourable than now expected.

The report of Hudson's Bay Company land sales for the year ending last May shows a continuation of the marked improvement noted since 1915. Net land receipts in 1918 were £367,000, as against £140,000 in 1917 and £24,000 in 1916. These receipts in 1915, the first year of war, amounted to only £2,697. The progressive improvement during the past three years has been due in part to the high prices ruling for agricultural products.

Money rates here and in New York continue to rule at levels recently established. In London also there is practically no change. The New York clearing house banks in their Saturday statement reported a decrease of \$33,000,000 in excess reserves. Principal movements were: a decrease of \$31,000,000 in loans; decrease of \$38,000,000 in reserve in Federal Reserve Bank; decrease of \$48,000,000 in net demand and time deposits. The excess reserve therefore fell to \$24,900,000.

TRAFFIC RETURNS.

| Canadian Pacific Railway. | | | | |
|----------------------------|--------------|--------------|--------------|-------------|
| Year to date | 1916 | 1917 | 1918 | Increase |
| Aug. 31 | \$73,047,000 | \$94,523,000 | \$94,846,000 | \$323,000 |
| Week ending | 1916 | 1917 | 1918 | Increase |
| Sept. 7 | 2,679,000 | 2,666,000 | 3,053,000 | 387,000 |
| 14 | 2,728,000 | 2,691,000 | 2,915,000 | 224,000 |
| Grand Trunk Railway. | | | | |
| Year to date | 1916 | 1917 | 1918 | Increase |
| Aug. 31 | \$32,589,209 | \$41,082,168 | \$45,714,434 | \$4,632,266 |
| Week ending | 1916 | 1917 | 1918 | Increase |
| Aug. 7 | 1,256,376 | 984,921 | 1,236,343 | 251,422 |
| 14 | 1,236,989 | 993,968 | 1,285,264 | 291,296 |
| 21 | 1,304,848 | 1,043,948 | 1,341,827 | 297,879 |
| 31 | 1,952,163 | 1,555,987 | 2,238,804 | 682,817 |
| Sept. 7 | 1,276,061 | 992,615 | 1,346,556 | 353,923 |
| 14 | 1,253,629 | 977,154 | 1,415,000 | 437,846 |
| Canadian Northern Railway. | | | | |
| Year to date | 1916 | 1917 | 1918 | Increase |
| Aug. 31 | \$19,907,600 | \$26,871,300 | \$28,264,500 | \$1,393,200 |
| Week ending | 1916 | 1917 | 1918 | Increase |
| Sept. 7 | 708,900 | 715,800 | 901,000 | 185,200 |
| 14 | 668,000 | 751,300 | 873,900 | 122,600 |

FINANCIAL FEATURES IN WALL STREET, NEW YORK.

How effectively the war and its accompanying draft measures have cut down the volume of business in Wall Street is indicated by the following remarkable figures representing conditions in one of the large Wall Street commission houses. Of the six members of the firm only one member now is in daily attendance at the office. How many of the members of the firm are overseas was not mentioned. Of the twenty-nine clerks employed a year ago only five remain—and no attempt has been made to fill the places of those who have left, either by employing men or women. This probably is not far from an average showing. In the board room of a large Broad street house, where in ordinary times 100 or 200 customers congregate, there were exactly eight persons occupying chairs early one afternoon this week.

BANK OF HAMILTON

ESTABLISHED 1872

Capital (Authorized).....\$ 5,000,000
 Capital (Paid Up)..... 3,000,000
 Reserve and Undivided Profits 3,500,000
 Total Assets Over..... 64,000,000

Sir John Hendrie, K.C.M.G., C.V.O., J. P. Bell,
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46 years of consistent service to the business men and women of Canada.

126 Branches in Ontario and the Western Provinces.

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 Montreal Manager

ESTABLISHED 1873

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Standard Bank

of CANADA

Head Office, TORONTO



A General Banking Business conducted offering special facilities in the handling of business accounts.



Montreal Branch: 136 ST. JAMES ST.
 E. C. GREEN, Manager

AUSTRALIA and NEW ZEALAND BANK OF NEW SOUTH WALES

(ESTABLISHED 1817)

| | | | | | | |
|-----------------------------------|---|---|---|---|---|------------------------|
| Paid-up Capital | - | - | - | - | - | \$19,524,300.00 |
| Reserve Fund | - | - | - | - | - | 14,750,000.00 |
| Reserve Liability of Proprietors | - | - | - | - | - | 19,524,300.00 |
| | | | | | | <u>\$53,978,600.00</u> |
| Aggregate Assets 31st March, 1918 | | | | | | \$305,984,997.00 |



J. RUSSELL FRENCH, General Manager.

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

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 Bank of British North America

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

BANKING CONDITIONS IN THE UNITED STATES.

(Continued from page 981).

upon the banks for ordinary business requirements is proving very heavy, and in some sections where crop failures have occurred the assistance rendered by the Government in financing farmers and cattlemen, although just becoming effective, is considered a very hopeful phase of the situation. Almost the only part of the country where there is indication of decided stress is the Dallas district, where it is reported that rediscount demands are unusually heavy and that the amount of paper held is larger than ever before.

While there seems to be a very general feeling that the agricultural situation, taking the country as a whole, is extraordinarily prosperous, there are considerable regions in which the reduction of output or even local crop failure, due to unfavourable weather in the late summer, have brought about difficult conditions. In those regions where the crop failure was only partial or was limited to some particular kind of crop, it appears that the high prices obtained for the product actually harvested will more or less offset the losses incident to reduction of output. In those producing regions which are not exclusively agricultural but have also metal or mineral output the situation is unusually prosperous, and owners of mines, oil wells and mineral deposits are generally receiving very high prices and recording exceptionally large profits.

The labour situation practically all over the country is undoubtedly serious. This is partly due to the withdrawal of men through draft requirements, but is also partly due to the absorption of the labour supply in Government plants or in plants working exclusively on Government orders. In either case the supply of labour is rendered unavailable for the meeting of civilian requirements and wages are uniformly very high. In some districts it is reported that the urgent necessities of the situation are steadily drawing an increasing number of women into places formerly occupied by men not only in clerical lines but also in the lighter forms of manufacturing.

On the whole, the national condition as exhibited by these business reports shows remarkable progress in the conversion of industry from civilian to Government lines accompanied by the necessary adaptations of commercial organization, banking and employment. Prosperity appears to be universal as measured in terms of output, volume of sales, and, in most cases, profits. The very high cost of living and difficulty in securing labour reduce the value of this prosperity to the average consumer, and also render it considerably less significant to the manufacturer than would otherwise be the case.

HOARDING OF BUTTER REPORTED IN CANADA.

The cost of living branch of the Department of Labour in a report concerning goods in cold storage throughout the Dominion, says:—

The quantity of butter in storage is excessive. It is not true that the whole trade is involved in

this hoarding, but certain members of the trade are holding larger amounts than is right and the law allows. It is gratifying to note that the Food Board has already taken steps to force this butter into channels where it will be used.

The amount of cheese in storage at the first of the month is less than a month ago, and very much less than a year ago.

There is very little change in the amount of eggs in storage. It is not yet the time of year to move eggs from storage, and apparently very few were put in during August. The stocks of oleomargarine have declined. This will be a source of gratification to all concerned.

The total stocks of pork are about the same as last month, but a larger proportion of it is completely cured, and available for immediate shipment. The stocks of beef have increased. This fact agrees with other evidence that no new high records of prices should occur in the near future.

Evidently the stocks of mutton and lamb on hand a month ago have been sold for consumption, as we suggested. The stocks have declined very decidedly. The stocks of fowl, which increased last month, are still insignificant.

The stocks of fish are greater than a month ago, and much greater than a year ago.

DEPLETION OF STAFFS.

The insurance companies throughout Canada in many cases have been seriously handicapped by the operation of the Military Law, the effects of which have been a serious depletion of staffs at the head offices, and the withdrawal from the employ of the companies in some cases of young men with considerable experience in their respective positions. The tasks of the managers and of the older employees at the head offices (and the same can be said as well of the branch offices and local agencies throughout the Dominion), may be considerably decreased, if representatives in the field, and even policyholders, would take into consideration the additional work and responsibilities that rest upon the shoulders of fewer men, and pay as much attention as possible to details and the careful handling of the business of their respective companies, and eliminate as much as possible unnecessary correspondence. This can be effected to a considerable degree, by prompt remittances, and the exercise of care in undertakings. Policyholders should be requested to assist by prompt payments of premiums. Allowances should be made by all, and all should co-operate to render his neighbour's task less hard, and thereby aid in sustaining the general morale and in the achievement of the one great purpose.

NORTH AMERICAN LIFE ASSURANCE CO.

The North American Life reports business received for August amounting to \$1,240,620 was the largest amount received during any August since the company's inception.

Mr. E. J. Harvey, supervisor of the company's agencies, is touring important centres in the West.

The three leading personal producers of the North American Life for August were Messrs. M. L. Blake, Michigan; J. A. L. Robertson, Regina, and A. C. Lawrence, Nelson, B.C.



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**410 TONS OF GOLD HAVE BEEN PAID TO
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THE OLDEST AMERICAN STOCK FIRE INSURANCE COMPANY

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ROBERT HAMPSON & SON, LIMITED GENERAL AGENTS FOR CANADA **MONTREAL**

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AND GENERAL ASSURANCE ASSOCIATION
LIMITED**

of LONDON, ENGLAND

ESTABLISHED IN CANADA, 1865

ASSETS EXCEED \$24,500,000

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A. J. DAWES, Esq. H. B. MACKENZIE, Esq.
E. F. HERBEN, 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

THE INDIVIDUAL'S LIFE INSURANCE.

While the Canadian totals of life insurance in force have been largely increased in recent years, and now form a not unimpressive index to the thrift and well-being of the Dominion's population, the real significance of these aggregates can only be appreciated, when they are viewed from the standpoint of the individual. In the last two or three years, the Insurance Department at Ottawa has taken the trouble to compile the total amount of life insurance in force in Canada, company and fraternal, including both Dominion and provincial licenses. From this compilation, it appears that the aggregate amount of insurance in force in Canada at December 31st, 1917, was \$2,064,577,579. Taking the population of Canada as 8,000,000 this represents a per capita life insurance of \$258 compared with \$233 in the preceding year, a very fair advance.

Of the total amount in force, practically four-fifths, or \$1,602,235,531 is carried by old-line companies (approximately \$200 per capita) and about one-fifth, or \$462,342,048 by fraternals (\$58 per capita). At the end of 1916, these proportions of total insurance in force were three-quarters and one-quarter. So that it is evident the old-line companies made very much greater progress proportionately last year than the fraternals. This is an excellent sign, since there are a considerable number of the fraternals still in an unsound position, and it is not to the general well-being, but above that of the individual policyholder, that they should expand their liabilities on terms, which make the faithful carrying-out of obligations assumed, impossible.

In point of fact, the figures given above do not quite accurately represent the totals of life insurance carried by Canadians. In addition, there are the policies taken out in Great Britain and the United States, and still maintained in force by those who have since become residents of Canada. For instance, in recent years, and the war has aided rather than retarded this movement, there has been a considerable influx into Canada of American technical and professional men, already occupying fair positions before coming to Canada, and it may be assumed with some confidence that the total of this outside life insurance carried by present residents of Canada, were it ascertainable, would make a perceptible addition to the aggregates given above.

Premiums and Claims.

To keep in force their life insurance, Canadians during 1917 paid over a million and a quarter dollars a week, in all an amount of \$67,353,611. This is an increase of nearly a quarter of a million dollars weekly, or \$12,000,000 for the year, over the preceding annual period—a very notable development. Getting these figures down to their lowest terms, they show that the average per capita payment for life insurance in Canada last year was 15½ cents, an increase of two cents over the year 1916.

On the other hand, the companies and fraternal paid claims last year at the rate of \$560,000 weekly, in all a total of \$29,055,015. These payments, which were, of course, swelled by war

claims, were about \$88,000 larger per week than in 1916. Apart from war claims, there is, of course, a general tendency, as Canadian life insurance organisations increase in age, for the ratio of claims paid to premiums received, steadily to advance.

How these figures compare with the average per capita life insurance of other countries, we are not able to say, but the probabilities suggest that they compare very favourably. However, that may be, these figures do reveal the immensity of the field which lies before the Canadian life insurance agent. Even at the present time, out of Canada's population of 8,000,000, there can be hardly less than 3,000,000 of insurable age, in good health and able to keep in force, a fair, if not a large, amount of insurance. To give these 3,000,000 an average of a \$1,000 policy apiece (not an excessive amount by any manner of means), would mean an increase in Canadian insurance in force of 50 per cent. over its level at the end of last year. As the great strides made by Canadian life insurance in recent years have been largely helped by the expansion of business insurance, and other modern developments, the life insurance agent in Canada has an even longer way to go than this before it can be claimed that the average individual in the Dominion is covered by life insurance to an even modestly adequate extent.

SOLICITOR GENERAL GUTHRIE

At the recent convention of Life Underwriters held in New York, a rousing reception was given Solicitor General Guthrie, of Canada, who made a stirring address, which was listened to with the closest attention. He told of Canada's great sacrifices, on some days as many as 10,000 casualties being reported. At Vimy Ridge the Canadians had lost 10,000 men, but they captured 11,500 prisoners, as well as killing many of the enemy. He gave the lie to the German propaganda that Britain was not doing her part in the war, an attempt to spread ill feeling among the Allies. He said that the little islands of Great Britain, not so big in area as the State of New-York, had raised an army of 6,000,000 men, while with her colonies the army was 8,500,000, larger than any of the Allied armies, and that the casualties of Great Britain had averaged 2,000 a day. They have been 3,000,000 to date.

Solicitor General Guthrie told of the diplomatic mistakes of Germany, her blunder in thinking England would not go to the defense of Belgium; in thinking that the American troops would not be a factor in the war; in feeling that the silken thread binding British colonies would be broken.

"That silken thread is now an iron chain," said the Solicitor General. "Nothing can break it." He felt that there were no longer any geographical or other lines of demarcation between Canada and the United States. "We regard you as brothers, now," he said, "and shall for centuries to come."

The Solicitor General has two sons who have answered the call. He concluded by advising Americans to pay no attention to peace propaganda from Germany. The only way to whip the Germans, is to do so on the battlefield.

Commercial Union

ASSURANCE COMPANY LIMITED
of LONDON, England

The largest general Insurance Company in the world
(As at 31st December, 1917)

| | |
|--------------------------------------------|--------------|
| Capital Fully Subscribed..... | \$14,750,000 |
| Capital Paid Up..... | 1,475,000 |
| Life Fund, and Special Trust Funds..... | 73,045,450 |
| Total Annual Income exceeds..... | 57,000,000 |
| Total Funds exceed..... | 159,000,000 |
| Total Fire Losses Paid..... | 204,667,570 |
| Deposit with Dominion Govern- ment..... | 1,323,333 |

Palatine

INSURANCE COMPANY LIMITED
of LONDON, England

(As at 31st December, 1917)

| | |
|---------------------------------|-------------|
| Capital Fully Paid..... | \$1,000,000 |
| Fire Premiums 1917, Net..... | \$2,896,395 |
| Interest, Net..... | 142,130 |
| Total Income..... | \$3,038,525 |
| Funds..... | \$5,476,985 |
| Deposit with Dominion Gov't.... | \$318,267 |

N.B.—In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Funds exceed \$159,000,000.

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

LICENSED BY THE DOMINION
GOVERNMENT



THE FIDELITY-PHENIX

FIRE INSURANCE COMPANY OF NEW YORK

HENRY EVANS, President

"THE OLD PHENIX"

Assets Exceed - \$20,900,000

Head Office for Canada and Newfoundland

W. E. BALDWIN, Manager, 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.

ONTARIO WORKMEN'S COMPENSATION.

Mr. Samuel Price, Chairman of the Ontario Workmen's Compensation Board, in describing the operations of the Act in an address before the Committee of the Ontario Municipal Association last month gave a lot of useful information in concise form, and he explained in a brief and clear manner the effect of recent changes in the Law as applying to Municipal Corporations. He points out that a Municipality may apply to the Board to transfer any Department of work from Schedule 2 to Schedule 1, stating that this is "insuring with the Board and is really better than ordinary insurance." In this respect Mr. Price appears to have departed from his useful summing up of facts regarding the Amendments and Departmental work of administering the Act and ventures an opinion on an extremely academic question. In stating that insuring with the Board is better than ordinary insurance he arrives at an illogical conclusion against which we have the opinion of prominent Insurance Experts who have stated that insuring with the Board is not insurance at all.

The position is that employers are placed in groups and compelled to pay the loss cost by a system of annual assessment: the higher the loss cost the higher the assessment.

Apart from this there is now a grave burden placed upon the shoulders of employers in the shape of Common Law Liability. It is true that the Act does not permit the interference of lawyers between employer and employee, but the lawyer has not been legislated out of business. Instead of suing the direct employer he now sues the other fellow's employer for Common Law damages. The injured workman cannot sue his own employer even if he is the only party to whom blame could be attributed, but he sues another contractor or manufacturer associated in the work and stands a good chance of getting the sympathy of a Jury. All employers are subject to be attacked by these indirect suites, so that in addition to the assessments paid to the Board they must continue to carry the same real insurance as they held in the past with insurance companies protecting them against the same old risk as they faced in the past, the activity of the industrial lawyer.

The insurance risk was formerly known under the name of "Employers' Liability Insurance" and the Compensation Act by merely protecting the fund against the attentions of the lawyers, and not protecting the employer, he must still secure insurance against this same risk but now under the name of Public Liability Insurance.

ILLINOIS POND OF THE BLUE GOOSE.

The annual meeting of the Illinois Pond of the Blue Goose was held on the 16th instant at Chicago. After dinner at the Grand Pacific Hotel, Royal Buckman of the Royal, the retiring Most Loyal Gander, reviewed the past year, showing that the Illinois Pond now has 315 members, being the largest in the order, and has twenty-five members in the service. Reports were made by the other officers and committees and the following

officers were elected for the ensuing year: Most Loyal Gander, A. R. Monroe, of the Queen; Supervisor, T. M. Hogan, of the Dubuque Fire and Marine; Custodian, W. J. Nolan, of the Glens Falls; Guardian, C. G. Wonn, of the Northern of London; Secretary, P. J. V. McKian, National Underwriter; Treasurer, William M. Frink, of the Royal. J. Victor Barry, formerly insurance commissioner of Michigan, also spoke.

LONDON GUARANTEE AND ACCIDENT

The London Guarantee and Accident Company Established in 1869 ranks as one of the oldest offices identified with Accident insurance. Its net premium income for 1917 amounted to \$10,897,200. An increase of nearly \$3,000,000, as compared with 1916. This imposing advance carries on the impressive expansion which of recent years has been so strongly marked an outcome of the Company's activities, conducted with unabated vigour on both sides of the Atlantic. The Company's operations cover practically all branches of insurance enterprise other than life. The London Guarantee commenced business in Canada in 1880, with Head Office in Toronto. Mr George Weir, who has been connected with the Company for many years, is the Canadian Manager, under whose direction Casualty business in all its branches is actively conducted.

The London Guarantee of recent years has been operating a fire department with considerable success in Canada under the management of Mr. J. E. Hounsom. Mr. W. Mayne McCombe is the very active representative of the Company in Montreal, which is one of the most important branches in Canada.

A FACT

(With apologies to "S.H.")*

The Mountain of our fable—whose summit reached
the *Star*,
Gave eyrie to the *Eagle* and dwarfed the plains
afar—
Sighed for more worlds to conquer, and towards
the haunts of men
He turned—from realms celestial to things within
their ken.

Dominions wide he governed; they smiled beneath
his sway,
The *Sceptre* that he wielded unchallenged to this
day.
Yet still he felt unsettled: symbol no less than
power
Seemed incomplete and wanting in that momentous
hour,

Then to himself he muttered: "The English
love a lord,
"While Royalty and Worth combined they always
have adored.
"The hour of destiny has come—false hesitancy,
down!"
Forth from his side a hand outstretched to seize
the *British Crown*.

*See POST MAGAZINE, Vol. LXXVIII, page 665.

The Trust and Loan Co.
OF CANADA

Capital Subscribed \$14,000,000.00
Paid-up Capital 2,920,000.00
Reserve Funds 2,783,906.38

MONEY TO LOAN ON REAL ESTATE

30 St. James Street, Montreal

Prudential Trust Company
LIMITED

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

B. HAL. BROWN, President and Gen. Manager

"I Wish I Had Taken Twice as Much!"

Nothing is more often repeated in letters received at our office than the expression "I wish I had taken twice as much insurance while I was about it." When endowments, dividends or cash settlements are paid, the assured very often acknowledges the remittance with that remark. The truth is very few men take as much life insurance as they can reasonably carry—and repentance often comes when additional insurance is not procurable. Probably every reader of this paper believes in life insurance and carries more or less of it, but one should ask himself the question, **AM I CARRYING AS MUCH INSURANCE AS I CAN AFFORD?** If the policyholders who are now entering the company could read the evidence of gratified policyholders and beneficiaries, they would make a great effort to increase the amount applied for—and existing policyholders would double the amount of their protection. "One word more":—What income would your present insurance yield the beneficiary at say 6%?

The Mutual Life Assurance Co. of Canada
WATERLOO, ONTARIO

The LIFE AGENTS' MANUAL
THE CHRONICLE - - MONTREAL

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 Alrd John Hoskin, K.C., LL.D.
Robt. Bickerdike, (Montreal) Z. A. Lash, K.C., LL.D.
Lt. Col. Henry Brock Geo. A. Morrow, O.B.E.
Alfred Cooper, (London, Eng.) Lt. Col. The Hon.
H. C. Cox Frederic Nicholls
John H. Fulton, (New York) Brig.-General Sir
D. B. Hanna Henry Pellatt, C.V.O.
E. Hay E. R. Wood

HEAD OFFICE - TORONTO

**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

A BRITISH COMPANY

Union Insurance Society of Canton, Limited
ESTABLISHED 1835

Head Office: HONGKONG Assets over \$18,000,000

TOTAL ASSETS—Union and Allied Companies, \$30,000,000

FIRE, MARINE AND AUTOMOBILE

Head Office for Canada, 36 Toronto Street, TORONTO

General Agent Montreal, JOSEPH ROWAT Manager for Canada, C. R. DRAYTON

THE MUTUAL OBLIGATIONS OF INSURER AND INSURED IN LIFE INSURANCE CONTRACTS.

To tell people just about how much life insurance they ought to carry has some slight flavour of dictation on a point that we may know less about than they do themselves; but there are some general principles that it is well to bear in mind, and that, if not suggested by us, might not occur to the applicant at all if he is absolutely lacking in knowledge of the plans, methods and general workings of life insurance.

In the cases of mechanics, artisans, the poorer paid clerks, and many thousands of men whose yearly income is not expected to rise above \$1,500 or \$2,000, the question is of the very easiest solution, because it solves itself. Such men, if burdened with the care and responsibilities of wife and children, find their loving thoughtfulness and self-sacrifice put to the test, even to save \$50 or \$100 a year for investment in life insurance. With such persons, therefore, it is not a question of how much they desire to carry, but of how much insurance they can secure for the few dollars of annual premium that by strict economy they find they are able to spare from their annual incomes.

There are, however, many, many thousands of men who earn generous incomes, varying all the way from \$5,000 to \$50,000 per annum, and these men, merchants, manufacturers, lawyers, physicians and workers in other professions, are the very men who should give most careful consideration to the subject of life insurance. In very many cases they live up to the limit of their incomes, and accustom their wives, sons and daughters to a generous and easy mode of life, in contrast with which a forced economy with the imminent threat of want and starvation before them would be a most terrible affliction. Men earning such incomes as we have indicated should never be so criminally negligent as to fail to secure to their families, at least a means of genteel livelihood in the event of their death.

Suppose a man in such circumstances, being unable to rely upon any large accumulation of money, or money value from his business, decides that the necessities of his wife and children, in the event of his death would require that the income of say \$3,000 should be secured to them. He should take out certainly not less than \$60,000 insurance, because it would require such an amount securely invested at 5 per cent. interest annually to yield his widow and children the annual income he would require them to have. Possibly, the prevailing rates of interest might make such an amount of insurance more productive, but it is well to figure on a comparatively low rate, because of the unquestioned security that would be essential where it is manifest that not the slightest possible danger must be run of involving the principal itself.

If a man of large current income, whose family has been in the habit of enjoying all the luxury, convenience and elegance that his fortunate position has secured them, should conclude that a less income than \$10,000 a year after his death would

be comparative poverty to them, then he would have to secure \$200,000 of insurance or more, in order to save them from such rough contact with the world, as his kindness and indulgence to them during his lifetime had secured them against.

In the cases of men of large means, the question necessarily becomes complicated by the consideration of the amount of money, stocks or other securities that they would be able to leave their families; and if this acquired wealth is in some permanent form, that can never be jeopardized, the necessity for life insurance becomes, of course, very much diminished. Even in such a case, however, where a fairly large fortune has thus been accumulated, life insurance is a valuable desideratum, because, in the event of death, the active producer and governing intelligence being taken away, there may be more or less necessity for a fund of ready money, in order to protect actual investments already made, and which might be unfavourably affected by any immediate sale that might be required to produce present available funds for current expenses. In this view, therefore, it is generally conceded that however rich a man may be—even if he is rich enough not to need the benefit of life insurance in its ordinary form—life insurance is nevertheless a valuable consideration to him, affording, as it can do, such effectual protection to his investments.

Now, there are many men in businesses or professions that yield them a satisfactory current income, but which do not yield them sufficient to enable them to lay by a competency for their old age, or to secure the comfort of their declining years. Many persons so situated know this to a certainty, yet in a "happy-go-lucky" kind of a fashion seem to trust to chance to secure them the comforts and necessities of life at a time when all its comforts become doubly dear; and perhaps, without altogether intending it, to run the risk of imposing themselves in their old age as a burden upon their children. When this dependence comes it must be terribly mortifying to a man who has hitherto always paid his own way honestly and honorably, especially if he feels that the one method of obviating any such dependence was absolutely neglected by him. The men who are most liable to be thrown into such a position as this, generally speaking, know it before the evil day comes upon them, and if they would submit themselves to a slight degree of economy, they could invest in an endowment policy, which at its maturity would make their old age a happy one and secure them in a position of manly independence.

As to this question of amount, we would advise an applicant to decide in such a manner as would make it possible for his dear ones to live, after his death, in such a manner as he would not have been ashamed to see them live during his lifetime. While we have proved ourselves anxious that no one should apply for more than he can carry, we do not want to see any one falling into the error of applying for very much less than he can and really ought to carry. In a matter of this kind, if

(Continued on page 991).

CANADA PERMANENT MORTGAGE CORPORATION

ESTABLISHED 1855. TORONTO STREET, TORONTO

| | | | | | |
|------------------------|---|---|---|---|------------------|
| PAID-UP CAPITAL | - | - | - | - | \$5,900,000.00 |
| RESERVE FUND (Earned) | - | - | - | - | 5,250,000.00 |
| UNAPPROPRIATED PROFITS | - | - | - | - | 197,977.41 |
| CAPITAL AND SURPLUS | | | | | -\$11,447,977.41 |
| INVESTMENTS | | | | | -\$31,537,601.92 |

A Trustee Investment. — The Bonds issued by this Corporation are a high-class security in Trust Funds. They bear an attractive rate of interest, and may be had for any sum desired from one hundred dollars upwards. Both interest and principal may be made to become due at such dates as best suit the convenience of the investor.

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


ATLAS ASSURANCE COMPANY LIMITED

Founded in the Reign of George III

Subscribed Capital - - - \$ 11,000,000
Capital Paid Up - - - - - 1,320,000
Additional Funds - - - - - 22,141,355

The Company enjoys the highest reputation for prompt and liberal settlement of claims and will be glad to receive applications for agencies from gentlemen in a position to introduce business.

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

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.

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 - - - - - 5,630,376.42
Total Losses paid to 31 Dec., 1916 100,942,000.00

Canadian Branch:
LEWIS BUILDING, 17 St. John St, MONTREAL
Manager for Canada: MAURICE FERRAND.

The Life Agent's Manual

Published by The Chronicle, Montreal

KNOWLEDGE OF BUSINESS ESSENTIAL IN INSURANCE.

R. H. Towner Points Out Fallacies of Federal Operation of Business.

R. H. Towner, of the Towner Rating Bureau, New York, discussing the question of the possibility of further expansion of Governmental activity in the insurance business, says to The Journal of Commerce, New York:

"In commerce and industry insurance is a tradition, a fixed principle and a necessity. The National Government which inherited from the British Crown its sovereignty over the American colonies inherited with it no tradition of insurance any more than it inherited a tradition of Government engaging in commerce and industry. All the people were taxed to erect a Government building. If the building burned down, then all the people were taxed again to erect its successor. So that taxation performed, after a fashion, the function of insurance, by distributing the fire loss on Government buildings over the whole body of taxpayers. The Government's money, unlike its buildings, was always insured. It was an inherited principle of the English Common Law that every crown officer was an insurer of the safety of all Government funds charged to him. Bonds were required guaranteeing that he would account for and pay over the Government's money, and the loss of this money, through fire or other casualty, was a breach of the bond. Likewise, if the money were stolen by third parties, or lost in the failure of a bank, the officer and his sureties were as much liable as though it had been stolen by the officer himself. The tradition requiring these bonds was inherited by the United States, and for the National Government now to abandon the bonding of Federal officers would be as great an innovation as for it to begin the insurance of Federal buildings. The Government practices toward its buildings and its money is explainable only by tradition. There is no apparent reason why a customs officer who is held blameless if the Custom House is destroyed should be made responsible for Government money burned in the same fire.

"With local governments of States, counties, cities, school districts, etc., the case has been somewhat different. If the State Capitol burned without insurance, the loss was borne by the people of that State alone. If it was insured, the loss was distributed over forty-eight States, or as many of them as paid fire insurance premiums. The necessity for insurance increased as the governmental unit diminished. A county could not afford to build a costly court house without insurance; so that if the court house burned, the loss, instead of falling upon the county alone, would be distributed over a thousand or two thousand other counties. A school district likewise, which issued its bonds for a new school house, found insurance necessary. Without it the district might wake up any morning to find itself still owing the prin-

cipal and interest of these bonds, but with nothing but a heap of smoking ruins to show for them. Fire insurance, therefore, became as common as it was necessary on all Government units below the Federal Government. It was only through insurance that their fire loss could be distributed.

"So long as Government activities were limited to the business of governing, its attitude toward insurance was not of much moment. Its few buildings were widely scattered, without concentrated risks, and it could accomplish a lateral distribution of fire loss by taxation. When the Government enters upon the pursuits of commerce and industry, insurance becomes as necessary to it as to others. The rise and growth of insurance organizations and the continuous increase of insurance capital furnish ample testimony to the multitude of reasons which make insurance indispensable to commerce and industry. Out of such a multitude it is difficult to specify which are most important to Government. But I should select the following:

"1. Insurance companies distribute the fire loss over time as well as area. During years of ordinary losses, surplus and reserve are accumulated to be paid in years of extraordinary losses. This was well illustrated by Charles L. Case, United States manager of the London Assurance Corporation in the testimony which he gave after the San Francisco fire. His company, he said, had remitted to its home office an average profit of \$100,000 a year for forty years before the San Francisco conflagration. But all this and more was paid out in that disaster, which cost his company \$5,000,000. So that the underwriting profits of fifty years were swallowed up in one great conflagration in a single city. The power of taxation affords Government a means for the lateral distribution of losses, but not for their distribution through time.

"2. Government engaged only in the business of governing receives money only from taxation. Government engaged in commerce and industry makes investments and receives their returns. As an investor, the Government, like all other investors, must provide for the investment's safety and

(Continued on page 993).

THE MUTUAL OBLIGATIONS OF INSURER AND INSURED IN LIFE INSURANCE CONTRACTS.

(Continued from page 989).

any person opens his mind to him freely, no honorable life insurance agent would willingly mislead, and it would certainly be a good idea to take advantage of any of the suggestions or advice that any experienced Life Agent can give, because they are eminently practical men, fully alive to the practical side of life insurance, and generally devoted in a praiseworthy degree to its best interests.


There is no doubt that many lapses, when the second annual premium becomes due, can be attributed to agents inducing applicants to take out more insurance than their circumstances enabled them to keep up.



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

SURPLUS AND RESERVES, \$970,499 TOTAL FUNDS, \$1,199,903

TOTAL LOSSES PAID \$2,224,512

Applications for Agencies Invited

HEAD OFFICE - - - - MONTREAL

P. J. PERRIN and J. R. MACDONALD, - - - Joint Managers

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. R. STEWART, Special Agent, 36 Toronto Street, TORONTO, Ont.
E. 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. MORRISSEY, 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: 87 Beaver Hall Hill,
MONTREAL

Agents wanted in unrepresented towns in Canada.

W. D. AIKEN, Superintendent, Accident Dept. **J. E. E. DICKSON, Canadian Manager.**

INSURANCE SALESMEN, ATTENTION!

We have one or two choice vacancies in Western Ontario awaiting District Managers, for men of character and ability. If you are a productive worker, and would like to improve your position, write, stating experience, etc., to

H. A. KENTY, Superintendent of Agencies,

THE CONTINENTAL LIFE INSURANCE CO.

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

KNOWLEDGE OF BUSINESS ESSENTIAL IN INSURANCE.

(Continued from page 991).

must compute its returns. Annual returns must be charged with an annual premium sufficient to insure the investment's safety. Otherwise, these returns are purely fictitious. Simply guessing that a casualty will not happen, or guessing when it will happen, or what it will cost, is not sufficient. The true cost of insurance protection is measured by the premium paid to solvent underwriters having ample capital.

"3. This is fully recognized by the Government in its dealings with contractors. As it advances money or material to contractors for the completion of their contracts, it requires contractors to cover such advances with insurance for the interest of the Government, as well as for themselves. But Government that is operating railroads, telegraph, telephone and manufacturing plants has the same interest in taking out insurance for its protection as though these were operated by private contractors for Government work. It has the same concentrated risks and the same necessity for insuring the preservation of its investment and capital, in order to ascertain its true annual returns.

"4. Private commerce and industry cannot operate without insurance companies. They require a strong and ever increasing body of insurance capital directed by men who make insurance their sole business, and who are guided by the experience which they accumulate through many years. The business of insurance is built up on a fund of knowledge constantly increased by the accretions of experience. Knowledge is as essential to it as capital. This knowledge is not gained and cannot be supplied by those who are engaged in other callings, whether of private enterprise, or of Government. But all this knowledge and experience must be supported by the whole field of insurable risks. For the Government to withdraw from insurance companies a substantial part of this field would be a serious detriment to all the remaining. That is, it would be a detriment to all those private taxpayers whose taxes and enterprise support the Government.

"5. When the Government engages in production, either of commodities or of transportation, it can ascertain the cost beforehand. Plant, overhead, material and labour are all acquired at a known and definite expense. When the Government becomes an insurer it enters a field where the cost is unknown until the experience matures. If it attempts to measure this cost by insurance rates fixed in advance it must base these rates on the experience of the insurance companies which it supplants. It has no experience of its own. But their experience is the insurance companies' most valuable asset; so that in seizing upon it for the purpose of supplanting them the Government takes their property to destroy their business.

"6. In insurance, as well as in most other matters, private foresight and private prudence have gone ahead of Government foresight and Government prudence. The value of insurance

was recognized by private enterprise long before it was recognized by Government. But our Government by political parties has established the tradition of Government leadership. Parties vie with each other as to which better keep step with progress and shows the people the better way. The path of progress in this country is insurance in insurance companies. It is these that are indispensable to commerce and industry. Any governmental activity hostile to them, tending to overthrow them, or to diminish the field of their underwriting, so that their averages shall be less stable and their resources less strong, is a step backward. It is a step back to the period when everyone insured himself. Forward looking Government should set a good example. Insurance is the best example there is."

CANADIAN FIRE RECORD.

(Compiled by The Chronicle.)

Fire at Halifax.—On the 15th instant a fire destroyed four buildings at the Halifax Dry Dock and Shipyards. Fire was due to carelessness. Fully covered by insurance.

Fire at Toronto.—On the 14th instant fire broke out in the premises of the Scythes Company, Ltd., Cordage Manufacturers, Church St., Toronto. Loss about \$2,000.

Fire at Southwold (near St. Thomas, Ont.).—On the 16th instant a fire destroyed the fine large modern barn, shed and hog pen of Mr. Fred Abbott, Southwold. Loss about \$6,000, partly covered.

Fire at Notre Dame de Grace, Que.—On the 16th instant a fire destroyed the stables and 14 horses of Toupin, Ethier & Company, coal merchants, 349 Decarie Boulevard, Notre Dame de Grace. Loss about \$7,000 partly insured.

Fire at Nun's Island, Montreal.—On the 12th instant a fire occurred in one of the large barns on Nun's Island opposite Verdun. The barn a structure of cement and wood was filled with hay and grain. Damage estimated at \$25,000. No insurance.

Fire at Montreal.—On the 12th instant a fire broke out on the premises of Thomas P. Oakes, dry goods, 709 St. Catherine St. East, caused by a lighted match dropped by an employee on cotton in the cellar. Insurance: Caledonian, \$4,500; Union of Paris, \$6,500; Union of Canton, \$4,000; Commercial Union, \$11,000. Total \$26,000. Loss total.

Fire at Iroquois Falls, Ont.—By the fire which occurred on the 10th inst. on the premises of the Iroquois Hotel, owned by the Abitibi Pulp & Paper Co., the following companies are interested: First National, \$1,000; Providence Washington, \$750; North America, \$3,500; Ohio Millers, \$14,000; Royal, \$6,250. Total \$25,500. Loss total. Five persons are known to have met death, as a result of the fire.



The Northern Assurance Co. Limited

Of England

ACCUMULATED FUNDS, 1917 - \$48,384,320.00

Including Paid up Capital \$1,460,000.00

Head Office for Canada: Lewis Building, 17 St. John Street, Montreal
G. E. MOBERLY, Manager

Railway Passengers Assurance Company

of London, England

Transacts: ACCIDENT, HEALTH, EMPLOYERS' AND PUBLIC LIABILITY, MOTOR CAR, ELEVATOR, TEAMS, PLATE GLASS, BURGLARY AND FIDELITY BONDING

Head Office for Canada and Newfoundland - - - - TORONTO
F. H. RUSSELL, General Manager

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

THE ST. PAUL FIRE AND MARINE INSURANCE COMPANY

INCORPORATED 1865

ASSETS OVER \$13,000,000

REPRESENTED IN TORONTO BY

McADAM, SHERRITT & COMPANY

Excelsior Life Building

General Agents

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

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

WANTED

Young man, with knowledge of Plate Glass Insurance, by a leading Plate Glass Insurance Co. Apply, stating where employed at present and salary expected to

PLATE GLASS,
c/o The Chronicle,
Montreal.

THE MONTREAL CITY and DISTRICT SAVINGS BANK

NOTICE is hereby given that a Dividend of Two Dollars and Fifty 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 first day of October, next, to shareholders of record the 14th of September, at 12 o'clock noon.

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

Montreal, 27th August, 1918.

EQUITABLE

Q Mutual in Principal and Practice Q

Impregnable in Strength

U Enterprising, Conservative Management U

Comprehensive, Adaptable Policies

I Low Mortality Rate I

Prompt Payment of Death Claims

T Efficient Service to Policyholders T

Training and Education for Agents

A A satisfied constituency gained by Fifty-eight years of public service. A

B *These are some of the advantages enjoyed by representatives of* B

THE EQUITABLE LIFE ASSURANCE SOCIETY
OF THE UNITED STATES

L For agency openings address: L

W. E. Taylor, Second Vice-President

EQUITABLE

AUGUST FIRE LOSSES.

The losses by fire in the United States and Canada during the month of August, as compiled from the records of The Journal of Commerce, reach a total of \$31,476,650, again showing a very marked increase over the figures of last year which were \$21,751,100. The August record this year is one of the worst in the history of the country and brings the losses for the first eight months of 1918 up to the excessive total of \$200,036,285, as compared with \$180,515,875 for the same months in 1917 and \$159,535,220 in 1916.

The unusually bad fire loss record of August this year has attracted considerable attention from the authorities charged with conserving the nation's resources and already measures have been taken on the Pacific Coast to safeguard the food warehouses in that section. Continuation of the present tremendous loss of property and life by fire cannot but vitally affect the economic future of the country. Fire waste in Canada constitutes a problem of paramount and far-reaching importance.

Great American Insurance Company New York

INCORPORATED - 1872

PAID FOR LOSSES

\$96,971,238.06

STATEMENT, JANUARY 1st, 1918

CAPITAL

AUTHORIZED, SUBSCRIBED AND PAID-UP

\$2,000,000.00

RESERVE FOR ALL OTHER LIABILITIES

12,927,269.91

NET SURPLUS

8,527,719.31

ASSETS

23,454,989.22

THE SECURITIES OF THE COMPANY ARE BASED UPON ACTUAL VALUES ON DECEMBER 31st, 1917


HAD THE SECURITIES BEEN TAKEN AT THE VALUES AUTHORIZED BY THE NATIONAL CONVENTION OF STATE INSURANCE COMMISSIONERS THE ASSETS AND SURPLUS WOULD EACH BE INCREASED BY \$2,321,032.00

Home Office, One Liberty Street New York City

Agencies Throughout the United States and Canada

ESINHART & EVANS, Agents MURPHY, LOVE, HAMILTON & BASCOM, Agents
39 Sacramento Street Dominion Bank Building
Montreal, Quebec Toronto, Ontario

WILLIAM ROBINS, Supt. of Agencies
Dominion Bank Building
Toronto, Ontario



THE EMPLOYERS'

Liability Assurance Corporation, Limited
of LONDON, England

Transacts

AUTOMOBILE INSURANCE
covering ACCIDENT, PROPERTY, DAMAGE, COLLISION, FIRE, THEFT
and TRANSPORTATION

PERSONAL ACCIDENT, HEALTH, LIABILITY, PASSENGER and FREIGHT
ELEVATOR, FIDELITY GUARANTEE, CONTRACT BONDS
and FIRE INSURANCE

Offices: { Temple Building : TORONTO, ONT.
 { Lewis Building : MONTREAL, QUE.

CHARLES W. I. WOODLAND,
General Manager for Canada and Newfoundland.
JOHN JENKINS, Fire Manager.


APPLICATIONS FOR AGENCIES INVITED

Canadian
Government
Deposit

\$1,342,455.00

Stands First

in the
liberality of its
Policy contracts,
in financial strength
and in the
liberality of its loss
settlements.



TRANSACTS :

Personal Accident Automobile
Sickness Burglary
Liability [All Kinds] Postal
Fidelity Guarantee

HEAD OFFICE: 302 St. James Street, MONTREAL
F. J. J. STARK, General Manager
C. H. McFadyen & Co., Limited, General Agents
Paris Building, Winnipeg, Man.



AUTOMOBILE INSURANCE

A Comprehensive Policy covering
**ACCIDENT, PROPERTY DAMAGE, COLLISION,
FIRE, THEFT and TRANSPORTATION** is what the
public demands.

The "OCEAN" can meet these requirements under one contract

Branch Office: MERCHANTS BANK BUILDING, MONTREAL

ARTHUR JAMES, Superintendent. H. GORDON WARING, Inspector, Automobile Department.

Canadian Head Office: Ocean Insurance Building, TORONTO

The Dominion of Canada Guarantee & Accident Ins. Co.

**The Oldest and
Strongest Canadian
Casualty Company**

E. ROBERTS, Manager
761, LEWIS BUILDING, MONTREAL

TRANSACTS:

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|-----------------|----------------------|-------------|
| ACCIDENT | SICKNESS | PLATE GLASS |
| BURGLARY | AUTOMOBILE INSURANCE | |
| GUARANTEE BONDS | FIRE INSURANCE | |

C. A. WITHERS, General Manager
TORONTO

Branches: WINNIPEG CALGARY VANCOUVER