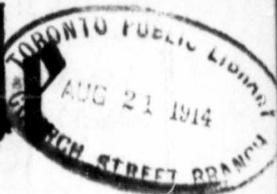


The Chronicle

Banking, Insurance & Finance.



ESTABLISHED JANUARY, 1881

PUBLISHED EVERY FRIDAY

Vol. XXXIV. No. 34

MONTREAL, AUGUST 21, 1914.

Single Copy 10c
Annual Subscription \$5.00

THE BANKS AND THE CRISIS.

Thanks to a strongly conservative policy diligently pursued, the breaking of the storm of war in Europe found the Canadian banks well prepared to meet the crisis. The storm broke with a suddenness that would have been fatal to financial institutions managed without care or with little attention to the canons of conservative finance. It says much for the strength of the Canadian banks, for the discretion which guides them and for the confidence which they inspire that Canada has weathered so successfully the confusion and alarm of these last two or three weeks. That times are hard and that many of our people will find at the end of the year a balance on the wrong side of their balance sheet—particularly where speculative transactions have been engaged in—goes without saying. The important point is, however, that there has been no sign of panic, as there might well have been; were public confidence in the ability and discretion of those who control Canadian credit less marked. The effects of the first stunning blow having passed, business men, assured of the steadiness and solidity of the credit structure, are settling down to work under war conditions.

* * * *

The latest return of the position of the banks at present available is that for the end of June when the present war-storm had not begun to take shape. But the figures then published show that even at that time and in order to meet quite ordinary contingencies of a period of relative depression, the banks had placed themselves in a strong position, as a result of a consistent policy of conservatism, which has been particularly in evidence since the bankers with wise foresight began to prepare for the end of the boom period which closed in 1912. At the end of June the banks held in cash \$147,941,008 or practically ten per cent. of their total liabilities including capital; and call money, etc., aggregating \$242,326,854 or 16.3 of total liabilities. This call money is practically equal to cash, so that over 26.0 per cent. of the banks' total liabilities were at the end of June in the most readily available form to meet every emergency. In the case of some of the

larger banks, of course, the proportion is much larger than the average of all the banks. Moreover, immediately on the appearance of the war-storm, the banks took rapid steps to strengthen further their position and it is to be presumed that the July return, when it makes its appearance, will confirm the prevalent impression that the banks were successful in yet further fortifying their position, both by turning part of their easily realisable assets into actual cash and also to a certain extent by the calling-in of outstanding loans.

* * * *

With regard to the immediate future, no doubt the banks will be called upon to play an important part in connection with the new loan of 50 million dollars which will be floated by the Dominion Government to meet its war expenditure. Obviously it is impossible to borrow this amount in Europe at the present time and as the United States market is apparently also to be closed to loans of this character, the task will be given the banks of devising ways and means in conjunction with the Government of taking care of this issue until such time as it can be disposed of abroad. Other possible eventualities have been already covered by the special provisions for dealing with the financial situation which were announced immediately on the outbreak of war. The immediate position is as yet complicated by the uncertainties of seaborne trade and the abnormal position in regard to foreign exchange. But apparently there need be little fear but that in due course the shipping of this year's crop will be proceeded with, possibly not on normal lines, but probably enough under circumstances which will be found satisfactory.

* * * *

It is clear in fact that thanks to the vigilance displayed by the guardians of Canada's credit, the business community can settle down to work calmly in the knowledge that the Canadian credit system is in excellent position to meet all the stress of the next few months. No one would be so foolish as to suppose that Canada will escape entirely the after-effects of this titanic struggle, which will be felt all over the world. But the main point at present is that there need be no fears of an actual financial panic in Canada.

BANK OF MONTREAL Incorporated by Act of Parliament
 Rest, \$16,000,000.00. Undivided Profits, \$1,046,217.80
 Capital Paid Up, \$16,000,000.00

Head Office, MONTREAL

BOARD OF DIRECTORS

H. V. MEREDITH Esq., *President.*
 E. B. GREENSHIELDS Esq.
 SIR THOMAS SHAUGHNESSY, K.C.V.O.
 A. BAUMGARTEN, Esq.
 D. FORBES ANGUS, Esq.
 SIR WILLIAM MACDONALD
 DAVID MORRISON Esq.
 C. B. GORDON, Esq.
 W. McMASTER, Esq.
 SIR FREDERICK WILLIAMS-TAYLOR, *General Manager.*
 A. D. BRAITHWAITE, *Assistant General Manager.*
 G. SWEENEY, *Supt. British Columbia Branches.*
 D. R. CLARKE, *Supt. Maritime Provinces and Newfoundland Branches.*
 F. J. COCKBURN, *Supt. Quebec Branches.*
 E. P. WINSLOW, *Supt. North West Branches.*

BRANCHES IN CANADA

In all the important Cities and Towns in the following Provinces:
 PROVINCE OF ONTARIO. PROVINCE OF PRINCE EDWARD ISLAND
 PROVINCE OF QUEBEC. PROVINCE OF NOVA SCOTIA.
 PROVINCE OF NEW BRUNSWICK. NORTHWEST PROVINCES.
 PROVINCE OF BRITISH COLUMBIA.

BRANCHES OUTSIDE OF CANADA:

LONDON, England, 47 Threadneedle Street, E.C. Sub-Agency, 9 Waterloo Place, Pall Mall, S.W.
 NEW YORK, N.Y., 64 Wall Street, R. Y. HEDDEN, W. A. BOG, J. T. MOLINEX, Agents.
 CHICAGO, Illinois, 184 La Salle Street. SPOKANE, State of Washington.
 ST. JOHN'S, Newfoundland. GRAND FALLS, Newfoundland

BANKERS IN GREAT BRITAIN

LONDON,
 The Bank of England.
 The Union of London and Smith's Bank, Limited.
 London County and Westminster Bank, Limited.
 The National Provincial Bank of England, Limited
 LIVERPOOL, The Bank of Liverpool, Limited. SCOTLAND, The British Linen Bank and Branches

BANKERS IN THE UNITED STATES

NEW YORK.
 The National City Bank.
 National Bank of Commerce.
 National Park Bank.
 PHILADELPHIA Fourth Street National Bank.
 BOSTON, The Merchants National Bank
 SAN FRANCISCO, First National Bank.
 BUFFALO, The Marine National Bank. The Anglo and London-Paris National Bank.

Savings Bank Department connected with each Canadian Branch, and interest allowed at current rates.
 Collections at all points of the world undertaken at most favourable rates.
 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.

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

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

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

Branches of the Bank outside Canada:

Newfoundland—St. John's.
 United States—New York, Portland, Ore., San Francisco, Cal., Seattle, Wash.
 Great Britain—London. Mexico—Mexico City.

Collections effected promptly and at Reasonable Rates.

THE MOLSONS BANK

Incorporated by Act of Parliament, 1855.
 Capital Paid up \$4,000,000
 Reserve Fund 4,800,000

BOARD OF DIRECTORS.

WM. MOLSON MACPHERSON, President. S. H. EWING, Vice-President
 GEO. E. DRUMMOND, D. M'NICOLL, F. W. MOLSON,
 W. M. BIRKBECK, W. A. BLACK,
 E. C. PRATT, General Manager
 W. H. DRAPER, E. W. WAUD, T. HERSCOFF FHEPPEL,
 Supt. of Branches. Inspector. Inspector of Western Branches.
 H. A. HARRIES, Asst. Inspector. THOS. CARLISLE, Asst. Inspector.

BRANCHES:

Alberta	Ontario—Cont.	Ontario—Cont.	Quebec—Cont.
Calgary	Dutton	St. Thomas	Montreal—Cont.
Camrose	Exeter	West End Br.	St. Henri Br.
Edmonton	Forest	East End Br.	Maisonneuve
Lethbridge	Frankford	Teeswater	Cote des Neiges
British Columbia	Hamilton	Toronto—	St. Lawrence
Revelstoke	James Street	Bay Street	Boul. Br.
Vancouver—	Market Branch	Queen St. W.	Cote St. Paul
Main Street	Hensall	Trenton	Branch
Hastings St.	Highgate	Wales	Park & Bernard
Manitoba	Iroquois	West Toronto	Ave. Branch
Winnipeg—	Kirkton	Williamsburg	Trotaultville
Portage Av.	Lambton Mills	Woodstock	Branch
Main St.	London	Zurich	Mont-Joli
Ontario	London	Quebec	Pierreville
London	Lucknow	Arthabaska	Quebec
Meaford	Meaford	Bedford	Richmond
Merlin	Merlin	Chicoutimi	Hiviere du Loup
Morrisburg	Morrisburg	Cowanville	Hoberval
Norwich	Norwich	Drummondville	St. Cesaire
Ottawa	Ottawa	Fraserville	Sorel
Owen Sound	Owen Sound	Knowlton	St. Marie Beauce
Port Arthur	Port Arthur	Lachine	St. Ours
Ridgetown	Ridgetown	Montreal—	Ste. Therese de
Simcoe	Simcoe	St. James St.	Blainville
Smiths Falls	Smiths Falls	St. Catherine St.	Sutton
St. Marys	St. Marys	Market & Har-	Victoriaville
		bor Branch	Ville St. Pierre
			Waterloo

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

The Chronicle

Banking, Insurance and Finance

ESTABLISHED 1881. PUBLISHED EVERY FRIDAY.
 F. WILSON-SMITH, ARTHUR H. ROWLAND,
Proprietor. Editor.

Office:

406-408 LAKE OF THE WOODS BUILDING,
 10 ST. JOHN STREET, MONTREAL.

Annual Subscription, \$3.00. Single Copy, 10 cents.

MONTREAL, FRIDAY, AUGUST 21, 1914.

INDEX TO PRINCIPAL CONTENTS

	PAGE
The Crisis and the Banks.....	1165
The War and Trade.....	1167
Canada and British Capital.....	1169
Steps to Meet the Financial Situation.....	1171
Modifying Backing of Dominion Notes.....	1173
Fighting the Tax-Gatherer.....	1175
Companies' Gain and Loss Exhibit.....	1177
American Insurance Funds to be Held.....	1169
Provincial Taxation of Banks.....	1183
Lloyd's Queer Contracts.....	1187
Depreciation in Industrial Companies' Assets.....	1189
Canadian Fire Record.....	1193

THE WAR AND TRADE.

Canadian Pacific earnings for the second week of August were \$2,162,000, as against \$2,630,000 in the same week last year. The decrease was \$468,000, or about 18 per cent.; it is larger than the decrease shown in any week of the last two months. Since July 1st the decreases have ranged from \$319,000 to \$462,000. It thus appears that the war has begun to affect the movement of freight but not as yet to a great extent. Reports from the West indicate that a few cars of the new wheat crop have already appeared at the inspection points, and the stuff so far inspected has graded well. The crop this year is understood to be light in parts of Alberta and Saskatchewan, and in certain districts the grain has been almost entirely destroyed by the drought; but it is believed that the total yield will be somewhere in the neighborhood of 170,000,000 bushels. This would be considerably less than last year's results and even if it be assumed that the grain moves freely to market in the coming fall, there would probably be a falling off in the amount carried by the railways as compared with the extraordinary figures of a year ago.

GENERAL TRAFFIC PROSPECT.

Then the war undoubtedly will cause some diminution of general traffic, apart from the grain movement. Industrial and other plants have been reducing their staffs of employees, curtailing their operations, and in a few cases a complete shut-down has occurred. This necessarily means a smaller freight movement and less activity in general business. In the meantime the bankers, shippers, naval authorities and the British and Canadian Governments have been busily engaged in perfecting arrangements for the big movement of foodstuffs which must proceed across the Atlantic in order that Britain and France shall get their necessary supplies. The movement of vessels from Montreal and Quebec, also from American ports, is becoming decidedly freer, and the outlook is for resumption of the export trade in large volume in the course of two or three weeks. Thanks to the promptness with which the British home fleet took up its position off the German coast in the North Sea, and the energy of the British and French cruisers in clearing the North Atlantic, there is said to be comparatively little danger now attending the dispatch of merchant vessels with produce or other merchandise to the ports of the mother country and those of her allies in Western Europe.

EXCHANGE POSITION MORE FAVORABLE.

Another favorable development is seen in the resumption this week by New York bankers of purchases of sterling exchange. On Monday, for the first time since the breakdown of the international credit system at the beginning of August, the National City and other banks began to buy commercial bills. War risks on cargoes, which had soared to 20 per cent., are now down to more reasonable figures. The War Risk Office of the British Government early in the week reduced its rate from 4 to 3 p.c.; and it is said that Lloyd's has lowered its rate to 2 p.c.

THE GOLD DEPOSITS AT OTTAWA.

The Bank of England's arrangement for the deposit of gold at Ottawa is working very satisfactorily. From New York large shipments have been received, and, although the news has not been published, we may be sure that the Canadian banks have been depositing gold with the Finance Minister as a means of meeting their maturing obligations in London. Notwithstanding the reported aversion of the Americans to parting with their gold in such critical times, the individual banking houses with acceptances outstanding in London have found the new plan of great service to them. The London bank, of course, holds securities to cover the acceptances on behalf of New York financiers. The latter, to preserve their credit and perhaps to retain the equity in the pledged securities, must have the funds in London when the acceptances mature. If no other means of

The Bank of British North America

Established in 1836. Incorporated by Royal Charter in 1840.

Paid-up Capital, \$4,866,666.66
Reserve Fund, - 3,017,333.33

Head Office:

5 GRACECHURCH STREET, LONDON, E.C.

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

COURT OF DIRECTORS

- | | |
|----------------------------|------------------------|
| F. R. S. Balfour, Esq. | E. A. Hoare, Esq. |
| J. H. Brodie, Esq. | Frederic Lubbock, Esq. |
| J. H. Mayne Campbell, Esq. | C. W. Tomkinson, Esq. |
| G. D. Whatman, Esq. | |

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

H. B. MACKENZIE, General Manager

- J. ANDERSON, Superintendent of Branches.
 H. A. HARVEY, Superintendent of Eastern Branches Montreal.
 J. McEACHERN, Superintendent of Central Branches, Winnipeg.
 O. R. ROWLEY, Chief Inspector.
 J. H. GILLARD and N. V. R. HUUS, Inspectors, Montreal.
 A. S. HALL, Inspector, Winnipeg.
 B. C. GARDNER, Assistant Inspector.
 H. R. POWELL, Assistant Inspector.

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

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 India.

G. B. GERRARD, Manager,
MONTREAL BRANCH

THE MERCHANTS' BANK OF CANADA

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

Pres.: F. H. MONTAGU ALLAN. Vice-Pres.: K. W. BLACKWELL.
 E. F. HEDDEN, General Manager.
 T. E. AMBERRY, Superintendent of Branches and Chief Inspector.
 BRANCHES AND AGENCIES.

Ontario		Quebec	
Acton	London	Montreal (Head Office)	St. James St.
Alvinston	Lucan	"	1255 St. Catherine St. East
Albans	Markdale	"	820 St. Catherine St. West
Belleville	Meaford	"	1830 St. Lawrence Blvd.
Berlin	Mildmay	"	1895 St. Lawrence Blvd.
Bathwell	Mitchell	"	672 Centre Street
Brampton	Napanee	Beauharnois	Quebec, St. Sauveur
Brosses	Newbury	Bury	Maisonrouve
Chatham	Oakville	Chateaugay	Ormstown St. Jerome
Chatsworth	Ottawa	Basin	Quyon St. Jovite
Chesley	Owen Sound	Huntingdon	St. Johns
Clarkson	Perth	Lachine	Shawville Three River
Creemore	Prescott	Napierville	Sherbrooke Vaudreuil
Dela	Preston	Quebec	Ste. Agathe
Eganville	Renfrew	Manitoba	
Elgin	Sarnia	Brandon	Oak Lake
Elora	Stratford	Carberry	Portage la Prairie
Finch	St. Catharines	Gladstone	Russell
Ford	St. George	Hartney	Souris
Fort Williams	St. George	Macgregor	Starbuck
Galt	St. Thomas	Morris	Winnipeg
Gananoque	Tara	Napinka	" Bannerman Av.
Georgetown	Thamesville	Neepawa	
Glencoe	Tilbury	Alberta	
Gore Bay	Toronto	Acme	Leduc
Granby	" Dundas St.	Brooks	Lethbridge
Guelph	" Parl. St.	Calgary	Mannville
Hamilton	" Parkdale	" 2nd St. E.	Medicine Hat
" East End	Walkerton	Camrose	Muason
Hanover	Walkerville	Carstairs	Okotoks
Hespeler	Wallaceburg	Castor	Olde
Ingersoll	Watford	Chauvin	Raymond
Kincardine	West Lorne	Conception	Redcliff
Kingston	Westport	Laysland	Red Deer
Lancaster	Wheatley	Delburne	Rimbye
Lansdowne	Williamsstown	Donalda	Rumsey
Leamington	Windsor	Edgerton	Sedgewick
Little Current	Yarker	Edmonton	Stettin
		" Namayo Av.	Strome
		" Alberta Av.	Tofield
		" Athabasca Av.	Prochu
Saskatchewan		Edson	Vegreville
Aulifer	Kelvinhurst	Hanna	Viking
Arvola	Limerick	Hughenden	Wainwright
Battleford	Maple Creek	Islay	West Edmonton
Carnduff	Medville	Killam	Wetaskiwin
Eastend	Moose Jaw	Lacombe	
Forbes	Yorkton	British Columbia	
Froebisher	Yeghina	Chilliwack	Oak Bay, Sidney
Gainsborough	Yaskatoon	Elko	Vancouver
Gull Lake	Yauvavon	Ganges Harbour	Hastings St.
Humboldt	Yimty	Nanaimo	Victoria
Kimbey	Whitewood	New Westminster	North End
St. John, N.B., Halifax, New Glasgow, N.S.			
SUB-AGENCIES—Ontario—Aurora, Cambridge, Frankville, Hawkestone, London South, Lindsay, Mulbrink, Newington, Pelee Island.			
Manitoba—Austin, Griswold, Lauder, Sidney.			
Alberta—Botha, Coar, Saskatchewan—Dollard, MacNutt			
IN UNITED STATES—New York Agency, 63 Wall Street.			
BANKERS IN GREAT BRITAIN—The London Joint Stock Bank, Limited			
D. G. MACAROW		Local Manager, Montreal	

IMPERIAL BANK OF CANADA
 CAPITAL PAID UP . . . 7,000,000.00
 RESERVE FUND . . . 7,000,000.00
 TOTAL ASSETS . . . 79,000,000.00

DIRECTORS:
 D. W. WILKIE, President. HON. ROBERT JAFFRAY, Vice-President
 WILLIAM RAMSAY of Bowland, Stow, Scotland, ELIAS ROGERS,
 J. KERR OSBORNE, FERGUS HOWLAND, CAWTELA MULLOCK,
 HON. RICHARD TURNER, Quebec.

WM HAMILTON MERRITT M.D., St. Catharines, W. J. GAGE
 SIR J. A. M. ATKINS, K.C.; M.P., Winnipeg, E. W. COX.
BRANCHES IN PROVINCE OF QUEBEC.

Aberst- ville	Fergus	Listowel	Port Arthur	St. Davids
Anora	Ponthill	London	Port Colborne	St. Marie (5)
Belwood	Port William	Nashville	Preston	St. Thomas (2)
Bolton	Galt	New Liskeard	St. George	Tessalon
Bramford	Hamilton	Niagara	South Porcu-	Toronto (17)
Call don K.	Harrow	Falls (2)	plus	Wetland
Cobalt	Humberstone	Niagara-on-	south Woods	Winnipeg
Coelrane	Ingersoll	the-Lake	lee	Woodstock
Cottam	Jordan	North Bay	Sparta	Windsor
Daverville	Vineland	Ottawa	St. Cathar-	
Elk Lake	Kenora	Falgrave	ines (2)	

BRANCHES IN PROVINCE OF QUEBEC.
 MONTREAL, (5) QUEBEC, (2)
BRANCHES IN PROVINCE OF MANITOBA.
 Brandon Portage La Prairie Winnipeg (5)
BRANCHES IN PROVINCE OF SASKATCHEWAN.
 Balgownie, Broadview, Port Qu'Appelle, Hagar, Kandahar, Moo se jaw,
 North Battleford, Prince Albert, Regina, Rosher, Wilkie, Wynward.
BRANCHES IN PROVINCE OF ALBERTA.
 Athabasca Landing, Banff, Calgary, Edmonton, (4) Lethbridge,
 Red Deer, Strathcona, Wetaskiwin, Mulet.
BRANCHES IN PROVINCE OF BRITISH COLUMBIA.
 A. Vancouver, Chase, Cranbrook, Fernie, Golden, Kamloops,
 Nanaimo, Moyie, Nelson, Revelstoke, Vancouver (5) Victoria, (2)
 Wilmer, Invermere
 Savings Bank Department

remittance offered, the shipments of gold to Ottawa can be made; and until the bills of exchange against grain come forward against produce exports, they are likely to use the Ottawa method.

A REVERSE MOVEMENT

Ultimately, however, the grain shipments, etc., from Canadian and United States ports are likely to result in a return movement of the gold from Ottawa to New York and from the Government vaults to those of the Canadian banks. With prices now prevailing the prospective exports of produce from America will yield a very large amount of exchange. Under the new arrangement it is possible that Canadian banks may not require to sell the sterling bills in the New York market when financing exports from Montreal, Quebec, or St. John. It may be the case that arrangements will be made so that the gold can be secured in Ottawa through the Bank of England. Of course, if our banks needed the exchange itself in London to enable them to meet maturing obligations of their own or of their clients, the bills would be sent over for credit of account with London correspondents.

MONEY GETTING NORMAL.

The money markets in Canada are gradually working back towards normal conditions. The prompt assertion of superiority by the British fleet has been a most important factor in restoring confidence here, in the United Kingdom, and in New York. Rates on call loans in Montreal and Toronto stand at 6 to 6½ p.c.; and commercial discount lines are being carried at from 6 to 7 p.c.

NOMINAL QUOTATIONS IN EUROPE.

Quotations here as in London and New York are largely nominal except in so far as they affect bills of exchange and trade paper. Bank rate in London stands at 5 p.c. and the market rate is the same. The Bank of France rate was reduced yesterday to 5 p.c. The German Imperial Bank rate continues at 6 p.c. In France the market rate is given as 4 p.c., as against 6 quoted in Berlin.

NEW YORK POSITION.

Call money renewals at New York were made at from 6 to 8 p.c. Time money rates are largely nominal—at 7 to 8 p.c. Mercantile paper is being taken in limited manner at from 6 to 7 per cent. In their Saturday statement the New York banks report further increase of their deficit. Loans increased \$36,840,000; cash decreased, \$3,800,000; and circulation increased, \$22,900,000. The net result was to increase the deficit from \$43,116,000 to \$47,900,000. In case of the banks alone the loan expansion was \$42,000,000; the cash loss, \$8,000,000.

It must be admitted that the existence of such a heavy deficit just at the outset of the crop-moving season makes a perplexing problem for the New York bankers. One can understand that under the circumstances they would look regretfully upon any further loss of gold to Ottawa.

CANADA AND BRITISH CAPITAL.

It seems to be widely assumed that the present European conflagration means practically a total cessation of imports of British capital into Canada for several years to come. London correspondents of Canadian newspapers and the brilliant gentlemen who compose "special cables" in the back attics of Canadian newspaper offices are absolutely confident of it, though they wisely confine themselves to mere assertion; at least one illustrious professor of economics has committed himself more or less to the same position, and among business men in the street the point is in many cases taken for granted. This generally-held assumption is by no means justified by the facts and probabilities; on the contrary, there are many reasons for believing that when once the machinery of national and international finance has been got into smoothly running order, adjusted to new conditions, British capital will start a free movement towards Canada again. That movement will be within limits, of course, that is to say this new capital will have to be paid for at a stiff or fairly stiff rate; and it will only be placed in loans and enterprises which will bear the strictest investigation. The methods of get-rich-quick financing which some of our new millionaires have practised so successfully in recent years at the expense of the British investor will not get a look-in.

* * * *

It must be remembered that the wealth of Great Britain is in the aggregate prodigious. It is in fact practically inexhaustible, and although the cost of the present war will make great holes in it, and capital will be much in demand to replace present losses, yet its earnings, even under such circumstances as the present, are so large that there will continue to be a large surplus over, available for investment in Canada. It must be remembered that industry and production, which will be mostly affected by the present war, do not represent the total investment power of a country like Great Britain. An immense amount of Great Britain's wealth is among classes who have inherited it, who live on the proceeds of their investments and steadily add to them, and who are in many ways unaffected by the fluctuations of industry and production, or but slightly affected. These classes are directly affected most by higher taxation and the higher cost of necessities and of living generally. They get back on this by insisting upon a higher return from their investments, which they can obtain in Canada.

* * * *

In recent years a good deal has been heard of the preference which has been accorded to Canadian flotations in the London market. Within the last year or two, perhaps, that preference has been wearing rather thin, for the simple reason that we have over-done our borrowings, and in cases which need not be particularised, have grossly imposed upon

THE ROYAL BANK OF CANADA

INCORPORATED 1869

Capital Paid up \$11,560,000 Reserves \$13,000,000
Assets \$180,000,000

HEAD OFFICE - MONTREAL.

305 BRANCHES THROUGHOUT CANADA

24 Branches in Cuba, Porto Rico and Dominican Republic
Kingston, Jamaica. Bridgetown, Barbados.
Nassau, Bahamas.
Port of Spain and San Fernando, Trinidad.

Belize, British Honduras.

LONDON, Eng.
Princes St., E. G.

NEW YORK,
Cor. William & Cedar Sts.

SAVINGS
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

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

W. D. MATTHEWS, Vice-President

C. A. BOGERT, General Manager

BANKING BUSINESS In Foreign Lands

Business Houses, Corporations, Grain, Stock and Pro-
vision Dealers will find the facilities of The Dominion
Bank adequate for all foreign financial dealings.

With a Branch in London, England, and correspon-
dents in all parts of the world, transactions are speedily
effected on most favourable terms. Foreign Exchange
bought and sold. Drafts and Letters of Credit issued.
Advances made on Shipments, both export and import.
Collections promptly made and remitted for.

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

THE BANK OF TORONTO

Incorporated 1855.

Head Office: TORONTO, Canada.

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

Directors

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

Bankers

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

**YOUR
BANKING
AFFAIRS**

The Bank of Toronto
offers to all business
people the advantage
of its most complete
and modern banking
service. Many years
of experience in
Canadian Banking,
large resources, ample
banking facilities,
carefully chosen con-
nections, and the
service of efficient
and accurate officers
are some of the
advantages gained by
transacting your
banking affairs with
this Institution.

THE BANK OF NOVA SCOTIA

INCORPORATED 1832.

CAPITAL.....\$6,000,000.00
RESERVE FUND.....11,000,000.00
TOTAL ASSETS.....80,151,929.99

HEAD OFFICE: HALIFAX, N.S.

DIRECTORS

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

150 BRANCHES 150

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

The Metropolitan Bank

Capital Paid Up - - - \$1,000,000.00
Reserve Fund - - - 1,250,000.00
Undivided Profits - - - 182,547.61

Head Office - - - TORONTO

S. J. MOORE,
President

W. D. ROSS,
General Manager

A GENERAL BANKING BUSINESS TRANSACTED

The Bank of Ottawa

DIVIDEND No. 92

NOTICE is hereby given that a dividend of
Three per cent. being at the rate of Twelve per
cent. per annum upon the paid-up capital stock
of this Bank, has this day been declared for the
current three months, and that the said dividend
will be payable at the Bank and its branches on
and after Tuesday, the First day of September,
1914, to shareholders of record at the close of
business on the 18th August next.

By Order of the Board,

GEORGE BURN,
General Manager.

Ottawa, Ont., July 20th, 1914.

the British investor. But one result of this war will be to strengthen this preference in capital-lending. The fact that Canada has rendered substantial help to the mother country in her time of need will be gratefully remembered, and we shall benefit by it. Within the last twenty years, the British investor has loaned his money in large amounts abroad. He has invested hundreds of millions of pounds sterling in development all over the world under many foreign flags. It would not be at all surprising, if after the present war, many of these investments are realized, and the proceeds transferred to new investments under the British flag, as a result of the intense sentiment of sane Imperialism which is being developed by the present struggle. The probabilities certainly point that way.

* * * *

But in any case the considerations here put forward do not relieve us of the necessity of as far as possible accumulating capital for our own enterprises, instead of dissipating it in unproductive expenditure. We may be able to get all the British capital that we want, or that is good for us. But our own position will be the stronger if some of our own capital is mixed in with the British.

MR. J. GARDNER THOMPSON ON THE SITUATION.

Mr. J. Gardner Thompson, president of the Canadian Fire Underwriters' Association, in discussing the fire insurance situation to-day, states that the fire losses in Canada to date exceed those of 1913 for the corresponding period. He says that notwithstanding the financial stringency, caused by the outbreak of European war, business in other respects continues normal.

People are naturally economising and necessarily will continue to do so. Mr. Thompson further states that in his opinion with the cessation of hostilities, the outlook for increased activities throughout the Dominion, and larger immigration is very bright.

Mr. Thompson says that it is a matter for congratulation to the people of Canada, that in times of such stress, our leading financial institutions are on such a sound financial basis, and particularly so that the public are having the benefit of the protection of the strongest fire companies in the world, which is a feature that cannot be too thoroughly appreciated.

MODIFYING BACKING OF DOMINION NOTES.

The Minister of Finance has given notice of a resolution modifying the gold backing of Dominion notes by providing that the minister shall hold gold as follows:

(a) To the amount of 25 per cent. of Dominion notes issued up to a total issue of \$50,000,000, instead of up to a total issue of \$30,000,000 as heretofore.

(b) As respects Dominion notes issued in excess of \$50,000,000 equal to such excess.

The amount of Dominion notes at present issued is about \$120,000,000. Five-sixths of these are large notes held solely by the banks and not in general circulation. What the present proposals mean may

be summed up in brief as follows:—Under the existing arrangements and supposing that Dominion notes issued totalled \$120,000,000, the Minister has to hold \$97,500,000 of gold against them; under the proposed new arrangements he will only have to hold \$82,500,000. Thus \$15,000,000 gold will be freed to back a further issue of notes to that amount should it be considered necessary or for other purposes, such as war expenditure.

STEPS TO MEET THE FINANCIAL SITUATION.

Text of Order-in-Council—Keeping Business Stable.

The text has now been published of an order-in-council regarding the various steps which the Government, after consultation with leading bankers, has deemed it necessary to take in order to keep the financial situation in Canada stable. "While the chartered banks of Canada, as shown by their official returns," states one order-in-council, "are in a position of normal strength, there is ground for belief that, in view of the exceptional conditions, which are likely to prevail and may become aggravated as the European war proceeds, Canadian bankers will find it necessary to restrict to a considerable extent all commercial credits. They may also experience difficulty in meeting abnormal demands upon them for gold or legal tender. Such a condition could only result in grave and lasting injury to all the great interests of the Dominion."

The order-in-council sets out that valuable assistance can be afforded by enabling the banks to maintain the volume of credits available to their customers and supply them with additional liquid resources. For this purpose the Minister of Finance recommends that the Dominion Government "advance to banks to be designated by him such sums as he may deem reasonable and proper to be used by the said banks in the usual course of their business."

ADVANCES UPON SECURITIES.

Provision is made for the advance of such sums upon high class securities approved by the Minister of Finance, who is to be advised by a committee of bankers with regard to the securities and of the interest to be charged upon the advances. The advances are to be repaid by May 1, 1915, with interest of not less than 5 p.c., securities being held by the Royal Trust Company of Montreal, subject to release from time to time. Provision is made for these advances by an issue of Dominion notes, the issue of Dominion securities in London under existing conditions being considered inadvisable. The order-in-council authorizing payment in bank notes instead of gold contains the statement that this action will tend to preserve the Canadian gold supply against demands from foreign countries.

It is further stated that:

"The Minister also recommends that the Government be prepared to give every other possible assistance in order to prevent any unavoidable interruption of stable business conditions and for this purpose to use to the fullest extent all existing powers and if necessary to ask further powers from Parliament."

The Minister of Finance gave instructions on August 4 that until further notice Dominion notes would not be redeemed in specie at the offices of Assistant Receivers-General, this action being taken to preserve the Canadian gold supply from depletion.

National Trust Co.,

LIMITED

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

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

MONTREAL DIRECTORS

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

TEMPORARY OFFICES:
179 St. James Street
PERCIVAL MOLSON, Manager.

The Royal Trust Co.

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

BOARD OF DIRECTORS:
H. V. Meredith, President.

Sir William C. Van Horne, K.C.M.G., Vice-President.	E. B. GREENSHIELDS
Sir H. MONTAGU ALLAN,	C. R. HORNER
K. B. ANOUS	Sir W. C. MACDONALD
A. BAUMGARTEN	HON. R. MACKAY
A. D. BRAITHWAITE	DAVID MORRICE
H. R. DRUMMOND	Sir T. G. SHAUGHNESSY,
C. B. GORDON	K.C.V.O.
Sir LOMER GOVIN, K.C.M.G.	Sir FREDERICK WILLIAMS-TAYLOR

A. E. HOLT, Manager

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

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

THE EASTERN TRUST CO.

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

Carries on a fiduciary Trust business
on conservative lines only.

HALIFAX ST. JOHN MONTREAL CHARLOTTETOWN
ST. JOHNS, N.F.L.D.



THE
CROWN TRUST COMPANY
145 ST. JAMES STREET, MONTREAL

Trust Company Service

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

Dominion Trust Company

Head Office - VANCOUVER, B.C.

BRANCHES

Vancouver, B.C.	Victoria, B.C.	Nanaimo, B.C.	New Westminster, B.C.
Montreal, Que.	Halifax, N.S.	Charlottetown, P.E.I.	Winnipeg, Man.
Regina, Sask.	St. John, N.B.	Antwerp, Belgium	London, England

Subscribed Capital		\$2,500,000
Paid-up Capital		\$ 2,167,570
Reserve and Undivided Profits		\$ 874,412

Acts as executor, trustee, guardian, transfer agent,
trustee for bond holders, agent for the investment of
funds and in all other trust capacities.
Loans money for clients on first mortgages on im-
proved real estate in amounts not exceeding 50% of con-
servative valuations, netting the investor 6% to 7 1/2%.
Deals in Municipal and industrial debentures.
W. R. ARNOLD, Managing Director.

PRUDENTIAL TRUST COMPANY

LIMITED

<p>HEAD OFFICE</p> <p>9 ST. JOHN STREET MONTREAL.</p>	<p>Trustee for Bondholders Transfer Agent & Registrar Administrator Receiver Executor Liquidator Guardian Assignee Trustee Custodian</p> <p>Real Estate and Insurance Departments Insurance of every kind placed at lowest possible rates.</p>
---	--

Safety Deposit Vault
Terms exceptionally moderate.
Correspondence invited.

B. HAL. BROWN, President and Gen. Manager

The Trust and Loan Co.

OF CANADA

Capital Subscribed.	\$14,600,000
Paid-up Capital.	2,920,000
Reserve Fund.	1,713,193
Special Reserve Fund	571,000

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

30 St. James St., Montreal

EDWIN P. PEARSON

AGENT

NORTHERN ASSURANCE CO.

OFFICES:
Adelaide St. East, Toronto

PROFIT AND LOSS OF BIG WAR TO THIS CONTINENT.

Dr. Joseph French Johnson, dean of the New York University School of Commerce, and well known in Canada for his careful and illuminating studies of our banking system, has written for the Alexander Hamilton Institute an article in which he discusses the effects of the present European war upon this continent. Dean Johnson is optimistic as to the effect of the war on agriculture upon this continent and the industries which cater largely to agricultural interests. He is of the opinion, however, that many industries will suffer severely. An interesting feature of his article is the summarized statement of the chief items of profit and loss to the people on this continent, which follows:

Loss.

- (1) Tendency to drain gold from this country, which must be offset by accumulating reserves, restricting credits and avoiding inflation by currency.
- (2) Closure of European market to American securities and sales at low prices in this country, resulting in checking all permanent financing and stopping new projects and construction that have not been financed; probable permanent diversion from the United States and Canada of large amounts of European capital which would otherwise have come to us.
- (3) Cutting off certain raw materials (chiefly chemicals), which are essential in some lines of manufacture, great reduction in European demand for raw materials, partly manufactured and manufactured goods, resulting in partial readjustments and in losses.
- (4) Increase in the cost of living.

PROFIT.

- (1) Opportunity to increase the prestige and banking connections of America in international financing.
- (2) Opportunity to enter South American and Oriental markets and secure a larger share of this trade.
- (3) Sale of foodstuffs and military supplies at high prices in European markets, resulting in prosperity for producers of these goods and for industries which cater to these producers.

Dean Johnson evidently believes that Germany has long been anticipating and preparing for the war. He calls attention especially to the increase in the gold holdings of the Imperial Bank of Germany, from \$194,000,000 at the beginning of 1913 to \$336,000,000 on July 17, 1914. "Following the lead of Germany, the banks of France and Russia also piled up vast stocks of gold. The extraordinary pressure for gold on the part of the great governmental banks of Europe, beginning early in 1913, is regarded as highly significant by those who believe that one of the world powers deliberately planned and promoted this war."

"New projects or any other large capital expenditures are out of the question. Construction that has already been financed may be carried on and there may be isolated cases of new financing, but they will be exceptional."

American and Canadian banking conditions, in Dean Johnson's opinion, are sound. He says:

"Fortunately the war broke out toward the close of a period of liquidation. American and Canadian craft in the financial seas were already steering cautiously and with shortened sail. If the storm had burst in a period of expansion its effect would have been far worse."

THE MORATORIUM BILL.

Some of the yellow newspapers in both Canada and the United States have been trying to frighten people this week with scare head-lines about a moratorium being imminent in Canada. The basis for their frantic screaming is that the present special session of Parliament is being asked to pass a bill giving the Government power to declare a moratorium at any time that it is necessary. At the present time it is not necessary and the passing of the bill is merely a matter of precaution. Because a man takes out an accident policy it does not follow that within the next two days he is going to be involved in a railway smash; the taking of powers to declare a moratorium does not mean that forthwith the Government will decree a suppression of payments wholly or in part. Even if the financial position in certain directions became so serious that a whole or partial moratorium were declared, it would not be a matter to become scared about, since a moratorium is a protective measure designed to ease a difficult financial situation. A good policy at the present time is to keep cool and avoid yellow newspapers.

NEW BANK BRANCHES OPENED.

During July the chartered banks of Canada opened ten new branches and closed two making a net gain of eight for the month.

Canadian banks now have 3,226 branches, distributed as follows:

In Canada	3,134
Ontario	1,156
Quebec	632
Nova Scotia	110
New Brunswick	83
Prince Edward Island	17
Manitoba	206
Alberta	266
Saskatchewan	412
British Columbia	249
Yukon	3
In Newfoundland	20
Elsewhere	72
Total	3,226

BANK OF NOVA SCOTIA.

Mr. H. A. Richardson, general manager, and Mr. W. P. Hunt, manager at Montreal of the Bank of Nova Scotia, returned from a two months' trip abroad this week, taken partly in connection with the plan of the Bank of Nova Scotia to open an office in London, England. In view, however, of the outbreak of the European war, that proposal has been deferred. London was in a very serious mood when he left, says Mr. Hunt. Just before England became involved in the war, for several nights there were noisy demonstrations in the street, much singing and cheering and waving of British and French flags. But when war was declared, London became quiet and sober and the atmosphere was one of quiet determination and not of noisy boastfulness.

CANADA PERMANENT MORTGAGE CORPORATION

Toronto Street, TORONTO.

Established 1865

President : W. G. GOODERHAM.

First Vice-President : W. D. MATTHEWS.

Second Vice-President, G. W. MONK.

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

Superintendent of Branches and Secretary : GEORGE H. SMITH.

Paid up Capital	-	-	-	-	-	-	\$ 6,000,000.00
Reserve Fund (earned)	-	-	-	-	-	-	4,250,000.00
Investments,	-	-	-	-	-	-	31,826,618.37

Deposits Received. Debentures Issued.

The WESTERN Assurance Company

Incorporated in 1851

ASSETS OVER \$3,500,000.00

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

DIRECTORS

W. R. BROCK, President.

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

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

HEAD OFFICE TORONTO

THE HOME BANK OF CANADA

NOTICE OF QUARTERLY DIVIDEND.

Notice is hereby given that a Dividend at the rate of Seven per cent. (7 p.c.) per annum upon the paid up Capital Stock of this Bank has been declared for the three months ending the 31st August 1914, and that the same will be payable at its Head Office and Branches on and after Tuesday, September 1st, 1914. The Transfer Books will be closed from the 17th to the 1st August 1914, both days inclusive.

By Order of the Board,

JAMES MASON,

Toronto, July 22nd, 1914.

General Manager.

GUARANTEE BONDS

Of every description, including

SURROGATE BONDS	FIDELITY BONDS
INSOLVENCY BONDS	CONTRACT BONDS
JUDICIAL BONDS	LICENSE BONDS

are promptly executed and delivered by

THE CANADIAN SURETY CO.

HEAD OFFICE, TORONTO, ONT.

W. H. HALL, General Manager.

WM. H. BURGESS, Secretary. S. L. LYON, Supt. of Agencies.

LLOYDS BANK LIMITED.

Chairman : R. V. VASSAR-SMITH.
Deputy Chairman : J. W. BEAUMONT PEASE.

Capital Subscribed	-	-	-	-	-	-	£31,304,200
Capital paid up	-	-	-	-	-	-	5,008,672
Reserve Fund	-	-	-	-	-	-	3,600,000
Advances, &c.	-	-	-	-	-	-	56,839,921
Deposits, &c.	-	-	-	-	-	-	107,321,851

THIS BANK HAS OVER 850 OFFICES IN ENGLAND AND WALES.

Colonial and Foreign Department: 60, Lombard St., London, Eng.

PARIS AUXILIARY: LLOYDS BANK (FRANCE) LIMITED, 26, AVENUE DE L'OPERA.

London Agency of the IMPERIAL BANK OF CANADA.

HEAD OFFICE:
LOMBARD ST.,
LONDON,
Eng.



FIGHTING THE TAX-GATHERER.

The intimation that an effort is to be made by the and through them upon their policyholders, are confor all whether the taxes now imposed in such profusion by the Canadian provinces upon the companies, and through them upon their policyholders, and constitutional, is welcome news. It appears that there is strong reason to believe that these taxes are not direct taxes within the meaning of the British North America Act, and they will be appealed against on grounds of unconstitutionality to the Privy Council. It will be a great triumph for the insurance companies if by such a direct attack they are able to rout the politicians whose ideas of taxation, as put into practice, are to lay the heaviest burdens on thrifty folk and let the spendthrifts go free. If the highest legal tribunal in the British Empire takes the view that the provinces are acting illegally, beyond their powers, as well as unwisely, the battle against unfair taxation of life companies in Canada will be as good as won.

* * * *

The "if," however, is a big one, and meantime it behooves life insurance men to keep up the fight against these inequitable imposts on the supposition that what is unjust in equity and unwise in practice may be permissible in law. The basic fact to remember and to act upon in this matter, in the opinion of THE CHRONICLE, is that there is only one argument which the practical politician will listen to. That argument is votes. One might argue from now till Doomsday on the injustice of this tax, but the most telling array of facts that it would be possible to assemble against this tax would have as little effect on the practical politician as a fly on an elephant's back, unless it were backed up by votes. When a practical politician thinks he is going to lose votes, he begins to sit up and take notice—and not till then.

* * * *

In their corporate capacity life insurance companies have no votes—more's the pity. But their policyholders have thousands. And, therefore, in any campaign against these unjust taxes which is to be effective, the policyholder must be aroused. He must be shown exactly, if possible, how much of his insurance premiums goes to the politicians. He must be made to realise that the politicians are penalising him for his thrift, that they insist on stealing part—and a goodly part—of the provision which unselfishly and often at a considerable sacrifice of his own comforts he is making for those dependent on him. At present the policyholder doesn't know. He has no idea that in some of the Canadian provinces two or three dollars of every hundred dollars, which by the sweat of his brow the policyholder gathers together to pay his life insurance premiums with, is forthwith collared by the politicians. When he does know, there will be an end to this game of grab.

It is the business of life insurance companies, and of their officials and agents to let the policyholder know, and to control his action following knowledge, so that it can be made effective. Details of the necessary action can be safely left to insurance men to work out, if the prime fact be kept in mind that votes are the only argument which count with the politician.

* * * *

Taxation upon life insurance is a tax on thrift. To tax thrift in these troublous times is the act of a lunatic. If there is one thing obvious and clear among all the present confusion, it is that a prime duty of statesmen worthy of the name is to encourage thrift. Statesmanship can hardly be expected from politicians, but politicians can sometimes be forced into statesmanship, through the pressure of public opinion expressed in votes. If properly organised, and even if the life companies' present frontal attack fails, the provincial politicians can be driven by policyholders from their present attitude of active discouragement of thrift through life insurance to a passive if not an active encouragement of it.

PROGRESSING BACKWARDS.

The frantic efforts of our old friend, the Independent Order of Foresters, to assure its members that all is now for the best in the best of all possible worlds, seem hardly to be producing those results that its management might legitimately expect. The public is nothing like so responsive as it might be to the strident claims of a society "that exists for the home and home interests," whatever that sloppily sentimental phrase may mean. Here is the I.O.F.'s membership record for last year:—

	Number.	Amount.
Certificates in force, Dec. 31, 1912.	243,053	\$241,410,129
Certificates written during year	24,237	18,124,810
Certificates re-instated during year	8,407	7,957,315
Certificates increased during year		198,698
Certificates terminated by death	2,300	2,524,373
CERTIFICATES LAPSED	50,093	46,636,215
Other terminations	855	918,136
Certificates in force Dec. 31, 1913	222,449	\$217,612,328

That is to say, after a year of frenzied effort on the part of the I.O.F.'s organisers to put a good face on things, the best they can do is to show a net loss in certificates of 21,000 in number and nearly \$24,000,000 in amount. This is progressing backwards with a vengeance!

What do the certificate holders still left in the boat think of a leakage like this?

CASUALTY COMPANY OF CANADA.

Under this title a new insurance company is being organised at Toronto, by Mr. Arthur L. Eastmure, who has been widely known in Canadian insurance circles many years. Substantial support for the new venture has been already secured.



CANADA BRANCH HEAD OFFICE, MONTREAL-

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



Head Office: 112 St. James Street, Montreal

DIRECTORS:

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



The Northern Assurance Co. Limited
 "Strong as the Strongest"

Accumulated Funds, \$41,265,000

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

G. E. MOBERLY, Supt. of Agencies.

ROBERT W. TYRE, Manager.

"THE OLDEST SCOTTISH FIRE OFFICE"
THE CALEDONIAN
 INSURANCE CO. OF EDINBURGH.

Founded 1805.
 Head Office for Canada,
 DOMINION EXPRESS BUILDING
 Montreal

JOHN G. BORTHWICK
 Canadian Manager

.. THE ..
London Assurance
 CORPORATION
 OF ENGLAND.

INCORPORATED BY ROYAL CHARTER A.D. 1720
 CAPITAL PAID UP \$2,241,375
 TOTAL CASH ASSETS 22,457,415

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

ATLAS ASSURANCE COMPANY
 LIMITED, of LONDON, ENGLAND

Established in the REIGN of GEORGE III
 Income exceeds \$7,625,000
 Funds exceed 18,850,000

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

Head Office for Canada - MONTREAL
 MATTHEW C. HINSHAW, Branch Manager
 Active and Influential Agents Wanted

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

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

11 ST. SACRAMENT STREET
 MONTREAL, P.Q.

COMPANIES' GAIN AND LOSS EXHIBIT.

An elaborate statistical analysis of the gain and loss exhibit of 118 American life insurance companies is presented by the *New York Spectator*. An analysis of the figures appearing as totals for the ordinary companies indicates that the year under consideration was in most respects a favorable one. Although the tabulation includes many comparatively young institutions the percentage of insurance expense to loading shows only a normal increase in view of the increased volume of new business written during the year. The average rate of expense to loading went up from 91.83 per cent. to 92.07, indicating that there is still a good margin of safety. The percentage of interest earnings to requirements again showed a decided gain, the excess interest earned being nearly fifty-eight per cent. of the requirements. In this connection it must be noted that many of the younger companies have comparatively large funds bearing interest, capital stock forming in many instances the major part of their assets, while their reserves are small, and consequently do not absorb so large a proportion of the interest earnings.

LOW RATE OF MORTALITY.

A notable feature of the year's exhibit is the remarkably low rate of mortality experienced. For the entire group of companies the percentage of actual to expected mortality was but 65.75 per cent., a lower percentage than has obtained during the past nineteen years—the period during which these figures have been available. Nearly every company shows a lower ratio than in preceding years, and are doubtless hoping that such experience will be continued. The percentage of reserves returned on surrendered policies is a fraction in excess of the previous two years, but bears witness that a high degree of persistency is being maintained.

In the summary of surplus earnings the excess of interest earnings over requirements still shows in first place with the sum of \$62,148,949. Mortality savings come next with \$47,205,706; the gains from surrendered policies were \$9,348,485, while \$8,302,556 was saved from the expense loadings. Dividends paid out or apportioned to policyholders amounted to over eighty-five millions of dollars, while stockholders received but \$3,282,627. Owing to a considerable decline in investment values the total surplus shows a slight decrease for the year, which, however, would be wiped out if the figures of some companies counting all their surplus funds as being apportioned could be included.

Totals for the thirteen industrial companies included in the table show that they earned from all insurance sources \$24,836,844, but investment losses of \$10,190,025 brought the actual surplus earnings down to \$14,646,819.

HOW WILL LLOYDS PAY?

Managing surety underwriters would be much interested to ascertain what experience Redmond & Co., the banking house, has in the collection of its \$125,000 fidelity bond from Lloyds, London. Redmond & Co. held one of the blanket fidelity schedule bonds issued by the Lloyds, London, underwriters, covering to the extent of \$125,000 on any of its clerks and it is stated that the defalcation announced on Saturday amounts to nearly \$150,000.—*N. Y. Journal of Commerce*.

BANK OF ENGLAND'S DEPOSIT AT OTTAWA.

One point about the plan whereby gold is deposited on account of the Bank of England at Ottawa, writes a Montreal correspondent, which is much discussed in expert circles here is that relating to the final destination of the gold at Ottawa. Presumably the Bank of England in making its periodical returns will show the gold held at Ottawa, in South Africa and in Australia, in combination with that held in its own vaults, as specie on hand. It is easy to see that if the Bank were to pay out gold in London equal to each instalment of gold received by its agents in the overseas dominions, there would ensue, if the process continued indefinitely, a heaping up of cash resources overseas, while the cash resources at its home office perhaps approached exhaustion. Under those circumstances, in order to maintain its payments, the Bank might be compelled to transfer some of the gold at Ottawa to London, probably by means of a warship.

While this is a possibility, there are reasons why the bankers here think it will not take place. In the first place it is not to be supposed that in every case wherein gold is deposited with the Canadian Minister for account of the English Bank, an equivalent amount of specie will be paid out by the latter in London. Probably in the majority of cases the Bank of England will make the necessary payments in London, through increasing its liabilities rather than through parting with its specie. In other words, the payees will take bank notes or credits on the books of the bank. Thus the operations so carried through would represent expansion of the Bank liabilities in London on the basis of specie held at Ottawa.

Again, the general belief is that the Ottawa scheme is merely a temporary makeshift designed to bridge over the time during which exchange on London against shipments of merchandise are not available. Unless the unexpected happens and the German war fleet in the North Sea breaks through the British line and spreads over the Atlantic, it appears that cargoes of high-priced American produce destined for the British Isles, France, Spain, Portugal and Italy will soon be much in evidence. A shipload of wheat, etc., at present prices will provide a goodly amount of exchange; and the Montreal bankers are inclined to agree with some of the New York experts in their theory that the gold accumulated in the meantime at Ottawa will be largely shipped back to New York to help pay for the prospective vast British and French purchases in America.

A WORD TO MONEY HOARDERS.

"Any one," declares the Chancellor of the British Exchequer to the London public, "who, through selfish motives, greed, excessive caution or cowardice attempts to withdraw gold and appropriate it for his own use, is assisting the enemy, and assisting them more effectively than if he were to take up arms in their favor."

The Court of Directors of the Bank of British North America have resolved to declare, at a meeting of the proprietors to be held on the 7th September, a dividend payable in the usual course on 3rd October, of 40s. per share, less income tax, making 8% for the year, carrying forward about £48,000 to the new account.

COMMERCIAL UNION

ASSURANCE COMPANY LIMITED
of LONDON, England

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

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

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—

**Commercial Union Building,
MONTREAL**

J. McGREGOR,
Manager

W. S. JOPLING,
Assistant Manager

PALATINE

INSURANCE COMPANY LIMITED
of LONDON, England

(As at 31st December 1913)

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

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

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—

**Commercial Union Building,
MONTREAL**

J. McGREGOR,
Manager

W. S. JOPLING,
Assistant Manager

SUN INSURANCE OFFICE

FOUNDED A.D. 1710.

Head Office:

Threadneedle Street - London, England

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

Canadian Branch:

15 Wellington Street East, Toronto, Ont.

H. M. BLACKBURN.

Manager.

LYMAN ROOT,

Assistant Manager.

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

INSURANCE

Phœnix of Hartford

Company

Total Cash Assets : \$11,404,634.19
Total Losses Paid : 70,700,545.46

J. W. Tatley, Manager.
MONTREAL.

Applications for Agencies Invited.

ESTABLISHED 1809

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

FIRE AND LIFE

North British and Mercantile

INSURANCE COMPANY

DIRECTORS
CHAS. F. SISE, Esq. G. N. Mc Esq.
W. M. McMASTER Esq.

Head Office for the Dominion:

80 St. Francois Xavier Street - MONTREAL.

Agents in all the principal Towns in Canada.

RANDALL DAVIDSON, Manager.

— THE —

Continental Reinsurance Syndicate

CAPITAL STOCK

Subscribed	\$10,862,507
Paid Up	2,036,538
Surplus, 1912	1,488,906
Premium and Loss Reserve, \$6,827,138	

General Agents:

BRANDT & FISHER,
22 MÖNCKEBERG-STR., RATHAUS-HÖRN,
HAMBURG, GERMANY.

ATLAS ASSURES ITS AGENTS.

Mr. Frank Lock, American manager of the Atlas, has sent a letter to his agents this week, regarding the existing foreign situation in its effect upon the insurance companies, written in his usual cogent vein. He says:—

The following letter, received from valued agents of ours, is of a type of a few being written at the present time:

"We have been asked two or three times within a few days what effect the foreign war would have on foreign insurance companies. We have felt absolute confidence in the Atlas, but would like, if you are willing, you would write us your opinion of what effect, if any, it might have; or, in any event, so write the letter that we can use it to allay the fears of our customers who may come to us for such information."

This circular is intended both as a reply to such and also to answer some questions which may have arisen in the minds of our agents or policyholders, but which have not been expressed.

First, consider the Atlas' United States branch as an American corporation, which is the position in which the law has practically put it. As such it possesses nearly \$3,000,000 of assets in the United States, over \$1,000,000 of which is surplus to policyholders; more than 85 per cent. of these assets are held by State governments and by United States trustees beyond the direct control of the company for the exclusive benefit of United States policyholders and creditors; that is to say, if by any possible contingency all connections with the home office were cut, the company is on a self-sustaining basis in this country, as possessing \$2,867,750 of assets and \$1,077,263 of surplus to policyholders. It is thus amply fortified for all its obligations.

COMPANY'S FIRE RECORD.

Second, let it be considered that there is nothing in the situation (after the first temporary financial troubles felt in every part of the civilized world have adjusted themselves) which debars the Atlas receiving from the home office, in case of need, any additional amounts required to meet obligations incurred in this country. We are forbidden by law to advertise our home office resources, but there is nothing to forbid our advising our agents that the company has a surplus to policyholders in its fire department, after providing for every liability, of \$4,507,730, and, in addition to this, that it has subscribed capital, for which a wealthy body of proprietors are strictly liable, amounting to \$9,000,000.

Third, reflect that the company has during its history of 106 years passed through and emerged from every war, every financial crisis and many huge conflagrations of that period, with constantly added strength and prestige. The company was born while England was in the throes of the Napoleonic strife, and at no period in its history since has it ever failed to promptly pay one hundred cents on the dollar, with ample resources left for future contingencies.

The present situation suggests no occasion for question as to the perfect reliability of an Atlas policy, as the company stands financially stronger now than it ever has in its previous history, and is still what we have always claimed it to be—"conflagration proof."

We shall be glad at all times to answer any specific questions from our agents or policyholders, and our agents are at liberty to freely talk the information given above to their clients.

MR. J. H. LABELLE'S HOLIDAY CURTAILED ON THE CONTINENT.

Mr. J. H. Labelle, assistant manager of the Royal Insurance Company, received many congratulations yesterday on his safe arrival in Montreal from the Continent, where he had gone to spend a long anticipated two months holiday, this being his first trip to Europe. The outbreak of war however, brought his vacation to an abrupt conclusion.

Mr. Labelle left New York on the 21st July, per SS. Noordam, for Rotterdam, where he arrived on the 31st ult., going from thence to Amsterdam. From the latter place he was ordered to make his exit as quickly as possible, and left on the 3rd instant, from the Hook of Holland for Harwich, and from thence to London, having in the meantime lost all his personal effects, which he had booked to Paris in anticipation of visiting that city. Mr. Labelle arrived in London from the Continent on the day war was declared with Germany. He was very much impressed with the scenes he witnessed in the streets of London, where the people displayed the greatest enthusiasm combined with a most determined attitude in connection with recruiting. The wonderful rapidity with which everything was being organized was very striking. The Banks in London were closed from the 3rd to the 7th instant, to give the Government the necessary time to re-arrange financial matters, and issue one pound notes. Such an unusually grave occurrence, which may never happen again, was treated in a most calm and matter of fact manner by the people, there being no apparent excitement. Mr. Labelle visited the Head Office of his Company in Liverpool, before sailing for home, where through the kindness and influence of the General Manager, Mr. George Chappell, he was, unlike many less fortunate, enabled to secure a passage on the SS. Mongolian, from Liverpool to St. John's, Newfoundland. The steamer sailed perfectly blind at night, it being deemed expedient to have no lights in evidence.

METROPOLITAN LIFE INSURANCE COMPANY.

Vice-President Haley Fiske of the Metropolitan Life, has issued the following circular to the field force:—

Until further notice we will entertain applications for the benefit of *bona-fide* dependants, on persons who contemplate returning to the old country for the purpose of joining the military or naval organization in which they have served, or who have enlisted or shall enlist in either army or navy of any foreign power,

Up to \$1,000 Intermediate, any plan.

Up to \$2,000, Twenty-Payment Life Ordinary (or any plan carrying higher premium).

First premium to be paid annually in all cases and on binding receipt.

On acceptable risks these policies will be written at our regular rates, without extra premium, and for the full benefit in case of death. Policies will be issued with free disability provision, except in States where we must charge for this privilege, if desired.

This is no bid for war risks, but an opportunity to write up such men as may be called upon to go to the front whom you meet in your regular canvass. We shall not permit the canvassing at recruiting stations or military encampments. The applicants must be residents of the towns or cities in which they are written up and must be examined by our local examiner.



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



PERSONAL ACCIDENT SICKNESS FIDELITY GUARANTEE **PLATE GLASS AUTOMOBILE GENERAL LIABILITY**

Head Office: TORONTO.
 Montreal, 164 St. James Street. Quebec, 81 St. Peter Street.

THE YORKSHIRE INSURANCE COMPANY, LIMITED

ESTD. 1824

YORK, ENGLAND

ASSETS EXCEED \$20,000,000

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

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

ROYAL EXCHANGE ASSURANCE

Founded A.D. 1720

Losses paid exceed \$235,000,000

Head Office for Canada
 Royal Exchange Building
 MONTREAL
 ARTHUR BARRY, Manager

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



Head Office, Royal Exchange, London

INSURANCE COMPANY OF NORTH AMERICA

PHILADELPHIA, PA.

CAPITAL, SURPLUS TO POLICY HOLDERS . . . \$4,000,000.00
ASSETS . . . 8,844,871.95
LOSSES PAID EXCEED . . . 17,816,188.57
159,000,000.00

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

THE LAW UNION & ROCK

INSURANCE CO. LIMITED, LONDON. Founded in 1806

Assets Exceed - \$48,500,000.00

Over \$10,500,000 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

THE LIFE AGENTS' MANUAL - \$3.00

Published by the Chronicle, Montreal

MOUNT ROYAL ASSURANCE COMPANY

PAID UP CAPITAL \$250,000.00
TOTAL FUNDS 729,957.36
NET SURPLUS 202,041.02

THE NATIONALE FIRE INSURANCE COMPANY OF PARIS, FRANCE.

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

AGENTS WANTED IN UNREPRESENTED DISTRICTS.

HEAD OFFICE FOR CANADA MONTREAL.

J. E. CLEMENT, General Manager.

H. H. YORK, Inspector for Ontario.

L. C. VALLE, Inspector for Quebec.

LESSONS OF THE SALEM FIRE.

Secretary Franklin H. Wentworth, of the National Fire Protection Association, has prepared a very interesting special report on the recent Salem conflagration. He says in part:

"Modern fire departments are agencies of conservation. They make inspections and remove the causes of fire. The Salem fire department is not modern. The Salem conflagration should never have spread beyond the Korn factory. A few thousand dollars spent there for automatic fire protection would have saved fourteen millions. If the chief of the Salem department knew that hazardous processes were conducted in an unprotected wooden factory in a conflagration district he should have forbidden it. If he did not know it Salem's confidence in him as the guardian of her safety was misplaced. If he had no authority to forbid it he should have publicly told the Salem people of their danger. Modern fire departments extinguish unnecessary fires with intelligence—before they occur. That the Salem and the twenty-one companies of visiting firemen worked hard and bravely no one will gainsay; no criticism is directed at them. The work and the courage demanded by this conflagration were needed higher up before it started. A commissioner of public safety, or a fire commissioner, or a fire chief, with modern ideas of responsibility and service would have located the hazard which started this fire and eliminated or safeguarded it.

"The shortcomings emphasized in this report are not set down to shame Salem. They are assembled as a warning to other cities which are equally culpable. They show the futility, the impotence, of fire departments and fire department apparatus with a sweeping fire under way. They demand attention to three cardinal needs of the modern city:

"1. Improved building construction, with especial regard to sweeping fires. The entire abolition of the shingle roof within city limits. (It is futile to exclude the wooden shingle from congested fire limits merely and allow its use on surrounding acres of wooden dwellings).

"2. A modern and reliable water supply under adequate pressure and well distributed post hydrants with standard connections common to all neighboring cities.

"3. Proper municipal housekeeping under the administration of a commissioner or fire chief possessing modern ideas with authority to maintain cleanliness, regulate the storage and use of inflammables and compel the proper automatic fire protection of all buildings endangering the public safety."

CANADIAN LIFE OFFICES AND WAR RISKS.

We understand that the Canadian life offices generally are charging in the case of men going on active service who propose to take out insurance, an extra premium on \$50 per thousand above ordinary rates.

The Bank of England statement showed sharp rises in all directions this week. Bullion increased £4,945,220 and reserve £3,693,000. Discounts, however, rose sharply, circulation increased and there were large gains in deposits. The proportion of reserve to liability fell from 17.02 per cent. last week to 15.80.

NO TIME FOR LIFE AGENTS TO LET UP.

Life insurance apparently in its utmost aggregate could hardly pay a pittance to the widows and dependents of such a terrific struggle. Man's peaceful provision for his loved ones vanishes even in theory before such a fiery blast. By way of contrast, a life insurance salesman complained this week that his prospects would not "close." They said they could not afford it, in the face of business disturbances in this country. Besides, they argued, money is tight. Yes, it may be tighter. Which way then will those for whom this protection is offered turn in case of the provider's death? Peace has its victims no less bemoaned than War. And when it is hard to get money for business purposes, think what it means to widows and orphans to get, for instance, a monthly remittance from an institution of unquestionable financial solvency, like any one of our great life insurance companies. The closing of security markets and the restriction of loans does not touch them. Their little check is as regular as the monthly bills. They are insured, in the real sense of the word. The instalment provision is their safety and their fortress. There is much pity for women and children marooned abroad, exposed to the arrows of outrageous fortune. Relief is being sent them as swiftly as steam will take it or cables carry. But there is a live hand stretched out to them across the sea. The cold hand, the stilled heart and the dead brain at home, with the living still beside it, is another and still sadder sight. Nothing can give any man better courage to face new conditions that may arise in our own country, out of the vast struggle which echoes in our ears, than the contract of life insurance which he holds. This is no time for life insurance salesmen to show the white flag. Their arguments are multiplied by present conditions and their opportunity grows with necessity.—*Weekly Underwriter.*

SCIENTIFIC STUDY OF INSURANCE.

The establishment of a national institute for the scientific study of insurance is one of the numerous suggestions embodied by President Forrest F. Dryden, of the Prudential Insurance Company of America, in an article prepared for the World's Insurance Congress to be held at the Panama-Pacific International Exposition in San Francisco next year. In the same paper Mr. Dryden also advocates the inclusion in the institute of an insurance museum for the collection and preservation of insurance literature, experience, and the documentary methods and means by which the business has been carried on in the past, and is being carried on at the present time.

"Those plans would tend measurably to advance the dignity of insurance as a social institution," writes Mr. Dryden, "and make manifest in the most convenient form the services rendered by sound insurance in all its branches to governmental, associated or individual efforts to make the world a better place to live in by eliminating the risks of the individual life. Such an institute would also serve as a means of welding together all of the numerous and at present widely separated insurance interests into one vast national and even international organization for the development and conservation of insurance as a science and an art making effectively and progressively for human betterment."



The Employers' Liability

Assurance Corporation Limited

“ “ “ OF LONDON, ENGLAND “ “ “

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

Most Liberal Policies Issued
Offices: MONTREAL, TORONTO
 Managers for Canada, GRIFFIN & WOODLAND.
 JOHN JENKINS, Fire Superintendent.

Canadian
 Government
 Deposit over
\$1,340,000

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

THE CANADA ACCIDENT ASSURANCE COMPANY

HEAD OFFICE: Commercial Union Building, MONTREAL

CAPITAL \$500,000.00

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

Board of Directors:

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

TORONTO:
 Traders Bank Building

VANCOUVER

WINNIPEG

MONTREAL
 Merchants Bank Building

FOUNDED 1871

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

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

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

Canadian Head Office - - - - **TORONTO, Ontario**
CHARLES H. NEELY, General Manager for Canada and Newfoundland

WHY NOT HAVE THE BEST ?

The Globe Indemnity Company of Canada

Head Office, MONTREAL.

formerly--The Canadian Railway Accident Insurance Company.

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

JOHN EMO, General Manager & Secretary.

ROBERT WALSH, Assistant Manager.

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

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

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

PROVINCIAL TAXATION OF BANKS.

(H. M. P. Eckhardt, in *Journal of C.B.A.*)

Bankers throughout Canada are awakening to the fact that provincial and municipal taxation of banks is rapidly becoming for them and their customers a most serious question. At the Imperial Bank of Canada annual meeting, on May 27th last, President Wilkie referred to the effects of the excessive taxes in discouraging expansion. He pointed out that the trade depression has had a tendency to check the bank extension movement and that the propensity manifested recently by provincial and municipal authorities to greatly increase the amount of their exactions from banks represented another factor working to prevent the opening of new branches and the granting of banking facilities to the public.

It is well known that in the last couple of years a number of the provincial governments have revised their taxation schemes, and the new taxes represented heavy increases for banks and other corporations. Mr. Wilkie mentioned in his address, above referred to, that since the preceding annual meeting the provincial taxes had been almost doubled in British Columbia and more than doubled in Ontario. Then it is to be remembered that Alberta and Saskatchewan also increased their taxation of banks within the last two years; and in 1912 the Province of Nova Scotia, which had not previously laid a direct levy on banks, put into effect a scale which takes from \$13,000 to \$41,000 per year from the seven banks operating in the province.

DETAILS OF THE TAXATION.

A brief résumé of the scale of taxation applying in each province is given herewith:—

Ontario—The scale now in force in Ontario is: 1/10 of one per cent. on paid-up capital up to \$2,000,000; and \$25 for every \$100,000 of paid capital in excess of \$2,000,000 up to \$6,000,000. Also the bank must pay \$100 for the head or principal office in Ontario, and \$25 for each other office.

There is a provision that where the bank's head office is out of Ontario and it has not more than five branches in the province and employs only a part of its capital in the province, the Lieutenant-Governor may reduce the tax; but it has not to be less than 1/10 of one per cent. on half the paid-up capital.

The bill recently introduced by the Provincial Treasurer, and which had its first reading April 7th, 1914, provided for a tax of 1/5 of one per cent. on paid-up capital up to \$6,000,000; and \$50 per \$100,000 of paid-up capital in excess of \$6,000,000; and a tax of \$50 for the head or principal office in Ontario; and \$50 for each other office. There was the same provision for reduction by Lieutenant-Governor as in the existing law.

Since the interview of the bankers with the Provincial Treasurer this measure has been amended; and as finally passed on April 27th, it provides for a tax of 1/10 of one per cent. on paid-up capital throughout; \$1,500 on the head or principal office; and \$50 on each other branch in the province. The minimum in case of special provision for banks with not more than five branches is to be 1/10 of one per cent. on half the paid capital.

Quebec—Provincial taxation here is \$100 per \$100,000 of paid capital up to \$1,000,000; \$50 per \$100,000 of paid capital above \$1,000,000; \$200 on principal offices in Montreal and Quebec cities; \$150 on

each other branch in these cities; and \$30 on each branch in other places. Provincial taxes in Quebec have not changed in the last three years.

Prince Edward Island—Taxes here are based on the average of loans and deposits carried by the banks. Each bank is to pay 1/15 of one per cent. of this average, with a minimum tax of \$1,000; and if the average of loans and deposits exceeds \$2,500,000, the bank pays 1/20 of one per cent., or a minimum of \$1,600.

No change has occurred in the past three years.

New Brunswick—This province exacts from each bank \$1,000 per year, plus \$100 for each branch operated—only one office in each city or town to be taxed; and newly opened branches are not subject to tax until two years from the 1st June following the opening.

No change has occurred here in past three years.

Nova Scotia—The scale here is: \$1,000 for head or principal office; \$100 for the next ten offices; and \$50 for each other office. Only one branch in any city or town is subject to tax, and new branches are not to be taxed until three years after they are opened.

This law was passed in May, 1912; taxes went into effect that year.

Manitoba—The scale prevailing is: \$800 on principal office; \$200 each on four other branches; \$100 each on ten other branches. Only one office in any city or town is subject to tax.

No change has occurred in the past three years.

Saskatchewan—Taxation in this province prior to 1913 was as follows: \$400 for the principal office; \$100 each on four other branches; \$50 each on four other branches; \$25 on each additional branch over eight.

The 1913 law calls for: \$300 on each branch in a city; \$100 on each branch in a town; \$25 on each other branch.

Alberta—Prior to 1913 the Alberta scale was: \$400 on principal office; \$200 each on four other branches; \$100 each on six other branches; only one office in any city or town subject to tax.

The new scale is: \$1,000 on principal office; \$125 on each branch.

British Columbia—The old scale here was: \$1,000 on principal office; \$125 on each branch.

The new scale calls for: \$1,500 on the principal office; \$250 on each branch.

FOLLOWING BAD EXAMPLES.

The various provincial treasurers are in the habit of copying each other to a certain extent in this matter of taxation. Thus, when Nova Scotia decided to tax the banks a couple of years ago some of the outstanding features of the New Brunswick scheme were incorporated in Nova Scotia's plan. And when Alberta found it necessary last year to raise more revenue, the provincial authorities enacted a new schedule of bank taxes which was an exact copy of the scale formerly prevailing in British Columbia (the British Columbia scale then being the highest in the Dominion, with the possible exception of Prince Edward Island). Since then British Columbia practically doubled the old rates. And Ontario at first proposed to treble her old rates, afterwards consenting to a slight reduction which makes the new rates 2½ times the old ones. This clearly shows the tendency. As the several provincial treasurers experience the need for fresh revenue the

THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated : 1833.

HEAD OFFICE : TORONTO

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

DIRECTORS :

W. R. BROCK, President
W. B. MEIKLE, Vice-President

ROBT. BICKERDIKE, M.P.
H. C. COX
JOHN HOSKIN, K.C., LL.D.
D. E. HANNA
ALEX. LAIRD

Z. A. LASH, K.C., LL.D.
GEO. A. MORROW
AUGUSTUS MYERS
FREDERIC NICHOLS
JAMES KEIR OSBORNE
COL. SIR HENRY M. PELLATT
K. R. WOOD

W. B. MEIKLE, General Manager
E. F. GARROW, Secretary

THOMAS F. DOBBIN, Resident Manager
MONTREAL



**NORWICH UNION
FIRE INSURANCE
SOCIETY LIMITED**
Norwich, England

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

Head Office for Canada TORONTO
Head Office for Province of Quebec, MONTREAL
Agents wanted for the Accident Branch.

JOHN MacEWEN, Superintendent for Quebec.

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

First British Insurance Company Established in Canada

A. D. 1804

Phoenix Assurance Co. Ltd.

OF LONDON, ENGLAND. (Founded 1782)

FIRE

LIFE

TOTAL RESOURCES, over - - \$78,500,000.00
FIRE LOSSES PAID - - 425,000,000.00
DEPOSITS with Federal Government and
Investments in Canada, for security
of Canadian policyholders only, exceed 2,500,000.00

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

100 St. Francois Xavier St. - Montreal

Established 1864.

New York Underwriters Agency.

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

PROVINCIAL AGENTS.

MURPHY, LOVE, HAMILTON
& BARCOM,
Toronto, Ont.

OSLER, HAMMOND & NANTON,
Winnipeg, Man.

ALFRED J. BELL,
Halifax, N.S.

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

JOHN WM. MOLSON
& ROBERT Y. HUNTER
Montreal, Que.

WHITE & CALKIN,
St. John, N.B.

EDMUND T. HIGGS,
Charlottetown, P.E.I.

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

L'UNION

FIRE INSURANCE COMPANY, Limited

Head Office : PARIS, France.

Established 1828

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

Canadian Branch :

LEWIS BUILDING 17 ST. JOHN STREET, MONTREAL

Manager for Canada :

MAURICE FERRAND

BRITISH COLONIAL FIRE INSURANCE COMPANY

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

STRONG AS THE STRONGEST

Agents wanted in Unrepresented Districts

President : HON. C. E. DUBORD

Director and Secretary : THEODORE MEUNIER

Manager : H. W. THOMSON.

INSPECTORS.

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

R. T. BROWN, P. O. Box 849, Regina, Sask.

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

corporations are the first parties they look to. To tax the banks, railways and other corporations is at present one of the most popular methods of raising funds; and undoubtedly the outlook is for a more or less steady increase in the imposts levied by the provinces.

MUNICIPAL TAXES.

It should be borne in mind that the banks in all cities, towns and municipalities pay taxes on their premises and other real estate holdings. Usually in the larger cities they are required to pay a heavy tax as well. Thus in addition to their real estate taxes the banks in Halifax are mulcted by the municipality for "\$1,000 yearly, plus 1/16 of 1 per cent. upon the average volume of business done, including all loans or investments and current and savings deposits. The minimum so payable is \$750, and a bank may commute for its fee and taxes by paying \$3,000 yearly."

In St. John there is a municipal tax of 1/12 of 1 per cent. on the average volume of business done. In Montreal a special municipal license fee of \$600 is exacted from each head office and \$100 from each branch. Montreal also has a tax of 7½ per cent. on the rental value of the bank premises; and Quebec a similar tax of 12½ per cent. These taxes are over and above the real estate taxes. Other cities also have heavy taxation for banks. Taking the whole Dominion, it may be estimated that the municipal taxes paid by the banks amount to about three times as much as the provincial taxes as levied in 1913. As the provincial taxes amounted to approximately \$411,000, the grand aggregate of bank taxes would probably be something like \$1,600,000. That represents about 9 per cent. of the total net profits of all chartered banks in 1913 (total net profits were \$18,382,983). And if we add to the estimated aggregate of municipal taxes \$1,200,000, the total of provincial taxes as they would be if all provinces adopted the new Ontario scale, the aggregate would be about \$2,400,000 per year, more than one-eighth of the total net profits.

Of course, the bank gets value received, to a certain extent, from the monies expended in municipal taxes; but it is very difficult to discover where they receive value in return for the rapidly rising payments to the provincial treasuries.

UNJUSTIFIED METHODS.

As regards methods of applying taxation, one cannot easily understand where Ontario and Quebec find justification for taxing each bank doing business therein on the full amount of its paid-up capital. No bank uses the entire amount of its paid-up capital in Ontario, and in no case does any chartered bank derive the whole of its capital from Ontario. All the important institutions divide their capital and funds among the several provinces; and all of them have drawn their capital from the several parts of the Dominion. And yet both Ontario and Quebec levy on the full amount of paid-up capital in case of each bank operating within their borders. One objection to this practice is that its adoption by other provinces would effect a tremendous increase in the bank taxes. Thus, as there are nine provinces, if each one were to put a tax of 1/10 of 1 per cent. on capital, we should have an impost of 9/10 of 1 per cent. laid on every bank represented in all the provinces of the Dominion, and this before taking any account of the taxes on branch offices. And if each province were to tax the capital 1/5 of 1 per cent.,

as Ontario at first proposed to do, the total tax on capital alone would be nearly 2 per cent. per annum, apart from taxes on branch offices.

TO STOP TONGUE WAGGING.

Our pungent contemporary, the *Insurance and Financial Gazette*, has the following characteristic comment on a recent action of the Independent Order of Foresters:

The Independent Order of Foresters, of Canada, is in no humour to stand any humbugging on the part of members.

It may not be entitled to a shred of respect, but respect it is going to have.

The time is ripe for stamping out sedition and rebellion; accordingly the attention of members is called by the official organ, *The Forester*, to an article of the Constitution, which provides:

"Any member who shall try to bring contempt upon the Order by speaking disrespectfully of the Supreme Court, or of any of its officers, or of any High Court, or of any of its officers, or of any subordinate Court, or of any of its officers, may be immediately suspended from the Order by the Supreme." Chief Ranger.... A word to the wise is sufficient.

It would appear to us that the members have been saved the trouble of bringing contempt on the Order; by the Order itself they have been forestalled.

The Supreme Chief Ranger may suspend a member who is disrespectful—he may—but we fancy he is not quite so asinine as to proceed to exercise his authority.

If he dare attempt anything of the sort his time would be fully occupied, and the transaction of all other business would require to be suspended.

What about the dealings of the Order with the Union Trust Company?

As usual, it appears that some little Jack Horner has his thumb, not to say his first, in the pie of the Order.

METROPOLITAN'S GROUP RATES.

The Metropolitan Life, in constructing rates for group accident and health insurance for industrial employees to cover only sickness and general accidents, neither of which to be incident to or arising out of their employment, has blazed the way for insurance of this kind. In consequence of this the rates to be charged are of wide interest to life and accident insurance underwriters.

The Metropolitan builds up its rates for any group by means of a schedule, adding together the rate set out for each employee, according to his classification with regard to the hazard of his employment, and also according to his age. Each year the rate for the policy changes to correspond with the changes in age and occupation of the group covered, record of which is kept in a register furnished by the company and forming a part of the insurance agreement. The insurance is based upon individual applications, and individual certificates are furnished in addition to the group policy given the employer.

In the computing of benefits, account is taken of other benefits received by the employee from other sources, such as lodges, benefit societies, etc., and the Metropolitan pays such an amount in addition as will equal two-thirds of the average wage of the employee for the six months preceding the incapacity, and an adjustment of the premium is made in the event of such deductions.

RAILWAY PASSENGERS **ASSURANCE CO.**

OF LONDON,
ENGLAND

Established 1849.

OLDEST ACCIDENT COMPANY IN THE WORLD
ACCIDENTS OF ALL KINDS
AND ILLNESS
INSURED AGAINST

Also
ALL KINDS of
LIABILITY

EMPLOYERS' AND PUBLIC
(INCLUDING AUTOMOBILE.)

PLATE GLASS AND FIDELITY GUARANTEE

Head Office for Canada, Confederation Life Building, TORONTO

F. H. RUSSELL, Manager



Transacts:

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

Applications for direct Agencies invited.

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

Head Office, GRESHAM BUILDING MONTREAL
502 ST. JAMES STREET

F. J. J. STARK, General Manager.

THE FEDERAL LIFE ASSURANCE COMPANY **OF CANADA**

made a record for 1913 that will be hard to surpass. The Annual Report just issued showed improvement and increase in every item of the Company's operations. One of the most gratifying was that the Total General Expenditure WAS LESS THAN IN EITHER 1912 OR 1911, despite a large increase in business in force and new business written. The percentage of General Expenses to Premium Income showed the large decrease of 2.2 per cent. An Agency with this Company would therefore be desirable.

—Write—

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

WAR

WILL TEST THE STRENGTH OF THE WORLD'S FINANCIAL INSTITUTIONS.

THE NATIONAL LIFE ASSURANCE COMPANY OF CANADA

holds an IMPREGNABLE POSITION by reason of the Unequalled character of its Assets, which are immune from the effects of War, Panic or Depression.

A CONTINUOUS RECORD FOR FIFTEEN YEARS—NO ARREARS of Interest or Principal on any of its Invested funds.

—SAFETY FIRST—

A COMPANY OF QUALITY

Several good agency openings for Producers. Apply direct to

Head Office: 25 Toronto Street, Toronto.

ELIAS ROGER, President.

ALBERT J. RALSTON, Managing Director.

F. SPARLING, Secretary

QUEER CONTRACTS AT LLOYD'S.

The last few years have seen a huge development of what we have frequently described as freak business. It has become a common saying that you can insure anything under the sun, but we have always contended that much of this business is a gamble pure and simple, and is as nearly allied to insurance as oil is to water. Insurance is based on the law of average, but there is no such thing as average in connection with many of the contracts which we have in view at the moment. These contracts are chiefly made by Lloyd's Underwriters, but some of the smaller and younger offices in their anxiety to get a turnover are unable to resist the business when it is offered to them.

We hear of one office with a small capital guaranteeing the due fulfilment by a weekly paper of its obligations under a prize competition. The proprietors of the paper went to the office and said the competition could never be won, and the insurance was merely suggested to inspire public confidence. Three weeks later, however, the correct solution of the problem put forward in the paper was sent in, and the small office had to part with over 50 per cent. of its paid-up capital!

A PECULIAR "INSURANCE."

Another "insurance" of a peculiar kind was recently effected at Lloyd's. It provides for the payment of a total loss should Mr. Bonar Law not be leader of the Unionist party in the House of Commons at the time of the next general election. The insurance, it is stated, was started at 60s. per cent., but to complete the amount five guineas per cent. had to be paid. It was made on behalf of a political association which is printing publications that would be wasted were there to be any change in the leadership.

Again we hear of a curious insurance in connection with the damage done by militant suffragists. Underwriters agree to indemnify the assured during the next two years for the legal liability incurred through his wife's action in contributing to suffragist funds employed in the destruction of property. They will be liable for any sum in excess of £250 up to £20,000. The premium paid was £75 for two years on the assumption that any action by the Government will be taken within that period. The indemnity only applies to contributions to the funds before the effecting of the insurance.

RIOTS AND CIVIL COMMOTIONS.

It was also stated quite recently that a renewal of activity has been displayed in the war risk market at Lloyd's by reason of a further demand from Ulster for "riots and civil commotion" policies. After allowing for time expired policies, it is estimated on good authority that Lloyd's Underwriters' current liabilities in Ulster alone exceed £10,000,000 sterling, and the rates of insurance are higher than at any period during the current year. For private house property in Belfast from 16s. 8d. to 25s. per cent. has been quoted for twelve months' renewals. On commercial buildings and their contents in the same city as much as 30s. is charged, while provision stores and licensed public houses, being reckoned more hazardous, are quoted at £2 and £3 per cent. for one year. These rates are 20 per cent. above the price

obtainable three months ago, while private property in Ulster was covered against civil strife at one-third of the present premium a year back. Throughout the whole controversy Lloyd's have never seriously regarded the question of civil war in Ireland as an imminent risk. A general election has been covered and recently almost prohibitive quotations against a dissolution of Parliament within three months were demanded. A large number of these policies for three and six months' periods have expired, yielding a nett profit to Underwriters, but current insurances to pay a total loss in the event of a general election before October 30, were standing at 60 guineas per cent. ten days ago.

A *Financial Times* correspondent says:—The announcement made by Mr. Asquith in the House of Commons to the effect that the Home Rule Amending Bill will not be proceeded with at present in view of the political outlook on the Continent, may be regarded as releasing Lloyd's Underwriters from any further liability in respect of the sum of, approximately, £15,000,000 which they have covered in connection with the Irish crisis. Such a development may have been secretly anticipated of late by members of "Lloyds," but there have certainly been no general anticipations of such a development.

PROFIT OVER HOME RULE STRUGGLE.

The relief occasioned among Underwriters by Mr. Asquith's statement was more than overshadowed by the gravity of the situation on the Continent; nevertheless, it is realised that an immense stride has been made towards a settlement of the domestic split which has threatened this country for so long, and that, at any rate, is so much to the good. Of course, if the Home Rule question again becomes a serious problem, insurance protection will be required by the interests concerned, as the existing policies will certainly have run off in the meantime. For the present developments on the Continent will absorb the Underwriters' attention, and probably keep them well occupied. Nevertheless, they have probably pocketed over the Home Rule struggle something in excess of £50,000 wherewith to set off their losses in other directions.

Our view is that this is all very interesting, but it is not genuine insurance business. It is quite evident that Lloyd's Underwriters when quoting rates get as much as they can, and let the consequences take care of themselves! But we cannot feel any confidence in business conducted on these lines!—*The Policyholder.*

THE CANADIAN ANNUAL REVIEW.

We have to acknowledge with thanks receipt of a copy of the new issue of the Canadian Annual Review. The present volume deals with the year 1913, and like its predecessors forms a valuable record of the activities of the year in finance, politics, national development, Dominion and provincial affairs, literature and journalism and many other departments of Canadian life. Brim full of information arranged in an interesting manner, the Canadian Annual Review is a reference book which to use is to appreciate. The enterprise of Mr. Castell Hopkins in publishing this volume year by year since 1901 has put Canadians under a debt of obligation to him.

GRESHAM

Life Assurance Society, Limited
Founded 1848

Funds : FIFTY MILLION DOLLARS

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

ADDRESS:

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

WANT A BETTER JOB?

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

For further particulars, write

THE
IMPERIAL LIFE ASSURANCE COMPANY
Head Office - **TORONTO**

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

ESTABLISHED 1824

Capital,	\$30,000,000
Total Assets,	56,646,549
Deposited with Dominion Gov't,	320,645
Invested Assets in Canada,	5,188,550

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

JAMES H. BREWSTER, Manager

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

BE PREPARED!

These are the days of stress and strain in financial circles and the breaking of the war-cloud has greatly added to the prevalent anxiety.

The intense surprise experienced at the declaration of war clearly shows the necessity for every financial institution being prepared for unforeseen emergencies.

The Mutual Life has sometimes been criticised even by its best friends for carrying too large a surplus, but the situation to-day justifies our conservative yet progressive policy.

The Mutual Life Assurance Co.

Of Canada,

WATERLOO - - - ONTARIO

Assets - \$22,252,724. Gross Surplus - \$3,816,612

PROVINCE OF QUEBEC { To Wit :-
CITY OF MONTREAL

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

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

ANGLO-AMERICAN

FIRE INSURANCE COMPANY

MONTREAL-CANADA

FIRE INSURANCE COMPANY

Established 1859

H. H. BECK, President. A. B. DUFRESNE, Provincial Agent.

ROOM 21, DULUTH BUILDING,

Head Office: Cor. Notre Dame and St. Sulpice Sts

CABLE ADDRESS "RYKERT"

E. G. RYKERT & COMPANY
Stocks Bonds and Investments
22 St. John Street,
MONTREAL.

CANADIAN BANKING PRACTICE

THIRD EDITION.

(HANDSOMELY BOUND IN CLOTH, \$4 PER COPY)

QUESTIONS ON CUSTOM AND USAGE AND LAW. Published under the Auspices of the
Canadian Bankers' Association (Compiled by John T. P. Knight).

OR SALE AT THE CHRONICLE OFFICE,

10 ST. JOHN STREET, MONTREAL

DEPRECIATION IN INSURANCE COMPANIES' ASSETS.

An important contribution on the subject of the treatment of depreciation in assets due to an enhanced rate of interest is made by Mr. R. R. Tilt, F.I.A., actuary and secretary of the General Reversionary and Investment Company in the current number of the *Journal* of the Institute of Actuaries. In view of the course of events since this article was written and of the problems arising from what may be hoped will be mainly a temporary depreciation in investments, which now face insurance companies generally, the article is particularly apropos. While all of its conclusions may not be agreed with, and it has to be borne in mind that the paper is written from the English standpoint, yet it will repay very careful study by those on this side who are interested in and have to deal with the problem of investment at the present time. We subjoin a summary of the more important points covered:—

HEAVY DEPRECIATION.

At the outset of his paper, Mr. Tilt points out that life offices have at the present time, chiefly in consequence of a rise in the rate of interest, large amounts of depreciation to face, amounts which in some cases are the equivalent of a substantial part of the quinquennial surplus. During the period of a falling rate of interest ending in 1897, says Mr. Tilt, the companies made substantial reductions in the valuation rates of interest. But it does not appear that the offices in the aggregate did more than hold their own against the diminishing earning power of their funds. The average rate of interest earned by all British offices after deduction of income tax fell from £4 4s 5d in 1885 to £3 14s 2d in 1900 or a reduction of 10s 3d.

It is not to be expected, continues Mr. Tilt, that the rate of interest obtained from a large aggregate of investments of many different classes will vary as much or so quickly as the rate which is determined by fluctuations in the demand for that proportion of readily transferable capital which is available for investment from time to time, but, over a series of years, the tendency of the two rates will be in the same direction. It is not surprising, therefore, to find that the average yield of the life office investments fell much more slowly than the yield from Stock Exchange investments during that period of rapid inflation of prices which culminated in 1897, nor is it surprising that the fall in the life office rate continued for some years after the yield of the Stock Exchange investments had commenced to rise. Old mortgages at the higher rates of interest of earlier periods would be repaid, and would have to be reinvested, and new money would be invested at a rate below the average, whilst that average would be artificially high by the valuation of investments at the lower prices paid for them in earlier years.

Mr. Tilt subsequently proceeds:—

REASONS FOR THE CHANGES.

There appear to me to have been three main causes for these changes:

First.—The hidden reserves of the offices created by the increase of market values over book values: these hidden reserves which gradually increased up to 1897 had the effect of maintaining the Life Offices'

rate; from 1897 onwards depreciation reduced these reserves instead of increasing the published rates of interest; when the hidden reserves disappeared depreciation was written off the book value of the assets and the effect appears in the Life Offices' rate just as it is shown in the rate of the three stocks.

Secondly.—The slower movement in the rate of interest of the life funds (to which I have already referred). Up to 1897 the continuous fall in the rate of interest had been fully felt on the Stock Exchange, but not in the life office investments, and from 1897 onwards the position was the same as to the rise in the rate. (The movement in the rate of interest of the life offices is made slower artificially by the custom of adjusting values to market prices quinquennially instead of yearly. The rise in the rate of interest shown by Stock Exchange investments in any year is thus spread over the following five years of the aggregate rates of the life offices).

The third cause is, I think, that the increase in the proportion of the life office funds invested in Stock Exchange Securities tends to bring the two rates together, and this cause seems to me the one of most importance. It indicates greater stability in the rate of interest in the future so long as investments are retained at present values, or, expressed otherwise, that a fall in the rate of interest will be accompanied in the future by a larger increase in capital value.

THE VALUATION OF ASSETS IN BALANCE SHEET.

It appears to me, proceeds Mr. Tilt, that the proper course at a periodical valuation is in the first place to make a rigid valuation of the assets. The securities for mortgages and loans should be carefully investigated, repayment or reduction being required in weak cases, and if, in any cases, these measures are ineffective, the securities should be realized or written down, and a reduced estimate should be formed of the annual income from these assets. Stocks and shares whether redeemable or not should be taken at the prices of the day with adjustment for accrued interest. The values of house property and ground rents should be considered carefully and should, as a rule, be taken at a reduction of any estimate of the market value. Loans repayable by terminable annuities and similar securities should, strictly speaking, be valued at the rate of interest obtainable for these securities at the date of valuation, but it would be sufficient probably to alter these values when there was clearly a quarter per cent. or more difference in the rates of interest.

It must be remembered that, in a time of a rising rate of interest, the depreciation in the assets is by no means fully represented by the fall in Stock Exchange securities. Ground rents and house property will fall in value (modified in some cases by exceptional circumstances as, for instance, an increased demand for houses in the centre of a flourishing city), and the securities for mortgages and loans will show a reduced margin of value.

I am aware that this treatment of the balance sheet does not meet with favour in every quarter. I cannot put my finger on references, but I have seen it suggested that the present market value of the assets is not the value to be considered because a company will not require to realize them at the present time, and if it did prices would immediately fall and large blocks of stock could not be sold at the values put upon them. To push this argument to its limit seems

THE YOUNG MAN'S GREAT OPPORTUNITY



for success to-day
is—salesmanship.
Life Insurance selling
offers unlimited
opportunities for
success.

WRITE US ABOUT AN AGENCY.

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

GENERAL

ACCIDENT **FIRE** AND LIFE

ASSURANCE CORPORATION, LTD.
OF PERTH, SCOTLAND.

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

PELEG HOWLAND, Chairman, Canadian Advisory Board
D. R. WILKIE, Vice-Chairman, Canadian Advisory Board

T. H. HALL, Manager for Canada.

JUDSON G. LEE, General Agent, Montreal.

The Equity Fire Insurance Co. TORONTO, CAN.

WM. GREENWOOD BROWN, General Manager

GENERAL AGENTS:

A. B. Powell, Interim Branch Manager, Montreal
Brown Clarke Agency, Winnipeg
Young & Lorway, Sydney, N.S.
Faulkner & Co., Halifax
W. S. Holland, Vancouver
Geo. A. Law, Calgary
J. M. Queen, St. John, N.B.
McCallum, Hill & Co., Regina.

Union Assurance Society Limited OF LONDON, ENGLAND.

[Fire Insurance since A.D. 1714]

Canadian Branch:

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

Representing

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

You will make money.

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

FOR TERMS TO PRODUCING AGENTS, ADDRESS:

George T. Dexter

2nd VICE PRESIDENT

34 Nassau Street

New York, N.Y.

Organized



Assets

\$8,020,276.62

Surplus to
Policyholders

\$3,615,126.66

Applications for Agencies invited.

Canadian Head Office

MONTREAL

J. W. BINNIE . . . Manager

GOVERNMENT, MUNICIPAL AND CORPORATION BONDS

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

WOOD, GUNDY & COMPANY.

LONDON, ENG.

TORONTO, CAN.

to be to say that if all the world wanted to realize everything no value would attach to anything. It is an argument that may be used in respect of the balance sheets of all companies having large tangible assets.

THE COST PRICE ARGUMENT.

Another plea is that as debenture bonds, terminable annuities, and similar securities are, by means of sinking funds, redeemed eventually at cost price, they may therefore be taken at their cost price. I do not think that this argument is sound. The incidence of the relationship of the invested funds to the individual policies is continuously changing. Claims arise and deplete the funds which are replenished simultaneously from premium income (either new or renewal), so that a proportion of the existing funds represents each year the investment of new money. If these investments are taken at a price above the market value, the rate of interest is artificially low, and the premium income is not being legitimately invested.

To keep a security standing above its realizable value may act as a restraint upon sale when a change of investment might be advantageously made. To sell the investment below book value, and to write up the new security to the book value of its predecessor, would be considered a questionable proceeding, but it does not appear to be worse than keeping the original security at its cost price.

If there are any offices which have retained for a period of, say, 10 or 15 years, their long term investments at cost price, the balance sheets of these companies must be distinctly of an artificial nature, unless, of course, the depreciation is covered by under-valuation elsewhere. It is true that if the valuation rate has been kept constant, the margin of income on these particular securities may be much the same as after a thorough revaluation of assets and an accompanying increase in the valuation rate, but it is surely of importance (irrespective of the requirements of Act of Parliament) that the accounts of a Company should represent as nearly as possible its circumstances judged by the monetary standard of the day the books are closed.

If I may use the expression it is a "slipshod" policy to retain investments at the varying prices paid for them from time to time, and to ignore the rates of interest obtainable from similar securities at the time of valuation, whilst other investments closely reflect in their yield the true current rate of interest.

The correct method appears to me to be that which I have endeavoured to indicate in these remarks: to write the assets down rigidly at a valuation, and to make any adjustment that may be indicated to be justified by the new rate of yield, in the actuarial valuation.

DEPRECIATION AND FUTURE INTEREST PROFITS.

Against the proposition that depreciation (limited to that caused by an enhanced rate of interest) should be charged against future interest profits, it may be urged.

First—That the reserves are weakened.

Secondly—That when, in process of time, a fall in the rate of interest occurs, the offices will have difficulty in recovering their position.

To the first objection the reply seems to be that the reserves have been substantially strengthened by the increased interest margin, and that a part only of the value of the increase in yield is required for

the purpose of the charge for depreciation. The balance will remain to increase future bonuses. If the depreciation is provided by the use of a higher valuation rate (or by an equivalent method), and if care is taken that nothing beyond the depreciation is released from the valuation reserves, there should be no difficulty in recovering the position when a fall in the rate occurs. On a reduction in the valuation rate following a general fall in the rate of interest, it would be legitimate to take credit for the appreciation of assets consequent on the fall in the interest rate, or, in the alternative, if the old valuation rate is retained, the large proportion of Stock Exchange securities now included in Assurance Funds would, if kept at the lower prices, give stability to the rate of yield shown by the accounts.

A company is no better off by keeping investments at book values and maintaining its valuation rate than by writing up investments to market values and using the increase to strengthen its reserves by a reduction in the valuation rate. The latter course may indeed be considered the better one, as new business reserves, which will gradually supplant reserves for existing business, should be taken at the lower valuation rate.

CONCLUSION.

In bringing these notes to a conclusion Mr. Tilt submits the following propositions for consideration:

(1) That at the periodical investigation a strict valuation of assets should be made, no security being taken at a price above that which, if a marketable security, it would realize according to market quotations at the date of the balance sheet; if not a marketable security the criterion of value should be taken as the price which the office would be willing to pay if the opportunity of making the investment occurred at the date of the balance sheet.

(2) That this strict valuation of assets having been made, the charge for depreciation so far as represented by a future increase in the interest surplus on the company's contracts will be treated properly by the actuary if, in his valuation, he provides for it by an increase in the valuation rate of interest or by an equivalent method, and that the balance of the depreciation (due to the increased rate of interest) may, in many cases, be similarly treated.

EXPECTED RUSH ON POLICY LOANS.

American life insurance executives are worried over the danger of too many policyholders, as soon as the Stock Exchange opens, taking advantage of policy loans. This was the case in 1907, at the time of the panic when money was tight. When it was found to be impossible to secure money in any other way, loans were secured from the life companies at five per cent., and at many times this money was loaned at the rate of 6 per cent., or even higher.

At present a large number of life companies are charging a 6 per cent. loan rate on new policies, but this will not be in effect on many outstanding policies. As the savings banks have temporarily put the ban on all accounts so only \$50 may be drawn at one time without giving the sixty days' notice provided, the life insurance companies fear that the low price of stock will tempt many to borrow from them for investment purposes.

Traffic Returns.

CANADIAN PACIFIC RAILWAY.				
Year to date.	1912.	1913.	1914.	Decrease
July 31...	\$70,891,000	\$75,887,000	\$62,948,000	\$12,939,000
Week ending	1912.	1913.	1914.	Decrease
Aug. 7....	\$2,700,000	\$2,581,000	\$2,236,000	\$345,000
" 14....	2,677,000	2,630,000	2,120,000	468,000

GRAND TRUNK RAILWAY.				
Year to date.	1912.	1913.	1914.	Decrease
July 31...	\$28,527,279	\$32,180,296	\$29,688,100	\$2,492,196
Week ending	1912.	1913.	1914.	Decrease
Aug. 7....	\$1,109,682	\$1,149,584	\$1,106,823	\$42,761
" 14....	1,098,493	1,150,198	1,068,710	81,488

CANADIAN NORTHERN RAILWAY.				
Year to date.	1912.	1913.	1914.	Decrease
July 31...	\$11,033,630	\$12,688,700	\$10,930,000	\$1,738,700
Week ending	1912.	1913.	1914.	Decrease
Aug. 7....	\$407,300	\$418,700	\$354,400	64,300
" 14....	401,800	436,900	319,500	117,400

TWIN CITY RAPID TRANSIT COMPANY.				
Year to date.	1912.	1913.	1914.	Increase
July 31...	\$4,582,178	\$4,955,137	\$5,285,196	\$330,059
Week ending	1912.	1913.	1914.	Increase
Aug. 7....	\$159,683	\$173,141	\$183,414	\$10,273

HAVANA ELECTRIC RAILWAY COMPANY				
Week ending	1913.	1914.	Decrease	
Aug. 2	55,588	53,184	2,404	
" 9	56,067	54,066	2,001	
" 16	56,108	52,246	3,862	

DULUTH SUPERIOR TRACTION CO.				
Week ending	1912.	1913.	1914.	Increase
July 7....	\$24,988	\$29,163	\$29,861	\$698
" 14....	22,035	25,433	26,124	691
" 21....	24,522	26,484	27,251	767
" 31....	..	37,805	38,818	1,013

DETROIT UNITED RAILWAY.				
Week ending	1912.	1913.	1914.	Decrease
May 7....	\$203,667	\$2 9,753	\$223,133	\$16 62
" 14....	195,977	238,104	221,628	16,47

CANADIAN BANK CLEARINGS.

	Week ending Aug. 20, 1914	Week ending Aug. 13, 1914	Week ending Aug. 21, 1913	Week ending Aug. 22, 1912
Montreal ..	\$44,988,575	..	\$60,184,975	\$52,795,277
Toronto ..	32,919,365	\$33,979,901	37,419,825	36,674,249
Ottawa ....	.....	3,481,577	4,141,375	4,687,598

MONEY RATES.

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

Montreal Tramways Company
SUBURBAN TIME TABLE, 1914

Lachine :

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

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

Sault aux Recollet and St. Vincent de Paul:

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

From St. Vincent to St. Denis—
20 min. service 5.50 a.m. to 6.30 a.m. 30 min. service 8.30 p.m. to 12.00 mid.
10 " " 6.30 " 8.30 " Car from Hendersons 12.20 a.m.
20 " " 8.30 " 4.30 p.m. Car from St. Vincent 1.10 a.m.
10 " " 4.30 p.m. to 8.30 "

Cartierville:

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

Mountain :

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

Bout de l'Île:

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

Tetrautville:

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

TABLES OF COMPOUND INTEREST

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

By the Late Lieut.-Col. W. H. OAKES, A.I.A.
Price \$5.

WANTED.

JUNIOR CLERK for Fire Insurance Office; must understand both languages and have some experience in Fire Insurance. Address L. M. N.; c/o The Chronicle, Montreal.

The WATERLOO
Mutual Fire Insurance Co.

ESTABLISHED IN 1865

HEAD OFFICE : WATERLOO, ONT.

TOTAL ASSETS 31st DEC., 1911, \$772,000.00

POLICIES IN FORCE IN WESTERN ONTARIO OVER 30,000

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

The LIFE AGENTS' MANUAL

New Edition now ready.

Price \$3.00

The Chronicle, Montreal

MUTUAL LIFE OF NEW YORK ON EUROPEAN WAR RISK.

The following facts have been sent out by The Mutual Life of New York for the information of its agents:—

Inquiry has been made as to the probable effect of the European war upon the finances of The Mutual Life and its dividend payments. There is not the slightest ground for apprehension on either account for the following reasons.

1. The foreign business of The Mutual Life in the countries at war is little more than nominal in comparison with the total insurance in force, about 8 per cent. and on this ground alone any extra mortality resulting from the war could scarcely be appreciable.

2. The Mutual Life has never written any insurances in Russia, and it ceased writing new business in Germany nearly twenty years ago. Its policyholders in the latter country are now largely past military age, and in any event their policy reserves are by this time very large and the amount at risk correspondingly small. This statement applies in large measure to other countries of continental Europe, in which the Company has gradually ceased soliciting new business.

3. Of late the Company has been actively soliciting insurance only in Great Britain and Belgium, and it is now not issuing policies in those countries on persons liable to military or naval service.

4. A much larger proportion of our foreign business is on the lives of men of wealth and prominence (little likely to be involved in the war), than in this country. We get few if any policyholders among the peasantry and laboring classes, who constitute the great mass of the soldiery of those countries.

5. Financially, the Company cannot be affected adversely. We have to-day only one piece of real estate in all the countries involved, or likely to be involved, in the war—our building in Paris. We have no other foreign investments, save certain government securities among our government deposits.

AMERICAN INSURANCE FUNDS TO BE HELD.

As a matter of reinsurance to the American public, Superintendent Hasbrouck, of the New York department, sent to managers of foreign companies entered in the States the following letter dated August 11:

In view of the general uneasiness existing at the present time with reference to foreign fire insurance companies, incident to the European war situation, we deem it advisable to suggest to you that all funds of your company which may be in your possession as United States manager shall be held by the United States branch for the protection of the company's United States policyholders.

The department is in receipt of inquiries from policyholders, loaning institutions, agents and others, as to the manner of holding and the purposes for which the assets of the United States branches of foreign companies are held, and to reassure such inquirers it would seem important to make your financial position as strong as possible by the retention of all assets in your possession for the protection of your assured.

In acknowledging this letter, you will please inform the department of your intentions and of the position of your home office with regard to remittances at this time.

The department also sent a letter to each American trustee of a foreign company, as follows:

This department is in receipt of numerous inquiries in regard to the financial condition of foreign fire insurance corporations generally, how the assets and securities of United States branches are held under the law, and how the United States policyholders are protected. Such inquiries are incident to the existing war situation in Europe. In every instance, this department has done everything in its power to reassure policyholders and other interested inquirers.

We, however, deem it advisable at this time to call your attention to the terms of the deed of trust relating to the securities deposited and held by the trustees for the protection of the United States policyholders of your company.

Under a provision of the trust instrument, you will note that no securities deposited with trustees may be released or transferred to the company without first obtaining the consent of the superintendent of insurance. In this connection it seems desirable to advise that the department holds that the trustee or trustees cannot release any securities of cash, other than interest earnings, to the manager or managers for any purpose other than to meet United States loss claims. The releasing of any such funds to the manager or managers so that same may be transmitted to home office will be held to be an evasion of the trust deed. You will further bear in mind the responsibility of trustees for any and all breaches of trust.

We deem it most advisable, and in fact essential, that, in view of the disturbed conditions existing at the present time, you take all necessary precautions to insure the financial stability of your company, to the end that your business may not be disturbed and that the good-will of the insuring public may be retained.

CANADIAN FIRE RECORD.

(Specially compiled for The Chronicle.)

CARLSTADT, ALTA.—Business section wiped out, August 10. Loss, \$60,000.

MONTREAL.—Laurier Hall, 414 Ontario Street East damaged, August 13, and adjoining premises of Bijou picture theatre and grocery store of M. Parthenais at 420, damaged by water and smoke.

Millinery store of Mrs. Boisvin, 186 St. Catherine Street West, damaged, August 17. Loss, small. Origin, electric wiring.

TORONTO, ONT.—Buildings at Marshall's Lumber Yard at Davenport road, near Huron Street, totally destroyed by fire, August 12, damage, according to owner, H. Marshall, being \$10,000. Two horses burned. Planing mill destroyed, as was also another building on premises with a quantity of timber.

Old Canadian General Electric building, 14 King Street East damaged, August 14. Occupied by King's Cafe, Egan Truss Co. and Dominion Exchange Loss, \$25,000.

\$26,000 LOSS AT GRAND'MERE.

A fire on premises of Beaver Stove Foundry Co. at Grand'Mere, P.Q., on 14th August, resulted in insurance loss of \$26,000 as follows:—

Anglo-American . . . \$2,000	Northern \$3,000
Guardian 5,000	Protection 2,000
Liv. & Lon. & Globe 6,000	Royal 2,000
Montreal-Canada . . . 2,000	Union of Paris . . . 2,000
Missisquoi & Rouville 2,000	
	\$26,000

Loss practically total.

TH. CHASE-CASGRAIN, K.C. VICTOR E. MITCHELL, K.C.
 A. CHASE-CASGRAIN, K.C. ERROL M. MACDOUGALL,
 JOHN J. CREELMAN, GILBERT S. STAIRS,
 PIERRE F. CASGRAIN.
McGIBBON, CASGRAIN, MITCHELL, & CASGRAIN
CASGRAIN, MITCHELL, McDOUGALL & CREELMAN
 SOLICITORS & BARRISTERS-AT-LAW
 Cable Address: ROYAL TRUST BUILDING
 "MONTGIBB," MONTREAL MONTREAL, CANADA.

ATWATER, DUCLOS & BOND
ADVOCATES

Guardian Building, 166 St. James Street, Montreal.

A. W. ATWATER, K.C. C. A. DUCLOS, K.C.
 W. L. BOND, K.C.

McCarthy, Osler, Hoskin & Harcourt

BARRISTERS, SOLICITORS, ETC.

HOPE LIFE BUILDING,
 VICTORIA STREET, TORONTO

JOHN HOSKIN, K.C. F. W. HARCOURT, K.C. H. S. OSLER, K.C.
 LEIGHTON MCCARTHY, K.C. D. L. MCCARTHY, K.C.
 BRITTON OSLER. J. F. H. MCCARTHY.
 Counsel: WALLACE NESBIT, K.C.

Hon. Sir Alexandre Lacoste, K.C.

Kavanagh, Lajoie & Lacoste

ADVOCATES, SOLICITORS, ETC.

Provincial Bank Building., 7 Place d'Armes.

H. J. Kavanagh, K.C. Paul Lacoste LL.B.
 H. Gerin-Lajoie, K.C. Jules Mathieu, LL.B.

G. DURNFORD AND COMPANY Ltd.,

Auditors and Accountants

Room 38, Canada Life Building, 189 St. James Street, MONTREAL

G. DURNFORD, C.A., F.C.A., Can. E. ROSS-ROSS

GET OUR PRICES

FOR

FIRST CLASS WORK

Orders Filled on Dates Promised

JOHN LOVELL & SON, LTD.

PRINTERS & BOOKBINDERS

23 St. Nicholas Street - - MONTREAL

The Imperial Guarantee

AND ACCIDENT INSURANCE CO., OF CANADA

Head Office: 46 King Street W.,

TORONTO, Ont.

A Strong Canadian Company.

ACCIDENT AND SICKNESS INSURANCE
 GUARANTEE BONDS

PLATE GLASS AND AUTOMOBILE INSURANCE

E. WILLANS, FRANK W. COX,
 General Manager. Secretary.

WANTED

FOR MONTREAL AND DISTRICT
 TWO OR THREE EXPERIENCED
 SALESMEN.

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



Apply to: Provincial Manager,
 QUEBEC BANK BUILDING, - MONTREAL

HEAD OFFICE - - TORONTO
 EXCELSIOR LIFE INSURANCE CO.

Established

1859

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

PROVINCE OF QUEBEC BRANCH

W. J. CLEARY, R. de GRANDPRE,
 Provincial Manager Inspector

LEWIS BUILDING, 17 St. John Street,
 MONTREAL



Everybody

feels better when Liver and
 Bowels are normal. Keep
 yours toned up with

Abbey's
Effer-
vescent Salt

(Take Abbey's VITA Tablets
 for Nerves)