

# The Chronicle

Banking, Insurance and Finance

ESTABLISHED JANUARY, 1881

PUBLISHED EVERY FRIDAY



Vol. XXXVI. No. 53.

MONTREAL, SEPTEMBER 1, 1916.

Single Copy 10c.  
Annual Subscription \$5.00

## THE JULY BANK STATEMENT.

The leading feature of the July bank statement is a remarkable gain in the notice deposits of the banks, which show an increase for the month of \$21,765,789 to the new high level of \$789,363,919. This probably unprecedented monthly gain compares with one of under eight millions in July, 1915, and makes the notice deposits almost a hundred millions higher than a year ago. With a gain of \$3,840,848 in demand deposits, bringing them up to \$431,958,188, the total deposits of the public in Canada are reported at the new high level of \$1,221,322,107, a gain for the year of over \$188 millions.

Simultaneously with this great advance in Canadian deposits, the banks report their current loans in Canada at the extremely low level of \$740,040,741, a falling-off of nearly \$7½ millions for the month and of over \$18 millions for the year. In conjunction with the further fact that circulation is reported as \$23 millions higher than a year ago, these figures of deposits and loans constitute an interesting index of the trade situation. They show that while business is active, its position is highly liquid and that large reserves of cash have been accumulated by those who in former years relied largely upon the banks to finance their operations, but no longer require that assistance. The steady increase in foreign current loans and discounts, amounting for the year to well over \$20 millions, is probably in the main accounted for by activity in West Indian trade, as a result of war demands.

\* \* \*

Preparations for the moving of the crops are shown in the additions made to the Central Gold Reserves, which are reported as over \$12½ millions higher than a year ago. The banks' security holdings again show a very large increase in consequence of their further absorption of British Exchequer bonds in connection with the credits extended by them to the Imperial Munitions Board. The temporary financing of the Dominion Government to the extent of \$30,000,000 does not appear in the new statement, but apparently in addition to this, the Bank of Montreal has made, as on some previous

occasions, a temporary loan of \$5,000,000 to the Government.

With the continued heavy increase in their resources, the banks maintain a very high standard of reserves. Immediately available reserves of specie and Dominion notes, deposits in the Central Gold Reserve and to secure the note issues, net bank balances abroad and foreign call loans at the end of July were in the proportion of 31.3 per cent. to the note circulation and deposits of all kinds, including the Imperial Government's balance. The proportion at the end of June was 31.7 per cent.

\* \* \*

Two developments in the near future will tend to absorb large amounts of the banks' resources, the moving of the crops and the new domestic war loan. So far as crop-moving is concerned, it is to be remembered that while the crops are apparently not so large as last year, the prevalent high price will result in the use of considerably more funds than would be required by a corresponding crop in a normal year. There is no doubt, however, that the banks have ample funds both to care for crop-moving and for the War Loan. Last month, they even increased their Canadian call loans, whereas in July, 1915 these were being called in preparation for last year's crop-moving. The War Loan will, of course, cut into the public deposits of the banks considerably for the time being. Judging, however, by the experience of last fall, when the first domestic War Loan was brought out, the effect upon the public deposits will be only temporary.

It is interesting to note the position of the banks at the end of July with that at the close of July, 1914, when hostilities broke out. In the two years, public deposits in Canada have increased by \$203 millions from \$1,018,058,176 to \$1,221,322,107. Notice deposits account for \$118,000,000 of this increase; demand deposits for the balance. Current loans in Canada have in the same period been lowered by \$100,000,000 from \$840,198,625 to \$740,040,741. The banks have much more than doubled their holdings of securities, which are now

(Continued on p. 929)

# BANK OF MONTREAL

ESTABLISHED 1817

Capital Paid up, \$16,000,000    Reserve Fund, \$16,000,000    Undivided Profits, \$1,321,193  
 Total Assets - - \$390,421,701

**BOARD OF DIRECTORS:**

H. V. MEREDITH, ESQ., *President.*  
 R. B. Angus, Esq.    E. B. Greenshields, Esq.    Sir William Maedonald  
 Hon. Robt. Mackay    Lord Shaughnessy, K.C.V.O.    C. R. Hosmer, Esq.  
 A. Baumgarten, Esq.    C. B. Gordon, Esq.    H. R. Drummond, Esq.  
 D. Forbes Angus, Esq.    William McMaster, Esq.

**Head Office: MONTREAL**

*General Manager*—Sir Frederick Williams-Taylor, LL.D.  
*Assistant General Manager*—A. D. Braithwaite.

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

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

**PRINCIPAL BRANCHES OUTSIDE OF CANADA:**

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 47 Threadneedle St., E.C.  
 G. C. CASSELS, Manager.  
 Sub-Agency—9 Waterloo Place,  
 Pall Mall, S.W.

NEW YORK: 64 Wall Street  
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 W. A. BOG,  
 J. T. MOLINEUX,  
 Agents.

CHICAGO: 108 South La Salle Street.

SPOKANE, Washington.

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

## THE CANADIAN BANK OF COMMERCE

ESTABLISHED 1867.    Head Office: TORONTO

**Paid-up Capital - \$15,000,000**  
**Rest - - - 13,500,000**

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

JOHN AIRD, *General Manager.*  
 H. V. F. JONES, *Assistant General Manager.*

*Branches of the Bank in Canada are distributed geographically as follows.*

Alberta - - - - 51	Ontario - - - - 88
British Columbia - 42	Prince Edward Island 5
Manitoba - - - - 23	Quebec - - - - 81
New Brunswick - - 4	Saskatchewan - - 59
Nova Scotia - - - 13	Yukon Territory - 2

*Branches and Agencies 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

### 144th DIVIDEND

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

FIRST DAY OF OCTOBER NEXT,  
 to Shareholders of record on 15th September 1916,

THE ANNUAL GENERAL MEETING of the Shareholders of the Bank will be held at its banking house, in this City, on TUESDAY, the 6th of NOVEMBER next, at three o'clock in the afternoon.

By the order of the Board,

EDWARD C. PRATT,  
 General Manager.

Montreal, 18th August, 1916.

# 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, SEPTEMBER 1, 1916

## C. P. R.'S. ANNUAL REPORT

The pamphlet report of the Canadian Pacific Railway for the fiscal year ended June 30th last contains as usual much information that no serious student of the economic affairs of the Dominion can afford to neglect. The leading revenue figures have previously been published in THE CHRONICLE. The traffic analyses bring into prominence the extent to which the large railway earnings reported during recent months have been the result of last year's bumper grain crops. Bushels of grain forwarded over the C. P. R. during the last fiscal year totalled no less than 276,788,209, much more than double the amount carried in the previous fiscal year, which was only 126,909,828 bushels, and comparing with 184,954,241 bushels in the fiscal year ended June, 1914. The allied flour traffic also showed a heavy increase, the freight reported being 10,499,260 barrels against 8,538,600 barrels in 1915 and 8,802,250 barrels in 1914. Other important traffic increases are reported in lumber and manufactured articles. Lumber carried totalled 2,696,804,934 feet against 2,180,735,600 feet in 1915 and 2,953,125,699 feet in 1914. The falling-off as compared with two years ago is probably accounted for by the decline in construction and the lack of ocean shipping facilities. Manufactured articles carried are reported as 7,960,723 tons against 6,024,590 tons in 1915 and 8,148,012 tons in 1914. These figures, while showing an important increase during the last 12 months, suggest that the munitions business in the centres served by the C. P. R. has not been sufficient entirely to compensate for the loss of the ordinary traffic of pre-war commerce, which was, of course, heavily reinforced by home and foreign freight in connection with new construction. Of the other classes of freight reported, live stock shows a considerable falling-off, only 2,190,389 head having been carried against 2,833,726 in 1915 and 2,481,360 in 1914. Firewood, a minor item, is about stationary, while all

other articles are 8,228,156 tons against 7,423,103 in 1915 and 9,159,112 in 1913. It is noted that the abnormal increase in grain tonnage, which is, of course, handled at very low rates, is largely responsible for a falling-off in the freight revenue per ton mile from 76 cents in 1915 to 64 cents in 1916, reductions in many Western Canadian tariff rates being also a contributory factor. The earnings per passenger per mile also show a sharp decrease from 2.06 cents in 1915 to 1.97 cents in 1916, a fact which suggests that more attention was paid by the public to cheap fare periods than in more prosperous times. The number of passengers carried, 13,833,978, while 600,000 larger than in 1915, is still much below the pre-war level of 1914, when the total reported was 15,638,312. Evidently, a measure of economy at least is being exercised by Canadians in regard to travel.

### VARIEGATED ASSETS.

The variegated character of the C. P. R.'s assets, which make of it much more than a great railway corporation, has frequently been commented upon. In the present balance sheet, the total assets are reported as \$960,217,058, of which the railway, rolling stock equipment and ocean, lake and river steamers account for \$530,788,979. Acquired securities, mainly consisting of railway bonds, but including also steamship companies' securities, hotels, stocks, an express company's stock, public markets and municipal bonds stand at cost, \$111,793,715. Other assets, aggregating \$127,129,136, include 7,870,056 acres of land, timber lands and mills, demonstration farms, improved farms, coal, natural gas and petroleum rights, collieries, shares in a smelting company and power plant and live stock advanced to farmers having contracts with the Company on security lien notes. The extraordinarily liquid position of the Company at present is seen in the fact that while cash on hand is \$41,581,681 and total working assets, \$69,738,327, current liabilities are only \$15,511,225. It is noted in the President's report that the steamship revenue reported as \$3,583,292 is exclusive of an amount transferred to reserve to cover the cost of replacing ships sold and destroyed and to cover any tax or excess profits that may be ultimately payable. The reserve for contingencies and for contingent war taxes is no less than \$14,103,178 against \$2,159,491, reserve for contingencies only last year. Moreover, the profits resulting from munition manufacture have not been taken into revenue, but have been set off as a contribution to patriotic and relief funds and other expenditures directly due to the war and not properly chargeable to working expenses. The whole report witnesses again to the prudent and far-sighted administration which has consistently marked the C.P.R. and which has been no more strongly in evidence than at the present time.



# 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.

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 Fund and Undivided Profits - 7,250,984

### BOARD OF DIRECTORS:

SIR H. MONTAGU ALLAN, C.V.O., President  
 K. W. BLACKWELL, Vice-President  
 THOS. LONG      C. C. BALLANTYNE      G. L. CAINS  
 ALEX. BARNET      F. HOWARD WILSON      A. B. EVANS  
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 ANDREW A. ALLAN      F. ROBERTSON  
 F. F. HEBDEN, Managing Director  
 D. C. MACAROW, General Manager  
 T. E. MERRETT, Superintendent of Branches and Chief Inspector

**A GENERAL BANKING BUSINESS TRANSACTED**

**206 BRANCHES AND AGENCIES IN CANADA**

Extending from the Atlantic to the Pacific

**SAVINGS DEPARTMENT AT ALL BRANCHES**

Deposits received and Interest allowed at best current rates

New York Agency: 63 and 65 WALL ST.

# IMPERIAL BANK OF CANADA

Head Office, - Toronto

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

PELEG HOWLAND, President      E. HAY, General Manager



Drafts, Money Orders and Letters of Credit issued available throughout the World.

Dealers in Government and Municipal Securities. Dealers in Foreign and Domestic Exchange.

Savings Departments at all Branches.

Interest Credited Half-yearly at Current Rates. General Banking Business Transacted.

**126 BRANCHES IN CANADA**



**COMPARATIVE ABSTRACT OF THE BANK STATEMENT, JULY, 1916.**

(Compiled by The Chronicle).

	July 31, 1916.	June 30, 1916.	July 31, 1915.	Month's Movement, 1916.	Month's Movement, 1915.	Year's Movement.
<b>Assets.</b>						
Specie	\$ 65,694,805	\$ 66,020,085	\$ 62,434,462	-\$ 325,280	-\$ 399,026	+\$ 3,260,343
Dominion Notes	140,574,483	142,655,273	129,793,677	- 2,080,790	- 1,430,951	+ 10,780,806
Deposit in Central Gold Reserve	19,010,000	17,710,000	6,350,000	+ 1,300,000	+ 850,000	+ 12,660,000
Notes of other Banks	16,088,346	14,005,207	12,346,056	+ 2,083,139	+ 779,029	+ 3,742,290
Cheques on other Banks	60,333,205	68,856,114	34,950,462	- 8,522,909	- 4,982,644	+ 25,382,743
Deposit to secure Note issues	6,850,316	6,821,011	6,762,749	+ 29,305	- 14,843	+ 87,567
Deposits with and balances due other Banks in Canada	8,156,880	7,103,886	5,934,453	+ 1,052,994	+ 59,435	+ 2,222,427
Due from Banks, etc., in U.K.	20,497,843	20,977,695	20,990,636	- 479,852	- 1,289,407	- 492,793
Due from Banks, etc., elsewhere	73,763,068	75,384,594	37,009,076	- 1,621,526	- 3,701,488	+ 36,753,992
Dom. and Prov. Securities	21,375,086	22,334,901	11,657,713	- 959,815	+ 114,557	+ 9,717,373
Can. Mun. For. Pub. Securities	148,916,278	124,637,308	31,510,363	+ 24,278,970	+ 3,461,324	+ 117,405,915
Rlwy. & other Bonds & Stocks	68,609,064	69,443,949	76,542,569	- 834,885	+ 40,919	- 7,933,505
Total Securities held	238,900,428	216,416,158	119,710,645	+ 22,484,270	+ 3,616,800	+ 119,189,783
Call Loans in Canada	87,355,648	86,776,474	71,168,233	+ 579,174	- 2,459,954	+ 2,459,954
Call Loans outside Canada	177,121,733	182,757,015	117,821,174	- 5,635,282	- 6,783,701	+ 59,300,559
Total Call and Short Loans	264,477,381	269,533,489	188,989,407	- 5,056,108	- 9,243,655	+ 75,487,974
Current Loans and Discounts in Canada	740,040,741	747,470,541	758,349,517	- 7,429,800	- 1,584,637	- 18,308,776
Current Loans and Discounts outside	62,356,259	60,081,584	41,784,633	+ 2,274,675	+ 2,511,513	+ 20,571,626
Total Current Loans & Discounts	802,397,000	807,552,125	800,134,150	- 5,155,125	+ 926,876	- 2,262,850
Loans to Dominion Government	5,000,000		10,000,000	+ 5,000,000	+ 5,000,000	- 5,000,000
Loans to Provincial Governments	1,079,765	1,359,145	4,076,579	- 279,380	- 50,780	- 2,996,814
Loans to Cities, Towns, etc.	42,385,096	46,773,032	44,029,446	- 4,387,936	- 2,860,370	- 1,644,350
Bank Premises	49,479,938	49,387,437	47,681,757	+ 92,501	+ 189,891	+ 1,798,181
<b>TOTAL ASSETS</b>	<b>1,841,266,589</b>	<b>1,836,347,821</b>	<b>1,558,870,279</b>	<b>+ 4,918,768</b>	<b>- 15,340,662</b>	<b>+ 282,396,310</b>
<b>Liabilities.</b>						
Notes in Circulation	\$ 123,530,451	\$ 123,373,395	\$ 100,412,424	+ 157,056	+\$ 786,998	+\$ 23,018,027
Due to Dominion Government	8,385,731	24,583,598	6,418,042	- 6,197,867	- 3,736,337	+ 1,967,689
Due to Provincial Governments	26,878,397	24,153,175	30,595,297	+ 2,725,222	+ 599,205	- 3,716,900
Deposits in Canada, payable on demand	431,958,188	428,117,340	340,950,215	+ 3,840,848	- 8,107,136	+ 91,007,973
Deposits in Canada, payable after notice	789,363,919	767,598,130	691,731,719	+ 21,765,789	+ 7,970,287	+ 97,632,200
Total Deposits of Public in Can.	1,221,322,107	1,195,715,470	1,032,681,934	+ 25,606,637	+ 136,849	+ 188,649,173
Deposits elsewhere than in Canada	171,167,615	176,922,950	98,762,226	- 5,755,335	- 13,480,278	+ 72,405,389
Total deposits, other than Govt.	1,392,489,722	1,372,638,420	1,131,444,160	+ 19,851,302	- 13,617,127	+ 261,045,562
Deposits & Bal., other Can. Bks.	10,235,678	9,289,962	7,653,849	+ 945,716	- 162,673	+ 2,581,829
Due to Bks. & Correspts. in U.K.	3,656,284	4,874,644	8,970,759	- 1,218,360	+ 103,894	- 5,314,475
Due to Banks & Correspts. else- where	14,327,881	16,872,817	12,965,399	- 2,544,936	- 174,251	+ 1,362,482
Due to Imperial Government	1,419,500	1,029,250		+ 390,250	-	+ 1,419,500
<b>TOTAL LIABILITIES</b>	<b>1,599,119,699</b>	<b>1,596,154,315</b>	<b>1,316,311,503</b>	<b>+ 2,965,384</b>	<b>- 16,086,899</b>	<b>+ 282,808,196</b>
<b>Capital, etc.</b>						
Capital paid up	\$112,852,038	\$112,846,435	\$113,984,488	+ \$ 5,603	+ \$ 99	- \$ 1,132,450
Reserve Fund	113,022,933	113,022,933	113,060,988	-	-	- 38,055
Loans to Directors & their firms	8,841,147	8,520,364	8,481,480	+ 320,783	- 33,734	+ 359,667
Greatest Circulation in Month	129,225,475	124,850,445	104,166,355	+ 4,375,030	+ 999,611	+ 25,059,120

**THE JULY BANK STATEMENT.**

(Continued from front page)

\$238,900,428, against \$100,726,968 two years ago. In 1914 the banks held, against note circulation and deposits of all kinds, which then aggregated \$1,254,060,146, immediately available reserves of specie and Dominion note holdings, deposits in the Central Gold Reserve and to secure the note issues, net bank balances abroad and foreign call loans amounting to \$308,016,080, a proportion of 24.6 per cent. At July 31 last, the note circulation and deposits of all kinds stood at \$1,552,703,801, and the immediately available reserves particular-

ised above at \$485,528,083, a proportion of 13.3 per cent. The growth in immediately available assets to liabilities to the public during the two years of war has thus been nearly 7 per cent.

**ROYAL BANK ENTERING VENEZUELA.**

The Royal Bank of Canada is extending its southern interests by opening a branch at Caracas, Venezuela, a step which it is understood will be followed by the opening up of branches at other centres in that country. This step should be of great service in fostering Canadian trade in a new field, which appears to have been mainly occupied hitherto by German interest.

## THE ROYAL BANK OF CANADA

INCORPORATED 1869

Capital Paid up \$11,820,000 Reserves \$13,236,000  
Assets \$235,000,000

HEAD OFFICE - MONTREAL.

325 BRANCHES THROUGHOUT CANADA

28 Branches in Cuba, Porto Rico, Dominican Republic and Costa Rica

BRITISH WEST INDIES

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

Head Office: TORONTO

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

C. A. BOGERT, General Manager

The LONDON ENGLAND BRANCH  
of THE DOMINION BANK

at 73 Cornhill, E.C., conducts a General Banking and Foreign Exchange Business and has ample facilities for handling collections and remittances from Canada.

# THE BANK OF TORONTO

Incorporated 1868.

Head Office: TORONTO, Canada.

CAPITAL ..... \$5,000,000  
RESERVED FUNDS ..... \$6,439,382

DIRECTORS.

W. G. GOODERHAM, President. J. HENDERSON, Vice-President.  
WILLIAM STONE, JOHN MACDONALD, LT. COL. A. E. GOODERHAM,  
BRIGADIER-GENERAL F. S. MEIGHEE, J. L. ENGLEHART, WM. I. GEAR, PAUL J. MYLER,  
THOS. F. HOW, General Manager.  
JOHN R. LAMB, Supt. of Branches. T. A. BIRD, Chief Inspector.

Bankers

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

### ACCURACY and EFFICIENCY in BANKING.

The customers of The Bank of Toronto are assured of accuracy, promptness and efficiency in all their transactions. This Bank with its staff of trained officials, pays special attention to this phase of modern Banking Service. Your business and private accounts are invited. Complete facilities at all Branches.

## THE BANK OF NOVA SCOTIA

INCORPORATED 1832.

CAPITAL ..... \$6,500,000.00  
RESERVE FUND ..... 12,000,000.00  
TOTAL ASSETS over ..... 100,000,000.00

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

## HOME BANK OF CANADA

ORIGINAL CHARTER 1854

Branches and Connections throughout Canada.

OFFICES IN MONTREAL:

Chief Office: Transportation Building, St. James St.  
Bonaventure Branch, 623 St. James St.  
Hochelaga Branch, Cor. Cuvillier and Ontario Sts.  
Mount Royal Branch, Cor. Mount Royal & Papineau Av.

## The Bank of Ottawa

Established 1874

Head Office - - - OTTAWA, Canada

Paid-up Capital - - - \$4,000,000  
Rest and Undivided Profits - 4,996,304  
Total Assets, over - - - 55,000,000

### BOARD OF DIRECTORS

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

SIR HENRY N. BATE, ALEXANDER MACLAREN  
RUSSELL BLACKBURN, DENIS MURPHY,  
SIR HENRY K. EGAN, HON. SIR GEORGE H. PERLEY  
E. C. WHITNEY.

GEORGE BURN, D. M. FINNIE,  
General Manager. Assistant General Manager  
W. DUTHIE, Chief Inspector.

**MUNICIPAL SINKING FUNDS.**

Mr. Thomas Bradshaw, Toronto's financial commissioner, did good service in pointing out in an address to the Union of Canadian Municipalities, the necessity of a conservative and businesslike administration of City sinking funds. Life insurance companies and other large investors in Canadian municipal bonds have had some reason to complain before now of the methods adopted by those responsible for the sinking funds of certain Canadian cities. In some cases, sinking fund monies has been placed in investments not entirely suitable for the purpose, a course of action dictated, it may be surmised, by other than purely financial considerations. Happily these cases are few and in the vast majority of Canadian municipalities, adequate precautions and care are taken in the making of civic sinking-fund investments. Under present circumstances, however, no Canadian municipality can afford to be anything else but above suspicion if it is to continue to finance its requirements satisfactorily. A few months ago, Mr. Bradshaw was employed to investigate Ottawa's sinking fund, and found it in a particularly healthy condition, there being a surplus in the fund of 10 per cent. more than the sum required. The facts disclosed in this report cannot but make a favorable impression on those who are interested in the City's securities from an investment standpoint. Mr. Bradshaw emphasises the necessity of so investing sinking funds that consistent with absolute safety, they shall be

made to earn the highest possible return, thus securing a surplus and adding materially to the city's revenue. In the case of the Ottawa sinking fund, the average rate of interest earned is only 3.74 per cent., large cash holdings apparently having the effect of pulling down the average rate. In any case, the rate is a low one, and the problem of making sinking fund investments remunerative as well as safe appears worthy of more attention on the part of municipal financiers than has hitherto been given it.

**MR. JOHN AIRD ON FINANCIAL LONDON'S POSITION.**

Mr. John Aird, general manager of the Canadian Bank of Commerce, returned this week to Toronto from a short visit to London, England, in the course of which he met both the Chancellor of the Exchequer and the Governor of the Bank of England.

"The conviction that Germany deliberately plotted the economic and military subjugation of the British Empire has been brought home to the British people only within the last year," said Mr. Aird, "and the result has been to prevent even the most casual visitor to the British Isles entertaining any doubt as to the outcome of the great struggle. The British people do not expect to win without greater efforts than they have already made. They realize that Germany will die hard, but the task is in hand now, and recent developments were part of the plans which have been foreseen on the other side for some time."

Mr. Aird states that the British Treasury authorities have brought about a situation that makes it abundantly clear that the Empire is able to stand any financial strain that the most pessimistic estimate of the length of the war would suggest:—"The Chancellor of the Exchequer is evidently quite prepared to pay a good price for his money now, especially as he is promoting habits of thrift and an enormous investment of private funds in National securities. The commission appointed to encourage savings by the issue of one-pound notes for working people has performed its work very well and the aggregate amount subscribed by small savers has been enormous.

"The best financial authorities of the City are not greatly concerned over the status of London as the world's financial centre after the war, and my own view is that the prestige of the Metropolis in international finance will be strengthened rather than diminished by its domination of international finances since the war began," said Mr. Aird. "The Allies control seventy per cent. of the output of the world's gold. Britain can direct this basis of enormous credit where she pleases, and she does it, and in the third year of war, after her unparalleled financing, she is still on a gold basis.

"There is no doubt that one of the great surprises of the war to the powers has been the extent of the help which the colonies have been able to give the Mother Country. I believe that most of the military experts, on the continent particularly, regarded Great Britain's overseas dominions as a source of military weakness, and certainly the people of Great Britain itself never expected the newer parts of the Empire to do half what they have already accomplished."

ESTABLISHED 1873.

The

**Standard Bank**

of CANADA

**Head Office, TORONTO**

124 BRANCHES THROUGHOUT THE DOMINION



**SECURITY** for both principal and interest is the first essential of an investment; the ability to realize quickly the second. Judged by these standards, a deposit in the savings department of this Bank is an ideal form of investment.



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



**The Trust and Loan Co.**  
OF CANADA

Capital Subscribed. . . . \$14,600,000.00  
Paid-up Capital. . . . 2,920,000.00  
Reserve Funds. . . . 2,859,855.75

MONEY TO LOAN ON REAL ESTATE

**30 St. James Street, Montreal.**

**The Royal Trust Co.**

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

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**107 St. James St., MONTREAL.**

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

**PRUDENTIAL TRUST COMPANY LIMITED**

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**9 ST. JOHN STREET MONTREAL.**

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**Safety Deposit Vault**  
Terms exceptionally moderate.  
Correspondence invited.

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

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**WESTERN Assurance Company**  
Incorporated in 1851

**FIRE, EXPLOSION, OCEAN MARINE AND INLAND MARINE INSURANCE**

ASSETS over **\$4,000,000.00**

LOSSES paid since organization of Company over **\$63,000,000**

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**HEAD OFFICE . . . TORONTO**

**Returning Confidence**

The storm is the test of the ship. The strength of the Empire is being tested by the fiercest gale that ever blew.

With the nation the institutions that compose it have suffered, not one financial organization has escaped.

The Life Insurance Companies of England and Canada are being tested and tried but are not found wanting.

The Mutual of Canada, for instance, has not only held its own but has made substantial progress during every day of the war.

The wave of returning confidence finds The Mutual of Canada on the crest, stronger and more prosperous than ever.

Assurances in Force \$100,000,000  
Assets . . . 27,000,000

**The Mutual Life Assurance Co. of Canada**  
WATERLOO, ONTARIO.

E. P. Clement, Pres. George Wegenast, Man. Director

**THE LIFE AGENTS MANUAL**  
**THE CHRONICLE, 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).

ON SALE AT THE CHRONICLE OFFICE, . . . 10 ST. JOHN STREET, MONTREAL

MONTREAL

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## LLOYD'S LIMITATIONS.

With reference to the article "Lloyd's Limitations," quoted in our last issue from the *Manchester Policyholder*, we have received the following letter:—

To The Editor of The Chronicle:—

Re "Lloyd's Limitations"

Sir:—I have read with interest your article under this heading in your issue of the 18th August, and, as I have some insurance placed at "Lloyd's," I shall greatly appreciate further information which will no doubt be of benefit to other of your readers.

The article in question accuses the members of "Lloyd's" of "lack of stability," "jumpiness," "lack of financial strength," "short-sightedness," "niggardliness," etc. It then goes on to say: "The man in the street knows nothing of Underwriters; he only pays regard to the magic title 'Lloyd's.'"

My curiosity is aroused as to how an institution possessing the qualities which you describe can have achieved a "magic title."

It seems almost incredible that "Lloyd's," after two hundred years' operation in the city of London, can have built up a reputation, second only to the Bank of England, by means of "lack of stability," "lack of financial strength," "niggardliness," etc.

These qualities are not appreciated in Montreal, and if report speaks true, they are even less appreciated in London.

I made enquiries a short time ago in London concerning the effects of the War on "Lloyd's," and I was informed from most influential quarters that at no period in its history had "Lloyd's" stood higher in public and financial estimation than at the present time, and I believe that this opinion could be confirmed by enquiries made in London through any Canadian Bank.

I shall very much appreciate your publishing this letter with any comment or explanation which might help doubters like myself.

Yours faithfully,

P. L. LUKIS.

MONTREAL, August 21st.

Mr. Lukis appears to have overlooked the fact that the article in question was not *THE CHRONICLE'S*, but was a reproduction of an article appearing in the *Manchester Policyholder*, and quoted in our columns as a matter of interest. Some apropos comment on Mr. Lukis' letter is also supplied by the *Policyholder* in replying to a correspondent who had complained of the tone of the "Lloyd's Limitations" article. The *Policyholder* says:—

"Insurance men know that Lloyd's is not an institution, in the ordinary acceptance of the term, any more than the Fire Offices' Committee is an institution, or the Stock Exchange is an institution. Just as stock brokers are not jointly and severally liable for contracts entered into by all the other brokers operating in "The House" (as they like to call the Stock Exchange) so Lloyd's Underwriters are not jointly and severally liable for all the contracts arranged on the top floor of the Exchange.

"To all intents and purposes Lloyd's is a union of four to five hundred separate institutions, as the F.O.C. is a union of less than one hundred institutions. But the turnover and resources of the tariff offices exceed that of Lloyd's time and again, and

we say that, in the true sense of the term, Lloyd's is very far from being 'the greatest insurance institution in the world.'"

The *Policyholder* goes on to call attention to the fact (referred to more fully elsewhere in this issue) that a member of Lloyd's recently applied to the English courts for a compulsory dissolution of his partnership with an enemy alien now interned and remarks that "anyone looking at a list of Lloyd's Underwriters must notice the large number of names which certainly cannot be described as British." The *Policyholder* continues:—

"There are well on the way to 500 underwriters at Lloyd's, and the firm of R. D. Denman is the only one which, to our knowledge, ever issues a balance sheet. We have frequently drawn attention to this lack of publicity, and we now say we will gladly find space in our columns for the report and accounts of any firm. The fact is they avoid publicity, and the general public has no information as to the character and extent of the business and resources of these underwriters. We consider the position highly unsatisfactory."

To which comment of the *Policyholder*, *THE CHRONICLE* would add this of its own:—There have been cases where all of Lloyd's underwriters interested have failed to pay losses, but in such cases brokers have made good the deficiency rather than let it be supposed that a Lloyd's policy is not worth a hundred cents on the dollar. It is, of course, generally known that Lloyd's underwriters are not licensed in Canada, and doing an unlicensed business they escape practically all Canadian taxation.

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### ACCIDENT POLICIES AND SUICIDE.

While accident policies in Canada naturally exclude suicide from the risks covered, the suicide question is apt to give casualty underwriters considerable trouble from time to time. Some of the companies follow the practise in cases of suicide of paying a small fraction of the face of the policy, in this way saving themselves from the menace of being proceeded against subsequently for the face of the policy on the ground that death was the result of an accident and not a case of suicide. The legal axiom that no man will deliberately take his own life throws, in cases of this character, the burden of proof of suicide upon the company, a proof that is not always easy to get when families for social as well as possibly financial reasons, take every step to hush things up, and coroner's juries have a *penchant* for being as kind as possible. Moreover, it is not every suicide who leaves behind him clear evidence of his intention.

Down in Missouri, there is no defence to suicide under an accident policy for it has been held that a policy of accident insurance is a contract of life insurance, and the statutes state that suicide shall be no defense to a life policy unless the suicide was actually contemplated at the time the policy was issued. It is very difficult to prove that the suicide was actually in the mind of an insured at the time he took out his policy, so that in most cases policies become payable immediately upon the suicide of an insured in Missouri. A number of cases are being tried at the present time which are seeking to avoid this statute for accident policies and the results of the cases in suit are being awaited with much interest by the insurance companies.

**CANADA PERMANENT MORTGAGE CORPORATION**  
**QUARTERLY DIVIDEND**

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

TEN PER CENT PER ANNUM

on the paid-up capital Stock of the Corporation, has been declared, and that the same will be payable on and after **MONDAY, THE SECOND DAY OF OCTOBER** next, to Shareholders of record at the close of business on the Fifteenth day of September.

By order of the Board,

Toronto, August 30th, 1916.

**GEO. H. SMITH, Secretary.**

*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.

**Atlas Assurance Co., Limited**  
of LONDON, ENGLAND

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

At the Accession of	Income	Funds
KING GEORGE IV. \$	387,065	\$ 800,605
KING WILLIAM IV.	657,115	3,038,380
QUEEN VICTORIA	789,865	4,575,410
KING EDWARD VII.	3,500,670	11,185,405
KING GEORGE V.	6,846,895	15,186,090
and at		
31st DECEMBER, 1915	7,757,140	19,953,150

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

Agents wanted in unrepresented districts.

Head Office for Canada:

**179 St. James St., MONTREAL**

**MATTHEW C. HINSHAW, Branch Manager**



**Assets:**  
**\$10,178,345.13**

**Surplus to Policyholders:**  
**\$5,169,684.89**

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

**AUSTRALIA and NEW ZEALAND**  
**BANK OF NEW SOUTH WALES**

(ESTABLISHED 1817)

Paid-up Capital	- - - -	\$17,500,000.00
Reserve Fund	- - - -	13,375,000.00
Reserve Liability of Proprietors	- - - -	17,500,000.00
	- - - -	<u>\$48,375,000.00</u>
Aggregate Assets 31st March, 1916	- - - -	\$310,327,208.00



**J. RUSSELL FRENCH, General Manager.**

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

Head Office:  
**GEORGE STREET, SYDNEY.**

Agents: Bank of Montreal  
 Foyal Bank of Canada

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



### A.O.U.W. MEMBERS' TROUBLES.

The daily papers this week have been giving prominence to the hard fate of members of the Ancient Order of United Workmen of the Province of Ontario, who have lately received notification of the severe pruning of their policies as a result of the scheme to place the Order upon an actuarial basis. How severe the pruning is may be gauged from the case cited of a member who joined the Order 32 years ago. His certificate for \$2,000, for which he has already paid in cash over \$800, is reduced to \$982, and he must pay \$8 a month to keep this reduced certificate in force. The case is perhaps an extreme one, but undoubtedly the old members of the Order, most of whom probably are now uninsurable, are being very badly hit.

This scaling down of the Order's liabilities follows legislation with this object passed at the last session of the Ontario legislature. Admittedly, the Order has been insolvent for a number of years. Two or three years ago, an attempt was made to right matters, but owing to dissensions among the members, a compromise was arrived at and the efforts made to put matters right failed of their object. Things then went from bad to worse and finally a scheme was put through providing for the scaling-down of certificates by from 20 to 30 per cent. and a re-arrangement of rates, the effect of the action being to reduce the Order's outstanding insurance from about \$30,000,000 to \$20,000,000 and to ensure the Order an adequate income for the future. The scaling-down of certificates has been done individually, with the result that some 26,000 policyholders find that their policies have been cut from 25 to 50 per cent. and they are obliged to pay enhanced rates to keep even the reduced amounts in force.

Unsound fraternal insurance has given its dupes some hard knocks in Canada during recent years, and it is to be hoped that we are now about at the end of the chapter. However, new crops of suckers who will fall for the bait of something for nothing are always growing up, and probably nothing save a law prohibiting the starting of fraternal insurance schemes with anything less than actuarial rates will serve to stop the dangerous nuisance. Ontario a short time ago did something in this direction by the passing of legislation requiring these societies to place themselves on a sound footing within a specified time. The legislation was lenient enough towards the societies, but was better than nothing, and might well be followed by other provinces. It is a crying shame that in any Canadian province ignorant or unscrupulous individuals should be able to deceive the unwary under the guise of fraternal insurance with, inevitably, such pitiable results as the A. O. U. W. has produced.

The Bank of England continues its official rate of discount at 6 per cent.

### LETTERS OF A BEGINNER IN THE LIFE INSURANCE FIELD.

(1)

MONTREAL, August 28th, 1916.

Dear Jack,

As you say, it *is* hard to have the Bank one worked for so long "go up" in a moment—but I am satisfied I did the right thing in coming here. "No more desk work" is my motto now, henceforward and forever!

I told you my plans, I think. I had enough money saved to keep me—economically—for a year or two and I decided to become a Life Insurance Agent. You know I thought a lot of my own policy, and the insurance business had always appealed to me. So I came to this City and have just interviewed the President of the Indomitable Life. He's as big a man mentally as their building is big physically, and HUMAN from head to heel. He's the kind, too, that finds out everything easily and naturally, and I saw in a very few minutes that he had me "sized up." Fortunately, his judgment was favourable, and I'm to start in to-morrow as the proud possessor of a little office of my own—out Mile End way—and will work on the commission basis—which means if I don't write any business I don't get any money. That seems fair enough. The President was very candid with me, I thought. "You might start in at Mile End," he said, "It isn't a Golconda—the folks there are not at all rich people—mostly small tradesmen and the like. However, you speak French (Heaven knows my limitations as a linguist, but I said nothing!) and the district is half French and half English. Of course, you can pick up business anywhere in the City—it's open territory—but my advice to you is to make yourself felt where you live and build up a business among your neighbors, I have mentioned Mile End because you will not, the first year, make a lot of money no matter where you settle, and you'll find if you live where I suggest that your expenses will be just as limited as you desire to make them."

So here I am—in a little office near the Railroad Station—and to-morrow I start off to select a boarding-house. Then, *hard work!* It's an adventure—and I like adventures. I'll write you again in a day or two.

Yours sincerely,

JIM.

(Continued in our next issue).

Investors are watching with increased interest the stupendous game of finance which is being played in the old world, wondering at the marvelous strength and impregnability of the gigantic structure which the Allies' financial advisers have reared. The task has been so immeasurably great, and the performance of it so amazingly skilful and finished, that even superlatives fail to express it adequately.

—Boston Transcript.




**CANADA BRANCH HEAD OFFICE, MONTREAL.**

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



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**MONTREAL**

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 Lewis Laing, *Vice-President and Secretary.*  
 M. Chevalier, Esq. A. G. Dent, Esq. John Emo, Esq.  
 Sir Alexandre Lacoste. Wm. Molson Macpherson, Esq.  
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# FIDELITY (FIRE) UNDERWRITERS


OF NEW YORK

Policies assumed half by the Fidelity-Phenix Fire Insurance Company and half by the Continental Insurance Company

**Combined Assets \$49,748,239 - Policyholders' Surplus \$29,245,805**

**HEAD OFFICE FOR CANADA AND NEWFOUNDLAND**  
 17 ST. JOHN STREET, MONTREAL

W. E. BALDWIN, Manager. JOS. ROWAT, Asst. Manager.



## The Northern Assurance Co. Limited

**"Strong as the Strongest"**

Accumulated Funds 1914, \$41,615,000

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

G. E. MOBERLY, Supt. of Agencies. ROBERT W. TYRE, Manager.

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

**AGENTS ——— INSURANCE ——— BROKERS**

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## CANADIAN FIRE RECORD

*Specially compiled by The Chronicle.*

### NORTHERN ONTARIO FIRES.

Complete returns are not yet to hand from several points in Northern Ontario which were swept by the recent bush fires. The following list of companies interested at Cochrane, Ont., which the recent fires destroyed, has been furnished us:—Alliance, \$4,000; Caledonian, \$13,500; British Crown, \$6,000; Coml. Union, \$1,200; Employers, \$8,600; General of P., \$8,320; Liverpool & London & Globe, \$27,000; London & Lancashire, \$37,980; Norwich Union, \$20,000; Northern, \$4,500; Royal, \$17,500; Sun, \$16,850; Union, \$33,280; New York Underwriters, \$19,675; Glens Falls, \$13,300; Niagara, \$9,850; Globe & Rutgers, \$10,850; Home, \$500; Providence-Washington, \$500; Insurance Company of North America, \$500; Queen, \$7,500; Acadia, \$2,000; Canada National, \$6,250; Canadian Fire, \$1,000; Nova Scotia, \$2,500; Western, \$10,275; General of Paris, \$1,750; Total, \$285,180.

### FIRE AT CASEY COBALT SILVER MINE, COBALT, ONT.

By the fire which occurred on the 21st inst. on the premises of the Casey Cobalt Silver Mining Company, Cobalt, Ont., the following companies are interested:—Commercial Union, \$7,500; Palatine, \$7,000; North America, \$5,000; North British & Mercantile, \$5,000; Britannic Underwriters, \$5,000; Northern, \$5,000; Union, \$5,000; Norwich Union, \$5,000; Sun, \$5,000; Royal, \$3,000; L'Union of Paris, \$2,500; British Dominions, \$2,500; British Colonial, \$2,500; Niagara, \$2,500; Springfield, \$2,500; New York Underwriters, \$2,500; Queen, \$2,500; Caledonian, \$2,500; Yorkshire, \$2,000; Western, \$2,000; Hudson Bay, \$1,750; Total, \$78,250. Loss about total.

### FIRE AT CRÆSUS MINE TOWNSHIP OF MUNRO, NORTHERN ONTARIO.

The following companies are interested in the fire which occurred in the Cræsus Mine, Northern Ontario on the 21st instant:—London & Lancashire, \$7,500; Sun, \$7,500; Union, \$7,500; Niagara, \$5,000; British Crown, \$5,000; North Empire, \$5,000; Canada National, \$5,000; British Dominions, \$5,000; British America, \$5,000; Total, \$52,500. Total loss.

### FIRE AT COURTENAY, B.C.

By the fire which destroyed Courtenay, B.C., on the 21st ult., the following Companies are interested:—London & Lancashire, \$8,950; Royal, \$8,450; Stuyvesant, \$7,000; Commercial Union, \$6,600; Glens Falls, \$4,500; New York Underwriters, \$4,250; Queen, \$3,000; Northern, \$2,000; London Assurance, \$1,500; Palatine, \$1,000; Nova Scotia, \$1,500; London Mutual, \$750; Total, \$49,500. Total loss.

TORONTO.—Slight damage in Marsella Hall at Alexandra Industrial School, East Toronto. Origin, defective electric wire.

Dwelling houses, 1 to 6 Keele Street, damaged, August 29th. Owned by Mr. Langford, Clinton Street, who places loss at \$9,000. Tenants' loss about \$3,000.

Ice-cream factory in rear of 68 Davenport Road, occupied by A. L. C. Hopkins, damaged. Loss \$300 covered by insurance.

Plant of Interurban Electric Light Company, 215 Mavety Street, damaged \$5,000. Origin, lightning.

BROMHEAD, SASK.—Town practically wiped out by fire starting in Tergunrud's livery barn and adjoining crops also damaged. Loss includes hotel, \$12,000, no insurance; Bromhead Trading Company, \$7,000, with \$4,000 insurance; Rogers Lumber Company, \$6,000, insured.

NEW LISKEARD, ONT.—Forest fires in this district destroyed buildings and stocks of 20 farmers in Hudson township, and a large quantity of timber at Diver. Several lives reported lost.

BERLIN, ONT.—Large bank barn of Ezra Weber destroyed with contents including this year's crops, 18 hogs and farm implements, August 15. Loss \$3,000, partly covered by insurance. Origin, unknown.

SIMCOE, ONT.—Barns of Keith Maybee destroyed, August 25, with implements and crops. Some insurance. Sixth barn in this district destroyed by lightning or unknown cause within few weeks.

LISTOWEL, ONT.—Adolph's hardware store, building owned by J. W. Scott damaged, August 25. Much of contents destroyed. Buildings and contents insured.

Radley hotel at Flesherton Station destroyed with contents, August 22. Origin, overheated stove-pipe. Insurance on building and contents, \$2,600.

NEWMARKET, ONT.—Glenville grist mill, owned by F. H. Robinson destroyed, August 16. Loss \$6,000 with \$1,000 insurance.

NEW HAMBURG, ONT.—Office of G. N. W. Telegraph Co. slightly damaged, August 22. Origin, switch burnt out.

TEESWATER, ONT.—Barn of G. Lippert near Chepstow destroyed, August 15, with this season's crops.

Home of F. M. Bogart, Court Street, damaged, August 16, in absence of family. Loss \$1,200.

HALIFAX, N.S.—Western Union Telegraph Company's steamer "Minia" damaged, August 27.

CHICOUTIMI, QUE.—Forest fires have done much damage between this town and St. Alphonse.

FLESHERTON, ONT.—W. J. Mead's barn destroyed with contents, August 22. Loss, \$1,500.

LACOLLE, QUE.—D. & H. Railway station destroyed, August 27.

### PERSONAL.

Mr. H. C. Cox, president of the Canada Life, is on a Western trip.

\* \* \*

Messrs. Mortimer B. Davis and G. H. Duggan, of Montreal, have been elected directors of the Royal Bank, in succession to the late Messrs. T. J. Drummond and Wiley Smith.

\* \* \*

Mr. A. E. Boyle, the newly-appointed secretary-treasurer of the Winnipeg Board of Trade, was, prior to his appointment, on the Winnipeg agency staff of the Mutual Life of Canada.

\* \* \*

Recent enlistments of those associated with the Mutual Life of Canada include Mr. R. T. Graham, agent at Swift Current, Sask.; Mr. Ceci H. Ruby (Army Service Corps), son of Mr. Charles Ruby, the Mutual Life's secretary; Mr. Arthur J. Roos, son of Mr. Julius Roos, treasurer, who has already one son at the Front, and Mr. Grant Harper, son of the assistant treasurer of the Mutual Life.



## COMMERCIAL UNION

ASSURANCE COMPANY LIMITED  
of LONDON, England

The largest general insurance Company in the world  
(As at 31st December 1915)

Capital Fully Subscribed . . .	\$14,750,000
Capital Paid Up . . . . .	1,475,000
Life Fund, and Special Trust Funds . . . . .	74,591,540
Total Annual Income exceeds . . . . .	47,250,000
Total Assets exceed . . . . .	142,000,000
Total Fire Losses Paid . . . . .	183,366,690
Deposit with Dominion Government . . . . .	1,225,467

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 1915)

Capital Fully Paid . . . . .	\$1,000,000
Fire Premiums 1914, Net . . . . .	\$2,500,505
Interest, Net . . . . .	140,220
Total Income . . . . .	\$2,640,725
Funds . . . . .	\$4,738,520
Deposit with Dominion Gov't . . . . .	\$250,567

*In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Assets exceed \$142,000,000 . . . . .*

APPLICATIONS FOR AGENCIES SOLICITED  
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—

**Commercial Union Building,  
MONTREAL**

J. McGREGOR,  
Manager

W. S. JOPLING,  
Assistant Manager

COMMENCED BUSINESS 1901  
RECEIVED DOMINION CHARTER 17th JUNE 1908

Capital Stock Subscribed	Capital Stock Paid up
<b>\$500,000.00</b>	<b>\$174,762.70</b>

## The Occidental Fire

INSURANCE COMPANY  
Under the control of the North British & Mercantile Insurance Company

RANDALL DAVIDSON, President  
C. A. RICHARDSON, Vice-President and Secretary  
DIRECTORS  
S. E. RICHARDS W. A. T. SWEATMAN N. T. HILLARY

Head Office - - WINNIPEG, MAN.  
Agents Required at Unrepresented Points

ESTABLISHED 1809

Total Funds Exceed	Canadian Investments Over
<b>\$109,798,258.00</b>	<b>\$9,000,000.00</b>

## FIRE AND LIFE North British and Mercantile INSURANCE COMPANY

DIRECTORS  
W. M. McMASTER Esq. G. N. MONCEL, Esq.  
E. L. PEARSE, Esq.  
Head Office for the Dominion:  
80 St. Francois Xavier Street - MONTREAL.  
Agents in all the principal Towns in Canada.  
RANDALL DAVIDSON, Manager.  
HENRY N. BOYD, Manager, Life Dept.

## 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.

LYMAN ROOT,  
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.

THE LIFE AGENTS' MANUAL  
Published by The Chronicle, Montreal

MONTREAL

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**GERMANS AT LLOYD'S.**

The following is reproduced from the Manchester *Policyholder*:—

"A few weeks since Mr. William King Webster applied to the court for a dissolution of his partnership with Mr. Samuel Helfert, now interned in the Isle of Man as an enemy alien, the partnership having been carried on under the style of Wendt and Company. The report of the case stated that 'The business of the partnership consisted of acting as representatives in London of underwriters and associations of underwriters, chief among whom were an association of Paris underwriters, called the Comité des Assureurs Maritimes de Paris, which more or less combined the functions carried on by the London Institute of Underwriters and the Salvage Association, and associated with which were the Committees of Underwriters in Havre, Bordeaux, Marseilles and Nantes. The defendant, although resident in England for many years, was a German subject, and after the commencement of war he registered himself as a German subject, but remained in this country. Defendant continued to act with the plaintiff in the firm of Wendt and Co., although serious objections to the name of the firm and to defendant's connection with it were from time to time raised by the foreign clients of the firm, and by underwriters and associations in England and elsewhere, with whom business was transacted by the firm, and the firm was excluded from the use by the defendant of Lloyd's.

"The defendant, in his defence, through counsel said the firm was founded about the year 1860, under the style of 'E. E. Wendt,' by the late Dr. Ernest Emil Wendt, who was a German subject resident in England. With the exception of the plaintiff, all the partners in the firm had been either German subjects or persons of German origin, and until the outbreak of the present war the firm's business had consisted in acting as representatives of German and Austrian firms and other firms of foreign underwriters and marine insurance companies in Germany, Austro-Hungary and other foreign countries all over the world. The late Mr.

William Arnold, who was a German by origin, became a partner in the firm. Dr. Wendt died about 1896.'

"Anyone looking at a list of Lloyd's Underwriters must notice the large number of names which certainly cannot be described as British, so we imagine the less said on this point the better for Lloyd's."

**A CHANGE IN MAPS.**

Fire companies operating in the United States are preparing to take the making and maintenance of their fire maps under their own control. A committee in charge of the matter has reported in favor of maps on a card system, it being stated that this system in comparison with the old-style maps means a large saving in floor space and expense, a decided gain in home office efficiency and other advantages of convenience, promptness, elasticity and economy. It is proposed to organise a bureau for the purpose, to be financed by the companies.

**COMPARATIVE FIRE LOSSES.**

The statistics in the subjoined table compiled by the National Board of Fire Underwriters, while admittedly not exhaustive, are interesting as an index to the degree in which fire waste is tolerated in various countries. It will be seen that Canada continues to occupy an unenviable position in the list, with a very high *per capita* loss from year to year. Climate and construction are probably on the whole less responsible for this condition of affairs than a temperamental lack of care on the part of the whole population in regard to fire hazards and poor administration by municipal authorities. The war has shown that towns in Western Europe built of brick or stone have burned fast enough so far as contents and combustible parts are concerned, under conditions where supervision was withdrawn, and has made it evident that an inborn caution in regard to fire, drastic municipal regulations and a general desire to preserve property are highly important factors tending to a reduction of the fire loss.

**COMPARATIVE FIRE LOSSES.**

(Compiled by the National Board of Fire Underwriters.)

	Number of Cities Reporting Loss					Population.	Per Capita Loss.				
	1911.	1912.	1913.	1914.	1915.		1911.	1912.	1913.	1914.	1915.
Canada	1	5	6	6	3	249,344	2.61	2.88	2.46	3.58	2.79
United States	298	300	298	298	333	35,161,266	2.62	2.55	2.25	2.32	1.94
Argentina	1	1	1	1	1	.....	.....	3.58	4.21	.....	.....
Austria	1	4	4	1	.....	.....	.08	.30	.25	.42	.....
Belgium	.....	1	1	.....	.....	.....	.69	1.36	.....	.....	
Chile	.....	.....	1	.....	1	220,000	.....	.....	.30	.....	.58
England	12	12	14	9	8	6,442,239	.53	.54	.33	.67	1.03
France	3	6	5	3	3	3,957,729	.81	.84	.49	.63	1.02
Germany	8	9	8	4	2	423,673	.21	.20	.28	.17	.49
Hawaii	.....	.....	1	.....	.....	.....	.....	.....	.69	.....	.....
Ireland	2	2	2	2	2	701,500	.58	.57	.28	.39	.55
Italy	6	3	5	5	3	1,078,691	.31	.90	.25	.37	.62
Japan	.....	.....	3	10	.....	.....	.....	.....	.59	.44	.....
Norway	.....	1	1	1	.....	253,000	.....	.69	.32	.48	.72
Philippine Islands	.....	.....	1	1	1	234,409	.....	.....	4.41	1.28	1.00
Russia	2	2	2	1	1	2,000,000	1.17	.84	.89	1.19	.95
Scotland	2	2	3	1	3	1,534,591	.56	.49	.36	5.35	1.62
South Africa	.....	.....	.....	1	.....	.....	.....	.....	.....	1.77	.....
Spain	.....	.....	1	1	1	608,700	.....	.....	2.30	.15	3.13
Sweden	.....	1	1	1	.....	392,427	.....	.13	.74	.54	.29
Switzerland	.....	1	1	1	.....	.....	.....	.04	.15	.19	.....
Netherlands	.....	2	1	1	1	321,853	.....	.12	.11	.07	.14





## ONTARIO'S INVESTIGATION OF FIRE COMPANIES.

Mr. Justice Masten, the Commissioner appointed by the Ontario Government to investigate the subject of fire insurance rates in the Province, began his enquiry at the Parliament Buildings, Toronto, on Tuesday. The C. F. U. A. and fire insurance companies are represented at the Commission by Mr. D. L. McCarthy, and evidence is to be given by a number of insurance officials. The feature of the first day's proceedings was the reading by Mr. E. P. Heaton, provincial Fire Marshal, of a report he had prepared at the request of the Attorney-General. Mr. Heaton's views are as follows:—

1. That the practical control of fire insurance rates within the Province is in the hands of companies, members of the Canadian Fire Underwriters' Association (known as tariff companies), who transact over 80 per cent. of the entire business of the Province.
2. That the business of the tariff companies has been one of gradual growth, and that of the non-tariff companies one of gradual decline.
3. That the main purpose of the Canadian Fire Underwriters' Association was, and is, the maintenance of fire insurance rates.
4. That every risk (save as noted), insured in Ontario by the tariff companies is rated by the Association, and below that rate no member of the Canadian Fire Underwriters' Association is permitted to insure.
5. That the members of the Canadian Fire Underwriters' Association are rigidly bound to observe all of its rates, rules and regulations.
6. That infractions of rates only or regulations involve the offenders in penalties which in some instances include monetary fines.
7. That in order to insure strict adherence to rates, rules and regulations, a detective scheme known as a "Stamping System" was organized and put in force in certain important districts.
8. That with the unexpressed but obvious object of restricting competition the Canadian Fire Underwriters' Association prohibits business intercourse with non-tariff companies.
9. That with a similar object in view the Association has extended its rules to suppress or limit forms, clauses and conditions advantageous to the insuring public, readily granted in other countries and acceptable to companies here if allowed to exercise their own judgment.
10. That with a similar object in view, the Association has entered into an agreement with the only Insurance Map and Plan Publishers in Canada to restrict the use of maps and plans to members of the Association, thus producing in actual practice a complete monopoly in favor of the tariff companies.
11. That the attitude of the Association to the insuring public has been arbitrary and autocratic.
12. That in many instances the Association has caused to be cancelled policies of insurance for many large insurers having Dominion-wide business and branches, notwithstanding the willingness of individual members to accept the same, and that the effect of such action on its part has been to require large insurers to seek unlicensed insurance.
13. That the Canadian Fire Underwriters' Association has admittedly failed to make any serious effort to obtain reliable statistics upon which the

adequacy of rates might with some degree of confidence be predicted.

### FIRE CHIEF'S VIEWS.

Mr. W. A. Howard, Fire Chief of Peterboro' and Chairman of the Legislation Board of the Dominion Association of Fire Chiefs, read a report of the board mentioned, which set forth that legislation was required to deal with the following among other matters:

To prohibit the accumulation of combustible rubbish in and about congested districts of cities and towns.

To create and maintain certain restrictions in connection with the erection of all classes of buildings, having regard to the prevention of fire.

To place the control of fire departments in cities and towns in the hands of an independent local Commission, consisting of not more than three members.

The levying of a tax by each and every municipality having a population of 5,000 and upwards for the purpose of equipping and maintaining a standard and efficient fire brigade.

The establishment of a fire prevention bureau in the Province.

Mr. W. J. Vale, Superintendent of Insurance, advocated that the department should be given a great deal more control of insurance companies than it at present possessed. He considered that as companies were licensed and agents licensed, all insurance adjusters, whether representing companies or the assured, should be licensed. He was also of the view that the companies should be permitted to issue combined accident and fire policies on automobiles.

The Commission adjourned till October 10 when, presumably, the insurance companies will be given an opportunity to put their side of the case before the Commission and the public.

### HAMILTON FIRE INSURANCE COMPANY.

Mr. Russell T. Kelley, general manager, Hamilton Fire Insurance Company has appointed Mr. E. J. Langlois, 10 St. John Street, Montreal, general agent of the Company for Montreal City. Mr. Langlois is well known in insurance circles in Montreal and has a large business connection. He has been connected with fire insurance for the past 20 years and the appointment is no doubt a most desirable one for both parties. Mr. Langlois is a son of a gentleman who was well known and highly esteemed in this Province, the late Mr. Jean Langlois, Q. C., a former Batonnier-General of the Quebec bar. The Hamilton Fire, which Mr. Langlois now represents, is controlled, and liability under its policies guaranteed by the Liverpool & London & Globe Insurance Company so that the security for policyholders is of the very highest.

### MR. J. C. McBRIDE.

Mr. J. C. McBride, Accident Manager, Commercial Union Assurance Company, London, England, spent a few days in Montreal recently on his arrival from England. He is at present visiting important centres in the West, and is expected to return to Montreal about the middle of September.

## A Free Course In "Salesmanship"

1 We have thought about the young man who sees no prospects ahead. Would you like to be in a business that will give you

**A Good Living Wage  
A Profitable Future  
A Provision For Old Age**

2 We teach a man the Insurance Business, which offers permanent success, does not fluctuate, is a professional occupation, and has been truly named "The best paid hard work in the world."

3 This is done by a correspondence course and personal assistance, free of charge.

4 When he is fully prepared for the work, we place him in a position and help him to make good.

5 The first two lessons of the Company's correspondence course will be sent to anyone interested. It will pay young men who desire to get on in the world to look into this.

All correspondence strictly confidential.



CANADA LIFE ASSURANCE CO.  
HEAD OFFICE, TORONTO.

## 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.

## The LONDON MUTUAL FIRE INSURANCE Established 1859 COMPANY

Assets	\$784,426.31
Surplus to Policy-holders	404,046.07
Losses Paid —over	8,000,000.00

PROVINCE OF QUEBEC BRANCH

W. J. CLEARY, Provincial Manager.

17 ST. JOHN STREET, - - MONTREAL

## THE CANADA NATIONAL FIRE INSURANCE COMPANY

HEAD OFFICE: WINNIPEG, MAN.

SURPLUS TO POLICYHOLDERS - \$1,820,752.00

A Canadian Company Investing Its Funds in Canada

APPLICATIONS FOR AGENCIES INVITED

## Union Assurance Society Ltd.

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

CANADA BRANCH, MONTREAL

T. L. MORRISEY, Resident Manager.

NORTH WEST BRANCH, WINNIPEG

THOS. BRUCE, Branch Manager.

Agencies throughout the Dominion



## THE LAST WORD

IN ACCIDENT AND SICKNESS INSURANCE

IS

**THE DOMINION GRESHAM'S  
NEW "GRESHAM MAXIMUM" POLICY**

AGENTS WANTED EVERYWHERE

Applications in Ontario should be addressed to

L. D. JONES, Superintendent of Agents for Ontario,  
412 JARVIS STREET, TORONTO.

## KEEPING BUSINESS ON THE BOOKS.

This vital problem to life companies was the subject of a racy address by Mr. W. May, of Toronto, at the Life Underwriters' Hamilton convention. Mr. May spoke whereof he knew, as for a year he was specially connected with this phase of life insurance conservation. What he accomplished Mr. May modestly indicated when he mentioned that in one month when he was "not very busy," he succeeded in getting something over 50 per cent. of business renewed which had been lapsed more than one year, while in the city of Toronto his department succeeded in collecting 95 per cent. of second-year premiums and at the same time in considerably reducing policy indebtedness, both loans and non-forfeiture.

### SOME CAUSES OF LAPSES.

Mr. May was certain that the largest number of lapses or surrenders is the result of some mistake at the time of the sale. Either the agent did not know sufficient to explain properly, or he was too careless or too lazy to fit his proposition to his client, or he did or said something through ignorance which bore fruit in later years and resulted in one policyholder the less. We have nearly all met, went on Mr. May, the policyholder who thought he had a 20-year Endowment, with profits, which only cost him \$27.95 a year. He's not so common as he was, but he still crops up occasionally. Now I do not believe for one minute that the agent in one case out of ten deliberately misrepresented the policy. Nevertheless, it is true that the policyholder did not understand what he had bought, and it is also true that a moral obligation lay on the shoulders of the agent to make the policyholder understand.

### AN INCONSTANT LOVER.

Take another case: An agent meets a young man of 21 years of age, who takes a policy and makes it payable to his girl, naming her in the policy. Very nice thing to do on the part of the young man, and the agent aids and abets him in his laudable enterprise. But young men of 21 don't always marry the first girl they walk out with, and this special young man I'm thinking of had changed his fancy and got another girl. Imagine the fix he was in when he was told that the original girl would have to sign a loan agreement with him when he wanted to borrow on his policy. Would she do it? Not she! Another lapse due to the agent not explaining, or not knowing the possibilities of the situation. Take a third: A young grocer, doing real well in business, is persuaded to take out a policy. It is held out as an inducement that the policy can be used as collateral security for business purposes; yet the agent allows him to make it payable, in case of death, to his mother, who lives in Ireland. The result is that the collateral security is wanted in a hurry some day; the loan papers have to be sent to Ireland. The delay upsets the loan, upsets the grocer, and finally upsets the policy, all through an agent only using his head to carry a hat on.

### FAMILY SQUABBLES.

Instances can be multiplied without number. A young engineer, for instance, makes his policy payable to a maiden aunt, applies for a loan; aunt refuses to sign loan papers, engineer refuses to pay further premiums. A young woman makes policy payable to her elder sister, and then gets married.

Husband has to pay the premiums, wants policy payable to himself. Sister jealous, does not approve of either the marriage or the brother-in-law, and refuses to sign off. Husband mad, wife in tears, sister obstinate as a mule—another lapse. All through ignorance on the part of someone. You cannot expect the public to know. The agent ought to know, and ought to explain at the beginning. The man or the woman who is taking out the policy is his client, and is entitled to the benefit of expert advice.

### HOW TO SOLVE THE PROBLEM.

Touching on methods useful in keeping business on the books, Mr. May advocated the remuneration in some special manner of the agents who show up well in renewals. As regards the handling of the policyholder, Mr. May said, the first thing to be done is to make the policyholder feel that he has joined some great co-operative concern, not that he has bought something. Bring him over to your own side of the counter, as it were. We cannot give him a button, or an apron, or a sash in bright red or blue to wear, but we can make him feel that he belongs to our crowd, that we are interested in him, that he is necessary to our success. When his application has been obtained and his examination made, have the office write him a letter, a real letter, thanking him for it, congratulating him on joining up, telling him the application has gone forward to Head Office, and that when it returns it will be handed to the agent concerned to deliver. See to it that the policy is delivered, wherever possible, in person, and thoroughly explained. Leave nothing indefinite, especially the terms of settlement. Complete the transaction in cash if you can. If you cannot get the whole premium, get as much as you can.

### KEEPING IN TOUCH.

After you've got the first premium, said Mr. May, don't forget about your man until the second one falls due. Keep in touch with him. Send him the company's publications as they appear. That's what they are for. Send him a summary of the year's results, with a letter explaining them. Send him the annual report. Send him some carefully selected literature. Write him about three months before the second premium falls due, gently reminding him of its due date. Keep in touch until the third premium is paid. If you cannot do it yourself, have your company do it for you, but in any case, never let your policyholder get the idea into his head that your interest in him ended when he paid his first premium.

### OUTLINE OF A COLLECTING SYSTEM.

First—Secure the loyal co-operation of the agent himself. Without him you can do nothing. Second—During the month preceding the due date of the premiums, and just as you send notices to the assureds that their premiums are due, send to the agent concerned a list also of all the premiums. Third—Notify the agent as each premium is paid, and pay him his renewal commission if he has a renewal contract. Fourth—After 25 of the 30 days of grace have expired, send another notice to the assured, at the same time sending a list of unpaid premiums to the agent. Fifth—On the 29th day of grace, drop a little note to second-year policyholders, reminding them that their policies will risk lapse unless premiums be paid. Sixth—At the end



# THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated 1833.

**FIRE, HAIL, OCEAN MARINE AND INLAND MARINE INSURANCE**

HEAD OFFICE: TORONTO

Old Reliable Progressive  
Assets over - - \$2,500,000.00  
Losses paid since organization over - - \$39,000,000.00

**DIRECTORS:**

W. R. BROCK, President.

W. B. MEIKLE, Vice-President

JOHN AIRD  
ROBT. BICKERDIKE, M.P.  
ALFRED COOPER  
H. C. COX  
JOHN HOSKIN, K.C., LL.D.  
D. B. HANNA

Z. A. LASH, K.C., LL.D.  
GEO. A. MORROW  
AUGUSTUS MYERS  
LT. COL. FREDERIC NICHOLLS  
COL. SIR HENRY FELLATT  
E. R. WOOD.

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

THOMAS F. DOBBIN, Resident Manager  
MONTREAL

## NORWICH UNION FIRE INSURANCE SOCIETY, Limited

INSURANCE AGAINST

Fire, Accident and Sickness  
Employers' Liability  
Automobile, Plate Glass

Agents wanted for the Accident Branch.

Head Office for Canada - - TORONTO  
Head Office for Province of Quebec, MONTREAL

JOHN MacEWEN, Superintendent for Quebec.

## 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

First British Insurance Office Established in Canada, 1804

## INTENDING ASSURERS

Should read the "THREE MINUTES" Leaflet of the

**PHOENIX ASSURANCE CO., Limited,**

OF LONDON, ENGLAND (Founded 1782)

Copies of this and full information regarding the Company's system, its equitable principles and liberal policies, may be obtained at the Head Office,

100 ST. FRANCOIS-XAVIER STREET, MONTREAL

The Company offers to the Public every advantage which

### LIFE ASSURANCE

conducted under the most favourable conditions is capable of affording:

At the BONUS DIVISION for the five years ending 31st DECEMBER, 1915

A UNIFORM ADDITION of \$75 per \$1,000 was declared on all classes of Full-Bonus Policies, at the rate of \$15 per \$1,000 assured in respect of each full annual premium paid since 1st January, 1911. This bonus applies to new as well as existing policies.

H. B. F. Bingham, R. MacD. Paterson, } Joint Life Superintendents. J. B. Paterson, } Managers

Agents Wanted

Established 1864.

## New York Underwriters Agency.

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

### PROVINCIAL AGENTS.

MURPHY, LOVE, HAMILTON & BARCOM, Toronto, Ont.  
OBLER, HAMMOND & NANTON, Winnipeg, Man.  
ALFRED J. BELL & CO. Halifax, N.S.  
JOHN WM. MOLSON & ROBERT Y. HUNTER, Montreal, Que.  
WHITE & CALKIN, St. John, N.B.  
AYRE & SONS, LTD., St. Johns, Nfld.

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

## 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, - 7,168,267

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ERINHART & EVANS, Resident Agents . . . . Montreal  
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of the days of grace notify each agent of the premiums unpaid, call each assured by phone, if he has one. If he has not, send your collector round to see him. If you have not a collector, send the agent who would receive the renewal commission. If the assured is not in town, immediately write him, offering him perhaps some little concession as to time or part payment. Seventh—Never cancel a policy without giving the agent and the assured due notice that you are being reluctantly compelled to do so. Never cancel a policy if it is at all possible, without seeing the policyholder is personally interviewed by someone connected with the company. Eighth—give special attention to policies written by agents no longer connected with you. If you have a collector, treat him as though he was the agent, and make him do the agent's work.

In spite of it all, some business will not renew, but you need not give up on account of that. Keep after them for revivals for at least two months, at intervals, then go over your lapses twice a year.

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#### AUTOMOBILE INSURANCE.

The great increase in the frequency of automobile accident claims experienced by casualty companies is not surprising when it is considered that, according to a writer in *The Automobile*, there are more than three million cars in use in the United States to-day and over half a million more in use than on January 1 last. The figures are remarkable, even in an age in which big figures no longer astonish; more remarkable still is that the increase made during the first six months of the year in the number of cars in use did not fall far short of the total increase for the whole of last year. And nearly all of the new cars built stayed in the United States; the number exported was less than nine per cent. One naturally inquires: "When is this increase in the output going to stop?" and the question is one of interest to fire and casualty underwriters alike. With automobile companies planning still further to increase their output, new companies being organized to manufacture new makes of car, and the continued drop in the price of the cheapest car on the market, a steadily increasing output seems assured for the balance of the year, perhaps for next. With another half million cars on the road and another half million inexperienced persons driving them, the number of automobile accidents is not likely to show any falling off. So the outlook for accident underwriters from this point of view is not very promising observes the *Boston Standard*. Nor will the outlook be promising for fire underwriters when the present period of abnormal prosperity comes to a close, and the demand for new cars falls off enormously while second-hand cars flood the market. Under such conditions fire underwriters will have to reckon with the moral hazard of their automobile business more closely. It certainly does not appear possible that the present increase in the output of automobiles can be much longer maintained.

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Even life companies are beginning to feel the effects of automobile accidents. A young company in the Western States reports 44 death claims in the last five years, 34 per cent. of these being violent deaths—almost all automobile accidents.

#### BANKS AND LIFE INSURANCE.

It just happened that two widely different views on the relation between life insurance and banking institutions came from two points separated by a distance of some 1,600 miles. The one view germinated in New England; the other in St. Louis. One has proved a failure and the other a huge success.

The first plan provided for putting savings banks in the insurance business. Laws were written on the statute books of the State of Massachusetts providing for this system several years ago. A careful study of the plan has shown that it is not practicable. Only four banks have thus far availed themselves of the privileges offered by the terms of the law, and there are some 200 institutions which are eligible.

Less than a year ago, a bright advertising man, employed by the Union Trust Company of St. Louis, originated the idea of advertising life insurance in the announcements of the trust company. The display advertisements urged the public to insure, and, in order to be able to pay premiums, start a savings bank account, contributing an amount weekly, so as to accumulate funds in a simple and easy fashion. The value of this principle of advertising thrift has had a thorough test. Other banks quickly caught the principle and have followed the example of the St. Louis bank. There are now more than 150 banks throughout the country advertising life insurance.

There is no doubt that this illustrates the true relation between banks, especially savings banks, and insurance. The former are the depositories for those weekly amounts which are so easily set aside, and when the premium is due the amount is on hand. Surely the province of the savings bank is not to enter the field of life insurance. There is no profit in it for them; the reports of the four banks which have been experimenting with it for some years show that there is nothing for them to gain by such operations.

No doubt, however, the banks which have confined themselves to their own field of operations have, by teaching genuine, systematic thrift, gained much thereby. A comparison of balance sheets after a reasonable period would show interesting results.—*N. Y. Spectator*.

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#### THE PROCRASTINATOR'S FATE.

The *Equitable* of New York reports that one of its representatives endeavored to get his prospect to sign an application for \$5,000 and be examined the next day, which was Saturday, but the latter procrastinated, saying he would give the matter consideration over Sunday and made an appointment for the agent to call upon him on Monday. On Monday morning the agent read in the newspaper of two fatal motorcycle accidents which had occurred on Sunday, and the first case was the prospect he was to have called on that day.

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Mr. Aird, general manager of the Canadian Bank of Commerce, states that the British Chancellor of the Exchequer shows an intimate knowledge of Canadian affairs, and was particularly interested at a recent interview in the late news of the Canadian crops. The British harvest will be good, and the Chancellor was hopeful that the Canadian surplus would go far towards filling Britain's requirements.



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## LABOR OPPOSES STATE COMPENSATION INSURANCE.

We cannot avoid the conviction that every wage worker who can understand anything will easily see that it is to his advantage that there be no State monopoly in the casualty insurance business. We are not pleading the cause of any particular faction or element of the community in our preachments against a State monopoly of casualty insurance; we are simply pursuing a policy that the "Labor World" has followed for a quarter of a century. It is a true policy, and is directly and earnestly in the direction of the welfare of the wage worker. Organized labor is of this opinion and we have the authority of a direct representative for this conclusion. During the investigation in Kentucky, Mr. Frederick W. Mansfield, counsel for the American Federation of Labor, testified and said: "During the lifetime of the commission which was appointed by the governor of Massachusetts to study the subject and during the hearing which led up to the enactment of our present law, I expressed myself as favorable to a system which would include a competitive method of insurance under the act. I am at the present time counsel for the American Federation of Labor and in that connection come in touch very closely with the laboring men generally, and have means of knowing their views. I am satisfied that the act has proved a benefit to working men. From my acquaintance with the entire subject, I am satisfied that the present system of competitive insurance in which liability companies are permitted to engage is the best possible insurance \* \* \* and I am very strongly of the opinion that anything in the nature of State insurance is opposed to the interests of organized labor and against the better interests of the working classes generally."

Now, there could not be a more emphatic nor representative declaration against the exclusion of private insurance companies from the casualty insurance business of the State because of a State monopoly than the foregoing. It is a pronouncement, not from a pandering politician, nor from an economist, nor from an employer, nor from a general agitator who preaches nostrums, but it is from a learned man appointed to plead the cause of the wage worker. There is no false ring about his announcement, nor can there be any hypocrisy about his definite and strong opposition to State monopoly of any portion of the insurance business.

We are firmly of the opinion that if this important question had been generally discussed, and clearly understood by the masses of the State of Ohio, the present law relating to workmen's compensation in its bearing on casualty insurance companies would never have been passed in that State. The definite statement of Mr. Mansfield goes to prove this conclusively.

Wage workers should at once begin to discuss and think about this question for themselves. The general principle of compensation has advanced to a stage whereat the wage workers need not concern themselves much about this or that form of compensation; or from what particular source that compensation has to issue. The law decrees it to them. The ready and efficient manner in which the compensation will be paid is the vital element in the question for the wage workers now. This is really the vital essential of the entire problem. This being so, it will be easy for the wage workers

to determine for themselves which method is best. As we have stated, and as we most earnestly believe, solid and honest private stock insurance companies are the most efficient, have proved themselves the readiest in paying the compensation when accidents have occurred. This is the Alpha and Omega of the matter to the wage workers. The wage worker wants his compensation right away; he needs it, and the fact is that private companies are quicker in this direction than is the State.

This difference is entirely because of the monopolistic privilege granted the State. There can be no dispute on this point, and it is because of this fact that we urge that the law permit private companies the same conditions as are granted the State; let them both be placed on equality in every respect so far as the provisions of the law are concerned. Then and only then will the wage workers and the employers have a fair and honest chance to choose for themselves as to which is the better system to patronize. This does not urge any objection to State insurance funds; although it is an open question whether the State as such should engage even in that form of competition; it only means that if private enterprise can provide better service than the State it should be encouraged and the masses will be the gainers.—*Labour World*.

### MISLEADING RATIOS.

There are very few ratios published pertaining to the Life Insurance business, that on their face tell "the truth, the whole truth and nothing but the truth." This is mainly for the reason that there is such variety in the business of the different companies as to kinds and amounts, and such disparity in age and like conditions. What is the sense of comparing the death claims to mean insurance of a five-year old company with those of a company ten times as old; or the expense rate to premium income of two companies of the same age when one is writing a much larger proportion of new business than the other?

The insurance expert can easily size up the value of a table of ratios, but not so the layman with whom they are being used by unscrupulous agents. The majority of ratios that are being published and furnished to fieldmen are unfair and pernicious in their influence and should be prohibited.

It would be a good thing for all concerned if those who have forbidden the companies to put out dividend estimates would get after the publishers of these misleading ratios. We are glad to know that some companies consistently refuse to put out this kind of ammunition. Would that all who are serving the business might take the same stand.—*Northern Life*.

### MANITOBA'S WORKMEN'S COMPENSATION.

Mr. C. J. Rothwell, a Winnipeg lawyer, has been chosen by the Government of the Province of Manitoba as Commissioner to administer the new provincial Workmen's Compensation Act. While under the new scheme, workmen's compensation is Government administered, and rates are subject to Government approval, employers cover their risks in insurance companies and the Manitoba scheme is therefore considerably fairer to all concerned than the State monopoly experiment in Ontario. The new scheme in Manitoba will come into force in a few months, when the machinery of administration has been got into shape.

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**CLEARING AWAY SOME MISCONCEPTIONS.**

It has been customary in the past for certain persons writing on insurance matters to state that the gross premium is composed of three separate parts, namely—the reserve element, the mortality element and the expense element. This statement has been made for the purpose of simplifying the explanation of the nature of the life insurance premium. It is, however, incorrect, and has resulted in much confusion. Tables of figures have at times been published purporting to show the division of the gross premium at various ages into these three parts. The so-called mortality element and reserve element are together equal to the net premium, while the expense element is equal to the loading on the net premium.

These statements on the surface would seem to indicate that the mortality element is the amount necessary to provide for the payment of all probable death claims and that the reserve element is an addition for emergencies such as excessive death claims. It is somewhat natural, therefore, that persons with no knowledge of the technical side of insurance should interpret the statements in this way. Furthermore, it is usually understood by such persons that the division indicated is a fixed one, and that for any insurance the relative amounts remain the same for all future premiums. Many assessment companies have based their rates upon this latter assumption by adopting the mortality element as a sufficient net premium and adding thereto a small percentage for emergencies. They have ignored the so-called reserve element as an unnecessary investment feature with no bearing on a purely insurance business. At the same time they have made the astounding claim that their charges provide more money for future deaths than the rates of old line companies, because their rates are intended wholly for mortality purposes, and are in excess of the so-called mortality elements in the regular life companies' premiums.

**ERRORS THE RESULT OF CONFUSION.**

These errors are largely the direct result of the confusion which has been caused by the imaginary division of the premium into its elements. There is in reality no such division, except as an actuarial expedient intended to simplify the solution of certain actuarial problems. We all know that the rate of mortality increases with the age, and that consequently the cost of a year's insurance must increase also with the age. In the case of a group of life policies issued at constant premium rates, it is evident that in the early years the actual premium income is more than sufficient to meet the claims arising, while in later years it is insufficient. When dealing with a single policy, actuaries have found it convenient to charge to mortality that part of the net premium which is its proportionate share of the year's death claims, while the balance is carried to the reserve account. Hence we may conveniently consider one part of the year's net premium as the "mortality element" and the balance as the "reserve element." It is perfectly plain, however, that this division is in no way fixed as the relative amounts of the parts vary from year to year. Any deductions therefore founded on the assumption that the so-called mortality element is fixed must be entirely erroneous.

It may then be stated plainly and forcibly that the gross premium is not composed of three elements,

mortality, reserve and expense, but of two only, net premium and loading, and that the net premium is all for mortality purposes. There is but one insurance fund from which all claims are paid. This fund is created solely from, and includes the entire amount of the net premium receipts together with interest at the assumed rate. The balance of this fund at any time is the Reserve, or the sum set aside for the future payment of claims. The balance is increased yearly by the addition of premiums and interest and is drawn on for the payment of claims. It is therefore quite clear that there is absolutely no difference between the mortality element and reserve element or between mortality fund and reserve fund, except the difference between money already spent and money to be spent.—*Northern Life.*

**SAFE CONSTRUCTION IN PUBLIC BUILDINGS.**

The average destruction by fire of twelve school-houses and two colleges every week, and the frequency of destructive fires in churches, theatres and department stores, are combining to turn the attention of parents and public officials to the need of fireproof structures and the installation of fire protection equipment in all buildings in which children and adults congregate and to safeguard every possible hazard of fire in which human life is imperiled.

The demand for safer and better fire protection in all buildings of a public character is becoming a slogan of the people, which must eventually result in the erection of buildings not made to burn, but so constructed as to be in accordance with the requirements of advanced insurance engineering. Constant inspections and regular fire drills, in addition to safe construction, must be made an imperative duty for all those to whose care is committed the safety of property and preservation of human life.

**NEW FIELDS FOR INSURANCE!**

Several days' delay occurred in the placing of the \$100,000,000 French loan because banker Vanderlip was suffering from a broken toe and could not attend to it (the loan). This shows a scope for extending special lines of insurance. Cornet virtuosi insure their teeth, pianists and other musicians insure their fingers, ball players insure hands, arms and legs, and there are many other lines of insurance in professions and occupations in which large salaries depend on special aptitudes. But the idea of a banker insuring his toes is new. Mr. Vanderlip jumped into his swimming pool and broke his toe. Physicians said it would be necessary for him to rest it several days. Therefore the placing of the great loan was held up, and the result has been a loss of interest estimated at about \$16,000 a day. The great banker may take consolation from the fact that the nature of his injuries saves him from an operation for appendicitis. This is a danger to which all men of large resources are continually exposed.—*Toronto Globe.*

The decision of the Ford people to change the style of their cars and lower the price introduces a material moral hazard in the case of old-fashioned Ford cars, according to the opinions expressed by automobile underwriters.



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**When a Man Gets to be 50**

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Abbey's Effervescent Salt helps nature—prevents constipation, biliousness, indigestion, uric acid poisoning—regulates the eliminating organs and keeps the whole system in a normal, healthy condition.

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Effer-  
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Made in the laboratories of the  
ABBNEY'S EFFERVESCENT SALT CO., MONTREAL,  
and for over a quarter of a century a household remedy throughout Canada.

For Sale by all Druggists

**RETAINING INDUSTRIAL AGENTS.**

The results of an investigation into the circumstances of the "finaled accounts" of its industrial agents have been published in pamphlet form by the Metropolitan Life. It is pointed out that since the commencement of industrial life insurance in England, more than half a century ago, the problem of retention of agents has been a chief feature of managerial study and experiment. In the United States, no appreciable progress was made in its solution until ten years ago. Since then, advance has been made, which seems to point to administrative methods by which waste from this source may be minimised. But in the last analysis, the judgment and skill of the district superintendent in the training of agency candidates is the controlling factor looking to full success.

A series of charts are given, showing the experience of "finaled accounts" in recent years, and an analysis of these accounts by the nationality, race, marital condition, etc. of the agents concerned. One conclusion which may be drawn from this analysis is that those are the most successful industrial agents who are closest in viewpoint to the working-class patrons of this system of insurance and are accordingly most sympathetic with their interests and ideas. The report remarks:—

"We find that skilled mechanics make better agents than office clerks. For two reasons there has always been an inclination to favor a candidate whose previous occupation gave promise of clerical efficiency; first, on the assumption that clerical work requires a higher degree of intelligence; and, second, that a candidate with clerical experience requires less instruction and oversight in clerical duties. So, as a class, clerks have been subjected to less searching scrutiny than mechanics, and have been more readily accepted, with the result that more poor ones than good ones have been appointed, and more finials have resulted. The opposite has been the case with mechanics, and with the better results as shown.

"Like examples might be added, but without further avail as evidence tending to the conclusion. This seems certain: That in the securing and sifting of candidates for agencies in industrial insurance the most favorable results are achieved when the attitude of the selecting authority and the scheme of selection operate in favor of the company; when the measuring rod as applied to the candidate's qualifications is laid on carefully, inflexibly; when references are painstakingly investigated; when all qualifications are carefully considered, with the applicant's personality in the balance; when personal influence is excluded, and when sympathy with the applicant's desire for employment is disregarded; in short, where cool-headed business selection alone determines the issue; then, and only in such case can losses through finaled accounts be kept within bounds."

**THE KNIGHTS OF DISHONOR.**

The experiences of one of the members of the Knights and Ladies of Honor, started an investigation of the noble Order, and it was found to be insolvent. The member referred to, a man eighty years old, had been paying assessments for nearly forty years. He started at \$1.80 per month for a \$1,000 certificate. In May, 1916, he was called on to pay \$18.40, which is \$220.80 a year. The old man could not pay the May assessment of \$18.40. Not counting interest, he had already paid in forty years for a \$1,000 certificate, which is worthless, no less than \$1,338.80! He has no equity in the noble Order now, and will lose every cent he has paid in four decades!—*Insurance Index.*

**OPPORTUNITIES**

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**THE MONTREAL CITY and DISTRICT SAVINGS BANK**

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

By order of the Board,

A. P. LESPERANCE, *Manager.*

*Montreal, August 21st, 1916.*

**THE CONTINENTAL LIFE INSURANCE COMPANY**  
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has several vacancies in Quebec and Ontario including the position as Inspector for Eastern Ontario.  
"LIVE WIRES"—write to Head Office, Toronto or to

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**180 ST. JAMES STREET, MONTREAL.**

**THE PRUDENTIAL "STRIKE."**

With reference to the recent ill-advised action of some of the representatives of the Prudential of Newark in "striking," Mr. Edward Gray, vice-president, has sent the following interesting letter to the Company's superintendents, indicating that neither the interests of the Company or those of its policyholders have been unduly prejudiced by this foolish action:—

We have received from agents in some parts of the field letters and anonymous communications that were sent to them by former employees of the company, who obtained the names from the lists in The Weekly Record. We feel that our field staff at large should know the facts.

A few agitators, influenced by personal motives, recently began systematically to defame the company and its methods, apparently in the hope of unsettling the confidence of the policyholders in their company and in the value of their policies. The same individuals then demanded a conference and threatened a nation-wide strike if this were not granted.

The original few had, in the meantime, increased the number of active agitators to about sixty. These agents neglected their duties and devoted a

large part of their time to arranging for and addressing meetings, writing letters and traveling from district to district to incite others to do likewise. Those who had been thus active in seeking to unsettle the confidence of the policyholders and to create dissatisfaction among the field staff were dismissed. A number of agents in the districts affected laid down their books, confident, from what they had been told by the agitators, that the company would thereupon reinstate those who had been discontinued. There were others who, intimidated by threats of bodily harm, gave but partial attention to their duties. These disaffections were confined to a few districts in New York City and its vicinity, and existed, to a small extent, in Philadelphia and one other district in eastern Pennsylvania. Those who were dismissed from the service, those who in misguided sympathy refused to work and voluntarily terminated their services, and those who were coerced by threats of violence, represent in the aggregate a very small percentage of the agency force in the sections affected.

Policyholders' interests have been amply protected. Capable, energetic men are being introduced on the debits, and affairs are rapidly assuming normal conditions.

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By purchasing a bond you will help to WIN THE WAR and obtain for yourself an investment of the highest class yielding a most attractive rate of interest.

DEPARTMENT OF FINANCE  
OTTAWA.



**A FEW UNUSUAL ACCIDENTS.**

A physician, receiving the grateful embrace of a little girl he was successfully treating for spinal meningitis, who had impulsively thrown her arms around his neck, was slightly scratched by her finger nails, blood poisoning followed and death ensued.

A woman was driving her automobile when a bird flew between the windshield and her face causing her to let go of the steering wheel, and the car ran head on into a tree, wrecking the front of the car and seriously injuring the driver.

Last summer's bird's nest blocked a chimney flue, and, when a gas stove in a couple's bedroom was lit, the fumes were forced back and they were both asphyxiated.

Initiation night at a lodge—flash light was used. One of the initiators was badly burned—it was weeks before he attended a lodge again.

A policyholder was sleeping peacefully with his infant child beside him. Child became restless, kicked him in the side, fracturing a rib.

Another policyholder riding his bicycle collided with a drunken man. The man on the bike was taken to a hospital. The drunken man went on his way.

The hazards attending the writing of accident insurance are manifold and increasingly peculiar, and the danger element continually encompasses every person, yet many a would-be philosopher pursues the even tenor of his way fondly hugging the delusion of "No danger." He insists there is nothing about his avocation or daily life that exposes him to danger and that no accident is likely to happen to him.

Statistics show that the majority of accidents have no relation to occupation or daily routine, that the largest proportion of accidents occur to those who could with the most apparent plausibility advance the "No danger" excuse.

**A SOLILOQUY ON COUNTRY HOTELS.**

"It is always a great burden off somebody's shoulders when a country hotel burns down," says a wide-awake special agent. "The proprietor then has a chance in life. A small town hotel is a civic necessity. Somebody is always kind enough to run one in every small town. If it does not burn down, he runs it for life. The carpets keep getting thinner and the wall paper eventually is of ancient design; improvements are rare. All the hotel-keeper gets out of it is the pure satisfaction that he is serving the public and the town, and his good wife wears herself out by polishing coal-oil lamp chimneys, and working in a hot kitchen. The family gets a place to live in, and the hotelkeeper keeps up the hope that he may some day sell out, or that the town will strike oil or get a trolley line or a canning factory and have a boom.

"A horde of parasites gradually attach themselves to every country hotel and help eat it into bankruptcy. There is the fat boy who mops out, a scrawny girl who makes beds, and three or four fat helps in the kitchen, and one kind of attaché and another. Through the winter months a lot of town checker-players put coal in the stove, just as if coal costs nothing. There are usually about four guests a day at \$1.25 apiece, who sign up and stick the pen into the usual potato pen-holder, and with an overhead expense half in proportionate size to Barnum's circus, is it any wonder that the country hotel loses money. Think it over."

**AN ENGLISH VIEW OF THE WESTERN**

Incorporated in Canada in 1851, the Western Assurance Company has won for itself a good name on both sides of the Atlantic. Operating in the fire and marine departments, it has, during the long period in which it has been before the public, experienced its share of the fluctuations of fickle fortune to which those branches of the business are peculiarly liable; but these ups and downs have helped to establish and confirm a reputation for straightforward and honourable dealing that has stood it in good stead and tends to continual enhancement. Disclosed in the sixty-fifth annual accounts is a net premium income of well over three-quarters of a million sterling (£793,231), entitling it to rank as an undertaking of considerable importance; and the accompanying results, notwithstanding the dislocation of trade throughout the whole of the twelve months covered, are such as to afford the Company a fitting reward for the discrimination with which its business is conducted, and to leave it in good heart for the future.—*Post Magazine*.

**ATTENTION TO ACCUMULATED RUBBISH.**

Care should be taken to clean up yards and burn accumulated rubbish away from buildings and fences where a fire might be started. Fires should not be made on days of high winds. Gather the trash in piles on a bare space and burn when some grown person can watch that no child plays with the burning brands, and that the fire is completely quenched before leaving it. Often coals will revive after being apparently dead. It is impossible to be too careful in these particulars and many times disastrous fires will be averted by timely precautions. It may be the means of saving lives as well as valuable property. In this connection more particularly is "an ounce of prevention worth a pound of cure." A little precaution and care in the cleaning up and burning of rubbish is timely. The great majority of fires are avoidable and purely the result of carelessness. Remember, it is the community generally and the policy holders who pay for fire losses.

**GROWTH OF EXPLOSION INSURANCE.**

It is pointed out by the Weekly Underwriter that the writing of insurance against explosions other than boiler and fly-wheel, has become an important factor in underwriting within the last two years. While the proposition was at first regarded as transitory on account of its primary connection with ammunition manufacture, the idea of explosion insurance seems to be taking the interest of insurance buyers in many channels which have no connection whatever with war or any of its influences. For that reason it may reasonably be expected to develop into a permanent factor of revenue for agents and companies, particularly if properly fostered by the representatives of companies in the field. It is pointed out that the explosion coverage which the companies are affording is actually confined to the so-called "spy-hazard," as the inherent hazard is specifically excluded in the contract. For explosion insurance, says the Weekly Underwriter, a minimum rate of 20 cents is now being charged under usual circumstances, while rates up to two per cent. are charged where manufacturing of ammunition is done on the premises.

**LIFE COMPANIES' GAIN AND LOSS.**

The New York Spectator publishes its elaborate annual gain and loss statistics of American life companies. It appears that on the whole 1915 was favorable for the companies financially in nearly every particular. In the case of ordinary life companies, the percentage of insurance expenses to loading made a slight gain, being 93.47 per cent., as against 92.97 per cent. in the previous year, but as many comparatively young organizations are included, whose expenses are somewhat high, this gain is practically negligible. The excess interest earned over reserve requirements again increased, amounting to 61.44 per cent., as against 59.10 per cent. in 1914. Here, again, the influence of the younger companies is apparent, for many of them have comparatively large funds bearing interest, capital stock forming in many instances the major part of their assets, while as the reserves are small they do not absorb so large a proportion of the interest earnings.

The mortality rate experienced last year was 67.15 per cent. of the expected, indicating an advance of .51 over 1914. This rate remains extremely low, the last three years having shown a percentage of less than 70 per cent. of actual to expected for each year. In percentage of reserves returned on surrenders, a higher figure, 92.97, is shown, as against 89.46 in the previous year.

In the summary of surplus earnings, it is shown that excess interest over requirements still leads the list of savings with \$68,935,780. Mortality savings amounted to \$50,914,972; gains from sur-

rendered policies were \$9,287,890, while \$7,100,565 represents the savings from expense loadings, and there was a loss from annuities and other sources amounting to \$2,105,341. The total insurance savings of the year were \$134,333,866, from which is to be deducted \$13,103,009, chargeable to losses on investments and non-admitted assets, leaving \$121,230,857 as the apparent surplus earnings of the year. This was distributed as follows: \$101,434,405 as dividends, or apportionments to policyholders; \$7,879,160 as additions to special funds; \$2,299,861 to stockholders, and \$9,617,431 was added to the unassigned funds or divisible surplus, which item does not include capital stock.

**A RAILROAD MAN'S RECOMMENDATION.**

Frederick N. Finney, a prominent railroad man of Milwaukee, died recently in California, leaving an estate of about half a million dollars. In his will he caused to be inserted this striking clause:

"I recommend that each of my children on coming into the receipt of income from my estate place a sufficient amount in life insurance, to make proper provision for their loved ones.

"If their affection and regard for their children is of such a character as to induce them to be, in a measure, economical so as to accomplish the acquiring of such insurance, I believe it will be toward the improvement and betterment of their own lives."

Thus wise men everywhere are proclaiming their high appreciation of life insurance and, at the same time, helping to smooth the path of the canvasser for applications by setting splendid examples to those uninsured or not sufficiently protected.

**Traffic Returns.**

CANADIAN PACIFIC RAILWAY.				
Year to date	1914	1915	1916	Increase
July 31,	\$62,948,000	\$48,708,000	\$73,047,000	\$24,339,000
Week ending	1914	1915	1916	Increase
Aug. 7,	\$2,236,000	\$1,787,000	\$2,985,000	\$1,198,000
14,	2,162,000	1,815,000	2,943,000	1,128,000
21,	2,154,000	1,956,000	2,860,000	904,000

GRAND TRUNK RAILWAY.				
Year to date	1914	1915	1916	Increase
July 31	\$29,688,100	\$27,672,692	\$32,589,209	\$4,916,517
Week ending	1914	1915	1916	Increase
Aug. 7,	\$1,106,823	\$993,773	\$1,256,376	\$262,603
14,	1,068,710	1,004,412	1,236,989	232,577
21,	1,096,476	1,052,483	1,304,848	252,365

CANADIAN NORTHERN RAILWAY.				
Year to date	1914	1915	1916	Increase
July 31,	\$10,930,000	\$12,351,700	\$19,907,600	\$7,555,900
Week ending	1914	1915	1916	Increase
Aug. 7,	\$354,400	\$438,500	\$868,000	\$429,500
14,	319,500	427,600	841,500	413,900
21,	307,600	465,400	846,300	380,900

TWIN CITY RAPID TRANSIT COMPANY.				
Year to date	1914	1915	1916	Increase
July 31	.....	\$5,332,235	\$5,822,226	\$489,991
Week ending	1914	1915	1916	Increase
Aug. 7,	\$183,414	\$173,336	\$191,766	\$18,430
14,	172,640	182,090	188,706	6,616

**CANADIAN BANK CLEARINGS.**

	Week ending Aug. 31, 1916	Week ending Aug. 24, 1916	Week ending Sept. 2, 1915	Week ending Sept. 3, 1914
Montreal ..	\$65,012,367	\$49,393,867	\$43,997,879	
Toronto ..	42,532,746	33,525,308	31,101,004	
Winnipeg ..	42,687,072	15,944,597	.....	
Ottawa ..	4,323,028	3,279,278	4,639,120	

**Montreal Tramways Company  
SUBURBAN TIME TABLE, 1915-1916**

**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 mld.

From Lachine—  
20 min. service 5.30 a.m. to 8.50 a.m. 10 min. service 4 p.m. to 8.00 p.m.  
10 " " 5.50 " 9.00 " 20 " " 8.30 p.m. to 12.10 a.m.  
20 " " 9.00 " 4 p.m. Extra last car at 12.50 a.m.

**Sault au Recollet and St. Vincent de Paul:**  
From St. Denis to St. Vincent de Paul—  
10 min. service 5.20 a.m. to 8.00 a.m. 30 min. service 8.00 p.m. to 11.30 p.m.  
20 " " 8.00 " 4.20 p.m. Car to Henderson only 12.00 mld.  
10 " " 4.20 " 6.40 p.m. Car to St. Vincent at 12.40 a.m.  
20 " " 6.40 " 8.00 p.m.

From St. Vincent de Paul to St. Denis—  
10 min. service 5.50 a.m. to 8.20 a.m. 30 min. service 8.30 p.m. to 12.00 mld.  
20 " " 8.10 " 4.50 p.m. Car from Henderson to St. Denis  
10 " " 4.50 p.m. 7.10 p.m. 12.20 a.m.  
20 " " 7.10 " 8.30 p.m. Car from St. Vincent to St. Denis 1.10 a.m.

**Cartierville:**  
From Snowdon Junction—20 min. service 5.20 a.m. to 8.40 p.m.  
40 " " 8.40 p.m. to 12.00 mld.  
From Cartierville—  
20 " " 5.40 a.m. to 9.00 p.m.  
40 " " 9.00 p.m. to 12.20 a.m.

**Mountain :**  
From Park Avenue and Mount Royal Ave.—  
20 min. service from 5.40 a.m. to 12.20 a.m.  
From Victoria Avenue—  
20 min. service from 5.50 a.m. to 12.30 a.m.  
From Victoria Avenue to Snowdon,—  
10 minutes service 5.50 a.m. to 8.30 p.m.

**Bout de l'île:**  
From Lasalle and Notre Dame—  
60 min. service from 5.00 a.m. to 12.00 midnight.

**Tetraultville:**  
From Lasalle and Notre Dame—  
15 min. service 5.00 a.m. to 9.00 a.m. 15 min. service 3.30 p.m. to 7.00 p.m.  
30 min. service 9.00 a.m. to 3.30 p.m. 30 min. service 7.00 p.m. to 12 mid.

**Pointe aux Trembles via Notre Dame:**  
From Notre Dame and 1st Ave. Maisonneuve.  
15 min service from 5.15 a.m. to 8.00 p.m.  
20 " " 8.00 p.m. to 12.20 a.m.  
Extra last car for Blvd. Bernard at 1.20 a.m.