

The Chronicle

Banking, Insurance and Finance

ESTABLISHED JANUARY, 1881

PUBLISHED EVERY FRIDAY



Vol. XXXV. No. 6

MONTREAL, FEBRUARY 5, 1915.

Single Copy 10c
Annual Subscription, \$5.00

FINANCE AND THE LENGTH OF THE WAR.

There is an interesting discrepancy evident in the views of military men, economists and financiers regarding the probable length of the war. Almost at its outset, economic authorities in England and France gave as their considered opinion that the war would last for from six to seven months, that is that the welcome signs of peace would be visible in the early spring or at latest the summer, and it is a fact that all through practical hard-headed financiers in the City of London have been guiding their affairs and making arrangements for the future on the supposition that the war may not last for a prolonged period. The London correspondents perhaps have coloured up these views considerably, but private advices of undoubted weight show that there is a real solid basis of opinion for the cables which were recently published on this side of the Atlantic, suggesting that in the opinion of London financiers the war will end much sooner than is generally anticipated owing to Germany's inability to stand the financial strain. The feeling of optimism on this point, which has been very much in evidence ever since the war began, will not down. It may be a case of the wish being father to the thought, but if so, it can only be considered remarkable that men of more than average business ability, close understanding and acute knowledge of financial and economic problems should be found, as they are found, to back it.

* * * *

The views of a leading British banker on this point were given recently in an address reviewing the financial history of the war to date, by Sir Edward Holden, chairman of the London, City & Midland Bank, one of the largest of the British banking institutions, and himself widely known as one of the foremost of British banking authorities. The cable summaries are necessarily patchy, but it seems that in the view of this banker, Austria will not be able to continue war for any length of time unless financial assistance is received from Germany. Presumably Turkey is in the same boat. "We cannot expect a cessation of war within twelve months," said Sir Edward, "on account of Germany's gold position. I don't say there might not be a cessation of hostilities for other reasons." As the passage stands, it is open to conjecture as to whether stress

is or is not to be laid upon the "other reasons." The full text of the address must be awaited for further light upon this point. Two other interesting points made by Sir Edward are that Germany's exports undoubtedly will fall off to a much greater extent than her imports, and the adverse balance will have to be paid in gold. Superhuman efforts are being made to increase the gold reserve in the Reichsbank, which now amounts to £106,000,000 (\$530,000,000), but already withdrawals are taking place to pay for imports. Plans for Germany's financial mobilisation, it may be noted, were worked out as carefully before the war as the plans for her military mobilisation. When hostilities began war banks were created in all the important German towns, and war bank notes were issued for the purpose of driving gold from circulation into the Reichsbank. There was one defect, however: that the Reichsbank note which replaced this gold became inconvertible into gold, which caused the note to fall to a discount. That is to say, Germany has begun to suffer the evils, and they are not a few, of a depreciated currency.

* * * *

The optimists say the end will be in the spring; Sir Edward Holden thinks that the strain upon Germany's gold supply may reach breaking point twelve months from now. The purely military view is of course, for a much longer war. High military opinion in England is said to place the duration of the war at from two to three years, and forecasts terrific struggles with frightful losses of life, compared with which what has happened in the last six months is as almost nothing. There is no use in blinking the fact that the leading allies, Great Britain, France and Russia, were each caught napping by Germany so far as military equipment is concerned. Lee-way in that respect has not yet been made up. It is gradually being made up, but according to the military view, not at a sufficient rate to justify any hopes of an early conclusion of the war. But military opinion, paradoxical as it may seem, is not perhaps to be entirely relied upon for prophesies regarding the probable end of such a struggle as the present. There are important factors, other than military ones, to be taken into consideration. Whenever the end of the war comes, it will be found probably that economic and financial pressure will have played almost as important a part as military operations in bringing German militarism to its knees. The two kinds of pressure are complementary.

Established 1817

BANK OF MONTREAL

Incorporated by Act of Parliament

Capital Paid Up, \$16,000,000.00

Rest, \$16,000,000.00.

Undivided Profits, \$1,232,669.42

Head Office, MONTREAL

BOARD OF DIRECTORS

H. V. MCKEDITH Esq., *President.*

R. B. ANGUS, Esq.
HON. ROBT. MACKAY.
A. BAUMGARTEN, Esq.
D. FORBES ANGUS, Esq.

E. B. GREENSHIELDS Esq.
SIR THOMAS SHAUGHNESSY, K.C.V.O.
C. B. GORDON, Esq.
D. FORBES ANGUS, Esq.

SIR WILLIAM MACDONALD
C. R. HOSMER, Esq.
H. R. DRUMMOND, Esq.
WM. MCMASTER, Esq.

SIR FREDERICK WILLIAMS-TAYLOR, *General Manager*

A. D. BRAITHWAITE, *Assistant General Manager.*

C. SWRENY, *Supt. British Columbia Branches.*
E. P. WINKLOW, *Supt. North West Branches*

F. J. COCKBURN, *Supt. Quebec Branches.*
D. R. CLARKE, *Supt. Maritime Provinces and Newfoundland Branches.*

BRANCHES IN CANADA

In all the important Cities and Towns in the following Provinces :

PROVINCE OF ONTARIO. PROVINCE OF NOVA SCOTIA.
PROVINCE OF QUEBEC. PROVINCE OF MANITOBA.
PROVINCE OF NEW BRUNSWICK. PROVINCE OF SASKATCHEWAN
PROVINCE OF PRINCE EDWARD ISLAND. PROVINCE OF ALBERTA
PROVINCE OF BRITISH COLUMBIA.

BRANCHES OUTSIDE OF CANADA :

LONDON, England, 47 Threadneedle Street, E.C., G. C. CASSELLS, Manager. 545-Agency, 9 Waterloo Place, Pall Mall, S.W.
NEW YORK, N.Y., 64 Wall Street, R. Y. HEDDEN, W. A. BOG, J. T. MOLINEUX, Agents.
CHICAGO, Illinois, 108 South La Salle Street SPOKANE, State of Washington.
ST. JOHN'S, Newfoundland. CURLING, Newfoundland. GRAND FALLS, Newfoundland.
MEXICO CITY, Mexico, D. F.

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.

DETROIT - The First and Old Detroit National Bank
BUFFALO - The Manufacturers' and Traders' National Bank
SAN FRANCISCO - First National Bank of San Francisco
MINNEAPOLIS - The Anglo and London-Paris National Bank
SEATTLE - Northwestern National Bank
ST. PAUL - Seattle National Bank
First National Bank of St. Paul.

PHILADELPHIA - Fourth Street National Bank
ST. LOUIS - The Mechanics-American National Bank
BOSTON - The Merchants National Bank
CLEVELAND - The First National Bank of Cleveland
PITTSBURG - The Bank of Pittsburg, N.A.

Savings 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 - - - 52	Ontario - - - 87
British Columbia - 44	Prince Edward Island 5
Manitoba - - - 23	Quebec - - - 82
New Brunswick - - 4	Saskatchewan - - 60
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. MCNICOLL, F. W. MOLSON,
W. M. BIRKS, W. A. ELACK,

E. C. PRATT, General Manager.
W. H. DRAPER, E. W. WAUD, T. BERGEFORD PREPPE,
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
	Hamilton	Toronto—	St. Lawrence
British Columbia	James Street	Bay Street	Boul. Br.
Revelstoke	Market Br.	Queen St. W	Cote St. Paul
Vancouver	Hensall	Trenton	Branch
Main Street	Highgate	Wales	Park & Bernard
Hastings St.	Iroquois	West Toronto	Ave. Branch
	Kingsville	Williamsburg	Tetreaultville
Manitoba	Kirkton	Woodstock	Branch
Lambton Mills	Zurich		Mont-Joli
Winnipeg—		Quebec	Pierreville
Portage Av.	Lucknow	Arthabaska	Quebec
Main St.	Meaford	Bedford	Richmond
Ontario	Morlin	Chicoutimi	Riviere du Loup
Alvinston	Morrisburg	Cowansville	Roterval
Amherstburg	Norwich	Drummondville	St. Cosaire
Aylmer	Ottawa	Sorel	Ste. Marie Beauce
Belleville	Owen Sound	Ste. Ours	Ste. Therese de
Berlin	Port Arthur	Blainville	Sutton
Brockville	Ridgetown	Victoriaville	Ville St. Pierre
Chesterville	Simcoe	Waterloo	
Clinton	Smiths Falls		
Delhi	St. Mary's		
Drumbo	Market & Har-		
	bor Branch		

AGENTS IN ALL THE PRINCIPAL CITIES OF THE WORLD.

London, England, Agents, Parry Bank, Limited. New York Agents, Mechanics and Metals National Bank.

2% 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,
Proprietor.

ARTHUR H. ROWLAND,
Editor.

Office:

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

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

MONTREAL, FRIDAY, FEBRUARY 5, 1915.

INDEX TO PRINCIPAL CONTENTS

	PAGE
Finance and the End of the War.....	153
Wheat Outlook.....	155
Looking to the Future.....	157
Banking Profits in Canada (I).....	159
Fire Insurance and Fire Extinguishment.....	161
Canada Permanent Mortgage Corporation.....	161
Schedule Rating.....	163
Climate, Carelessness and Fire Loss.....	165
North American Life Assurance Company.....	167
Montreal Life Underwriters.....	167
National Trust Company.....	169
Canadian Fire Record.....	171
Bank and Traffic Return.....	173
Annual Statements:—	
North American Life.....	164
Canada Permanent Mortgage.....	166

THE WHEAT OUTLOOK.

The great strength of the wheat market has again commanded much of the attention of our financial interests this week. Further sharp advances occurred in the course of which No. 1 Northern sold at over \$1.64 on the Toronto Exchange. Quotations for cash wheat in Winnipeg were practically at the \$1.50 level. It is said that there is an eager demand from abroad for all the available supplies. For example, on Monday New Zealand had an order in for 1,000,000 bushels, and London is consistently a heavy buyer. These extensive jumps naturally have stirred up the speculative spirit afresh. Some authorities state that wheat prices may very easily rise to the \$2 level before the next crop is ready.

MILLING COMPANIES' POSITION.

In connection with this subject it is to be noted that some of the large Canadian flour milling companies have probably made very fine profits out of purchases made by them last fall. A considerable quantity was taken by the millers at around 90 cents per bushel. In view of the special conditions created by the war it is altogether likely that the big companies would buy and hold as much as possible. On such stuff as was purchased at 90 cents there is now

a good clear profit of 50 cents per bushel. In case of 1,000,000 bushels thus bought and held the profit would represent the enormous sum of \$500,000.

FARMERS AND CONSUMERS.

The other side of the question is seen in the jump in bread prices. This bears heavily on the poorer classes and all who have difficulty in finding work. While the development greatly increases the troubles of those residing in cities and towns, it is of course hailed in the country districts as a tremendous benefit for Canadian agriculture. We may be sure that every farmer, east and west, is eagerly watching the newspaper reports of wheat prices, and planning to have the greatest possible number of acres planted to wheat in April or May. It is a safe guess that wheat will this year displace other grains and products from the fields to a very considerable extent.

THE OUTLOOK.

The present outlook is that the high prices will continue in evidence throughout the whole of 1915. However there are two contingencies which may have a tendency to check further rises in price. One is the Argentine deliveries. The Argentine Republic has just harvested a very large crop, and the European purchasing agents are very busy down there just now. The prosperity of the agricultural industry in this South American Republic must be very great indeed. The other contingency is the forcing of the Dardanelles by the Allies. It is well known that Russia has a big harvest of wheat, at present bottled up. If the war developments in the near future should be such as to permit Russia to send her wheat freely into the Mediterranean and on to British and French ports, the circumstance would make the buyers in these two countries less dependent on American supplies.

BUSINESS IMPROVEMENT.

It is possible to detect already some business improvement arising out of the high prices for our staple products, and doubtless as the spring advances further improvement will be in evidence. There is not much change of importance in connection with the military operations. The general public is rather losing interest in the news of the minor gains and losses chronicled from day to day by the press. These are passed by rather impatiently, as every one has a strong desire to hear of some decisive German defeat. News of this character may, however, be delayed until the preparations for the spring campaigns are complete in all details. Probably the ability of the German war machine to withstand general assault on a large scale will be severely tested before midsummer.

THE MONEY POSITION.

Call loans in Montreal and Toronto are nominally unchanged at 6 to 6½ p.c., but there is a relaxing tendency in evidence, and it would not be surprising

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	E. Geoffrey Hoare
J H. Brodie	Frederic Lubbock
J. H. Mayne Campbell	C. W. Tomkinson
E. A. Hoare	G. D. Whatman

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.
 A. S. HALL, Inspector of Branch Returns.
 J. H. GILLARD and N. V. R. HUUS, Inspectors, Montreal.
 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 Indies.

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

BRANCHES AND AGENCIES.

Ontario		Quebec	
Acton	Lucan	Montreal (Head Office)	St. James St.
Alyvinston	Lyn	"	1255 St. Catherine St. East
Athens	Markdale	"	320 St. Catherine St. West
Bellefleur	Menford	"	1330 St. Lawrence Blvd.
Berlin	Mildmay	"	1866 St. Lawrence Blvd.
Bothwell	Mitchell	"	672 Centre Street
Brampton	Napanee	"	2215 St. Denis Street
Brantford	Newbury	Beauharnois	Quebec, St. Sauveur
Bronte	Oakville	Bury	Maisonneuve
Chatham	Orillia	Chateauguay	Ormstown St. Jerome
Chateaufort	Ottawa	Basin	Quyon St. Jovite
Chesley	Owen Sound	Huntingdon	Ricaud St. Johns
Clarkson	Perth	Lachine	Shawville Vaudreuil
Creemore	Prescott	Napierville	Sherbrooke Verdun
Delta	Preston	Quebec	Ste. Agathe
Eganville	Renfrew	Manitoba	
Elgin	Sarnia	Brandon	Oak Lake
Elnora	Stratford	Carberry	Portage la Prairie
Finch	St. Eugene	Gladstone	Russell
Ford	St. George	Hartney	Souris
Fort William	St. Thomas	Macgregor	Starbuck
Galt	Tara	Morris	Winnipeg
Gananoque	Thamesville	Napinka	" Bannerman Av.
Georgetown	Thorold	Neepawa	
Glencoe	Tilbury		
Gore Bay	Toronto	Alberta	
Granton	" Dundas St.	Acme	Leduc
Guelph	" Dupont and	Brooks	Lethbridge
Hamilton	" Christie Sts	Calgary	Manville
" East End	" Parl. St.	Camrose	Medicine Hat
Hanover	" Parkdale	Carstairs	Munson
Hespeler	Walkerton	Castor	Okotoks
Ingersoll	Walkerville	Chauvin	Olds
Kincardine	Wallaceburg	Coronation	Raymond
Kingston	Watford	Daysland	Redcliff
Lancaster	West Lorne	Delburne	Red Deer
Lansdowne	Westport	Donald	Rimbey
Leamington	Wheatley	Edmonton	Rumsey
Little Current	Williamstown	Edmonton	Sedgewick
London	Windsor	" Namayo Av.	Stettler
London, East	Yarker	" Alberta Av.	Strome
		" Athabasca Av.	Tofield
		Edson	Trochu
		Hughenden	Vegreville
Saskatchewan		Islay	Viking
Antler	Limerick	Killam	Wainwright
Arcola	Maple Creek	Lacombe	West Edmonton
Battleford	Melville		Wetaskiwin
Carnduff	Moose Jaw		
Frobisher	Oxbow	British Columbia	
Gainsborough	Regina	Chilliwack	Oak Bay, Sidney
Gull Lake	Saskatoon	Ganges Harbour	Vancouver
Humboldt	Shaunavon	Nanaimo	" Hastings St.
Kisbey	Unity	New Westminster	Victoria
	Whitewood		

St. John, N.B. Halifax, N.S.

SUB-AGENCIES—Ontario—Beachville, Calabogie, Frankville, London South, Lyndhurst, Mulrirk, Newington, Pelee Island.
 Manitoba—Austin, Griswold, Laurier, Sidney.

Alberta—Botha, Czar. Saskatchewan—Dollard, MacNutt

IN UNITED STATES—New York Agency, 63 Wall Street.

BANKERS IN GREAT BRITAIN—The London Joint Stock Bank, Limited.

D. C. 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:

PELEO HOWLAND, President.
 ELIAS ROGERS, Vice-President.
 WILLIAM RAMSAY of Bowland, Stow, Scotland;
 J. KERR OSBORNE, CAWTHRA M'LOCKE, HON. RICHARD TURNER, Quebec.
 WM. HAMILTON MERRITT, M.D., St. Catharines, W. J. GAGH,
 SIR J. A. M. AIKINS, K.C., M.P., Winnipeg.

BRANCHES IN PROVINCE OF ONTARIO.

Anherstburg	Essess	Listowel	Port Arthur	St. David
Aurora	Fergus	London	Port Colborne	St. Ste.
Belwood	Fonthill	Marshallville	Port Robinson	Marie (3)
Bolton	Fort William	Nashville	Preston	St.
Brantford	Galt	New Liskeard	Ridgeway	Thomas (2)
Caledon E.	Hamilton	Niagara	South Porcu-	Thessalon
Cobalt	Harrow	Falls (2)	pine	Toronto (17)
Cochrane	Humb'rtone	Niagara-on-	South Woods-	Timmins
Cottam	Ingersoll	the-Lake	lee	Welland
Davisville	Jordan-	North Bay	Sparta	Woodstock
Elk Lake	Vineland	Ottawa	St. Cathar-	Windsor
	Kenora	Palgrave	ines (2)	

BRANCHES IN PROVINCE OF QUEBEC.

MONTREAL (3). QUEBEC (2).
 BRANCHES IN PROVINCE OF MANITOBA.
 Brandon Portage la Prairie Winnipeg (2)

BRANCHES IN PROVINCE OF SASKATCHEWAN.
 Balgonie, Broadview, Fort Qu'Appelle, Hague, Kandahar, Moose Jaw, North Battleford, Prince Albert, Regina, Rosetown, Wilton, Wynyard.

BRANCHES IN PROVINCE OF ALBERTA.
 Athabasca Landing, Banff, Calgary, Edmonton, (4) Lethbridge, Mulet, Red Deer, Strathcona, Wetaskiwin.

BRANCHES IN PROVINCE OF BRITISH COLUMBIA.
 Arrowhead, Chase, Cranbrook, Fernie, Golden, Invermere, Kamloops, Moyle, Natal, Nelson, Revelstoke, Vancouver (5), Victoria (2), Wilmar.

Savings Bank Department

if rates were put down $\frac{1}{2}$ p.c. at any time. Commercial discounts are from 6 to 7 p.c.

Bank of England rate is held at 5 p.c.; and the Bank of France and Imperial Bank of Germany also adhere to the same 5 p.c. quotation. Call money in London is 1 p.c.; short bills are $1\frac{1}{2}$ to 1 9-16 p.c.; three months' bills, $1\frac{1}{2}$ to 1 9-16 p.c. It is said that Austria is making heavy demands on the German gold supply. Germany has no choice other than to give up gold to her two allies if she wishes to keep them actively co-operating with her.

NEW YORK POSITION.

Call loans in New York ranged from $1\frac{7}{8}$ to 2 p.c. Time money has been very quiet: sixty days, $2\frac{1}{2}$ p.c.; ninety days, $2\frac{1}{2}$ to 3 p.c.; six months, $3\frac{1}{4}$ to $3\frac{1}{2}$ p.c. The clearing house banks in New York improved their position slightly in regard to excess reserve. Their loans increased \$21,000,000, but on the other hand aggregate reserves increased \$5,500,000 and bank note circulation decreased \$1,100,000. The excess reserve increased \$1,200,000, and now stands at \$144,259,000. The changes in position of the more important federal reserve banks were not very great—the New York institution shows decrease of nearly \$5,000,000 in cash and deposits respectively.

A news item in one of the leading New York financial papers stated that it was quite likely that the warrants issued against the recent loan of \$25,000,000 made to Russia by American bankers will be so arranged as to be available as investments for the federal reserve banks. The New York Evening Post thus refers to the matter, "Inasmuch as the warrants will be against specific purchases of supplies for shipment abroad, they will belong to the class of paper which the reserve banks, under the law, are allowed to rediscount, or to purchase after they have been duly accepted by a member bank." Presumably one or more of the larger national banks in New York will accept this paper on behalf of the Russian Government.

ROYAL INSURANCE COMPANY.

Mr. William Mackay, manager for Canada, Royal Insurance Company, informs us that the Company has opened a branch office for the Pacific Coast at Vancouver, B.C., under the management of Mr. Fred. Walker, formerly joint manager of the Winnipeg Branch. Mr. J. H. Labelle, assistant manager, has been in Vancouver for some days supervising the opening of the branch, and four members of the staff at the Head Office for Canada have been sent to Vancouver.

The policy of the Royal in opening a branch for the Pacific Coast, is no doubt caused by its increasingly important business in that section.

Fire Chief Thompson, of Toronto, has resigned. It is probable that a thorough re-organisation of the department will be made.

LOOKING TO THE FUTURE.

The life insurance record of 1914 has become history, and so far as we may judge of the details of that record at this moment does not differ materially in several important features from that of 1913, so far at least as the business on this continent is concerned. It is a significant fact that, notwithstanding the great financial depression prevailing, a good many of the companies have secured a volume of new business equal or almost equal to that of the previous year, one or two have exceeded it, and those falling behind still have a record which is not at all discouraging. This fact shows to what extent the life insurance idea has taken hold of the people, and that in an era of "hard times" men have come to appreciate the value of life insurance protection sufficiently to make sacrifices to obtain it. While many manufacturing and commercial interests have been almost paralyzed, legitimate life insurance is as strong as ever and presents an unbroken front, without the wavering of a single company. The present financial disturbance only serves to bring out more clearly the fact that life insurance does not build for a single year but for all time.

DEFECTIVE METHODS.

This leads us to say that the more's the pity that an institution so great and strong in its beneficence should continue to be burdened by methods of administration which embody elements of weakness. The readers of THE CHRONICLE will have scanned its pages to little purpose if they have failed to see a frequent pointing out of these elements of weakness from time to time. Of the various evils of rebates and abnormal expenses, of unfair comparisons and misleading statistics and returns, we have spoken in no uncertain way. As we stand at the beginning of 1915, looking backward and striving to look forward, the pertinent and important question which naturally presents itself to all thoughtful minds is: What are the prospects for reform in the use of questionable and weakening methods? Will the objectionable branches which disfigure the life insurance tree be lopped off? There are welcome indications that the pruning knife may be wielded to some purpose in the not too distant future. Managers are beginning to realise that business can still be paid for too dearly, and that the keeping of expenses and cost of management down to a reasonable figure is an important element in the permanent success of a life company, and one upon which too little stress has in the past been laid.

In view of the increase in its business, so that additional assistance is required, Mr. J. C. McKown has been appointed an additional Assistant Secretary of the St. Paul Fire & Marine Insurance Company. Mr. McKown has been with the St. Paul since 1888.

THE ROYAL BANK OF CANADA

INCORPORATED 1869

Capital Paid up \$11,560,000 Reserves \$13,174,062
Assets \$179,404,054

HEAD OFFICE - MONTREAL.

340 BRANCHES THROUGHOUT CANADA

28 Branches in Cuba, Porto Rico and Dominican Republic
Kingston, Jamaica. Bridgetown, Barbados.
Nassau, Bahamas. St. George's, Grenada.
Port of Spain and San Fernando, Trinidad.
Georgetown and New Amsterdam, British Guiana.
Belize, British Honduras.

LONDON Eng.
Princes St., E. C.

NEW YORK,
Cor. William & Cedar Sts.

SAVINGS
DEPARTMENT

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

The Dominion Bank

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

C. A. BOGERT, General Manager

TRUST FUNDS SHOULD BE DEPOSITED

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

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

Head Office, Toronto

THE BANK OF TORONTO

DIVIDEND No. 134

NOTICE is hereby given that a Dividend of Two and Three-quarters per cent. for the current quarter, being at the rate of Eleven per cent. per annum, upon the paid-up capital stock of the Bank, has this day been declared, and that the same will be payable at the Bank and its Branches on and after the 1st day of March next, to Shareholders of record at the close of Business on the 13th day of February next.

By Order of the Board,

THOS. F. HOW,
General Manager.

THE BANK OF TORONTO, TORONTO,
January 27th, 1914.

THE BANK OF NOVA SCOTIA

INCORPORATED 1832.

CAPITAL	90,500,000.00
RESERVE FUND	12,000,000.00
TOTAL ASSETS over	90,000,000.00

Head Office - - - HALIFAX, N.S.

JOHN Y. PAYZANT, President.

Gen'l Manager's Office, TORONTO, ONT.

H. A. RICHARDSON, General Manager.

Branches throughout every Province in Canada, and in Newfoundland, Jamaica and Cuba.

BOSTON CHICAGO NEW YORK

THE HOME BANK OF CANADA

Branches and Connections throughout Canada.
SIX OFFICES IN MONTREAL

Main Office, Transportation Building, St. James St.
Bonaventure Branch, 523 St. James St.
Hochelaga Branch, Cor. Cuvillier and Ontario Sts.
Mount Royal Branch, Cor. Mount Royal & Papineau Av.
Papineau Branch, Papineau Square.
St. Denis Branch, 478 St. Denis St.

Collections made to any point in Canada where there is a branch of a chartered bank.

JAMES MASON - General Manager,

The Bank of Ottawa

DIVIDEND No. 94

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 Monday, the First day of March, 1915, to shareholders of record at the close of business on the 15th of February next.

By Order of the Board,

GEORGE BURN,
General Manager.

Ottawa, Ont., January 18th, 1915

BANKING PROFITS IN CANADA (1).

THE CHRONICLE presents in this issue the first of its customary annual series of articles reviewing the banking results for 1914. The table is complete, except that the figures for the Weyburn Security Bank are not included. This annual report usually comes to hand in March or April, but it has been deemed advisable not to delay the statement on that account.

There are 21 banks in the list, the Metropolitan and the Vancouver having been dropped. The first named was absorbed by the Bank of Nova Scotia; and the second suspended payment. Taking the twenty-one banks here mentioned the aggregate net profits show as \$17,975,820, which amount is only about \$400,000 less than the total for 1913. But it is to be noted that in the 1913 figures the Merchants Bank of Canada profits appear as \$533,653, these being the results for five months only. Allowing for this circumstance the falling off in profits of all the banks in 1914 is a little more than \$1,000,000, or between 5 and 6 per cent. Considering the circumstances that have prevailed this is not a very extensive drop. Probably the movement of reaction will be more in evidence when the 1915 reports are available.

RATIOS OF EARNINGS.

Last year's statements showed a marked drop in

the ratios of earnings to capital, capital and rest, and to total resources. This year there is shown a further fall in every one of these items. Ratios of profits to average capital dropped from 16.45 p.c. to 15.96 p.c.; ratio of profits to average capital and rest dropped from 8.39 p.c. to 8.04 p.c.; and ratio of profits to average total resources, from 1.22 p.c. to 1.17 p.c. The course of the ratio of profits to average capital and rest is particularly interesting. This shows the earning power of the capital invested by the proprietors. In 1912 it was 8.72 p.c.; last year it was just a shade over 8 p.c. That is quite a heavy fall, and the parties in Parliament and outside of it who think the banks are making too much money would do well to compare the figures with the profits earned by capital invested in other lines of activity.

Of course conditions have been decidedly unfavorable for profit making in the past year. Commercial failures have been very numerous, and the trade depression has caused extensive liquidation of commercial loans and discounts. At the same time the foreign exchange situation has been very difficult to gauge—rates fluctuating wildly from one extreme to the other. The banks have looked after the legitimate needs of their customers as well as could be expected, and rates of discount were not raised beyond the level prevailing in the past year or two.

Banking Profits in Canada: A Comparison of 1914 with 1913.

(Compiled exclusively for The Chronicle.)

NAME	1914.						1913					
	Year ending	Profits	Per cent. on Average Capital	Per cent. on Average Capital and Rest	Per cent. on Average Total Resources	Dividend Paid in Fiscal Year	Profits	Per cent. on Average Capital	Per cent. on Average Capital and Rest	Per cent. on Average Total Resources	Dividend Paid in Fiscal Year	
						p.c.					p.c.	
Montreal.....	Oct.	\$2,496,452	15.60	7.80	.99	12	\$2,648,403	16.55	8.28	1.10	12	
(a) Quebec.....	Oct.	275,761	10.09	6.83	1.32	7	288,889	11.85	8.06	1.48	7	
Nova Scotia.....	Dec.	1,196,116	19.66	6.93	1.44	14	1,210,774	20.63	7.35	1.54	14	
British.....	May	685,691	14.09	8.77	1.08	8	747,485	15.36	9.74	1.14	8	
Toronto.....	Nov.	829,538	16.59	7.54	1.38	12	850,694	17.01	7.73	1.45	12	
(a) Molsons.....	Sept.	608,196	15.24	6.91	1.22	11	669,373	16.73	7.69	1.33	11	
Nationale.....	Apr.	319,903	11.00	9.00	1.28	8	302,305	15.11	8.89	1.29	8	
(b) Merchants.....	Apr.	1,218,694	17.72	9.09	1.49	10	533,653	18.96	9.73	1.57	10	
(a) Provinciale.....	Dec.	187,866	18.78	11.56	1.46	7	180,780	18.08	11.48	1.45	6	
Union.....	Nov.	712,440	14.25	8.48	.87	9	750,096	15.00	9.04	1.02	9	
Commerce.....	Nov.	2,668,234	17.78	9.36	1.07	12	2,992,951	19.95	10.88	1.24	12	
Royal.....	Nov.	1,886,143	16.32	7.82	1.03	12	2,142,100	18.53	8.88	1.19	12	
Dominion.....	Dec.	925,364	15.50	7.15	1.19	14	950,402	17.45	7.99	1.19	14	
Hamilton.....	Nov.	485,265	16.18	7.35	1.09	12	498,273	16.61	7.66	1.09	12	
Standard.....	Jan.	555,095	21.05	9.10	1.27	13	462,080	21.04	9.24	1.18	13	
Hochelega.....	Nov.	566,614	14.17	7.43	1.70	9	534,700	15.06	8.16	1.68	9	
Ottawa.....	Nov.	620,691	15.51	7.09	1.17	12	706,740	17.98	8.43	1.36	12	
Imperial.....	Apr.	1,236,985	17.80	8.87	1.54	12	1,125,971	17.28	8.63	1.45	12	
(c) Metropolitan.....							165,659	16.57	7.36	1.28	10	
Northern Crown.....	Nov.	201,288	7.09	6.31	1.09	6	281,167	10.17	9.17	1.44	6	
Home.....	May	192,442	9.91	7.42	1.39	7	167,126	11.91	8.94	1.31	7	
(a) Sterling.....	Apr.	107,042	9.28	7.37	1.16	6	113,400	10.88	8.45	1.34	5	
(d) Vancouver.....	Nov.						5,993	.61	.61	.20	Nil	
(e) Weyburn.....	Dec.						53,969	17.09	14.17	3.62	5	
		\$17,975,820	15.96	8.04	1.17	..	\$18,382,983	16.45	8.39	1.22	..	

(a) Quebec Bank and Banque Provinciale, profits less taxes in 1914 and 1913; Molsons Bank, 1913, less taxes; Sterling Bank, 1914, less taxes.

(b) Merchants Bank of Canada profits, 1913, for five months only.

(c) Metropolitan Bank, absorbed by Bank of Nova Scotia.

(d) Bank of Vancouver, suspended payment.

(e) Weyburn Security Bank, annual report not published at date of writing.

23) 222 (9
107
130
13

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	

EXECUTORS AND TRUSTEES
BOARD OF DIRECTORS:
H. V. Meredith, President.

Sir William C. Van Horne, K.C.M.G., Vice-President.

SIR H. MONTAGU ALLAN,	E. H. GREENSHIELDS
K. B. ANGLIS	C. R. HOSMER
A. BAUMGARTEN	SIR W. C. MACDONALD
A. D. BRITHWAITE	HON. R. MACKAY
H. R. DRUMMOND	SIR T. G. SHAUGHNESSY,
C. B. GORDON	K.C.V.O.
SIR LOWEN GOUIN, 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, Nfld.



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

ESTABLISHED 1873

The
Standard Bank
of CANADA

IT is an advantage
sometimes to keep a
bank account in the
names of two persons, so
that either one may make
withdrawals. Such an
account is called a "joint
account." We shall be
pleased to furnish par-
ticulars.

Head Office, TORONTO
113 BRANCHES THROUGHOUT THE DOMINION

PRUDENTIAL TRUST COMPANY

LIMITED

<p>HEAD OFFICE 9 ST. JOHN STREET MONTREAL.</p>	<p>Trustee for Bondholders Transfer Agent & Registrar Administrator Liquidator Trustee</p>	<p>Receiver Guardian Auditor Custodian</p>	<p>Safety Deposit Vault Terms exceptionally moderate. Correspondence Invited.</p>
--	--	--	---

Real Estate and Insurance Departments
Insurance of every kind placed
at lowest possible rates.

B. HAL. BROWN, President and Gen. Manager

The Trust and Loan Co.

OF CANADA

Capital Subscribed.	\$14,600,000 00	
Paid-up Capital.	2,920,000.00	
Reserve Funds.	2,511,049.15	

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

30 St. James St., Montreal

CANADA PERMANENT MORTGAGE CORPORATION.

Following a policy of prudence throughout 1914, the Canada Permanent Mortgage Corporation retained as cash in hand last year a much larger amount than formerly. In thus laying stress on the policy of "safety first," the Canada Permanent, as this Corporation is widely known, to some extent handicapped its earning capacity, but events have shown the wisdom of it. As things are, the Corporation may be said to have done exceedingly well in regard to earnings, considering the extremely difficult conditions of the year for lenders on mortgage. Net profits were \$876,766, a decrease of less than \$8,000 in comparison with 1913. With a balance of \$130,654 brought forward, the total amount available for distribution on profit and loss account is \$1,007,420. Of this amount the ten per cent. dividend upon the capital stock absorbs \$600,000; \$250,000 was again transferred to the reserve fund, making this fund \$4,500,000, equal to 75 per cent. of the paid-up capital, and the increased balance of \$157,420 was carried forward.

It says much for the esteem in which the Canada Permanent is held that in a year like 1914, the funds entrusted to the Corporation increased by well over half a million dollars. It was stated at the annual meeting that while deposits were decreased by \$179,620, this falling-off was more than counter-balanced by an increase of \$214,913 in debentures payable in Canada, while debentures payable in Great Britain increased by \$512,028. The latter figure is particularly satisfactory and that not only to the Canada Permanent itself, but also as an indication that British capital is willing enough to continue to come to Canada, if the right securities are offered. The Canada Permanent's total assets increased by approaching \$700,000 last year and at December 31, were \$32,496,750.

THE BUSINESS SITUATION.

Several interesting points in regard to the present business situation in Canada were made in the course of the addresses at the recent annual meeting. Mr. W. G. Gooderham, the president of the Canada Permanent, suggested that real estate speculation is mainly responsible for present business conditions and remarked upon the wisdom of the course pursued by the Corporation in not recognizing the speculative prices which have prevailed as a basis of value for loaning purposes and of not lending at all upon unproductive property or speculative securities of any kind. Mr. W. D. Matthews (vice-president), pointed out that the Corporation has for some time confined its loaning largely to farm properties. It is the Corporation's invariable rule also not to advance more than 50 per cent. of the value placed upon any property by the Corporation's trained and experienced inspectors. In fact, a large majority of the loans made are a much smaller proportion of the value. This gives added confidence to the statement that not only is the present position of the Corporation unassailable, but in the future there is a very wide margin between it and the possibility of any loss.

It is evident indeed that the Canada Permanent is in a position to benefit from the prosperity which seems likely to be the agreeable lot of Canada's farming community during the next few years. With Messrs. R. S. Hudson and John Massey continuing

as joint general managers, and a board of well-known business men, headed by Mr. Gooderham as president, the continued success and prosperity of the Canada Permanent is assured.

FIRE INSURANCE AND FIRE EXTINGUISHMENT.

Fire underwriters in the Dominion are only too familiar with the troublesome and illogical claim urged so frequently by municipal authorities, that the insurance companies are under obligation to contribute more than their quota as regular taxpayers for maintenance of fire departments, because the companies are benefited by these departments. This argument is mainly responsible for the enactment of special compulsory tax laws in many places for the direct or indirect benefit of the fire extinguishing service. The absurdity of this argument at once appears when it is remembered that the fundamental theory and the universal practice of underwriting is to make the premium charge in a given place according to the risk. A town with no fire department, or a very poor one, must pay a high rate; a town with a first class fire service comparatively a low rate. The companies pay roundly for every improvement in the fire extinguishing service by scaling down the rate—a thing which every municipality at once clamors for when the least improvement is made. Let the people agree to pay the same rate in a well protected town that is charged in a non-protected one and the companies will be more than willing to contribute liberally to the fire department. That would be consistent.

BRITISH AMERICA ASSURANCE COMPANY.

The British America Assurance Company of Toronto, presents the annual statement of its United States branch showing total assets in that country of \$1,843,585. Its reserve for unearned premiums, based on the New York standard, amounts to \$958,715 and the reserve for unpaid losses is \$142,301, while for taxes and other liabilities the sum of \$19,134 is provided. This shows aggregate obligations in the United States of \$1,120,152 and leaves surplus funds of \$723,432. The British America has long been held in high regard in the United States as a prompt loss payer. During the time it has been operating in the United States, from 1874 to 1914, inclusive, it has paid in losses to policyholders there the large sum of \$23,412,155.

Montreal bank clearings during January were \$188,434,337 against \$224,224,521 in January, 1914. This is the smallest decrease in six months. Toronto's clearings in January were \$146,700,711, a decrease of \$38,000,000—the largest decrease with the exception of December since last July.

* * * *

At the annual convention of superintendents of the Metropolitan Life held in New York City last week, Mr. A. G. B. Claxton, K.C., of Montreal, said that during the year more than \$19,000,000 of ordinary had been written by the Metropolitan in Canada. The number of industrial policies was so great in the Dominion that fully one-tenth of the entire population was enrolled under the banner of the Metropolitan.

CANADA PERMANENT MORTGAGE CORPORATION

Established 1855.

Toronto Street, Toronto

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) \$4,500,000.00 INVESTMENTS, \$31,826,618.37

DEBENTURES

For sums of one hundred dollars and upwards, we issue Debentures bearing a special rate of interest, for which coupons payable half-yearly are attached. They may be made payable in one or more years, as desired. They are a

LEGAL INVESTMENT for TRUST FUNDS.

The

WESTERN

Assurance Company

Incorporated in 1851

ASSETS OVCF \$3,500,000.00

LOSSES paid since organization of Com-pany over \$57,000,000

DIRECTORS

W. R. BROCH, 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. B. WOOD

JAMES KERR OSBORNE

H. C. COX

HEAD OFFICE TORONTO

THE LIFE AGENTS' MANUAL - \$3.00

Published by The Chronicle, Montreal

ESTABLISHED 1809

Total Funds Exceed

Canadian Investments Over

\$109,798,258.00

\$9,000,000.00

FIRE AND LIFE

North British and Mercantile

INSURANCE COMPANY

DIRECTORS

WM. MCMASTER, F.R.S. G. N. MONCEL, Esq.

E. L. PRASE, Esq.

Head Office for the Dominion:

80 St. Francois Xavier Street - MONTREAL.

Agents in all the principal Towns in Canada.

RANDALL DAVIDSON, Manager.

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

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).

ON SALE AT THE CHRONICLE OFFICE,

10 ST. JOHN STREET, MONTREAL

SCHEDULE RATING.

Fire insurance is an insurance of contingencies, and not of certainties. There is always an existing element of chance and uncertainty attendant upon every fire risk as to its destruction or continued safety, within a certain specified period of time. The control of these chances and confinement of outbreaks of fire within any reasonable limits has heretofore proved beyond the skill and experience of the most efficient underwriters, as is apparent from the increasing number of fires and volume of fire losses from year to year. These increases go on despite the utmost efforts of fire insurance offices and of fire departments to prevent, and lessen, the frequency of such occurrences.

FIRE INSURANCE AN INDEMNITY.

The intent and purpose of the fire insurance business is to indemnify such parties as may have availed themselves of the contingent security thus offered by the companies in the event of loss by fire to the subject covered by the policy. For this promised indemnity the insured pays to his underwriter an agreed ratio of premium upon the sum covered by insurance. What this ratio ought to be, or how it shall be apportioned, has ever been, and yet remains, a disputed question among fire underwriters, and as "cost" is the unknown factor in the proposition, the fixing of premium rates has heretofore been, and will continue to be, the "unsolved problem" in fire underwriting, until greater harmony of action and a practical system of classification of fire hazards, as indicated by fire losses, shall be found and generally adopted among the fire companies.

FIRE LOSS MAKES FIRE RATES.

It is the fire loss which makes the rate, and not the companies, whose only function in this direction is to carry out the law of their being, and divide, as best they can, this unknown cost among those who may desire to be indemnified for such losses when they occur. Hence, as fire losses rule the rates of premium, the logical result is that premium rates can only be reduced by a reduction in the number and volume of fire losses. Any practical method which will tend to this end, will reduce the price of fire insurance correspondingly.

Nothing in the progress of the business of fire insurance demonstrates more clearly that it is becoming better understood and appreciated, nor comes nearer to the solution of the vexed problem of price, than the system of schedule rating, backed up by the graduated co-insurance clause, whereby the rate, once found by schedule, is charged in the proportions of the amounts at risk to the insurance carried thereon.

WHAT SCHEDULE RATING IS.

Schedule rating—as distinguished from flat or specific rating—is a method of affixing prices by starting from a previously carefully considered basis

rate fixed upon a perfectly constructed or standard building, fire-wise, of any of the various classes of insurance hazards, as dwellings, stores, factories, etc., and adding to such basis rate, under another carefully arranged subsidiary schedule, charges for deficiencies or departure from the requirements of such standard. At the same time the insured is given subsequently, due credit for the removal of, or any material improvements in, the shortcomings of the risk for which any extra charges may have been made; thus placing it within the ability and at the option of every insured, virtually, to fix his own rate within the limits of the standard. In this way schedule rating tends to individualize every risk by reducing inequalities in rates on risks of similar external appearance, though quite dissimilar in fire hazard characteristics internally, or otherwise, and still preserve the equities between the respective risks, each being rated upon its own approximation to or removal from the same standard basis.

The basis rate, which is the fundamental "guess," varies with each locality, and will always depend upon the place itself, fire-wise. The basis rate being once established, the application of the deficiency schedule becomes easy to the initiated. But the formulation of such a schedule will require a practical knowledge of buildings, fire departments, and other insurance subjects not usually found among tyros in the business.

NORTHERN OF LONDON.

The United States branch of the Northern Assurance Company of London makes an annual financial statement for the year just ended exhibiting total assets of \$5,583,800.63, with a net surplus in the United States of \$2,278,940.42 and an unearned premium reserve of \$2,878,369.70. Each of these important items shows a handsome increase. The Northern of London is one of England's strongest insurance institutions and has been transacting business in the United States for many years. Its agency plant has become more and more valuable and it secures a large share of the best business in the field.

POSSIBILITIES OF A REAL IMPERIAL LOAN.

While Sir George Paish is quite logical in his contention that in the present economic situation the natural source for fresh supplies of capital for Canada during the next few years would be New York, the success of the latest British War Loan and the willing acquiescence of the British people in the new and formidable war taxes suggests that this war may yet produce a great Imperial Loan in which every section of the Empire would have a recognized status and would assume a definite share of the obligations created. This may be a dream far from fulfilment, but one has to run beside the marching facts of the present day history to understand the astonishing progress towards the interlacing of the affairs of the Empire which the present crisis is contributing, so much more than many years of peace, to produce.—*Journal of C. B. A.*

THIRTY-FOURTH ANNUAL STATEMENT OF THE North American Life Assurance Co.

Home Office—112-118 King Street West, Toronto
FOR THE YEAR ENDING 31st DECEMBER, 1914

December 31, 1913—To Net Ledger Assets	\$13,489,633.32
December 31, 1914—	RECEIPTS
To Cash for Premiums	\$1,902,343.84
Less paid Re-Insurance Premiums	51,369.68
	\$1,850,974.16
" Income on Investments, etc.	806,383.69
" Net Profit on Investments sold	5,069.00
" Net Profit on Real Estate sold	1,410.99
" Sundries	279.16
	2,664,117.00
December 31, 1914—	DISBURSEMENTS
By Expenses	\$248,398.70
" Commissions, Expenses and Salaries to Agents	263,287.12
" Claims paid under Policies accrued in 1913	\$ 81,661.15
" Claims paid under Policies for 1914	278,134.04
	359,795.19
" Matured Endowments	299,206.88
" Surrendered Policies	130,684.17
" Matured Investment Policies Surrendered	314,364.31
" Dividends to Policyholders	227,635.56
" Annuitants	8,403.14
" Interest on Guarantee Fund	6,000.00
" Special Reserve Deposit	2,759.35
" Investment Reserve Fund	5,602.16
	1,866,136.58
Balance Net Ledger Assets	\$14,287,613.74
December 31, 1914—	ASSETS
By Mortgages on Real Estate	\$ 4,739,210.02
" Real Estate (including Company's Buildings, Market Value, \$240,306.95)	158,427.81
" Bonds, Debentures and Stocks	7,002,452.20
" Loans on Bonds and Stocks	17,100.00
" Loans on Policies	2,290,578.47
" Fire Premiums paid on account Mortgagors, etc.	1,741.10
" Cash in Banks	167,034.31
" Cash at Head Office	1,575.88
" Items in Suspense	302.42
	\$14,378,422.21
" Less Investment Reserve Fund	90,808.47
	\$14,287,613.74
" Outstanding and Deferred Premiums, less loading (Reserve on same included in Liabilities)	384,982.43
" Interest due \$64,007.92, and accrued \$179,019.29	243,027.21
" Rent due \$365.00, and accrued \$19.50	384.50
	\$14,916,007.88
December 31, 1914—	LIABILITIES
To Guarantee Fund	\$ 60,000.00
" Assurance and Annuity Reserve Funds 3½%	12,447,388.00
" Present Value of Amounts, not yet due, under Matured Instalment Policies	18,141.00
" Provision for Policies subject to surrender value	3,000.00
" Sundry Ledger Balances	279.16
" Half-year's Interest accrued on Guarantee Fund	3,000.00
" Death Losses awaiting proofs	104,432.65
" Matured Endowments due and unpaid	8,000.00
" Dividends on Policies declared and unpaid	13,626.86
" Premiums paid in advance	2,530.55
" Interest on Policy Loans paid in advance, accrued taxes and all other charges	129,219.85
" Real Estate Contingent Fund	10,224.12
Net Surplus	2,116,165.69
	\$14,916,007.88
New Insurance issued during 1914 (including policies revived and increased)	\$ 7,854,050.00
Insurance in force at end of 1914	54,326,926.00

We certify that we have examined the Books, Vouchers, also the Securities (valued as required by the Dominion Government), and that the above Balance Sheet correctly shows the position of the Company as at the 31st December, 1914.

Toronto, January 20th, 1915.

H. D. LOCKHART GORDON, F.C.A. (Can.) } Auditors
JOHN H. YOUNG, F.C.A.

President—EDWARD GURNEY.

Vice-Presidents—L. GOLDMAN, J. K. OSBORNE.

DIRECTORS:

LIEUT.-COL. D. McCRAE JOHN N. LAKE J. A. PATERSON, K.C. HAMILTON CASSELS, K.C.
W. K. GEORGE
First Vice-Pres. and Managing Director—L. GOLDMAN, Actuary—D. E. KILGOUR, M.A., A.I.A., F.A.S.
Secretary—W. B. TAYLOR, B.A., LL.B. Medical Director—T. D. ARCHIBALD, M.D.
Assistant Secretary—W. M. CAMPBELL. Supervisor of Agencies—E. J. HARVEY.

CLIMATE, CARELESSNESS AND THE FIRE LOSS.

It is frequently assumed, in comparing the respective ratios of fire losses on this continent and in Great Britain, that the greater immunity from fires which property enjoys on the other side of the Atlantic is largely owing to the more favorable climatic conditions which prevail in the old land. But no proof of this opinion has to our knowledge yet been offered, nor any data published which afford an explanation of the grounds on which the theory is based. The particular climatic feature in the old country which is held to be so repressive of fires is the prevalent dampness. Here a special danger is said to be the dryness of the atmosphere. The one keeps wood-work moist, the other renders it more readily inflammable.

CASES IN POINT.

Although the records of any one or two localities are too narrow an area as a basis for the calculation of an average, they may be helpful in determining the soundness or otherwise of the present theory. It will throw some light on the question of climate and fire losses to consider the cases of two towns and their surrounding districts in England, respecting the fire records of which we have authentic information from one who was many years a resident in them, and associated with a fire insurance agency. One town had 15,000, the other 32,000 inhabitants; both were very old, with modern additions. In the one, only two fires occurred in twelve years—one from careless handling of boiling oil, the other from incendiarism, which was proved and punished. In the other, no fire occurred during the eight years our informant was a resident thereof. Is it credible that such records of freedom from fires are attributable only or mainly to dampness of climate? The wood-work most guilty of initiating fires is that which abuts upon the chimneys of buildings. Now, in these towns, the custom was almost universal of keeping fires alight all the year round, as coal was very cheap and kindling dear. Is it possible that in such dwellings and in public buildings, in which, in every case, a resident was included, the immunity from fire was owing to the dampness of wood-work? In both these towns it was a very common practice to clean the chimneys by setting the soot afire. This apparently dangerous custom caused no fires, yet the joists resting on the chimney brick work must have been as dry as any in the buildings of this country, from continual contact with the warmth from unextinguished fires in the grates. This fact seems a good basis for the conclusion that carefully executed and prudently designed chimney brick work in the ordinary dwelling is a most important factor in reducing the fire risk to a minimum.

WORKMANSHIP AN IMPORTANT FACTOR.

In both those towns were a large number of small factories, usually regarded as bad risks. They in-

cluded chair and japan ware factories, foundries, forges, and small shops for making metal goods, many of these forming part of buildings, portions of which were occupied as dwellings, or adjacent thereto. There were also in both towns a considerable number of old structures into which wood entered largely as the material for both external walls and internal partitions. It is pretty obvious that something besides climatic conditions has been operative in protecting such properties from fire. In our view that something was more efficient precautionary measures in building. The efficiency arises from better workmanship, less scamping, less sacrificing of safety to mere cheapness, and, generally, the following of sound methods which, while possibly not as up-to-date as might be desired, experience has taught builders to follow to avoid fire risks.

SHIFTING THE RESPONSIBILITY.

There is plenty of evidence available in Montreal that poor workmanship and the scamping of jobs in the interests either of mere cheapness, or so that the contractor can obtain an illegitimate profit beyond that to which he is entitled by the terms of his contract, is responsible for many fires. Montreal has a fair assortment of modern buildings, and of old-timers that have survived a half-century or more. The fire mortality among the latter, in spite of their frequently dilapidated condition and the fact that they are now inhabited mainly by people, who probably are by no means cautious where fire is concerned, it is pretty certain is no greater than that among the modern buildings of the city. There are clearly some conditions, which make the newer structures equally or more productive of fire losses than the older ones, outside of those of climate or of internal fixings peculiar to the colder areas of this continent.

These conditions are, we suggest, produced by the carelessness of builders, the lax administration of the building code, and the poor standard of workmanship which is generally available. All these things are the result of a spirit of national recklessness that is apparent enough. Combined with similar faults in tenants, they are largely responsible for the excessive fire losses of this country in comparison with those of Europe. To blame climatic conditions is merely to endeavor to shift the responsibility. Climatic conditions cannot be controlled but carelessness in construction and workmanship can. Those who find an excuse for heavy fire losses in climatic conditions are doing a poor service to their country.

Mr. W. F. Smith, superintendent of agencies Excelsior Life Insurance Company, Toronto, spent a few days in Montreal this week on his return from the Maritime Provinces. He reports the outlook for 1915 at the agencies visited as being rather encouraging. Mr. Smith is well known in life insurance circles, in Montreal, having been for many years connected with the New York Life here and later with the Royal Victoria Life.

CANADA PERMANENT MORTGAGE CORPORATION

ANNUAL MEETING

The Annual Meeting of the Shareholders of the Canada Permanent Mortgage Corporation was held at the Head Office of the Corporation, Toronto Street, Toronto, on Thursday, January 28th, at twelve o'clock noon.

The chair was taken by the President, Mr. W. G. Gooderham. The Secretary, Mr. George H. Smith, was appointed Secretary of the meeting, and read the Report of the Directors for the year 1914 and the Statement of Assets and Liabilities, which are as follows:—

REPORT OF THE DIRECTORS

Your Directors have much pleasure in submitting to the Shareholders the Annual Statement of the business of the Corporation for the year 1914, which has been duly certified by the Auditors.

The net profits for the year after deducting interest on borrowed capital, expenses of management, and all charges and losses, amounted to \$876,765.92. With the balance of \$130,654.51 at the credit of Profit and Loss at the beginning of the year, the total sum available for distribution was \$1,007,420.43, which has been appropriated as follows:

Four quarterly dividends of Two and one-half per cent. each on the Capital Stock	\$600,000.00
Transferred to Reserve Fund	250,000.00
Balance carried forward at credit of Profit and Loss	157,420.43

\$1,007,420.43

The dividend for the fourth quarter, though not payable till 2nd January, 1915, was prepaid in December. The amount is, therefore, not included in the Liabilities as at the 31st December, 1914, and the amount of cash on hand is correspondingly reduced.

All of which is respectfully submitted.

W. G. GOODERHAM, *President.*

Toronto, January 13th, 1915.

GENERAL STATEMENT

LIABILITIES

Liabilities to the Public:

Deposits and Accrued Interest	\$ 5,250,765.42	
Debentures—Sterling—and Accrued Interest (£2,681,798 16s. 9d.)	13,051,420.99	
Debentures—Currency—and Accrued Interest	3,103,255.53	
Debenture Stock and Accrued Interest (£87,850 19s. 11d.)	427,541.51	
Sundry Accounts	6,346.67	
		\$21,839,330.12

Liabilities to Shareholders:

Capital Stock	\$6,000,000.00	
Reserve Fund	4,500,000.00	
Balance carried forward at credit of Profit and Loss	157,420.43	
		\$10,657,420.43

\$32,496,750.55

ASSETS

Mortgages on Real Estate	\$28,706,314.51
Advances on Bonds and Stocks	826,314.18
Municipal Debentures, Bonds and other Securities	842,911.88
Office Premises (Toronto, Winnipeg, Vancouver, Saint John, Edmonton and Regina)	621,855.11
Cash on hand and in Banks	1,499,354.87

\$32,496,750.55

R. S. HUDSON } *Joint General Managers.*
JOHN MASSEY }

We beg to report that we have examined the foregoing accounts together with the books and vouchers of the Corporation, and that we have obtained all the information and explanations we have required. In our opinion the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Corporation's affairs, according to the best of our information and the explanations given to us, and as shown by the books of the Corporation.

A. E. OSLER, } *Auditors.*
HENRY BARBER, }
Chartered Accountants. }

Toronto, January 9th, 1915.

The Report of the Directors was unanimously adopted on motion of the President, Mr. W. G. Gooderham, seconded by the First Vice-President, Mr. W. D. Matthews.

The Shareholders, by a unanimous vote, confirmed the action of the Directors in making contributions to the Canadian Patriotic Fund, the Red Cross Society, and the Belgian Relief Fund.

The election of Directors which was held resulted in the unanimous re-election of Messrs. W. G. Gooderham, W. D. Matthews, G. W. Monk, Lt.-Col. Albert E. Gooderham, J. H. G. Hagarty, John Campbell, S.S.C. (Edinburgh), R. S. Hudson, John Massey, F. Gordon Osler, and E. R. C. Clarkson.

Messrs. Henry Barber and A. E. Osler were re-appointed Auditors for the current year.

At a subsequent meeting of the Board, Mr. W. G. Gooderham was re-elected President, Mr. W. D. Matthews First Vice-President, and Mr. G. W. Monk Second Vice-President.

NORTH AMERICAN LIFE ASSURANCE COMPANY.

The North American Life Assurance Company, of Toronto, comes forward with an excellent report for 1914. It is well-known that this Company's management has never allowed a desire for mere size to prevail, and the result of the consistently conservative yet at the same time soundly progressive policy which has been followed for many years is seen in the admirably solid position which the North American Life occupies at the present time. To Mr. L. Goldman, the Company's first vice-president and managing director, who has been associated with the North American Life ever since its establishment over thirty years ago, cordial congratulations are due upon the fine showing made in a year when conditions were possibly as unfavorable as they could well be. From the financial point of view, 1914 was indeed one of the best years in the Company's history, a handsome increase being made in the net surplus, which now amounts to \$2,116,165.

Policies issued during the year, together with those increased and revived amounted to \$7,854,050. This is not so large as in 1913, but is interesting to note that up to the end of August new business was away ahead of the corresponding period of 1913, the falling-off having taken place during the last four months of the year. Business in force was advanced to \$54,326,926. Total cash income for the year was \$2,664,117, showing the satisfactory increase of about \$100,000 over the previous year. Of this income \$1,850,974 was cash paid in premiums and \$806,384 income on investments. The total outgo was \$1,866,137, and of this amount \$1,340,089 was paid to policyholders or on their account. The payments for death claims were \$359,795; matured endowments, \$299,297; matured investment policies surrendered, \$314,364, and dividends to policyholders, \$227,636. The last-named item shows a satisfactory advance, being over \$20,000 larger than the amount paid in 1913. It is interesting to note also that during the last ten years, the Company has paid as dividends or surplus to its policyholders, a sum of \$1,430,383—a distinctly favorable showing in proportion to the premiums received during the same period.

THE COMPANY'S ASSETS.

The assets of the Company again received a substantial accession last year and at December 31st last, stood at \$14,916,008, an advance upon the year-end total of 1913 of nearly \$900,000. This total of assets is arrived at after deduction of an investment reserve fund of \$90,808. The assets include mortgages on real estate, \$4,739,210; real estate held, including the Company's buildings on which a market value of \$2,030,307 is placed, \$158,428; bonds, debentures and stocks, \$7,002,452; loans on bonds and stocks, \$17,100; and loans on policies, \$2,290,578. With regard to the North American Life's investment policy, interesting details were given by the respected president (Mr. E. Gurney), at the annual meeting, which show very clearly the excellent lines on which this important part of the Company's business is conducted. Mr. Gurney mentioned that while the funds of the Company on mortgage totalled over \$4,700,000 at the end of the year, there was on the books from foreclosure but one small farm property standing at \$1,512. Advantage was taken last year of the favorable offers of bonds and debentures

and the Company's money was largely invested in that direction. Policy loan repayments showed a proportion of practically 50 per cent. of the new loans made—a very satisfactory experience indeed. The rate of interest earned on the total assets was 6.12 p.c. against 6.03 in the previous year.

The liabilities are valued on a stringent basis, the reserve for insurances being calculated by the Hm. Table and 3½ p.c. interest, the reserve also including an element for the accumulation of a reserve on a portion of the business at 3 p.c. interest. The net surplus to policyholders, as already indicated, is brought up to \$2,116,165, an increase of nearly \$340,000 on last year.

The whole statement affords convincing evidence of that sound progress on conservative lines which is the essence of good life insurance management. Mr. George E. Williams is the district manager of the North American Life at Montreal, and it may be confidently anticipated that in this city as throughout the Canadian field the Company's business will steadily increase as the insurance field broadens.

MONTREAL LIFE UNDERWRITERS.

The annual meeting of the Montreal Section of the Life Underwriters' Association was held on Saturday last, with the retiring president, Mr. G. E. Williams, in the chair.

After the minutes of the last meeting had been approved, Mr. Williams reviewed the work accomplished during the past year and his remarks were followed by the reports of the secretary and the treasurer, which showed a strong financial standing and a good record for the past year. Following the adoption of these reports, Mr. E. J. L'Esperance, chairman of the Membership Committee, proposed a campaign from February 1 to 16, for new members. A long discussion ensued as to whether subscriptions should be payable by instalments, and as to whether the subscription of five dollars was not too large. Messrs. Furnival, Foster, Dingman, Goulet, L'Esperance, Pelton and Williams took part. Finally the report was adopted. The payment of subscriptions by instalments and the amount of the yearly subscriptions were approved.

NEW OFFICERS.

The following officers for the coming year were then elected: President, C. C. Gauvin, New York Life; Vice-presidents, J. A. Goulet, Metropolitan Life; R. G. McCuish, Manufacturers' Life; Secretary, R. M. Cushing, Sun Life of Canada; Treasurer, W. O'H. Percy, Canada Life; Board of Management, H. LeRoy Shaw, Imperial Life; G. E. Williams, North American Life; J. O. Langevin, Metropolitan Life; A. B. Haycock, Canada Life; C. A. Butler, Great-West Life; E. J. L'Esperance, Sun Life of Canada.

Mr. F. B. Nixon was nominated for membership and his application was referred to the Provincial Council for election.

The meeting closed with remarks from the new officials and others, including Messrs. Gauvin, McCuish, Goulet, Percy, Carr and Haycock, in which a spirit of enthusiasm and optimism was shown.

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



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

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

11 ST. SACRAMENT STREET
 MONTREAL, P.Q.

CANADIAN FIRE RECORD

(Specially compiled for The Chronicle.)

WINDSOR, ONT.—Warehouse of J. Kovinsky, junk dealer, at Mercer and Arthur Streets, damaged, January 29. Loss, \$5,000.

A. St. Onge's department store, 29 Pitt Street east, damaged, February 1. Loss, \$9,000 with \$3,000 insurance.

ARBORG, MAN.—G. Johanneson's house destroyed, January 27. Origin, overheated pipe. Insurance on dwelling, \$1,000 in Calumet.

EDMONTON, ALTA.—Victoria Inn on Jasper Avenue destroyed, February 2, and adjoining jewellery store badly damaged. Two deaths.

WALLACEBURG, ONT.—North Side public school destroyed, January 31. Loss, \$20,000 with \$17,000 insurance, said to be in non-tariff companies.

BRACEBRIDGE, ONT.—G. W. Ecclestone's hardware store destroyed with contents, January 29. Loss, \$50,000, partly covered by insurance.

Isolation hospital burned, January 30. Supposed origin, incendiarism.

MONTREAL.—Cote's hotel on Back River road, destroyed, January 31. Two deaths. Insurance as follows:—North British, \$9,375; Aetna, \$3,125. Total, \$12,500. Loss, total.

Factory of Maple Leaf Shoe Company, 7 Hogan Street, Hochelaga, damaged, February 3. Loss, \$15,000.

Premises of I. Levinson, wholesale furs, 321 St. Paul Street, damaged, February 3.

Premises of J. B. Miller, 485 St. James Street, damaged, February 4. Insurance on stock as follows:—Alliance, \$3,000; Law Union & Rock, \$2,500; Glens Falls, \$2,500; Commercial Union, \$2,000. Total, \$10,000.

AMHERST, N.S.—Fire starting in Andrews Block, January 31, destroyed this and Pugsley Block with contents, also basement and upper flat of W. D. Main Block and Chambers Block. Loss, \$30,000.

INDIAN HEAD, SASK.—Insurance on Winnipeg Elevator Company's elevator destroyed with contents, January 22, as follows:—Springfield, on elevator, \$5,500; Royal Exchange, on grain, \$10,000. Loss total.

LENNOXVILLE, QUE.—Bishop's College preparatory school heavily damaged, January 30. Insurance loss, about \$20,000. The following companies are interested:—Commercial Union, \$5,000; Liverpool & London & Globe, \$15,000; Union, \$12,000.

WINNIPEG, MAN.—The following companies are interested in the fire which destroyed the Belmont Hotel, Main Street, on January 27:—Mercantile, on building, \$1,500; Canada National, on building, \$5,500; Fidelity-Phenix, on contents, \$8,400; Fidelity-Phenix, on profits, \$5,000. Total, \$20,400.

PARKHILL, ONT.—The following companies are interested in the fire in Lindsay's General Store, on January 27. On Stock:—Liverpool & London & Globe, \$2,000; Western, \$2,000; North British, \$2,000; Commercial Union, \$2,000; Gore, \$2,000; Sun, \$500; Alliance, \$2,000; Queen, \$2,000. Total, \$14,500. Loss, total.

OMEGA, SASK.—The following companies are interested in the fire which took place here, January 27, destroying a hotel and several stores:—British Colonial, \$3,500; General, \$625; Occidental, \$2,100; Commercial Union, \$1,500; Liverpool & London & Globe, \$2,200; Phenix of London, \$2,550; Queen, \$3,000. Total, \$15,475. Loss, total.

WOLFVILLE, N.S.—Acadian Collegiate Academy destroyed, February 3, with personal belongings of 75 students. Loss placed at \$30,000 with insurance of \$17,000.

TORONTO.—The following companies are interested in the fire at the Rudd Paper Box Company's factory, Richmond Street West, Toronto, on January 27:—Aetna, \$5,000; Atlas, \$5,000; British America, \$3,000; Commercial Union, \$5,000; Employers' Liability, \$2,500; Globe & Rutgers, \$3,000; Guardian, \$6,000; German-American, \$2,500; Home, \$5,000; Fidelity-Phenix, \$5,000; Springfield, \$2,500; Phenix of Hartford, \$6,000; National of Hartford, \$8,000; Norwich Union, \$7,000; North America, \$5,000; Niagara, \$3,000; New York Underwriters, \$5,000; Union, \$5,000; Royal Exchange, \$6,000. Total, \$89,500. Stock loss, total. Estimated loss on machinery, 50 p.c. Estimated loss on building, 25 p.c.

Premises occupied by E. B. Eddy Co., 735 Wellington Street West, damaged, January 25. Loss to building and contents, \$2,500, covered by insurance. Maher's Livery, Hayden Street, damaged, January 29. Loss, \$2,000. Another fire started from rugs in the carriage department, February 3. Loss, \$2,400.

BELLEVILLE, ONT.—Fire on January 27, starting in shoeshine parlor, operated by L. Meropouis (not insured), spread to the Palace Theatre, which was destroyed. Building was insured for \$5,700 and owned by Richardson estate. Motion picture theatre operated by C. R. Scott. Loss, \$5,000; insurance small. Adjacent building to south suffered from fire, smoke and water. Harry McCrodan lost household effects. Considerable damage done to Riggs Piano Store. This building owned by Mrs. Smith; insured for \$5,000. W. B. R. Riggs' insurance, \$5,000. Building recently purchased by Canadian Bank of Commerce also damaged. Tenant, W. H. Lanning, lost stock of groceries. Origin not known.

HEAVY LOSS ON NOTRE DAME STREET WEST, MONTREAL.

Yesterday (Thursday), a fire broke out in the store of O. Benoit, 1759 Notre Dame Street, W., quickly spreading to the store of Arsene Lamy, Ltd., 1763 and 1767, and the hardware store of Lamarre Freres, 1757a Notre Dame Street. Those burned out were:—W. Lamarche, jeweller, 1755 Notre Dame; Lamarre Freres, hardware, 1757a Notre Dame; O. Benoit, dry goods, 1759 Notre Dame; Arsene Lamy, 1763 to 1767 Notre Dame.

The following insurance companies are interested in Arsene Lamy's property, 1765 Notre Dame Street West:—

Northern	\$8,100	Union of Paris	\$4,050
Guardian	5,877	Sun	2,430
Law Union	4,050	Home	2,430
Springfield	4,050	Protection	2,025
Niagara	4,050	North America	2,025
Pacific Coast	3,240	Prov. Washington	2,025
Glens Falls	4,050	Firemen's Fund	2,025
General of Paris	4,050	N. Y. Underwriters	2,025
National Union	3,240	National of Paris	1,620
Provincial	4,050	Mount Royal	1,620
British Colonial	4,050	Royal Exchange	2,025
Stratheona	4,050		
Liverpool-Manitoba	4,050	Total	\$81,207

Loss about 90 per cent.

O. Benoit, dry goods, 1759 Notre Dame:—Liverpool & London & Globe, \$5,500; L'Union of Paris, \$2,500; Law Union & Rock, \$2,500 North Western, \$3,500.

W. Lamarche, jeweller, 1755 Notre Dame:—North British, \$5,000.

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	1,450,000
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.

Established

1859

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

PROVINCE OF QUEBEC BRANCH

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

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

ESTABLISHED 1824

Capital,	\$30,000,000
Total Assets,	72,238,564
Deposited with Dominion Gov't,	391,883
Invested Assets in Canada,	7,166,267

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

THE CANADA NATIONAL FIRE INSURANCE COMPANY.

Authorized Capital	\$3,000,000.00
Subscribed Capital	2,055,400.00
Paid in Capital	1,100,000.00
Assets,	1,495,79.00
SURPLUS TO POLICY HOLDERS	1,305,054.00

Board of Directors:

President: CAPT Wm ROBINSON
Vice-Presidents: D. E. Sprague, F. H. Alexander
Managing Director: W. T. Alexander.
Directors: E. F. Hutchings, E. D. Martin, E. L. Taylor,
K. C. M.P.P., E. S. Popham, M. D., S. D. Lazier, F. N. Darke,
Regina, Sir Gilbert Parker, London, Eng., Andrew Gray,
Victoria, Jonathan Rogers, Vancouver.

General Fire Insurance Business Transacted

Business Solicited Prompt Settlement of Losses
Liberal Policy

Head Office, 356 MAIN STREET, WINNIPEG

THE NATIONAL TRUST'S REPORT.

The report presented at last week's annual meeting at Toronto of the National Trust Company, Limited, is a decidedly satisfactory document. The gross earnings were the largest in the history of the Company, and although the net earnings show a falling-off of some \$14,000 from those of 1913, being \$237,869, equal to 15.85 per cent. upon the paid-up capital, this falling-off is simply due to the fact that the Company has been put to heavy expense in providing itself with temporary offices in Montreal during the construction of its new building on St. James Street, besides losing the rental of the old building, and in making alterations at its Winnipeg building. The cost of these has been wholly charged against the year 1914, notwithstanding that some of the alterations were of a permanent character and might fairly have been changed to capital account. After providing for dividends at the rate of 10 per cent., representing a distribution of \$150,000, and writing \$50,000 off the Company's office premises, a balance of \$54,657 was left to be carried forward to the current year. As the reserve fund is already equal to the paid-up capital the surplus profits mentioned were used to reduce the office premises account in conformity with the policy of the company to invest as small a percentage as possible of its capital in office buildings.

The assets of the Company have now crossed the fifty million mark, being at December 31 last, \$51,604,679. As the Company has been in business less than seventeen years, it is evident that Mr. J. W. Flavelle, the president, did not use too strong an expression, in describing its growth during that comparatively short period as remarkable. Having been established on a sound basis, and confining itself to the discharge of the proper functions of a Trust Company, namely, the management of estates and other trust and agency work, the Company is, as Mr. Flavelle remarked, assured of continued growth and development.

The address of Mr. W. E. Rundle, general manager, included a number of interesting views relating to the investment position generally. Mr. Rundle stated that the increased prices for farm produce had largely, if not wholly, made up for the partial crop failures in certain sections of the Prairie Provinces, and interest collections for that reason had been satisfactory. While referring to the gratifying results which had followed the general adoption of mixed farming in the west, he expressed the hope that the prospective high values of wheat and other grain due to a temporary situation would not have the result of arresting this development. As to the future, Mr. Rundle said that while in some particulars the activities of the Company might be somewhat curtailed there was, on the other hand, greater activity in certain branches of the work, and he believed that the Company might confidently expect the continuance of prosperity. In this connection he mentioned that the securities owned by the Company were shown in the balance sheet at figures substantially below their present value, and that the call loans were well margined below the present market price of the collateral.

During the erection of its new building in the heart of the Montreal financial district, the Montreal office of the National Trust Company, which is under the skilful management of Mr. Percival Molson, is

located at 179 St. James Street. The National Trust's directorate includes a number of leading Montreal business men, and the steady expansion of its business in this city, as in the other Canadian centres in which it is located, may be confidently expected.

LIFE INSURANCE FOR THE MAN IN DEBT.

Life insurance means service and is adapted to the needs of all classes of men. It is particularly desirable for men in debt. Few men have sufficient means at the outset of life to own a home without encumbrance and have all the things desired in and about a good home. Credit most men have to a greater or less degree, and credit is necessarily used. Most men find getting out of debt a slow and tedious matter. Plans are seldom carried out per schedule. Ill health interferes. Crops fail or business losses occur. Unexpected need of money arises in many directions and amounts that can be applied upon initial indebtedness are hard to get. The incubus of debt hangs over many families through many anxious years. Without materially increasing the daily expense account, every insurable person in debt may have full protection against that debt, should the unexpected happen. Every debtor, no doubt, feels that, if health and strength is spared, he will in due time pay in full, but he may also have the satisfaction of knowing that, if his efforts fail, some insurance company will finish his task and pay the debt for him. A partly paid for home, a mortgaged farm, an encumbered stock of merchandise or business enterprise of any kind is a poor asset for a family from which the breadwinner has been taken. Each person should arrange while he can to have a good life insurance company come to the rescue in case of need. That is what a life insurance company is for.—E. W. Randell.

FINANCIAL STRESS AND MORTALITY RATE.

It is interesting to note, writes Mr. J. B. McKechnie, F.I.A., that quite a large number of the life companies report a considerable increase in their death claims during 1914, and this brings to mind the theory, which has, however, not yet been sufficiently proved for complete acceptance, that a year of financial disturbance brings with it a heavier rate of mortality. This theory in many ways is quite acceptable, since there is no doubt a period of stress causes very great anxiety to the business men of the country, with a consequent impairment of health, and moreover there is undoubtedly an increase in the rate of suicide, which is, of course, reflected in the mortality rate of the life insurance companies.

SUN LIFE OF CANADA.

Mr. J. C. Stanton, superintendent of agencies, Sun Life Assurance Company of Canada, is at present in the West, visiting the various agencies of the Sun Life. Mr. Stanton has made frequent journeys to the West, in order to keep fully in touch with the Sun Life's business in that part of the Dominion, which is developing on very satisfactory lines.

THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated : 1833.

HEAD OFFICE : TORONTO

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

DIRECTORS :

W. R. BROCK, President

W. B. MEIKLE, Vice-President

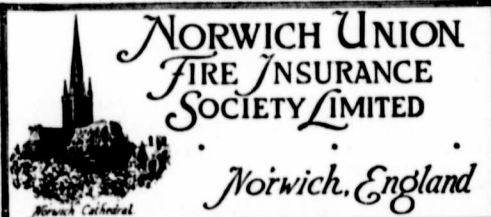
ROBT. BICKERDIE, M.P.
H. C. COX
JOHN HOBKIN, K.C., LL.D.
D. B. HANNA
ALEX. LAIRD
Z. A. LASH, K.C., LL.D.

GEO. A. MORROW
AUGUSTUS MYERS
FREDERIC NICHOLLS
JAMES KERR OSBORNE
COL. SIR HENRY M. PELLATT
E. R. WOOD.

W. B. MEIKLE,
General Manager

E. F. GARROW,
Secretary

THOMAS F. DOBBIN, Resident Manager
MONTREAL



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

INSURANCE AGAINST:

**FIRE ACCIDENT AND SICKNESS
EMPLOYERS' LIABILITY PLATE GLASS**

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

JOHN MacEWEN, Superintendent for Quebec.

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
& BANCROFT,
Toronto, Ont.

OSLER, HAMMOND & NANTON,
Winnipeg, Man.
ALFRED J. BELL & CO.
Halifax, N.S.

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

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 1913 . . . 5,561,441.00
Total Losses paid to 31st Dec., 1913 90,120,000.00

Canadian Branch:

LEWIS BUILDING 17 ST. JOHN STREET, MONTREAL

Manager for Canada :

MAURICE 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.