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BAG AND BAGGAGE. THE war in Turkey is apparently on the verge of its most dangerous crisis; not for the Ottoman Empire, that is passed; but for the peace of Europe and the safety of the Christian population of Constantinople and possibly of some other Mohammedan centres. The cumulative hatred of centuries is whelming over Turkey in Europe like a tidal wave, and heaven only knows whether the lust of blood will stop at the eastern shore of the Bosphorus or not. If the much dreaded massacre takes place in Constantinople a war of extermination may follow the Turkish remnant into Asia. There is only too much reason to fear the passion for revenge upon the Christian of the Turk caught like a rat in a trap by a remorseless invader.

The division of the spoils of war has yet to come. The Balkan States will never consent to play the part of the traditional jackals to provide for the hungry lions among the great powers of Europe. The Turk may have to go bag and baggage, but his going will likely enough be the direful spring of woes unnumbered for Christian Europe.

THE DEMOCRATS AND TARIFF REFORM.

NO troubles are so great in the realisation as they appear in the anticipation and this is about the only comforting reflection left for the high tariff men in the United States. Thanks largely to the split in the Republican party the Democrats are or will soon be entrenched at Washington and can do practically what they like with the tariff. That very fact will inspire them with a sense of responsibility and prevent them running amok among the protected industries of the United States. Free traders and low tariff men are never so rabid when they are in power as they are when in opposition. For one thing they do not need to be, and fortunately for the stability of business their threats when in opposition may generally be regarded as being like thunder—terrible to hear but seldom dangerous. There will be a scaling downward of the tariff, and that is just what it needs, provided it is done intelligently and honestly, and in the interests of the whole people of the United States. The politicians flatter the wage earners and the consumers without doing very much in their special interests; and they dissemble their love for the trusts and the manufacturers, while consulting their interests first and foremost in framing tariffs. It is not in the interests of wage-earner or consumer to ignore the interests of

capital, because capital is essential to the interests of both wage-earners and consumers, and, as Mr. Lloyd George has shown, it is very easy to drive capital out of a country. The aim of a protective tariff should be to encourage the investment of capital for the benefit of the wage-earner and the consumer. The necessities of life can be produced cheaper on a large scale than on a small one and production on a large scale is impossible without capital. The President-elect has a high reputation as a practical social reformer and it will not, we imagine, be easy to stampede him into radical action on the tariff which is likely to imperil the stability of American industries and do more harm than good, simply to please the faddists who are dominated by and try to dominate the country by cant phrases. Under the tariff as it stands the rich have certainly been getting rich and some of the poor have been getting poorer. The price of provisions has become appalling. To what extent this is due to the tariff is a matter not for generalising assumptions but for thorough investigation. Under the new regime every item in the tariff will need justification and if it cannot show justification to-day it probably never will do so. The question in each case is not "Does this protection tend to make a capitalist richer?" but "Does this protection give employment at fair wages to the wage-earner, who but for it would be unemployed or have to work for less money?" and "Does this protection affect favorably or unfavorably the cost of living to the consumer simply as a consumer?" Even if the changes are great, common sense forbids that they be sudden.

How will Canada be affected by the Democratic victory is another question. A lowering of the United States tariff against the whole world would not necessarily make Canada a mere adjunct of the United States. We would still be our own masters and still have the right to mould our own tariff in the interests of Imperial unity and the permanence of Canadian autonomy.

MONTREAL'S REVENUE.

SATURDAY being the last day for the payment of real estate taxes to the city without interest, the day's receipts at the City Hall amounted to no less than \$1,073,000. One cheque from the Canadian Pacific was for \$155,000 and one from the Grand Trunk for \$74,000. Thirty-nine years ago the city's whole revenue from all sources for the entire year was only \$10,074 more than this one day's cash over the civic counter.

Established 1817 **BANK OF MONTREAL** Incorporated by Act of Parliament
 Capital Paid Up, \$16,000,000.00 Rest, \$16,000,000.00 Undivided Profits, \$698,463.27

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Prominent Topics.

Wreck of the Royal George. The St. Lawrence route has got another black eye through the Canadian Northern steamer Royal George running on the rocks just below Point St. Lawrence on the Island of Orleans. The cause of the accident is a mystery. It was daylight and there was only a thin fog on the river when the ship struck. The pilot in charge is described as an old and reliable man who knows every inch of the river, and he felt justified in allowing the steamer to come up the river at eighteen miles an hour. The result is that a ship which measures sixty feet from her keel to her boat deck is aground in six feet of water and there is reason to believe is badly smashed. The passengers, of whom there were 914 on board, are all safe. Who is to blame for the wreck is only matter for conjecture at present. A rigorous investigation ought to settle that question, but it is difficult to imagine that somebody is not guilty of negligence so culpable that it amounts to a blunder worse than a crime.

Presidential Election Vote. Governor Wilson will enter the Presidency as the choice of a minority of the nation, says the New York Tribune. "So did Abraham Lincoln" rejoins the Evening Post. That is the beauty of the American Constitution as it is operated and of most constitutions which are supposed to give form and expression to the will of the sovereign people. Even in Canada we have had a big majority in parliament elected by a minority of the popular vote. As Matthey Arnold pointed out, the majority are generally wrong and it is the saving remnant which saves the nation. To be strictly logical and carry this principle to its legitimate conclusion, Mr. Taft ought to succeed himself in the chair because he got the smallest vote of the three serious candidates. Another fact which appears is that the Electoral College having abandoned the exercise of the function for which it was created has outlived its usefulness.

A Remarkable Trust. Among the richest people in the world as a people are the Indians of the United States. Personally most of them are hard up. They number it is said fewer than 308,000 and their property is estimated to be worth over \$50,000,000, of which \$130,000,000 worth is in Oklahoma. There is \$40,000,000 belonging to them in the United States Treasury. The Wall Street Journal says:—Of over 1,700 Crow Indians, 90 per cent. are tuberculous. Yet Congress cannot find adequate medical attention and segregation for the sick of a tribe which is wealthy enough, out of property held in trust for it, to live at the Waldorf-Astoria for the rest of its days.

The Journal, discussing the enormous wealth held

in trust by the Government for the Indians asks: "How has this trust been discharged? Would it be believed that there has been no such thing as an accounting? There is not a document in existence which would show by figures exactly how the nation stands to the Indian wards for which it is trustee. In Canada there is a definite and well considered system. The Dominion has never broken a treaty with the Indians. It has no long record of politics and plunder to report, although its problem has been exactly the same as ours. What is the system here? There is none. The condition amounts to chaos. No corporation in the United States could run its business in any such way without placing its management under charges of the gravest character."

Dominion Finances. The report of the Department of Finance for the fiscal year 1911-12 shows that the receipts on account of the Consolidated Fund for the year amounted to \$136,108,217 and the expenditure on the same account to \$98,161,440. The surplus of receipts over expenditure on this account was therefore \$37,946,776.

The following expenditures on railways were charged to capital account:

Intercolonial Railway	\$ 1,710,448
Prince Edward Island Railway	128,041
National Transcontinental Railway	21,110,352
Hudson Bay Railway	159,632
Total railways	\$23,108,474
Quebec Bridge	1,153,778
Total	\$24,262,252

Other expenditures on capital account were Canals \$2,560,938, Public Works (including \$1,167,462 on the St. Lawrence ship channel) \$4,116,385. Railway subsidies amounted to \$859,400 and \$538,530 was paid on account of bounties on the following:

Iron and steel	\$166,750
Lead	179,288
Binder twine	59,556
Crude petroleum	141,935

The net debt of the Dominion at the close of the fiscal year was \$339,919,460, or a decrease of \$122,591 from the net debt as it stood on March 31st, 1911. The decrease is accounted for as follows:—

Capital expenditure on National Transcontinental Railway	\$21,110,352
Capital expenditure on other railways, canals and public works	9,829,223
Railway subsidies	859,400
Consolidated Fund Transfers:	
Grand Trunk Pacific Railway implementing payments	\$4,994,416
Other transfers	2,187,248
	\$7,181,665
	\$38,980,641
Surplus of Consolidated Fund receipts over Consolidated Fund Expenditure	\$37,946,776
Sinking Fund	1,156,456
	\$39,103,232
Decrease of net debt	\$122,591

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ESTABLISHED 1881.

PUBLISHED EVERY FRIDAY.

R. WILSON-SMITH.
Proprietor.

ARTHUR H. ROWLAND.
Editor

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MONTREAL, FRIDAY, NOVEMBER 8, 1912.

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THE GENERAL FINANCIAL SITUATION.

The Bank of England secured the bulk of the \$2,750,000 new gold arriving on Monday. During such an uncertain political season, the city desires to see the bank strengthened as much as possible; therefore the competition in London for the gold shipments is reduced to a minimum. Bank rate at the British capital was continued at 5 p.c.

In the London market call loans are 2½ to 3½; short bills, 4 15-16 to 5 per cent.; three months' bills, 4¾ to 4 15-16 per cent. Bank of France rate is 4 p.c.; and market rate at Paris 3¾ to 4 per cent. The big French centre has just had an important speculative upset; it will probably be some time before confidence and optimism resume their sway in Paris and Berlin. Bank rate at the latter city is 5 p.c. and discounts in the market are quoted 4¾. The monetary tension at Vienna has been particularly acute; both bank and market rates standing at 5½. It is quite natural that the Vienna markets should be upset over the dramatic outcome of the war.

Nobody knows what the victorious allies will demand in the way of territory. Their success has been so complete and startling that it would not be surprising if they stood out even against Austria herself. Judging from their recent performances the Bulgarian and Servian armies might give a good account of themselves in the event of a struggle with the Austrians. The banking institutions at all important European centres will desire to keep their resources in liquid form until all the interested parties have agreed as to the final disposition of the Turk's estate. Some competent critics appear to be of the opinion that the occasion may furnish an opportunity for the improvement of relations between Britain and Germany.

* * * *

The New York money market retains all its firmness. Call loans are 6 p.c.; sixty day loans, 6 p.c.; ninety days, 5¾ to 6 p.c.; and for six months' loans the nominal quotation is 5½ p.c. With respect to time money it is said that only a small amount of funds has been offered by the city institutions; and the interior banks also have but little to spare. Another decrease of reserves was reported by the metropolitan clearing house institutions. In the case of banks and trust companies the loan contraction amounted to \$9,314,000; the cash loss was \$5,820,000; and the excess cash reserve dropped from \$4,024,000 to \$2,580,000—the decrease being \$1,444,000. The surplus reserve of the banks alone was reduced to less than a million. Their loans expanded \$106,000; cash fell \$4,159,000; and surplus decreased \$3,420,000. It was noted on Monday that 21 clearing house institutions began business this week with reserves below the legal minimum. Last week there were sixteen institutions starting out with deficient reserves. The circumstance apparently leads to the conclusion that the banks are not in very good shape to finance a stock exchange boom.

* * * *

Although the split in the Republican party and the pre-election betting indicated a decisive victory for the Democratic candidate for president, the results of the voting were more sweeping than had been generally looked for. Of course, this opens up the question of the United States tariff. And it would be surprising if the holders of securities issued by corporations, now enjoying in an abnormal degree, the benefit of tariff privileges conferred on them by the Washington Government, did not manifest some uneasiness over Wilson's tremendous victory.

However, it is quite clear that apart altogether from tariff considerations there are plenty of factors now operating on the Wall Street securities market in the interests of the bear party. The high rates for money and the condition of the New York banks; the uneasy position of the European speculators who hold American securities; the return of American stocks and bonds from London and Paris: all these

THE BANK OF TORONTO

Incorporated 1855.

Head Office: TORONTO, Canada.

Capital \$4,600,000
 Rest 5,600,000

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Capital Paid Up : : : \$ 4,900,000
 Reserve Fund : : : 5,900,000
 Total Assets : : : 73,000,000

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Head Office TORONTO

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 President

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 General Manager

A GENERAL BANKING BUSINESS TRANSACTED

THE ROYAL BANK OF CANADA

INCORPORATED 1869
 with which is united

THE TRADERS BANK OF CANADA

Capital Paid up \$11,500,000 Reserves \$12,500,000
 Assets \$175,000,000

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The Bank of Nova Scotia

INCORPORATED 1832.

CAPITAL \$4,412,000
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110 BRANCHES 110

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The Bank of Ottawa

DIVIDEND No. 85.

NOTICE is hereby given that a dividend of THREE PER CENT. being at the rate of Twelve per cent. per annum upon the paid up Capital Stock of this Bank, has this day been declared for the current three months, and that the said dividend will be payable at the Bank and its Branches on and after Monday, the second day of December, 1912, to shareholders of record at the close of business on the 16th November next.

The ANNUAL GENERAL MEETING of the shareholders will be held at the Banking House of this city on Wednesday, the 18th day of December next, the chair to be taken at 3 o'clock p.m.

By order of the Board.

GEO. BURN,

Ottawa, Ont.

General Manager.

October 21, 1912.

factors are clearly in evidence and their working cannot be said to be in the direction of higher prices of securities.

* * * *

In Canada call loans are quoted 6 p.c. as heretofore, in Montreal and Toronto; and rates for commercial advances are firmly maintained. Needless to say financial Canada has a considerable interest in the results of the presidential election just concluded. The trade between the Dominion and the big Republic may be importantly affected by tariff changes made by our neighbors. That these changes will be sudden or drastic is not to be expected. President-elect Wilson has declared that the work of revision will be carefully carried out and that the greatest consideration will be given to the business interests. Then it is to be remembered that there is a powerful section of the Democrats who are opposed to drastic tariff revision. So Canada will have to wait patiently and see what steps are taken at Washington. If it happens that the bars against American imports of our foodstuffs are abolished or sensibly lowered, a number of Canadian industries will be able to do an enlarged trade with the United States.

* * * *

Canada is also watching very closely the progress of events in Europe. The high bank rate in London and the unsettled condition of the London market is serving to check the issue of our securities. Many corporations and municipalities which had expected to get funds there for enterprises taken in hand by them, are seriously inconvenienced by the situation; and it is to be hoped that the transatlantic skies will clear shortly.

WESTERN IMPRESSIONS.

Mr. James McGregor, manager for Canada of the Commercial Union Assurance Company and of the Palatine Insurance Company has returned to Montreal from a western trip taken in company with Mr. Henry Mann, of London, England, secretary of the Commercial Union. The two gentlemen visited all the leading centres in the West, including Winnipeg, Regina, Saskatoon, Edmonton, Calgary, Vancouver and Victoria, returning through the United States via Seattle, Portland, Ore., Salt Lake City, Denver and Chicago. Mr. Mann has now proceeded to New York, en route for home.

In Mr. McGregor's view, the great optimism which is to be found everywhere in the Canadian West, is fully justified by the healthy business conditions. Great developments were found to be in progress in all the cities visited, a point which particularly impressed itself being that in each of the leading centres, a large number of the banks are to be found located in palatial premises of their own while trust and loan companies and other financial institutions are also erecting at the present time many handsome premises. In the course of their trip, the visitors met a large number of old country financiers and others, who were engaged in seeing the western country for themselves with a view to future financial and business developments.

THE BANKS' CAPITALS AND REST FUNDS: TWELVE MONTHS' PROGRESS.

A comparison of the banks' paid-up capitals and rest funds as they were at September 30, 1912, the date of the latest official returns, and as they were at September 30, 1911, shows that during the twelve months the banks have been actively engaged in the extension of their resources in this connection and that they have made substantial provision for their increasing business. During the twelve months, the banks' paid-up capitals were increased by the net amount of \$9,302,358 to \$110,604,638 or by 9.17 p.c., this advance comparing with one of \$4,002,031 in the twelve months which ended on September 30, 1911. The present increase includes the paid-up capital of the Internationale, which started business during the period under survey, and the adjustment which has been rendered necessary by one of the two mergers which have come into force. The Royal-Traders merger resulted in a nominal reduction of capital of just over \$1,100,000 so that the September bank statement showed a net reduction of paid-up capital compared with August 31, of some \$400,000, the August statement of the capital of the going banks having shown \$111,098,525.

The increase of capital during the past twelve months has been a very general movement. In fact, all but six of the banks have increased their paid-up capital during the last year, and in the case of one of these six there was an important increase in the period shortly preceding the twelve months. It is well-known that in the case of some of the smaller institutions their capital account is always in process of being enlarged, but naturally the bulk of the advance has been due to the issues of new stock which have been made by the larger institutions. The subjoined statistics show that in many cases stockholders have made very heavy additions to their holdings. Apart from the changes caused by consolidations, the Royal Bank has increased its capital during the period by \$1,814,000; the Bank of Montreal by \$1,600,000; the Merchants by \$704,000; the Bank of Commerce by \$588,000; the Imperial by \$564,000; the Bank of Nova Scotia by \$518,000; the Bank of Toronto by \$490,000; the Hochelaga Bank by \$457,000; the Dominion by \$386,000; and the Northern Crown by \$352,000. And this process of enlargement of the capital account is going on with undiminished vigor. At September 30, at least one-half the banks had their capital accounts open, and no doubt, the next few months will see further considerable additions in this connection.

GROWTH OF THE REST FUNDS.

Substantial as has been the advance made in paid-up capital, it has yet failed to keep pace with the growth of the banks' rest funds. During the twelve months ended September 30, these funds were in-

THE HOME BANK OF CANADA

ORIGINAL 1854
CORPORATED

QUARTERLY DIVIDEND.

Notice is hereby given that a Dividend at the rate of seven per cent. per annum upon the paid-up Capital Stock of this Bank has been declared for the three months ending the 30th November prox., and the same will be payable at its Head Office and Branches on and after Tuesday, the 2nd December prox. The Transfer Books will be closed from the 16th to the 30th November, 1912, both days inclusive.

By Order of the Board,
JAMES MASON, General Manager.
Toronto, 9th Oct., 1912.

Montreal Trust Company

Incorporated 1889

CAPITAL - - - \$500,000.00
RESERVE - - - \$200,000.00

Our Booklet on Wills contains interesting and valuable information. It will be sent on application

DIRECTORS

H. S. Holt, President	N. Curry	Hugh Paton
Robt. Archer, Vice-Pres.	Hon. R. Dandurand	E. L. Pease
Sir W. M. Aitken, M. P.	Geo. E. Drummond	James Redmond
J. E. Aldred	T. J. Drummond	F. W. Ross
A. J. Brown, K.C.	F. P. Jones	W. B. Ross, K.C.
Fayette Brown	Wm. Nelson Macpherson	A. Haig Sims
Geo. Caverhill	C. E. Neill	

V. J. HUGHES, MANAGER

142 Notre Dame Street, W.

British Columbia Timber

The difficulty of obtaining impartial, reliable information regarding any special section of timber in British Columbia has led this company to install a department under the supervision of Mr. G. F. Gibson, devoted exclusively to timber.

The company acts solely as agent, and will neither purchase nor sell for itself, consequently its recommendations are impartial.

Special reports by most reliable cruisers, noting accessibility for logging, will be furnished with as little delay as careful examination will permit.

Correspondence solicited.

British Canadian Securities Limited

Dominion Trust Building - VANCOUVER, B.C.

Paid-up Capital \$250,000

Offices: Montreal, London (England) and various cities in Western Canada.

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

The Royal Trust Co.

TRANSPORTATION BUILDING

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

Board of Directors:

Right Hon. LORD STRATHCONA & MOUNT ROYAL, G.C.M.G.
PRESIDENT.

Sir EDWARD CLOUSTON, Bart.,

VICE-PRESIDENT.

SIR H. MONTAGU ALLAN,	SIR W. C. MACDONALD,	H. V. MEREDITH
R. B. ANGLIS	HON. R. MACKAY	DAVID MORRICE
A. BAUMGARTEN	A. MACNIDER	JAMES ROSS
C. B. GORDON	SIR T. G. SHAUGHNESSY,	K.C.V.O.
E. B. GREENSHIELDS	SIR WILLIAM C. VAN HORNE,	K.C.M.G.
C. R. HOSMER		

A. E. HOLT, Manager

SAFETY DEPOSIT VAULTS:

Bank of Montreal Bldg., 109 St. James St.,
MONTREAL.

The Standard Loan Co.

We offer for sale debentures bearing interest at FIVE per cent per annum, payable half-yearly. These debentures offer an absolutely safe and profitable investment, as the purchasers have for security the entire assets of the company.

Capital and Surplus Assets - \$1,400,000.00
Total Assets - \$2,800,000.00

President: J. A. KAMMERER.

Vice-Presidents: W. S. DINNICK, Toronto, HUGH S. BRENNEN, Hamilton.

Head Office: Cor. Adelaide and Victoria Sts., TORONTO

The Trust and Loan Co. OF CANADA

Capital Subscribed, \$14,600,000
Paid-up Capital, 2,920,000
Reserve Fund, 1,499,950
Special Reserve Fund 473,600

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

30 St. James St., Montreal

PRUDENTIAL TRUST COMPANY LIMITED

HEAD OFFICE

41-43

ST. FRANCOIS

XAVIER ST.,

MONTREAL.

Trustee for Bondholders
Transfer Agent & Registrar
Administrator Receiver Executor
Liquidator Guardian Assignee
Trustee Custodian
Real Estate and Insurance Departments
(C. W. MILLS, Supt.)
Insurance of every kind placed at lowest possible rates.

Safety
Deposit Vault

Terms exceptionally moderate.

Correspondence invited.

B. HAL. BROWN, Vice-Pres. and Gen. Manager.

Union Assurance Society Limited OF LONDON, ENGLAND.

(Fire Insurance since A.D. 1714)

Canadian Branch:

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

creased by \$14,110,462 to \$104,301,411 or by 15.66 per cent. This increase compares with one of \$10,092,478 in the previous twelve months. At September 30, the proportion of the banks' rest funds as a whole to their paid-up capitals was 94.26 per cent. compared with 88.94 per cent. twelve months previously, and the time is not far distant apparently, when the rest funds will equal in amount the paid-up capitals of the banks. Two of the new banks not having yet started to build up a rest account, this rest is divided among 24 institutions. Of these twenty-four, twelve have rest accounts equal to or greater than their paid-up capital, three have rests of over 75 p.c. of their paid-up capitals; five of 50 p.c. and below 75 p.c. and four of below 50 p.c. All but four of the banks made additions to their rest accounts during the twelve months ended September 30, and of these four, two were the new banks which have not yet started a rest account. Comparing September 30, 1912, with September 30, 1911, it is seen that in the twelve months sixteen of the banks increased their ratios of rest funds to paid-up capital, five retained the same proportion as at the earlier date, one case being of a bank without a rest fund, and in four cases there were decreases in ratio. The latter are not important, being mainly consequent upon increases in paid-up capital, concerning which it may be noted that in the cases of some of the banks, there do not yet appear in the official returns apparently, the full amounts which can be credited to rest as a result of the issue of new capital at a premium.

COMPARISON WITH UNITED KINGDOM.

The attention which Canadian bankers as a whole pay to the rest fund has in the past been unfavorably criticised by outside observers of the Canadian banking system. In an article published a year ago, THE CHRONICLE showed that Canadian practise generally favors a much larger rest than does the banking practice of the United Kingdom, where some of the joint-stock banks of the highest standing are content with ratios of reserve to paid-up capital of 50 per cent. or less. We then pointed out, however, that the reserves of banks in the United Kingdom have been practically stationary in aggregate amount for a number of years owing to the heavy drafts which have been made upon them by the depreciation in Consols and kindred securities. These drafts, it may be noted, have still to be made. At June 30, 1912, the reserves of the English joint stock banks were £725,000 lower than at June 30, 1911, and those of the Irish banks, £213,100 lower, and these losses were only partially offset by an increment of £115,800 in the Scotch bank reserves. In the case of the banking institutions of the United Kingdom, there is no double liability attaching to the holding of their shares as in Canada, yet the fact that uniformly the shares are only partly paid has the same effect as the double liability clause and in many instances the uncalled liability upon the shareholder in British banks is considerably larger proportionately than the double liability which attaches to the holding of Canadian

BANKS' CAPITALS AND RESERVES: A TWELVE MONTHS' COMPARISON.

(Compiled by The Chronicle).

Banks.	Capital paid up Sep. 30, 1911.	Rest Fund Sep. 30, 1911.	Percentage of Rest to paid-up Capital.	Capital paid up Sep. 30, 1912.	Rest Fund Sep. 30, 1912.	Percentage of Rest to paid-up Capital.
British	\$ 4,866,666	\$ 2,652,333	54.50	\$ 4,866,666	\$ 2,774,000	57.00
Commerce	11,411,850	9,129,480	80.00	15,000,000	12,500,000	83.33
Dominion	4,566,574	5,566,574	121.90	4,953,122	5,953,122	120.19
Eastern Townships	3,000,000	2,250,000	75.00	3,000,000	3,430,600	114.35
Hamilton	2,743,400	3,064,677	111.73	2,956,930	2,650,000	89.62
Hochelega	2,500,000	2,500,000	100.00	1,290,863	450,000	34.90
Home	1,272,082	425,000	33.41	6,523,423	6,523,423	100.00
Imperial	5,959,423	5,959,423	100.00	1,359,843	5,900,000	88.00
Internationale	6,000,000	4,900,000	81.66	6,704,983	1,250,000	125.00
Merchants	1,000,000	1,250,000	125.00	1,000,000	4,700,000	117.50
Metropolitain	4,000,000	4,600,000	115.00	4,000,000	16,000,000	100.00
Molsons	14,400,000	12,000,000	83.33	16,000,000	1,400,000	70.00
Montreal	2,000,000	1,300,000	65.00	2,000,000	1,790,000	179.00
Nationale	895,300	1,598,666	179.23	1,000,000	250,000	9.76
New Brunswick	2,207,451	150,000	6.79	2,559,715	8,074,742	185.07
Northern Crown	3,892,150	7,154,080	183.81	4,410,530	4,228,260	113.41
Nova Scotia	3,500,000	3,900,000	111.43	3,728,260	500,000	50.00
Ottawa	1,000,000	425,000	42.50	1,000,000	2,500,000	117.42
Provinciale	2,500,000	1,250,000	50.00	2,500,000	12,355,818	121.61
Quebec	6,200,000	7,000,000	111.29	11,374,380	2,914,086	29.58
Royal	2,000,000	2,500,000	125.00	2,314,086	5,987,720	120.05
Standard	951,934	281,616	29.58	1,014,257	300,000	62.09
Sterling	4,497,455	5,247,455	116.68	4,987,720	5,000,000	100.00
Toronto	4,354,500	2,300,000	50.52	839,860	3,104,640	71.41
Traders	4,755,290	2,776,655	58.41	310,000	15,000	4.84
Union of Canada	616,905	.....	.....	.....	.....	.....
Vancouver	301,300	.....	.....	.....	.....	.....
Weyburn . . . . .	.....	.....	.....	.....	.....	.....
Totals and averages	\$101,392,280	\$90,181,949	88.94	\$110,694,638	\$104,301,411	94.26

Guardian Assurance Company Limited, of London, England

Subscribed Capital, \$10,000,000 Paid-up Capital, \$5,000,000
Total Assets, over \$33,000,000
Deposited with Dominion Government, over \$600,000
Canadian Branch: Head Office, Guardian Building, MONTREAL.

CANADIAN TRUSTEES:
 W. M. Ramsay, (Chairman)
 J. O. Gravel.

H. M. LAMBERT, Manager.
BERTRAM E. HARDS,
 Assistant Manager.



CANADA BRANCH HEAD OFFICE, MONTREAL.

DIRECTORS:
 Sir E. S. Clouston, Bart., *Chairman.*
 Sir Alexandre Lacoste, M. Chevalier, Esq. William Molson Macpherson, Esq.
 T. J. Drummond, Esq.
 J. Gardner Thompson, *Manager.* J. W. Binnie, *Deputy Manager.*



Head Office: 112 St. James Street, Montreal;

DIRECTORS:
 Sir E. S. Clouston, Bart., *President.*
 J. Gardner Thompson, *Vice-President and Managing Director.*
 Sir Alexandre Lacoste, M. Chevalier, Esq. Wm. Molson Macpherson, Esq.
 T. J. Drummond, Esq. A. G. Dent, Esq. J. A. Rimmer, Esq. John Emo, Esq.
 J. W. Binnie, *Secretary.*



The Northern Assurance Co. Limited

"Strong as the Strongest"

Accumulated Funds, \$38,800,000 **HEAD OFFICE FOR CANADA, 88 NOTRE DAME STREET WEST, MONTREAL.**

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

ROYAL EXCHANGE ASSURANCE

Founded A. D. 1720

Losses Paid Exceed \$235,000,000

Head Office for Canada
 Royal Exchange Building
 MONTREAL

ARTHUR BARRY, Manager

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



Head Office: Royal Exchange, London

.. 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.

bank shares. So that in this connection it would appear that, on the whole, the Canadian bank shareholder is somewhat better off than his British confrère. There can be no doubt of the utility of large rest funds in reconciling the Canadian holder of bank stock to the double liability upon his holdings. It is a matter of importance that additional capital for the banks should be readily forthcoming in order that they may continue to provide for the increasing requirements of the country, so that continued building up of the rest fund of a bank to a point at which it equals the amount of the paid-up capital would seem desirable from this one point of view alone. Whether it is equally good policy to go far beyond this point is more debateable.

FIRE UNDERWRITERS AND MONTREAL'S WATER SHORTAGE.

We publish in another column the details of the action which has been taken this week by the Canadian Fire Underwriters' Association following the Point St. Charles fire last Sunday night, which resulted in losses of \$468,000. In demanding from the City Council an investigation into the management of the city's engineering and waterworks department, the Underwriters will have the support of the citizens as a whole. Already the Council of the Board of Trade have taken action in energetic support of the Fire Underwriters, and we have no doubt that the other representative associations, whom the Fire Underwriters have asked for assistance, will respond in the same way as has the Board of Trade.

The circumstances call for vigorous action and an end once for all of the dilly-dallying, hand-to-mouth policy which, appears to have been hitherto the City Council's guide in the matter of the water supply. Through that policy, the city has been placed for some weeks in imminent danger of a gigantic conflagration. What might have happened on Sunday night had weather circumstances been less favorable, or had a second fire broken out in the congested district of the city can only be conjectured. Mr. Hadrill, the secretary of the Fire Underwriters Association, is not exaggerating when he says that had the fire started during the windstorm of last Friday, the whole side of the city would have been swept away. For three hours while the fire was in progress there was no water in the congested district. Automatic sprinklers were rendered useless; the hundreds of millions of dollars of property comprised in the valuable buildings and merchandise located and stored in this section were left absolutely unprotected, at the mercy of any fool who dropped a lighted match or cigarette end carelessly. And this in a city of 600,000 people which we are proud to call "the metropolitan city of Canada"!

City officials have been very busily explaining that

the whole trouble has been due to "accidents." We agree with the Underwriters that "accidents" do not explain fully and satisfactorily the whole sequence of recent events. Was the blow out which occurred on Sunday to a 36 inch connection which had been recently installed an accident? Was it not due to insufficient bracing of the part? There are also rumors that the breakdown of the pump some three weeks ago was not entirely an accident, but that the pump had shown signs that it required attention and doubtless the management, wishing to avoid any criticism on account of shortage of water which would have occurred had the pump been shut down, delayed examination until after the new pump was in commission.

We notice that Mr. Janin in reply to a letter from Major Stephens states that a further pump could be placed in commission within seven months. Perhaps Mr. Janin could explain why the present pump has taken eighteen months to instal. If we remember rightly there was a similar delay in the installation of the pump purchased some four years ago. The action of the then Mayor (Ekers) in having to purchase on his own account a steel chimney, will be recalled by our readers. It is very well for Mr. Janin and other city authorities to make promises of the equipment that will be obtained in the future, but what the public and the Underwriters want to know is, are these so-called accidents to continue? If that is to be the case, the most ample pumping capacity would be unavailable for fire, at any rate for a short period, and that possibly a critical one, as was the case on the canal bank by such an accident as occurred last Sunday night. Mr. Janin speaks of the ample supply which will be obtained when the aqueduct is finished, following his procedure in the case of the installation of the last pump. Will he wait until the aqueduct is finished before he considers the question of the provision of hydraulic pumps? As the Underwriters remark, this is a work of considerable magnitude, and initiative measures should at once be taken to obtain tenders for the pumps in question, so that they shall be ready to operate when the aqueduct is finished. With regard to the fire on the Canal bank, we also hear queries as to whether the steam fire engines were used to the best advantage, it being stated that at the commencement of the fire, they were all attached to, and drew water from the city hydrants, and consequently when the water failed, it naturally took time to transfer some of the engines to the Canal bank or the waste weir, and take water therefrom, which, of course, caused delay at a most critical period of the fire. It would seem that it would have been a wise precaution to place some of the engines at first so as to draw water from the Canal, which would have given a double supply.

The truth of the matter is that the present trouble is due not to "accidents" but to the fact that the City

COMMERCIAL UNION

ASSURANCE COMPANY LIMITED
of LONDON, England

Capital Fully Subscribed . . .	\$14,750,000
Capital Paid Up	1,475,000
Life Fund, and Special Trust Funds,	66,136,780
Total Annual Income exceeds	37,500,000
Total Assets exceed	115,000,000
Total Fire Losses Paid	147,603,475
Deposit with Dominion Govern- ment	1,269,327

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—

Commercial Union Building,
MONTREAL

W. S. JOPLING,

Assistant Manager

J. McGREGOR,

Manager

PALATINE

INSURANCE COMPANY LIMITED
of LONDON, England

Capital Fully Paid	\$500,000
Fire Premiums 1911, Net	\$2,264,769
Interest, Net	129,270
Total Income	\$2,394,039
Assets	\$4,000,000
Deposit with Dominion Gov't	\$105,666

*In addition to the above there is the further
guarantee of the Commercial Union Assurance
Company Limited, whose Assets exceed
\$115,000,000*

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—

Commercial Union Building,
MONTREAL

W. S. JOPLING,

Assistant Manager

J. McGREGOR,

Manager

SUN INSURANCE OFFICE

FOUNDED A.D. 1710.

Head Office:

Threadneedle Street - London, England

The Oldest Insurance Office in the World

Surplus over Capital and all Liabilities exceeds

\$10,000,000

Canadian Branch:

15 Wellington Street East, Toronto, Ont.

H. M. BLACKBURN, Manager

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

ESTABLISHED 1809

Total Funds Exceed

\$85,805,000

Canadian Investments Over

\$8,280,742

FIRE AND LIFE

North British and Mercantile

INSURANCE COMPANY

DIRECTORS

A. MACNIDER, Esq., Chairman - CHAS. P. SISK, Esq. -
G. N. MONCEL, Esq. - WM. MCMASTER Esq.

Head Office for the Dominion:

78 St. Francois Xavier Street - MONTREAL.

Agents in all the principal Towns in Canada.

RANDALL DAVIDSON, Manager.

ANGLO-AMERICAN

FIRE INSURANCE COMPANY

Head Office, 61-65 Adelaide St. East, Toronto

E. E. A. DU VERNET, K.C., President

H. H. BECK, Manager

INSURANCE

Phoenix of Hartford

Company

Total Cash Assets : \$10,737,657.32

Total Losses Paid : 67,969,830.19

J. W. Tatley, Manager.

MONTREAL.

Applications for Agencies Invited.

The MONTREAL-CANADA

FIRE INSURANCE COMPANY

ESTABLISHED 1859.

Head Office: 59 St. James St., Montreal

Hall authorities have neglected their duty in regard to the City's water supply. They have neither taken measures which would neutralise the effects of legitimate accidents, nor have they adopted any constructive policy in regard to the water supply which would meet, naturally and automatically, the largely increasing demands of the city from year to year. Instead of that, they have been content merely to live from hand to mouth, taking no precautions and apparently consoling themselves with the reflection that if anything happened, the patient citizens would be as patient as they always are. We do not particularise individuals in this connection. The City Hall as a whole—Mayor, Controllers, Aldermen and officials—must each bear their share of the responsibility for the present condition of things unless they can adduce active efforts of their own towards an improvement.

The fact that within a few days—barring more "accidents"—conditions will be again normal should not be allowed to interfere with the pursuance of the investigation which the Underwriters propose. It is not merely that we want to find out the why and wherefore of recent happenings, but to devise means to ensure that they shall not recur. Even the City Hall can hardly require a huge conflagration to incite it to set its house in order.

THE SELF-INSURANCE FALLACY AGAIN.

Our venerable friend, the self-insurance fallacy, has turned up again at Quebec. Undisconcerted by the frequency with which he has been snubbed by unexpected conflagrations—which always are unexpected—he has secured an introduction to and apparently had a hearty welcome from the Hon. Mr. Taschereau, minister of public works, who on Tuesday was kind enough to introduce our friend to the legislature in his report for the year ended last June. We quote from a newspaper summary:—

Hon. Mr. Taschereau drew attention to the heavy amounts paid out annually for insuring governmental buildings and he suggested that it would be advisable for the Government to insure its own buildings. The total on which premiums are paid is \$2,880,600. On this point, he declares that since 1867 to the present year, the sum of \$237,350 has been disbursed under this head of insurance, while the indemnities received on losses amounted to but \$146,938.

The question may be considered, adds the report, whether it would not be advisable and more advantageous for the Government to insure its own buildings with a special insurance fund, created for the purpose and to add to the fund yearly the amount of money now paid out in premiums to the different insurance companies.

So the Quebec Government has not been getting its "money's worth" in fire insurance. Let us see. The Government since 1867 has paid out \$237,350, and of that amount has received back for losses incurred, \$146,938—giving the rather heavy ratio of losses paid to premiums of 61.91 per cent. Then part of the balance, say 33 1-3 per cent. has

gone towards the expenses of the companies, which brings the proportion of premiums absorbed up to 95.24 per cent. One per cent. of the balance has gone to the Provincial Government itself in the shape of the provincial tax on premiums, and out of the exiguous remainder, a fitting provision has had to be made for unearned premiums, and the risk of the Parliament buildings at Quebec one fine day going up in smoke. So that the companies seem not to have made very much profit out of this particular business. On the whole, it appears to us that the Quebec government, on the showing of its own minister, has done pretty well in the matter of its fire insurance; it has had its "money's worth."

This is, of course, in a sense a *reductio ad absurdum*. For fire insurance is in its essence an act of co-operation—a spreading among many members of the community the losses which fall upon a few. The man who pays his fire insurance premiums for 20 years without receiving back a cent for losses incurred gets his "money's worth" in his insurance exactly as does the man who has half a dozen fires in the period. The business of fire insurance is governed by the law of average. It is simply because that in some cases premiums exceed losses that the companies are able to pay losses in excess of premiums in other cases. It is impossible to foretell the contingency of fire in individual cases, hence the fallacy of argument by individuals from their experience of the past. Because events show that the Quebec Government, had it started self-insurance in 1867 and kept it up till now, might possibly have been a certain amount in pocket, is not a reason why a self-insurance fund should be started at the present time. Because to put it quite plainly, no one knows when the Parliament buildings at Quebec will be wiped out by a conflagration. The conflagration hazard is always present, and the city of Quebec, as fire underwriters know to their cost, has no special exemption from it.

Apparently, the Minister's idea is to start the fund with a nest egg, which will be added to yearly. Until the size of the nest egg is known, it cannot be seen how adequate or inadequate the provision made will be. But it is certain that unless a very large amount indeed—considerably larger than is likely to be used—is put by at the start, that the tax-payers of the province, should this scheme of self-insurance be put into effect, will be running a financial risk which they should not be called upon to bear. How many years will it be before the fund gives the same amount of protection as is given by the companies at the present time? Twenty? Thirty? Forty? Does the Minister consider it impossible that there should be a large loss by fire to Government buildings within either of those periods? Does he consider that wise statesmanship which "saves" the taxpayers a few dollars and allows them to run a very great risk for many years of losing thousands?

THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated : 1833.

HEAD OFFICE : TORONTO

Old Reliable Progressive
Assets over . . . \$2,000,000.00
Losses paid since organization
over . . . \$35,000,000.00

DIRECTORS:

Hon. GEO. A. COX, President.
ROBT. BICKERDIKE, M.P.
E. W. COX
JOHN HOSKIN, K.C., LL.D.
D. B. HANNA
ALEX. LAIRD
Z. A. LASH, K.C., LL.D.

W. E. BROCK, Vice-President
W. B. MEIKLE
GEO. A. MORROW
AUGUSTUS MYERS
FREDERIC NICHOLS
JAMES KERR OSBOERN
SIR HENRY M. PELLATT
E. R. WOOD

W. B. MEIKLE, General Manager

EVANS & JOHNSON, General Agents

26 St. Sacrament Street : : MONTREAL

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, 1910

(1) A UNIFORM ADDITION of \$5 per \$1,000 was
declared on all classes of Full-Bonus Policies.

(2) A GUARANTEED BONUS was also declared
of \$12.50 per \$1,000 per annum on Full-Bonus Policies
becoming claims by death, and \$17 per \$1,000 per annum
on Endowment Assurances maturing before 31st
December, 1915. These bonuses apply to new as well
as existing policies.

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

Agents Wanted

NORWICH UNION FIRE OFFICE.

Founded 1797.

AGENTS WANTED

Head Office for Canada : : TORONTO.

JOHN B. LAIDLAW, Manager.

JOHN MacEWEN, Superintendent at Montreal.

Established 1864.

New York Underwriters Agency.

Policies secured by Assets - \$24,363,655

PROVINCIAL AGENTS.

MURPHY, LOVE, HAMILTON & BASCOM, JNO. WM. MOLSON,
Toronto, Ont. Montreal, Que.
OSLER, HARMON & NANTON, WHITE & CALKIN,
Winnipeg, Man. St. John, N.B.
ALFRED J. BELL, HORACE HAZARD,
Halifax, N.S. Charlottetown, P.E.I.

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

L'UNION FIRE INSURANCE COMPANY, Limited

Head Office : PARIS, France.

Established 1828

Capital fully subscribed . . . \$2,000,000.00
Net Premiums in 1910 . . . 4,651,840.00
Total Losses paid to 31st Dec., 1910 78,500,000.00

Canadian Branch:

94 NOTRE DAME ST. WEST, MONTREAL

Manager for Canada:

MAURICE FERRAND.

LONDON MUTUAL FIRE INSURANCE CO.

HEAD OFFICE TORONTO
ESTABLISHED 1859

Assets on December 31st 1911 . . . \$926,906.76
Liabilities on December 31st, 1911 . . . \$337,306.07
SURPLUS on December 31st, 1911 \$589,600.69
Security for Policy Holders . . . \$967,910.97

F. D. WILLIAMS,
Managing Director

FIRE PREVENTION IS BETTER THAN CURE.

No one who in one way or another is interested in the fire problem is likely to decry the excellent work done by fire brigades. Here and there, underwriters may find it necessary occasionally to register a growl at lack of efficiency, but on the whole it can be said that in Canada, the fire brigades of the leading cities and towns perform their trying service in a commendable way. But it may be legitimately suggested that under present circumstances, the fire brigades are not doing so useful work as they might, were there a more general recognition of the important part which they can play in the work of fire prevention.

What can be done in this direction, particularly in the smaller cities, was described in a paper read at the recent annual meeting of the International Association of Fire Engineers. Its author, the fire chief of a city of the second rank in Kansas, pointed out that firemen, to fight a fire to advantage, must know the buildings in their districts, their construction, entrances, occupancy, and the points at which a fire can be fought to the best advantage. For that purpose, the inspection of the buildings at frequent intervals is necessary. While doing this it will require but a little more time to include fire prevention work, making a report of the existing fire hazards, and of conditions that might become fire hazards; giving orders for immediate correction, and following them up to see that the corrections have been made. The evidence of the value of the work carried out on these lines, submitted by the reader of the paper, was amplified in the subsequent discussion, in the course of which several fire chiefs stated that as a result of inspections, cellar and basement fires had been reduced to a minimum. In Cincinnati, for instance, there was not one during the whole of last summer, and at Lansing, Mich., not a single basement fire has occurred since a system of bi-weekly district inspection has been put in force.

It is pleasant to note that in this discussion, generous recognition was made of the work of underwriters in fire prevention and the opinion was expressed that the best results were secured when there was co-operation between the fire department and insurance special agents and inspectors. These facts should be known by those engaged in Canadian municipal life. A fire brigade making a fast run to a fire is an inspiring sight, no doubt, but if the fireman can be employed more usefully in a less showy way, he can well be spared as a street attraction. Fires are too expensive an entertainment to be indulged in unnecessarily.

In Edmonton, the prevailing scale of payment for bricklayers is 75 cents an hour, with a nine-hour day. In some instances contractors are said to be paying 80 cents an hour with 50 per cent. added for overtime.

COMPULSORY LIMITATION OF LIFE BUSINESS.

The announcements regarding limitation of business for the remainder of the year which have been lately made by some of the large American life companies again call attention to the ridiculous features of the so-called Armstrong laws in the matter of new business. Under those laws, as is well known, an arbitrary limit was placed upon the amount of new business which might be written in any one year. Subsequent amendments have somewhat modified the original harshness of the law, and under certain circumstances of expense-saving the companies are able to extend the limit of the new business which they may write in a single twelve-months. But the notices recently sent out to the effect that applications for various classes of policies can only be accepted for delivery in the new year and so on, is evidence to show that the law still presses harshly upon the large companies and that its abrogation rather than its amendment is required.

That in these days, when insurance under many forms is being widely advocated as a palliative or cure for existing unsatisfactory social conditions, a prospective policyholder eligible in every way should be forbidden by law to take out a policy upon his life in the equally eligible organisation he has chosen is passing strange. And there are circumstances in which conceivably a great hardship might be worked because of this provision. Equally, a limitation of this kind is unfair to the agent, who may be forced to discontinue altogether for a time the sale of policies which, in his own field, may happen to be particularly popular, or having landed a prospect, to run the risk of his going elsewhere for immediate protection instead of waiting two or three months. The company suffers also, not only from the loss of new business, but because agents, hampered by the limitation, are likely to make arrangements with another company not affected by these laws.

We are aware that one of the great New York companies has decided voluntarily to limit its annual new business in the future to a certain figure (\$150,000,000), but there is a vast difference between this voluntary limitation and the arbitrary imposition of a limit by the State. In the one case it is action taken for good and sufficient reasons by those responsible for the management and direction of the company; in the other those responsible have no voice in the matter. And it may well be asked, has the state the right thus to interfere with a corporation operating strictly in accordance with the intent of its charter and without violation of the rights of others? It seems to us that for the State thus to interfere is a distinct usurpation of power. Suppose that the Quebec Legislature were to lay down that the Montreal Tramways Company is not to carry more than so many passengers in 1913, or the Dominion Parliament to pass legislation that the Can-



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



HEAD OFFICE - - - TORONTO
MONTREAL BRANCH: Thomas F. Dobbin, Resident Secretary, 164 St. James St.
QUEBEC BRANCH: C. E. Sword, Resident Secretary, 81 St. Peter St.
WINNIPEG BRANCH: A. W. Blake, District Secretary, Canada Building, Donald Street.

The Yorkshire Insurance Co., Limited

of YORK ENGLAND.

Established 1824.

ASSETS, \$13,000,000

FIRE INSURANCE granted on every description of property at Tariff rates.

LIVE STOCK INSURANCE. This Company has a large Live Stock business in England and elsewhere, and is the FIRST COMPANY, licensed by the FEDERAL GOVERNMENT, to transact Live Stock Insurance in the Dominion.

APPLICATIONS FOR AGENCIES are invited from responsible persons.

ACCIDENT DEPARTMENT.—Personal Accident, Sickness, Employers' Liability, Elevator Liability, Teams Liability, Public Liability, Plate Glass.

CANADIAN DIRECTORS.—Hon. C. J. Doherty Alphonse Racine, Esq. G. H. Bosworth, Esq. Alex. L. MacLaurin, Esq.

Canadian Manager, P. M. WICKHAM, Montreal.

The WESTERN

Assurance Company

Incorporated in 1851.

ASSETS over \$3,000,000.00

LOSSES paid since organization of Com-
 pany over \$55,000,000

DIRECTORS

Hon. GEO. A. COX, President. W. R. BROCK, Vice-President.

W. B. MEIKLE, Managing Director.

ROBT. BICKERDIKE, M.P.

Z. A. LASH, K.C., LL.D.

D. B. HANNA

E. W. COX

JOHN HOSKIN, K.C., LL.D.

GEO. A. MORROW

ALEX. LAIRD

FREDERIC NICHOLLS (C.V.O.)

AUGUSTUS MYERS

COL. SIR HENRY M. PELLATT,

JAMES KERR OSBORNE

E. R. WOOD

HEAD OFFICE TORONTO

INSURANCE COMPANY OF NORTH AMERICA

PHILADELPHIA, PA.

CAPITAL, \$4,000,000.00

SURPLUS TO POLICY HOLDERS 7,743,980.17

ASSETS 16,001,411.86

LOSSES PAID EXCEED 149,374,312.55

ROBERT HAMPSON & SON, LIMITED

GENERAL AGENTS FOR CANADA. MONTREAL

THE LAW UNION & ROCK

INSURANCE CO. LIMITED, LONDON. Founded in 1806

Assets Exceed - \$45,000,000.00

Over \$6,000,000 invested in Canada.
 FIRE and ACCIDENT RISKS accepted.

Canadian Head Office: 112 St. James Street, Corner Place d'Armes
 MONTREAL.

Agents wanted in unrepresented towns in Canada.
 W. D. AIKEN, Superintendent. J. E. E. DICKSON
 Accident Dept. Canadian Manager

The LIFE AGENTS' MANUAL

PRICE, \$5.00

Published by The Chronicle, Montreal

adian railways must not own more than so many thousands of cars during the same year? The propositions are absurd, yet we venture to say that they are on all-fours with the enactment of legislation designed to prevent life companies doing what they have been designed to do, merely because they have been unusually successful in doing it.

Fortunately in Canada hitherto, we have been spared legislation of this sort. But there may possibly be the threat of it in the future. Some of our Canadian life companies are attaining now a respectable size and their growth in the immediate future is likely to be very rapid. That they will be as ably and effectively managed when they have twice or three times the present amount of their assets, as they are now, we have no manner of doubt, and they should be allowed to grow in their own way and according to the ideas of their management. The State has no right to stunt the growth arbitrarily.

WHERE STATISTICS PROVE TOO MUCH.

"O, liberty, what crimes are committed in thy name," so exclaimed the unhappy Madame Roland. May not the same reproach be often made of the use of statistics even by eminent men? Even a man of such scientific renown as Professor Karl Pearson can apparently mistake statistical quick-sands for solid earth. Professor Pearson, with some elaboration of argument and statistics, has drawn the conclusion, based on a study of 381 patients in the Crossley Sanatorium, that there is a greater liability to tuberculosis among early born children than among children of the same parents born later, also that families containing tuberculous members are more numerous than the families of the rest of the population. He also contends, that insane persons and criminals are drawn from families larger than the average. Mr. T. B. Macaulay, the distinguished actuary, has recently examined the statistics from which these conclusions are drawn and he declares that a fallacy runs through almost all of them which utterly destroys their value, and from statistics so prepared almost anything can be proved. With caustic simplicity, Mr. Macaulay points out that such statistics only prove that children and babies are not, as a rule, old enough to develop consumption or to be sentenced to penitentiaries—that is all. If we were to select a group of men weighing fourteen stone, he observes, the percentages of early born would be greater than of later born, which would not prove that early born children develop into heavier men than the later born, but merely that boys and babies rarely weigh fourteen stone. We opine that a barber might conclude on good *prima facie* evidence that the elder sons of a family grow stronger beards than the younger ones. But he would probably change his opinion if he waited for ten years before arranging his statistics. In regard to the claim that consumptives, insane persons and criminals come from families larger than the average families, Mr. Macaulay remarks that the statistics from which the conclusion is drawn are not based on marriages or families, but on children, which proves nothing. A family of ten children has ten times as great a chance

of producing a consumptive or a criminal as a family of only one child has. Hence to compare an average so found with the average size of family in the total population is to compare entirely different things. It would seem as if the structure which Professor Pearson has reared has collapsed as completely as did the Campanile at Venice some ten years ago. *Sic transit gloria mundi.*—The Policyholder, Manchester.

WESTERN CANADA FIRE UNDERWRITERS' ASSOCIATION.

At a recent meeting of the Western Canada Fire Underwriters' Association, the following action was taken in regard to contingent commissions:—

It was moved by the *Ætna* and seconded by the Canadian Fire that the constitution be amended as follows: Add after clause 5 of article 10, page 12, of constitution the following:

"It is provided, however, that in towns and cities of 2,500 population or over, with waterworks protection and which towns and cities shall have been approved and the names thereof bulletined by the provincial committee, an agent or chief representative, as an alternative to the above, may be paid a commission of 10 per cent. flat with 15 per cent. on profits annually. In calculating profits, losses and adjustment charges and a minimum of 30 per cent. to cover general expenses must be deducted from the premiums. The premiums shall mean the gross premiums of the agency, less refunds and cancellations. All compensation agreements involving the contingent plan shall be made for a period of not less than one year and upon the completion of any such agreement the company so doing shall immediately notify the secretary of the association to that effect, and the secretary shall similarly notify the other companies, if any, in the agency."

The motion was carried. There were 56 ayes, as follows:

Ayes—Acadia, American Central, *Ætna*, American Fire, Alliance, Atlas, British America, British Crown, British and Canadian Underwriters, Caledonian, Calumet, Canada National, Canada West, Canadian Fire, Delaware, Employers' Liability, Firemen's, General Accident, German-American, Germania, Guardian, Hartford, Home, Insurance Company of North America, Insurance Company of State of Pennsylvania, Liverpool and London and Globe, London Assurance, London and Lancashire, L'Union, Manitoba, Mercantile, Middlewest, National, Niagara, North British & Mercantile, North Empire, North West Fire, Northwestern National, Northern, Norwich Union, Protector Underwriters, Pacific Coast, Phoenix of Hartford, Phoenix of London, Providence-Washington, Quebec, Rochester German, Royal Exchange, Scottish Union, Sovereign, St. Paul F. & M., Sun, Union, Western, Western Union, Yorkshire.

There were 8 nays as follows:

Nays: Commercial Union, Law Union & Rock, Liverpool Victoria, New York Underwriters, Occidental, Palatine, Queen, Royal.

Mr. Russell Blackburn, of Ottawa, has been elected a director of the Bank of Ottawa to fill the vacancy caused by the death of Mr. H. F. McLachlin, of Arnprior.

THE CANADA LIFE

in each of the past 4 years has earned **A Substantially Increased Interest Rate**, and 1912 bids fair to exceed 1911.

Interest is a most important element in the earning of surplus, and this doubtless accounts for the fact that **In Each of The Past 4 Years** the Canada Life has earned **A Larger Surplus** than ever before in its history.

N.B.—Favorable mortality and low expenses, the result of **Good Management**, have helped.

Canada Life Assurance Company, Head Office : TORONTO.

BRITISH AND CANADIAN UNDERWRITERS

OF NORWICH, ENGLAND.

ASSETS - - \$10,457,000

Head Office for Canada, - TORONTO.
JOHN B. LAIDLAW, Manager.

Chief office for Quebec,
Lake of the Woods Bldg., - MONTREAL.
JOHN MacEWEN, Superintendent.

AGENTS WANTED.

Union Mutual Life Insurance Co.

Of Portland Maine.

FRED. E. RICHARDS, President.

Accepted value of Canadian Securities held by Federal Government for protection of policy-holders, \$1,206,576.

All policies issued with Annual Dividends on payment of second year's annual premium.

Exceptional opening for Agents, Province of Quebec and Eastern Ontario.

WALTER I. JOSEPH, Manager,
151 St. James Street, Montreal.

SOLICITING INSURANCE FOR THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK IS ONE OF THE MOST LUCRATIVE OF CALLINGS.

Are you in the business to stay? Choose a Company good enough for you to stay WITH, and strong enough to stay with YOU, during your whole career;

The oldest Company in America, which began business seventy years ago, is bigger, better and stronger now than ever before, and will be still bigger, better and stronger seventy years hence;

Not the Company which YOU must introduce, but the Company which introduces YOU wherever you go.

The Company whose better selling policies earn most for you in the way of commissions;

The Company which furnishes the insured the largest protection for his money.

FOR TERMS TO PRODUCING AGENTS, ADDRESS:

George T. Dexter

2nd VICE PRESIDENT

34 Nassau Street New York, N.Y.

GOVERNMENT, MUNICIPAL AND CORPORATION BONDS

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

WOOD, GUNDY & COMPANY.

LONDON, ENG.

TORONTO, CAN.

FIRE COMPANIES' LOSS, \$468,000.

Shortage of Water when Factory Fire Broke out at Point St. Charles, Montreal—Underwriters Demand an Investigation—A Strong Resolution.

By a fire which broke out in the plant of the Consumers Cordage Company, Point St. Charles, Montreal, last Sunday night, and spread to the factory of the Canadian Bag Company, fire underwriters incurred a loss of approximately \$468,000. There is no doubt that the inadequacy of the water supply was a serious factor in running up the loss. The pressure was low and it was not until engines were moved up to the canal bank that a strong supply of water was obtained.

UNDERWRITERS' ENERGETIC ACTION.

Following this heavy loss members of the Canadian Fire Underwriters' Association have taken energetic action in regard to the unsatisfactory condition of Montreal's water supply. At a meeting on Tuesday a stiff resolution reflecting strongly on the management of the Engineering and Waterworks department of the city and demanding an investigation into the conduct and management of these departments by engineers of repute, one to be appointed by the Underwriters, was passed. The conditions of which the Underwriters complain are fully set forth in the preamble to the resolution, which is as follows:—

Whereas, The breakages in Pumps and Mains of the City Waterworks have occurred with alarming frequency, causing serious interruption to and shortage of the City's water supply, etc., the recent complete disruption of No. 4 Pump on the 12th ult. (still under repair) reducing the service several million gallons below daily requirements, followed on the 3rd instant by a break in a main of the High Level System, by which the large section of the City served by same was entirely deprived of water for some twenty-four hours; on the evening of the same day, a new thirty-six inch connection, which had been installed to connect the pump under repair blew out while a fire on the Canal Bank was in progress, and the consequent immediate heavy fall in pressure and supply resulted in an extensive and destructive fire, which, but for the favorable weather conditions, would have swept that section of the City.

While the parts of the new 12,000,000 gallon Pump ordered last year were largely on the ground early in June, no building or foundation had been prepared for its installation, the excavation therefor being only commenced some three weeks later. The Underwriters addressed communications dated 17th June and 10th July (copies attached) to the Civic authorities urging the necessity of the work of installation being rapidly proceeded with, as the Pumps in service (some of which are old and of doubtful endurance) were at that date, though being worked to their utmost capacity, failing to meet daily requirements. Beyond a reply to the first communication that it was referred to the Superintendent of Waterworks for report, no answer was vouchsafed to these representations, and, at the present date, though the work has doubtless been pushed since the breakdown of one of the Pumps some three weeks ago, it will be at least another week before the installation is complete, a period of five months since reception of the Pump, and nearly a year and a half since its purchase was decided upon.

"CONTINUED DILATORINESS."

The work of enlarging the Aqueduct seems to suffer from the same dilatoriness; it is now expected to be finished in two years, and it does not appear that any initiatory steps whatever have yet been taken towards providing the necessary hydraulic Pumps to fully utilize same.

The foregoing facts force the Underwriters to the conclusion that such continued dilatoriness and repeated disasters cannot be solely due to fortuitous causes, but must be attributable to faulty construction and workmanship, the acceptance and use of inferior material, all of which can apparently only proceed from incompetent management on the part of the Engineering and Waterworks Department of the City.

Be it therefore Resolved,—That in view of the enormous

liability assumed by the Fire Insurance Companies transacting business in this City, the securing of which protection is absolutely essential to its Trade and Commerce, the Underwriters regard the present situation and future prospect with the gravest concern and alarm, and before considering what steps they should take to conserve the individual interests of their Companies, do most earnestly represent to His Honor the Mayor in Council that a Commission of three Engineers of repute be forthwith appointed (one of whom to be nominated by the Underwriters) to investigate into and report at an early date upon the troubles which have occurred and the whole conduct and management of the Waterworks Department of this City.

BOARD OF TRADE SUPPORT.

On Wednesday the Council of the Board of Trade gave their support to the Underwriters' attitude in a resolution in the following terms, to be sent to the Civic Board of Commissioners:—

Resolved—That having taken communication of the resolution of the Canadian Fire Underwriters' Association, adopted 5th instant, the Council of the Board of Trade hereby affirms that the disastrous fire on the canal bank of Sunday evening, 3rd instant, supports the representations therein made, and that had such a fire occurred in the centre of the city, where there was no water service available and the canal could not be drawn from, the whole of that section, with its valuable buildings and large stores of merchandise, would probably have been destroyed in a vast conflagration.

That the Council therefore joins the Canadian Fire Underwriters' Association in urgently entreating the City Council to immediately appoint a commission of three engineers, whose duty it shall be to investigate the troubles which have occurred in connection with the water supply of this city and also regarding the management of the Waterworks Department, and the council suggests that one member of that commission should be nominated by the Canadian Fire Underwriters' Association, and one representing the trade interests of the city, by the Montreal Trades and Labor Council.

On Wednesday also the Underwriters' resolution came before the City Council and was referred to the Board of Control for a report as to the desirability of the investigation. Alderman L. A. Lapointe expressed the hope that the controllers would see their way clear to appointing the commission of experts for this investigation. Whether needed or not, he said that it was time that such an independent inquiry should be held for the satisfaction of the citizens.

It is stated by the civic authorities that the pump which broke down nearly three weeks ago will be repaired by the close of this week, and that in the course of next week, the installation of another new pump will have been completed, which will give a surplus of 12,000,000 gallons, and that further extensions of pumping apparatus are also under way.

DETAILS OF THE LOSS.

Details of the insurance companies' losses by Sunday's fire, amounting in the aggregate to approximately \$468,000 are as follows:—

CANADIAN BAG COMPANY.

Acadia	\$ 1,500	North America	\$15,000
Aetna	2,500	North British	15,000
British America	5,000	Northern	5,000
Caledonian	12,500	Pacific Coast	7,500
Continental	10,000	Protector Undrs.	7,000
Com. Union	15,000	Phoenix of H.	10,000
Fidelity Phoenix	10,000	Phoenix of L.	15,000
Fidelity Undrs.	5,000	Quebec	7,500
German-American	10,000	Queen	15,000
Guardian	10,000	Royal	24,000
Hartford	10,000	Royal Exchange	5,000
Home	5,000	St. Paul	2,500
Law U. & Rock	5,000	Springfield	7,500
L. & L. & G.	22,500	Sun of L.	2,500
London & Lanc.	10,000	Western	7,500
Manitoba	10,000		
N. Y. Undrs.	10,000	Total	\$300,000

Loss total.

(Continued on page 1633).



The Employers' Liability

Assurance Corporation Limited

:: :: OF LONDON, ENGLAND :: ::

TRANSACTS:

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

Most Liberal Policies Issued

Offices: MONTREAL, TORONTO

Managers for Canada, GRIFFIN & WOODLAND.
JOHN JENKINS, Fire Superintendent.

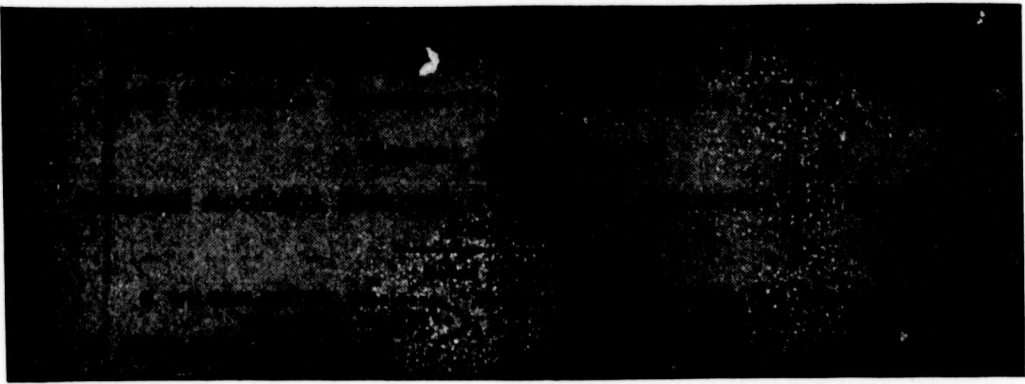
Canadian
Government

Deposit : : :

\$829,200.00

STANDS FIRST

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



TORONTO :
Traders Bank Building

VANCOUVER

WINNIPEG

MONTREAL :
Merchants Bank Building

FOUNDED 1871

The OCEAN ACCIDENT & GUARANTEE CORPORATION, Limited

of LONDON, England

Accident, Health, Employers' Liability, Guarantee and Plate Glass Insurance

UNRIVALLED SECURITY

LIBERAL POLICIES

ASSETS EXCEED . . . \$11,250,000

CLAIMS PAID, over . . . \$45,000,000

Canadian Head Office TORONTO, Ontario

CHARLES H. NEELY, General Manager for Canada and Newfoundland.

"THE OLDEST SCOTTISH FIRE OFFICE"

THE CALEDONIAN

INSURANCE CO. OF EDINBURGH.

Founded 1805.

Head Office for Canada,
DOMINION EXPRESS BUILDING
Montreal

JOHN G. BORTHWICK,
Canadian Manager.

The National Life Assurance COMPANY OF CANADA.

Head Office, National Life Chambers, TORONTO

ELIAS ROGERS, President.

ALBERT J. RALSTON, Vice President & Managing Director

F. SPARLING, Secretary.

Applications received for new assurances from the
1st January, 1912 to 1st November, 1912 . . . \$6,000,000.00

Insurance in force November 1st, 1912 . . . \$17,000,000.00

For Agencies apply direct to Head Office.

USE AND OCCUPANCY INSURANCE.

Continental	\$5,000	Mount Royal	\$10,500
Fidelity-Phoenix	2,000	N. Y. Undrs.	7,500
Fidelity Undrs.	5,000		
		Total	\$30,000

Loss, 60 per cent.

KIDD RUTHERFORD COMPANY

Northern	\$2,500	Springfield	\$1,500
Phoenix of L.	6,000		
		Total	\$10,000

Loss, total.

CONSUMERS CORDAGE COMPANY.

INSURANCE PLACED WITH COMPANIES REPRESENTED IN MONTREAL.

British America	\$10,000	North America	\$10,000
Continental	10,000	Northern	7,500
Com. Union	25,000	Norwich Union	25,000
Employers' Liability	5,000	Phoenix of L.	10,000
Guardian	15,000	St. Paul	5,000
Hartford	7,500	Springfield	5,000
Home	10,000	Sun of London	5,000
L. & L. & G.	15,000	Western	10,000
N. Y. Undrs.	15,000		
		Total	\$190,000

INSURANCE PLACED IN BOSTON.

Rhode Island	\$20,000	La Confiance of Fr.	10,000
National Fire	20,000	L'Urban of France	10,000
Ins. Co. of America	6,500	La France	10,000
State of Penn.	22,500	American Fire	7,500
Millers National	10,000	Standard of Ams-terdam	10,000
Sun (of France?)	7,500	U. S. Underwriters	10,000
Northern of France	6,000		
Metropole of France	10,000		
		Total	\$160,000

Loss, 40 per cent

TOTAL INSURANCE LOSS, \$468,000.

THE LONDON GUARANTEE AND ACCIDENT POSITION.

(The Economist, London.)

Insurance companies, as a rule, are well supplied with liquid resources from the very nature of their business, and their earning power is usually very steady, as far at least as the accounts reflect the true position that a reduction or passing of the dividend is an abnormal matter. It is, therefore, not surprising that the non-payment of an interim dividend by the London Guarantee and Accident should have caused some comment, and have sent down the price of the shares from 24 to about 16. The company was established in 1869, and is not, therefore, in the same category as struggling little concerns which pay dividends for the purpose of creating an appearance of prosperity. Ten years ago the premium income was about £300,000 per annum, rising to £395,160 about five years ago. Since then the rate of growth has been more rapid. The premium income in 1910 was £719,893, and in 1911 it was more than double that of 1906. The annual dividend has been raised from 14s in 1906 to 22s in 1909 and 1910, and finally to 25s 6d. Profits do not seem to have kept pace, and the last accounts show that the dividend was not fully earned, even including £12,785 from interest on investments.

The company is one which issues its accounts to shareholders in a different form from those rendered to the Board of Trade by statute, and much can be learnt from a perusal of the statutory accounts. The employers' liability business within the United Kingdom incurred a loss of £3,319 for 1911, and the fire insurance business lost £4,727. The "general business" account, which includes the American business, yielded a profit of £11,798 on premiums of £699,689. The reserves for outstanding claims on the "general account" are only some £10,000 more than they were

two years ago, when the premium income on this account was £451,338.

LESS PROFITABLE AMERICAN BUSINESS.

In the circular last month intimating the passing of the dividend the directors stated that, apart from some exceptional losses through the "Titanic" disaster, the cause of the trouble was, first, that new laws in the United States were making it necessary to set aside larger reserves for outstanding claims, and, secondly, that a section of the American business showed heavier claims—presumably in the first part of this year. As regards the latter experience, no business man would be surprised to encounter it. Companies transacting what is at best a risky sort of business in America must, of course, expect at times an adverse swing of the pendulum. Provided rates be sufficient to pay well on the average of a series of years, and the company be strong enough financially to stand the racket of adverse times, there may be no harm in such a setback. But the swing of the pendulum theory may not apply in this case. There has been a movement in America which has had the effect of rendering industrial, accident, and liability business less profitable. One important company has been ordered to reform its methods or cease business in New York State. Unexpected legislative enactments, requiring increased reserves, are plainly awkward things to face, especially if it should after all prove that the State authorities are right and that the larger reserves are in fact required. From a further communication emanating from the company's office it appears that juries in the States have lately been giving heavier verdicts in favour of injured workmen, thus increasing the average amount of each claim. The important part of this seems to be that as the current cost of settling claims rises the Government scale of obligatory reserve for un-emerged claims seems to rise with it, and as it appears that there is no time limit for the emergence of old claims, it will be seen that this is a cause which may not only entail most inconvenient reserves at the present time—reserves which may or may not be eventually required—but may open out an almost unlimited liability to put up higher reserves in the future.

ANNUITANTS' LENGTH OF LIFE.

British Government's Experience—Present Tables Under-estimate Mortality—Annuities Granted on Too Favorable Terms.

A report by Mr. J. Blakey, the actuary of the British National Debt Office, on the mortality of Government life annuitants has been issued as a Parliamentary paper. The last investigation was issued in 1884. Explaining the extent of the investigation, the results of which are now published, Mr. Blakey says:—

If variations in rates of mortality were only of a temporary character the inclusion of the experience of a further series of years with that of the period 1808 to 1875 would be desirable in order to obtain as many facts as possible from which the requisite average deductions could be drawn. There may, however, be causes at work in a later period of years, which were either absent or of less force in an earlier one, tending to render these variations permanent. The conditions of life in this country are now somewhat different from what they were in the earlier years of the 19th century. A knowledge of hygiene is more general, considerable improvements in sanitary matters have been effected by legislation, and great advances have been made in medical and surgical skill; all causes which favour an increase of vitality. On the other hand there may

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TORONTO, CAN.

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 ESTABLISHED IN 1863

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 TOTAL ASSETS 31st DEC., 1911, \$72,000 00
 POLICIES IN FORCE IN WESTERN ONTARIO OVER 30,000

WM. SNIDER, President. **GEORGE DIEBEL,** Vice-President.
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THE FEDERAL LIFE ASSURANCE COMPANY
 Home Office, HAMILTON, CANADA.

Capital and Assets	.	.	.	\$5,316,968.65
Surplus December 31, 1911	.	.	.	329,973.65
Insurance in Force	.	.	.	23,887,141.41

The Contracts of this Company are free from unnecessary conditions and restrictions.
C. L. SWEENEY, District Manager,
 Montreal District.

be causes tending to a contrary effect, for instance, a greater density of population and the stress of modern life; the latter cause probably affecting male more than female lives. The duration of life in a special class of lives like annuitants may not be influenced by all the causes mentioned, but that some of them will have an effect upon it seems to be more than probable. The object sought in investigating the mortality experience of a past period is to obtain data from which the probable rates of mortality in future may be deduced. With the view, therefore, of obtaining the experience of lives living under conditions more closely resembling those of the present time it has been decided to commence the present investigation with the experience of the year 1875, and to omit altogether that of previous years. If any later year were taken as the commencement of the observation it would hardly allow of the collection of sufficient data.

LIVES IN PRESENT EXPERIENCE.

The lives comprised in the present experience are accorded as follows:—

(1) The nominees of annuities granted before 1875 who were living in that year on the anniversary of the date of purchase of the annuity.

(2) The nominees of annuities granted under the Acts 10 Geo. 4, c. 24 and 51 and 52 Vict., c. 15, between the 1st January, 1875, and 31st December, 1903.

Where two or more annuities have been granted on the same life only the experience afforded by the one first granted has been included.

The following table gives a summary of the data:—

Government Annuity Experience, 1875-1904.	Summary of data.		
	Males.	Females.	Total.
Number of lives under observation	5,504	13,863	19,367
Number of years of risk	57,652	163,378	221,030
Number of deaths	4,168	9,333	13,501
Number of lives existing at the close of the observation	1,336	4,530	5,866

There does not appear to be any material alteration as regards the ages at which annuities were purchased in the periods before and after 1875 respectively. In both periods about 5 per cent. of the total number of lives were under 40 years of age at the time of purchase and 65 per cent. between the ages of 50 and 70.

MALE ANNUITANTS.

Tables showing in decennial age groups the annual number of deaths in each of the first five years following purchase, together with other details, are published, from which it appears that the total number of deaths of male annuitants recorded in the five years was 618, as compared with 632 expected deaths according to the previous Government Experience, and 607 according to the British Offices Experience. It is pointed out, therefore, that on the whole there is little indication of any important change in the rate of mortality, although considerable divergencies exist in respect of individual age groups. If the ages below 60 are excluded the total deaths are practically identical in all three cases. Owing to the paucity of the data, the deaths occurring in successive years of duration exhibit various irregularities, but the light mortality in the year following purchase is a noticeable feature of the new experience at the older ages.

FEMALES—IMPROVED MORTALITY.

It is observed that in the case of females the results lead to more definite conclusions, the most significant feature being the comparatively light mortality exhibited by the lives included in the new experience. Actual deaths recorded in the five years numbered 1,027, as compared with 1,134 expected deaths according to Government Annuity Experience, and 1,088 according to British Offices Experience. It is stated that there are indications of a distinct improvement in the mortality of Government female annuitants during the period 1875-1904 as compared with the previous period, the total number of deaths recorded being less than the expected deaths for each year of duration—the aggregate difference for the five years being approximately 10 per cent.

Other tables show that the improved vitality of annuitants, although to a certain extent common to nominees of either sex, was during the period much more marked in the case of female lives. Females purchasing an annuity at forty years of age may now, it appears, expect to live 29.01 years, against 27.97 years between 1808 and 1875, while at the age of fifty the expectation is 22.21 years, as compared with 21.07. For males the increases are smaller, but the expectation has for both males and females increased at all ages.

PROPOSED NEW TABLES.

The results of the present investigation, the report states, point to the conclusion that the mortality tables on which the cost of Government life annuities is now based underestimate the vitality of annuitants, and, consequently, that these annuities are granted on too favourable terms to the persons who purchase them. According to a proposed new table the cost of a £100 annuity paid quarterly, with an additional payment of one-fourth of the annuity after death, would be in the case of a male, aged 40, £1,783, as compared with £1,687, on the present table, and in the case of a female £1,917, compared with £1,867. The cost at all ages would be increased, but whereas the advance in the case of males would rapidly lessen until the age of seventy only £15 more would be asked, and at the age of 80 only £4 more, in the case of females the new table would require an additional sum of about £50 at most ages. Even at the age of 75 the cost, according to the new table, would be £47 more and at 80 £33 more. The average increase in the cost would be 2.2 per cent. for male lives and 4.5 per cent. for female lives at the ages at which annuities are usually purchased—i. e., from 50 to 75.

Insurance Briefs.

The Continental, Fidelity-Phenix, Westchester and British Dominions have been admitted to membership in the Western Canada Fire Underwriters Association.

* * * *

The Quebec Government announces its intention of introducing a bill to facilitate the organisation of a system of fire protection in the small towns and villages of the province.

* * * *

Last week's heavy snow storm in Winnipeg was taken advantage of for tests of some of the automobile fire apparatus. The tests were not altogether satisfactory, some of the machinery involved not being able to cope with the weather conditions.

* * * *

The report of an inspector contained in the new report of the Quebec Minister of Public Works states that the school syndics of the province can be persuaded but with great difficulty, to put up enough fire escapes on school buildings. The inspector declares that he has ordered twenty-three equipments put up and three-quarters of them have been put in position.

* * * *

The National Life, of Toronto continues to report satisfactory figures of the business for the current year. Applications for new insurance received in the ten months of 1912 up to November 1, totalled \$6,000,000, while the insurance in force at the date named was \$17,800,000. Mr. Albert J. Ralston is the vice-president and managing director of this progressive company, and Mr. A. Murray Hannah, its Montreal manager.

* * * *

A conference of the superintendents of the Canadian Division of the Prudential of Newark was held recently at the Chateau Laurier at Ottawa. The home office was represented by F. A. C. Baker, assistant secretary; E. J. MacIver, division manager, and J. P. Mackin, assistant division manager. Addresses were made by Mr. MacIver, Mr. Baker and many of the superintendents. The subjects of some of the papers read were: "Proper Means of Developing Assistancy Material;" "Steady Production Every Week from Every Agent," and "Conservation of Debit." The meeting was in session two days.

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

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Abundant prosperity has attended the operations of the

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during the past year in every department of its business.

Death losses were very much below the "expected" and as usual the expenses of conducting the business were very moderate.

Policies in force January 1, 1912
\$71,024,770.88

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Established 1899 TORONTO, Canada
 ALL PREVIOUS RECORDS BROKEN during the first six months of 1912.

New Insurance applied for	\$1,836,000.00
New Insurance issued	1,719,048.50
Insurance in force	15,771,632.70
Cash Receipts, Premiums and Interest	310,640.55
Total Disbursements Increase	\$44,638.38
Total Disbursements Decrease	4,415.01

The Assets, reserve and Surplus Funds show corresponding increases
 Where increases are desirable—There are increases.
 Where decreases are desirable—There are decreases.
 To be a successful agent, you must represent a successful company.
 We have an opening for you, if you are a worker.
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"Betterment of Life Insurance Service" will be the underlying theme of the sixth annual meeting of the Association of Life Insurance Presidents, which is to be held at the Hotel Astor, New York, on Thursday and Friday, December 5th and 6th. The theme will be discussed under three headings, "Problem of Conserving Policyholders' Funds," "Prolonging Lives of Policyholders," and "Fitting the Policy to the Policyholder." As heretofore, men of large public affairs outside the business of life insurance will join with those in the business in discussing different aspects of the problems presented.

E. C. Guthrie, mayor of Mattoon, Ill., is a fire insurance agent and independent adjuster. Knowing the insurance business, he has adapted a number of improved fire prevention methods in connection with the city's work. He has the firemen make inspections of all property and in the past few months has found over two hundred defective chimneys. A notice of this is sent to each property owner, and is followed up by a second inspection. In addition, Mayor Guthrie sends a list of all the defects found to the insurance agents, asking them if they have a policy on the risk to assist him in following it up and securing improvement.—Insurance Post.

A St. Petersburg announcement says that more than 12,000 serious fires have been reported throughout European Russia this year. In a report just published by the Ministry of the Interior it is stated that from 1895 to 1910 there were more than a million fires in European Russia, over 2,800,000 houses were destroyed, and the damage amounted to \$750,000,000. The chief causes of the epidemic, according to the official report, are "carelessness in the handling of fire, which is connected with the great increase of drunkenness." This is the first hint we have ever had that the campaign for fire prevention has anything to do with the campaign for prohibition!

By a decision of the Court of Errors and Appeals of New Jersey, the litigation between the Prudential of America, and the City of Newark authorities, regarding the taxation of the deferred dividend fund of \$23,000,000 is brought to an end. The Prudential is sustained, the Court declaring that this deferred dividend fund is not taxable. The taxes for the years 1909 and 1910, amounting to \$700,000, were paid under protest by the company, owing to the State Insurance Commissioner at that time certifying the fund as taxable. The Commissioner afterwards reversed this practice, and the present court ruling intimates that he should have followed his later attitude from the beginning. The Prudential has thus had to pay \$700,000 taxation on funds held by it for its policyholders, which otherwise it would not have had to pay, but which it cannot now get back.

NON-ADVERTISERS WAKING UP.

Can it be possible? We hear that there is likely to be an awakening amongst certain life offices of the strictly conservative type in the matter of bringing their claims before the public. Only a few days ago we received a pleasant shock on opening our favourite evening paper to find a prominent position on the front page used for advertising purposes by a

centenarian office, the matter being of a crisp and convincing character, and put into the fewest words possible. If rumours that have reached us are correct, other offices of the ancient and severely respectable order will soon be following this lead. Never has more life insurance been required than to-day, particularly among those able to afford policies from £1,000 to £5,000. Some of the oldest of the irreproachably managed institutions should seek to get a better share of the harvest. Suggestions of how to do it are surely not lacking, for advertisement writing has become an art to which many busy and clever brains are being applied.—Review, London.

TWISTING IS REBATING.

The New York insurance department has made an interesting ruling in respect to the business of the Empire Surety company, which was re-insured by the National Surety, but which it appears other companies are trying to get. Twisting is or may not always be rebating, but under the particular circumstances in this case it seems to be, and the department's ruling is as follows:

"The reinsurance of the business of the Empire State Surety Company by the National Surety Company involves the assumption by the National of the obligations of the Empire State. While it would seem that the policyholders of the Empire State have not only lost nothing by the transaction, but have in fact gained additional security therefrom, it appears that certain of the persons insured in the former company are or may be dissatisfied with the insurance afforded them. Such persons may conceivably wish to terminate their insurance and procure other insurance. A termination of insurance in the Empire State (National) can, we assume, usually be brought about by the surrender of the policy, upon which the company would be liable for and presumably pay a 'short rate' return premium. The insured would then be at liberty to procure other insurance at the regular premium charged by the company in which such insurance was sought.

"It further appears that certain surety companies other than the National stand ready to replace Empire State policies upon payment to such companies of sums, other than the premiums specified in the policies so issued, calculated to make good to the insured the loss sustained by him through the cancellation of his Empire State policy at 'short rate.' In other words, the actual payments required or contemplated by these companies upon the issues of their policies in such cases are less than the premiums charged other persons for the same insurance, and specified in the policies, by the difference between the unearned premium at 'short rate' and 'pro rata' upon the Empire State policies.

"The question is raised as to whether or not a transaction of this sort would constitute a rebate under section 65 of the insurance law or a discrimination under section 141 of the insurance law. We can see no escape from the conclusion that the transaction will constitute not only a rebate but also a discrimination. A rebate is, roughly, a secret or special reduction in the price of a commodity from the price quoted and charged to the public generally. The transaction above described involves just this. It seems to come precisely within the definition of a rebate.

"Section 65 of the insurance law provides that 'No insurance corporation * * * or officer, agent, solicitor or representative thereof (shall) directly or indirectly, in any manner whatsoever, pay or allow or offer to pay or allow as inducement to such insurance * * * any rebate from the premium which is specified in the policy.' The prohibition is without any qualification whatsoever. If the transaction constitutes a rebate, it is unlawful.

"Section 141 of the insurance law provides in part that 'No such * * * corporation * * * shall fix or make a schedule of rates or charge a rate which discriminates unfairly between risks within this State of essentially the same hazard.' We can see no difference in the hazard to a company assuming a risk which has previously been insured in the Empire State Surety Company than in assuming the same or a similar risk which has not previously been insured in such company. The transaction is unquestionably the charging of a rate which is less than the schedule rate charged by the same company for like risks and on this account is unlawful, even though the premium actually charged be recited in the policy.

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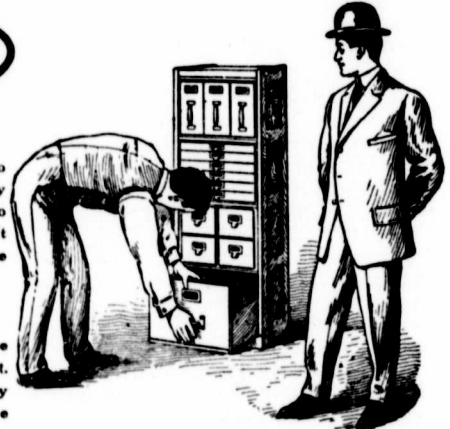


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Personal Paragraphs.

Mr. R. T. Faircloth has been appointed office manager of the Eastern Ontario branch of the Canada Life.

Mr. E. W. Cox, general manager of the Canada Life, and Mr. H. L. Watt, treasurer, are visiting western agencies.

Mr. G. A. Macpherson has been appointed manager of the new Montreal office of Messrs. A. E. Ames & Co., in the Royal Insurance building.

Mr. Henry J. Fuller, president of the Canadian Fairbanks-Morse Company, Ltd., has been elected a director of the National Trust Company.

Mr. W. A. Wright, assistant manager of the Imperial Bank of Canada at Vancouver, has been appointed assistant manager at Edmonton.

Mr. A. G. Ross has resigned as manager at Montreal of the National Trust Company, and Mr. Percival Molson has been appointed to succeed him.

Mr. S. F. Hill, who has for many years acted as secretary of General Manager E. W. Cox, of the Canada Life, has now had his appointment formally confirmed by the board of directors as "secretary to General Manager."

The announcement is made that Mr. J. Haydn Horsey, for the past seven years manager of the Montreal branch of the Dominion Bank, has been appointed manager of the bank's branch in London, England. Mr. Horsey's connection with the Dominion Bank dates back to 1875, and he has had a successful career as manager of the local branch. It is understood that he will be succeeded in the Montreal office by Mr. Mortimer S. Begert, superintendent of eastern branches.

Mr. Edson L. Pease, vice-president and general manager of the Royal Bank, and Mr. A. J. Brown, K.C., a director, have returned from a tour of inspection of the bank's branches, which took them as far as Prince Rupert. Mr. Pease found conditions throughout the country satisfactory from the banking point of view. "The only trouble seems to be," said Mr. Pease, "that every one has underestimated the possibilities of that great country. They did not build big enough in the beginning." Mr. Pease thinks the movement of the western grain crop very satisfactory, 60 p.c. of the estimated 180,000,000 bushels having already passed through Winnipeg.

The Canadian Car & Foundry Company announce that they have purchased the Pratt & Letchworth Company of Brantford. This company employs five hundred hands in the manufacture of malleable iron castings. The firm becomes a purely Canadian concern, its general policy having been formerly directed from Buffalo. No change is contemplated in operating, management or name, and extensive enlargements to the plant are now under way.

Market and Financial Summary

The Official Receiver has given judgment for amounts totalling \$208,357 against shareholders of the defunct Farmers Bank under the double liability clause of the Bank Act. The judgments are 149 in number.

A special meeting of the Cedar Rapids Power Company, held in Montreal on Monday, authorized the issue of \$5,000,000 additional capital. The capitalization of the company was increased from \$10,000,000 to \$15,000,000.

The Brazilian Traction, Light & Power Company September statement is as follows:—

Gross earnings from operation	\$1,691,298
Operating expenses	737,397
Net earnings	\$953,901

When Mr. G. R. F. Kirkpatrick opened the Imperial Bank's branch in Edmonton, nearly twenty-two years ago, it was the only branch of a chartered bank north of Calgary, and the whole banking business of the country was transacted by himself and one assistant. To-day this bank has in the Edmonton main office and branches a staff of fifty.

At a meeting of the Letters Patent Insurance Company recently held in London, the chairman announced the completion of organisation and the probability of the company's achieving success. This company issues policies of insurance to protect patents from infringement, policies of utility in the case of patents, and insures inventors against infringement.

Shareholders of the F. N. Burt Company will be asked to authorize a new issue of preferred stock on November 15. The new stock will be issued to shareholders in the proportion of one share of new preferred for every four shares of old common or preferred stock now held. Payments on the new issue will be in four instalments, the last maturing April 1.

The October output figures of the Dominion Iron & Steel Company just issued show the month to have been the most successful yet experienced by the company. The figures follow:—Pig iron, 31,000 tons; ingots, 29,975 tons; blooms, 27,880 tons; rails, 15,656 tons; rods, 8,868 tons; coke, 50,540 tons. The recent blowing in of the new blast furnace, bringing the number up to five, is given as the reason for this output. A sixth blast furnace is now in the process of construction.

The following are Detroit United's figures for September, and for the current year to date:—

	SEPTEMBER.		
	1912.	1911.	Increase.
Gross earnings	\$1,059,317.65	\$912,329.78	\$146,986.87
Operating expenses	721,611.48	595,252.80	126,358.68
Net earnings	337,706.17	317,067.98	20,638.19
Total income	354,484.83	333,942.49	20,542.34
Surplus	178,728.46	156,745.42	21,982.04
	JANUARY 1 TO SEPTEMBER 30.		
	1912.	1911.	Increase.
Gross earnings	\$8,661,209.22	\$7,627,491.07	\$1,033,718.15
Operating expenses	5,683,248.47	4,887,243.09	796,005.36
Net earnings	2,977,960.75	2,740,247.98	237,712.77
Total income	3,129,720.45	2,871,060.58	258,659.87
Surplus	1,535,137.47	1,282,371.00	252,766.47

The London correspondent of the New York Journal of Commerce cables: It is now believed that the acute stage of the money strain is past. The extreme dullness in the speculative markets is regarded as a favorable sign for new security issues, as money will be available that otherwise would have been required in the markets.

* * * *

During recent years there have been introduced to our markets a number of 7 p.c. cumulative preferred stocks, chiefly of industrial and manufacturing enterprises. Those having behind them sound and conservatively valued assets covering at least the par value of the whole of the preferred capital; which are of companies whose management is successful and well proven, and conducting a class of business that has shown good operating results,—for example, earnings equal to at least twice the preferred dividend requirements, are generally held in high esteem. This is especially the case at the present time, as there has been a growing demand among investors for a type of security yielding more than 6 p.c., and offering attractive opportunities both in respect to dividend returns and possibilities. It is believed that some good preferred stocks which are now selling at a comparatively high yield will, in a later period of easier money, be quoted on a 6 p.c. basis.—A. E. Ames & Co.

* * * *

At the recent half yearly meeting of the Grand Trunk held in London, Mr. A. W. Smithers (chairman) said that the first glimpse of the "end in sight" would appear next year, when he hoped the Government would finish the line connecting the Grand Trunk Pacific with Cochrane, whence by the Grand Trunk's arrangement with the Temiskaming and Northern Ontario Railway they would reach North Bay and connect with the whole system of the old Grand Trunk, thus bringing the manufacturing towns in the east in new communication with the northwest. He hoped on January 1st next, to commence the weekly publication of earnings on the prairie section of the Grand Trunk Pacific Railway and on the Lake Superior branch, a distance of over 1,100 miles. They would not be in full working order until the Government line was opened to Cochrane, the date of which was uncertain to a month or two, and until navigation opened at Fort William.

* * * *

The Spanish River Pulp & Paper Mills will probably have the two additional paper machines ordered recently, in operation by the beginning of February, when the paper output of the company will run about 200 tons a day. It is stated, on good authority, that the company has contracts signed for the sale of its entire output, including that of the new machines, for the next five years. As the contracts have been made on the basis of the recent high prices, the highest in the history of the trade, they are considered particularly favorable. It is also understood that the Ontario Pulp & Paper Company, now part of the Spanish River Company, has nearly as long a contract signed for its output of 100 tons of manilla. In addition to their paper production both the Spanish River and Ontario companies will have a certain surplus of mechanical pulp from the Spanish River plant, and sulphite from the Ontario plant, to dispose of.

* * * *

With reference to the proposed amalgamation of the Bank of New Brunswick with the Bank of Nova

Scotia, the former's shareholders are called to meet on Tuesday, December 10, and those of the Bank of Nova Scotia on Wednesday, December 11.

In a statement to the shareholders of the Bank of New Brunswick the directors of that bank say: "Your directors in recommending this amalgamation desire to say that they are impressed with the fact that the Bank of Nova Scotia is a Maritime Province bank, as over 75 per cent. of its stock is held in the Maritime Provinces. Further, its traditions and methods have been similar to those followed by this bank, and our shareholders, customers and staff would under these circumstances feel assured of a continuity of the policy of the bank. If the agreement with the Bank of Nova Scotia is adopted, the amalgamation it is expected will be consummated on the first day of February next."

* * * *

The provisional statement up to October 26th, issued by the Hollinger Gold Mines Company shows:

Cash on hand and in Imperial Bank	\$33,496
Bullion on hand	27,570
Bullion shipped (not paid for)	89,489
Gold precipitates on hand	97,500
Gold in mill solutions	24,000
Gold in slags on hand	17,000
Materials and supplies on hand	30,659
Accounts receivable	7,407
Guarantee deposits	500
Imperial Bank, Toronto (Reserve for Dividend)	90,000
Insurance paid in advance	2,832
	\$420,464

Against this there are current liabilities for wages, salaries and accounts payable, amounting to \$57,976. The capital assets consist of mining properties at \$2,500,000, developments, \$302,556, and plant, \$593,728. Combining developments and plant, it appears that they entailed an outlay of \$895,684, thus far. Of that sum, profits totalling \$82,432, and the \$250,000 premium on shares sold, were diverted for capital expenditure—"reinvested in plant," and become part of the surplus. In this connection Mr. Robbins reports on October 5th, "all expenditures made previous to July 1, 1912, have been charged into capital account, under the headings 'Development' and 'Plant.'" Net profit accruing from operations since July 1 is \$509,000, a portion of this having been re-invested in plant.

It is possible that the action of the State of Wisconsin in going into the life insurance business may be tested in court. Many question the advisability of the State engaging in any form of business in opposition to private corporations, and ask why the State should not sell calico and other articles, as well as life insurance, and why, if it goes into the life insurance business, it should not sell fire and casualty as well. In addition to this general objection they raise the point that the law may be held to be unconstitutional because the benefits are limited to citizens in good health. A private company may make this distinction, but it is argued that an institution maintained by the State at the expense of the general public cannot differentiate between citizens, but should be required to furnish insurance to all, although it would be allowable to impose a much higher charge upon those whose physical condition is found to be impaired. Applicants for insurance who are denied could take the plan into court on the ground of discrimination.

Stock Exchange Notes.

Thursday, Nov. 7th, 1912.

The Presidential election has now been removed as an unsettling factor of the market and although the result was received uncertainly by the market at first, an upward tendency soon declared itself. London opened at better prices on Wednesday but the initial trading in New York wiped out the preliminary gains and it was not till later in the day that the real tone of the market declared itself, resulting in gains of several points throughout the list. The local market easily followed the lead of the international stocks and prices are up from a fraction to over four points. Laurentide and Montreal Power which have been selling around the same level met and crossed for the first time this week when Laurentide sold at 227½ or about ½ point higher than Power. This position did not long maintain, however, and Power has improved about 4 points from the low. A striking feature of the trading was the rapid rise in Tramways Common which went to 150, but the total sales even on this gain of some 20 points, only brought out slightly over 100 shares. Canadian Pacific was the most active security and Montreal Power was the only other stock in which the trading involved over 2,500 shares. Richelieu & Ontario, Detroit United, Textile Common, Dominion Steel and Cement Common were the other prominent stocks.

Money conditions continue rather stringent and this is exerting a restraining influence, but the undercurrent of feeling is decidedly optimistic and the market seems pressing towards a higher level, and gains in price may be looked for under the slightest encouragement.

The Bank of England rate remains unchanged at 5 p. c.

SUMMARY OF WEEK'S SALES AND QUOTATIONS.

Security.	Sales.	Closing Bid Oct. 31, 1912	To-day.	Net change
Canadian Pacific.....	3,629	262	266	+ 4
"Soo" Common.....	475	140½	144½	+ 4½
Detroit United.....	1,878	69½	73½	+ 4
Illinois Preferred.....	36	92½	92½	—
Quebec Ry.....	800	11	12	+ 1
Toronto Railway.....	347	140½	141	+ ½
Twin City.....	26	104½	105½	+ 1
Winnipeg Ry.....	60	215	219	+ 4
Richelieu & Ontario.....	1,970	112	113	+ 1
Can. Car. Com.....	255	79½ x.D	79	x.D — ½
Can. Cement Com.....	1,064	28½	29½	+ 1
Can. Cement Pfd.....	190	92½ x.D	92½ x.D	—
Dom. Can. Com.....	100	68½	69½	+ 1
Dom. Iron Pref.....	88	100½	101	+ ½
Dom. Steel Corp.....	1,258	59½	61½	+ 2½
Lake of the Woods Com...	..	133	133	—
Laurentide Com.....	544	225½	227½	+ 2
Mexican Power.....	60	80½	83½	+ 3
Montreal Power.....	2,677	228½ x.D	231½ x.D	+ 3
Nova Scotia Steel Com...	152	86	86½	+ ½
Ogilvie Com.....	..	123	124	+ 1
Ottawa Power.....	136	169	17½	+ 3½
Shawinigan.....	68	137½	138	+ ½
Spanish River Com.....	141	62	63½	+ 1½
Steel Co. of Can. Com.....	254	28	28	—
B.C. Packers Com.....	325	150½	155	+ 4½
Can. Converters.....	..	45 x.D	45 x.D	—
Dom. Textile Com.....	1,395	79	79½	+ ½
Dom. Textile Preferred....	110	..	104½	+ 4½
Penmans Com.....	..	55½	56 x.D	+ 1½
Toke Bros. Com.....	105	48	52½	+ 4½
Crown Reserve.....	3,404	3.43 x.D	3.55 x.D	+ 12

CANADIAN BANK CLEARINGS.

	Week ending Nov. 7, 1912	Week ending Oct. 31, 1912	Week ending Nov. 9, 1911	Week ending Nov. 10, 1910
Montreal ..	\$65,311,652	\$42,720,375	\$62,602,060	\$53,057,452
Toronto ..	49,910,198	37,193,578	45,730,526	36,713,781
Ottawa	4,516,754	3,209,979	5,110,098	4,731,812

Traffic Returns.

CANADIAN PACIFIC RAILWAY.

Year to date.	1910.	1911.	1912.	Increase
Sep. 30.....	\$70,637,000	\$76,285,000	\$94,211,000	\$17,926,000
Week ending	1910.	1911.	1912.	Increase
Oct. 7.....	2,243,000	2,396,000	2,765,000	369,000
" 14.....	2,334,000	2,510,000	2,957,000	447,000
" 21.....	2,302,000	2,532,000	2,943,000	411,000
" 31.....	3,271,000	3,675,000	4,295,000	620,000

GRAND TRUNK RAILWAY

Year to date.	1910.	1911.	1912.	Increase
Sep. 30.....	\$36,448,082	\$40,080,197	\$42,982,357	\$2,902,160
Week ending	1910.	1911.	1912.	Increase
Oct. 7.....	908,412	985,730	1,058,587	72,857
" 14.....	935,310	995,500	1,063,161	67,561
" 21.....	963,374	1,023,982	1,132,152	108,260
" 31.....	1,392,943	1,463,196	1,648,054	184,558

CANADIAN NORTHERN RAILWAY.

Year to date.	1910.	1911.	1912.	Increase
Sep. 30.....	\$9,629,800	\$11,625,500	\$14,450,900	\$2,825,400
Week ending	1910.	1911.	1912.	Increase
Oct. 7.....	325,900	460,500	471,700	11,200
" 14.....	347,800	480,900	523,700	42,800
" 21.....	403,900	459,000	561,100	102,100
" 31.....	556,200	624,500	794,700	166,200

TWIN CITY RAPID TRANSIT COMPANY.

Year to date.	1910.	1911.	1912.	Increase
Sep. 30.....	\$5,561,195	\$5,779,467	\$6,014,835	\$235,368
Week ending	1910.	1911.	1912.	Increase
Oct. 7.....	144,695	148,532	155,485	6,953
" 14.....	143,369	148,528	155,869	7,314
" 21.....	145,182	147,056	154,793	7,737
" 31.....	205,012	205,335	.....	.....

HAVANA ELECTRIC RAILWAY CO.

Week ending	1911.	1912.	Increase
Nov. 3.....	\$49,705	\$45,498	Dec. \$4,207

DETROIT UNITED RAILWAY.

Week ending	1910.	1911.	1912.	Increase
Oct. 7.....	\$172,817	\$197,459	\$221,005	28,546
" 14.....	171,851	190,009	213,982	23,973

DULUTH SUPERIOR TRACTION CO.

Year to date.	1910.	1911.	1912.	Increase
Oct. 7.....	\$21,398	\$21,507	\$12,879	Dec. \$8,628*
" 14.....	21,242	21,918	15,426	" 6,522*
" 21.....	21,438	21,794	16,456	" 5,318
" 31.....	30,213	29,834	.....	.....

* Due to Strike of Employees.

MONEY AND EXCHANGE RATES.

	To-day	Last week.	A Year Ago
Call money in Montreal...	6 %	6 %	5-5½ %
" " in Toronto....	6 %	6 %	5-5½ %
" " in New York....	6 %	5½ %	2½ %
" " in London.....	2½-3½ %	3½-4½ %	1½-1½ %
Bank of England rate.....	5 %	5 %	4 %
Consols.....	74½	73½	78½
Demand Sterling.....	9½	9½	9½
Sixty days' sight Sterling..	8½	8½	8½

BANK OF ENGLAND'S STATEMENT

Yesterday's weekly Bank of England Statement showed a proportion of reserve to liability of 47.46 p.c. This compares with 49.53 p.c. last week.

DOMINION CIRCULATION AND SPECIE.

Sept. 30, 1912.....	\$115,995,602	March 31, 1912....	\$113,443,633
August 31.....	116,210,579	February 29.....	114,063,100
July 31.....	113,794,895	January 31.....	113,188,889
June 30.....	111,932,239	December 31, 1911.	115,149,749
May 31.....	113,114,914	November 30.....	115,786,280
April 30.....	113,169,722	October 3.....	104,730,666
Specie held by Receiver-General and his assistants:-			
Sept. 30, 1912.....	\$103,041,750	April 30, 1912.....	\$94,570,930
August 31.....	103,14,276	March 31.....	98,892,395
July 31.....	100,400,688	February 29.....	93,587,787
June 30.....	98,141,536	January 31.....	94,693,907
May 31.....	98,831,169		

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List of Leading Stocks and Bonds

CORRECTED TO THURSDAY, November 7th, 1912

BANK STOCKS.	Closing price or Last sale.	Par value of one share	Return per cent. on investment at present price.	Rate of Annual Dividend	Capital subscribed	Capital paid up	Res Fund	Per cent'ge of Res't to paid up Capital	When Dividend payable.
	Asked. Bid.	\$	Per Cent.	Per cent	\$	\$	\$		
British North America	225 224	50	4 88	10-1	4,866,667	4,866,667	2,774,000	57.00	April, October.
Canadian Bank of Commerce	100	100	.....	12	15,000,000	15,000,000	12,500,000	83.33	March, June, Sept., Dec.
Dominion	100	100	.....	11	4,975,700	4,953,122	5,953,122	120.19	Jan., April, July, October
Hamilton	100	100	.....	11	3,000,000	3,000,000	3,430,000	114.35	March, June, Sept., Dec.
Hochelega	100	100	.....	9	2,997,900	2,976,330	2,650,000	89.62	March, June, Sept., Dec.
Home Bank of Canada	100	100	.....	7	1,370,000	1,290,803	450,000	34.57	March, June, Sept., Dec.
Imperial	100	100	.....	12	6,663,000	6,523,423	6,523,423	100.00	Feb., May, August, Nov.
International	100	100	.....	10	10,000,000	1,350,843	.....	.....	.....
Merchants Bank of Canada	100	100	.....	10	6,758,900	6,704,983	5,000,000	84.50	March, June, Sept., Dec.
Metropolitan Bank	100	100	.....	10	1,000,000	1,000,000	1,250,000	125.00	Jan., April, July, October
Molson	100	100	.....	10	4,000,000	4,000,000	4,700,000	117.50	Jan., April, July, October
Montreal X D	144 142	100	.....	11-2	16,000,000	16,000,000	16,000,000	100.00	March, June, Sept., Dec.
Nationale	144 142	100	4 86	7	2,000,000	2,000,000	1,400,000	70.00	Feb., May, August, Nov.
New Brunswick	278	100	4 67	13	1,000,000	1,000,000	1,700,000	170.00	Jan., April, July, October
Northern Crown Bank	100	100	.....	6	2,849,500	2,850,715	2,000,000	97.76	January, July.
Nova Scotia	269	100	5 20	14	4,586,900	4,410,530	8,074,742	185.07	Jan., April, July, October
Ottawa	100	100	.....	12	3,825,600	3,728,260	4,228,260	113.41	March, June, Sept., Dec.
Provincial Bank of Canada	100	100	.....	6	1,000,000	1,000,000	500,000	50.00	March, June, Sept., Dec.
Quebec	100	100	.....	7	2,500,000	2,500,000	1,350,000	50.00	.....
Royal	224 223	100	5 35	12	11,419,000	11,374,380	12,355,818	117.42	Jan., April, July, October
Standard X D	50	50	.....	13	2,409,050	2,314,085	4,914,086	121.14	Feb., May, August, Nov.
Starling	100	100	.....	8	1,079,900	1,014,257	300,000	29.58	March, June, Sept., Dec.
Toronto	214	100	5 60	11-1	5,000,000	4,987,720	5,987,720	120.65	.....
Union Bank of Canada	151	100	5 29	8	5,000,000	5,000,000	3,104,640	62.09	March, June, Sept., Dec.
Vancouver	100	100	.....	5	1,169,900	839,800	15,000	4 84	.....
Weyburn Security	100	100	.....	5	620,000	310,000	15,000	.....	.....
MISCELLANEOUS STOCKS.									
Bell Telephone	164 164	100	4 87	8	12,500,000	12,500,000	.....	.....	Jan., April, July, October
H. C. Packers Assn "A" } pref.	100	100	.....	7	635,000	635,000	.....	.....	Cumulative.
do "B" } Com	100	100	.....	7	822,500	522,500	.....	.....	do
do "C" } Com	158 155	100	3 79	6	1,511,400	1,511,400	.....	.....	March, June, Sept., Dec.
Canadian Pacific	266 265	100	3 75	7-3	198,000,000	196,805,621	.....	.....	April, October.
Canadian Car Com	79	100	5 06	4	3,500,000	3,500,000	.....	.....	Jan., April, July, October
do Pfd	112	100	6 25	7	5,000,000	5,000,000	.....	.....	Jan., April, July, October
Canadian General Electric	93 92 1/2	100	.....	7	5,440,000	5,392,736	.....	.....	.....
Can. Cement Com	294 294	100	.....	7	13,500,000	10,500,000	.....	.....	.....
do, Pfd	93 92 1/2	100	7 48	7	10,500,000	10,500,000	.....	.....	Jan., April, July, October
Can. Con. Rubber Com	94 93	100	4 30	4	2,802,440	2,802,440	.....	.....	Jan., April, July, October
do, Pfd	48 45	100	4 73	7	1,972,800	1,972,800	.....	.....	Jan., April, July, October
Canadian Converters	3 60 3 55	100	8 33	4	1,735,500	1,735,500	.....	.....	Monthly.
Crown Reserve	73 72 1/2	100	6 84	5	1,999,907	1,999,907	.....	.....	.....
Detroit United Ry	3 60 3 55	100	6 84	5	12,500,000	12,500,000	.....	.....	February, August.
Dominion Coal Preferred	115	100	6 18	7	3,000,000	3,000,000	.....	.....	.....
Dominion Textile Co. Com	80 1/2 79 1/2	100	6 24	5	5,000,000	5,000,000	.....	.....	Jan., April, July, October
do Pfd	104 104 1/2	100	6 63	7	1,850,000	1,850,000	.....	.....	Jan., April, July, October
Dom. Iron & Steel Pfd	102 101	100	6 86	7	5,000,000	5,000,000	.....	.....	Jan., April, July, October
Dominion Steel Corp.	62 61 1/2	100	6 45	4	31,598,000	34,598,630	.....	.....	.....
Duluth Superior Tracton	100	100	.....	4	3,500,000	3,500,000	.....	.....	Jan., April, July, October
Halifax Tramway	161	100	4 96	8	1,400,000	1,400,000	.....	.....	Jan., April, July, October
Havana Electric Ry Com	100	100	.....	4	7,463,703	7,463,703	.....	.....	Initial Div.
do Preferred	100	100	.....	4	5,000,000	5,000,000	.....	.....	Jan., April, July, October
Illinois Trac. Pfd	93 1/2 92	100	6 42	6	5,304,500	5,304,500	.....	.....	Jan., April, July, October
Kamistattiqua Power	127	100	.....	2	2,000,000	2,000,000	.....	.....	Feb., May, August, Nov.
Laurentide Com	228 227 1/2	100	2 65	6	2,795,600	2,795,600	.....	.....	February, August.
Lake of the Woods Mill Co. Com	133 133	100	5 93	8	2,100,000	2,100,000	.....	.....	Jan., April, July, October
do Pfd	118	100	5 88	5	1,500,000	1,500,000	.....	.....	March, June, Sept., Dec.
Waskay Companies Com	85 84 1/2	100	5 84	4	41,380,400	41,380,400	.....	.....	Jan., April, July, October
do Pfd	68 68 1/2	100	4 7 1/2	4	50,000,000	50,000,000	.....	.....	Jan., April, July, October
Mexican Light & Power Co	85 84 1/2	100	4 7 1/2	4	13,585,000	13,585,000	.....	.....	Jan., April, July, October
do Pfd	145 144 1/2	100	.....	7	2,400,000	2,400,000	.....	.....	May, November.
Minn. St. Paul & S.S.M. Com	145 144 1/2	100	4 82	7	20,832,000	16,800,000	.....	.....	Jan., April, July, October
do Pfd	100	100	.....	7	10,416,000	8,400,000	.....	.....	April, October.
Montreal Cotton Co.	100	100	.....	8	3,000,000	3,000,000	.....	.....	March, June, Sept., Dec.
Montreal Light, Ht. & Pwr. Co	231 231 1/2	100	3 88	9	17,000,000	17,000,000	.....	.....	Feb., May, August, Nov.
Montreal Street Railway	100	100	.....	10	10,000,000	10,000,000	.....	.....	January, July.
Montreal Telegraph	147	100	4 60	8	2,000,000	2,000,000	.....	.....	Jan., April, July, October
Northern Ohio Tracton Co.	69 67	100	2 90	2	9,000,000	9,000,000	.....	.....	March, June, Sept., Dec.
N. Scotia Steel & Coal Co. Com	87 86 1/2	100	6 89	8	6,000,000	6,000,000	.....	.....	Jan., April, July, October
do Pfd	100	100	.....	8	1,000,000	1,000,000	.....	.....	Jan., April, July, October
Ogilvie Flour Mills Com	124 124	100	6 37	8	2,500,000	2,500,000	.....	.....	March, June, Sept., Dec.
do Pfd	122	100	5 73	7	2,000,000	2,000,000	.....	.....	.....
Penman's Ltd. Com	57 56	100	7 01	4	3,158,000	2,150,000	.....	.....	Feb., May, August, Nov.
do Pref	90 85	100	6 66	6	1,075,000	1,075,000	.....	.....	Feb., May, August, Nov.
Quebec Ry. L. & P.	13 12	100	.....	8	9,500,000	9,500,000	.....	.....	March, June, Sept., Dec.
Richelle & Ont. Nav. Co.	113 113	100	7 07	8	3,172,000	3,132,000	.....	.....	.....
Rio de Janeiro	100	100	.....	4	37,625,000	37,625,000	.....	.....	Jan., April, July, October
Shawinigan Water & Power Co	139 138	100	4 31	6	8,500,000	8,500,000	.....	.....	.....
San Paulo T.L. & P.	100	100	3 62	10	10,000,000	10,000,000	.....	.....	Jan., April, July, October
Toledo Ry & Light Co	141	100	5 67	8	13,875,000	13,875,000	.....	.....	Jan., April, July, October
Toronto Street Railway	100	100	.....	8	8,000,000	8,000,000	.....	.....	Jan., April, July, October
Tri-City Preferred	100	100	.....	6	2,828,200	2,828,200	.....	.....	Feb., May, August, Nov.
Twin City Rapid Transit Co.	106 105 1/2	100	5 66	6	20,100,000	20,100,000	.....	.....	Jan., April, July, October
West India Electric	100	100	.....	6	800,000	800,000	.....	.....	May, November.
Windsor Hotel	160 158	100	6 25	10	1,800,000	1,000,000	.....	.....	Jan., April, July
Winnipeg Electric Railway Co	220 219	100	4 54	10	6,000,000	6,000,000	.....	.....	.....

THE CORPORATE SURETY FIELD.

The corporate surety field may be likened in many respects to a gold field; for, when gold is discovered, it is first worked at points where the most gold is readily found, in order to obtain the best possible and quickest results from the capital and effort expended. That is just what has happened in the surety field; when the corporate bond was discovered, it was first exploited in the large centres of population, in order to get the largest and quickest possible results.

In "digging" for surety business the "diggers," therefore, like those in quest of the precious yellow metal, have become so engrossed with their work in the richer spots that they have in most cases lost sight of the rich though smaller veins in the outlying districts. While there is, of course, still a large amount of virgin business in the large cities, there is a much larger percentage of virgin business in the smaller communities, and the first agent to specialize in working such localities will naturally and certainly receive the largest and best results. The people in the smaller localities need the protection of the corporate bond and will appreciate its many advantages over the personal bond just as readily as do their metropolitan neighbors.....

If general agents have not already appointed agents in the county seats and important towns in their territory, it will mean money to them to get these

places covered as quickly as possible and to teach the agent how and where the surety bonds may be obtained. Just remember that the business of corporate suretyship is an entirely unknown proposition to many local agents, and that results cannot be obtained if they are neglected after being appointed. Sending supplies and a circular letter of instructions is but the first step, and should be followed regularly and systematically by useful and encouraging information. The local agent should not regard the transaction as closed when he receives his supplies, but study his instructions and rate book and ask for explanations of the matters he does not understand.

If personal bonds prevail in a community, that is all the more reason for a profitable business in corporate suretyship, for it is easier to convert a man to the use of surety bonds than to take such business away from a competitor. Bear in mind that all your clients for various lines of insurance will need some kind of a surety bond sometime, and do not forget to impress upon them the fallacy of the personal bond. It is a menace to each of the three parties involved, in that the person asking another to sign a bond incurs an obligation that may prove disastrously embarrassing, and the person who signs the bond jeopardizes his estate, while the one who accepts the bond receives a form of security that may or may not be good when actually needed.—National Surety News.

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Income	\$ 6,916,365
Funds (excluding Uncalled Capital)	17,633,467

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STOCK AND BOND LIST, Continued

BONDS	Closing Quotations		Rate p.c. of Interest per annum	Amount outstanding.	When Interest due.	Where Interest payable	Date of Maturity.	REMARKS
	Asked	Bid						
Bell Telephone Co.....	100 1/2	..	5	\$3 649,000	1st Oct. 1st Apl	Bk. of Montreal, Mtl	April 1st, 1925	Red. at 110 aft. Nov. '16 or in pt. aft. Nov '11
Can. Car & Fdy.....	107	105	6	3,500,000	1st June 1st Dec.	.....	Dec. 1st, 1939	
Can. Converters.....	88	86	6	474,000	1st June 1st Dec.	.....	Dec. 1st, 1926	Redeemable at 110 after Oct. 1st, 1911
Can. Con. Rubber Co....	96	95 1/2	6 1/2	2,579,600	1st Apl. 1st Oct.	"	Oct. 1st, 1946	
Can. Cement Co.....	100 1/2	100 1/2	6 1/2	5,000,000	1st Apl. 1st Oct.	"	Oct. 21st, 1929	Redeemable at 110 Red. at 105 and Int. after May 1st, 1910
Dominion Coal Co.....	98 1/2	..	5	6,300,000	1st May 1st Nov.	"	April 1st, 1940	
Dom. Iron & Steel Co...	95 1/2	95 1/2	5 1/2	7,332,000	1st Jan. 1st July	Bk. of Montreal, Mtl	July 1st, 1929	5 Redeemable at 110 and Interest.
Dom. Tex. Sers. "A"....	..	97 1/2	6	758,500	1 March 1 Sept.	Royal Trust Co. Mtl.	March 1st, 192	
" " "B"....	..	101	6	1,000,000	"	"	"	Redeemable at par after 5 years
" " "C"....	97 1/2	97 1/2	6	1,000,000	"	"	"	Red. at 105 and Interest
" " "D"....	..	..	..	450,000	"	"	"	"
Havana Electric Railway	..	..	5	7,824,731	1st Feb. 1st Aug.	52 Broadway, N.Y.	Feb. 1st, 1912	Redeemable at 105
Halifax Tram.....	101	..	5	600,000	1st Jan. 1st July	Bk. of Montreal, Mtl.	Jan. 1st, 1916	Redeemable at 110
Keewatin Mill Co.....	101	100	6	750,000	1st March 1 Sept.	Royal Trust Co., Mtl.	Sept. 1st, 1916	
Lake of the Woods Mill Co	108	..	6	1,000,000	1st. June 1st Dec.	Merchants Bank of Canada, Montreal.	June 1st, 1932	Redeemable at 110
Laurentide Paper Co....	111	110	6	947,305	2 Jan. 2 July	Bk. of Montreal, Mtl.	Jan. 2nd, 1920	
Mexican Electric L. Co..	..	..	5	5,778,600	1st Jan. 1st July	"	July 1st, 1935	Red. at 105 and Int. after 1912
Mex. Lt & Power Co....	90	..	5	11,725,500	1st Feb. 1st Aug.	"	Feb. 1st, 1933	
Montreal L. & Pow. Co..	99 1/2	99	4 1/2	6,787,000	1st Jan. 1st. July	"	Jan. 1st, 1932	
Montreal Street Ry. Co..	100	99	4 1/2	1,500,000	1st May 1st Nov.	Bk. of Montreal, Mtl.	May 1st, 1932	Redeemable at 105 and Interest
Ogilvie Flour Mills Co...	110	108 1/2	6	1,750,000	1st June 1st Dec.	"	July 1st, 1932	
Penmans.....	..	..	5	2,000,000	1st May 1st Nov.	Bk. of M., Mtl. & Ln.	Nov. 1st, 1926	Redeemable at 110 after Nov. 1, 1911
Price Bros.....	..	..	6	833,000	1st June 1st Dec.	.....	June 1st, 1925	Redeemable at 110
Quebec Ry. L & P. Co....	58	56	5	4,866,666	1st June 1st Dec.	.....	June 1st, 1929	
Rio Janeiro.....	..	..	5	25,000,000	1 Jan. 1 July	C. B. of C. London.	Jan. 1st, 1935	Redeemable at 110
Sao Paulo.....	..	..	5	6,000,000	1st June 1st Dec.	Nat. Trust Co. Tor.	June 1st, 1929	
Toronto & York Radial..	..	..	5	1,620,000	1 July 1st Jan	B. of M., Tor. & N.Y.	Feb. 1st, 1919	Redeemable at 110
Winnipeg Electric ..	104	..	5	1,000,000	1st Apl. 1st Oct.	Bk. of Montreal, Mtl.	Jan. 1st, 1927	
West India Electric.....	92	88	5	4,000,000	2 Jan. 2nd July	"	Jan. 1st, 1935	Redeemable at 110
				600,000	1st Jan. 1st July	.....	1929	

Montreal Tramways Company
SUMMER SERVICE TIME TABLE

Lachine :

From Post Office: 20 min. service from 5.40 a.m. to midnight.
" Lachine 20 " " 5.30 a.m. to 12.50 mid-
night.

Sault au Recollet and St. Vincent de Paul :

From St. Denis—
15 min. service from 5.15 a.m. to 9.00 a.m.
20 " " " 9.00 a.m. to 4.00 p.m.
15 " " " 4.00 p.m. to 7.00 p.m.
20 " " " 7.00 p.m. to 10.00 p.m.
30 " " " 10.00 p.m. to 12.00 midnight.

From St. Vincent—
15 min. service from 5.45 a.m. to 9.30 a.m.
20 " " " 9.30 a.m. to 4.20 p.m.
15 " " " 4.30 p.m. to 7.30 p.m.
20 " " " 7.30 p.m. to 10.30 p.m.
30 " " " 10.30 p.m. to 12.30 midnight.

Cars from St. Denis, 12.00 and 12.40 midnight to Hendersons only.
Cars from Hendersons, 12.00 and 12.40 midnight.

Mountain :

From Park Avenue—
20 min. service from 5.40 a.m. to 12.20 midnight.
From Victoria Avenue—
20 min. service from 5.50 a.m. to 12.30 midnight.

Cartierville

From Snowdon Junction—
20 min. service from 6.00 a.m. to 8.40 p.m.
40 " " " 8.40 p.m. to 12.00 midnight.
From Cartierville—
20 min. service from 5.40 a.m. to 9.00 p.m.
40 " " " 9.00 p.m. to 12.20 midnight.

Bout de l'île :

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

Tetraultville :

15 min. service from 5.00 a.m. to 6.30 a.m.
30 " " " 6.30 a.m. to 9.00 p.m.

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Insurance Company
New York

STATEMENT MAY, 1911
CAPITAL

\$2,000,000
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NET SURPLUS
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