

# The Chronicle



## Banking, Insurance and Finance

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### SOME ASPECTS OF AFTER-WAR TRADE

At a time when the whole nation is directing its energies towards a supreme effort in warfare and war-production, and the menace of the enemy is insistent, discussion of the possibilities and problems of after-war trade, may at first sight appear out of place. Yet, if there is one fact of practical importance more than another which the war has emphasized, it is the vital necessity of long views, of steady, long-continued preparations against future developments. The upheaval in Canadian trade and industry at the cessation of hostilities will almost certainly be immensely greater than that which occurred on their outbreak in 1914. Then the blow was softened to some extent by the prior advent of a period of industrial depression. But it is to be expected that the war-time activities of Canadian industry will be carried on, practically at their maximum of pressure, until the actual conclusion of peace. No one but a fool would prophesy, yet there are at least conceivable circumstances in which peace might eventually come, with the stealth and speed of war's advent four years ago. However that may be, there is no doubt of the stupendous effects upon Canadian industry, which the advent of peace will bring, and there is some reason to believe that Canadian business, even as a whole, are not, in the midst of present prosperity, giving that consideration to the problems of the future which they demand.

There was a time, in the early stages of the war, when the opinion was unduly held in Canada, that the conclusion of peace would present an unparalleled opportunity for Canadian manufacturers in world markets. The downfall of Russia, which the optimists had marked out as a most promising field, and the entry of the United States into the war, thereby removing any chance of favourable discrimination by the Allied peoples, in favour of the Canadian manufacturer as against the American, effectively squelched this hope. So far from any anticipation of this kind being realised, it is now seen that Canadian manufacturing industry is likely to bear the brunt of the hardships involved in the economic changes which the advent of peace will bring. During the war, Canadian manufacturers have had an immense export trade, simply thrust upon them. But with the coming of peace, these markets will have gone, and in the opening-up of new ones, the manufacturers will, as it seems, find themselves engaged in competition, compared with which competition in world-markets before the war was child's play.

To some extent, the European countries will be hampered at the conclusion of peace by lack of raw materials. But allowing for this, who can doubt that the energies of their peoples will be intensely directed to the speedy building-up of the export trades in manufactures, in order to pay for the foodstuffs which they will continue to require and to meet the interest upon the heavy burnings which they have made abroad during the war-period. Their industrial capacity, it is to be remembered, has been immensely enlarged as a result of the war. British steel-making capacity, for example, is calculated as reciting this year, a figure 50 per cent. in excess of that of 1914, and authorities speak of the necessity of an annual export trade of 7,000,000 to 8,000,000 tons after the war. With the conclusion of peace also, American business energies will also be directed, as they have never been directed before, to the supply of foreign markets, until recently monopolised by Europe. Under such circumstances, the lot of the Canadian manufacturer, who expires to an overseas trade will not be a happy one. Shipbuilding and the pulp and paper industry are perhaps, likely to continue uninterrupted activity, but in the majority of other manufacturing lines the advent of peace, cannot but mean a temporary paralysis for Canadian industry.

Reference has already been made to the European countries' shortage of foodstuffs and raw materials, a shortage which will certainly continue for some years after the war, probably severely enough to make trading in these supplies a matter of continued governmental regulation. Obviously, these will form the mainstay of Canada's export trade in the years immediately following the war, and not of Canada's export trade only but of the whole industrial and financial fabric of the Dominion. A vigorous demand from abroad at high prices for our foodstuffs and raw materials will possibly not only stimulate increased agricultural operations, but the more thorough development of Canada's immense mineral resources and general marked activity by such industries as lumbering. Activity in these lines would eventually result in the enlargement of the home market for Canadian manufactures, and a gradual permeation of prosperity throughout the whole Dominion. It is not to be too easily supposed, however, that this would be a speedy process. General Mewburn, speaking in Parliament the other day, said that if the war ended to-morrow, it would take eighteen months to bring home the Canadian troops.

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# BANK OF MONTREAL

ESTABLISHED 100 YEARS (1817-1917)

Capital Paid up, \$16,000,000

Res., \$16,000,000

Undivided Profits, \$1,664,893

Total Assets - - \$403,980,236

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Savings Department connected with each Canadian Branch and Interest allowed at current rates.

Collections at all points throughout the world undertaken at favorable rates.

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

## THE CANADIAN BANK OF COMMERCE

Established 1867

Head Office: TORONTO

Paid-up Capital - \$15,000,000

Rest - - - 13,500,000

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### BRANCHES OF THE BANK IN EVERY PROVINCE OF CANADA AND AT THE FOLLOWING POINTS OUTSIDE CANADA:

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Newfoundland—St. John's.

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## The Molsons Bank

Incorporated by Act of Parliament 1855

Paid-up Capital - \$4,000,000

Reserve Fund - - 4,800,000

HEAD OFFICE - - MONTREAL

Collections made through this Bank in all parts of the Dominion, and in every part of the civilized world through our Agents and Correspondents, and returns promptly remitted at lowest rates of exchange.

Commercial Letters of Credit and Travelers' Circular Letters issued, available in all parts of the world.

EDWARD C. PRATT

General Manager

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Established in 1836 Incorporated by Royal Charter in 1840

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J. H. Brodie    J. H. Mayne Campbell    E. A. Hoare  
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Frederic Lubbock    Major C. W. Tomkinson  
G. D. Whatman    Hon. A. R. Mills, M.P.

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**Reserve and Undivided Profits - - - 7,421,292**  
**Total Deposits - - - 103,000,000**  
**Total Assets - - - 136,000,000**

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**236 BRANCHES AND AGENCIES IN CANADA**  
**Extending from the Atlantic to the Pacific**

**New York Agency: 63 and 65 Wall Street**

ESTABLISHED - 1875

# IMPERIAL BANK OF CANADA

The Annual Meeting of the shareholders will be held at the Head Office of the Bank, on Wednesday, 22nd May 1918. The chair to be taken at noon.

By order of the Board,

E. HAY,  
*General Manager,*

Toronto, 13th March, 1918.

## THE ROYAL BANK OF CANADA

Incorporated 1869

Capital Paid Up, \$12,911,700

Reserves, \$14,564,000 Assets, \$335,000,000

Head Office, Montreal

365 BRANCHES THROUGHOUT CANADA

39 Branches in Cuba, Porto Rico, Dominican Republic, Costa Rica and Venezuela

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

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A special Savings Department has recently been opened. Deposits of \$1 and upwards received.

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160 St. James Street, MONTREAL

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Incorporated 1855.

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Paid-up Capital, \$5,000,000.

Reserved Funds, \$6,555,306

Business men are offered in this Bank the satisfactory banking service provided by our complete facilities and extensive connections.

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CHICAGO—First National Bank.  
LONDON, ENG.—London City and Midland Bank, Limited.

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JOHN R. LAMB, *Assistant Gen. Manager*.  
D. C. GRANT, *Chief Inspector*.

## THE BANK OF NOVA SCOTIA

INCORPORATED 1832

Capital - - - \$6,500,000.00  
Reserve Fund - - - 12,000,000.00  
Total Assets over - - 130,000,000.00

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Established 1874

Capital Paid Up  
\$4,000,000

Rest  
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94 Branches in Canada

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Verdun Branch:  
1318 Wellington Street



# The Chronicle

## Banking, Insurance and Finance

ESTABLISHED 1881. PUBLISHED EVERY FRIDAY

F. WILSON-SMITH, *Proprietor and Managing Editor.*

Office:

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

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

MONTREAL, FRIDAY, MAY 17, 1918

### THE GENERAL FINANCIAL SITUATION

The pronounced improvement in the tone and sentiment of the securities markets here and in the United States, accompanied as it was by sundry developments in the war theatres construed as favorable to the Allies, has played a by no means inconsequential part in dispelling the general depression that followed the enemy successes in March and April. With reference to the strong upturn in Wall Street, the New York Evening Post says: "The war situation, after six weeks of great anxiety, seems at last to be turning in favor of the Allies; at any rate Germany is pinned to her positions, has failed completely in her latest Western drive; and the market, which refused to lapse into alarm in the days of Hindenburg's March and April advance, is probably shaping its present course in line with the visibly brighter prospects." With the removal of the acute anxiety regarding the Allied line in France and Flanders, the markets can give more attention to the encouraging features of the economic situation in America. Prominent among these is the crop outlook. The latest bulletin issued at Washington indicates a winter wheat yield of 572,000,000 bushels in the neighboring country, with the crop pushing to harvest under ideal climatic conditions. As regards spring wheat, the situation in our prairie provinces and in the northwestern states is exceptionally favorable. There is a very substantial increase of acreage and heavy rains have fallen in the spring wheat territory during the past two weeks. The United States counts confidently upon a billion bushel wheat crop; and it would not be surprising if Canada provided an additional 300,000,000 bushels. A wheat crop in Canada and the States amounting to 1,200,000,000 or 1,300,000,000 bushels would certainly constitute an economic factor of the first importance. It is satisfactory to note, too, that the United Kingdom and France both show a substantial increase of wheat acreage and that weather conditions there have so far been favorable. If the necessary shipping is available, there is a prospect that food conditions in Allied countries overseas will be improved before winter again comes round.

In our markets, there has been an increased demand for the stocks of a number of the industrials which are understood to be making good profits. Also, according to a leading Toronto daily, the market there for the new Victory bonds has lately assumed a new character. It has been the common impression that the committee appointed to

regulate the trading in Victory bonds at first experienced some difficulty in finding purchasers to take care of the bonds offered for sale. Now, it is said that the problem of the committee is to secure sufficient bonds to supply the demand. This implies that the great \$400,000,000 bond issue has been fairly well digested; and, that being so, there will be in evidence during the next three or four months, an extensive saving or accumulation of funds in preparation for the next domestic war loan. Meantime there should be a satisfactory market for such provincial and municipal bonds as the Finance Minister authorizes; and there might also be an improved demand for the more promising home industrials, providing that money market conditions are not unfavorable. While the Canadian bankers would not be disposed to encourage or facilitate an extensive speculation in stocks, it nevertheless is in the interest of the banks as well as of the other sections of the business world that a good or satisfactory market should exist for the representative Canadian securities; and when they have funds available for the purpose the bankers are likely to continue lending reasonable amounts on approved stock market collateral. No material changes have occurred during the week in Montreal and Toronto call loan rates; and the rates applying to commercial loans and discounts also are unchanged. The market for American exchange has fluctuated rather extensively. Last week the premium on New York drafts as quoted in Canadian centres had fallen nearly to the 1 per cent. level, but on Saturday it had recovered to 1 7-16 and in the fore part of the present week the rate ruled at or around that premium. The large exports of Canadian grain have a steady tendency to diminish the premium but every now and again a special demand for exchange is occasioned by the approaching maturity of some Canadian bond issue in New York or by some special transaction in war finance. In the opinion of competent observers the grain movement this month and next, together with the shipments of Canadian cheese and butter should provide exchange to balance or nearly balance the demand during the summer and early fall. Bank of England rate remains at 5 p.c.; in the London market money is 2 1-2, and discount bills 3 1-2 to 3 9-16.

In New York the stock market revival led to an increased demand for call loans, rates for which ranged from 4 to 4 1-2 per cent. Time money continued in good demand, but lenders, as in the recent past, preferred to employ their funds at call. For practically all maturities 6 per cent. was bid; and for mercantile paper likewise, 6 per cent. was virtually the minimum rate. Clearing house banks in New York on Saturday reported the very large gain of \$65,600,000 in excess reserve, bringing the total excess up to \$102,800,000. Loans increased \$97,700,000; reserve in Federal Reserve Bank increased \$46,700,000; net demand deposits decreased \$144,300,000. The Government deposits rose from \$294,000,000 to \$524,000,000—the increase being \$230,000,000; and as there was a large transfer from the deposits requiring a reserve to those not requiring a reserve, the result was a large gain in surplus reserves. This

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**THE LIVERPOOL AND LONDON AND GLOBE  
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 Robt. Welch Assistant Manager  
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**DIRECTORS**  
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POLICYHOLDERS BY  
Insurance Company of North America**

THE OLDEST AMERICAN STOCK FIRE INSURANCE COMPANY

WE MAINTAIN A DEPARTMENT TO ASSIST AGENTS IN SECURING LOCAL RISKS CONTROLLED OUTSIDE. IF THERE ARE ANY SUCH RISKS IN YOUR FIELD. WRITE US ABOUT THEM. WE MAY BE ABLE TO HELP YOU. IT IS WORTH TRYING.

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**LONDON & LANCASHIRE LIFE  
AND GENERAL ASSURANCE ASSOCIATION  
LIMITED**

of LONDON, ENGLAND

ESTABLISHED IN CANADA, 1863

**ASSETS EXCEED \$22,000,000**

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 Manager for Canada: ALEX. BISSETT

BRANCHES THROUGHOUT THE DOMINION  
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We have several good openings for General Agents, both in urban and rural districts. Keen, energetic men, looking for advancement, will find it to their interest to connect themselves with a progressive Company like The Manufacturers Life which stands foursquare on the principles of sound Life Insurance.

**THE MANUFACTURERS LIFE  
INSURANCE COMPANY**

TORONTO - - - CANADA

## THE GENERAL FINANCIAL SITUATION.

(Continued from Page 505)

of course was one of the effects of the Liberty Loan campaign which closed on May 4th. When the United States Treasury disburses the funds, much of the money will be retransferred to the accounts of individuals and corporations; and as such deposits must be protected by reserves the tendency would be to reduce the excess reserves.

It is said that there were 17,000,000 subscribers to the Liberty Loan. This approaches nearly to the average of one subscription per family, and eclipses our performance in connection with the Victory Loan.

## SOME ASPECTS OF AFTER-WAR TRADE.

(Continued from Front Page)

While the length of time involved in repatriation may ease the problems involved by demobilisation, it also suggests that a considerable period must necessarily elapse after the war before immigration to Canada sets in on any large scale, if circumstances form at that time such a movement of population—and that is not yet clear. So that, it will be well not to under-estimate, in calculations regarding the future, the length of time which Canadian industry may take to recover from the shock of the arrival of peace. The undertaking in the immediate post-war period of large public works for the employment of demobilised and released labour would be a natural and beneficial development to supplement the production of foodstuffs and raw materials demanded abroad. The deferment of any public works not of present necessity is therefore not merely good policy from the point of view of releasing labour at present, but certainly wise in view of the contingencies of the future. To sum up, heavy responsibility rests not only upon the Government and public authorities, but also upon bankers and other business leaders, for the maintenance of the Dominion's economic stability after the war. While there are favourable factors affecting the future, the disruption in Canadian industry and trade involved by the advent of peace will undoubtedly be a severe one. To minimise this disruption requires both a wide-eyed recognition of the possibilities involved, and a careful, unhurried planning to meet them.

## WAR AND WHEAT YIELD IN U.S.

"The late J. Pierpont Morgan's well-known remark that 'a man who is a bear in this country will go broke,' never was truer than it is to-day. Our Secretary of War now concedes that we have 'over' 500,000 of our troops in France. He does not say how many 'over,' but anyone who sees our troop-laden ships going out day by day and knows the large number of men who still are available to go over, must know that every day makes the Kaiser's job more difficult and puts an additional nail in his coffin. This is not buncombe. The American Army has got its start and is going to give a good account of itself and anyone who has faith in the Army cannot fail to be a 'bull on the country.' The market for securities has the broadest of visions. It does not notice purely local developments."

The Government's May report on the wheat outlook has been another of the favoring influ-

ences of Wall Street's week. The Department of Agriculture forecasts a harvest of 572,539,000 bushels of winter wheat. This figure has been exceeded on two previous occasions, but is nevertheless far above the average. It is 12,000,000 bushels more than was forecast a month ago and with the high prices current for the staple there is the best of reasons to expect that utmost care in cultivation will be exercised. Efforts also have been made to stimulate production of spring wheat and corn. Preliminary reports indicate an increase in the acreage of the former which may be sufficient under favorable growing conditions and with the great care that will be taken in cultivation to bring toward the billion bushel mark the wheat harvest in 1918. The first announcement of the spring wheat acreage will be made in June, but the department's report indicates that the seed already planted is germinating well generally. Rye production will establish a new record the forecast of the crops being 82,620,000 bushels or 22,000,000 bushels more than last year's crop. This may be regarded as symptomatic of the general response of grain farmers to the Government's appeal to the agricultural classes to plant and raise larger crops.—Boston Transcript.

## ROYAL BANK.

The proposal for the amalgamation of the Northern Crown Bank with the Royal Bank has been unanimously ratified and under the new merger the Royal will have 113 new branches added, making a total of 536 separate offices. We understand the actual transfer will take place at the end of the calendar half year.

ESTABLISHED 1873

THE

# Standard Bank

of CANADA

## Head Office, TORONTO



Collections

Business  
Houses will  
find our  
facilities for  
making  
collections  
particularly  
favorable.



Montreal Branch: 136 ST. JAMES ST.

E. C. GREEN, Manager

# Commercial Union

ASSURANCE COMPANY LIMITED  
of LONDON, England

The largest general Insurance Company in the world  
(As at 31st December, 1916)

Capital Fully Subscribed.....	\$14,750,000
Capital Paid Up.....	1,475,000
Life Fund, and Special Trust Funds.....	76,591,535
Total Annual Income exceeds.....	51,000,000
Total Funds exceed.....	151,500,000
Total Fire Losses Paid.....	193,774,045
Deposit with Dominion Govern- ment.....	1,245,467

# Palatine

INSURANCE COMPANY LIMITED  
of LONDON, England

(As at 31st December, 1916)

Capital Fully Paid.....	\$1,000,000
Fire Premiums 1916, Net.....	\$2,566,130
Interest, Net.....	144,290
Total Income.....	\$2,710,420
Funds.....	\$5,248,690
Deposit with Dominion Gov't....	\$276,900

*N.B.—In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Funds exceed \$151,500,000.*

**Applications for Agencies Solicited in Unrepresented Districts**

Head Office: CANADIAN BRANCH

**COMMERCIAL UNION BUILDING, - 232-236 St. James Street, - MONTREAL**  
J. McGREGOR, Manager      W. S. JOPLING, Assistant Manager

LICENSED BY THE DOMINION  
GOVERNMENT



# THE FIDELITY-PHENIX

FIRE INSURANCE COMPANY OF NEW YORK

HENRY EVANS, President

"THE OLD PHENIX"

**Assets Exceed - \$20,900,000**

Head Office for Canada and Newfoundland  
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A BRITISH COMPANY

# Union Insurance Society of Canton, Limited

Head Office: HONGKONG      ESTABLISHED 1835      Assets over \$17,000,000

FIRE, MARINE AND AUTOMOBILE

Head Office for Canada, 36 Toronto Street, TORONTO

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

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

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ST. PAUL FIRE & MARINE INSURANCE CO.  
BRITISH TRADERS INSURANCE CO., LIMITED

11 ST. SACRAMENT STREET  
MONTREAL, P.Q.



**TRAFFIC RETURNS**

Canadian Pacific Railway.				
Year to date	1916	1917	1918	Increase
Apl. 30 ..	\$37,722,000	\$42,501,000	\$45,161,000	\$2,660,000
Week ending	1916	1917	1918	Increase
May 7 ..	\$ 2,763,000	\$ 3,065,000	.....	.....
Grand Trunk Railway.				
Year to date	1916	1917	1918	Increase
Apl. 30 ..	\$17,484,879	\$18,417,842	\$19,002,957	\$585,115
Week ending	1916	1917	1918	Increase
May 7 ...	\$ 1,030,768	\$ 1,135,091	\$ 1,434,727	\$299,636
Canadian Northern Railway.				
Year to date	1916	1917	1918	Increase
Apl. 30 ...	\$ 9,607,300	\$11,779,900	.....	.....
Week ending	1916	1917	1918	Increase
Apr. 7	\$677,000	\$736,200	.....	.....
14	668,900	881,600	932,600	51,000
21	634,300	765,600	929,500	163,900
30	844,100	932,100	1,182,400	250,300
May 7 ...	677,400	734,500	827,500	93,000

**RISE IN NEW YORK DUE TO CONFIDENCE.**

It would be folly to state dogmatically at this time that the bullish tendency in New York this week has been wholly due to inflation. Undoubtedly that is an item, for war without inflation would indeed be unusual. That the rise occurred so suddenly suggests that the very intangible but all-powerful factor in security prices, confidence, has been directly responsible. The Hun has been held at bay; the Liberty Loan was over-subscribed, and business is good. The strength may be the reaction from six months of drooping prices last year. And it may be simply augmented buying power, which in turn is connected with inflation. Obviously at this early date, with a bullish tendency hardly under way, the earmark of inflation is none too clearly impressed on the records. But the tendency of the New York stock market and the tendency of a stock market impelled by inflation is identical. For this reason the discussion of the adjournment of Congress on July 1 is a topic worth careful consideration, if the present market is an "inflation market." If the adjournment is ordered taxes will not be considered this session; if not there is an opening for such discussions. At the moment the outlook is propitious, for the belief is that taxes will not be considered until after the fall elections.—Boston Transcript.

**HAMILTON DEBENTURES.**

The \$346,000 City of Hamilton, 6 p.c. debentures, maturities varying from 1st May, 1919 to 1928, were sold to Messrs. Osler & Hammond, Toronto, at 98.93. A peculiar incident in connection with the various tenders by several other firms, was the very slight difference in the figures of each tender including that of the successful one. The price may be considered a good one, when it is remembered that 6 p.c. Montreal bonds were recently disposed of to yield practically 6½ p.c. This, however, was not considered a fair price by many financial men.

**IF THE LINE SHOULD BREAK.**

In replying to a delegation of farmers, at Ottawa this week, in connection with the Government's intention to call to the colors, men of the ages of twenty, twenty-one and twenty-two years

of age, who had previously been granted exemption from military service. The prime minister Sir Robert Borden, said:—

"Do you realize that on March 21st last a battle began beyond the seas, that that battle, intermittent from day to day, is still going on, that it may not end for months and that there are those among them, some of the highest authority, who believe that it will be decisive of the issues of the war? Do you realize something more; do you realize that if that line breaks, whether in the sector that the Canadians hold — and they will never go back from it if their flanks are held firm—if it breaks in the sector which the Canadians hold or in any other section, the production which you can effect in this province or in any other province of Canada may not be of much avail for the Allied cause? I know that of which I am speaking when I tell you that if the Channel ports should be reached through the breaking of that line it would be, to say the least, problematical whether any of that production could be made of service to the Allied nations overseas or to our men who are holding that line. I regard it as the supreme duty of the Government to see to it that these men, some of whom have been fighting for three years, are sustained by such reinforcements as will enable them to hold the line."

"How," Sir Robert asked, "would these men be met on their return, if decimated, thousands of them after passing through the hell of German prisons, if they were to be told that reinforcements were not sent because the country was too much absorbed in the value of more production? I am not minimizing more production. God knows we need all of it. But we need men to hold the line. You speak of solemn covenants and pledges. Do you imagine for one moment we have not a solemn covenant and a pledge to those men, some of whom have been in the trenches for three years? Have we no pledge and covenant with them?"

Sir Robert described conditions as he had seen them at the front in an effort to bring home to his hearers the horror of warfare as waged by the Germans. Over in France, he said, 364,000 Canadians were standing should to shoulder that their country might be saved from just such conditions. It was not, he said, in the heart of any members of the Government to deal arbitrarily with the farmers. He appreciated the splendid loyalty of the farmers.

Sir Robert asked the farmers present to cooperate with the Government and hold up its hands. The situation was a difficult one and every Canadian must try to do his duty. No matter what hardships we were called upon to suffer, they were nothing to what the men overseas were suffering.

**EASTERN TRUST COMPANY.**

Mr. H. C. Flood, for the past four years connected with the Eastern Trust Company, has been appointed manager at Montreal in succession to Major H. B. Stairs, where he is well known. The board of directors at Montreal has been strengthened by the addition of two prominent financial men, Mr. James Carruthers and Mr. Mark Workman.

## The Trust and Loan Co.

OF CANADA

Capital Subscribed .....	\$14,600,000.00
Paid-up Capital .....	2,920,000.00
Reserve Funds .....	2,783,996.38

MONEY TO LOAN ON REAL ESTATE

**30 St. James Street, Montreal**

## The Royal Trust Co.

EXECUTORS AND TRUSTEES

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

BOARD OF DIRECTORS:

SIR VINCENT MEREDITH, BART., President. LIEUT.-COL. SIR H. MONTAGU ALLAN, C.V.O., Vice-President. R. B. ANGUS E. W. BEATTY, K.C. A. D. BRATHWAITE E. J. CHAMBERLIN H. R. DRUMMOND SIR CHARLES GORDON, K.B.E. HON. SIR LOMER GOUIN, K. C. M. G.	C. R. HOSMER LIEUT. COL. BARTLETT MCLENNAN, D.S.O. WILLIAM MCMASTER MAJOR HERRBERT MOLSON, M.C. LORD SHAUGHNESSY, K.C.V.O. SIR FREDERICK WILLIAMS-TAYLOR.
---	--

A. E. HOLT, MANAGER

OFFICE AND SAFETY DEPOSIT VAULTS:  
**107 St. James St., Montreal**

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

## Prudential Trust Company

LIMITED

<b>Head Office</b> 9 St. John St., Montreal	Trustee for Bondholders Transfer Agent & Registrar Administrator Receiver Executor Liquidator Guardian Assignee Trustee Custodian Real Estate and Insurance Departments Insurance of every kind placed at lowest possible rates.	Safety Deposit Vaults <b>Terms Ex-                  ceptionally                  moderate.</b> Correspond- ence invited
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**B. HAL. BROWN, President and Gen. Manager**

# Western

## Assurance Company

Incorporated in 1851

### FIRE, MARINE AND EXPLOSION INSURANCE

ASSETS	over	\$6,000,000.00
--------	------	----------------

LOSSES paid since organization  
of Company . . . over **\$70,000,000.00**

DIRECTORS

<b>W. B. MEIKLE, President and General Manager</b> Sir John Aird Robt. Blekerdike, Alfred Cooper H. C. Cox D. B. Hanna E. Hay John Hoskin, K.C., LL.D.	Z.A. Lash, K.C., LL.D. Geo. A. Morrow Lt. Col. The Hon. Frederick Nicholls Brig.-General Sir Henry Pellatt, C.V.O. E. R. Wood
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**HEAD OFFICE - TORONTO**

### THE SECRET OF A WONDERFUL SUCCESS

The rise and progress of the Mutual Life of Canada has been one of the romances in the history of Canadian finance. Less than half a century ago a small group of men in an obscure Ontario town determined to establish a Life Insurance Company that would give the public the maximum of service at a minimum of cost. That being the aim it was resolved that the organization should be purely mutual. Five hundred prospective policyholders were gathered and formed the nucleus of the company. From this small beginning in 1870 the company has gone forward steadily with more regard to security and mutual serviceableness than big business. The result is that the company today is enjoying a popularity that is phenomenal writing during the past year more than \$20,000,000 paid for assurances.

## The Mutual Life Assurance Co. of Canada

WATERLOO, ONTARIO

Assets \$32,165,000 Surplus \$4,764,299 Assurances \$123,511,314

## The LIFE AGENTS' MANUAL

THE CHRONICLE - - MONTREAL

### A Fire Insurance Policy does not cover

Loss or Damage resulting from Explosion, War, Invasion, Insurrection, Riot, Civil War, Civil Commotion, Military or Usurped Power. Protection against these hazards is provided by a special policy issued by

## NOVA-SCOTIA-FIRE

UNDERWRITERS AGENCY

PREMIUM RATES MAY BE HAD FROM

# McBEAN & HILL,

GENERAL AGENTS, Lewis  
 Building, 17 St. John Street, Montreal, Que.

**REPUTATION GERMANY HAS MADE.**

The reputation of Germany as a nation and a people may be redeemed hereafter, but that which it is making now will stand recorded against the Hohenzollern dynasty with the abject submission to it, until there has been a transformation through the influence from without of a higher civilization and a sounder moral sentiment as applied to human government. The Germany of today is becoming an object of detestation to all the rest of the world. Wherever that does not find expression in word or deed, it is on account of the terrorism that its brutality has excited. Russia under a rule of weakness was first deceived and then terrorized. The resentment of Holland and Denmark, of Norway, and of the people if not the ruling power of Sweden, has been excited and intensified, and is prevented from breaking into hostility only by dread of a brute force liable to be exercised without scruple. The same intense feeling of aversion is felt in the South and East, extending through the Orient, which the ruthless power of Berlin sought to dominate. Even those who have been fighting as allies of the German Empire were practically forced into it, and held there by the superior strength that had them in its clutches. Not only Austria and Hungary, and Bulgaria and Turkey, but even some of the members of the great Empire itself ruled from Berlin, would rejoice to escape from their subjection if there were a refuge of safety for them.

The reputation which the ruling power of Germany has been making for it is destined to be its ruin as a warring Empire, and its people cannot afford to have such a reputation continue as that of the surviving nation. The nation will survive, and the people will have a government of their own, but they will desire to live in peace and to win prosperity in friendly relation with other nations. At least, it seems natural that they should have this desire for their own sake. To attain this, they will have the reputation of the past to live down, and there would be no chance of that with a survival of the ruling power which made that reputation by its deeds. There has been in this period of war a display of cruelty, of absolute lack of moral scruple, of disregard of every right, every principle of justice or humanity, and of truth or promise, without parallel in the history of mankind. That record cannot be wiped out, and there can be no escape from its effect. How can the enemies which the rulers of that Empire have made yield to any terms with it after what they have been forced to suffer and to sacrifice, except terms which they shall themselves dictate? They must absolutely achieve victory and make their own terms of peace, for they cannot trust to anything else. Reputation may be as sacred to a nation as to a man, as essential to success and the respect of mankind. Once lost, it cannot be recovered without a change of character.

There is no possibility of a change of character in the Kaiser or in the Prussian autocracy. There are various elements in the character of a people and it may be transformed under a change of the dominating influences of government, and in some cases the transformation may be rapid. In Prussia and the greater part of the German Empire there has been for two generations a malign

influence, not only in official circles but in educational institutions, in the press, in social and family life, working for abject subserviency to the militaristic autocracy. That influence must be overcome. Its place must be taken by one working for freedom and justice, for enlightened self-government and moral progress. This is what those who are forced into fighting against Germany are striving for at so much cost, and it is simply inconceivable that they should not succeed, for human evolution does not go backward.

—New York Journal of Commerce.

**MR. CHARLES RUBY APPOINTED GENERAL MANAGER MUTUAL LIFE OF CANADA.**

One of the most important appointments that has taken place in Canadian Life Insurance for some years is that just announced by the directors of the Mutual Life Assurance Company of Canada, who have promoted Mr. Charles Ruby to the position of general manager in succession to the late Mr. George Wegewast. In assuming such a highly responsible position in an institution enjoying such a fine prestige as the Mutual Life of Canada, Mr. Ruby will receive many congratulations on his well-earned promotion after a long service of thirty-four years. The directors evidently did not take long to decide as to who was the right man for the right place. From a managerial standpoint, the Mutual Life of Canada has always been a peculiarly well equipped company, and in the selection of Mr. Ruby for the high position he now occupies, the directors have acted with the full knowledge of his capabilities in the responsible positions held by him during his long service with the company, and they, no doubt, rely on his having a broad conception of the trust committed to his care. Mr. Ruby was secretary of the company for the past eleven years, he also served as actuary from 1902 to 1907. He is known as a forcible and eloquent speaker, and attention has been drawn on several occasions in the columns of *The Chronicle* to valuable articles written by him on life insurance topics. He has the advantage, as general manager, of being thoroughly conversant with the principles and practice so wisely and efficiently carried out by his predecessors.

**AMENDMENT TO INSURANCE ACT.**

With respect to the proposal to amend the Insurance Act of 1917, by a bill increasing the deposits from 100 per cent. to 125 per cent. of the liabilities. We are given to understand that this bill has been held over until the next parliamentary session.

**ROLL OF HONOUR.**

The following notice appears in *The Times*, London, Eng.:

**HUTTON BALFOUR.**—On the 22nd March, died of wounds received the same day, Archibald Gibson Hutton Balfour, 2nd Lt., K.O.S.B., youngest son of J. Hutton Balfour, Standard Life Assurance Company, and grandson of the late Professor Hutton-Balfour, of Edinburgh, aged 26.

Mr. J. Hutton-Balfour, father of the dead hero, was well-known for many years as secretary of the Standard Life, Montreal, but is now residing in England.



**LONDON &  
LANCASHIRE  
FIRE**  
INSURANCE COMPANY  
LIMITED

**ONTARIO AND NORTH WEST BRANCH**  
14 Richmond Street, East, TORONTO

**PROVINCE OF QUEBEC BRANCH**  
164 St. James St., Cor. St. John St., MONTREAL



**LONDON &  
LANCASHIRE  
GUARANTEE &  
ACCIDENT**

**PERSONAL ACCIDENT  
SICKNESS  
FIDELITY GUARANTEE**

**PLATE GLASS  
AUTOMOBILE  
GENERAL LIABILITY**

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

<b>MOUNT ROYAL ASSURANCE COMPANY</b>		<b>THE NATIONALE FIRE INSURANCE COMPANY OF PARIS, FRANCE</b>	
PAID UP CAPITAL .....	\$250,000.00	SUBSCRIBED CAPITAL .....	\$2,000,000
TOTAL FUNDS .....	1,225,758.38	TOTAL FUNDS .....	7,491,390
SURPLUS AND RESERVES .....	765,305.14	NET SURPLUS .....	1,857,150

AGENTS WANTED IN UNREPRESENTED DISTRICTS

**HEAD OFFICE FOR CANADA** - - - - - **MONTREAL**

J. E. CLEMENT, General Manager. H. H. YORK, Inspector for Ontario. L. C. VALLE, Inspector for Quebec.

**Ætna Insurance Company**  
Established in Canada 1821

**Ætna-Fire Underwriters Agency**  
Of Ætna Insurance Co., Hartford, Conn.

Applications for Agencies Invited

J. B. HUGHES, Special Agent, WATERLOO, Ont.  
J. K. STEWART, Special Agent, 36 Toronto Street, TORONTO, Ont.  
R. LONG, Special Agent, 21 Canada Life Bldg., CALGARY, Alta.

**Union Assurance Society, Ltd.**  
OF LONDON, ENGLAND  
(Fire Insurance since A.D. 1714)

CANADA BRANCH, MONTREAL. T. L. MORRISEY, Resident Manager.  
NORTH WEST BRANCH, WINNIPEG. THOS. BRUCE, Branch Manager.

Agencies throughout the Dominion.

**EXCELSIOR**  
INSURANCE LIFE COMPANY  
A Strong Canadian Company

J. J. Robichaud, Provincial Inspector.  
MONTREAL TRUST BUILDING, 11 Place d'Armes, MONTREAL

**The Law Union & Rock**  
INSURANCE CO. LIMITED, LONDON. Founded in 1806

Assets Exceed - \$48,500,000.00  
Over \$12,500,000 invested in Canada.  
FIRE and ACCIDENT RISKS accepted.  
Canadian Head Office: 57 Beaver Hall Hill, MONTREAL.

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

**UP-TO-DATE INSURANCE SALESMEN!**

We have a few important points where we can place men of character and ability. If you are a productive worker, and would like to improve your position, write, stating experience to

H. A. KENTY, Superintendent of Agencies,

**THE CONTINENTAL LIFE INSURANCE CO.**

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

**MESSRS. LEWIS, APEDAILE & HANSON (Inc.)**

An announcement of considerable importance in fire insurance in Montreal is made this week, in the appointment of Messrs. Lewis, Apedaile & Hanson as City Agents for the Palatine Insurance Company. The firm consists of Major G. Gordon Lewis (a returned soldier, wounded in France), President of the Lewis Building Company. Mr. J. Leonard Apedaile, resident partner of George A. Touche & Co., Chartered Accountants of London, Eng., and Denny A. Hanson, for past two or three years manager of E. M. Sellon, Limited, Insurance Brokers, Montreal. Mr. Hanson has previously had some years experience in large fire insurance offices in this city. The influential character of the new firm, together with its high connections, is expected to result in the addition of a substantial volume of desirable business for the Palatine. The firm occupy a spacious and handsome suite of offices in the Lewis Building, St. John St., which are suitably fitted up and well laid out for the accommodation of its staff. In addition to the new firm, there are over thirty various insurance offices located in the Lewis Building.

The Palatine has been operating in Canada since 1912 under successful management. Its high reputation places it in the front rank of British fire companies. The Company was founded in 1900. Its funds amount to \$5,248,690, in addition to which its policies are guaranteed by the Commercial Union Assurance Company, whose funds exceed the enormous sum of \$151,000,000. The Commercial Union is known as the largest general insurance company in the world.

**NATIONAL FIRE PROTECTION ASSOCIATION**

At the annual meeting of the National Fire Protection Association held in Chicago, last week, the chairman in the course of his remarks said: "How can we make the people of this country understand their responsibility for the pernicious results which must inevitably follow unbridled prodigality? We have never quite understood what it means to save or be careful, and even with our country at war we cannot bring ourselves to believe that our resources are without end. We have been reared in the lap of plenty, and go blissfully on, wasting and wasting, ever cheerful in the thought that somehow all that has been willfully or carelessly destroyed will be replaced. As nature abhors a vacuum, so she detests waste, and neither wisdom nor science has ever successfully ignored her immutable requirements."

The association advocates the following measures in its warfare against the needless sacrifice of life and property by fire:—

1.—The adoption by municipalities of the standard building code of the National Board of Fire Underwriters to the end that fire-resistive building construction may be encouraged, the use of inflammable roof coverings prohibited, adequate exit facilities from buildings assured, and interiors so designed and fire-stopped as to make easy the extinguishment of fires therein.

2.—The adoption by all States of minimum building requirements for the protection of State and county hospitals, schools, asylums and similar

institutions outside city limits and of small communities in which the establishment and enforcement of a building code is impracticable.

3.—The enactment by each State of the fire marshal law advocated by the Fire Marshals' Association of North America to the end that official investigation may be made of the causes of all fires, preventable fires may be eliminated by public education, and the crime of arson stamped out.

4.—The adoption of the Association's suggested ordinance providing for the systematic inspection of all buildings by city fire marshals or local firemen to insure the vigorous enforcement of rules for cleanliness, good housekeeping, and the maintenance of safe and unobstructed exits, fire-fighting apparatus and other protective devices.

5.—The enactment of ordinances similar to that of Cleveland, Ohio, fixing the cost of extinguishing preventable fires upon citizens disregarding fire prevention orders, and a more general legal recognition of the common law principle of personal liability for damage resulting from fires due to carelessness or neglect.

6.—The wider general use of the automatic sprinkler as a fire extinguishing agent and life saver and the more general adoption of the fire division wall as an important life saving exit facility.

7.—A careful study of the technical surveys of cities made by the engineers of the committee on fire prevention of the National Board of Fire Underwriters covering the items of water supplies, their adequacy and reliability, fire department efficiency, fire alarm systems and conflagration hazards, and of the possibility of co-operation among neighboring cities through mutual aid and the standardization of hose couplings.

8.—The adoption of the association's suggested laws and ordinances for State and municipal regulation of the transportation, storage and use of inflammable liquids and explosives.

9.—The universal adoption and use of the safety match and legislative prohibiting smoking in all parts of factories, industrial and mercantile buildings, except in such fireproof rooms as may be especially approved for the purpose by fire departments.

10.—The education of children and the public generally in careful habits regarding the use of fire.

11.—The co-ordination of all these activities, through a central administrative officer or body of the State or city having primary jurisdiction, for the purpose of promoting uniformity of action and efficient co-operation.

In the furtherance of these objects the association appeals for the co-operation of all citizens. It asks them to help in the dissemination of its valuable literature and in the use of the standards of fire protection so carefully worked out by its committees to the end that the lives and substance of our people shall not continue to be dissipated by a reckless and easily preventable waste.

"Are you laughing at me?" demanded the professor sternly of his class.

"Oh, no, sir," came the reply in chorus.

"Then," asked the professor even more grimly, "what else is there in the room to laugh at?"

**The Basis of the Nation's Wealth**

Real Estate is the basis of the Nation's Wealth. It produces that which both man and beast must have to sustain life. With our rapidly increasing population comes the demand for a corresponding increase in the products of the soil. Land cannot be destroyed, and with proper care its producing power may be maintained intact. Land values, therefore, possess that element of permanency that reduces the speculative feature to the minimum.

This corporation's borrowed funds (Deposits and Debentures), and by far the greater proportion of the shareholders' moneys (Capital Stock and Reserve) are invested in first mortgages of moderate sums on improved, productive real estate. To afford an opportunity to all of investing their money with such absolute safety, we issue our Debentures in sums of one hundred dollars. They are a security in which Trustees are authorized to invest Trust Funds.

Send for specimen Debenture and copy of Annual Report.

**CANADA PERMANENT MORTGAGE CORPORATION**

Toronto Street

ESTABLISHED 1855

Toronto

**Seventy-Five Years Ago**

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

\*\*\*\*\*

THE OLDEST COMPANY IN AMERICA IS  
THE COMPANY FOR YOU.

\*\*\*\*\*

For terms to producing agents address

**THE MUTUAL LIFE  
INSURANCE COMPANY  
OF NEW YORK**

34 Nassau Street . . . . . New York City

**THE  
London Assurance  
CORPORATION  
OF ENGLAND.**

INCORPORATED BY ROYAL CHARTER A. D. 1720

CAPITAL PAID UP - - - - - \$ 3,241,375  
TOTAL CASH ASSETS - - - - - 22,457,415

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

**The Life Agent's Manual**  
Published by The Chronicle, Montreal

**ATLAS  
ASSURANCE COMPANY LIMITED  
of LONDON, ENGLAND**

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

At the Accession of	Income	Funds
KING GEORGE IV.	\$ 387,065	\$ 800,605
KING WILLIAM IV.	657,115	3,038,380
QUEEN VICTORIA	759,865	4,575,410
KING EDWARD VII.	3,500,670	11,185,405
KING GEORGE V.	6,846,895	15,186,090

and at 31st DECEMBER, 1916 7,980,685 20,730,010

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

Agents wanted in unrepresented districts.

Head Office for Canada:

**260 St. James St., MONTREAL**  
MATTHEW C. HINSHAW, Branch Manager



Assets:  
**\$22,022,227.19**

Surplus:  
**\$7,426,114.26**

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

**L'UNION**

**FIRE INSURANCE COMPANY, Limited**

Established 1828 Head Office: PARIS, France.

Capital fully subscribed - - - \$2,000,000.00  
25 p. c. paid-up

Fire Reserve Funds - - - - - 5,539,000.00

Available Balance from Profit  
and Loss account - - - - - 111,521.46

Net Premiums in 1916 - - - - - 5,630,376.43

Total Losses paid to 31 Dec., 1916 100,942,000.00

Canadian Branch:

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

### ALBERTA LEGISLATION. AN ACT TO AMEND THE ALBERTA INSURANCE ACT.

The amended Insurance Act for Alberta sets forth that:

"Outside companies are required to appoint a resident in the province upon whom any process against the corporation may be served. The superintendent of insurance formerly acted for all companies.

"The liability of a company on contracts of hail insurance is set out in detail and hail insurance conditions enacted similar to those adopted in Manitoba and Saskatchewan, to be deemed part of each contract of hail insurance in force in Alberta.

"Provisions applicable to companies hereafter incorporated by the legislature are set out in full, and a short form of model bill for the incorporation of an insurance company is adopted."

The amended Corporations Tax Act affecting banks provides that the tax on the Head Office of a bank is raised from \$1,000 to \$1,200 and a branch bank from \$125 to \$200.

### SWEDISH BANKS.

At the beginning of 1917, according to our contemporary (Swedish Export) there were 59 banks in operation in Sweden. Of these no less than ten have ceased to exist during the year, as independent institutions, due to amalgamations. On the other hand six new banks have commenced operations during the year, most of them chartered during 1916.

The tendency which the Swedish banking system has followed during the last few years, namely towards the creation of a small number of powerful great banks by the swallowing up of the smaller or medium-sized banks, has proceeded during 1917, as the above summary shows, to a still greater extent than has previously been perceptible. A number of the new branch offices in different places have also come into existence; and the competition between the great banks has become more and more keen. But a very strong reaction against the great-bank idea has appeared in certain quarters, not least in the Riksdag; and in particular a number of local interests have made their voices heard against the many amalgamations. The consequence has been that in some places new provincial banks have come into existence, or are being planned, to take the place of those which have disappeared through amalgamation.

During the past year, to a still greater extent than during the immediately preceding years, the World War has extended its effects to Sweden. The shortage of coal and raw materials has caused difficulties in certain departments; and especially the growing scarcity of the necessaries of life of different kinds has necessitated a more and more comprehensive system of rationing, and at the same time the cost of living has risen in ever increasing progression. While in 1916 the ship-owning industry and a number of other industries attained results hitherto undreamt of, the year just elapsed has been characterized by an extremely lively activity in the sphere of finance, in

that increases of capital, the formation of new companies and the issue of loans have been undertaken to a greater extent than ever before. The hopes of peace have greatly stimulated the money market; and both banks and trading and industrial concerns have seized the opportunity to assure themselves of fixed capital in order to meet the development that is expected in the immediate future.

The supply of money in the country during the year has been abundant, and the movement of currency has been still greater than in the previous year, which of course is closely connected with the increase of prices. From a theoretical point of view, as is well known, it is the excessive flow of money that brings about the rise in prices. Thus money has gradually become the commodity of which there is least scarcity; and its value has therefore been uninterruptedly sinking. During the latter part of the year the Bank of Sweden has sought, by tightening the screw of discount, to check the steadily increasing inflation; but it has not yet been possible to discern any effective result of this action.

The sight rate of the Bank of Sweden on 31st December, 1917, was one pound sterling, London, 14.25, and 31st December, 1916, 16.22, a difference of 1.97.

The past year has been full of hard work for the banks; and owing to the difficulties of obtaining a sufficient number of trained assistants for the rapidly growing business, the officials have in many places had to submit to considerably greater strain than those in any other profession. On this account, too, the profession has lost a great deal of its attraction; many older officials have passed into business offices or private banking firms, and new aspirants have not been so numerous as before. It would appear, therefore, that at the present time there is no slight difficulty in recruiting the staff.

### PLATE GLASS INSURANCE.

A conference of the companies writing plate glass insurance was held at the offices of Lloyds Plate Glass Ins. Co., New York, last week, to consider conditions resulting from the upward movement in the price of glass and the great scarcity of certain sizes of plates. It was agreed to attach an endorsement to policies covering risks where some of the plates measured over 100 square feet, giving the company the option in the event of breaks to replace such large plates with two plates instead of one and to make an allowance of 25 per cent. in the rate on such large plates for that privilege.

It was also agreed to eliminate from the policy the clause providing that the company continue insurance on lights broken and replaced during the term of the policy. This elimination will restore the old practice of charging a pro rata premium for insurance of the replaced light and will be more in accord with methods in other lines of insurance. The meeting also voted in favour of a standard form of plate glass insurance policy and it was agreed to ask William F. Moore to submit a tentative draft of a standard form plate glass policy.

## 73rd ANNUAL REPORT

# New York Life Insurance Co.

346 and 348 BROADWAY - - NEW YORK CITY

### Income for the year 1917:

Premiums .....	\$100,279,122.00
Interest and Rents .....	39,957,422.00
Other Income .....	5,881,618.00

**\$146,118,162**

### Paid Policy-holders, 1917 (Exclusive of Disability Benefits):

Death Losses .....	\$30,599,371.00
Matured Endowments .....	13,566,409.00
Surrender Values .....	18,527,170.00
Dividends .....	22,807,762.00
Annuities .....	1,387,241.00

**\$86,887,953**  
**\$23,722,213**

### Loaned Policy-holders during 1917 .....

**\$86,887,953**  
**\$23,722,213**

### New Paid-for Insurance in 1917 (Exclusive of over \$16,000,000 increase by Policies revived and increased, and Additions by Dividends) .....

Paid for Insurance in Force Dec. 31 .....	<b>\$315,994,500</b>
Number of Policies in Force Dec. 31 .....	<b>\$2,673,334,336</b>

### Admitted Assets, Dec. 31, 1917 .....

**\$934,929,381**

**\$934,929,381**

**\$934,929,381**

### Legal Liabilities .....

Reserved for dividends payable in 1918 .....	\$760,742,335
Reserved for dividends on deferred dividend policies maturing subsequent to 1918 .....	\$26,561,063.64
Reserved for Contingencies .....	107,041,778.00
	40,584,204.36

**\$760,742,335**

**\$26,561,063.64**

**107,041,778.00**

**40,584,204.36**

### Total .....

**\$174,187,046**

**\$934,929,381**

THE ANNUAL DIVIDEND RATE OF 1917 WILL BE MAINTAINED IN 1918

### FOR THE YEAR 1917 THE COMPANY'S MORTALITY RATE WAS THE LOWEST IN ITS HISTORY

Average earning power of total Ledger Assets  
 January 14, 1918. { Dec. 31, 1917, 4.59%  
 { Dec. 31, 1916, 4.54%

A detailed statement will be sent to any person asking for it.

**DARWIN P. KINGSLEY, President.**

## EAGLE, STAR AND BRITISH DOMINIONS INSURANCE CO. LIMITED

Assets over \$61,000,000

Premium Income over \$14,000,000

### FIRE and MARINE

Canadian Managers, DALE & COMPANY, LIMITED, Coristine Bldg., Montreal  
 Branches at HALIFAX, TORONTO, WINNIPEG and VANCOUVER

## THE YORKSHIRE INSURANCE COMPANY, LIMITED

ESTAB. 1824

YORK, ENGLAND ASSETS EXCEED \$23,000,000

**FIRE** ..... Every description of property insured. Large Limits.

**LIVE STOCK** ..... The Yorkshire is the FIRST COMPANY, licensed by the FEDERAL GOVERNMENT, to transact Live Stock Insurance in Canada.

**ACCIDENT** ..... Personal Accident, Employers', Automobile, Teams, General Liability, and Plate Glass.

CANADIAN DIRECTORS { Hon. C. J. Doherty  
 G. M. Bosworth, Esq.

Hon. Alphonse Racine  
 Alex. L. MacLaurin, Esq.

Canadian Manager,  
 P. M. WICKHAM, Montreal

APPLICATIONS FOR AGENCIES are invited from responsible persons.



# Canadian Banking Practice

## THIRD EDITION

Questions on Custom and Usage and Law, Published under the  
Auspices of the Canadian Bankers' Association.

Compiled by JOHN T. P. KNIGHT

Some years ago, the Editing Committee of the Journal of the Canadian Bankers' Association announced to their readers that through a column in said Journal headed "Questions on points of Practical Interest," enquiries on **Legal Points** arising in the course of a day's work in a bank would be replied to, and that the answers to such questions would be given under the **advice of counsel** where the law in the case submitted was not clearly established.

The hundreds of questions and answers on Canadian Banking Practice deal with nearly every possible point of practical interest likely to present itself during the daily routine of a bank. The replies relate to acceptances, cheques, endorsements, deposit receipts, letters of credit, circular notes, warehouse receipts, partnership accounts, bankers' lien on goods, forgery, alteration and loss of negotiable instruments, bills of exchange, promissory notes, principal and surety, etc., etc., etc.

The compiler of "Canadian Banking Practice" has classified and indexed the Questions on Points of Practical Interest. The value of such a work must be apparent, and a copy of the book should be in the possession of every bank official, barrister and business man in the country who desires to be informed upon points likely to arise in the course of dealings between banks and their customers.

In the daily course of the banking business, while much is mere routine, every one of experience knows that questions are constantly arising which necessitate an appeal to authority for guidance in the novel circumstances presented. The man who can meet such occasions and act with sense and discretion is the man who is likely to rise in his profession. In the present work is given a book of ready reference containing some six hundred answers to such questions by a committee of bankers eminently fitted to give authoritative advice.

The book is handsomely bound in cloth; price \$4 per copy.

For Sale at The Chronicle Office

10 St. John Street, Montreal

## THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated 1833

### Fire, Marine and Hail Insurance

HEAD OFFICE: TORONTO

Old                      Reliable                      Progressive

Assets over                      -                      -                      \$3,500,000.00

Losses paid since organization over                      -                      -                      \$43,000,000.00

**DIRECTORS:**

W. B. MEIKLE, President JOHN AIRD GEORGE BICKERDIKE, M.P. ALFRED COOPER, London, Eng. H. C. COX E. HAY JOHN HOSKIN, K.C., LL.D. D. H. HANNA	Z. A. LASH, K.C., LL.D. GEO. A. MORROW LT. COL. THE HON. FREDERIC NICHOLS BRIG.-GEN. SIR HENRY PELLATT, C.V.O. E. R. WOOD.	
--	--	--

W. B. MEIKLE                      JOHN SIME                      E. F. GARROW  
 Pres. and Gen. Man.                      Asst. Gen. Man.                      Secretary

**THOMAS F. DOBBIN, Resident Manager**  
MONTREAL

## NORWICH UNION FIRE INSURANCE SOCIETY, Limited

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

AGENTS WANTED FOR THE ACCIDENT BRANCH.

Head Office for Canada, - - - TORONTO  
 Head Office for Province of Quebec, MONTREAL  
 JOHN MacEWEN, Superintendent for Quebec.

FOUNDED A. D. 1819

## THE GENERAL FIRE INSURANCE COMPANY OF PARIS, FRANCE

SURPLUS TO POLICYHOLDERS, \$5,878,800

THOMAS F. DOBBIN, Manager for Canada.  
 EDMUND FOSTER, Superintendent of Agencies

Lewis Building, St. John Street, - MONTREAL  
 Applications for Agencies invited.

## The LONDON MUTUAL FIRE INSURANCE COMPANY

Established 1859

Assets	\$753,417.06
Surplus to Policyholders	411,808.66
Losses Paid, Over	8,000,000.00

PROVINCE OF QUEBEC BRANCH  
 W. J. CLEARY, Provincial Manager.

17 St. John Street - - - MONTREAL

First British Insurance Company Established in Canada  
 A.D. 1804

## Phoenix Assurance Co. Limited

OF LONDON, ENGLAND (Founded 1782)

**FIRE                      LIFE**

TOTAL RESOURCES, over ..... \$84,000,000.00  
 LOSSES PAID ..... 490,000,000.00

DEPOSITS with Federal Government and Investments in Canada, for security of Canadian policyholders only, exceed ..... 3,000,000.00

AGENTS WANTED IN BOTH BRANCHES. Apply to

R. MacD. PATERSON, }  
 J. B. PATERSON,        } Joint Managers

100 St. Francois Xavier Street - MONTREAL

ESTABLISHED 1864.

## New York Underwriters Agency

A. & J. H. STODDART  
 REGISTERED

100 William Street - New York

Provincial Agents

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

T. D. RICHARDSON, Supt. for Canada  
 TORONTO

## OPPORTUNITIES

In Life Insurance are many

FOR AN AGENCY, ADDRESS

### GRESHAM LIFE ASSURANCE SOCIETY, LTD.

Established 1848.                      Funds \$50,000,000

Gresham Building - - - MONTREAL

Founded A. D. 1710

## SUN INSURANCE OFFICE

Head Office: Threadneedle St., London, Eng.

**THE OLDEST INSURANCE OFFICE IN THE WORLD**

Canadian Branch:  
 15 Wellington St. East                      LYMAN ROOT  
 TORONTO, Ont.                      Manager

## The LIFE AGENTS' MANUAL

THE CHRONICLE - - - MONTREAL

**ATLAS ASSURANCE COMPANY.**

The following changes are announced at the Head Offices of the Atlas Assurance Company, London, England:

After 33 years' service with the Atlas Assurance Company, Mr. Alfred W. Yeo, Joint Manager of the Fire Department, retired on the 30th April. He has not been in the best of health for the past four or five years, but, being in his 64th year, is retiring in the ordinary course of events.

Following ten years spent with the Alliance Assurance Company, Mr. Yeo has been identified with the important developments of the Atlas Office during a third of a century, his chief attention having been given to the foreign business, which had only just been started when he joined the Company, but which has now attained considerable proportions. He will carry with him the cordial good wishes of all who know him.

The Directors have appointed Mr. Cecil Hugh Falloon, at present Assistant Secretary, to be Joint Manager of the Fire Department, in succession to Mr. Alfred W. Yeo, whose retirement is announced. Mr. Falloon received his insurance training with the Atlas. On leaving Cambridge he joined the West End Branch for a short time, and subsequently went to Head Office. He was afterwards for some years Controller of the Company's business in the Far East, and resident at Shanghai. Then he became Branch Manager at Bombay, and two years ago returned to Head Office, taking the position of Assistant Secretary.

**AETNA INSURANCE COMPANY.**

Mr. E. J. Sloan, Secretary of Aetna Insurance Company, Hartford, has notified agents of the company in Canada, that until further advised, reports of losses in duplicate are to be mailed to the company's Canadian branch office, 36 Toronto Street, Toronto, where Special Agent Stewart will see that all matters have prompt attention. This has reference, we understand, to losses heretofore reported to Special Agent J. B. Hughes, Waterloo, Ont., who requested the Company to relieve him of the details of handling losses, owing to a severe operation on his eye, leaving his sight in poor condition.

Mr. Hughes, who is held in the highest esteem by the Aetna, for excellent service rendered and his own sterling qualities as a man will continue his services with the Company, who will still have the benefit of his counsel.

**BRITISH CANADIAN INSURANCE COMPANY TO BE INCORPORATED.**

Application is being made at Ottawa for an act to incorporate a company under the name of the British Canadian Insurance Company, with power to carry on the business of fire, hail, tornado, plate glass, automobile, burglary, accident, guarantee, sprinkler leakage and credit insurance. Mr. H. S. Wood, Vancouver, B.C., is solicitor for applicant.

**MORE ATTENTION TO MORAL HAZARDS.**

In these war times, when so many factories and merchandising concerns are being operated to the limit of their capacity in the production of materials for use in connection with the war, there is a class of moral hazard which cannot be ascribed to willful or intentional desire on the

part of the owner of the property to wrong the insurance companies. In fact, the property may be yielding a very satisfactory profit, but the speeding up due to pressure put upon the plant to raise the output to the greatest possible extent may produce carelessness in some respects which would tend to bring about the destruction of the plant by fire. From the fire underwriters' viewpoint, the creation of a fire hazard in this manner is nearly as reprehensible as is a pre-meditated scheme to burn the property; for in the event of its destruction by fire the result is the same to the insurance companies—they pay the loss. There is, of course, one difference between these two classes of fires, and that is that if the intentional firebug is detected he will not collect his insurance.

In view of these conditions it is very advisable for an agent to keep in as close touch as possible with his larger risks, and to know the circumstances concerning each one, so far as they relate to the safety or danger of insured property. Conditions do not always remain the same, and what may be an excellent risk now may, owing to altered circumstances, become an undesirable one next week. War has had much to do with changing the character of manufacturing properties by causing them to turn out goods of a character varying greatly from their normal output; and in at least some of these instances the change is disadvantageous to the property as an insurance risk.—The Spectator.

**INSURANCE NEWS.**

The Manufacturing Lumbermen's Underwriters of Kansas City, Mo., is authorized to transact the business of fire insurance in Canada. Mr. W. E. Bigwood, Toronto, has been appointed chief agent.

The Boston Insurance Company is authorized to write fire insurance in Canada. Mr. H. H. Motley, Calgary, Alta., is chief agent.

The New Hampshire Fire Insurance Co. is authorized to write fire insurance in Canada. Mr. H. H. Motley, Calgary, Alta., is chief agent.

**PERSONALS.**

Mr. Arthur S. Baillie, Home Insurance Co., Winnipeg, will shortly leave for South America, where he will reside for some time, in the interests of his company. Mr. Baillie was manager of the Nova Scotia Fire Insurance Company, Halifax, when that company was taken over by the Home.

\* \* \*

Mr. Thomas F. How, the able general manager of the Bank of Toronto, who was appointed general manager in 1911, entered the service of that institution in 1876, at the age of 16 years. He has thus completed a service of forty-two years with that institution. The bank has made substantial progress under Mr. How's conservative management.

"My insurance costs me \$540 a year," a friend said to me lately. "Tut, tut!" I said, "Don't say 'costs' you. If you take \$540 to the bank to deposit it, do you say 'the bank costs me that much'?" No! Put it this way: "I am increasing my estate \$540 each year." There are many ways of saying things. Get 'em right.



# The Northern Assurance Co. Limited

Of England

ACCUMULATED FUNDS, 1916 - \$39,935,000.00

*Including Paid up Capital Amount \$1,460,000.00*

Head Office for Canada: No. 88 NOTRE DAME ST. WEST, MONTREAL.  
G. E. MOBERLY, Manager



**OLDEST ACCIDENT OFFICE**

# Railway Passengers Assurance Co.

OF LONDON, ENGLAND

All kinds of Personal Accident and Sickness Insurance  
Employers and Public Liability  
Burglary, Plate Glass and Fidelity Guarantee

Head Office for Canada and Newfoundland: **TORONTO, ONTARIO**  
F. H. RUSSELL, General Manager

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

## The Canada National Fire Insurance Company

HEAD OFFICE: WINNIPEG, MAN.

Total Assets - - - - \$2,387,634.14

A Canadian Company investing its Funds in Canada

APPLICATIONS FOR AGENCIES INVITED

## THE STRATHCONA FIRE INSURANCE COMPANY

HEAD OFFICE, 90 St. James Street, MONTREAL

CAPITAL Subscribed - - - - \$300,000  
By over 500 Notaries of the Province of Quebec

TOTAL ASSETS, December 31st, 1917 - \$373,644

President and General Manager, - - A. A. MONDOU

### NOTICE

In accordance with the Dominion Insurance Act, 1917, notice is hereby given that the GUARDIAN LIFE INSURANCE COMPANY OF AMERICA (formerly the Germania Life Insurance Co. of New York) has received License No. 615 of the Dominion Department of Insurance for the transaction of Life Insurance.

C. R. G. JOHNSON,  
Chief Agent

**THE LIFE AGENT'S MANUAL**  
Published by The Chronicle, Montreal

## The WATERLOO Mutual Fire Insurance Co.

ESTABLISHED IN 1863

Head Office - Waterloo, Ont.

TOTAL ASSETS 31st DEC., 1915, \$908,244.18  
Policies in Force in Western Ontario Over 30,000

GEO. DIEBEL, President  
ALLAN BOWMAN, Vice-President

L. W. SHUH,  
Manager

1850

1917

## THE UNITED STATES LIFE INSURANCE COMPANY

In the City of New York  
Issued Guaranteed Contracts

JOHN P. MUNN M.D.,  
President

FINANCE COMMITTEE:

CLARENCE H. KELSEY,  
Pres. Title Guarantee & Trust Co.

WILLIAM H. PORTER,  
Banker

EDWARD TOWNSEND,  
Pres. Importers & Traders Nat. Bank

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, New York City.

**SHINGLE ROOFS AND THEIR ABOLITION.**

Commenting on the excessive losses in North Carolina due to sparks on shingle roofs, Insurance Commissioner Young says: "A most important lesson in this state is the great importance of abolishing shingle roofs in favour of fireproof and fire-resisting roofing materials, which has come to be nearly or quite as cheap in first cost as the more dangerous shingle roof. And then the fire-resisting roof lasts longer and reduces the insurance rates on the buildings that have these fire-resisting covers." He further regards it as especially important that those planning to build should include the fireproof roof, and that the serious menace which now exists of the shingle roof should be removed from buildings that now have them as quickly as possible. According to figures recently worked out, the losses incurred through sparks on roofs in the United States for 1916 amounted to \$7,355,147.

While no statistics are available for losses incurred in Canada for 1917 from the same cause, the prevalent use of shingle roofs in many sections of this country are a serious menace to property and those interested in fire insurance. In the interests of those most concerned, an effectual agitation for the complete abolition of wood shingle roofs would be a step in the right direction.

**CANADIAN FIRE RECORD.**

(Compiled by The Chronicle).

**Fire at Toronto.**—On the 9th instant a fire destroyed the Royal Canadian Yacht Club. Centre Island, Toronto. Insurance as follows:—

Phoenix, London .. \$ 5,000	Northern .....	7,000
Norwich Union .....	Firemen's Fund .....	2,500
British America .....	Yorkshire .....	7,000
Atlas .....	Union Assce. Soc'y ..	5,000
Aetna .....	Palatine .....	5,000
North West .....	Royal .....	11,000
British & Canadian ..	Commercial Union ..	8,000
Provid.-Washington ..	Guardian .....	8,000
Scottish Union .....	National Union .....	2,500
Liverpool & L. & G. ..	Nova Scotia .....	2,500
Alliance (Eng.) .....		
Sun .....	Total .....	\$130,000
London Assurance ..	Loss about total.	

**Fire at Quebec.**—On the 11th instant a fire broke out in the wholesale stores of the Louis Beaubien Company, St. Valier St., Quebec, (boots and shoes) the following list of insurance is available, on stock: Globe & Rutgers, \$5,000; Royal Exchange, \$4,500; General of Perth, \$5,000; Royal, \$8,000; British Empire, \$3,500; Nova Scotia, \$7,500; Occidental, \$9,000; General, \$5,000. Total \$47,500. Loss about 50 p.c. On Batisse in same building: Nova Scotia, \$5,000; Royal, \$7,000; Royal Exchange, \$6,000. Total, \$18,000. Loss about \$5,000. On Canadian Consolidated Rubber Co.: Nova Scotia, \$12,500; Occidental, \$6,500; Royal, \$5,000. Total \$31,500. Loss about 30 p.c.

**Fire at Winnipeg.**—On the 14th instant a fire broke out on the premises of Richardson & Bishop (stationery), Main St., Winnipeg. The building is owned by the Canada Life. Loss about \$90,000.

**Fire at St. Catharines, Ont.**—On the 8th inst. a fire destroyed the Bishop Ridley College Skating Rink. Loss about \$10,000. Insurance \$5,000.

**Fire at Vancouver, B.C.**—On the 15th instant a disastrous fire broke out in the shipbuilding plant of J. Coughlan & Sons. The fire started in the boiler room and gained great headway when the acetylene plant used for welding exploded. The company employed 2,800 hands. About half this number are now out of work. The property, we understand, was well insured, and the loss will probably amount to about \$500,000.

**Fire at Lougheed, Alta.**—On the 5th instant a fire destroyed the Grand View Hotel, a drug store, and a restaurant. Loss about \$15,000.

**Fire at Steveston, B.C.**—A serious fire occurred on the 14th instant on the premises of the Star Canning Company, Steveston, B.C., the fire spread and destroyed several buildings. It is expected that loss will be very large. Insurance not known, as we go to press.

**Fire at Quebec.**—On the 11th instant a fire destroyed the main plant of the Victoriaville Foundry, Quebec. Loss about \$12,000.

**Fire at Hamilton.**—On the 10th instant as the result through failure of the airbrakes operating a Chicago-Montreal freight train of fifty cars on the G. T. R. ran away and crashed into the train of 22 cars of a London-Toronto freight train, fire broke out and destroyed 16 cars of valuable freight.

**APRIL FIRE LOSSES.**

The losses by fire in the United States and Canada during the month of April as compiled from the record of the Journal of Commerce, New York, reach a total of \$20,108,900 as compared with \$20,213,980 reported for March. April losses this year were somewhat heavier than a year ago, when the figures were \$18,597,225 and considerably larger than in April, 1916, when the total was \$12,681,050. The fire losses for the first four months of 1918 reach an aggregate of \$98,586,135, as compared with \$102,139,655 for the same months of last year and \$97,555,420 in 1916.

There were during April this year 201 fires each causing an estimated property damage of \$10,000 or over and since January 1st this year 1,248 such fires.

**SIXTEEN ARRESTS FOR ARSON.**

The city fire marshal, Detroit, states that no less than ninety fires of incendiary origin have taken place in Detroit since January 1st, 1918. Two arrests for arson were made in that city on the 13th instant, making a total of sixteen which it is stated practically completed the round up of the leaders of a state-wide arson ring, believed to have caused fires which resulted in many hundreds of thousands of dollars worth of property. According to the police, seven men have confessed, and it is stated the ring took contracts for starting fires under a system of competitive bids. To encourage the conviction of those guilty of arson in Canada some sixty years ago, the Government offered a reward of \$5,000 to any person giving such information as would lead to the conviction of the guilty party. According to old files in The Chronicle library, arson was considered a capital offence.



# THE EMPLOYERS'

Liability Assurance Corporation, Limited  
of LONDON, England

*Transacts*  
AUTOMOBILE INSURANCE covering ACCIDENT, PROPERTY, DAMAGE, COLLISION, FIRE, THEFT and TRANSPORTATION  
PERSONAL ACCIDENT, HEALTH, LIABILITY, PASSENGER and FREIGHT ELEVATOR, FIDELITY GUARANTEE, CONTRACT BONDS and FIRE INSURANCE

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

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

APPLICATIONS FOR AGENCIES INVITED

Canadian Government Deposit  
**\$1,342,455.00**

### Stands First

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



## THE LAST WORD IN ACCIDENT AND SICKNESS INSURANCE IS THE DOMINION GRESHAM'S NEW "GRESHAM MAXIMUM" POLICY

AGENTS WANTED EVERYWHERE

Applications in Ontario should be addressed to

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



## AUTOMOBILE INSURANCE

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

The "OCEAN" can meet these requirements under one contract  
Branch Office: MERCHANTS BANK BUILDING, MONTREAL

ARTHUR JAMES, Superintendent.

H. GORDON WARING, Inspector, Automobile Department.

Canadian Head Office: Ocean Insurance Building, TORONTO

## The Dominion of Canada Guarantee & Accident Ins. Co.

The Oldest and Strongest Canadian Casualty Company

TRANSACTS:  
ACCIDENT SICKNESS PLATE GLASS  
BURGLARY AUTOMOBILE INSURANCE  
GUARANTEE BONDS FIRE INSURANCE

E. ROBERTS, Manager  
701, LEWIS BUILDING, MONTREAL

C. A. WITHERS, General Manager  
TORONTO

Branches: WINNIPEG CALGARY VANCOUVER

**LIFE AGENTS CHANGING COMPANIES.**

As a rule, experience has shown that when an agent has become closely identified with a good company which has treated him with fairness, and with the plans and methods of which he has become thoroughly familiar, a change is to his and the company's disadvantage. His success depends largely upon the degree of confidence with which he has inspired the people with whom he has become acquainted. Both the merits of his company and the desirability of any particular plan of insurance are accepted in good faith in proportion as the would-be insurant believes in the integrity and good judgment of the agent. If he is successful he will convince his clientele that the company which he represents is the best company, all things considered, in the business; it logically follows that if, for any reason, he leaves the company which he has represented and whose merits he has advocated for the service of another, the influence of the agent is impaired in the community. If he remains in his old field it will be exceedingly difficult to regain the measure of confidence formerly enjoyed, though this is by no means impossible. At the best, however, the transfer cannot be made without temporary, perhaps permanent, loss. Notwithstanding this, there are cases where the agent is fully justified in changing companies. If his company manifests a disposition to treat him shabbily by the imposition of uncommon and unnecessary restrictions and habitually ignores his respectful suggestions touching business-getting in his field, placing him at a disadvantage with his competitors, it may be wise to make a change. To transfer allegiance from one good, square-dealing company to another for the sake of change, or because an apparently better offer as to commissions or territory is made by a competing company, is quite another thing, however. The homely old adage about the shoemaker sticking to his last is applicable to the average life insurance agent. In most cases it will be found that his permanent interests lie in continuous service with the company with which he has become identified. There are exceptions, but they are not numerous. Under any circumstances a life insurance agent will find it desirable to avoid using depreciatory language regarding rival companies with intent to injure their reputation, as this only provokes retaliation; which cannot fail to damage both himself and the interests he represents. Where a company is looking out for a suitable agent to occupy an important field, the one who has made himself obnoxious by attacks upon competitors is not as favourably regarded as the one who, other things being equal, can point to success achieved by diligence, by skill, by agreeable manners, by conduct which has won popular esteem.

**OUTSIDE AND UNLICENSED INSURANCE.**

The frequency with which prominent fire insurance agents are circularized throughout Canada for surplus business by individuals and brokerage firms having no responsible status or license so far as Canada is concerned to solicit business in Canada, is indicated by the many circulars which have lately been received by agents from various firms having addresses in the United States. Some of these circulars have been sent to The

Chronicle Office by subscribers who received them and as a matter of interest we publish below a copy of the latest, withholding the agent's name to whom it was addressed. The circular bears the printed heading of W. L. Webster & Co., Inc., 1 Liberty Street, New York, and reads:—

Dear Sir:—

We beg to request that you consider the question of forwarding your surplus business to this office for our "Brokerage Department" to place for you.

This department has been organized for the sole purpose of assisting out-of-town agents to complete the placing of such accounts as they find difficult to arrange in their local markets.

In order to attain the greatest degree of efficiency we have arranged, and have at our disposal a market embracing practically every insurance facility obtainable, and we ask only that you kindly get in touch with us at your earliest convenience, so that we may have an opportunity of demonstrating the excellent services, which we believe we are in a position to render in this respect.

Faithfully yours,

(Signed) EARLE C. SMITH,  
Secretary.

Comment should not be necessary, as it is hoped agents will not jeopardise the interests of their clients.

**FOR THE LAND'S SAKE!**

Two Tommies went into a restaurant over on the Eastern front and said to the waiter: "We want Turkey with Greece."

The waiter replied: "Sorry, sirs, but we can't Serbia."

"Well, then, get the Bosphorus."

The boss came in and heard their order and then said: "I don't want to Russia, but you can't Rumania."

So the two Tommies went away Hungary.

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6. Other insurance without the consent of the company.
7. Permitting buildings insured to become vacant or unoccupied for more than ten days without the consent of the company.
8. By taking in a new partner without the consent of the company.
9. Increase of risk by keeping prohibited articles on the premises or by change of occupancy of the premises insured.
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**THE LIFE AGENT'S MANUAL**  
Published by The Chronicle, Montreal



**LEGAL DECISIONS.**

**LIFE ASSURANCE PROPOSALS AND MIS-STATEMENTS.**

The following interesting case is reported in the Post Magazine:—

Yorke vs. Yorkshire Insurance Co.

- (1) Does a question in a life insurance proposal as to "sober and temperate habits" extend to indulgence in drugs?
- (2) If to a question in a life insurance proposal as to what illnesses he has suffered the proposer replies "None of consequence," is this answer a mere expression of opinion, or can it, in the event of a jury's finding that the proposer had suffered from an illness of consequence, support a plea on the part of the insuring company of mis-statement of fact and breach of warranty so as to avoid the policy?
- (3) If a defendant insurance company disputing a claim upon a life policy on the grounds of mis-statement and non-disclosure, allege several distinct mis-statements, does each of those allegations raise a separate issue, so as to entitle the plaintiff to the costs arising out of such of those allegations as the defendants fail to establish, notwithstanding that by proving one or more of their allegations of mis-statement the defendants defeat the claim upon the policy and obtain judgment in the action?

(1) No, said Mr. Justice McCardie in the King's Bench Division, England, on the 10th April; a question so worded refers only to the use and abuse of alcohol.

(2) Such an answer, said the Judge, is a statement of fact, the substantial incorrectness of which may be susceptible of proof, and if proved will avoid the policy.

(3) The several allegations of mis-statement, said the Judge, do not constitute separate issues, and the successful defendants are therefore entitled in such a case to the costs of the action generally, without any exception.

This was the re-trial of an action in which Mrs. Lillian Maude Yorke, a widow, claimed £1,000 as assignee of a policy of insurance on the life of Robert Smith, who died on March 25, 1917. The previous trial took place before Mr. Justice Darling and a special jury in January last, and the jury disagreed and were discharged. The defendants disputed the claim on the grounds that Mr. Smith had made false statements in his proposal form about the state of his health, and had concealed material facts. The policy was for one year, at a premium of £11 4s. 2d., and within three months from the date of its issue Smith died from an overdose of veronal.

The re-trial lasted several days, and on the 12th March last the Judge, after summing up, left to the special jury several questions which, with the answers of the jury thereto, were as follows:—

(1) Had Smith suffered from any illness of consequence before December 12th, 1916?—Yes.

(2) Was Smith on December 12th, 1916, in good health?—Yes.

(3) Had Smith before December 12th, 1916, suffered from insomnia?—Yes, occasionally.

(4) If yes; was it material for the defendants to know that fact?—No.

(5) Had he before December 12th, 1916, been in the habit of taking veronal?—Occasionally, but there was not sufficient evidence of a habit.

(6) If yes; was it material for the defendants to know that fact?—No answer.

(7) Was Smith on and before December 12th, 1916, of sober and temperate habits?—Yes.

(8) Was Smith on or before December 12th, 1916, suffering from heart trouble?—No.

(9) If yes; was he aware of such fact?—No answer.

(10) Was it material to the defendants to know such fact?—No answer.

(11) Was it material for the defendants to know the substance of the information contained in Sir James Mackenzie's letter of October 16th, 1916?—No.

(Continued on Page 527)

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**THE LIFE AGENTS' MANUAL**  
THE CHRONICLE - - MONTREAL

## LEGAL DECISIONS.

(Continued from Page 525)

On the 26th March last the Judge heard counsel in argument upon the effect of these findings by the jury. Counsel for the plaintiff asked for judgment on the jury's findings, saying that with the exception of one answer those findings were in the plaintiff's favour, and that all the points contested in these two trials had been determined in her favour. The exception was the finding that Mr. Smith had suffered from an illness of consequence in December, 1911, prior to the insurance, the illness being a breakdown. Counsel contended that the only ground of defence to the claim was proof of mis-statement of fact. He suggested that the view of the jury that the illness was one of consequence did not make Mr. Smith's statement a false one within the terms of the insurance proposal.

Counsel for the defendants, in applying for judgment for the company, relied on the statement of the assured that he had no illness of consequence as being a material untrue statement which avoided the policy.

Mr. Justice McCardie reserved judgment, which he delivered on the 10th April, when he said that this was the only life policy disputed by the defendants within the past 25 years, and he desired to say that in his view they were amply justified in requiring the question of liability to be determined in a Court of law. The policy provided that the proposal and declaration should form the basis of the contract, and the proposal contained, among others, the following questions:

What illnesses have you suffered? Answer.—None of consequence.—Do you ordinarily enjoy good health? Answer.—Yes.—Are you now, and have you always been, of sober and temperate habits? Answer.—Yes.

The proposer made a declaration as to the truth of these answers. The defence relied on two main points—(a) that the answers were untrue, and (b) that Smith had failed to disclose that he suffered from heart trouble and from insomnia, and that he was addicted to veronal. Among the questions put to the jury was one as follows:—"Was Smith, prior to December 12, 1916, of sober and temperate habits? Answer.—Yes." He had allowed that question, but he thought that the words "sober and temperate" must receive such an interpretation as would be placed upon them by ordinary men of intelligence and knowledge of the world, and he had no doubt that they referred only to the use and abuse of alcohol, and not to the use of veronal or other drugs. They were inappropriate to the "drug habit." If express information as to such habit was required, a further question of a distinct character should be added to the proposal form; otherwise insurance companies must rely on the rule of law which required the disclosure of all material facts known to the proposer which might lead the insurer to refuse the risk or to demand a higher premium. The effect of the jury's answers was to negative the plea of the defendants with respect to (a) insomnia; (b) the use of veronal; and (c) heart trouble. The defendants, however, claimed judgment by reason of the answer to the first question. This

question was, "Had Smith suffered from any illness of consequence prior to December 12, 1916?" The answer was, "Yes, in 1911." It was contended that the plaintiff was entitled to judgment in spite of that answer. It was urged that the question in the proposal form, "What illnesses have you suffered?" was ambiguous, and that the answer of Smith could not be relied upon by the defendants, as it expressed an opinion only in reply to a question alleged to be obscurely framed. In his Lordship's view that contention of the plaintiff failed. The word "illness" had not been judicially defined. It must be construed in a fair business manner, and must ever be a question of degree. In November, 1911, Smith lay in a critical condition through an overdose of veronal. His relatives were sent for; Dr. Esler attended him for about a fortnight, and regarded his illness as serious. The jury clearly accepted this view of the matter. He (Mr. Justice McCardie) agreed with the jury, and it followed that the proposal contained a statement which was substantially incorrect; hence, as the warranty of truth was broken, the policy became void, and judgment must be entered for defendants.

As to the costs, counsel for the defendants offered to leave the question of costs to his (the Judge's) discretion; but the plaintiff's counsel required him to deal with the question of costs on a strict technical footing. The question was, did the points raised by the questions left to the jury raise separate issues? If so, the plaintiff would be entitled to the costs of the issues on which she succeeded. His Lordship said that, in his opinion, the whole question would some day need to receive a clear and final formulation in the Court of Appeal. In the present case he had come to the conclusion that all the questions left to the jury went to the validity of the policy, and were not separate and independent matters, but branches of one head of reference—namely, that the policy was avoided by mis-statement and non-disclosure. As the defendants had proved a substantial mis-statement they succeeded on the issue raised in the case. He must decide that no separate issues existed, and judgment would therefore be for the defendants, with costs.

## BRITISH AMERICA ASSURANCE COMPANY APPOINTMENT.

Mr. W. B. Meikle, vice-president and general manager of the British America Assurance, informs us that Mr. W. H. Martin, who has been in charge of the United States loss department of the British America Assurance Company for several years, has been appointed assistant secretary by the directors of the company. Mr. Martin is also in charge of the United States loss department of the Western of Toronto.

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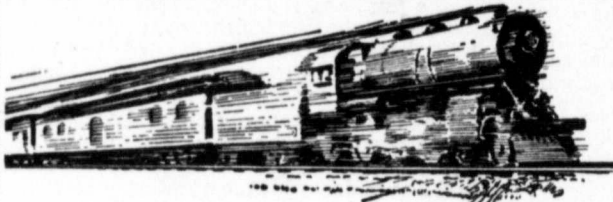
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