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THE WESTERN CROP

Why not drop the term "bumper" in relation to the crops of Western Canada? The suggestion comes to *The Monetary Times* from the West. It was possible to have such a crop when cultivation was limited to the Red River valley and a bit of central Manitoba. One can hardly conceive of any set of conditions which will now ensure a record yield from Winnipeg to the mountains, with every variety of climate and differing conditions of soil, where the altitude varies from nine hundred and fifty feet to over three thousand feet, and with open prairie and bush land.

Another important consideration is that in many parts of the country the farmer is less dependent upon his grain than in former years. Much progress has been made, particularly in Manitoba and Alberta, in the direction of diversified farming. The grain crop is still all important, but, nevertheless, consideration must now be given to the growing importance of dairy farming and stock-raising.

The reports from reliable sources in Western Canada lead *The Monetary Times* to believe that this year's crop will be a fair average crop, or possibly a little better than an average crop. One seldom sees a field of very heavy grain. There will be less than the usual number of reports of "tremendous" yields. No part of the country, however, is without a crop. It is all maturing satisfactorily, and weather conditions are good. In Manitoba, probably fifty per cent. of the oats had been cut by August 18th. Considerable wheat was also in stook. Saskatchewan was a few days later, but cutting was in progress there last week. In Southern Alberta the crop is early and is being rapidly harvested. The aggregate grain yield this

year should be equal to that of last year, while the quality may be better.

An important consideration, of which the daily newspapers have taken very little notice, is that the farmer will get his labor this year for about sixty per cent. of what it has cost him during the past two years. The farmer is, therefore, feeling rather comfortable over the situation, and does not express any regrets for the general slackening of building operations in our cities. In Vancouver a few days ago the board of trade was negotiating with the Canadian Pacific Railway for a harvesters' excursion to be undertaken from Vancouver to the prairies, to give employment to the workmen of that city. This is a healthy movement. The abnormal construction works in our different cities attracted large numbers of workmen to secure employment as carpenters and unskilled laborers at high wages. The farmer was deprived of legitimate help, and the cost of building in the city was increased through the wages paid to these incompetent workmen. This year the farmer can get help for his harvest at a remunerative price, and this condition should prove entirely to the advantage of the country.

A bad storm did a great deal of damage to the crop at a number of points in Manitoba, and warned us that until the grain is threshed the crop is not secure. This, however, was the first real damage from this source, and will not materially affect the general result. The most serious danger yet to be encountered is the possibility of frost.

After twelve months' freedom from wild speculation and the necessary curtailing of business operations through the scarcity of money, we should feel the benefit of the proceeds of the crop to a degree not usual in this country. Prices are rather better than last year, and there is every indication that this year's crop will give us more money than that of last year.

CANADA'S TRADE BALANCE

That there is nothing wrong with Canada, but a great deal wrong with the world's money markets is the statement of Sir Edmund Walker, one of our leading financial authorities. It is one, too, which should exterminate the pessimism, misgivings and criticisms of those who have purchased, despite the financial stringency, glasses of an unmistakable blue hue. Canada, being one of the most prominent borrowers overseas, was naturally the first mark of critics in a time of war and of a slim supply of capital. The tight money period through which we are passing is inconveniently embarrassing, and in some cases, destructive, but it is only a passing phase, one which we have had before and one which we will have again. It does not affect in any way the strength of Canada's economic foundation.

It is pleasing to note that the Dominion Government, via the pen of Professor Adam Shortt, of Ottawa, has given further official support to the national position, by the issue of an unusually interesting explanation of Canada's balance of trade. Professor Shortt shows that for over a decade past Canadian imports have increasingly exceeded Canadian exports, until for the twelve months ended April 30th, 1913, the returns stand as follows:—

Imports, not including coin and bullion....	\$672,880,978
Exports, not including coin and bullion....	385,750,938
Leaving an adverse balance of.....	\$287,130,040

At the same time during this period of expanding imports the balance of exchange in gold has not been against Canada, but on the whole in her favor. What, then, is the explanation of what appears to be at first sight an anomalous condition of international trade?

The explanation is simple, though the secondary consequences may be somewhat complex and remote. The great proportionate excess of Canadian imports over exports has at once resulted from, and is offset by the borrowing of outside capital by Canadian Governments, corporations and individuals and by the direct investment of outside capitalists in Canadian real estate, mines, timber and various enterprises. The chief channels through which these investments affect the imports and exports of the country may be summarized as follows: The largest investments of borrowed capital, representing hundreds of millions, have been made by the various public authorities—the Dominion and Provincial Governments and the municipal corporations. The three great railway systems of Canada also account for scores of millions, while many other corporations of a semi-public or purely commercial nature, real estate and other investments aggregate a vast total.

After discussing these factors in some detail, Professor Shortt reminds us that this very natural but nevertheless abnormal advancement of the country has not hitherto resulted in any inconvenience, because its lack of balance has been entirely met by the constant stream of foreign capital borrowed on Canadian account. A comparatively small proportion of this capital, however, has come to the country in the shape of money; almost the whole of it has been taken in the shape of goods. Thus the gap between exports and imports has been steadily widening, and will continue to do so until the construction of railways and other public works and the building of cities fall off. Then will result the inevitable consequence that a large proportion of people—employers and employed—must return to the production of articles for more immediate consumption and export. When this return movement begins the gap between exports and imports will gradually close. Finally, when the principal and interest of the hundreds of millions recently borrowed come to be paid exports will exceed imports with as little disturbance to the exchanges as we have found in the past. Both sides of the movement have been amply illus-

trated in the trade returns of the United States at various periods during the past century.

A writer in the London Times has also examined the Canadian trade balance. After discussing the various phases, he contends in conclusion, that the total burden of taxes and interest charges on capital borrowed abroad do not come to so large a sum as the cost of government per head on the population of the United Kingdom, and that the productive capacity per head of the population of Canada is certainly not less than that of the population of the United Kingdom. This, he thinks, should "show that the burden imposed on Canada, as a whole, by the present indebtedness of most of her large undertakings to the British investor is by no means so crushing as sometimes seems to be supposed."

ENGLISH AS IT IS WRITTEN

The Monetary Times received for publication an article, in French, on French investments in Canada. It was sent to a translation bureau, who guaranteed excellent work. Here is what was returned:—

"The need of defendind against the ambitions, often provocative, of a great European country, and also of protecting their industry and trade against proceedings of competitors, which want of invention and originality genius compels to flood all the world's markets—space to repeated steps of a broker's army so insinuating than tenacious—of products cleverly imitated of which defects are only revealed after a certain use, have brought together two countries of which secular rivalry printed its mark to each page of History."

We refrain from printing more.

The difference in the tongues of the world is awkward, but international business goes on just the same. *The Monetary Times* received the following letter from Moscow, Russia, the other day:—

"We beg to send us a specimen-number of your journal, having the intention to insert eventually in your newspaper. We also beg to call us the prices for insertion."

That is pretty good English, from Russia, for it obtains what it seeks. It is comparatively better English than some letters received from England recently, addressed, "Toronto, U.S.A.," and one which inquired regarding the whale fishing industry in Ontario!

English is rather roughly handled, and too frequently, in English-speaking countries. To add to the troubles of the Wall Street man forced to spend his summer in the city, says the Wall Street Journal, comes the necessity of employing a substitute stenographer in the vacation season. Wall Street diction is hard enough for the regular stenographer; the substitute finds it next to impossible. The employer of one of the substitutes not long ago tried to be particularly careful and distinct in his dictation. Nevertheless, "comptroller of the currency" emerged as "comptroller of the corn belt." A remark about the "drought district of Kansas" was interpreted as "grouch district in Kansas." Reverting to money matters again, the employer talked about taking bullion into the Bank of England, and the copy showed that bouillon soup had been taken into the bank. One of *The Monetary Times* vacation helps managed to address a letter to the city clock of Vancouver, instead of to the city clerk, while another, taking dictation on the Dominion Steel-Coal fight of some years ago, got it that Mr. Plummer and Mr. Ross were at "lager heads," that being the liquid interpretation of loggerheads.

The name of our paper, *The Monetary Times*, seems to be a prime obstacle for stenographers of all ages, experience and climes. Every week almost letters come addressed to The Momentary Times, while Monetary is spelled in a dozen ingenious ways. The Military Times was another title bestowed upon us. Whether by accident is not known, but The Monotonous Times and The Monastery Chimes are gratuitous titles which we remember but do not appreciate!

ST. BONIFACE STOCK YARDS

That Manitoba is not yet able to raise sufficient farm products to supply the home market was a fact emphasized by several speakers at the opening of the new stock yards at St. Boniface. Sir Rodmond Roblin especially noticed this fact, stating that it was not necessary that so much beef, dairy produce and vegetables should be purchased outside the province when they could be just as well produced within its borders. The development of the stockyards, with their improved marketing conditions, would be bound to increase the interest in mixed farming, and with it would come the other products.

The splendid St. Boniface stock yards are the result of the investigation of a government commission appointed in Manitoba to investigate stock shipping and selling conditions in the West. The outcome was the organization of the company which had constructed the present yards. These have been planned to give stock-raisers and shippers every protection and assistance, and at the same time there are regulations which assure them the best protection of their industry and the greatest facilities for marketing their stock.

All live stock will be handled at cost, and the shippers and producers will have a representative on the board to see that this idea is carried out in every detail. There is another adjunct of the stock yards which will probably come in due course. That is the public abattoir. The stock yards will be of great assistance not only to Manitoba, but to all three western provinces. The land provided is sufficient for yard accommodation to handle 25,000 head of cattle a day.

SMALL CHANGE

Pay your bills and have faith.

* * * *

Even small change is acceptable these days.

* * * *

The July bank statement has not apologized for being late.

* * * *

At the crop manoeuvres: "Country, front! Eyes west! Stand easy!"

* * * *

The Thaw case shows one of what complications the law machine is capable.

* * * *

A London report says money is harder, leaving Canada to add, to get.

* * * *

Calgary is learning the value of the modest cent. That is always a good sign.

* * * *

The thermometer, as a special favor, might keep its spirits up for a few weeks longer.

* * * *

Still, it does not help the man in street, to say it is credit and not money, that is tight.

* * * *

There is no need for alarm, wild criticism, or extravagance. Try only economy and adjustment.

* * * *

So there is no little life insurance Sun in the Home yet. The Ottawa officials are to say yea or nay.

* * * *

Some underwriters go so far as to place the emphasis in liability insurance conditions on the "lia."

* * * *

The Dominion government is calling for tenders for an ice-breaker—the height of midsummer impudence.

One could almost imagine the New York financial press as the frowning father and Canada the erring son.

* * * *

Sir Edmund Walker says there is nothing wrong with Canada—United States financial medicos notwithstanding.

* * * *

The United States Senate has accepted the Sugar Schedule. It is a novelty to see any Senate accept anything.

* * * *

Premier Borden at Toronto declined to discuss the financial situation. That is the first refreshing breeze for a long while.

* * * *

Thomas W. Lawson, of Boston, striding over our crops, was another example of fools rushing in where angels fear to tread.

* * * *

A Montreal contemporary says a mining stock is not an investment. It is not always the mine to blame, it is more often the men.

* * * *

The price of sugar does not seem to have dropped with a loud thud since the Canada-West Indies trade agreement came into force.

* * * *

A Toronto contemporary prints the portraits of "prominent Canadians now on the ocean," which is better in tight money days than "being all at sea."

* * * *

"There is no public position on earth I would accept in lieu of the one I hold," says Premier Sir Rodmond Roblin, Manitoba. Why limit the geographical aspect?

* * * *

A Montreal paper wants to know who owns the streets of Montreal. Sometimes it looks as if the immaculate bond house junior and the aspiring hobble skirt do.

* * * *

Now they want the life insurance agent in Canada licensed. With all the society buttons he wears already, and a license, he will need then only a number plate on his dashboard.

* * * *

A black cat with a white-tipped tail walked on to the floor of the Toronto Standard Stock Exchange this week. The white tip to a stock exchange tale is not always to be trusted.

* * * *

An Oakville, Ontario, man pulled the bell-cord, stopped an express, was fined \$35 and bound over in \$3,000 not to do it again. It would have paid him to have hired a special from Hamilton.

* * * *

August is the month when we begin to think of September and of October's thanksgiving day, which brings us to November, and Christmas is then not far off. But spring will soon be here.

* * * *

The summer vacation is an annual period for the alleged transaction of business by temporary help. The fall revival of business is a similar period for the disentanglement of the same by the permanent staff.

* * * *

Mr. Sanford Evans, Winnipeg, says it would be good for the country if some of the young men playing with the country's finances were at railroad construction for the next ten years. It would certainly take the starch out of their alleged financial linen.

INSURANCE OF UNDER-AVERAGE LIVES

**Company Formed to Write the Business in Canada—
Promoters Say Thirty Millions Have
Been Declined**

A new company has secured a charter with a view to specializing in sub-standard life insurance. This is the Empire Life Assurance Company of Canada, which has authorized capital of \$1,000,000, divided into 10,000 shares of \$100 each. The head office of the company is in Toronto, and the officers are as follows: President, Hon. Thos. Crawford, M.P.P., Toronto, ex-Speaker in the Legislative Assembly of Ontario; managing director, George Boyd Wickes, Toronto; actuary and secretary, R. W. Barton, A.I.A., Toronto; chief medical referee, T. F. McMahon, M.D., Toronto. The company will shortly sell its stock.

Insurance of Under-average Lives.

In a pamphlet dealing with the insurance of under-average lives, Mr. Wickes and Mr. Barton say: "It is a matter of common knowledge that there are many people living to-day who at one time or another have been declined for life insurance. Although these persons often live long and active lives, they are unable to obtain the protection they need, because they cannot pass the standard of physical fitness required by the ordinary life offices. Such lives are known to insurance companies as under-average or sub-standard. That is, those who either from hazardous occupation, or from personal or hereditary taint, cannot be regarded as ordinary standard risks. For nearly a century a well-known English company has specialized in these risks in Great Britain, and for many years a leading New York company successfully wrote this class of business. The result has been a great benefit to the community and a profit to the companies."

Thirty Million Dollars Declined.

There are no published returns as to the total amount of business declined in the Dominion. After communicating, however, with all companies writing life assurance in Canada—Canadian, British and United States—the officers of the Empire Life Assurance Company, through the courtesy of these companies, are in a position to state that during the past three years at least \$30,000,000 of business has been declined in the Dominion. The amount of these declinations is also an increasing one—increasing with the total volume of business written by the companies.

Experience in Great Britain.

The Clerical, Medical and General Life Assurance Society of London, England, founded in 1824, to specialize in sub-standard assurance, is the oldest authority on the subject. By its act of incorporation eight of the board of directors must always be members of the medical profession. The long list of eminent physicians and surgeons who have served in this capacity is a recital of the leaders of the medical profession in Great Britain during nearly a century. Sir Richard Douglas Powell, Bart., K.C.M.G., M.D., physician-ordinary to H.M. the King, is the present deputy-chairman of the society.

The Clerical, Medical and General Life Assurance Society advertises examples of typical cases completed—cases that have been declined by several offices on account of rheumatic fever, heart and lung trouble, etc., which have usually been regarded as falling outside the scope of life assurance transactions.

"The completion over a period of nearly a century of many thousands of applications on these lives is proof that the terms quoted were acceptable to the assured," say Messrs. Barton and Wickes, "and the division of a surplus of twenty-three millions of dollars amongst its policyholders is a remarkable demonstration of the soundness of the business."

PACIFIC COAST FIRE INSURANCE COMPANY

The Pacific Coast Fire Insurance Company, Vancouver, have appointed Messrs. Reed, Shaw and McNaught, Toronto, managers of the company for the Province of Ontario. The Pacific Coast Fire Insurance Company up to date are having a successful year. Their loss ratio is lower than at the same period last year and the premium income shows an increase.

FORESTERS AT LAST RECOGNIZE THE ACTUARY.

The Independent Order of Foresters bill, which was passed at the last session of the Dominion Parliament, providing for the placing of the society on a sound actuarial basis, has been adopted by the supreme court by a vote of 178 to 28. Subsequently, on the motion of a delegate, who had voted against the bill, to make it unanimous, the vote was 200 out of 206.

**WORKS MINISTER PEERS THROUGH
HOROSCOPE**

**Mr. Rogers, at Edmonton, Talks of the Time Western
Canada Will Produce 2,000,000,000 Bushels
of Grain**

No doubts regarding the present and future of the prairie provinces cloud the mind of Hon. Robert Rogers, minister of public works. Mr. Rogers is making a trip through the west, and at Edmonton expressed himself in no unmeasured terms. "Nothing can check the continued and still more rapid progress of western Canada," he said. "I am satisfied we are now reaping the greatest crop western Canada has ever known. Not more than 5 per cent. of the arable land in the prairie provinces has been touched by the plow, and yet we produced in the neighborhood of 500,000,000 bushels of grain. When in the next few years our farmers bring 20 per cent. of the available land under cultivation we will be producing probably more than 2,000,000,000 bushels of grain, and ready sale will be found for all we can produce."

Price of Wheat.

Mr. Rogers said that the Canadian and United States farmers were glad to get 50 cents a bushel for their wheat ten to fifteen years ago, and to-day they grumble at 90 cents to a dollar. In ten years, he added, they will be receiving \$1.50, and in 25 years they will receive \$2 a bushel. The man who tills the soil will be king among men in 15 years, he added, as the capital value of all grain producing areas in every civilized country of the world is bound to increase by several hundred per cent.

"We must not forget," Mr. Rogers added, "that the world's population is increasing at the rate of 20,000,000 a year."

Hudson Bay Railway.

Replying to requests by officials of the Edmonton municipality and the board of trade, Mr. Rogers said that the Hudson Bay Railway will be completed to the shores of the Hudson's Bay early in the fall of 1914, by which time the work of making the Saskatchewan River navigable between Edmonton and Le Pas should be well under way. He added that with the completion of the Grand Trunk Pacific and the Canadian Northern railroads to the Pacific Coast there will come important branch lines, reaching out to meet the requirements of every grain producing locality in western Canada.

Importance of Edmonton.

"Edmonton is in an important position," added Mr. Rogers. "It is located at the gateway of the great Peace River country, a territory that is an empire in itself, and which promises to become the most productive part of our western prairie. More than that, the city of Edmonton is located upon the banks of one of the greatest rivers of the American continent. I have the greatest possible confidence that in the immediate future a great traffic will be developed on the Saskatchewan River between Edmonton and Le Pas, on the line of the Hudson Bay Railway leading to the Nelson River."

QUEBEC'S FINANCES

The statement of the receipts and expenditure of the province of Quebec for the fiscal year ended June 30th, 1913, shows a surplus of \$429,892, receipts being \$8,383,877, and expenditure \$7,953,984. The largest item in the receipts is the Dominion subsidy of \$2,025,705. Two next productive sources of revenue are the land and forests department, which is responsible for \$1,760,466 and the duties on commercial successions, which amount to more than a million.

JULY BANK STATEMENT

The July bank statement was issued yesterday in its new form. The figures for the two months are:—

	July.	June.
Call loans, in Canada	\$67,991,255	\$68,642,377
Call loans, elsewhere	89,266,235	69,363,520
Current loans in Canada	858,429,060	899,260,009
Municipal and school loans	43,121,384	.....
Current loans elsewhere	42,960,513	36,894,681
Demand deposits in Canada	356,585,106	362,760,928
Savings deposits in Canada	621,347,388	622,928,969
Deposits elsewhere	86,600,104	101,280,000

ENGLISH BANK RATE DOING ITS WORK

Four and a Half Per Cent. is Attracting Gold—Good Position This Fall

The four and a half per cent. rate adopted by the Bank of England for summer months has done its work as it always does, is the opinion of Mr. A. W. Smithers, chairman of the Grand Trunk directorate, who arrived in Canada the other day. This rate is attracting gold from all parts of Europe and the Brazilian States, South America, etc., with the result that up to three weeks ago the amount of gold and proportionate reserves for liabilities were never under what it was a year ago. Up to three weeks ago the Bank of England received £1,800,000, with the result that when I left England the situation showed an improvement both in the amount of gold held and the proportion to reserved liabilities equal to last year, and there is every appearance that gold will continue to arrive for another month before the autumn days set in.

In Good Condition This Fall.

"If this proves to be the case the bank will be in a good financial condition this autumn and a stronger position than a year ago, and if the policy on the part of the underwriters is continued, and issuing only carried on by making issues which are absolutely necessary, I think it is quite possible that we may get through the year on the 4½ per cent. rate. But if the underwriters take too sanguine a view of the situation, and do not continue to keep the brake on, this view may be upset.

Trade Makes a Record.

"Trade in Britain is greater than ever before; last year was a record. The imports and exports this year are standing over £1,200,000,000, and unless there is a falling off, of which there are no signs, during the remaining months, the trade of 1913 will considerably exceed the trade of 1912."

MONEY RELAXATION WILL BRING REVIVAL

Sir Richard McBride spoke in London in appreciative terms of the far-sighted policy of Sir Thomas Shaughnessy in keeping pace with the growing requirements of the western zones of the Dominion's railway traffic. "Should everything go well," said British Columbia's premier, "by the time the Panama Canal is opened British Columbia railway development will have so far advanced that the Pacific Coast province will be able to take a large measure of commercial and trading results that must follow the completion of that gigantic undertaking. Then we shall be able to claim a place in the industrial world second to none."

While the tightness of the money market had materially affected development, and some towns which had embarked upon public works were compelled to curtail their expenditures, he had no doubt that when the monetary situation is relaxed there would be a revival of activities.

MAY BE NORTHERN FIRE UNDERWRITERS' ASSOCIATION

A movement has been inaugurated to form a Northern Fire Underwriters' Association with the same powers as other boards and with headquarters at Prince Rupert, B.C. It was decided at a meeting of the Prince Rupert committee of the Mainland Fire Underwriters' Association that the board companies represented on the committee be petitioned to form such an association. The companies represented are as follows:—Acadia, Aetna of Hartford, Agricultural of Watertown, Alliance of London, American of Newark, British America, British Crown, British Empire, Caledonia, Canadian Fire, California, Colonial Underwriters, Commercial Union, Connecticut, Delaware Underwriters, Employers' Liability, Franklin of Washington, Firemen's Fund, Franklin of Philadelphia, Guardian, General of Perth, Globe and Rutgers, General of Paris, Hudson Bay, Insurance Company State of Pennsylvania, Imperial Underwriters, Jersey Fire Underwriters, Liverpool, London and Globe, London Assurance, London and Lancashire, Liverpool and Manitoba, Los Angeles, L'Union of Paris, Michigan Commercial, Manitoba Fire and Marine, Mercantile, North West Fire, Niagara-Detroit Underwriters, National, Norwich Union, North Empire, Nova Scotia, Niagara, Newark, New Zealand, New York Underwriters, Northern, Occidental, Phoenix of London, Pacific Coast, Providence-Washington, Queens, Rochester-German, Royal Exchange, Royal, Reliance of Philadelphia, Springfield Fire and Marine, Sun, Svea, Union of London, Western Assurance, Westchester, Yorkshire.

HOW FIRE LOSSES CAN BE REDUCED

State Fire Marshal of Indiana Quotes Conditions in European Cities

The State fire marshal in line with his effort to bring about better construction of buildings in Indiana is mailing to his 1,500 assistants in that state a printed excerpt from a statement made by Mr. Richard Lieber, of Indianapolis, showing how European cities reduce their fire losses through proper attention to construction.

The contrast between American and European methods and results is forcibly shown in a comparison of Berlin, Germany, and Indianapolis. Berlin has a population of more than 2,000,000. Indianapolis has 250,000. Yet the fire loss in Indianapolis, according to Mr. Lieber's statement, is almost twice that of Berlin. His remarks along these lines are:—

Cities are Poorly Built.

"Our cities are so poorly built that a fire may spread throughout the building in which it started and from it to other property. A special consular report of 1905 shows that in such foreign cities as Havre, Rouen, Milan, Rome, Brussels, Antwerp, Leeds, Sheffield and Bristol, every fire in 1890 was confined to the building in which it originated, while in Dresden, Florence and Vienna and other cities, every fire was confined to the floor on which it originated.

"In Vienna there is no case known where the fire has extended beyond the building in which it originated. This is prevented by the solidity of the buildings, by strict fire regulations, and by a well-trained fire department, the latter consisting of five steam engines, but seldom called into action, and a large and sufficient number of hand engines.

Is a Partner in Crime.

"The average loss of Boston is \$2,000,000. The loss of the average city of equal population in Europe is \$150,000. Indianapolis, which, by the way, was lowest in the list of cities of over 200,000 inhabitants, has almost twice as much annual fire loss as Berlin. Other cities are, of course, far worse, but all of them have this in common, that their general run of buildings is of insecure or even hazardous construction.

"As long as the cities prefer the rights of the individual to the rights of the community we shall have this criminal participation in the fire loss. If it is right and fair to require a certain improved building construction for new buildings, these same laws should be rigidly enforced in the remodeling of standing risks. A city that fails in this is a partner in crime."

THE WESTERN SPIRIT, WITH TRIMMINGS

The following letter to an eastern loan company from a Saskatchewan client, was shown to *The Monetary Times* this week. It speaks for itself:—

"Dear Sirs:—In reply to your letter of the 18th of March, I must say that I can not pay you the interest on your mortgage this year.

"You seem to think you can make me pay this as you state in your letter that you will not allow it to remain. How shall I pay when I have not got it? You can make extension till next year or not just as you please, there are millions of acres of unoccupied land out here. And what good is it to us farmers any-way, we only get a d— poor living from it, and if you are not satisfied with the way I am running your property out here come and run it yourself. You threatened to foreclose on the 3rd of April; why did not you? I am getting tired of waiting for it.

"I would advise you to wait till next year as you will get at least one more year's interest.

"Why is it that you fellows that produce nothing and do nothing useful own everything, and we that produce everything own nothing?

"You seemed to think that my last letter was too short, perhaps this will suit you better.

Yours, etc.,

"P.S.—You can answer this letter or not as you please."

CANADIAN EMERGENCY CURRENCY

Advantages and Importance of System Under New Bank Act Are Pointed Out

The following comments by The London Times upon the emergency currency features of Canada's revised bank act which became effective on July 1st, are of interest.

The new provision enables banks to keep all their available gold in a central reserve and issue their own notes, as and whenever they are required, dollar for dollar, in the reserve. It will be seen in a moment that this new provision is of very considerable importance in more ways than one.

The banks, under the old act, were able to issue their own notes to the amount of their unimpaired paid-up capital, and beyond to the extent of 15 per cent. on their capital and reserves during the crop-moving period. At April 30th last the paid-up capital of Canada's chartered banks was \$115,799,217, and the rest or reserve funds amounted to \$108,414,337, a total together of \$224,213,554. The emergency circulation during the autumn and winter might, therefore, if necessary, reach \$33,500,000. In November last year the emergency circulation actually approached \$10,000,000, and the margin of emergency circulation available at that time was \$20,000,000 or so. At ordinary times that margin would be ample, and it may be said at once that the central gold reserve provision is expected to operate more advantageously during that portion of the year in which the crops are, supposedly, not being moved.

Does Not Assume Ordinary Times.

But a prudent minister of finance will not assume that times always will be ordinary, and indeed it is possible that this autumn will see a situation of painful pressure upon Canada's financial resources. At such times a more or less insignificant action by a bank may start a panic, or at least a serious run on deposits. At the end of April last, deposits payable on demand in Canada were \$365,340,002, and, after notice, \$631,160,280, a total of \$996,500,282. In November, when the pressure is usually at its height, they were last year \$16,000,000 higher. To meet a run on such a huge amount a good deal more than \$20,000,000 might very well be needed. Given time under the old system, the currency could no doubt have been engineered. But time is just what is not available at times of panic, and the new provision does all that is possible to economize time.

Can Be Released Instantaneously.

However, one does not anticipate crises involving runs on a large scale, and, as has been said, the central gold reserve is designed to serve a purpose in normal times. During recent years the banknote issues have frequently approached very near to the limit authorized between February and September. For instance, in June of last year the circulation was within \$2,000,000 of the circulation in September, when the emergency clause operates. At such times a great deal of anxiety was caused bankers lest the authorized limit should be exceeded, and, as was explained above, the arrangements for changing from bank notes to Dominion notes were clumsy and took time. The system was inelastic in a country such as Canada, where great distances have to be traversed between the centre of the government and many of the most active centres of industry and agriculture. Under the new system any amount of banknotes may be held in reserve to be released instantaneously by the deposit of gold, or Dominion notes—and in practice, since the gold and Dominion notes are to a considerable extent expected to remain deposited in the central reserve, the circulation will be permanently extended.

A Tribute from the West

While we do not always agree with *The Monetary Times*, it is the most reliable guide in current journalism to all Canadian statistical information, and to the ordinary newspaper man it is one of the most invaluable of references, if he desires to keep in touch with financial matters — *Moose Jaw Times*.

UNITED STATES CURRENCY BILL CRITICIZED

Should be no Prohibition Against Rediscounts With Bonds as Security, Says Banker

Mr. George B. Caldwell, president of the Investment Bankers' Association of America, speaking of the proposed currency and banking law, says:—

"Our association favors the passage of a currency bill as soon as due consideration will allow. Our committee on monetary legislation, headed by John M. Nelson, of Baltimore, has carefully studied the subject, and has, in the name of our body, transmitted several recommendations tending toward a workable law. In our opinion the Owen-Glass bill can be made a good, useful working measure, with some changes. We are gratified, indeed, that the federal administration, while insisting upon the early enactment of currency legislation, is hospitable towards suggestions made in good faith for the improvement of the pending bill.

Considered an Objectionable Feature.

"One of the most objectionable features of the banking bill is contained in Section 14, prohibiting the rediscount of bills secured by bonds of any description. A fair and good law on this subject should give reserve banks as much latitude in discounting paper, based on well-secured bonds, as is consistent with sound banking. Good banking tells us that it is just as important, just as necessary to finance transportation, warehouse, terminal, elevator and other corporations contributing to the movement of crops as it is to finance the crops themselves. Besides government, state and municipal bonds are acceptable now, so to be consistent it would seem they would be acceptable as loan collateral, together with other good bonds.

"Two other features of the bill appear to our association as objectionable. We do not believe that control of the banking interests should be placed in the hands of a political body altogether. The Board of Control, which is to consist of the Secretary of the Treasury, the Secretary of Agriculture and the Comptroller of the Currency and four appointees of the President, one of whom shall be versed in banking, is a political body, pure and simple, and has been opposed because of the fear it might make a political issue of banking business. The results of this are self-evident.

Not the Banks.

"Again, the Investment Bankers' Association have strongly objected to the provisions that the Government should issue the currency, and not the banks. Federal reserve bank notes under the bill should be issued by the banks. One can readily see the situation that would develop if the Government were called on to redeem a promise to pay on demand in gold these federal reserve bank notes and found itself unable to fulfil its obligations. The notes should be issued by the banks and all responsibility of redemption should remain with them. We believe we voice the sentiment of the bankers and business interests of the country in urging that the salaries of each member of the federal board should be not less than \$25,000 per year. Such responsibility placed in the hands of men at a less salary does not have our fullest confidence, nor demand the highest type of ability."

ANGLO-CANADIAN JULY TRADE RETURNS

The following are official figures of the trade between Great Britain and Canada during July:—

	From Canada.	
	July, 1913.	July, 1912.
Wheat	£4,535,106	£4,841,012
Flour	1,259,781	1,300,933
Oats	480,640	312,471
Cattle	36,112	104,763
Bacon	544,268	687,236
Hams	233,871	131,610
Cheese	1,294,395	1,568,050
Canned salmon	518,675	609,405
	To Canada.	
Spirits	385,245	373,528
Sugar	27,597	84,178
Wool	64,205	72,351
Hides	50,828	39,107
Pig-iron	66,679	113,497
Wrought iron	61,212	39,509
Rail iron	3,784	9,424
Plates	30,548	14,967
Galvanized sheets	338,041	197,714

The branch of the Bank of British North America at Forward, Sask., has been closed.

SASKATCHEWAN HAS ACTIVE INSURANCE DEPARTMENT

Superintendent Fisher Says Slight Revision of Laws Will be Effected—Business in the Province

To study the workings of the federal and other insurance departments, their methods of organization, and fraternal insurance, Mr. Arthur E. Fisher, superintendent of insurance for Saskatchewan, is visiting eastern Canada. The department of which he is head, commenced operations at the end of March. Already considerable business has been transacted, and the first annual report will shortly be published.

Interviewed by *The Monetary Times* this week in Toronto, Mr. Fisher, who is an enthusiastic official, and one who may be relied upon to protect the interests both of the legitimate insurance companies and the policyholders, stated that a large number of companies have been registered and licensed under the Saskatchewan Fire Insurance Act to transact the business of fire insurance within that province. Here is the list:—

Acadia Fire Insurance Company, Aetna Insurance Company, Alliance Assurance Company, Anglo-American Fire Insurance Company, Atlas Assurance Company, Limited, Alberta-Canadian Insurance Company, American Central Insurance Company, American Insurance Company, British American Assurance Company, British Crown Assurance Corporation, Limited, British Northwestern Fire Insurance Company, British Dominions General Insurance Company, British Colonial Fire Insurance Company, Caledonian Insurance Company, Canadian Fire Insurance Company, Commercial Union Assurance Company, Limited, Connecticut Fire Insurance Company, Canada National Insurance Company, Canadian Phoenix Insurance Company, Continental Fire Insurance Company, Central Canada Insurance Company, Continental Insurance Company of New York, Canada National Fire Insurance Company, Dominion Fire Insurance Company, Employers' Liability Assurance Corporation, Limited, Equity Fire Insurance Company, Equitable Fire and Marine Insurance Company, Fidelity-Phoenix Fire Insurance Company of New York, Factories Insurance Company, Fireman's Fund Insurance Company, Firemen's Insurance Company of Newark, German American Insurance Company, Guardian Assurance Company, Limited, Germania Fire Insurance Company, General Assurance Company of Paris, General Accident, Fire and Life Assurance Corporation of Perth, Hartford Fire Insurance Company, Home Insurance Company, Hudson Bay Insurance Company, Imperial Underwriters' Corporation (now Dominion license) Insurance Company of the State of Pennsylvania, Insurance Company of North America, London and Lancashire Fire Insurance Company, London Mutual Fire Insurance Company of Canada, Law Union and Rock Insurance Company, Limited, Liverpool and London and Globe Insurance Company, Limited, London Assurance Corporation, Liverpool-Manitoba Assurance Company, Mercantile Fire Insurance Company, Montreal-Canada Fire Insurance Company, Mount Royal Assurance Company, National Fire Insurance Company of Hartford, National Union Fire Insurance Company of Pittsburg, Niagara Fire Insurance Company, North British and Mercantile Insurance Company, North-West Fire Insurance Company, North Empire Fire Insurance Company, Northern Assurance Company, Limited, Norwich Union Fire Insurance Society, Limited, Nova Scotia Fire Insurance Company, Northwestern National Insurance Company of Milwaukee, Ontario Fire Insurance Company, Occidental Fire Insurance Company, Pacific Coast Fire Insurance Company, Phoenix Assurance Company, Limited, Phoenix Insurance Company, Providence Washington Insurance Company, Palatine Insurance Company, Limited, Quebec Fire Assurance Company, Queen Insurance Company of America, Rimouski Fire Insurance Company, Royal Exchange Assurance, Royal Insurance Company, Limited, Security National Insurance Company, Saskatchewan Insurance Company, Scottish Union and National Insurance Company, St. Paul Fire and Marine Insurance Company, Sovereign Fire Assurance Company, Sun Insurance Office, Springfield Fire and Marine Insurance Company, Union Assurance Society, Limited, L'Union Compagnie d'Assurance contre L'Incendie, Paris, Western Assurance Company, Westchester Fire Insurance Company, Yorkshire Insurance Company, Limited, Western Union Fire Insurance Company (reinsured with Pacific Coast Fire Insurance Company), Winnipeg Fire Insurance Company (reinsured with Nova Scotia Fire Insurance Company).

Unlicensed Fire Insurance Unnecessary.

Nine of these companies have provincial licenses and the remainder Dominion licenses. This list has been printed by the Saskatchewan Insurance Department and posted in every post-office in the province with the injunction, "Look over your policies." With such a large number of licensed companies, unlicensed insurance in the province should be entirely unnecessary.

The annual report of the department will show that the gross amount of fire insurance written in 1912 in Saskatche-

wan was approximately \$98,000,000, with a net premium income of slightly over \$2,000,000. The losses paid were about \$800,000. The net amount at risk on December 31st, 1912, was nearly \$87,000,000.

The figures of fire commissioner McLean, who is doing excellent work to reduce fire losses in the province, show that to the end of July the fire waste this year has been \$1,350,000, allowing 10 per cent. for unreported fires.

Life Company's Business.

The premium income of the life insurance companies in Saskatchewan last year was slightly over \$1,500,000. There are 44 companies transacting this business in the province, 35 with Dominion licenses and 9 registered with the registrar of joint stock companies under the foreign companies act.

The following 15 companies are writing hail insurance in the province: The Saskatchewan, Alberta, Central Canada, Canada National, Hudson Bay, Canada Weather, Canadian Indemnity, British Crown, St. Paul Fire and Marine, Mount Royal, Excess Great North, British-America, Canada Hail, and the Northwestern National of Milwaukee. Four of these have Dominion licenses, while the other eleven are licensed under the hail insurance act and the order-in-council regulating the writing of hail insurance.

Hail Insurance in Saskatchewan.

The hail insurance business in Saskatchewan is an interesting study. This year an order-in-council was passed regulating it. It required Canadian companies to deposit \$5,000 and foreign companies \$10,000 with the provincial department of insurance, Dominion licensed companies being excepted. It also required that foreign companies, those whose capital is outside Canada, should make weekly reports of business written and of losses. As additional protection, 50 per cent. of the premium income reported by these foreign companies must be deposited in trust with the provincial treasurer, should he deem it necessary, this amount being available, if needed, for the payment of losses.

The provincial municipal hail act has to some extent affected the stock companies, as the amount of risk written per acre in districts where the municipal hail by-law has been adopted, averages \$5 per acre, the farmer being automatically insured for a further \$5 under the act. This brings his insurance up to the old standard of \$10 per acre. But, as stated, the company insures for only \$5 of that sum. On the other hand, the companies' liability is considerably more scattered. The majority of the companies are writing business on a cash basis. Owing to the money stringency, the business this year is not quite as large as it would have been under more favorable financial conditions.

The superintendent of insurance has nothing whatever to do with the operation of the municipal hail insurance act. This rests entirely with the municipal hail commission, two of the members of which are elected by the reeves and one by the provincial government.

Small Losses in Tornado Insurance.

Since the Cyclone in Regina there has been considerable activity in tornado insurance. Unrevised figures show that almost \$3,000,000 of this risk have been written, with premium income of about \$14,000. The losses paid have been less than \$100. Climatic conditions in Saskatchewan are sufficiently good to keep tornado losses down to a minimum.

A slight revision of the Saskatchewan insurance laws will be undertaken in the near future. Questioned as to this, Mr. Fisher told *The Monetary Times* that he was not at liberty to indicate the nature of the revision until his suggestions had been submitted to the provincial secretary.

PASTURES AND PRODUCTS IN ONTARIO

Ontario's pasture lands are referred to in a recent bulletin of the department of agriculture as being very dry, and much in need of rain, more especially in the eastern half of the province. Dairy products also were lessening, owing to the decided falling off in the milk flow. Cattle are remarkably free from disease, although some are on the lean side. Several of the department's correspondents claim that the shortage of roughage will compel farmers to dispose of some of their live stock in order to carry the remainder through the winter. The general opinion, however, is that careful feeding will meet the situation, more especially where there are silos. Much, therefore, depends upon the growing corn crop. In fact, corn is more and more regarded as the key to the Ontario fodder problem.

The majority of the returns speak of the scarcity and inferior quality of farm labor. However, the very favorable harvest weather, and the short straw of nearly all the grain crops, considerably lessened the demand for field workers during the busy season. Wide field implements and the interchange of labor between neighbors also tend to help out. Wages by the day ranged from \$1.25 to \$2.50, with board, usually found \$2; by the month from \$25 to \$35 was commonly paid, although some skilled farm laborers commanded from \$40 to \$50 a month during harvest.

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

Canada Bread Company.—At the annual meeting of the Canada Bread Company, the chairman, general manager Mark Bredin, expressed satisfaction at the conditions revealed. The company is strong in cash reserves, having nearly \$500,000 in hand to carry on operations. The retiring board of directors was re-elected.

Canada Transportation Lines, Limited.—The first issue of securities of the new company that will be made will be of preferred stock, this issue having already been arranged for through Brown Shipley, of London. When this issue has been disposed of the plan to consolidate all the bond issues of the various companies will be worked out, it being the intention to have one issue against the entire mortgages of the various companies.

Halifax Electric Tramway Company.—A special meeting of the shareholders of the Halifax Electric Tramway Company is called for August 30, to obtain authorization for the issue of 6,000 additional shares of capital stock, thus increasing the capitalization to \$200,000. This is all that can be issued under the company's charter as extended at the last session of the legislature, and the proceeds are to be used for extension and improvement to the tramway system. After the authority of the shareholders is obtained it will be necessary to secure the sanction of the public utilities commission.

Dome Lake Mining Company.—Three by-laws were placed before the shareholders of the Dome Lake Mining Company for approval at a meeting at Toronto. One was to increase the capital of the company by 250,000 shares at par, another to issue 100,000 of these at a discount, the previous holders having first right to subscribe, and a third providing for an increase in the number of directors from five to seven. The first of these alone was passed after much discussion. The stated object of the proposed issue was to provide for: (1) Pressing debts amounting to \$15,000; (2) To pay for electrical equipment and working expenses. The total liabilities of the company are \$60,000. Promises were given by Mr. O. N. Scott, who represented the General Assets Corporation, who control and manage Dome Lake, that full information as desired by some shareholders would be forthcoming at the next meeting.

Twin City Rapid Transit Company.—The total operating revenue of the Twin City Rapid Transit Company for the month of July amounted to \$773,499, compared with \$715,129, in the same month a year ago, an increase of 8.16 per cent. The operating expenses for the month reached the sum of \$389,533, as compared with \$355,232, an increase of 9.66 per cent. The net revenue was consequently \$383,966, against \$359,896 in July of last year, a gain of 6.69 per cent. Gross revenues of the company for the seven months from January 1st to the end of July have been, \$5,004,030, compared with \$4,641,249 in the corresponding period of a year ago, an increase of 7.82 per cent. Operating expenses were \$2,555,758, an increase of 6.32 per cent. The net revenue for the seven months, as a result, is \$2,448,272, as compared with \$2,237,411, an increase of 9.42 per cent.

Canadian Northern Express Company.—The Canadian Northern Express Company reports to the United States interstate commerce commission for June and twelve months compared as follows:—

	1913.	1912.	Changes.
Total receipts for operating..	\$87,203	\$58,900	+ \$28,302
Express privileges	34,051	22,890	+ 11,161
Total operating revenues ..	53,151	36,009	+ 17,141
Total operating expenses ..	32,200	20,079	+ 12,121
Net operating revenue	20,950	15,930	+ 5,020
Taxes	631	871	— 239
Operating income	20,318	15,059	+ 5,259
Twelve months:—			
Total receipts for operating.	957,275	622,325	+ 334,949
Express privileges	372,602	241,413	+ 131,189
Total operating revenues ..	584,672	380,912	+ 203,760
Total operating expenses ..	360,833	202,128	+ 167,704
Net operating revenue	218,839	178,783	+ 40,055
Taxes	6,316	4,842	+ 1,474
Operating income	212,522	173,940	+ 38,581
Mileage steam roads	5,736	4,022	+ 1,714
Mileage, other lines	22	22	

Duluth Superior Traction Company.—The weekly statement of earnings of the Duluth-Superior Traction Company

for the first three weeks of the present month shows an increase of 10.4 per cent. on the period named, while earnings for the year to date show an increase of 9.5 per cent.

The statement is as under:—

	1913.	1912.	Inc.	Per cent. of inc. or dec.
1st week	\$ 26,195	\$ 23,887	\$ 2,307	9.7
2nd week	25,228	23,418	1,810	7.7
3rd week	26,591	23,374	3,217	13.8
Month to date	78,015	70,680	7,335	10.4
Year to date	783,398	715,601	67,796	9.5

CANADA'S COTTON INDUSTRY

Monetary Times Office,

Montreal, August 27th.

The street has been discussing the possibility of a falling off in activity in the cotton industry, and the representative of *The Monetary Times* has made an effort to find out if the falling off, if it develops at all, is likely to be serious. From all that can be ascertained, it would seem that any doubt which may be entertained on the future of the cotton companies has its basis in the possibility of labor troubles. The Canadian textile companies have always had trouble in this regard. In former years operatives were very much worse paid than at present, and even now, while their condition is much improved, they are constantly being attracted to other lucrative employment.

At the present time, it is understood that all cotton companies are behind in their deliveries because of the shortage of help. Many of the employees, after being confined in the mills during the winter months, like a change and prefer to work out of doors during the summer. It is said that at Valleyfield, for example, many of the men who worked the looms left their regular employment in order to labor on the Valleyfield Canal. The question of labor in the textile mills is becoming more serious every year, and the only way to solve it will be on a basis of wages, so it is claimed. Any advance, however, coupled with the fact that the price of raw cotton tends gradually to advance, chiefly through advance in cost of cultivating the cotton plant, will mean an advance in the price of the manufactured article. These factors together will increase the cost of the goods to the cotton manufacturer, and the advance in the selling price may, for a time, lag behind this increased cost of production. If the cost becomes too high to the consumer, the demand for cotton goods is bound to fall off as other fabrics will take their place. On the whole, the situation is generally considered quite favorable, so far as concerns the demand.

DIVIDENDS PAYABLE

The following is a list of dividends payable in September:—

Name	Quarterly %	Payable Sept.	Shareholders of Record	Books Closed	Books Open
TRANSPORTATION					
Detroit United Railway	1½	Sept. 1	Aug. 16		
Richelieu & Ontario.....	2	Sept. 1	Aug. 23		
MISCELLANEOUS					
Crown Reserve Mining Co.....	2 (a)	Sept. 15	Aug. 30		
Granby, Consolidated M.S. & P. Co.	1½ (b)	Sept. 2	Aug. 16		
International Coal & Coke	1	Sept. 1	Aug. 20		
Kerr Lake Mining Co.....	25 cts sh	Sept. 15	Aug. 30		
Lake of the Woods Milling Co. Com.	2	Sept. 1	Aug. 23		
Montreal Cottons, Limited	1½	Sept. 1	Aug. 23		
Montreal L. & M.....	1½	Sept. 15	Sept. 5		
Ogilvie Flour Mills Co.	2½	Sept. 15	Aug. 31		
Paton Manufacturing	1½	Sept. 2	Aug. 21		
Sawyer-Massey	3 (c)	Sept. 15	Aug. 31		
Toole Bros.....	1½	Sept. 1	Aug. 20		
West Kootenay.....	1	Sept. 15	Aug. 30		
Winnipeg P. & G. Co. Limited	1½	Sept. 1	Aug. 27		
BANKS					
Commerce	2½	Sept. 1	Aug. 16		
Hamilton	3	Sept. 1	Aug. 22	Aug. 23	Aug. 30
Hochelaga	2½	Sept. 1	Aug. 16		
Home	1½ (d)	Sept. 2	Aug. 16	Aug. 17	Sept. 2
Montreal.....	2½	Sept. 2	July 31		
Ottawa	3	Sept. 2	Aug. 18		
Quebec	1½	Sept. 2	Aug. 15		
Royal	3	Sept. 2	Aug. 15		
Toronto.....	2½	Sept. 2	Aug. 14	Aug. 15	Aug. 23
Union.....	2	Sept. 2	Aug. 19		
Weyburn.....	5 (c)	Sept. 1			
(a) Monthly	(b)	(c) H.Y.	(d) Qr. 31st Aug.		

RECENT FIRES

Monetary Times' Weekly Register of Fire Losses and Insurance

Pine Ridge, Man.—August 16.—School. Loss, \$600. Cause, lightning.

St. Thomas, Ont.—August 15.—M. C. R. station. Loss, \$40. Cause unknown.

St. Ives, Que.—Messrs. Dawson Brothers' sawmill. Loss, \$8,000. Cause unknown.

Somenos, B.C.—August 13.—Mr. Macneal's bungalow. Loss and cause unknown.

Jarvis, Ont.—August 19.—Grand Trunk freight shed. Loss and cause unknown.

Orwell, Ont.—August 21.—Mrs. P. Day's farmhouse. Loss and cause unknown.

Brandon, Man.—August 14.—Mr. R. Lane's coal shed. Loss, \$800. Cause unknown.

Inverary, Ont.—August 22.—Model Cheese Factory. Loss, \$3,000. Cause unknown.

Fergus Falls, Sask.—August 21.—Mr. G. Siem's barn. Loss unknown. Cause, lightning.

St. Sauveur, Que.—August 19.—Mr. A. Corriveau's residence. Loss and cause unknown.

Peterboro, Ont.—August 19.—McDonald's mills. Loss, \$1,000. Cause, overheated dry kiln.

Wolfville, N.B.—August 12.—St. Andrew's Presbyterian Church. Loss and cause unknown.

Strathroy, Ont.—August 22.—Flour and feed warehouse. Loss and cause unknown.

Taymouth, N.B.—August 16.—Mr. J. A. Young's residence. Loss, \$4,000. Cause unknown.

Welland, Ont.—August 26.—Mr. M. J. Brody's residence, Muir Street. Loss and cause unknown.

Morden, Man.—August 19.—Mr. A. H. Snellgrove's chopping mill. Loss and cause unknown.

Duncan, B.C.—August 16.—Messrs. Bazett and Bell's hardware store. Loss and cause unknown.

Bridgeburg, Ont.—August 20.—Mr. O. C. Teal's planing mill. Loss, \$20,000. Cause unknown.

Prince's Beach, N.B.—August 8.—Mr. C. T. Nevin's summer cottage. Loss, \$500. Cause unknown.

Emerson, Man.—August 19.—Mr. G. Dillabough's barn, 9 miles west of town. Loss and cause unknown.

New Westminster, B.C.—August 10.—B.C.E. Company street car. Loss, \$25. Cause, motor burnt out.

Vancouver, B.C.—August 8.—Tug "Calcium," owned by Harbor Lime Company. Loss and cause unknown.

Ogdensburg, Ont.—August 17.—Belfry barber shop, fruit store and butcher store. Loss and cause unknown.

Prescott, Ont.—August 20.—Mr. J. Wade's residence, North Channel. Loss unknown. Cause, lightning.

Hamilton, Ont.—August 18.—183 St. Catherine Street. Loss, \$100. 62 and 64 Margaret Street. Loss, \$250.

Enniskillen, Ont.—August 17.—Mr. A. McIntyre's barns. Loss, \$2,000. Insurance \$500. Cause unknown.

Deseronto, Ont.—August 26.—Messrs. O. Vandusen, E. Green and D. Powless's residences. Loss and cause unknown.

Sault Ste. Marie, Ont.—Algoma Steel Corporation's switchboard. Loss estimated one million dollars. Cause, lightning.

Coderich, Ont.—August 22.—Kensington Furniture Company's factory. Loss, \$50,000. Partially insured. Cause unknown.

North Winnipeg, Man.—August 22.—Mr. J. Bradley's residence 152 Polson Avenue. Loss, \$2,500. Cause, coal oil stove exploded.

Prince Albert, Sask.—August 18.—Mr. P. Dashneau's residence. Loss, \$3,000. Mr. D. Lacertes' residence. Loss, \$300. Cause unknown.

Sherbrooke, Que.—August 23.—Three residences owned by Messrs. S. A. McFaden and R. C. McFaden and Mrs. G. Reed. Loss, \$10,000. Cause, supposed spark.

Elmvale, Ont.—August 21.—Mr. Copeland's sawmill, edger, planer, lath mill, shingle mill and about a quarter of a million feet of lumber. Loss and cause unknown.

Belleville, Ont.—August 24.—Mr. F. Gray's barn near Plainfield. Loss unknown. Cause, lightning.

August 21.—Walker Foundry, owned by Mr. J. McCarthy. Loss, \$100. Cause, spark from stack.

Harwich, Ont.—August 20.—Mr. H. Smith's residence, Communication Road. Loss and cause unknown.

August 22.—Mr. J. Campbell's barns. Loss, \$2,500. Cause, lightning.

Sydney, N.S.—August 11.—Y.M.C.A. Loss, \$30,000. Cause unknown.

August 21.—Messrs. McQuaig and Konig's building, Charlotte Street. Loss, \$500. Insurance, \$2,500. Cause unknown.

Ottawa, Ont.—August 19.—Mr. W. F. Fraser's sash and door factory. Loss, \$15,000. Insurance small. Cause unknown.

August 20.—Messrs. Shepard and Morse' lumber yards. Loss, \$8,000. Mr. T. McLaughlin's yard. Loss, \$5,000.

Maryfield, Sask.—August 23.—Business section. The loss will amount to over \$20,000, estimated as follows:—E. B. McRory, building, \$3,500; stock, \$15,500; partly covered by insurance; White Brothers, buildings, \$1,800; stock, \$600, covered by insurance; I.O.O.F. lodge, \$800, insurance, \$550; A.F. & A.M. lodge, \$500, loss nearly covered by insurance.

St. John, N.B.—August 20.—Home for Incurables. Loss, unknown. Cause, supposed incendiary.

August 21.—Government wharf. Loss, \$100. Cause, engine burst barrel of gasoline. Mr. Steven's residence, 23 Main Street. Loss, slight. Cause, children playing with matches.

Montreal, Que.—August 21.—695 St. Paul Street. Loss, \$17,000. Cause unknown. 170-184 Ann Street, sheds. Loss, \$14,000. Cause unknown. 2214 St. Hubert Street. Loss, \$15,000. Cause unknown. Dominion Textile Company's mill, Notre Dame Street East. Loss, \$1,000. Cause picker.

August 22.—Rideau Shoe Company's premises, Ontario and Desjardins Streets. Loss and cause unknown.

August 24.—Viau's departmental store. Loss and cause unknown.

Harcourt, N.B.—August 16.—Ten dwelling houses and eight barns. Losses, L. J. Watson, house, \$1,000, on furniture, about \$800 and cash, three hundred. Insurance, \$350. Miss Annie Campbell, house and barn, about \$600, no insurance. Rev. R. H. Ensley Stavert lost valuable library. Sankey Cail, house and barn, about \$900, no insurance. Mrs. James Carter, of Millerton, vacant house valued at \$700. Miss Bernice Pride, house and barn, valued at \$1,900, furniture, over \$500 and about one hundred and fifty cash, insurance \$1,000. Mrs. Mary Watson, house and barn worth \$1,000, insurance \$500, occupied by Thomas Lamkey. Mrs. James Buckley, dwelling, store and barn, filled with hay and some farming implements, value of property \$1,200. Insurance is \$500 on building, none on furniture. Mr. W. F. Buckley had \$1,000 insurance on the stock lost. Mrs. Geo. Bates, Vancouver, the Powell house and barn, \$600, no insurance. Mrs. Archibald Ferguson, dwelling and barn, \$1,200, insurance \$600, no insurance on furniture.

Toronto, Ont.—August 19.—334 Berkeley Street. Loss, \$500. Cause unknown.

August 20.—Bond building, Simcoe and Wellington Streets. Loss, building, \$100. Ross and Wright, Toronto, adjusters for assured. Randall and Johnston. Loss, \$6,000. Insured. Dickerhoff, Raffloer and Company. Loss, \$10,000. Insured. Cause unknown. 126 Wellington Street West. Scott and Bowne. Loss, \$800. Ross and Wright, adjusters for the assured. W. J. Bush and Company. Loss, \$240. Ross and Wright, adjusters for the assured. Palter Brothers. Loss, \$1,500. Ganong Brothers. Loss, \$500. European Agencies. Loss, \$350. Ross and Wright, adjusters for the assured. H. S. Wardell. Loss, \$500. Ross and Wright, adjusters for the assured. Cause, spontaneous combustion. 31, 35, 37 Henry Street. Loss, \$400. 167-9 De Grassi Street. Loss, \$100.

August 21.—196 Peter Street. Loss, building, \$400; contents, \$250. Cause unknown.

August 23.—83 McCaul Street. Loss, \$4. 1189 Bloor Street. Loss, \$10.

RAILWAY EARNINGS

The following are the railroad earnings for the week ended August 21st:—

	1913.	1912.	Increase or decrease.
Canadian Pacific	\$2,506,000	\$2,694,000	— \$188,000
Grand Trunk	1,144,416	1,097,394	+ 47,022
Canadian Northern	306,200	372,900	+ 23,300
For week ending August 14th:—			
Temiskaming & N. O. ..	\$31,490	\$30,863	+ \$ 627

CANADIAN PACIFIC RAILWAY'S YEAR

Revenue and Expenditure—Retirement of Bonds—
Many Improvements Made.

The thirty-second annual report of the directors of the Canadian Pacific Railway, being for the twelve months ending with June 30, shows the following results:—

Gross earnings	\$139,395,699
Working expenses	93,149,825
Net earnings	\$ 46,245,874
Net earnings of steamships in excess of amount included in monthly reports	1,245,563
Deduct fixed charges	\$ 47,491,437
	10,876,352
Surplus	\$ 36,615,085
Deduct amount transferred to steamship replacement account, \$1,000,000, and contribution to pension fund, \$125,000	1,125,000
	\$35,490,085

From this there has been charged a half-yearly dividend on preference stock of 2 per cent., paid April 1st, 1913 ..	\$ 1,473,386
And three quarterly dividends on ordinary stock of 1¼ per cent. each, paid January 2nd, 1913, April 1st, 1913, and June 30, 1913	10,150,000
And interest on instalments on new stock subscriptions, paid October 15th, 1912	569,813
	\$ 12,193,200
	\$23,296,884

From this there has been declared a second half-yearly dividend on preference stock, payable October 1st, 1913 ..	\$1,486,626
And a fourth quarterly dividend on ordinary stock of 1¼ per cent., payable October 1st, 1913	3,500,000
	\$ 4,986,626

Leaving net surplus for the year

In addition to the above dividends on ordinary stock, three per cent. was paid from special income.

The working expenses for the year amounted to 66.82 per cent. of the gross earnings, and the net earnings to 33.18 per cent., as compared with 64.89 and 35.11 per cent., respectively, in 1912.

Stock Issues and Financing

Four per cent. consolidated debenture stock to the amount of £1,938,394 was created and sold, and of the proceeds the sum of £1,051,619 was applied to the construction of authorized branch lines, and £886,775 was devoted to the acquisition of the bonds of other railway companies whose lines constitute a portion of the system, the interest on which had been guaranteed by the company.

Four per cent. preference stock to the amount of £1,569,091 was created and sold, the proceeds being used to meet capital expenditures that had been previously sanctioned.

The guarantee of interest was endorsed on four per cent. consolidated bonds of the Minneapolis, St. Paul and Sault Ste. Marie Railway Company to the amount of \$2,623,000, issued and sold to cover the cost of 131.15 miles of railway added to that company's system.

During the year 474,798 acres of agricultural land were sold for \$7,487,268, being an average of \$15.77 per acre. Included in this area there were 7,944 acres of irrigated land which brought \$48.88 per acre, so that the average price of the balance was \$15.20 per acre.

Shares of ordinary capital stock to the amount of \$2,000,000, being the difference between the capital stock outstanding and the amount authorized by the shareholders October 7th, 1908, were sold in the market early in the year and realized a premium of \$2,860,821.80, which will be used for additions and improvements to the property.

Completion and Construction of Lines

In pursuance of the company's policy of building and extending branch lines in western Canada to provide present and incoming settlers with transportation facilities, a line is projected from a point near Swift Current, on the main line in Saskatchewan, in a northwesterly direction, to cross the Lacombe branch at or about Coronation, and eventually to reach Sedgewick, a station on the line between Saskatoon and Edmonton, a total distance of 290 miles. The first 115 miles of this line should be constructed without delay, and the balance in stretches as circumstances may seem to warrant; two other

lines, one of which will run northeasterly from Bassano, on the main line in Alberta, to a connection with the Swift Current line, a distance of 118 miles, and the other from Gleichen to Shepard, a distance of 40 miles, should be built within the next year. These lines will serve important agricultural districts north and south of the main line and will answer all the purposes of a second track between the points mentioned for some years to come. The Weyburn branch, running south of, and parallel to, the main line in Saskatchewan and Alberta, to a connection with the Alberta Railway south of Lethbridge, a total distance of 436 miles, of which 196 miles have been constructed, or are in process of construction, should be further extended year by year until completed. Branch lines from Gimli, Manitoba, in a northerly direction for a distance of 26 miles, and from Snowflake, Manitoba, in a westerly direction, a distance of 9 miles, and an extension of the Suffield branch in Saskatchewan, 27 miles, will be of substantial service to settlers in these respective districts.

The directors will ask the shareholders to sanction the construction of such part of this mileage as have not already been authorized, and the issue, from time to time, of the required 4 per cent. consolidated debenture stock to meet the expenditure.

Much Double Tracking

Among the important additions and improvements now in process of execution are, 29 miles of second track between Islington and Guelph Junction, on the Ontario Division, to cost \$750,000; 133 miles of additional second track between Sudbury and Port Arthur, on the Lake Superior Division, to cost \$5,300,000; 178 miles of additional second track between Brandon and Calgary, to cost approximately \$5,000,000; 18 miles of second track and grade improvements, including a double track tunnel, five miles in length, between Six Mile Creek and the "Loop," near the summit of the Selkirk Mountains, at a cost, without electrification, of about \$8,000,000; 139 miles of second track between Revelstoke and Vancouver, in stretches where it will give the most immediate relief, to cost \$6,350,000.

When this work is finished and the new lines between Regina and Shepard, to which reference has already been made, are constructed, there will be 200 miles of double track between Sudbury and Port Arthur, leaving 352 miles to be provided in the future; between Port Arthur and Calgary there will be 1,095 miles of double track, leaving gaps aggregating only 165 miles, and between Calgary and Vancouver 158 miles of double track, leaving 488 miles to be built hereafter.

A second track on such a large portion of the main line between Sudbury and the Pacific coast will relieve the congestion that has prevailed from time to time, and will enable the company to handle traffic more expeditiously and economically, and the construction of the long tunnel, between Six Mile Creek and the "Loop," will eliminate four and one-half miles of snow-sheds that it would be necessary to reconstruct at very great expense if the present location of the railway through that section were adhered to. It is not the intention of the directors to proceed with the second track in the more difficult sections along the Thompson and Fraser rivers until the Kettle Valley line is ready for traffic between Midway and Hope, in 1915, so an alternative route will be available between Medicine Hat and Vancouver via the Crow's Nest Pass if anything unforeseen should occur during the prosecution of the double track work to obstruct traffic on the main line.

The purchase of two intermediate steamships for the Atlantic trade, 500 feet long, 64 feet beam, 11,600 gross tonnage, 15 knots speed, to cost approximately £300,000 each, and two steamships for the Pacific coast service, 395 feet long, 54 feet beam, capable of making 22½ knots per hour at sea, and to cost approximately £200,000 each, is to be approved by the shareholders.

The two Atlantic steamships are required for second and third-class passengers and freight traffic between European ports and Canada, and the two fast passenger steamers for the Pacific coast will further improve the service now being provided for the large and growing passenger business between Vancouver, Victoria and other ports on the Pacific coast.

Twenty Million of Bonds Retired

When the last issue and sale of ordinary capital stock was authorized a portion of the proceeds of the sale was directed to be applied to the retirement of the outstanding five per cent. first mortgage bonds of the company that mature in 1915, and, therefore, the directors deemed it desirable to give notice to the holders in May last that the company would receive and pay for any of the bonds that might be surrendered before the end of the fiscal year. Pursuant to this notice, bonds to the amount of £4,234,700, or \$20,608,873.33, were delivered and paid for. These, with the bonds that the company had previously acquired, make a total of £4,487,900, or \$21,841,113.33, that have been retired and cancelled, leaving outstanding bonds to the amount of £2,703,600, or \$13,157,520, to be redeemed and cancelled as opportunity offers.

For the convenience of those desiring to make transfers in Montreal of shares of your ordinary capital stock, the Bank of Montreal has been appointed registrar and the Royal Trust Company has been appointed transfer agent for the Montreal register.

The mileage covered by the statement of gross earnings and working expenses has increased from 10,983 miles in 1912, to 11,602 miles in this fiscal year. The business of a number of these new lines will add but little to the gross income for a time while traffic is being developed, but meantime their maintenance and operation have a marked effect on the working expenses. This, coupled with expenditure for maintenance of way and of equipment and advances in the wage scale in some branches of the service, will account in a large measure, for the abnormal increase in working expenses over the previous year.

The item "railway and equipment" in the balance sheet is \$69,491,729.27 more than it was in 1912, after applying upwards of \$10,000,000 from surplus account. Of this amount \$30,137,885.86 represents the cost of additional rolling stock, \$9,113,050.21 the expenditure for the construction of branch lines, \$36,809,675.82 for additions and improvements to your property, and \$3,126,347.32 for additional shops and machinery over the whole system.

The undermentioned directors will retire from office at the approaching annual meeting. They are eligible for re-election: Mr. David McNicoll, Mr. Charles R. Hosmer, Hon. Robert Mackay, and Hon. James Dunsmuir.

What Balance Sheet Shows.

The condensed balance sheet on June 30, 1913, shows:

Assets	
Railway and equipment	\$452,320,780
Ocean, lake and river steamships	23,049,283
Acquired securities (cost)	100,207,933
Properties held in trust for the company	4,386,260
Deferred payments on land and townsite sales	44,499,115
Advances to lines under construction	13,750,205
Advances and investments	12,072,205
Material and supplies on hand	18,628,206
Current assets	11,253,284
Temporarily invested in Government securities	10,088,734
Cash in hand	30,274,848
	\$720,531,465

In addition to above assets, the company owns 6,287,250 acres of land in Manitoba, Saskatchewan and Alberta (average sales past year \$15.77 per acre), and 1,697,994 acres in British Columbia.

Liabilities.	
Capital stock	\$200,000,000
Payments on subscription to new issue capital stock (\$60,000,000 at 175)	63,451,667
Four per cent. preference stock	74,331,339
Four per cent. consolidated debenture stock	163,257,224
Mortgage bonds	13,157,520
Algoma Branch, first mortgage	3,650,000
Current liabilities	30,511,302
Interest on funded debt and rental of leased lines	1,391,801
Equipment obligations	880,000
Equipment replacement fund	2,425,426
Steamship replacement fund	5,061,338
Appropriation for additions and improvements	17,912,996
Reserve fund for contingencies	3,569,463
Lands and townsites sales	63,334,285
Surplus	77,597,100
	\$720,531,465

Railway Equipment and Service.

The statement of the equipment on June 30 shows the company to have the following:

Locomotives	2,052
First and second-class passenger cars, barrack cars and colonist sleeping cars	2,063
First-class sleeping, dining and cafe cars	436
Parlor cars, official and paymasters' cars	84
Freight and cattle cars (all kinds)	79,085
Conductors' vans	1,274
Boarding, tool and auxiliary cars and steam shovels	5,414
together with ocean, lake and river steamers.	

The work done in the carriage of freight in the two past years was as follows:

	1912	1913
Flour, barrels	8,459,850	8,093,936
Grain, bushels	151,731,691	171,952,738
Live stock, head	1,663,315	1,782,986
Lumber, feet	2,806,735,006	3,210,306,090
Firewood, cords	305,079	293,536
Manufactured articles, tons	7,196,225	9,519,346
All other articles, tons	9,092,821	9,625,665
	1912	1913
Number of tons carried	25,940,238	29,471,814
Number of tons carried one mile	10,391,650,965	11,470,001,871
Earnings per ton per mile	0.77c	0.77c

The passenger traffic record was as follows:—

	1912	1913
Number of passengers carried	13,751,516	15,480,934
Number of passengers carried one mile	1,626,577,067	1,784,683,370
Earnings per passenger per mile	1.96c	1.99c

INSURANCE RATES ON ST. LAWRENCE

London Underwriters' Decisions—Arguments of Quebec Boards of Trade.

The institute of London underwriters has come to an important decision respecting the rates of insurance to be charged for the St. Lawrence trade. According to the Times, the institute, in consideration of the extensive works undertaken by the Canadian government for the improvement and safer navigation of the river, has appointed committees to confer with Lloyds and other marine insurance companies, says a Canadian Associated Press cable.

Among the alterations to be submitted to the institute are, first, that vessels are to be allowed to trade to Halifax and St. John without any additional premium; second, that the period of navigation for the fixed additional premium may be extended to the 15th or to the end of October, and, third, that a smaller additional premium should be charged for cancelling Baltic and British North American warranties.

Said to be Discrimination

Canadian interests considered this matter also at a convention of delegates from the boards of trade of the province of Quebec which was held at Chicoutimi to take into consideration marine insurance rates on the St. Lawrence. The rates of insurance on grain cargoes from Montreal to Liverpool last year ranged from 25 cents per \$100 in summer to 45 cents per \$100 during the latter part of November, while from New York and Boston the figure was 15 cents per \$100 throughout the whole year.

That the difference constitutes an effective discrimination in favor of United States ports is indicated by the fact that of 87,579,696 bushels of Canadian wheat which were forwarded from Fort William and Port Arthur last year, 45,326,450 bushels were shipped to Europe through the Dominion, and 42,252,246 bushels via the United States. Of grain of all kinds, nearly 64 per cent. exported from Canada last year went via the States. Besides this, Canadian flour to the extent of 1,364,250 barrels was forwarded through United States ports.

Rates Have Been Lowered

The Monetary Times, discussing marine insurance rates of the St. Lawrence route, a few weeks ago, said:

"In view of the recent controversy regarding the insurance rates on cargoes between Canada and the United Kingdom, the following figures, compiled from official statistics prepared by the Government, are submitted, from which it will be noted that the rates in 1900 were over double what they were in 1912. There has been a gradual drop in the rates since 1900, and, comparing these in periods of six years, the results are as follows: The average insurance rate via Montreal to United Kingdom by first-class steamers was in 1900, 56c. per \$100; in 1906, 32½c.; and in 1912, 25½c. The reduction in 1912 on the 1900 rate is 31½ c. per \$100, or over 56 per cent.

The average insurance rate by tramp steamers via Montreal in 1900 was 1.15 per \$100; in 1906, this had been reduced to 95c., and in 1912 the rate by tramp steamers via Montreal averaged 61c., showing a reduction on the 1900 rates of 54c. per \$100, or equal to 47 per cent.

The rate by first-class steamers via New York in 1900 was 20c. In 1906 this had dropped to 17½c., while in 1912 the New York rate was 15c., a reduction on 1900 rates of 5c., or equal to 25 per cent., from which it will be seen that a reduction in rate via Montreal covering the period between 1900 and 1912 was proportionately greater by 50 per cent. than the reduction via New York during the same period.

PUBLICATIONS RECEIVED

A volume designed primarily for the use of secretaries, directors and managers of companies, is the Manual of British Columbia Company Law, by Messrs. Douglas and Rorie. This is both authoritative and replete with information for their guidance and for others interested in laws dealing with corporations.

The joint authors of which are, one a well known company lawyer, and the other a chartered accountant, both having had a wide experience both in Canada and in England in the respective fields.

Manual of British Columbia Company Law: Douglas and Rorie. Burroughs and Company, Calgary.

The Hon. W. T. White, Minister of Finance, before sailing from England, said that he found the financial situation greatly improved since the conclusion of peace in the Balkans, and he was quite satisfied that the financial world in London understood perfectly that Canada in all great fields of production, was only on the threshold of her development.

PACIFIC COAST TRAFFIC

Visit of Minister of Public Works—British Columbia Fisheries Company—Grain Trade

(Staff correspondence.)

Vancouver, August 25th.

Announcements made by Hon. Robert Rogers, Minister of Public Works of Canada, who is on the coast this week, show that the government is keeping its eye on development in this part of Canada. Hon. Mr. Rogers states that great progress has been made since his last trip and the remark is accompanied with announcements of what the government has in hand to meet the development, which shows that what Mr. Rogers says is sincere.

Official mention is made of the negotiations for a dry-dock on Burrard Inlet, at North Vancouver, the capacity to be about 16,000 tons and the cost two and a half million dollars. The opinion was also expressed that a large portion of the grain grown on the prairies would find export through the western ports of the Dominion. The minister visited the Fraser River, where a million dollars is being spent in improvements which, it is expected, will make the channel deeper and permanent.

Mr. Rogers will investigate the possibilities of the construction of a bridge across Seymour narrows, by which route it is hoped that through railway connection may be given Victoria. He inspected the large works going on at the wharf, and said that the inner harbor would have any dangers to navigation removed. When all these works are carried out, much greater facilities will be given to shipping.

River Navigation.

With development in the northern interior, attention is being paid to the great waterways, navigation on which will facilitate commerce and settlement. Steamers ply on the Upper Fraser now for a considerable length, and with the object of inspecting the whole inland system, Hon. F. W. Aylmer, Dominion public works engineer for Yale-Cariboo, will make a trip along the Fraser to Tete Jaune Cache and coming back will ascend the Nechaco and Stewart rivers. Mr. Aylmer, who has his headquarters in the province, is not unfamiliar with this territory, but he will undertake to see just what obstructions are in the way of more extended navigation. In instances, only a barricade of rocks prevents boats going many miles further. The extension of water routes in the northern interior will mean much to the settlers in the initial stages of the country's development.

While the minister of marine was on the coast, the salmon cannery presented a memorial to him of considerable length. In this were outlined their several grievances, which it was promised will be laid before the government.

Mr. Wilfrid Doughty, general manager of the British Columbia Fisheries, which has applied in London for a receiver, makes the direct charge that the company was forced to this action by the refusal of the banks to extend to them the usual and necessary financial assistance generally extended to the fish packers in respect to the heavy calls made upon them during the latter part of the season. Sir George Doughty, M.P., of England, who has been in Vancouver as chairman of the company, laid the facts before a meeting of the creditors. The appointment of a receiver is necessary to carry on business through a London bank that is interested, not that operations will be permanently discontinued. The company has expended over three-quarters of a million dollars in the north during the past eighteen months, the greater part of which passed through one bank. Although the company is financially solvent and although personal guarantees were made by prominent members, the necessary money was not forthcoming from the banks.

May Build Flour Mills.

Mr. Hedley Shaw, of Toronto, general manager of the Maple Leaf Milling Company and Hon. D. C. Cameron, of Winnipeg, are on the coast. Discussing the export of grain from Pacific ports, Mr. Shaw points out that the effect of shrinkage is yet to be solved. It may be better to ship the grain whole or it may be that it should be manufactured into flour. In the latter event flour mills will be established on the coast.

NEW ISSUES TO BE MADE.

The shareholders of Ritz-Carlton Hotel Company, of Montreal, Limited, have been notified of a meeting to be held on Friday, September 5, to sanction a by-law authorizing the directors to issue for the company second mortgage ten-year six per cent. gold bonds, aggregating at their par value seven hundred and fifty thousand dollars, and Halifax Tramway shareholders will be asked on August 30th to ratify an issue of \$600,000 additional capital stock, bringing the total outstanding capital up to \$2,000,000.

OPTIMISM PREVAILS IN WESTERN CANADA

Satisfactory Harvest Conditions—Preparations for Handling Wheat—Business Prospects

Monetary Times Office,

Winnipeg, August 26th.

Good progress is being made in the western harvest fields, and with the exception of some local damage in each of the three provinces from hail during the past ten days, there has been no frost or other damage.

Latest reports to hand indicate that the early sown wheat will not yield as good a return as that which was sown later. *The Monetary Times* has discussed the crop situation with a number of business men, such as; grain exchange officials, bank managers, railroad officials and wholesale merchants, who are interested in the west and who have been receiving reliable reports.

The weather of the past few days has not been good harvest weather but is now more satisfactory, and if there is a continuance of same during the next two or three weeks the bulk of the crop will have been harvested.

The three railroads are making extensive preparations for handling the crop and as there is a goodly supply of harvest hands now in the west it is expected that a quick movement will be the result. Estimates that have come in from several reliable sources show that the 1913 crops of wheat, barley, oats and flax should be well over the 400,000,000-bushel mark—these figures being subdivided to a production of 200,000,000 bushels of wheat, 200,000,000 bushels of oats, 50,000,000 bushels of barley, and 18,000,000 bushels of flax. Taking into consideration the prevailing prices of grain, this year's yield should give to the west trading value of over \$250,000,000.

Manitoba Prospects are Bright.

The Hon. Geo. Lawrence, minister of agriculture for the province of Manitoba, returning from a tour of the province, states that late crops were maturing well and that sections where threshing was taking place the grade of wheat was higher than last year.

Deputy-minister Bedford, who covered central Manitoba, reports that the recent severe storms did apparently little damage in central Manitoba, and states that the fine warm weather since the heavy rain has greatly improved conditions and that there is now every indication of good returns even from the very latest sown crops.

General Business Conditions.

The outlook in the west appears brighter. Wholesale merchants are now shipping fall orders to country points. They state that orders are being curtailed to some extent and are confined principally to staple lines. Some of the dealers in heavy hardware are being very careful, as in fact all wholesale merchants are regarding new lines of credit, stating that it is better to have their goods piled up in their warehouses than shipped out only to have trouble in making collections.

Regarding collections, managers of loan companies state that payments of principal and interest are coming in fairly well, and one loan company manager stated they were not curtailing their loans on farm property, but were doing very little in the city.

There seems to be practically no speculation in real estate, but, notwithstanding, this real estate and property that is in demand is always turning over, and at market prices.

THESE INSURANCE COMPANIES WILL ENTER ALBERTA.

Under the Act respecting insurance companies the following have been licensed to do business in Alberta:—The Canadian Surety Company (guarantee); the Equitable Life Assurance Society of the United States (life); the Quebec Fire Assurance Company of Canada (fire); Life Guarantee and Accident Company of London, England (guarantee, accident including automobile, sickness and burglary); New York Plate Glass Insurance Company of New York, U.S.A. (plate glass).

The canneries of northern British Columbia report a lean year for the season just closing, the sockeye salmon pack totalling only 180,000 cases. The average pack of the last sixteen years was 750,000 cases. Puget Sound canneries, however, report a big season. The Fraser River pack amounts to 500,000 cases this year, against a million in 1911.

BRITISH GOODS IN CANADA

Sir Edmund Walker Gives Erring Manufacturers a Few Good Hints

Sir Edmund Walker, who has just returned to Toronto from a trip to England, made some interesting statements regarding the Canadian market and the place of British goods to a representative of the London Daily Chronicle.

"In Canada," he said, "we have a population of 8,000,000, and before many years there will be 20,000,000 or 30,000,000. It is now a great market for the goods of the world; in the near future it will be a greater one. In every other part of the British Oversea Dominions the British type of manufactured goods has become the standard. The British manufacturer has had the market to himself, and if a competitor comes along he has to offer something like the British article.

Influence of United States.

"But in Canada conditions are reversed. At every turn in her history she has felt the influence of the United States. There are no frontiers between the two countries except that of the Custom Houses, and the 100,000,000 on the one side have impressed their ideals upon the 8,000,000 on the other. We wear the same style of clothing, we use the same kind of machines, we read their newspapers—and I am sorry to say ours are of the same type. It is only lately that we have been able to get English magazines with the same facility that we could get American ones.

"Living so near to us, the American manufacturer saw our market and its possibilities, and immediately proceeded to seize it. He flooded us with goods of his own type of manufacture, and we have become accustomed to that type.

Must Make Right Types.

"The British manufacturers do not seem to have grasped the full significance of this fact. They are apt to think that we prefer American goods. As a matter of fact we do not; we are so British that we should infinitely rather prefer to use British goods—provided that they are made according to the types to which we have become accustomed.

"But the British manufacturer seems to have no idea—or very little idea—of this. He cannot bring himself to make those things which his customers want. He will insist upon sending them the things which he thinks they ought to want.

"Let me give you one or two illustrations. There are certain classes of engines which we buy from Great Britain, partly because they are British, but chiefly because they are the best we can get. Yet we have the utmost difficulty in getting them repaired, because the British manufacturers will not remember that the threads of a screw are made to turn the reverse way in Canada and the United States.

"Again, when I was last over here, I bought an English motor-car, which I found to be far better than any car of American make. Yet if I want any spare parts I have to write to England for them, as there are no means of getting them in Canada. On the other hand, another firm of British makers of motor-cars has set up a garage in one of our big cities, where spare parts can be obtained and repairs carried out. The consequence is that they are selling as many cars as they want to.

Song of the Shirt.

"In America we wear shirts which open all the way down the front. When my son was last in London he replenished his wardrobe, but he could not find a single shirt maker in London who would make his shirts to open down the front."

"Then you think there are great openings in Canada for British goods?"

"I am sure there are," replied Sir Edmund. "I should like to see some sign that British manufacturers recognize its importance and are trying to study the class of goods we want. They must look ahead. They might not make much money at first, but they would get a standing ground for the time when the demand increased, as it is bound to increase.

"You may be sure of this:—What we want to buy from the outside we would much rather buy from Great Britain than anywhere else—if her people will only try to understand what we want."

CAPITAL STOCK INCREASES.

The capital stock of St. Regis Land Company, Limited, has been increased from \$75,000 to \$200,000, the increase consisting of 1,300 shares of \$100 each.

The capital stock of S. A. Early and Company, Limited, has been increased from \$25,000 to \$100,000.

The capital stock of the Tate Telephone Company, Limited, has been increased from \$900 to \$1,500.

MIX PICK AND SHOVEL WITH FINANCE

Sanford Evans Says Railroad Construction Would Be Good for Young Men Playing at Finance

Concentrated sarcasm for some of the young financiers, so-called, of this country, was offered by Mr. W. Sanford Evans, of Winnipeg, in an address to the Association of Canadian Clubs in conference at Hamilton. "The building of the Canadian Pacific Railway with shovel and pick was the best university this country ever had," he said. "It made for sturdy men. Do you know what Canadians would say to that kind of work now? They would say that it was not white man's work.

Playing With Finances.

"It would nevertheless be a good thing for the country if some of the young men who are now playing with the country's finances were now and for the next ten years busy on railroad construction work. The present financial stringency is the best thing that could have happened to Canada. It is a question whether it will last long enough, however.

"It has demonstrated as nothing else could the inherent soundness of our financial institutions, and it has put a temporary check on things which are not sound. The present stringency is caused by conditions in Europe, which check the flow of outside money into Canada. When this condition occurs it means a little squeezing for all of us to get into our cramped quarters, but that is about all.

Attitude Towards Work.

"The class will rule this country which first has the right attitude towards work, and which secondly practises sound finance. There is no honest work which is not white man's work and good for native Canadians."

MONEY MARKETS

Messrs. Glazebrook and Cronyn, exchange and bond brokers, Toronto, report exchange rates as follows at closing:

	Between Banks.		Counter.
	Buyers.	Sellers.	
N. Y. funds	5-64 dis.	3-64 dis.	½ to ¾
Montreal funds	par.	par.	½ to ¾
Sterling—60 days	8 17-32	9 9-16	8 13-16 8 15-16
do. demand	9¼	9 5-16	9 9-16 9 11-16
Cable transfers	9¾	9 13-32	9 11-16 9 13-16
Rates in New York:		Actual.	Posted.
Sterling, 60 days' sight		482.00	484
Sterling, demand		486.00	487

BANK CLEARING HOUSE RETURNS

The following are the figures for the Canadian Bank Clearing Houses for the weeks of August 29th, 1912; August 21st, 1913, August 28th, 1913, with percentage change:—

	Aug. 29, '12.	Aug. 21, '13	Aug. 28, '13.	Ch'g %
Montreal	\$52,732,123	\$60,184,975	\$44,450,697	-18.6
Toronto	35,427,619	37,419,825	35,208,131	-.6
Winnipeg	24,187,670	23,640,932	21,422,045	-12.8
Vancouver	12,995,064	10,770,277	10,014,505	-29.7
Ottawa	5,615,515	4,141,376	3,353,148	-67.4
Edmonton	4,475,853	3,555,877	3,219,752	-39.01
Victoria	3,178,528	3,130,820	2,984,895	-6.4
Hamilton	2,987,559	3,161,183	3,067,327	+ 2.5
Quebec	2,624,203	3,011,141	3,043,714	+13.7
Saskatoon	1,941,667	1,692,634	1,341,992	-44.6
Regina	1,792,086	2,080,373	1,633,076	-9.7
Halifax	1,651,658	2,096,057	1,781,093	+ 7.8
St. John	1,732,093	1,431,435	1,467,367	-17.9
London	1,336,195	1,766,706	1,436,721	+ 6.9
Moose Jaw	1,139,672	1,103,079	971,274	-17.3
Fort William	742,093	941,207	958,757	+22.5
Lethbridge	530,896	46,9902	434,886	-22.1
Lethbridge	530,896	469,902	434,886	-22.1
Brandon	527,687	540,279	448,027	-17.6
Brantford	407,486	511,946	553,792	+26.4
Total	\$161,170,502	\$166,011,605	\$141,728,420	....
New Westminster	.....	621,083	504,883	.....
Medicine Hat	.....	631,837	531,756	.....

LIABILITY INSURANCE BUSINESS

New York Superintendent Issues Final Directions— Limitation of Cost of Business

The New York insurance superintendent means business with the liability companies. On June 20th he addressed a letter to all companies authorized to transact the business of liability insurance in New York State, calling attention to the serious situation then existing in the liability business. He then stated that his department would insist upon the companies conducting their liability business upon a sound basis, and in particular as follows:—

1. Basing their underwriting upon statistical experience and the physical and moral hazard of each individual risk and free from the influence of competition.
2. Commissions to brokers not to exceed 15 per cent., and perhaps a slight increase over that to agents, but in no event should total commission exceed 20 per cent.
3. Administration expenses to be minimized.

Before taking final action, the New York department waited until replies were received from the various companies, in order that consideration could be given to any suggestions that might be made.

Must Have Limitation.

In the replies that have been received, several of the companies have raised the point that the limitation should be placed upon the total business-getting cost or acquisition expense, as well as on the amount of commissions to be paid. This is a point well taken, for a reduction in commission would mean nothing should salaries or other allowances be increased to the extent that commissions had been reduced, and the directions have been modified so as to include a limitation on the total acquisition expense.

The companies have been unanimous in their approval of the sentiments set forth in the superintendent's letter of June 20th, and have expressed their intention of complying with its requirements. A considerable number of the companies have already notified the department that they are now conducting their liability business along the lines outlined in his letter. Others, while approving the recommendations, have not as yet taken any real steps along the lines suggested, but have been apparently waiting for final directions. These final directions, says the superintendent, are as follows:—

These Are Final Directions.

1. Your underwriting to be based upon general statistical experience, modified by the physical and moral hazard of each individual risk and free from the influences of competition.
2. Commissions to brokers not to exceed 15 per cent. of the premium, and perhaps a slight increase over that to agents, but in no event should total commissions exceed 20 per cent. of the premium.
3. Total compensation, including salaries, commissions, and all other allowances to all brokers, agents, agency directors and branch office managers not to exceed 20 per cent. of the total premium income.
4. Administration expenses to be minimized.

These directions become effective October 1st, 1913, and apply to all of the liability and workmen's compensation business written. If any existing contracts provide for commissions or allowances in excess of the above requirements, they should be modified accordingly.

What the Department Wants.

Companies are requested to forward to the department not later than October 1st, 1913:—

1. A schedule showing the liability and workmen's compensation rates in effect from October 1st, 1913.
2. A schedule showing the rate of commissions to brokers and agents in effect from October 1st, 1913, on liability and workmen's compensation business.
3. A schedule giving a synopsis of all branch office and agency contracts, which provide compensation for salaries or allowances in addition to commission, showing the compensation, including salaries, commissions and all other allowances, in effect October 1st, 1913, on liability and workmen's compensation business.
4. A statement showing what steps have been taken toward minimizing administration expenses.

The schedules and statement requested above are to be certified by two of the principal officers of the company.

Conditions in Canada.

The conditions in Canada were discussed by *The Monetary Times* last week. As then stated, the managers of companies doing liability business in Canada generally admit that it is in an unsatisfactory state. Many of them prefer not to offer any criticism of the existing conditions, as it is understood that a committee is endeavoring to bring the companies together into some sort of an agreement which will, *The Monetary Times* hopes, make for saner and sounder practices in the liability business.

It is generally expected that commissions on liability insurance will be reduced in view of the mandate of Superintendent William T. Emmet, of the New York Insurance Department, who said that brokerage and commissions are too high, says the Spectator. There is an inclination on the part of underwriters to take such action, although so far only one company has announced a reduction on commissions. The company members of the Workmen's Compensation Service Bureau have advanced rates in the following States: North Carolina, 25 per cent.; Alabama, 25 per cent.; Mississippi, 33½ per cent.; Tennessee, 33½ per cent.; Oklahoma, 33½ per cent.; Kentucky, 50 per cent.; Kansas, 50 per cent.; Arkansas, 65 to 80 per cent.

Offers have been made, it is understood, by several of the newer companies writing workmen's compensation to reinsure this line, because of the unsatisfactory results.

Compensation Liability Rates.

The workmen's compensation rates are being filed with the Industrial Commission of Wisconsin according to the new law, but as the rates and systems vary so greatly the companies are watching with interest the situation that is developing. The conference companies have filed the manual issued by the Workmen's Compensation Service Bureau, while a number of other companies in many cases have filed this manual, but have changed the rates to suit their own ideas. In other States the system of the conference companies is to permit each company to rate its own renewals and make all rates known to other members at least sixty days before expiration, but this is held to be in violation of the new anti-discrimination act.

COMPANIES WILL CHANGE NAMES.

The name of the Walker-Knisely-Woods Company, Limited, has been changed to Woods-Walker Company, Limited.

The William Sugarman Company, Limited, will change its name to B. Lauer and Company, Limited.

Smith and Whitney, will make application to change its name to Whitney and Company, Limited.

The Cement Products Company, Limited, will make application to change its name to Whites, Limited.

The Standard Trading Company, Limited, will make application to change its name to Standard Discount Company, Limited.

CHARTERED ACCOUNTANTS' CONVENTION

The Dominion Association of Chartered Accountants will hold its eleventh annual convention at Winnipeg, September 2nd, 3rd, and 4th. Mr. A. E. Phillips, of Winnipeg, is the secretary, and is making all arrangements. A large attendance of accountants from all parts of the Dominion is expected. The programme has been arranged as follows:—

Tuesday, September 2nd, 9 a.m.—Meeting of council, registration of members. 10 a.m.—Official reception of members. 11 a.m.—Opening session. President's address. Appointment of committees. Appointment of auditors. 1 p.m.—Complimentary luncheon at the Royal Alexandra hotel, tendered by the Institute of Chartered Accountants of Manitoba. 2.30 p.m.—Consideration of report of committee on uniformity of standards amongst provincial societies. 4.30 p.m.—Address by Vere Brown, western superintendent Canadian Bank of Commerce, on "The Banker and the Accountant."

Wednesday, September 3rd, 9.30 a.m.—Presentation of paper on "Municipal Accounting in the Prairie Provinces," by O. J. Godfrey, of the Saskatchewan Institute. 12.30 p.m.—Adjournment for luncheon. 2.30 p.m.—Consideration of reports of committees on "Canadian Chartered Accountant." Financial report. Auditor's report. 4.30 p.m.—Address by Judge Robson, public utilities commissioner of Manitoba, on "The Accounting of Franchise Companies to the Public Utility Commissions." 7.30 p.m.—Annual dinner of association at Royal Alexandra hotel.

Thursday, September 4th, 9.30 a.m.—Presentation of paper on the "Timber Industries of British Columbia," by W. E. Hodges, of the British Columbia Institute. 12.30 p.m.—Adjournment for luncheon. 2.30 p.m.—Receiving reports of constituent societies. Report of registration committee. Place of meeting, 1914. General business. After adjournment, meeting of council. Election of officers. 8 p.m.—Smoker by the Manitoba Institute in the Royal Alexandra hotel.

Insurance men want to be protected by Federal licenses, and they want it made a crime to let an insurer off with a part of his first payment. They also want it made a crime for any unlicensed person to canvass for life insurance. The growth of monopolistic restrictions conceals in time their absurdity.—*Toronto Globe.*

MARKETING CANADA'S GRAIN

V.

THE DOMINION AND ITS NEIGHBOR

Comparison of Crop-handling Resources—Inspection Methods

The grain fields of Alberta lie, on the average, over 1,200 miles from the terminal storage points and those of Saskatchewan about 800 miles. And between Fort William and the most westerly boundary of grain growing in Canada there is no interior storage elevator of large capacity, except the new one now being erected by the Canadian Pacific Railway at Winnipeg, and there is no inspection point west of Winnipeg for east going grain. In the grain area south of the boundary line very different conditions exist. The spring wheat fields of Minnesota and North and South Dakota lie, on the average, not more than 600 miles from Minneapolis and Duluth, with terminal storage capacity of about 72,000,000 bushels. The winter wheat fields further south lie within easy reach of Kansas City, with a terminal storage capacity of nearly 12,000,000 bushels, of Omaha with interior storage of over 7,000,000 and of St. Louis with about 11,000,000 bushels. These winter fields are, on the average, about 500 miles from Chicago with a storage capacity of over 28,500,000 bushels, and a similar distance from Galveston with 4,000,000 and New Orleans with about 5,400,000 bushels.

Elevators Throughout Grain Growing Area.

In the United States large storage elevators are, therefore, not confined to ports on lake and sea, but are found throughout the whole grain growing area at strategic points for assembling, marketing, milling and distributing the grain. Several states have each their own inspection department, and some of these states carry on inspection at a number of points within the state. Minneapolis maintains local inspection offices at St. Cloud, Sleepy Eye, New Prague, New Elm and Kasota, in Minnesota, and at La Crosse, in Wisconsin. These local inspections serve the purpose of assisting the milling industry at the points named.

Illinois maintains inspection, not only at Chicago, but at Joliet, Decatur, Kankakee and East St. Louis, and quite large quantities of grain are inspected at some of the points.

Not Concentrated in One Market.

Grain dealing is not concentrated in any one market, but it is carried on in several highly important markets throughout the country. Chicago, for example, receives grain from areas as far off as Kansas, Nebraska, Minnesota and South Dakota. St. Louis receives grain from Illinois, Kansas, Iowa, Nebraska, Minnesota and Dakota, and Kansas City ships grain to St. Louis, Chicago, Toledo and Minneapolis. Terminal storage and inspection are brought nearer to the producer and alternate shipping routes are open, each shipping route well equipped with transportation, storage and inspection facilities.

The federal system of inspection has undoubted advantages over the states or provincial system, as, for example, in regard to uniformity of grades. But as the grain fields grow in area and as they extend west and north, grain shippers in the farther parts of the field feel more acutely the delay in getting grades and outturns. Whatever difficulties the states or provincial system of inspection may have it undoubtedly brings inspection, terminal storage and trading nearer to the shipper, and it appears to enlarge the facilities required for the quick handling of grain.

TRACTION ENGINE COMPETITION IN BELGIUM

The department of trade and commerce is informed that the Belgian Minister for the Colonies has organized an international competition of traction engines and other ploughing machines. A sum of 70,000 francs will be appropriated for the best machines, and indemnities up to 15,000 francs will be granted to the competitors who have received no orders.

Canadian manufacturers are invited to take part in this competition, which will be held at Chassart, near Fleurus, Belgium, from the 24th to the 27th of September next.

VALUE OF LIFE INSURANCE

XXVII.

How to Capitalize Your Capabilities

BY C. A. HASTINGS

There is no difficulty in saving provided you can do the following three things:—

- (1) Not spend unnecessarily.
- (2) Earn more than the wherewithal to buy necessities.
- (3) Possess the ability to work.

You have only then to find the best investment coupled with the preservation of your capital. Assuming, in this case, that the reader possesses the above three essential factors necessary to saving, that he is a man who is either in some profession on his own account—such as medicine, accountancy, etc., or is employed in a business at a fair salary with good prospects in view. I, therefore, come down to this statement, that what he is earning is his capital—it is merely what his capabilities are worth annually, and—consequently—those dependent upon him have to rely on his being able to continue doing this. He must, therefore, capitalize his capabilities, and must not consider himself—for one moment—in the same class as the man who has capital, either in cash or the equivalent of cash, though he may be commanding a very good salary.

Now then, his only method to procure the same income as he is enjoying, after his death, is provided by life assurance.

Could Create Large Estate.

Take a man aged thirty, drawing say \$4,000 per annum, he could create an estate of \$25,000 at an approximate rate of \$495 per annum, which premium would be payable only during his life-time, and whenever his death occurred, which might be twenty-four hours after the first payment, his family would receive \$25,000 which, according to rates that are being obtained to-day in this country, would produce \$2,000 per annum and upwards—but, if invested in any sound security would produce a safe income of \$1,500 per annum.

As the "Joint Stock Companies' Journal" stated:—"The risks of life are many, and it is a fortunate thing we do not waste time thinking of them." Nevertheless, I am not saying we can all put by \$495 per annum, and every man must consider his position, his abilities, his chances in business, his chances of poor health or competition. Anyway, whatever amount is laid on one side annually for life assurance will never cause any worry as to the possibility of loss, wholly or in part; and the income derived therefrom is perpetual and does not rely on the business training of its possessor.

Keep Want Away.

It is true that the income thus derived, in the case I have illustrated, is less than what the assured earned, but that same man, though he is sure not to acknowledge it, realizes that he has the satisfaction, by a little unselfishness on his part, of having created an estate that will keep want out of his family's reach forever. He will know that, at the worst, his family can live independently, and there are many men who are in the position to do this—who desire to do this—and who should know, that their last chance of exercising this privilege may come any moment, when opportunity will no longer hold out a helping hand, and then will begin the struggle that could have been kept at arm's length for ever.

MORE ELEVATORS FOR ALBERTA

Forty-six line elevators will be built in Alberta this year in time to handle this season's crop by the Alberta Farmers' Elevator Company, Limited, authorized under the Farmers' Elevator bill passed at the last session of the Alberta legislature. The work of construction of half of these elevators is in progress now and the materials for the others have been purchased and are on the ground at the various locations.

Messrs. A. E. Ames and Company, the well-known Toronto financial house, have issued their "Investors' Reference," 1913-1914. This booklet contains statistical data of about 180 companies, whose securities are more or less traded in on the exchanges. There will also be found in the first part of the booklet investment information, and towards the end, tables are given showing the range of prices of securities from 1908 to 1913; also a table showing the approximate yields on stocks and bonds bearing dividends or interest at various rates.

TWENTY-FOUR MILLIONS OF CAPITAL

Is Total Accredited to this Week's Newly Incorporated Companies

One hundred and twelve charters have been added this week to the large total granted in Canada. The capitalization is in excess of \$24,000,000, and the largest companies are:—

Calgary Flour Mills, Calgary	\$5,000,000
Herendeen Flour Company, Toronto	5,000,000
Southern Canada Power Company, Montreal	3,000,000
Montreal Holding Company, Montreal...	1,500,000

Thirty charters have been granted to the Pecol Drilling Company. Apparently they will bore for oil in Canada. The two Toronto directors, *The Monetary Times* is informed, have been in London for more than a year past.

Grouping the new concerns according to provinces in which the head offices are situated, we have the following results:—

Province.	Number of Companies.	Capitalization.
Quebec	17	\$ 5,979,000
Ontario	58	10,627,000
Alberta	22	7,155,000
Saskatchewan	13	700,000
British Columbia	2	150,000
Totals	112	\$24,611,000

The following is a list of charters granted during the past week in Canada. The head office of each company is situated in the town or city mentioned at the beginning of each paragraph. The persons named are provisional directors:—

- Victoria, B.C.**—Canadian Vending Machines, \$100,000.
- Vancouver, B.C.**—Armstrong Kerr Company, \$50,000.
- Lumsden, Sask.**—Lumsden Brick Company, \$50,000.
- Waldeck, Sask.**—Dafoe, Lewis and Prentice, \$20,000.
- Blairmore, Alta.**—Blairmore Coal Lands, \$500,000.
- Longueuil, Que.**—La Compagnie Ouellette, Beaulieu, \$45,000, (lumber). J. H. Ouellette, F. Beaulieu, J. R. Dion.
- Howick Station, Que.**—Howick Paving Company, \$10,000. J. H. Lefebvre, T. Vass, C. A. Vass, both of Casaville.
- Quebec, Que.**—Agricultural Implements Manufacturing Company, \$75,000. F. C. Dufour, A. Bilodeau, L. Turcotte.
- Palmerston, Ont.**—Kreutziger Company, \$100,000, (general dealers). L. Kreutziger, A. Kreutziger, M. Kreutziger.
- St. Catharines, Ont.**—Model Homes, \$40,000. W. A. Notman, R. L. Notman, H. C. Babel, all of Buffalo, U.S.A.
- Dundas, Ont.**—Tocan Manufacturing Company, \$250,000. A. C. Caldwell, W. A. Welsh, T. J. Palmer, both of Hamilton.
- Prince Albert, Sask.**—Saskatchewan River Transportation and Fuel Company, \$200,000. Zoellner Sons, \$40,000.
- Kingsville, Ont.**—Ecothermal Stove Company of Canada, \$100,000. B. Jasperson, G. Jasperson, C. J. Green.
- Saskatoon, Sask.**—People's Theatre Company, \$75,000. Waldorf Cafe, \$10,000. Minas Certuchena, \$50,000.
- Fort William, Ont.**—Emil Anderson Company, \$200,000. A. H. Dowler, G. Olson, E. Brown.
- Preston, Ont.**—S. J. Cherry & Sons, \$10,000, (grain dealers). S. J. Cherry, G. A. Cherry, W. Cherry.
- Niagara Falls, Ont.**—Douglas Ice Company, \$50,000. F. A. Douglas, H. A. Campaigne, Mrs. I. M. Douglas.
- Westport, Ont.**—Westport Rural Telephone Company, \$7,000. W. S. Ripley, J. F. McNally, J. Myers.
- Orono, Ont.**—Pioneer Threshing Company, \$10,000. E. N. Armour, E. MacMahon, R. S. Anderson.
- Burlington, Ont.**—Mitchell's Investments, \$500,000. J. F. Mitchell, A. F. Spiers, W. C. Kerns.
- Regina, Sask.**—W. G. F. Scythes and Company, \$50,000. Sykes Company, \$20,000.
- Moose Jaw, Sask.**—Caufield Farms, \$75,000. Farm Products Company, \$25,000.
- Killam, Alta.**—Scottish Alberta Land and Loan Company, \$250,000.
- Saltcoats, Sask.**—Commercial Travellers Hotel Company, \$75,000.

- Kerrobert, Sask.**—Western Farmers' Elevator Company, \$10,000.
- Medicine Hat, Alta.**—Easy Starter and Speeder Company, \$10,000.
- Macleod, Alta.**—Excelsior Development Corporation, \$500,000.
- Holland, Ont.**—Berkeley Trout Club, (no share capital). J. F. H. Wyse, W. R. McRae, both of Toronto; W. J. L. McKay, Orangeville.
- Ottawa, Ont.**—Les Chanoinessees Regulieres des cinq Plaies de notre Sauveur, (no share capital). M. L. Gauthier, L. Richard, A. Tremblay. Cartier Realty, \$50,000. J. R. Touchette, J. F. H. Laperrier, H. Laperrier.
- Hamilton, Ont.**—Cameron Island Syndicate, \$200,000. J. Routledge, H. Hennessey, H. J. Kirkpatrick. Halliday Company, \$40,000, (general merchants). H. C. Nunn, H. E. Northrup, J. H. Slater.
- Calgary, Alta.**—Calgary Flour Mills, \$5,000,000. W. C. Robertson, A. deB. Winter, F. A. McAllister. Healy, Knapp, Morgan and Company, \$10,000. McCutcheon and McGill, \$40,000. Hawk Eye Crushed Rock and Gravel Company, \$20,000. Alberta Wine Company, \$25,000. J. B. Anderson Lumber Company, \$25,000. Murray's, Limited, \$30,000. Matinee Company, \$10,000.
- Edmonton, Alta.**—North-West Biscuit Company, \$50,000. Canadian Mercantile Company, \$25,000. Clark Cobb Engineering Company, \$50,000. Alberta Chemical Rubber Company, \$150,000. Wales Canada Investment, \$30,000. J. J. Candy Manufacturing Company, \$25,000. Edmonton Adjustment Agency, \$10,000. Central Alberta Hotel Company, \$10,000. Hardisty, \$10,000. Edmonton Silver Black Fox Company, \$375,000.
- Montreal, Que.**—Ouareau Country Club, \$20,000. G. A. Forbes, H. Day, G. S. Robertson. La Compagnie des Terrains de Laprairie, \$49,000. J. Charruau, E. Charruau, J. P. Trepanier. Ideal Ladies Tailoring Company, \$1,000. H. Weinfeld, P. Ledieux, J. Y. Fortier. Peerless Amusement Company, \$99,000. H. N. Chauvin, G. H. Baker, H. E. Walker. Exploitation agricole et d'elevage, \$50,000. A. Joeckel, L. Joeckel, E. Fournier. Southern Canada Power Company, \$3,000,000. C. H. Cahan, O. B. MacCallum, M. Lewis. Occidental Trust Company, \$100,000. R. T. Mullin, A. P. Mathieu, G. H. Semple. Holly Trust Company, \$50,000. R. T. Mullin, O. Mathieu, J. Gilmore. Combine Investment, \$150,000. J. Chevalier, J. Robert, F. Paul. Valley Construction Company, \$250,000. A. D. Gall, R. B. Hutchison, both of Westmount; L. Gosselin. Montreal Holding Company, \$1,500,000. W. W. Skinner, G. G. Hyde, G. Williamson. American Kitchen Products Company of Canada, \$30,000. W. J. Schieffelin, H. S. Livingston, B. J. Weil, all of New York City. William Clark, \$500,000, (canned goods). W. R. L. Shanks, F. G. Bush, G. R. Drennan. L. E. Moulton and Company, \$50,000, (plumbing contractors). L. A. Moulton, J. A. Cousineau, H. McG. Wamboldt.
- Toronto, Ont.**—Pecol Drilling Company, \$500,000. Pecol Company (No. 1), \$75,000; (No. 2), \$75,000; (No. 3), \$75,000; (No. 4), \$75,000; (No. 5), \$75,000; (No. 6), \$75,000; (No. 7), \$75,000; (No. 8), \$75,000; (No. 9), \$75,000; (No. 10), \$75,000; (No. 11), \$75,000; (No. 12), \$75,000; (No. 13), \$75,000; (No. 14), \$75,000; (No. 15), \$75,000; (No. 16), \$75,000; (No. 17), \$75,000; (No. 18), \$75,000; (No. 19), \$75,000; (No. 20), \$75,000; (No. 21), \$75,000; (No. 22), \$75,000; (No. 23), \$75,000; (No. 24), \$75,000; (No. 25), \$75,000; (No. 26), \$75,000; (No. 27), \$75,000; (No. 28), \$75,000; (No. 29), \$75,000. The provisional directors of all 30 companies are: A. P. Poussette, A. A. Dickson, both of Toronto; S. Hogarth, of London, England. Exmoor Realty Company, \$150,000. G. D. Waters, L. F. Black, H. A. Hall. Thomas Ogilvie and Sons, \$200,000, (dry goods). A. M. Garden, C. A. Moss, W. Lawr. Herendeen Flour Company, \$5,000,000. T. G. Watson, J. L. Mallory, J. R. Empringham. Monarch Optical Manufacturing Company, \$40,000. F. M. McDowell, G. R. Sproat, K. W. Wright. Hapwins, \$25,000, (real estate), (a private company). W. L. Carr, C. J. F. Collier, A. B. Nind. Ontario Hockey Club, \$30,000. O. H. King, A. Gil-mour, A. Cochrane. Art Publication Company, \$40,000. G. H. Sedgwick, H. A. Beckwith, W. F. Huycke. Canadian Mineral Development Company, \$40,000. G. B. Balfour, J. Barker, H. C. Balfour. St. Petersburg Graphite Mining Company, \$500,000. R. D. Moorhead, L. Macaulay, J. E. Anderson. Ormeau Park Land Company, \$40,000. J. Ferguson. J. W. Payne, S. A. Keers. The Tube and Pipe Bending Company of Ontario, \$100,000. J. F. Edgar, J. E. Maybee, L. M. Lewis. Hudson Parker, \$40,000, (general merchants). D. I. Grant, M. MacDonald, E. G. Black. Canadian Tobacco Utilities, \$100,000. A. Hawes, Mrs. G. E. Hawes, A. L. May.

BANKERS ELECT PANEL OF AUDITORS

First Election Under the Revised Bank Act—Personnel of the Bankers' Association

The general managers of the chartered banks met this week to elect a panel of qualified auditors from amongst whom shareholders may select an auditor for the examination of the affairs of the bank in which they are interested.

This is the first time such action has been necessary, the election of auditors being covered by a new clause in the revised bank act. The association must select not less than forty and the list is to be sent to the Minister of Finance. Their names will be published in due course in the official *Canada Gazette*. A director or officer of the bank may not be appointed as an auditor.

At a special meeting of the Association trustees for the gold reserve fund were elected as follows:—The Canadian Bank of Commerce, the Bank of Montreal and the Royal Trust Company. The Royal Trust Company was chosen custodian.

Powers and Duties of Auditors.

The auditors' powers and duties are defined by the Bank Act, which says:—

"Every auditor of a bank shall have a right of access to the books and accounts, cash, securities, documents and vouchers of the bank, and shall be entitled to require from the directors and officers of the bank such information and explanation as may be necessary for the performance of the duties of the auditors.

"If the bank has branches or agencies it shall be sufficient for all the purposes of this section if the auditors are allowed access to the returns, reports and statements and to such copies of extracts from the books and accounts of any such branch or agency as have been transmitted to the chief office, but the auditors may in their discretion visit any branch or agency for the purpose of examining the books and accounts, cash, securities, documents and vouchers at the branch or agency.

"It shall be the duty of the auditors once at least during their term of office, in addition to such checking and verification as may be necessary for their report upon the statement submitted to the shareholders, and at a different time to check the cash and verify the securities of the bank at the chief office of the bank against the entries in regard thereto in the books of the bank, and should they deem it advisable, to check and verify in the same manner the cash and securities at any branch or agency."

Shareholders to Receive Report.

A full report must be made by the auditors to the shareholders on the following matters:—

1. On the accounts examined by them.
2. On the checking of cash and verification of securities.
3. On the statement of the affairs of the bank submitted by the directors to the shareholders.

The auditor's report must also state:—

1. Whether or not they have obtained all the information and explanation they have required.
2. Whether in their opinion, the transactions of the bank which have come under their notice have been within the powers of the bank.
3. Whether their checking of cash and verification of securities agreed with the entries in the books of the bank.
4. Whether, in their opinion, the statement referred to in the report is properly drawn up so as to exhibit a true and correct view of the state of the bank's affairs according to the best of their information and the explanations given to them, and as shown by the books of the bank.

Members of Bankers' Association.

The report has to be attached to the bank's annual statement and read at the annual meeting. Any further statements of the affairs of the bank submitted by the directors to the shareholders is also subject to audit and report.

The election of the panel of auditors is but one of the few important duties of the Canadian Bankers' Association.

The members of the Association are as follows:—

Honorary presidents, George Hague, Montreal, Sir Edmund Walker, C.V.O., LL.D., Canadian Bank of Commerce.

President, D. R. Wilkie, Imperial Bank of Canada.

Vice-Presidents, Geo. Burn, general manager, Bank of Ottawa; Alex. Laird, Canadian Bank of Commerce; E. L. Pease, Royal Bank of Canada; H. V. Meredith, Bank of Mont-

Council, E. F. Hebden, Merchants Bank of Canada; T. F. How, Bank of Toronto; B. B. Stevenson, Quebec Bank; Jas. Elliot, the Molsons Bank; N. Lavoie, La Banque Nationale; G. P. Scholfield, Standard Bank of Canada; C. A. Bogert, Dominion Bank; H. B. Mackenzie, Bank of British North America; G. H. Balfour, Union Bank of Canada; John Turnbull, Bank of Hamilton; W. D. Ross, Metropolitan Bank; H. A. Richardson, Bank of Nova Scotia; T. Bienvenu, Provincial Bank of Canada; Col. Jas. Mason, Home Bank of Canada.

All the members of the council are general managers.

The auditors of the Association are Messrs. F. G. Leduc, Banque d'Hochelaga, and J. Gillespie Muir, chief accountant, Merchants Bank of Canada. The secretary-treasurer is Mr. J. T. P. Knight, of Montreal.

Photographs of some of the members appear on other pages.

The members of the Canadian Bankers' Association, are well versed in the banking business. For most of them it has been a profession for the greater part of their years. On this point, Professor J. F. Johnson, in his report to the United States Monetary Commission on the Canadian banking system, said:—"The general managers of Canadian banks are, without exception, men who have been in the banking business since boyhood. They have worked their way up through all the grades of employment by the force of brains, industry, character, and good health. They know from experience the task of every employee and they know when it is well done. They hold their positions because they have proved their fitness. They are, in other words, professional bankers. Untrained outsiders can not break into the banking business as they do in the United States."

CANADA LIFE'S BUSINESS ABROAD.

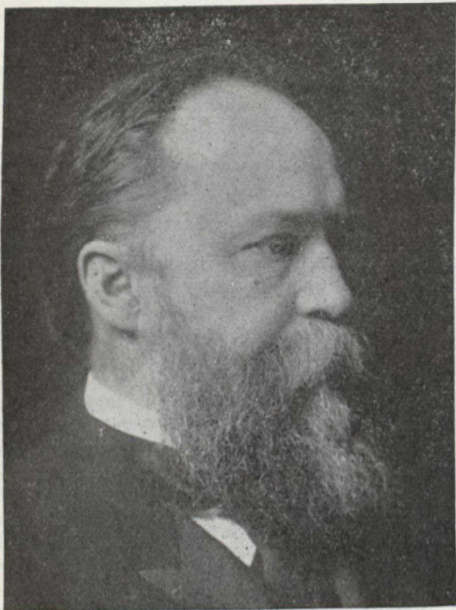
In a recent issue of *The Monetary Times* it was stated that the net amount of life insurance in force outside Canada and written by the Canada Life Assurance Company in 1911 was \$28,635,786. This should have been \$38,635,786. The amount in 1912 had increased to \$40,832,314. This well known company is doing considerable business abroad and has the second largest amount of insurance in force in other countries of the ten Canadian companies doing business abroad.

LONDON AND NEW YORK OPINIONS ON CANADIAN PACIFIC RAILWAY

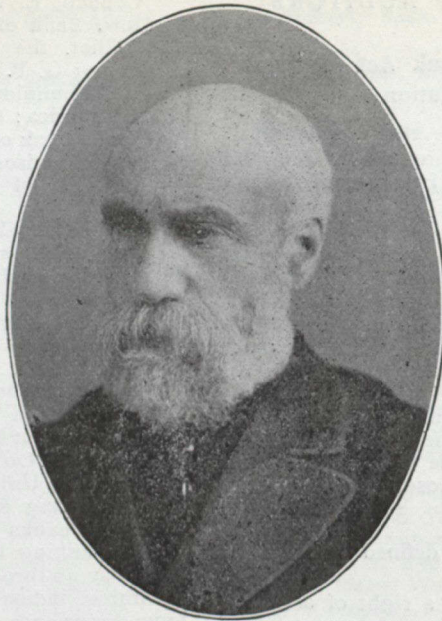
The Canadian Pacific Railway and its stock continues to be a prominent topic in the British and foreign press. The Westminster Gazette, of London, says:—"Without a doubt, the main reason for the decline in popularity of Canadian Pacifics is the evidence afforded by the weekly traffics and monthly statements that huge increases cannot continue for ever. The quieting-down of international politics has deprived the market of those sensational price-movements that attracted the born gambler to dabble in the shares. Canadas, for the time being, do not jump up and down at the rate of five points a day, while the small investor, with his purchases of odd lots of shares at high premiums, is much less conspicuous than he was a few weeks ago, before the traffics became as moderate, compared with the corresponding period last year, as they are now. Canadas have gone out of fashion. The Dominion is looking forward to a bumper harvest that shall make financial conditions better all over the country. If the promise of the crops is fulfilled, the Canadian Pacific stands to benefit hugely. Until it is seen whether this will come to pass or not, the investor and speculator appear to be content to give Canadas something of a rest."

The New York Journal of Commerce says:—"Some of those who expect that the Canadian Pacific Railway will sooner or later find means to distribute a stock bonus, through segregating its land assets or in some other manner, evidently base their expectations largely on the rapid growth of the company's surplus."

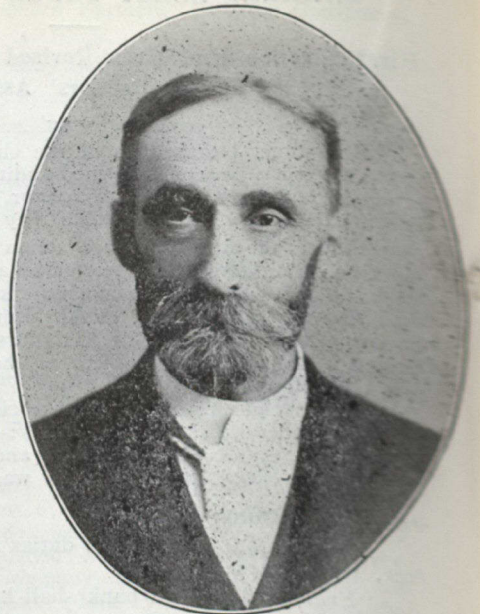
"The annual report due this fall will not, of course, deal with the premium on the 1913 issue of \$60,000,000 at 175. That premium will amount to \$45,000,000 which sum is far in excess of any premium with which the directors have had to deal. It seems a very large amount to apply as an appropriation for additions and improvements. At any rate it would be five or six times as large as any appropriation made for that purpose up to 1912. If it is decided to leave a portion of the amount in surplus account the surplus proper will be well over \$100,000,000 at the end of the current fiscal year, without counting any surplus earnings. And the surplus plus the balance at credit of land sales account will perhaps approach \$200,000,000."



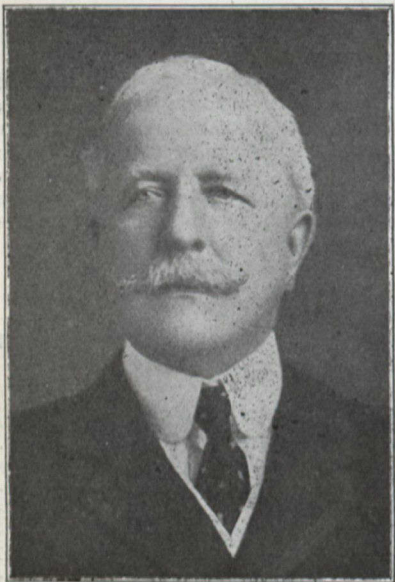
SIR EDMUND WALKER.



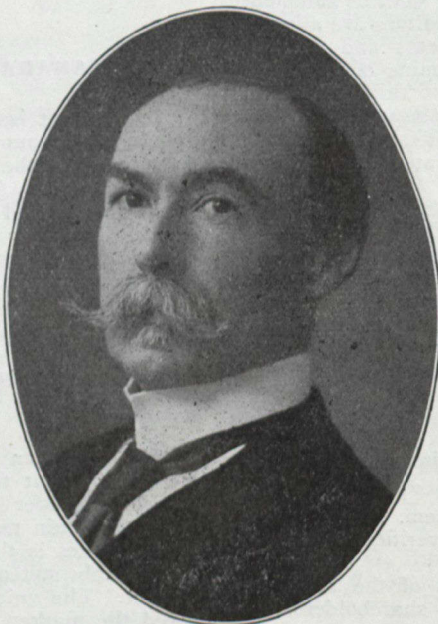
GEORGE HAGUE.



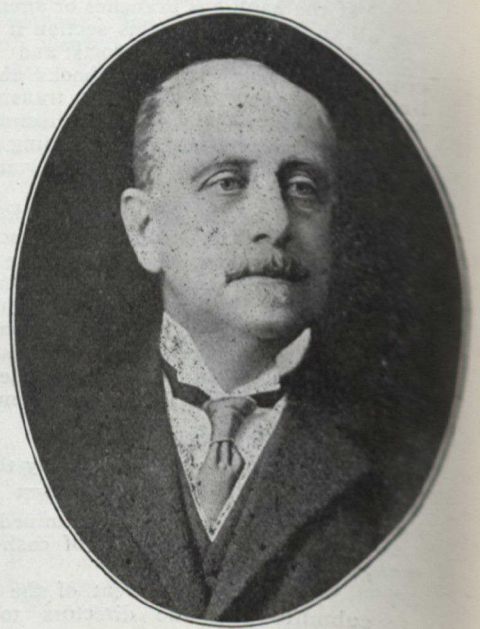
JAS. ELLIOT.



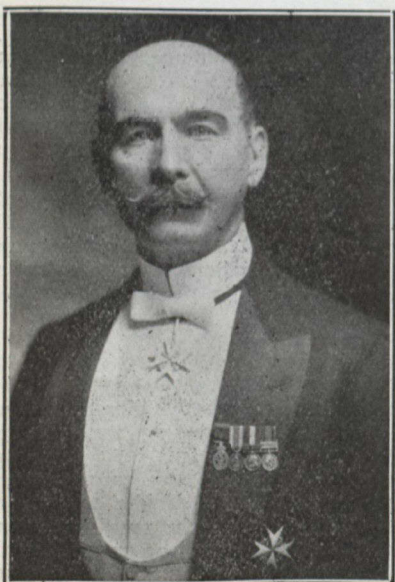
H. V. MEREDITH.



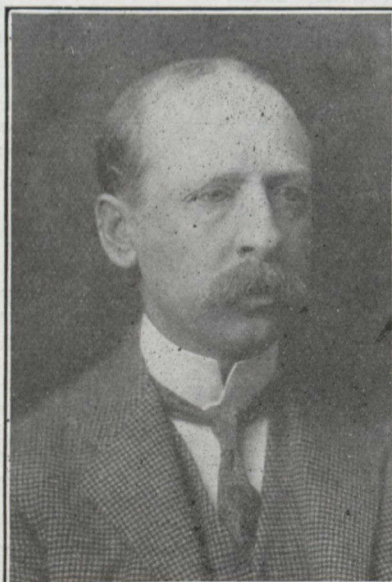
E. F. HEBDEN.



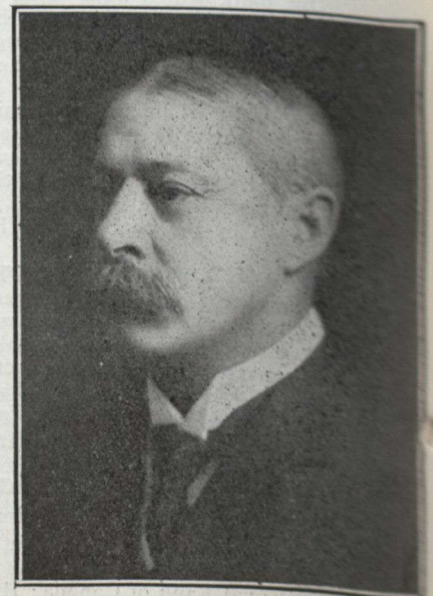
EDSON L. PEASE.



SENATOR MASON.



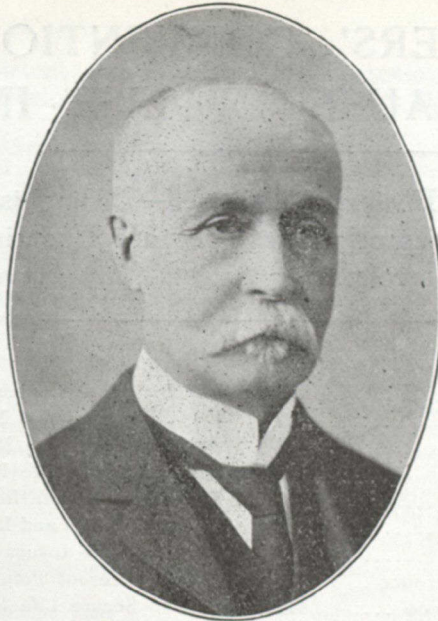
H. A. RICHARDSON.



G. H. BALFOUR.



N. LAVOIE.



GEORGE BURN.



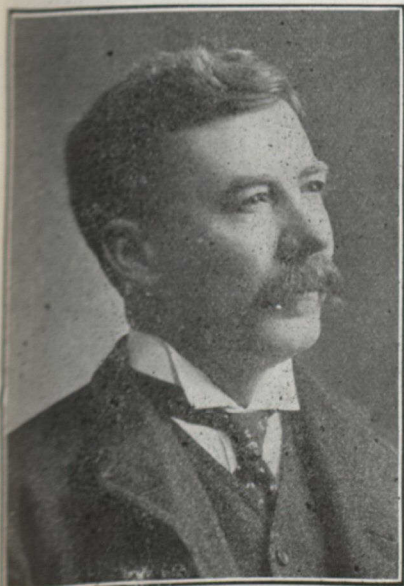
H. B. MACKENZIE.



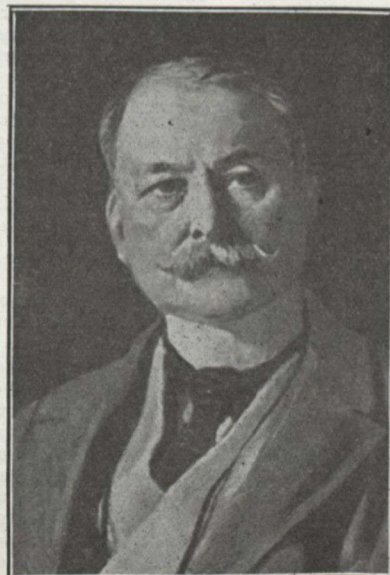
T. F. HOW.

Some of the Members of the Canadian Bankers' Association

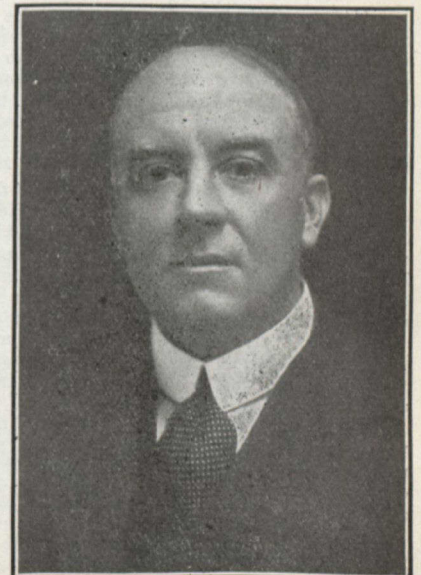
- SIR EDMUND WALKER, president, Canadian Bank of Commerce; hon. president, Canadian Bankers' Association.
- GEORGE HAGUE, hon. president, Canadian Bankers' Association.
- JAS. ELLIOT, general manager, The Molsons Bank.
- N. LAVOIE, general manager, La Banque Nationale.
- GEORGE BURN, general manager, Bank of Ottawa; vice-president, Canadian Bankers' Association.
- H. B. MACKENZIE, general manager, Bank of British North America.
- H. V. MEREDITH, general manager, Bank of Montreal; vice-president, Canadian Bankers' Association.
- E. F. HEBDEN, general manager, Merchants Bank of Canada.
- EDSON L. PEASE, general manager, Royal Bank of Canada; vice-president, Canadian Bankers' Association.
- T. F. HOW, general manager, Bank of Toronto.
- SENATOR MASON, general manager, Home Bank of Canada.
- H. A. RICHARDSON, general manager, Bank of Nova Scotia.
- G. H. BALFOUR, general manager, Union Bank of Canada.
- ALEXANDER LAIRD, general manager, Canadian Bank of Commerce.
- D. R. WILKIE, president, Canadian Bankers' Association.
- C. A. BOGERT, general manager, Dominion Bank.



ALEXANDER LAIRD.



D. R. WILKIE.



C. A. BOGERT.

LIFE UNDERWRITERS' CONVENTION AT OTTAWA AND THE CAUSE OF LIFE INSURANCE

Progress and Problems of the Business Discussed—Distinguished Canadians Advocate the Necessity of Holding Policies—Business Men are Underinsured—Government's Attitude Towards the Profession—Agents May Have to be Licensed.

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HOW TO SECURE LIFE INSURANCE PROSPECTS

Practical Pointers From Experienced Field Men— Underwriters Must Evolve Their Own Systems.

How I secure my prospects, was the topic of a lively discussion at the first day of the convention. Mr. O. B. Shortley, superintendent of the Ottawa district of the Metropolitan Life, was of the opinion there are many different ways of securing prospects, and did not believe that any two men can use the same system, and be successful. He said, "I have often tried to get men to do it my way, and they could not possibly do it. Neither could I canvass their way. A man must have a great deal of originality and work out a system of his own. Personally, I make it a point to become acquainted with the most successful professional and business men of the city. Not altogether for business purposes, but because it is pleasant. I never fail to tell people about my company, and I have secured many applications simply through talking about the company I represent.

"To be a successful insurance man, or a successful business man, in this line of business, one must be absolutely square, up and above board, and honest. Not only about his own company but about every other company, or anything else he may do. Obtain the confidence of all the people you meet, and success will follow you.

"Believe in the city you live in. Have every faith in it. You sometimes find people who are always finding fault with the town or city in which they reside. In other words, they are always knocking their own town. This is a mistake.

"One must love the business he is in, the company he represents, and the community in which he lives. If there is a man present at this convention who does not love the insurance business I would advise him to give it up, as no man can be a success unless he throws himself heartily into his work."

Obtains Proposal at First Interview.

Mr. W. C. Gaden, Montreal, said he interviewed a man only once. He never went back. He usually got his application. If he did not get it the first time, the prospect had to send for him. Mr. Gaden said he never quoted statistics but he made his prospect understand that he had come to write him for life insurance. He told the prospect that there was no guarantee that physical conditions and health would be the same thirty days hence as to-day and that he needed life insurance at once. In short, the prospect was made to understand that he had to take life insurance at once and that the agent was doing the insurer a favor.

Mr. H. B. Andrews stated he obtained a large number of prospects from the already satisfied policyholders of his company. Keep on good terms with the existing policyholders, concluded Mr. Andrews. That policy, with eternal vigilance and hard work, would secure prospects.

Mr. Johnson, of Calgary, gave personal experiences of obtaining prospects. He invariably obtained all possible information regarding men likely to be able to take insurance. He sent them literature; his agents visited them. He got, for instance, a list of wealthy Englishmen farming in his district.

He commenced his campaign by sending them an annual report. The Englishman liked figures and to examine reports regarding the company.

Mr. T. Hendry, Brantford, was another underwriter who believed in securing all possible information about the prospects in the district. For instance, in the country regions, he got a list of the farmers, learned what he could about them, started down the concession line, wrote a man of some influence, and used that fact to write the next fairly big man, and so on. The smaller men could be written on the return trip. Mr. Hendry wrote eighty-eight policies, in such a way, in one year.

On one occasion, he had been told of a farmer with a mortgage of \$700 on his farm. The money had been borrowed from a sister, who desired it repaid. He learned all the circumstances, went into the harvest field and tackled the farmer while on the binder. The farmer found that the insurance man knew the circumstances so well and put up such a good argument for insurance that the agriculturist took a policy.

Mr. Hendry thought the insurance man should take part in public life, become a member of the school board or some other body. He should keep in the public eye as a man who desired to help the betterment of his town.

He did not agree that a man should write only life insurance. He had often written a man for a good life insurance policy, because he had satisfied him with fire insurance.

Study the Man

Mr. Thomas Mills, Kingston, Ont., stated that the way he secured his prospects was to study them, their families, and their needs, business, financial strength, etc. Then, with full confidence in the company he represents, and the business he is in, he approaches the prospect and cultivates his acquaintance. "I go with him along his line of thought," said Mr. Mills, "and never oppose him, unless I see he is radically wrong in his reasonings. I always guard his interests as well as my own. He will see it and know it. I canvass a man so that I shall never be ashamed to meet him in after years. I let comparisons of rates, plans, etc., be honorable and above board. After a canvass, I always leave the door open to return and do not go back too often, or too soon, and any and every time try and come away with the proposal in my pocket and use it (with the proposer's permission) on my other prospects before sending it to head office. It is one thing to secure a prospect and another thing to secure a proposal.

"I never lose sight of the fact that man is mortal and that life insurance is insurance and investment and not investment and insurance. I impress the fact that there are two important things every man should do, namely, (1) Insure his life; (2) Make his will. The agent must not forget to insure his own life and not grow so familiar with the subject that he will conclude 'Every man is mortal but me.'

"I never try to bury the insurance element of any policy too deep in the grave which is lined with the evergreens of seven per cent. gold bonds and four per cent. compound investment policies and all the rest of it, because life insurance is life insurance and always must be considered, mainly, as such. Nevertheless, I do not fail to emphasize the fact that every policy carries with it the investment, as well as the safety element, such as cannot be gained in any other investment, and the security is beyond question, so long as our superintendents of insurance do their duty fearlessly and well, and they usually do."

MUST IMPROVE LIFE INSURANCE SALESMANSHIP

Also Increase Percentage of Persistent Business—So Said Mr. J. F. Weston.

In an excellent address, Mr. J. F. Weston, general manager, Imperial Life Assurance Company, stated a great deal of work remained to be done both by the Life Underwriters' Association and the Life Officers' Association. This would have to be performed jointly.

"In objecting to departmental interference," said Mr. Weston, "we practically assumed responsibility for the enforcement of the act in so far as it sets penalties against the commission of certain recognized offences. While we assumed these responsibilities, the department had laid upon it fuller inquisitorial duties, so that their reports now contain complete information as to the results of our transactions.

"This places us here in Canada, with our reasonable measure of freedom, in competition with companies which work under the laws of other states where the limitations we objected to apply. The public is interested in the results, and the latitude we will be allowed in the future depends largely upon the efficiency of our present work."

Keep Out Bad Agents.

Regarding the great necessity of good character in agents, the speaker said:—

"You, as field men, in the prosecution of your work, cover the recruiting ground from which new agents are to be drawn, and you are in a far better position than your head offices to select and develop them. The better you discharge your duties in this respect, and the nearer you come to supplying the demand of your companies for new men by furnishing them with men of character and efficiency, who are capable of doing business on business lines, the less liable you are to have thrust amongst you the outcasts of other countries trained in fraud and the methods which brought discredit upon our business there and limitations on the actions of honest men. Limitations under which these nefarious tricksters were starved like rats in times of famine, and they drag their pestilential influences across our borders and threaten our freedom and good repute.

"They come by scores to our cities. The other day one of these landed in Victoria—he had been operating in Oregon, but complained that the bankers there had got into the game and charged them 25 per cent. for discounting their notes. If we would give him two hundred dollars to start and allow a certain brokerage commission, he would write us \$1,000,000 in Canada. I do not know to what extent these undesirable have found employment here. I do know they have been seeking it, for I have had many of them call on me. I have even had them suggest that they would come to us if we would add certain clauses to our policies which they held were all-important as selling points, but which, so far as I could see, served no purpose, unless their ambiguous wording might give an impression of value which was not guaranteed. They are not always so easy to detect in their method of approach.

Head Office Does Not Want Them.

"I know that no head office wants them. We will welcome here in Canada any honest man of any race or nationality. We need them all in our business, but we do not want fraudulent or trick salesmen. There is in this country a great and growing demand for honest insurance to be honestly sold, and the duty of your association is to insist on honest practice, while at the same time you train men to efficiency in sufficient numbers to enable your companies to cope with the great opportunities which are expanding before them to-day.

"Consider the magnitude of our business as expressed by the combined assets of our companies, and you will find it is as a basis of our financial and commercial prosperity. We do not create wealth, but our system enables the individual to secure his hold on the wealth of the community, protecting the interests for which he is responsible and projecting the value of his existence beyond the limit of human life. It gives us a tremendously strong hold upon all classes of our citizenship, but we have no right to appeal to all that is finest and best in a man without also doing, each of us, our part to make and to keep conditions in our business such that we will not abuse the trust reposed in us.

Must Improve Salesmanship.

"At the moment there is no more practical issue than that of improving the methods of salesmanship and increasing the percentage of persistent business and by so doing relieve the persistent insurer of the cost of the waste resulting from our present methods. On the other hand, there are agencies of all our companies which really do business by carrying their transactions to a business conclusion by paying for the risk they place upon their companies. I see before me several men who I know for years have been large producers. They have used such latitude as their companies allowed, and have collected almost every item that fell due from year to year. With such men, not-takers are almost unknown and lapses very few. Now, the benefit of the work of these men is largely cancelled by the operations of the other class, and it is a responsibility resting on you field men to improve the general practice, and you can do much in that direction."

LEGITIMATE BUSINESS MEN ARE UNDER-INSURED

But Speculators Possibly Carry Too Much Insurance—Mr. D. E. Kilgour Sounds Warning Notes.

During the past few years there have been many business distractions which have made it difficult for life insurance companies to add to their agency forces as extensively as they should have done in order to be in line with the general business prosperity and be prepared for the consequent increasing business possibilities, said Mr. D. E. Kilgour, Toronto. Notably among these distractions has been the call for real estate agents. This has been an entirely abnormal condition of affairs, but it is obvious that in future we shall not have such severe competition from this source, at least, and that we will be able to welcome into our midst not only many men who have been lured away from our field forces, but others who are now free to enter our ranks. Unlike many forms of real estate agency work, the work of a life insurance agent is productive and legitimate. The call of our country to-day is for producers, and I know of no man who in the best sense of the word and on the most rigid economic grounds has a better claim to the term producer than the life insurance field man.

Need for the Part-Time Agent.

There is a variety of opinions on the subject of the part-time agent, but for my own part I believe that we must be slow in doing away with the services of part-time agents. Our one aim should be to place the life insurance business upon as stable and truly economic a basis as possible. Localities of limited population, as you know, make it impossible for a man engaged solely in the life insurance business to earn a proper competence. In these places, as well as elsewhere, we must continue to find it profitable to employ part-time men. There will continue to be a constant and increasing demand for the entire services of life insurance underwriters who by virtue of their devotion to the business become experts and leaders in the calling. Sometimes I think that in the equation of life we introduce too often the personal factor to the neglect of other factors, all of which are interdependent and correlative. We must all remember that what is best for the life insurance business as a whole is best for us who are engaged in the work.

Some Are Overinsured.

The past few years have been marked by big advances in new business. It has occurred to me that possibly a good deal of this new business has not been entirely of a satisfactory kind. I have every reason to believe that there has been an undoubtedly large proportion of the business coming from men engaged in transitory and unstable occupations. The men engaged in legitimate business—the professional men, the artisans—are still lamentably underinsured, but the sub-dividers, the speculators, and generally speaking, men of ephemeral wealth are, I think, in many cases, insuring to a greater extent than they have a legitimate right to do. Legally speaking, every man has an unlimited insurable interest in his own life. Though this may be true, I am firmly convinced that there is a large element of moral hazard in connection with big insurances of this nature, an opinion justified by the mortality experience based on amounts-at-risk. There is, comparatively speaking, the same relation between the amount of insurance a man has a right to carry and the capitalized value of his earning power as exists between the fire insurance carried on a building and the value of the building itself. Nor should we overlook the almost inevitable tendency of this class of business to discontinue.

On the general question of selection of risks, differences frequently arise between head office and the agents. I think, however, I can speak honestly for the head office when I say that it invariably endeavors to deal with the risks justly and equitably.

Companies May Aim Too High.

In connection with life insurance investments, there has been during the past few years an undoubted tendency to place an increasing proportion of the funds in the high interest-bearing securities, notably mortgage loans. Should we not recall that at one time this form of investment proved neither too safe nor too profitable, and is it not possible that competition will carry the companies too far in the direction of high interest-earning securities? After all, trusteeship is the underlying principle of our business, and to the extent that we depart from this we are pursuing an unwise and unsafe course.

Policy loans, as might be expected, have been largely on the increase. One of the chief advantages of a life insurance policy is the fact that it is in a sense a reserve account. Banks hold gold or government bonds for reserve purposes. From a financial point of view a reserve of this kind is absolutely necessary. The Bank of England never allows its reserve of gold to fall below a certain percentage of its liabilities. Is there any better form of reserve for an individual than a life insurance policy? It affords protection to his estate; it provides an increasing and ever-available fund for himself in time of commercial need; but it is poor business policy on the part of the individual to draw too much on his reserve, and this is what is happening at the present time. Nor can we overlook the fact that a heavily indebted policy in most cases means a lost policy to the company. What suggestions have the field men for improving the business in this respect?

Some of the Delegates to the Life Underwriters' Association Convention at Ottawa last week



The Delegates "looking pleasant" and taking a breath of fresh air in the grounds of the Experimental Farm, Ottawa.

Echoes of the Life Underwriters' Association Convention

There are still sheep without the association fold.
 Why not fewer five-minute topics and more time to them?
 Reduce the policy loan, may be the next order from head office.
 An ingenious parody on a life insurance policy was handed around.
 There are yet people who have religious arguments against life insurance.
 The Manufacturers and Metropolitan had the largest delegations at the convention.
 The Life Underwriters' Association convention will go to Halifax in 1914 and to Calgary in 1915.
 Mr. J. T. Chenard, Quebec, protested against the taxes mulcted from life insurance agents in several small towns in his province.
 The only thing they want to know now is what were the sweet words Tory, of Toronto, whispered on Thursday morning to Burrows, of Belleville.
 The long and the short of it—Kavanagh, of the Metropolitan Life, and Wickware, of the Imperial. The thin and the not so—ditto, and Alexander, of Richmond, Que.
 No official organ of the association could play a prettier tune than did Mr. Johnston, of Calgary, in his invitation to meet there in 1914, but the choir sang another tune for that year.
 Everything that drank gasoline was pressed into service for the motor ride to the experimental farm—from the trim tourist to the luxurious limousine, from the trade truck to the battlefield boneshaker.
 Mr. G. McCuish, Montreal, on behalf of the Dominion Life Underwriters' Association, in a pleasing address, presented retiring president Tory with a cluster of diamonds as a mark of their affection and appreciation.
 Retiring President Tory stated he had followed the advice of *The Monetary Times* and had deleted poetry, quotations, etc., from his presidential address. The result was one of the most businesslike addresses on record.

The Calgary invitation died hard but gamely.
 The Ottawa association worked hard and did well.
 Which would you rather, judge the prize essays or go fishing?
 The only time the fire smouldered was during the pension discussion.
 Mr. Blackader, of the Dominion insurance department, was at the banquet.
 As one delegate said, Mr. Campbell, official reporter of the convention, is "all write."
 Mr. W. Lyle Reid said that the Ottawa mint was busy—keeping pace with tight money.
 Modesty is one of the true characteristics of the life insurance man—Mr. Johnston, Calgary.
 Mr. Johnston, of Calgary, achieved fame as the man "who dared to criticize Canadian Pacific Railway beefsteak."
 To obtain transportation privileges home, they had to search the highways and byways and basements for delegates.
 In New England there is a city named after a man who did not believe in life insurance. The name of that city is Marblehead.—Neil D. Sills.
 An invitation was issued to every insurance man in Canada to attend the World's Insurance Congress at San Francisco from October 10th to 15th, 1915.
 Wilson, of Winnipeg, wanted a cold bath and they sent him ice for his hot water—that is what one gets for living in a city where the cold is the kind you do not feel.
 Mr. Neil D. Sills' invitation to Canadian life insurance men to the United States insurance agents' convention at Atlantic City was introduced with musical honors—the twelve o'clock gun and siren.
 Mr. Fisher, superintendent of insurance for Saskatchewan, attended the convention and stated that he thought the supervision of insurance in all its branches could best be accomplished by looking after the interests of the agents in every way.

The addresses in French made good oratorical dessert.
 The French-Canadians carried off many of the convention honors.
 To prevent sentimental lapses, the life underwriter should stand up.
 How far might a crooked man reach if he were straight.—Neil D. Sills.
 The Kingston association has every life underwriter in Kingston as a member.
 Mr. Johnston, of Calgary, is a silver-tongued orator and an insurance man of ability.
 Ottawa and Toronto dailies reported the gathering as that of the "Fire Underwriters' Association."
 A Quebec insurance agent faked a death and made a claim—which only shows what non-membership of the association will do.
 "We could help the government insurance department and they could help us, if they would mix with us more."—Mr. J. A. Tory.
 Mr. Mills, of Kingston, said the newspapermen would never get their proper reward in this world—another argument for life insurance.
 Hon. Rodolphe Lemieux seemed very anxious for the health of the Dominion government. He should take out a policy on its life.
 Poetry, quotations, dictionary definitions, Latin, Greek, and other extraneous matter was less in evidence than hitherto, much to the benefit of the convention. But there is still room for improvement.
 Ex-President Taft was said by Mr. Sills always to buy two tickets for a baseball game. Some underwriters seemed to doubt whether two seats would quite accommodate Mr. Alexander, of Richmond, Que.
 H. B. Andrews, Winnipeg, spoke of reading life insurance articles in financial journals written by men who knew nothing about insurance, forgetting that it is next to impossible to get the insurance men themselves to write for those journals.

The 1913 convention was the most businesslike on record. "Chuck full of enthusiasm" was how a delegate dubbed John A. Tory.
 Belleau, of Quebec—the oratorical acme of French-Canadian politeness.
 There were forty-two at the meeting of the executive committee on Monday evening, the largest attendance on record.
 The banquet orchestra invariably competed with instead of assisting the impromptu singing. The result was discord and defeat of the orchestra by two bars and a cheer.

NEW OFFICERS OF THE LIFE UNDERWRITERS' ASSOCIATION

The following officers of the Life Underwriters' Association of Canada were nominated:—
 Honorary President—J. A. Tory, Toronto.
 President—J. B. Morrisette, Quebec.
 Vice-Presidents—J. A. Johnston, Calgary; A. J. Meiklejohn, Ottawa, and the president of the National Association of Life Underwriters.
 Executive Committee—Brantford, John Burbank; British Columbia, W. J. Twiss; Brandon, E. Daw; Brockville, H. B. White; Central Ontario, Gordon Hall; Calgary, P. A. Wintemute; Cape Breton, A. R. McIsaac; Edmonton, Dunlop; Eastern Townships, G. J. Alexander; Grey and Bruce, R. W. McGregor; Guelph, F. B. Hilliard; Hamilton, W. H. Seymour; Huron, Thos. Jolliffe; Kingston, J. B. Cooke; London, V. Reeve; Montreal, G. E. Williams, H. H. Kay; Winnipeg, J. A. Wilson, R. S. Rowland; Moose Jaw, Houston; Niagara Falls, McEvoy; Nova Scotia, S. D. Freeman; New Glasgow, P. Macfarlane; Ottawa, W. M. Stevens, W. Lyle Reid; Prince Edward Island, J. O. Hyndman; Port Arthur, E. J. Seeley; Prince Albert, T. C. Sinclair; Quebec, J. F. Belleau; Quinte, S. Burrows; Regina, J. H. H. Young; St. John, F. S. Farris; Sault Ste. Marie, R. H. Carney; Toronto, Fred Chance, W. E. Nugent; Victoria, A. B. Fraser; Windsor, A. G. Roberts; Waterloo, W. M. Lockhead.
 Auditors—Geo. Jenkins and T. Johnson.
 Representatives to Executive Committee, National Association Life Underwriters—Chairman of Executive Committee, ex officio, W. McBride, for one year; J. A. Tory, for three years.

WHAT THREE GREAT CANADIANS THINK OF LIFE INSURANCE

"Every man in such a civilized country as Canada, should carry a life insurance policy."
 —Sir Wilfrid Laurier

"Life Insurance should commend itself to the judgment of all thinking people."
 —Premier Borden

"Among my friends now are men in whose arms I am one day to die to give some benefit to my family."
 —Hon. Rodolphe Lemieux, K.C.

WANTS LIFE INSURANCE AGENTS LICENSED

By the Dominion Government, Rebaters Prosecuted and Amendments to Insurance Law—Address of Mr. John A. Tory.

The licensing of all life insurance agents by the Federal Government insurance department and the need for further amendments to the Dominion Insurance Act were but two of the many important suggestions in the address of Mr. John A. Tory, retiring president of the L.U.A.C.

Dealing with legislation past and future, Mr. Tory said:—

"During the past year different associations have been called upon to take action in connection with legislation in individual provinces, and we have been able to accomplish much good, but there is a further work for us to do. The bill proposed by the Ontario Government with reference to proof of age was one that would have meant a great hardship to the field men and would no doubt have reduced very materially the amount of their production, but your executive officers, working in connection with the Life Officers' Association, were able to show so conclusively that the bill was unfair that a splendid compromise, satisfactory I think to all concerned, was secured.

Watching the Legislatures.

"It is very essential that the Legislative Committee appointed by the Executive Committee this year keep in close touch with the different Legislatures as well as with the Federal Parliament. Always be prepared for any emergency that may arise. The local associations should back the Dominion officers to the very limit. The support given the Dominion Association in the province of Ontario last winter was magnificent.

"Now, as to the future, I believe the legislative committee should seek to have enacted an amendment to the Dominion Insurance Act which would make it compulsory on the part of the insurance department to prosecute cases of rebating where the facts are submitted to them by the local association and the fines should go to the insurance department to pay for the prosecution.

"Another thing that should receive immediate attention is an amendment that will prevent the switching of business by unscrupulous agents from one company to another. Rebating is practically a thing of the past, but a worse evil in my opinion is misrepresentation and the switching of business. When you switch a policy, in nine cases out of ten, you do an injury to the assured and he suffers a financial loss.

License the Agents.

"The misrepresenting of policies should be placed in the same class, and should be prohibited. You ask me how to overcome these two evils. I think it can be done in a very simple manner, and that is, allow no man to solicit life insurance in any manner unless he has a license issued by the federal government. This license should be issued free of cost to the different companies.

"Then when any local association or a committee of the Dominion Association submit proof to the insurance department that an agent has misrepresented or switched a policy, his license should be suspended or cancelled. Put that law on the statute books of Canada and you would do away at once with switching and misrepresentation. The Union Life incident also shows the necessity of amendments to the insurance law."

Business of Life Insurance.

Discussing the business of life insurance generally, Mr. Tory said:—

"I sometimes wonder whether we are fully alive to the possibilities of our business, whether we grasp the magnitude of it. At no time in the history of the world has the value of life insurance been so clearly shown as during the year 1913. This has been a strenuous year for many a business man.

"The close of 1912 showed signs of the coming financial storm. Men who thought they were worth a lot of money found it necessary to borrow. They applied to banks and other financial institutions and were unable to do so, and the life insurance policies that they had paid premiums on for years and in some cases thought little of, proved to be the means by which they were tidied over.

How It Has Grown.

"No one can calculate what life insurance has been to many a man this year. So much so that the insurance business, the insurance companies, to-day stand in a class by themselves in the eyes of the people. In Canada, in 1912, there was insurance in force of \$1,089,077,232. Divide this amongst a population of, say, eight millions, and you will at once see how the Canadian people value life insurance. During the same year there was paid to policyholders in Canada nearly \$23,000,000.

"In 1902, just ten years ago, the amount of insurance written in Canada was slightly over \$80,000,000. Ten years later, in 1912, we wrote \$243,000,000 of insurance. In 1902 we had about \$509,000,232 of insurance in force in Canada; in 1912, \$1,089,077,232.

"The Canadian people appreciate as no other people the value of life insurance, but, gentlemen, if the Canadian people

have shown such faith in our business as to place us in a class by ourselves, is it not true that a greater responsibility rests upon us as field men than rests upon any other class of people. Let us demonstrate to the insurance companies, to the people, that we realize our responsibilities, that our aim and object is to place our business on a higher plane than ever before, and, at the same time, to protect the public and their savings.

"Let us endeavor to convince the underwriters remaining outside of our association that we need them, that they can be of service to us, and that we can be of service to them. We have had to feel our way, in the past, as it were, but now we have reached full manhood let us become a more aggressive organization for the good of all mankind."

Mr. Tory also dealt at length with many routine and other matters. He suggested another year's trial to the plan of district vice-presidents of the Association, the appointment of a permanent paid secretary, great care in the selection of executive committee members, and the establishment of an official organ of the Association.

As to Educational Features.

"During the past year," said Mr. Tory, "steps have been taken to have insurance taught in several of the commercial high schools and we believe it is possible for a series of lectures to be given the coming winter in every commercial high school in the large cities of Canada. The superintendent of schools in one of the cities of the Dominion is thoroughly in favor of the plan and thinks that each province should have a series of lectures on life insurance given to all commercial scholars. If we had a permanent secretary this would be part of his work, the arranging of lectures in different provinces and the securing of members from the Life Officers' Association, the Insurance Institute, and also from our own Association as speakers."

Mr. Tory urged that every life insurance agent should become a member of the Association.

"If the executive officers of every life insurance company doing business in Canada," he said, "would make it compulsory for every field man in their employ to become a member of the Association, you would at once see an improvement in the general class of business, less lapses, better selection of risk, and a higher type of field man, and I believe the time is not far distant when every contract shall have a clause in it that the representative must become a member of some association. The closer and more friendly the relationship the better for the business."

Question of Taxation.

The question of taxation is becoming more acute every year, said the president. "We believe," he continued, "that every agency manager and his corps of agents should seriously consider if it should not be part of their canvass when discussing life insurance with their clients, not so much perhaps to reduce the present taxation, although we are absolutely convinced that the taxing of life insurance premiums is all wrong, but to prevent increases. We therefore recommend that we place ourselves on record as being opposed to the taxation of insurance premiums, and pledge our support to the Life Officers' Association in any campaign that they may undertake against taxation."

AWARDS OF CUPS AND PURSES

Mr. C. H. Armstrong, of the Imperial Life Assurance Company, Toronto, was the winner of the essay competition, "Life Insurance as a Factor in Social Economics." This was received by Mr. G. W. Hunt on behalf of Mr. Armstrong. Mr. A. N. Mitchell, in presenting the cup, stated there were not two parts in life insurance; there was no fence between the head office and the field force. When the field force did right, it benefited the head office. If the head office made a mistake, the field force felt it. Mr. Mitchell protested against government taxation in the insurance business, and thought the policyholders should be posted on the matter. They could stop this innovation with their votes.

The Winnipeg, Quebec, Peterborough and Kingston associations were presented with purses of gold in the membership competition.

The prize to the local association showing the largest percentage of increase in membership, presented by Mr. John R. Reid, was awarded to Winnipeg.

Mr. W. B. Campbell was given a cup as a mark of appreciation of his good work in connection with the meetings of the Toronto association.

The Quebec association won the cup presented to the association which held the six best meetings during the year, presented by Mr. A. H. Vipond.

The prize of fifty dollars in gold, presented by Mr. George H. Allen, general manager, Travellers' Life Insurance Company of Canada, for the best essay on how to close a risk, was awarded to Mr. Cushing, of the Sun Life Assurance Company. The winner has had four years' experience in actuarial spheres and two years in the field, he preferring the field work. Mr. Allen made a pleasing speech in presenting the prize, speaking of the good work of the association movement and the raising of the standard of the life insurance business.

GOOD LIFE INSURANCE BUSINESS STAYS

Problem of Lapses Largely Solved by Careful Selection —Agents Should Never “Press” a Prospect.

Punctuated with anecdotes, quotations and Macbridisms, a dissertation on how far a man should be pressed by the life insurance agent in canvassing was given to the Ottawa convention by Mr. William McBride, of Winnipeg. Introducing his subject with some good insurance vaudeville, Mr. McBride claimed an agent was not justified under any circumstances in coercing a prospect into closing a contract. The speaker got his experience in pressing men into insurance twenty-four years ago, just after he launched into the business. “In Kenora, Ontario,” said Mr. McBride, “I pressed a man into applying for a policy and squeezed out of him the premium \$34.50 just after he was examined. A few days after he accused me of hypnotizing him and cheating him of \$34.50, said he would never pay another premium, and that he would do all in his power to damn my business in Kenora. I handed him his \$34.50 and expressed my regret at having convinced him against his will.

“A few days later I had a similar experience in Keewatin, three miles from there. I settled the matter in the same way. I then firmly resolved that I would never in any way press any man into closing an insurance deal. Ever since I have scrupulously observed that resolution.

Line of Least Resistance.

“In canvassing for insurance, we must follow the line of least resistance. Experience should teach us that the moment we begin to press a man we arouse his hostility and awaken his combativeness. To produce results we must approach a man in a calm, composed, dignified manner, and thus command his attention and win his respect. If we are not willing to wait patiently till his ideas are matured and the psychological moment is on, but begin pressing him to a conclusion, he will at once detect our overanxiety, and the vacant spaces in his cranium will soon be filled with the justifiable and firm conviction that his interests are only secondary in our minds, and that the *raison d’être* of our persistence is self-aggrandizement, and he is very likely to look upon us as men possessed of unlimited impertinence. Ever keep in mind that persuasion is produced by arguments addressed to a man’s nobler feelings, and that conviction is produced by arguments addressed to a man’s understanding.

“The main redeeming feature in the Armstrong Insurance Bill was the one that put an end to too much high pressure business obtained south of the line, and limited the amount of new business written by any one company in one year. As a result, a more abiding kind of business was put on the books, more attention given to conserving the business in force and reinstating lapsed policies.

Effects of High Pressure.

“The effects of high pressure methods are just as conspicuous on our side of the line. A few days ago I read an article in which it was stated that in Canada alone over \$500,000,000 lapsed or non-placed policies had been written off the books within the last decade. What is the principal cause of this appalling, expensive and wanton waste of insurance funds? Simply the fact that unhealthy rivalry and the high pressure systems in vogue have incited agents to press men into taking insurance before they have been sufficiently educated to see the importance of it, or before they have thoroughly understood the misfit plans sold them by agents who have thought more of their commissions than of selling a policy exactly adapted to the means, the age, the family conditions or business needs of the applicant.

“In insurance we have had too much which is the natural sequence when applicants have not been given time to read, mark, learn and inwardly digest, but have been crowded into insurance hot-houses and prematurely ripened by overanxious agents. Such a high pressure process does not produce consistent and persistent policyholders. Let the agents learn that the business that stays is the business that pays, and that the prevention of lapses is infinitely better than the restoration of them. Abandon all undue pressure of prospects, and imbue your mind with the fact that properly managed companies judge of an agent’s ability not by the volume of his business, but by the stability of it.

“In earlier days, when agents had more destructive than constructive tendencies, a large percentage of lapses was caused by unscrupulous transplanting processes. Thanks to our fraternal association movement, and our developing human tendencies to co-operate for mutual protection, that is now reduced to a minimum, but still the percentage of lapses pursues from year to year the almost even tenor of its course, and with very little diminution.

Stability of Business.

“The greater the pressure brought to bear upon men, the less the stability of our business. Before being fully persuaded in their own minds, men have too often been either wheedled or pressed into taking insurance by the temptation of quarterly or half-yearly premiums being presented. Every time you write a quarterly premium you multiply by four the annual chances of a lapse. In the last four years I have not had a single non-placed policy written by myself, and in the last twenty years

my own non-placed policies have not, I think, averaged over one a year. I do not say this for self-commendation, but to prove to you that my theory of never pressing a man enhances the stability of the business.

“When prospects know that a certain agent never presses, he can always get a hearing and a welcome that would not be accorded an agent who is known as a most persistent presser for new business. I have proved this theory to my own satisfaction in my own quiet way during many by-gone years when I have been in several competitions for volume of new paid business, and my colleagues in the same company know that I was never beaten except once, when I took second place. I wrote during the twelve months ended last July 1st more paid-for applications than any other agent in our company’s employ. I know my own limitations and that my ability is mediocre, hence I attribute any little success I have had to my adopting a plan of never under any circumstances pressing anyone, and never being in unseemly haste to whip out an application or rush a man off to the doctor the very moment he has given an answer in the affirmative.”

GREAT WORK OF LIFE INSURANCE

It Has Become One of the Greatest Financial Institutions in Canada—Address of Mr. T. B. Macaulay.

Mr. T. B. Macaulay, managing director of the Sun Life Assurance Company, delivered a striking address on the business of life insurance at the Ottawa banquet. Introduced as the friend of every man who carried the rate book, he first spoke of the great work done by the Association movement. It had lifted the profession, ennobled and cleansed it.

The first insurance company was founded in Egypt when Pharaoh took the surplus of the seven years of plenty and saved them against the seven years of famine. Insurance policies dated back to the time of Babylon.

The first permanent insurance company of the modern type was the old Amicable, founded over one hundred years ago. It passed out of existence so that it could be remodelled to suit modern conditions. Some of the difficulties experienced by that old company continued down to the present time. To-day the companies were still trying to solve the problems. Life insurance differed radically from fire and marine insurance on several points. The chance of death to life increases year by year. The fire hazard remained about the same. A fire policy could be cancelled without hardship to the holder, not so in the case of a life policy.

How to Base Premiums.

The question of premiums had been a difficult one. It was originally thought that the annual premium should increase with the age of the insured. This had been tried by the assessment and other societies but had failed badly. A man could not afford to pay say six dollars per thousand dollars of insurance the first year, increasing to eight, ten, thirty, fifty, a hundred and so on. If, then, life insurance could not be successfully given on the plan of steadily increasing premium, how could it be given? On the old line life insurance plan, was the answer. Instead of paying the increasing premium, every person paid a premium, which consisted of two parts—first, for the risk of death at the age of insurance, and second, to make up for later deficiencies in the premiums of later years.

This meant that life insurance companies had become great accumulators of funds. That was why those companies were among the greatest financial institutions of the world. Those doing business in Canada had already accumulated over \$300,000,000. Unlike bank deposits, that amount could not be withdrawn. It had been invested by the companies, profitably and in a far better way than the average small policyholder could invest.

Greatest Financial Business.

Life Insurance must always be one of the foremost financial businesses. While the banks, in times of financial stringency, were putting on the brakes, the life companies were one of the most important factors in relieving the stringency by loaning money right and left. While the population of Canada had increased about twenty per cent. in the past fifteen years, the gain in insurance funds had been fifty per cent. But life insurance companies did not exist only to accumulate funds, although that was one of the necessities. They existed primarily to pay out money to widows and orphans.

Life Insurance in Force.

The life insurance in force in Canada to-day was over \$1,100,000,000. That meant the companies were under obligation to pay that amount during the next generation. How many homes would that hold together? How many children would that enable to get an education who would otherwise not get it?

Mr. Macaulay’s definition of life insurance was organized philanthropy, or philanthropy reduced to a business basis.

If, concluded Mr. Macaulay, a wealthy man chanced to die in a time of financial stringency, \$100,000 of life insurance might save \$1,000,000 of securities. It would prevent the bank pressing the estate for settlement by a sacrifice sale. Life insurance was for poor and rich alike.

PART-TIME LIFE INSURANCE AGENTS

Pros and Cons of Employing Them—Advantageous in Rural Communities.

What is the place in the economy of an agency and the legitimate purpose which the employment of a part-time man may serve? was the question of Mr. A. J. Meiklejohn, district manager of the Confederation Life Association's Eastern Ontario branch. One of the most important purposes is the education and development of a promising apprentice to the end that he may permanently give all his time to the business. Those who are entrusted with the management of agencies and the building up of a staff are quite aware of the fact that with rare exception men do not succeed in this business until they are at least twenty-five or thirty years of age; by that time the capable ones, which are the only ones we want, have become established in some other line of business or professional life. It follows that until insurance schools are established for the education and preparation for this profession, as well as others, that we must draw our recruits from men who are already entered successfully in some other occupation. It would scarcely be fair in any case to induce a man to give up a satisfactory position to undertake insurance writing, and we find it necessary frequently to give such men part-time contracts in order that they may try themselves out—for no one knows whether he will prove a success until he has been given a fair trial. I do not believe in the employment of part-time men in cities and towns that are large enough to satisfactorily justify the placing of full-time men, but in small places and rural districts the part-time local agent may serve a good purpose. It is important, however, that he should be a man of excellent standing in the community, thoroughly reliable, and carry sufficient weight that an introduction by him of his client to the general agent will give a respectful hearing, and in this way a great deal of time may be saved, as the local agent merely serves the purpose of getting in touch with business and interesting his prospect in a proposition and then introducing an experienced salesman to his client. In rural districts especially the public look upon anyone who has anything to sell with more or less suspicion, and a proper introduction by the right local agent, a man who has the confidence of the public, will disarm the client of his suspicion.

Help at the Start

I have found it more advisable, especially in placing new men on my agency list as part-time men, to give them commission contracts which call for the same commission with or without help from the general agent. Although this does not work out to success with a lazy agent who wants you to do all the work and give him the commission, I think it well to let him understand from the beginning that he must have some preparation with his client before accepting an introduction from him with a view to closing the business. On the other hand, with an agreement of this kind, a new agent will not hesitate to ask you to come in and help him at any moment he feels that there is a chance of closing up some of his business. As soon as the agent has become sufficiently competent to do business by himself, it is well to increase his commission on business done alone and in accordance with his ability, even though he may not ask for this increase. I find it is a good plan to offer some type of bonus for a minimum production as a stimulation to keep up his interest and give a steady production. Sometimes a very little suggestion, as, for instance, putting it up to the agent to average a \$1,000 per week, will serve an excellent purpose. During the early months of a part-time man's contract it is very important to keep a constant supervision of his work and do everything possible to encourage him. A good start is an excellent incentive for future success. It is stimulating to him to have the district manager point out at the end of six months that he has given satisfaction and that the manager is expecting him to equal, if not better, his first six months' production. The district manager or general agent who has a wide field and a large staff will frequently find it impossible to visit every member of his staff as often as he would like. I have found that a short, bright letter with a word of encouragement or timely suggestion is sometimes quite as good as a personal visit.

May Finally Adopt Underwriting Profession.

One of the first things I do when I get a new idea or suggestion is to try it out myself and then hand it on by letter to the members of the staff. A part-time man thus feels he is part of the machinery of the institution he represents and is led to take some pride in his company. I have noticed in localities where a successful part-time man who has developed a certain amount of pride in his company is at work, that letters from policyholders speaking well of the company come in quite frequently to the branch offices. This, of course, is one of the most encouraging signs, as the better a company is known and the more satisfied its policyholders are the easier it is to write business. This confidence which the local agent has in his company speedily diffuses itself throughout the whole community, if he is the right kind of man.

Having developed a bright part-time man who is perhaps engaged as clerk in a country store, or machinery agent, or bank clerk, into a state of some efficiency, one can only wait until the institution to which he belongs treats him in a manner which he disapproves when the company will be able to adopt life insurance. I have had some success with insurance brokers in small places who write fire, life and accident. As soon as it is possible to give him a renewal contract, I take an interest in

keeping up his production, and I have found as a rule he writes a comparatively steady business of a good kind. The city insurance broker I have nothing to do with. The chief difficulties in the way of successfully handling part-time men are the danger of them dying out—they will write a few of their friends, and unless carefully watched may stop there. When their productiveness has ceased I find it wise to call in their rate books and cut them off the list. There is a psychological moment in the agent's success, when they have to be watched very carefully and encouraged and helped to tide them over this period of loss of interest.

Relations Between Client and Agent.

Another difficulty frequently presents itself, arising from the fact that as soon as you get a man into a position to do business he is sure to receive flattering offers from other companies, which in the majority of cases he finds when it comes to finally signing up an agreement are really no better or as good as the contract he has. It has the effect to upset him and to lead him to be on the lookout for the last cent possible to get out of the business. Then again, the badly-informed and untrained part-time man is liable to be guilty of misrepresentation, due generally to ignorance, which is found to cause trouble to the company. It is better to carefully point out to him from the beginning the absolute necessity of familiarizing himself with the contract which he sells and getting some general knowledge of the company he represents. I insist on having the part-time man take considerable trouble in placing policies with the client; to go over the contract and explain it fully to his client. This not only satisfies the policyholder, but serves as an education to the local agent.

Mr. Burrows, Belleville, was entirely opposed to the part-time man. He usually did little business, but claimed the commissions.

WHAT LIFE INSURANCE CAN DO

Prominent Men Speak of the Benefits of a Policy to Rich and Poor Alike.

There was no doubting the enthusiasm of the men and the magnitude and future prospects of the business at the annual banquet of the life underwriters of Canada at Ottawa last week. Faith in the work and in the future was the predominant note of the excellent speeches. Controller Parent, in English and French, welcomed the delegates to Ottawa. Mr. W. Lyle Reid, president of the Ottawa Life Underwriters' Association, proposed the toast of the ladies in a happy little speech, stating in passing that the chief talking point in selling life insurance was woman.

Mr. J. E. Kavanagh, superintendent of agencies in Canada of the Metropolitan Life, in toasting "Life Insurance," said it could be defined from many standpoints, that of the insurer, the insurance agent, the beneficiary, the public in general, government supervision. From the public standpoint, it might be described, he continued, ironically, as a clever scheme on the part of many healthy people of the country, which employed a number of agents throughout the land with instructions to call on the other people of the country, get them to sign an application, to visit the doctor, satisfy him, and then for the next twenty or fifty years to remind them that they had wives and children and mothers and that they might die one day!

How Life Insurance Helps.

There were other definitions. Life insurance was a business that enabled sweethearts to get married before they had saved a great deal of money. It enabled the young man to go into business similarly, because of the insurance on his life. It enabled men to build houses, buy homes, get mortgages, for men to enlarge business.

The life insurance business was just beginning to see its growth. Some thought that the business was overdone. He thought it was but in its infancy. People were just beginning to realize its great possibilities, not only as protection against death, but also against trouble in business, against sickness. Serious efforts were being made by the companies to prolong life by mitigating social evils and the ravages of tuberculosis. The business was tending to make the country in which we live a better one.

Most Talkative Business.

In an eloquent address of some length, Hon. Rodolphe Lemieux, K.C., spoke to the toast of "Canada," tracing the heroism and hardships of the early French settlers in Canada and the constitutional changes in the country's history. "You rightly think that Shaughnessy, Mackenzie, Van Horne, and Mann are great railroad pioneers, but what could they have done without the men who first blazed the trail—La Salle, Jolliette, Champlain?" Describing the growth and resources of the country, no one knew, he said, better than the insurance man the significance of the constant volume of immigration.

Mr. Lemieux had had his strong prejudices against the insurance agent, but among his friends now were men in whose arms he was one day to die to give some benefit to his family. It was always difficult for even a lawyer to speak after an insurance man. When he studied for the bar, he was told a lawyer should be the best speaker in the country, bar the insurance agent. Life insurance was the most talkative business in the world. Of all institutions in Canada, insurance was the best—after politics and the bar.

HOW TO PREVENT POLICY LAPSES

Companies Must Keep in Contact with Holders, and Agents Should Explain Contracts Purchased.

The lapse question has always been a problem in life insurance, and the convention indulged in a brisk discussion on the matter. How to prevent lapses? That was the question for answer. Mr. E. R. Machum, St. John, said the best way to do that was to sell life insurance to the right kind of people, while Mr. McConkey, Toronto, thought the best way was to keep in touch with the policyholders and to post them regularly regarding conditions of the company.

Mr. Stevens, Ottawa, agreed that contact with policyholders was a good thing. They should be written to and visited as often as possible. This helped not only to get new business, but also to prevent lapses.

Mr. A. H. Vipond, Montreal, was of the same opinion, and also advocated the sending of a special letter to those who looked like lapsing.

Mr. White thought that a thoroughly well understood contract was one way to prevent lapses. When a policy was placed the agent should read it over to the man, point by point, so that he would know exactly what he had got.

Something Wrong with Salesmanship.

Mr. Ruby, secretary of the Mutual Life of Canada, considered that over-persuasion by the agent was one of the chief causes of lapses. Another was that the policyholder did not always understand his contract. Confusion of plans on the part of the policyholder was more often responsible for lapses, rather than that the policy had been misrepresented by the agent. This was a great tribute to the agent.

Mr. J. F. Weston, in his address, also dealt with the question of lapses. "We all recognize," he said, "the waste resulting from not-taken policies and lapses. They are both altogether too heavy in all our companies. How are we going to lessen them? If the rules of head offices were at fault, then somewhere near the same results would occur in all agencies, but this is not the case. Here and there a large agency will year in and year out have few, if any, not-takens and very few lapses, while other agencies with similar conditions show abnormally high in both. There is clearly something wrong with the salesmanship and it is up to you to find out and correct this fault. It may be urged that head offices press for too much new business; that is no answer, for the mere sending in of applications of men not inclined or not able to pay is not business at all, and the sooner we awake to this fact, the better it will be for all concerned. There is no question in my mind that the privilege of giving long terms for the settlement of premiums has been abused to the point where the question of payment has been kept as far from the applicant's mind as possible during the canvass and treated in such a manner that it has created the impression that a note given in settlement of an insurance premium is not an obligation to the extent that it is where given in settlement of any other account. I know that this view prevails to a surprisingly large extent and the percentage of these notes which are not paid is evidence that we hold the same view. Either that, or we are forced to the humiliating conclusion that we do not possess business ability in the same degree as men engaged in other work."

Sell Suitable Contracts to Clients.

Mr. Monaghan, of Quebec, stated that he had always acted on the principle that it paid the agent and the company best to reject any person or applicant of whom he had serious doubts regarding physical or financial standing. "Eliminate these and seek at every time in your canvassing the healthy, the sober, the thrifty, and you will build up an agency where lapsing will be at a minimum, and where the business will pay agent and company in the long run.

"The business on which the second year's premium has been paid is a pretty fair criterion of non-lapsing business. I believe and I can certify that on the average my lapse is three per cent.; the average lapse on all the companies doing business in Canada averages over twelve per cent. when the second premium should be paid.

"The French people, who compose seven-eighths of my clients in Quebec, if not as quick to decide on taking out a risk as other races, are certainly more tenacious in holding on to their insurance once it is taken out.

Lapses in the West

"Out in the West the lapse is necessarily higher owing to the restless and unsettled character of many of its people. They are new settlers and not educated as eastern people on the permanent benefits of life insurance. The opportunities they have for investing their money, as well as the large alluring profits they can realize on real estate and other ventures, are not calculated to encourage the slow life-long thrift which is a necessary condition in lapse exemption.

"The best method then to prevent lapsing is in careful selection, honest dealing on behalf of the agent towards his clients, the judicious placing of the amount the insured is able to carry, or, in other words, the absence of overloading; these conditions being granted, the insured, besides, should from time

to time receive suitable literature from the company in which he is insured. He has a right to be informed yearly on its financial standing, its progress and its general welfare. Finally, the company must meet the policyholders' wishes in issuing a policy and insurance literature in the language familiar to the insured. An English-speaking policyholder will not thank you if you send him a French policy and French literature; nor will a French policyholder bless you if you present him with an English policy or English literature."

DOCTORS, ETHICS AND LIFE INSURANCE

Relation of Medical Profession Should Be Strictly Professional—Candidate for Insurance Might Seek Advice from Examiner.

It seems that this is a subject which every well-informed underwriter has settled views upon, for it is only within the past year that this or a similar subject has been disposed of by the executive of our association in the negative, suggested Mr. G. J. Alexander, district manager at Richmond, Que., of the Manufacturers Life Company, in reply to the query. Should doctors assist agents in closing business? The case I refer to is one in which a Canadian life insurance company made special offers or terms to their medical examiners for assistance in closing business—i.e., they were to receive for their assistance remuneration in excess of the medical fee (and I don't think it is necessary for me to explain what would happen to the other agents who happened to have this doctor examiner for his company).

This was considered by the executive of the association as malpractice which should be eliminated from the business. The matter was taken up with the Life Officers' Association in such a manner that I understand practically all the old line companies wrote their examiners a letter to the effect that if they were examining for the company just referred to, that they could consider their appointment as examiner for them cancelled.

What better proof do we require than the record of this case in which the Canadian life insurance companies, the Life Officers' Association and the Life Underwriters' Association of Canada appear to me to say nay in no uncertain sound?

But perhaps you will say I have taken the wrong view of the question—is there not some way we could use them? From whatever angle you view the question the practice of it opens up a broad way of temptation, which will result in malpractice in the business.

Only Answer a Negative One.

The medical examiner should be an unbiased employee of the company, don't tempt him.

I know from conversation with leaders of the medical profession that they consider it derogatory to its higher aims, and to the strictly professional relationship the physician should bear towards both the candidate for insurance and the insuring company to have the examiner viewed as being pecuniarily interested in other than a strictly professional way.

A few years ago a striking example of this very subject came under notice; it was a case where a special agent of a company, and without his company's knowledge, made an arrangement with some doctors whereby they were to receive in addition to their medical fee a local agent's commission on all business secured, and I assure you the tactics employed by this combination in securing business were the worst I ever knew. I am sure no insurance company's interests could be safeguarded, nor be of first importance, under a combination such as I have just referred to.

Let the doctor then remain in his unbiased dignity. Let us as solicitors get out and hustle and secure our business by fair, square salesmanship, and then answer this question in the negative.

Personal Opinions and Experiences.

Mr. W. McBride, Winnipeg, disagreed with the previous speaker. He once wrote a man for \$2,000. The medical examiner was also the family physician and he was asked to get the prospect to increase the amount to \$5,000. The doctor did so, but he did not ask for commission and would not have got it if he had done so.

Mr. Lewis, superintendent of agencies, Continental Life Insurance Company, thought that one could not prevent the candidate asking the doctor's advice. Neither could one prevent the doctor assisting the company, in many cases.

Mr. A. H. Vipond, Montreal, disagreed. The doctor should not assist agents in closing business.

Mr. J. R. Reid, Ottawa, was of the same opinion.

Mr. G. Williams referred to the wholesale employment of doctors by a certain life insurance company in Quebec province. This company had over three hundred doctors as shareholders. This Mr. Williams described as a mischievous mixture.

Mr. Gaydon, Montreal thought there was no doubt whatever that the assistance of doctors to close business was not a proper practice.

SUB-STANDARD RISKS

It Should Not Be Difficult to Arrive at Safe and Uniform Standard to Deal With Them, Says Actuary.

The actuaries of Canada and the United States are, for the most part, members of three leading actuarial bodies—the Actuarial Societies of America, the British Institute of Actuaries and the Faculty of Actuaries of Scotland, said Mr. D. E. Kilgour, actuary of the North American Life Insurance Company. The British Institute of Actuaries, as you know, is the parent actuarial body and embraces in its membership, perhaps, the most distinguished and able actuaries of the present day. The contributions to the Journal of the Institute of Actuaries form an encyclopaedia on life insurance. The papers that are presented to the journal show every evidence of painstaking preparation. There are those people who claim that the Institute of Actuaries lays too great stress on the theoretical aspect of actuarial work; that, after all, our business is chiefly concerned with what occurs in the ordinary course of practice, and further, that we should aim at practical rather than theoretical attainments. In making this observation we should not overlook the fact that correct practice must invariably follow correct theory, and that the theorist is not infrequently the forerunner in human progress. The life insurance interests owe a debt of gratitude to the work performed by the Institute of Actuaries. Every man, whether engaged as an actuary or as a field man, may well keep for himself the motto of the Institute of Actuaries:—

“I hold every man a debtor to his profession, from the which as men of course do seek to receive countenance and profit so ought they of duty to endeavor themselves by way of amends to be a help and ornament thereunto.”

The Actuarial Society of America, though of comparatively recent origin, has done and is doing splendid work for life insurance. As a student preparing for the examinations of the society as well as a past examiner for the fellowship degree, I can assure you that the work involved in preparing for the actuarial examinations is no sinecure. The subjects prescribed are many and broad. A man must not only be well versed in the intricacies of actuarial science, but he must also be a common-sense practical man before he can receive his fellowship degree. I have sometimes thought that it might be a good thing if we could add to the curriculum of the actuarial student a term or two of active agency work. My own slight experience along these lines has shown that field work increases a man's efficiency, broadens his outlook and enlarges his sympathies.

Specialized Mortality Investigation.

Notably among the important things done by the Actuarial Society of America have been what is known as specialized mortality investigation of some ten years ago, and the work now being done in connection, medico-actuarial investigation. In this investigation the leading companies of the United States and Canada have contributed their experiences in an attempt to ascertain the deviation from the average mortality rate, of the actual mortality experienced, in a great number of special classes. These classes not only include the insured following certain special occupations, but those subject to certain medical impairments as well as those having special family history. The experience of the companies was also contributed in order to determine a standard table of height and weight and to ascertain the effect of build on longevity. So far two volumes giving the results have been published. The first volume dealt with (1) Standard Table of Height and Weight; (2) Standard Mortality Rates to be used for obtaining the expected deaths from the various classes studied. The second volume deals with (1) Influence of Build on Mortality among Men; (2) Mortality among Women; (3) Causes of death among men and among women. The results of by far the most important parts of the investigation are still to be published. The new standard tables of height and weight are remarkably similar to those previously used by the companies.

The general result of the investigation into the influence of build on mortality among men discloses the fact that under forty years of age an over-weight is a better risk than an average-weight, and that over forty years of age the under-weight is a better risk than an average-weight. One might conclude from this that there is a certain incidence in the relation of height and weight at which the mortality may be expected to be most favorable. I think, possibly, however, we will continue desiring, as in the past, a minimum departure from the average. The lesson to be drawn from this experience is that a marked deviation in any direction is decidedly undesirable. Over-weights, especially among the older risks, have proved to be, as was expected to be the case, unfavorable risks, and the man who “laughs and grows fat” must continue to pay the penalty for his hilarity.

The insured women were divided into four classes, spinsters, married women—beneficiary, husband,—widowed and divorced. The mortality among the women was found to be higher than among men at the younger ages at entry, and lower at ages at entry sixty and above. An adverse selection was found in the earlier policy years. In the four classes the ratios of the actual to the expected deaths were 81 per cent., 126 per cent., 114 per cent. and 105 per cent. The committee

stated that it did not follow from the high mortality among married women that the companies should not insure them, or that it was impossible to select married women so as to obtain as favorable an experience as among men. Reference was made to one company which had a favorable mortality in a group of married women who had paid the premiums out of their own incomes and whose children were the beneficiaries.

The question of moral hazard enters so largely into the insurability of women that it must not be inferred that one class comprises necessarily better lives than the others. We can only conclude that there is a relatively larger proportion of the superior lives likely to insure in the one class than in the other.

Mortality Among Negroes.

The mortality among negroes and North American Indians was found to be very unfavorable, and this, in spite of the fact that there was, no doubt, a much more rigid selection in their cases. The higher mortality is therefore, in all probability, due to racial distinctions.

One can hardly foretell at this juncture just what effect the finding of this investigation will have on life insurance underwriting. It may lead to greater differentiation in the classification of risks: it presumably will tend to broaden our now fairly extended class of sub-standard or under-average lives. I hope for the sake of our agency forces that our companies will be able to come to some common understanding as to the best practical method of treating with the classes studied. At present, there is considerable dissatisfaction caused by the great variety of methods employed by the different companies, and it should not be impossible or impracticable for us to arrive at a safe, scientific and reasonably uniform standard for dealing with risks not accepted as standard. To the extent to which our increased knowledge will enable us to grant the boon of life insurance to more people, the work of this investigation will be a blessing.

EVERY MAN IN CANADA SHOULD CARRY A LIFE INSURANCE POLICY

This Was the Advice of Sir Wilfrid Laurier at the Ottawa Convention Last Week—He Was “Rejected” for Many Years.

In a pleasing and witty speech to the Underwriters on Tuesday afternoon, Sir Wilfrid Laurier advocated the benefits of life insurance. This he did by telling personal anecdotes and experiences, and left his hearers with the impression that one of Canada's most prominent citizens is a great believer in the necessity and benefits of life insurance.

Sir Wilfrid spoke “as a little bit of an insurance man,” as for some years he had been a director of a Canadian life insurance company. He had studied for some time the development made by the life insurance business in Canada. While it had been satisfactory it had not been sufficiently so. There was an increase in the business every year, but not as large as it should be. Every man in a civilized country, such as Canada, should carry a life insurance policy.

Sir Wilfrid told of a friend of his, a lawyer, who consistently refused to carry a policy on his life. He said he did not need an insurance company, he could invest his own money as well as the company. Sir Wilfrid told his friend that the insurance company's business was to invest money in certain ways, while his business was law. The friend, as were all men, was living under the shadow of death. He was married and had a family. Death had spared him, but when it did come his family would be left unprovided for by life insurance.

Sir Wilfrid Was Rejected.

Sir Wilfrid told the convention that he was thirty years of age before he could get insurance on his life. He made application to many offices, but they would not take him. When he was thirty-six the Sun Life took him. They gave him a policy on the medical certificate of Mr., now Sir James Grant, who said that Sir Wilfrid was good for probably ten years! “I have only to die to get my money,” said the premier, amid laughter, “but as I do not care greatly for the money, I will leave it where it is for the present!”

Any young man, wealthy or otherwise, with a wife or family should take out an insurance policy, said Sir Wilfrid, so that the family should not be left destitute or unprovided for by life insurance.

Every Citizen Should Carry a Policy.

The leader of the opposition recalled the introduction of compulsory insurance in Germany and England. This was not necessary in Canada at present, but a policy should, all the same, be held by every citizen of the Dominion.

Concluding, Sir Wilfrid said that whatever differences of opinion were held by those who lived in the Dominion, they all had the same motive at heart, the welfare of our country, Canada.

A supply of the above article, in circular form, will be sent gratis to life insurance agents in Canada making application to “The Monetary Times,” 62 Church Street, Toronto. Please state how many copies are required.

LIFE INSURANCE LEGISLATION

Résumé of Recent Enactments—Unfairness of Taxation.

Life insurance companies of Canada have had an extended period of comparative calm since the troublous days of investigations and legislative proposals and enactments. It has been frequently remarked that few, if any, other commercial or financial interests could have withstood the assault so well, had they been stacked with the same energy and virulence as has been experienced by the life companies. Mr. D. E. Kilgour, the well-known Toronto actuary, thought that this showed that above the men and the management is the institution of life insurance itself, which, in the absence of fraud and treachery, is unassailable and invulnerable.

The Dominion Insurance Act, he continued, while safeguarding the business to the extent of requiring publicity and providing for a proper audit and valuation, has left the management comparatively unrestricted. The moot question of the value of government inspection has been brought to a head by recent events in Canadian life insurance, but whatever our opinion may be, I think we must conclude that inasmuch as good faith and common honesty are prerequisite in any business, we cannot hope that by using the most rigid system of inspection we may protect the public against every form of delinquency.

In Canada and in England we have not yet accepted socialistic standards of legislation, and we are for some time to come largely committed to an individualistic form of government. Whether or not some of the vexing problems which have concerned our management would have been partly solved by certain legislative restrictions, I hold that it is in the interests of the business and the public that we should continue to base our legislation on comparative freedom of action, personal managerial responsibility and true publicity with proper means to ensure the same.

While there have been no radically important changes in our insurance legislation, there have been a number of minor bills presented in the last few years affecting the business.

Bill Met With Defeat.

In February, 1911, a bill entitled "An Act to Amend the Insurance Act" was introduced before the Senate of Canada. The object of the bill appeared to favor the borrower by providing that if a mortgage was due it might be paid at any time to suit his convenience by giving one month's notice and paying a bonus of one month's interest. As matters stood the borrower had the privilege of paying off his mortgage at any time before maturity by paying a bonus of six months' interest. This bill met with defeat.

In March, 1911, a bill entitled "An Act to Amend the Corporation Taxation Act" was introduced into the legislature of the province of Manitoba by the provincial secretary. By it it was proposed to impose a tax of three-quarters of one per cent. on investments in the province in addition to the one per cent. tax on gross premiums. This bill was strenuously opposed by the life insurance interests, and while it was not withdrawn entirely, the tax was reduced to one-quarter of one per cent. on the gross income investments of all kinds in Manitoba.

In March, 1911, a bill was introduced in the province of Nova Scotia entitled "To Supplement the Revenues of the Crown." The new bill provided that every insurance company transacting business in the province should pay a tax of one per cent. calculated on the gross premiums received in the province. A strong effort was made to have the tax reduced to one-quarter of one per cent. and for the inclusion in the act of a provision giving the companies relief from municipal and local taxation. The original tax was, however, allowed to remain, the government agreeing to amend the municipal act so that no further tax would be imposed upon the companies, though leaving still in existence the tax imposed in the cities of Halifax and Sydney.

Foreign Companies in Alberta.

In the early part of 1911, information was received to the effect that foreign companies had been soliciting business in the province of Alberta without the necessary license authorizing them to do so. Steps were taken and legislation procured to prevent this form of poaching, and it was enacted that after the first of January, 1913, no foreign company would be allowed to carry on business in that province until such company furnished the provincial secretary with evidence that it was conducting its business satisfactory to the Dominion Government.

In the same year, legislation was also enacted by the Ontario Government in the form of a revision to the insurance act. This was introduced as a part of the recommendations of the special judicial committee appointed to revise the statutes of Ontario. While the alterations suggested were, for the most part, of minor significance, there were one or two sections involving principles which it was thought proper to assert; for instance, special exception was taken to the clause—placing in effect policies as soon as delivered. While in drafting the section the committee no doubt had in mind classes of insurance other than life, still no effect was given to the representations of the life interests. The position taken by the government was that it could not very well in-

terfere with the work of its own commission, however much they might appreciate the effect of our position.

In April of this year, new insurance acts were passed by the legislatures of the provinces of British Columbia and Alberta. Companies operating under a Dominion license were not affected to any extent.

Proof of Age.

In March last the following amendment to the Ontario Insurance Act was introduced:—Where the age of a person is material to a contract of insurance such age shall be inserted in the policy issued at the time of the issue, and in the absence of fraud such age shall be binding on all parties to the contract of insurance, unless within one year from the date of the said issue an error in the age so inserted is discovered, when the said policy may be rectified accordingly. The proposed amendment met with defeat at the hands of the special parliamentary committee, although the amendment which went into effect on July 1st was not much more satisfactory to the life insurance interest. This is as follows:—

"Every insurance corporation registered under this Act shall send to every person with whom the contract is made within one month thereafter a printed notice mailed to the last known address of the insured in such form as the superintendent shall approve, and annually thereafter until the proof of age is admitted, stating that the age of the insured is material to the contract and evidence that the age stated in the application is the true age of the insured will be required before the policy is paid."

This notice was also to be printed in red ink in type not smaller than ten point upon all notices to the insured and upon all receipts for premiums.

Life Insurance Legislation.

While on the whole we may agree that our Provincial and Dominion legislation on life insurance is sane and fair, we cannot overlook the fact that life insurance taxation is not only improper but entirely inimical to the best interests of the public whom the legislation is supposedly designed to serve. There are not lacking signs of prospective attempts to oppose additional taxation on life interests. As men actively engaged in the business, we must all not only resolutely oppose any addition to our taxation, but use our best efforts in an attempt to do away with all forms of life insurance taxation. The final arbiter is the public, and, as the public pay, it is a question of feasibility whether we should not consult them in advance. Taxes on accumulated capital are not only a tax on thrift, but are opposed in every respect to the principle of income taxation on the grounds of which premium income taxation is improperly and unfortunately defended.

GOVERNMENT RECOGNIZES IMPORTANCE OF LIFE INSURANCE

So Said Premier Borden, but First Consideration Must Be Always Security of Policyholders.

In his welcome to the life underwriters, Premier Borden made it plain that he realized the importance of the business of life insurance and that he and his colleagues would always give the greatest consideration to the suggestions of the underwriters so long as consistent with the public interest.

Life insurance, said the premier, was certainly a work which should commend itself to the judgment of all right thinking people. It was under the supervision of a special department of the government, who thought, as he was sure did the underwriters, that the security of the policyholders should always be the first consideration. The department was under the direction of the Hon. W. T. White and consistent with the public interest, every possible consideration would be given to the suggestions and representations of members of the association.

Life Insurance in Universities.

The premier was struck with the suggestion made at the convention, that there should be established in the universities courses of life insurance. This would be a desirable innovation.

With a country of vast area such as Canada, partly unexplored, with a relatively small population, such gatherings as the Life Underwriters' Association convention helped the units of the nation to understand each the other. Men from various parts of the country were brought together, east was brought face to face with the west; those who gazed on the Pacific began to understand the interests and ideals of the maritime provinces.

In this great country, the only danger seemed to be the danger of too rapid development, a development which might overreach itself in some sphere of activity. The good sense of the Canadian people, however, should check anything of that kind. The upbuilding of national character should not be overlooked.

As to National Insurance.

There was other than individual insurance, there being the great question of national insurance, the safeguarding of our national heritage.

Finally, said Mr. Borden, the government was prepared to co-operate with the Life Underwriters' Association in every way, so far as the public interest would permit.

PROBLEM OF POLICY LOANS IS SERIOUS

Life Insurance Men Discuss Ways and Means to Induce the Policyholder to Keep Down His Borrowing.

An interesting discussion was heard at the life underwriters convention on the question of loans on the life insurance policy. Mr. Mills, of Kingston, Ontario, suggested that when a policyholder applied for a loan he should be granted it only in instalments. It might tend to keep his loan to a smaller amount than at first intended.

This would not do, thought Mr. Burrows, of Belleville, as when a man wanted a loan he wanted the amount asked and in one sum.

Mr. George Williams, Montreal, thought that the solution of the problem was with the field man. The manager should deal personally with the policyholder making an application for a loan. They should be persuaded not to borrow, and if they must, to borrow only the minimum amount. This should assist to reduce the number and size of loans. Mr. Williams quoted an article in a recent issue of *The Monetary Times* showing the good effect of the manager's personal touch with the policyholder in this way.

Suggests Higher Interest Rates.

Mr. Reeve, of London, Ontario, suggested that rates of interest on insurance loans should be raised to seven per cent. If a man borrows a considerable amount, he should be asked to take another policy to cover the amount borrowed. Letters should be periodically written to borrowers asking them to reduce their loans.

Mr. A. N. Mitchell, general manager of the Federal Life Insurance Company, said the policy loan situation was bad in Canada. Loans on policies were increasing to the detriment both of the companies and of the policyholders. Interest rates could not be increased, he thought. A rate could not be set for New Brunswick that would operate equally well in Calgary. Neither could the loans be paid in instalments.

Talk Plainly to Policyholder.

There was only one way, he thought, of meeting the evil. "We have got to tell the policyholder," said Mr. Mitchell, "that unless he is in absolute need and that unless there is no doubt whatever that he has to borrow on his policy, he is wrong." In many cases, he continued, the borrower uses the money for a purpose which will endanger rather than assist the future of his family. Insurance was to assist rather than to endanger the family. In many cases the borrower speculates with his loan. The companies should get policy loans down to a legitimate minimum. The tremendous lapse through overborrowing on policies should be prevented.

AGENTS WHO ARE A MENACE

Discussing life insurance agents who are a menace to the business, Mr. V. Reeve, London, said that the Life Underwriters' Association came into being because of such agents. The "rounder" takes a contract with a company, rushes in a lot of business, makes a record, no matter how, and then goes on to another company. His methods were a menace. The best way to do away with that and other bad types was to adopt the plan existing in Michigan, the licensing of every man who solicits life insurance. Over 159 agents were driven out of that State last year as a consequence. (A Voice—"Some of them come to Canada.")

Mr. Adams, Hamilton, thought that the "twister" was the worst menace in the business and did the most damage. Everything should be done to eliminate him.

PENSIONS FOR LIFE INSURANCE AGENTS

A brisk discussion occurred on pensions for life insurance agents. Mr. Burrows, Belleville, led it, stating that he thought agents were entitled at least to renewal interest for life. Mr. J. A. Tory, Toronto, did not want the Life Underwriters' Association to fight the Life Officers' Association on this matter, but, rather, to work with them. Pensions could not be obtained through the association. The agents would have to confer with the individual companies, many of whom were already planning annuity or pension schemes for their men. Mr. Vivian Reeve, London, agreed, as also did Mr. John R. Reid, Ottawa.

Mr. T. J. Parkes, Sherbrooke, wanted to know whether the agents were prepared to sacrifice part of their commissions now in order to obtain pensions later, several delegates replying in the affirmative, and others indicating that was a detail to be considered after the broad principle had been decided.

Mr. Reid, of the head office, London Life Assurance Company, thought no harm could come of a general resolution from the association approving the principle. Mr. Johnston, Calgary, did not see why the agents should be in fear of the Life Officers' Association. Without the agents there would be no such officers' association. Mr. Lewis and others spoke briefly.

Finally a resolution, proposed by Mr. Andrews, Winnipeg, was passed favoring a pension scheme for agents, and a copy will be sent to the head office of every life insurance company doing business in Canada.

IDEALS IN LIFE INSURANCE WORK

One of Them is Steady Production—How to Stimulate It.

"Steady production is an ideal to be attained in life insurance work," said Mr. A. S. Wickware, of Ottawa, in a vigorous address, "but first one has to get the producer. It is realized more and more as time passes that men of large capacity for work and ability to do business, are required. Is it not a fact that many failures in life insurance work are brought about by lack of training? Each man has his own individuality. He must do his work in his own way under proper guidance. Is the ideal—steady production—sufficiently encouraged? Train him while young to be a steady producer, and it will become a habit as he grows older in the work. One of the difficulties in securing men of proper calibre for the work is the argument: "When I get old and cease to be a producer a young man will be put in my place, and I am out." Many of our companies have provided liberally for the old members of their staff, but why should a man not have some pension coming to him as his right? Not as a gratuity. I believe if some pension scheme could be evolved along the line of steady production it would give a great stimulus to the work.

Production Per Month.

"I do not mean by steady production, a production per annum, but a production per month. When training men for the work if special inducements could be given for a monthly production along the line of a pension scheme, I believe good results would follow. It would keep the work constantly before the agent, and a better class of business would be secured. Again, the minimum per month should be low. Constant application month by month, in my opinion, would produce a large volume in several months of the year.

"Another stimulus to steady production is in the policyholders. Do not get too intimate with them. It is bad for business. Make sure at all times to be friendly—keep them posted from time to time about the success of your company—do not sell them fire insurance, accident insurance, real estate or stocks. It is bad for business, too. Study your client's needs at all times, and never consider the amount of your present commission. In other words, build for the future.

Two Personal Experiences.

"Ten years ago I secured an application, the premium was \$26.00, a note was taken at two months. He is a bright young fellow and has prospered. I have kept in friendly touch with him in his successes, and in the success of our company. Four years later I wrote him for a much larger amount, another note was given for the premium. Two years later I secured another application, the amount not as large as the second, premium settled in cash. Last year I wrote him again, premium \$500.00, C.O.D., and I am not done yet. Next time I anticipate bringing his insurance up to \$50,000.

"A year and a half ago a stranger was introduced to me by a friend of mine. The stranger asked a favor, which was at once granted as it was in order. He was grateful for the favor, and suggested that as he was about to be married he would give me an application for \$2,000 and more later. Later he gave me an application for \$3,000. I keep in close touch with him. We are friendly but do not overstep the bounds of friendship. Through his introduction to different persons since the first of this year I have secured five applications—two for \$2,000 each, two for \$1,500 each and one for \$3,000.

Art of Selling Life Insurance.

"Let me quote a successful insurance salesman. 'The whole secret of keeping busy in life insurance salesmanship,' he says, 'is in keeping your endless chain plan constantly in operation, like a chain conveyor, supplying you with prospects. Try it on the men who turn you down just as well as those who give you applications, and you will never have a working hour in the day without an appointment of some sort to keep you on the move. And moving, hustling, seeing people and talking insurance will bring in a steady stream of applications as surely as the sun rises and sets.'"

MOST DIFFICULT RISKS SECURED

A brief discussion on difficult risks was held. Captain Manley told of a visit he made 19 years ago to a boat at Halifax. He talked life insurance to the captain and other officers. He tried to fill in the application form for the captain, but the ink froze as it came out of the pen. Another man, presumably a life agent, was sitting aboard, but said little. It became a duel of wits and after an all day fight the captain signed the dotted line, so did the second officer, despite the fact that the other agent had tried to switch them to his company.

Mr. F. T. Stanford, Toronto, related an experience in canvassing with a carriage maker, who carried \$1,000 insurance, and who was married, 35 years of age, and had a family. He tried to get him to increase the amount to \$5,000. The prospect answered all the questions, but obstinately refused to sign the application. Mr. Stanford got another agent on the job, who shamed the prospect because he carried so little insurance under the circumstances. He took the \$5,000. So the most difficult risk he (Mr. Stanford) had secured, was secured by another man.

WISE WORDS FROM ESSAYS

PRIZE AND OTHERWISE

LIFE INSURANCE AS A FACTOR IN SOCIAL ECONOMICS.

By Charles H. Armstrong, Toronto.
(Winner of Cup)

That the business of life insurance has found a place in present-day commercialism and home-life, and that such place can be supplied in no other manner, is a fact which is not only generally believed, but is being incontrovertibly proved as the years roll on. The enormous growth and the rapid development of the business during the last few decades furnish ample food for thought to the skeptic. The statistics of some other countries might be used with more force than those of our own country, but it is the intention to deal with the growth of the business as evidenced by the abstract of the report of the superintendent of insurance of the Dominion of Canada, just published, and to endeavor to deduce therefrom the relation of the business to the social problems of mankind.

Thirty years ago, during the year 1882, there were policies issued in Canada to the extent of \$20,112,755, while last year, 1912, the policies issued totalled in amount of insurance \$219,205,103, an increase of more than ten-fold in a generation. Considering the comparatively slow growth in population during the period, this is an enormous increase, paralleled by possibly not another commercial industry in the country. This expansion can be grasped more thoroughly perhaps if we take the net amount of insurance in force at the close of the years referred to. In 1882 there was in force \$115,042,048, and in 1912, thirty years later, \$1,070,265,559. Existing insurance in the Dominion

Now, as the population of Canada is about 7,500,000, this means a policy of over \$140 for every man, woman and child in the country. Or again, as approximately half the population are infants, and half the adults are women, there remain less than 2,000,000 men in the country, a large number of whom are uninsurable, and also a large number of whom are foreigners or belong to the submerged tenth. Assuming that half the adult male population is insured, each one will leave an estate of more than \$1,000 of insurance when he dies. Is not this a wonderful state of affairs? In what other manner could such a happy condition be consummated? Of course, this is an average; we know that many leave much more insurance than this, while many leave none at all. But as an average, it speaks volumes for the possibilities of the business.

If, then, the protection afforded by life insurance, as the average found in the preceding paragraph illustrates, can be taken as a criterion of the manner in which the Canadian public views the situation, should not the actual benefits conferred by such thoughtful provision justify the all-discerning public in its unique position in this respect? In order to demonstrate the fact that Canadians are not suffering from any illusion in regard to the meaning of life insurance, it is only necessary to examine the figures as published in the Report referred to. During the year 1912 the companies operating in Canada received in premiums \$45,917,774, and paid to policyholders \$22,956,526. (These figures, of course, do not include business done outside of Canada by British and United States companies.) That is, the companies paid in benefits 50 per cent. of the gross amount paid to them by way of premiums, the balance being either used for operating expenses or held in the reserve and surplus funds of the companies. And this is the history of every year for a generation back. The public receives in one year half of what it pays in during that year, and still enjoys the protection, as exemplified by the average pointed out above.

Protection for Home and Business.

Aside from the relative bearing of the amount paid to that received, is not \$22,956,526 a stupendous sum to be paid in one year, for the most part to widows and orphans? Who can estimate the extent to which homes are brightened, or distress relieved by the distribution of this amount? Or in what other manner could a like happy result be attained? Considering the case from this point of view, the business of life insurance takes upon itself something of the eleemosynary, which lifts it above the commonplace money-making enterprises of this extremely commercial age. It is, in fact, a boon to humanity, for it is known that a large percentage of the criminal cases is the direct result of poverty, and in the proportion that poverty is relieved, there should follow a diminution of crime.

Within the last few years, moreover, another office has been discovered for this modern Penates. If homes can be protected against financial loss caused by the death of the bread-winner, why cannot business institutions in like manner be protected against a similar loss, or, as has frequently happened, utter ruin caused by the untimely death of some man, whose ability, intelligence and experience were the backbone of the business? The answer is not only that they can be, but that they have been and still continue to be protected in this manner. Business men awakening to an appreciation of the usefulness, nay even the necessity, of life insurance as a safeguard to business. The need of such protection has spread so that not only large corporations but also small partnerships are availing themselves of the benefits derived from the carrying of commercial life insurance. Many are the uses to which such insurance can be put in this regard, and many are the ends it can serve. It strengthens a firm's credit, it insures stability, it is an ever-increasing asset and in the case of the death of the person insured, it often averts financial embarrassment.

Privileges and Options of Contracts

As the business transacted in Canada has increased in volume, and as its sphere of influence and usefulness has widened, a proportionate advance has been registered in the liberality of the contracts offered. The provisions relating to days of grace for payment of premiums and time allowed for applying for the restoration of lapsed policies have been improved, so that the policyholders of to-day are in a much better position in respect to these features than were those of thirty years ago. Foremost, however, among the innovations, must be mentioned the various provisions dealing with non-forfeiture. The practice of the different companies is not equally advantageous to the insured, but the general trend of each in this matter is toward the

most generous treatment of its policyholders, and every step in this direction is a source of gratification to those far-seeing individuals who have made, or intend to make provision for their dependents by means of this scheme. Nor are these increased privileges granted to policyholders the result of legislation, but rather are they the outcome of a healthy competitive growth. Any development fostered under such circumstances is bound to culminate in a better commodity, which does not necessarily follow if attempts are made to force the companies by peremptory parliamentary reform.

As the majority of the beneficial privileges and options of the present contracts offered by Canadian life companies are the result of a healthy competition, so also are the diversified forms of insurance which may be purchased. These various plans are calculated to meet the heterogeneous circumstances of all, and also can be regulated in many cases to suit the vicissitudes of fortune of the individual. No one, therefore, need feel that life insurance cannot fill the requirements of his particular case, as the elasticity of the principle involved obviates the necessity of anyone harboring such an erroneous conception.

Companies Employ About Ten Thousand

Not least of the considerations which render this business such a factor in the eternal round of human activity, is the fact that it furnishes employment to such an immense army of men. In Canada there are forty-six active, operating companies, with their office staffs and their field staffs, and although it cannot be accurately ascertained at the moment to what number the aggregate of employees of these companies amounts, a conservative estimate would place it at something approaching ten thousand, many of whom have families dependent on them. The arms of this business stretch from coast to coast, giving employment to a large number and prepared to provide ample protection for every insurable person.

In view of the employment furnished, the aid rendered to business concerns desiring expansion and the strengthening of their credit, the protection afforded, and the large sums paid annually under contracts, it may be confidently asserted that the importance of this business to the entire social and financial fabric of the country cannot be over-estimated. In view, also, of the rapid progress made during the last quarter of a century, and of the latitude for expansion, it is not only a possibility, but may be considered as highly probable, that the average of protection enjoyed by the entire adult male population of the country will be augmented in the near future in no unsatisfactory manner. When this average attains to such a figure that each will leave, at death, a fair competency to his dependants, then may this same business of life insurance lay claim to have fulfilled its mission to society perfectly. And there is no reason why this goal may not be reached.

LIFE INSURANCE AS A FACTOR IN SOCIAL ECONOMICS.

By M. Monaghan, Quebec.

Two concrete cases which within the present year have come under my own observation will elucidate how not only the widows and orphans respectively were protected during the current stringency in the money market, but they will clearly exemplify as well how they were enabled to weather the storm and stress, pay their debts, and ward off a forced sale, which would have been imperative in both cases, had not the insurance companies placed the lifeboats at their disposal.

In the first instance, the husband who died at age 40, had a \$5,000 policy on his life. The claim was immediately settled, all the deceased's debts were paid, leaving the balance of \$4,000 deposit for the savings bank. His widow had some valuable property which the insurance money enabled her to have a clear title to, and a few days ago she placed it in the market and realized, owing to adventitious circumstances, a very handsome sum thereon, which will place her and her children beyond peradventure of a doubt, if not in affluence, at least in comfortable circumstances. A forced sale in this case, had not the insurance lifeboat come to the rescue, was a foregone conclusion.

The second instance was not only eminently philanthropic, but it was singularly pathetic. The policyholder B. was for two long and weary years afflicted with a painful and fatal malady. He was reputed rich by his neighbors, but the great expenses incurred during his illness completely absorbed all the ready cash he had laid aside. After his death, his will was probated, and it was found, as in the first instance above cited, that he was rich in property, that his debts had to be liquidated in order to satisfy his heirs. His wife was, however, but the relic of her former self. Two long years of assiduous attention both night and day left its traces. Her husband, who was a proud man, once confided to me what strenuous efforts he had made fifteen years ago, when he was comparatively poor, to carry on his insurance. To use his own expression, "he begged and borrowed" sooner than let it lapse. His insurance policies amounted to \$15,000. This sum was paid in due course; all debts were liquidated and the widow was ordered to the seaside by her physician for a few months' rest. She slowly but surely recuperated her almost vanished strength, and is to-day conducting her husband's business aided by her children, who are coming of age.

Every experienced life underwriter has met many such cases in the course of his career. They indicate most clearly how the social equilibrium is not only maintained but created and fostered. Humanitarian Factor in Social Fabric

The benefits of life insurance, however, are not restricted to the relief of the widow and the orphan; they reach out to the general public just as the sun shines and with its beneficent rays illumines the earth, giving life, joy and happiness to all created things. It is no easy matter to realize to the full extent the enormous sums that were distributed last year alone in Canada and in the United States, among widows, orphans and policyholders.

It will be readily understood, as these results of life insurance are adequately appreciated by the public from a commercial and financial point of view, the role it plays as a factor in social economics. Industry is cultivated, thrift is encouraged, prosperity and happiness are advanced inversely, as vice, poverty and laziness are uprooted and cast aside.

If we could but realize how many women and children in every county, city, town and village, are rescued from the grip of poverty and degradation every year by the strong arms of life insurance; if we could duly appreciate the comforts which accrue to old age from endowment policies; if we contemplate the many, and multiform benefits which the business man receives under the aegis of life policies, we should arrive at no other conclusion than that as a means in social uplifting it is the most beneficent, the most utilitarian and the most humanitarian factor in building up and consolidating the social fabric.

LIFE UNDERWRITERS' ASSOCIATIONS AS AN ELEMENT OF SOCIAL PROGRESS

By J. F. Belleau, Quebec.

It is now an acknowledged fact that the securing of new insurance business and even the maintaining and renewing of registered policies constitute the occupation of skilled professional experts presently called soliciting field agents. That important body of men is virtually one of the three essential organic factors of regular chartered companies operating harmoniously through guaranteed legal contracts, not as mere adjuncts that can be discarded at will as a useless old horse or old broom, but practically on the permanent co-operative principle. It is, therefore, no wonder that such an important class of the social community should seek to secure all the privileges of regular professional associations.

Everybody now looks favorably on this first move of creating a dignified professional sentiment, through the means of our underwriters' associations, positively a great social progress. I feel confident that every soliciting agent in Canada, seeing this great aim in view, will flock into the ranks of our associations, and all of them make themselves equal to the occasion.

Let me say a word of appreciation in favor of the insurance press, the devoted help of which, in publicity, can never be over-estimated. I wonder why the daily press does not reproduce more often, for the benefit of the general public, at least a summary review of the interesting reading matter contained in the insurance periodicals, thereby benefiting the large popular mass of policyholders who never have the chance of being educated, with authority and impartiality, on the merits of their best interests in life insurance education. I would humbly suggest that this vital point of social progress should be taken up by all underwriters' associations, and carried out as a material help to the insurance field agents generally. By all means, let the people be generously educated, with impartiality through the press, helping greatly to discard vulgar fallacies, and remove mountains of prejudiced ideas. Our associations stand, furthermore, for various other accomplishments through a proper program of education.

Positively there is no room here for rebaters, twisters, sharpers, wreckers, and even for notorious so-called record-breakers against all principles of honor and loyalty towards their more moderate fellows of the same professional brotherhood.

It seems to me that too many over-ambitious men answer too freely to the frenzied pressure for record-breaking business. They look too much for grand things rather than for good things, they rush blindly to the great quantity regardless of the quality, they prefer being dazzled by the appearance of tallness against the safe principle of strength and soundness. Hence, as a logical consequence, so many accidents, domestic troubles and financial calamities.

Everyone will return home fully convinced that the organization of underwriters' professional associations is a sine qua non of: first, greater scientific knowledge, higher education and ethics; second, as being the royal road to fortune and lasting prosperity, and third, as the best medium for increased power and social influence.

WHAT METHOD OF TRAINING DEVELOPS THE HIGHEST EFFICIENCY AMONG SOLICITING AGENTS.

By R. M. Cushing, Montreal.

In any sale there are four factors: the salesman, the goods, the buyer, and the sale or meeting of the minds.

The agent may strengthen his personality by caring for his health, by intensifying his powers of observation, study, memory and imagination; by increasing his reliability through cultivation of the positive feelings; and by developing his power of will.

The agent must needs know well the contents of his manual, and the various policy contracts issued by his company. He should know both the general economic value of life assurance, and the particular conditions in life for which various policies are suitable. Some knowledge of the history of life assurance as a whole and of his own company in particular will be very useful. Finally, competition demands that he shall know competing policy contracts, and wherein his own company's are to be preferred. While it is quite unnecessary for an agent to be an actuary, yet an acquaintance with the first principles of actuarial science will be of great assistance, both in enabling him to answer difficult questions from prospects, and also in bringing him into closer sympathy with his superiors and his home office.

Knowledge of life assurance may be obtained through books and periodicals, manager's instruction, conversation with fellow-agents, and company or college courses. The last source is as yet in its infancy, but is growing steadily in importance. Many excellent books and periodicals are now obtainable, in many cases from agency managers; many of the latter also take great pains to impart knowledge whenever possible, notably at agency meetings; and underwriters' associations afford valuable opportunities to talk with other agents and to hear instructive speakers. It is advisable for an agent to read regularly at least one good insurance periodical, in order to obtain new ideas and to refresh his mind on half-forgotten points. Some men find indexed scrap-books of great help in preserving valuable clippings; others make good use of note-books.

Imagination and Industry

In finding prospects, imagination is the greatest aid, and industry the next. From a number of sources, the following may be mentioned: personal acquaintances, introductions, company records, newspaper items, public records, directories, advertising. In this connection the friends' reports called for in the applications of many companies form a splendid introduction to the applicant's friends. A company's records are a mine of information; old policyholders may be induced to increase their assurance, or to suggest the names of fresh prospects. In the newspapers, notices of births, marriages, promotions and so forth may afford valuable leads; lists of club members and other more or less public records deserve consideration. Briefly, the methods of finding prospects are limited only by the agent's ingenuity and energy. When the prospect has been found, however, it is of great importance that the agent should understand something of the science of character analysis.

In endeavoring to effect a sale, the agent has for resources his personality, his specialized knowledge of life assurance, and his ability to read human nature. He must now consider how to

use his resources effectively; in other words, how to express himself to best advantage. The prospect will be influenced by the ideas expressed, the language conveying them, the voice, bearing, gestures and facial expression of the agent. Therefore all these points deserve attention in preparing for the final issue.

Now in every sale there are four steps: the buyer's attention must be won—his interest must be awakened—his desire aroused—the action of buying must take place. If, however, the sale is to be mutually satisfactory, the buyer must feel confidence in the salesman, and finally satisfaction with his purchase. The first four mental states are necessary in every sale, the last two if a permanent business is to be built up; and every life assurance company desires permanent business.

HABITS AND QUALIFICATIONS OF A GOOD AGENT.

By J. T. Lachance, Quebec.

Some agents seem to think it necessary to tell larger stories about dividends and surrender values than any other agent, and to give the most positive assurances that the company which they represent is far better in every respect than any other. In discussing the qualification of truthfulness I propose to speak on the subject with exceeding plainness, and not to leave unsaid anything necessary to purify the moral atmosphere of the agency business.

An agent should deal honestly with the applicant. By this I mean that he should not allow himself to recommend any plan of insurance which will not continue to be satisfactory to him. He should not let his greed of the first commissions urge upon him a five or ten year endowment with a costly annual premium, when a whole life policy, or life policy with fifteen or twenty annual payments, would do just as well, and be a great deal more appreciated by the policyholder, as soon as he learned the difference between them. A great part of the disfavor into which life insurance has fallen among a certain class of men, and the greatest part of the lapsed and paid-up policies, are traceable to the misrepresentations made by agents in procuring the application. An agent should never tell a man in moderate circumstances and with a growing family that he had better take a ten year endowment instead of a whole life policy, costing the same annual premium, for instance, unless he is convinced that this is the form of policy which upon trial will be found most satisfactory to the insured.

Agents have been greatly to blame in the past for thus recommending plans of insurance that were not adapted to the circumstances of the applicant, for the purpose of securing a larger commission. He should be frankly told what form of policy is best calculated to meet his needs. But the companies have been to blame as well as the agents, owing to the failure of the officers to properly grade the commissions, thus making it more lucrative for agents to insure on certain plans than on others. More information now prevails, however, than formerly on this subject. Applicants themselves exercise a more intelligent discrimination regarding their forms of contract in connection with their special requirements.

People Understand Business Better

They depend more on their own judgment and less on that of the agent. The whole business of life insurance is better understood by the people than formerly. In all cases when the applicant does not express any preference for some particular plan of insurance, after finding out what one is really best for him in his present condition, the agent should urge that which is the best adapted to his circumstances. Then the policy will not be so apt to lapse, the renewals will be more promptly paid, and the company will have a better reputation for the honorable dealing of its agents. In all these matters the agent is not working for himself alone, but for the company, which is interested in having a class of business which will stay on the books till the claims mature. By taking a manly, straightforward course, by consulting the real interests of the insured, and recommending only such forms of policies as will be really satisfactory when clearly understood, the agent is honoring his calling and laying a foundation for many future renewals.

A dissatisfied policyholder, one who believes that he has been misled by an agent, is capable of doing an immense deal of harm. Perhaps he rushes into print, showing how the agent promised one thing and the company perform another; how he does not get the expected dividends; how the company will not give him any surrender values; and all the neighborhood is excited about the swindle of life insurance. If the company does not fulfil all the promises which the agent made when soliciting, he is very apt to hear of it when he collects the renewals.

Policies Are Short Lived

It is a lamentable fact that the policies, as a class, are short-lived; in the best companies only nine or ten years is estimated the average, while in France and Great Britain the average age of a policy is upwards of twenty years, or about three times as great as ours. And this is largely owing to the dissatisfaction of the public and the misrepresentations which agents have made about future dividends, surrender values, liberality of the company, etc. Life insurance in this country has not been overdone, but a thorough reform in the class of soliciting agents is imperatively demanded.

But the fault is not wholly on the part of the agents; the officers of many companies are equally to blame. The agent is taught that his business is merely to get applications and to forward the premium, no matter what statements have been made to procure them. No attempt is made by such companies to elevate or purify the business. If the agent succeeds in bringing in a sufficient number of applications, he is honored with a front seat, if not, he is of no importance.

But in contrast to this there are some companies which take a noble stand against all kinds of misrepresentation and deception in soliciting. They are not so numerous as they should be, but I hope their number is annually increasing. Such companies will be the most prosperous when once the people learn that they are never deceived or disappointed by their agents. When Mr. A. T. Stewart, the wealthy merchant of New York, was once asked what was the greatest difficulty he had to overcome in his business, he replied, it was to make his clerks speak the truth. In his immense palatial stores, the largest on the continent, no misrepresentation of the quality of the goods was allowed. The same rule should be insisted upon in soliciting life insurance; the standard of veracity should be placed high, and then the business will be more honorable and more profitable.

HARVESTING IS PROCEEDING WELL

MONTREAL COLLECTIONS REPORTED ONLY FAIR

Some New Wheat is Already on Market—Maritime Provinces Hay Crop.

Monetary Times Office,

Montreal, August 27th.

Mr. Andrew Kelly, of the Western Canada Flour Mills Company, writing on August 21st to The Monetary Times on the western crop outlook, says:—

"I feel that it is everything that we could desire. You may have heard about rain and hail storms within the last week. In some cases reports say that there was an enormous amount of damage done, but we find that there has been very little, in fact, the opinion of the best posted people here, is that no more than one-half of one per cent., and a great many are inclined to believe that the good that the rain has done will almost more than balance the injury that was caused by the hail storms.

"Harvesting is going along nicely, and there has been three cars of new wheat on the market, all of which have graded No. 1 Northern. All we require now, is dry weather in order to let the farmers get their crop harvested in good condition, and I am still of the opinion that this country will harvest the best crop that has ever been produced in the three western provinces, and the percentage of good wheat will be much larger than it has been in the last three or four years."

Cutting of the grain is now general in Saskatchewan, according to crop reports received by the provincial government. Conditions continue good, and the prospects are that not only will the crop be large, but that it will be of fine grade.

Crop conditions, at present, are of the best in Alberta, writes a correspondent to The Monetary Times. In the south, cutting is fairly general, and undoubtedly a better yield is being harvested than in 1912. To the northward, the grain is yet green, but present weather is helping it along, and a continuation of ten days more like this week means much to those who are yet more or less depending upon their grain alone. Sixteen hundred men, to assist in the harvest, have gone from this city to date, on the one cent per mile rate, and no scarcity of labor or material is reported from any point in this district.

Maritime Provinces Hay Crop

Crop conditions in Nova Scotia have improved considerably as a result of the recent rain. The hay crop is generally 15 to 20 per cent. above that of last year, and has been successfully harvested. At the Agricultural College, Truro, one block of seven acres produced 28 tons of first-class hay—this means four tons to the acre.

The Maritime Provinces are the only parts of America which have a full crop of hay this year.

Oats and other cereals are equally good.

Mr. Fullerton, of the Nova Scotia agricultural college, who has recently made a tour of the province, says that crops were never better. In a few areas, potatoes, owing to the drought, will be a short crop.

Apples are certainly a low crop, probably not more than 40 per cent., about 500,000 barrels, and part of these are scabby.

The season of 1913 will be remembered in Ontario as one of the most favorable for the harvesting of hay and the cereals. The former was never handled in more perfect weather, and grain crops so far have stood up well for cutting, and have been housed under perfect conditions.

LIFE INSURANCE IN THE SCHOOLS

A helpful address was delivered by Mr. Neil D. Sills, president of the National Association of Life Underwriters. Mr. Sills hails from Richmond, Virginia, and told a host of anecdotes of and experiences in the life insurance business. He spoke at length on the good work of the association movement, and thought that the highest type of salesmanship was in the life insurance business.

He thought great educational work could be done in the schools for the cause of life insurance. In the high school at Richmond, Virginia, the underwriters gave four lectures: (1) The history and magnitude of life insurance; (2) The safety of life insurance; (3) The different policy forms; (4) The privileges of the policy.

Mr. Sills was of opinion that the income policy was becoming the favorite, and he predicted it would soon be the most popular policy.

He then described the different ways adopted by agents in securing prospects. These mostly included the adoption by the agent of the policy of taking absolutely for granted that the prospect was going to take life insurance. Mr. Sills added that the life insurance policy should always fit the special circumstances of the man taking insurance.

Lloyd George's is Canada's best friend, as his heavy taxing of England's landlords has forced the land owners to leave the Mother Country and invest their capital in the Dominion.—D. W. Cameron, of Lochiel, Scotland, at Toronto.

That the difficulty of making collections in the North-West is a very real one is attested by financiers in Montreal who have had a number of unpleasant experiences west of Winnipeg. It would seem that in more than one instance collections of considerable sums which were counted upon by eastern interests could not be made at all, the result being serious inconvenience to some of the larger commercial institutions of this city. One man who has had a large experience in connection with North-West collections of late offers the view that results in August are not likely to be satisfactory, it being his experience that only about 15 per cent. of the accounts falling due were met. He adds that this month is likely to prove about the worst, although September will be very little better. It is now the end of the old crop season, and finances are low throughout the whole west, more especially as the banks have been applying pressure to bring about a more healthy state of affairs and the adjustment of necessity occasions many complications. Harvesting, however, is now in full swing throughout the whole country, and presently threshing will take the place of cutting. Shortly thereafter the grain will begin to move east in large quantity. As soon as this movement begins the situation with respect to collections should show improvement. Practically no alteration will be noticeable in September, although October should begin to place the farmers in funds once more. By November and December the cash situation should have resumed a normal condition and thereafter it is hoped and fully expected that complaints concerning collections will reach a minimum again.

GREAT WEST LIFE'S BULLETIN

The bulletin of the Great West Life Assurance Company refers to discussions in various quarters on work and wages, the cost of living and the proper allotment of income. It is gratifying to observe that in most of the model budgets prepared, life insurance is emphasized as one of the most important items of expenditure, says the bulletin. Two typical tables secured from different sources, are cited. One purports to include the necessary items to be covered by the income of a British working-man earning \$7.00 a week, (say 28 shillings). The London County Council, responsible for the table, recommend the allotment of 50 cents, or 2 shillings a week, for life insurance.

The other table applies to an average mechanic's family in Winnipeg. The investigator places the monthly expenditure at \$100, and sets down for life insurance a minimum of \$50 a year. He says:—

"Insurance should properly be reckoned as a necessity. In the case of the death of the breadwinner adequate provision should be made to cover funeral expenses, to provide for the maintenance of the widow and children, otherwise the family becomes a charge on the community. Further, there ought to be adequate provision for old age."

The Great West Life Assurance Company reports the following business for the first six months of 1913:—Applications received January-June this year, \$13,067,906; applications received January-June last year, \$12,715,513; increase, \$352,393. Business issued January-June this year, \$11,344,530; business issued January-June last year, \$11,186,338; increase, \$158,192. Business in force June 30th, 1913, \$89,922,546; business in force June 30th, 1912, \$75,397,196; gain for the 12 months, \$14,525,350. Ledger assets June 30th, 1913, \$12,199,876; ledger assets 1st January, 1913, \$11,263,438; increase for half year, \$936,438. Premium receipts January-June, 1913, \$1,486,512; premium receipts January-June, 1912, \$1,307,511; increase for half year, \$179,001. Interest receipts January-June, 1913, \$395,037; interest receipts January-June, 1912, \$324,803; increase for half year, \$70,234. Number of applications received January-June, 1913, 85,570; number of applications received January-June, 1912, 84,655; increase for half year, 1913, \$915.

On a bid of \$3,500,000 the plant of the Michigan and Lake Superior Power Company passed into the possession of the first mortgage bondholders of the defunct company, represented by Mr. A. F. Weill. Their bid was the only one made. It is understood that as soon as the plant passes out of the receivership it will be handed over to the Michigan Northern Power Company, a new corporation, and that it is their intention to repair and improve the plant. The big plant was sold to satisfy holders of first mortgages valued at \$5,285,000. Foreclosure was ordered after the company had failed to pay anything for ten years.

REPORT OF THE ANNUAL MEETING

OF THE

WESTERN TRUST COMPANY

The Seventh Annual General Meeting of the Shareholders of the Western Trust Company was held in the Company's Board Room at their Head Office, 274 Main Street, Winnipeg, Manitoba, on Wednesday, the 13th day of August, 1913.

Mr. A. J. Adamson, the President, occupied the chair.

The Secretary read the minutes of the last annual meeting of the Shareholders of the Company, and the Report of the Directors and the Financial Statement was then submitted to the meeting as follows:

REPORT OF THE BOARD OF DIRECTORS

SEVENTH ANNUAL REPORT

To the Shareholders of the Western Trust Company:

The Directors of the Western Trust Company have pleasure in submitting their Seventh Annual Report, which shows the results of the Company's business from June 30th, 1912, to June 30th, 1913, accompanied by the Balance Sheet and Profit and Loss Account of the Company.

During the past financial year, the Company has for the first time been working with the subscribed capital fully paid up; consequent upon which there has been a marked augmentation of the transactions of the Company. The results of the operations have been more than satisfactory, as reference to the Financial Statement submitted to the meeting will show that there has been an increase in the profits closely approximating 50 per cent. in comparison to those of the year immediately preceding.

Throughout the period under review the interest payments on loans have been satisfactorily met, which is largely due to the conservative policy adopted by the board as to limiting advances to high grade securities. The Reserve Account has been increased from \$100,000.00 to \$150,000.00, the latter amount representing 15 per cent. of the paid up capital of the Company.

The Auditors have examined the securities of the Company in their usual careful manner and their certificate is attached to the Financial Statement.

By order of the board,

A. J. ADAMSON, President

FINANCIAL STATEMENT AS ON 30th JUNE, 1913

LIABILITIES		ASSETS	
Capital Account		Capital Account	
Capital subscribed	\$1,005,000.00	Real estate mortgages	\$1,132,962.88
Capital paid up	1,005,000.00	Stocks and shares	54,102.99
Reserve	150,000.00	Office furniture	2,712.34
Profit and loss	7,177.42	Other assets	9,881.86
		Cash in banks	4,475.51
			\$1,204,135.58
Dividend No. 11, payable July 2nd, 1913.....	1,162,177.42	Trust Guaranteed and Agency Funds	
Accrued interest payable	35,102.37	Real estate mortgages	988,990.22
	6,855.79	Cash in banks	48,040.86
	\$1,204,135.58		\$1,037,031.08
	1,037,031.08	Trust Estates and Agencies	
Trust Guaranteed and Agency Funds		Unrealized original assets held for collection	
Trust Estates and Agencies		and administration	4,376,166.97
Assets of estates and agencies under ad-			\$6,617,333.63
ministration by the Company.....	4,376,166.97		
	\$4,376,166.97		
	\$6,617,333.63		

PROFIT AND LOSS ACCOUNT

June 30, 1913, To Dividends Nos. 10 and 11 at 7 per cent per annum	\$70,159.24	June 30, 1912, By balance brought forward	\$ 925.87
June 30, 1913, To transferred to reserve account	49,874.00	June 30, 1913, By net profits for the year after making all proper deductions	\$126,284.79
June 30, 1913, To balance carried forward	7,177.42		
	\$127,210.66		\$127,210.66

AUDITORS' REPORT

To the President and Directors of the Western Trust Company:

Gentlemen,—We beg to report to the shareholders of the Western Trust Company that we have audited the books and accounts of the Company for the year ended 30th June, 1913, verifying the cash receipts and payments during the year, with the several bank accounts, the amounts found them in order, and duly certified as valid; and have inspected all those held by the Company at the end of the year, finding them likewise in order and according to the mortgage ledger accounts. We have found the books and accounts, including those at Regina, to be correct and sufficiently vouched, and we certify that the accompanying Profit and Loss Account and Balance Sheet exhibit a true and correct view of the state of the Company's affairs for the year and as at 30th June, 1913.

CROSS & MENZIES,
Chartered Accountants, Auditors

Winnipeg, Man., 1st August, 1913

The adoption of the Report was moved by Sir R. P. Roblin and seconded by Mr. J. A. Thompson and was unanimously adopted.

A comparative statement showing the progress of the Company since it commenced business was laid before the meeting in the following form:

Financial Year ending	Paid-Up Capital	Reserve	Net Earnings for Year	Total Assets
June 30th, 1907	\$ 238,726.07	\$	\$ 4,076.29	\$1,293,324.90
June 30th, 1908	244,427.50	12,500.00	17,851.62	1,691,963.28
June 30 h, 1909	252,879.00	25,287.90	25,340.71	2,279,606.62
June 30th, 1910	385,050.00	38,505.00	33,496.48	3,114,813.95
June 30th, 1911	580,600.00	58,050.00	54,026.76	3,497,558.35
June 30th, 1912	1,001,266.65	100,126.00	80,120.43	6,293,258.38
June 30th, 1913	1,005,000.00	150,000.00	126,284.79	6,617,333.63

which showed very substantial progress during the year just closed.

The election of Directors was then proceeded with and the following gentlemen were duly elected Directors of the Company for the ensuing year:

BOARD OF DIRECTORS

President—
ALAN J. ADAMSON, Esq., President The Western Trust Company. Vice-President North Empire Fire Insurance Co.

Vice-President—
SIR R. P. ROBLIN, K.C.M.G., Premier of Manitoba and Minister of Agriculture. Director of Northern Crown Bank, Winnipeg, Man.

JAMES JOHNSTON, Esq., Broker, Winnipeg, Man.

MICHAEL LONG, Esq., Vice-President and Manager The North Empire Fire Insurance Co., Winnipeg, Man.

J. D. McARTHUR, Esq., Railway Contractor, Winnipeg, Man.

JOHN A. THOMPSON, Esq., Vice-President Moose Mountain Lumber & Hardware Co., Winnipeg, Man. Director The North Empire Fire Insurance Co.

G. R. WHITMORE, Esq., Merchant, Regina, Sask.

JOHN E. ADAMSON, Esq., Barrister, Winnipeg, Man.

F. E. KENASTON, Esq., President The Minneapolis Threshing Machine Co., Hopkins, Minn. Director The Union Bank of Canada.

KENNETH MACKENZIE, Esq., Director Canada Life Assurance Company, Winnipeg, Man.

HON. J. H. ROSS, Senator, Moose Jaw, Sask.

J. G. TURRIFF, Esq., M.P., Late Commissioner Dominion Lands, Ottawa, Ont.

A. B. COOK, Esq., Sheriff, Regina, Sask.

JAMES G. BAIRD SMITH, Esq., C.A. (Scot.), Secretary Western Trust Company, Winnipeg, Man.

At a later meeting of the Directors, Alan J. Adamson was elected President, and Sir Rodmond P. Roblin, K.C.M.G., Vice-President of the Company for the ensuing year.

DIVIDENDS AND NOTICES

No. 332.

UNION BANK OF CANADA.

DIVIDEND No. 106.

Notice is hereby given that a dividend at the rate of eight per cent. per annum upon the paid-up capital and stock of this institution, has been declared for the current quarter, and that the same will be payable at its banking house in this city, and also at its branches, on and after Tuesday, the second day of September next, to shareholders of record on August 19th, 1913.

By order of the Board.

G. H. BALFOUR,
General Manager.

Winnipeg, July 15th, 1913.

THE ROYAL BANK OF CANADA.

DIVIDEND No. 104.

Notice is hereby given that a dividend of Three per cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Tuesday, the 2nd day of September next, to shareholders of record of 15th August.

By order of the Board.

E. L. PEASE,
General Manager.

Montreal, P.Q., July 17, 1913.

BANK OF MONTREAL

Notice is hereby given that a Dividend of Two-and-one-half Per Cent. upon the paid up Capital Stock of this Institution has been declared for the three months ending 31st July, 1913, and that the same will be Payable at its Banking House in this City, and at its Branches, on and after Tuesday, The Second Day of September next, to Shareholders of record of 31st July, 1913.

By order of the Board,

H. V. MEREDITH,
General Manager.

Montreal, 22nd July, 1913.

PROPOSAL TO FORM CO-OPERATIVE BANK FOR SASKATCHEWAN

(Special Correspondence).

Regina, August 26th.

The formation of a co-operative bank for the province of Saskatchewan is the proposal which has been laid before the commission on agricultural credits by Mr. W. C. Paynter, of Tantalton. Mr. Paynter has submitted details of his proposition. He contends that a co-operative bank will form the only permanent solution of the financial problem of the west.

Mr. Paynter's suggestion is that settlers subscribe \$50,000, paying \$25,000 to be deposited with the Dominion Bank until such time as the bank is ready for business. Of this, \$5,000 would be retained by the government for the bank redemption fund. The greater part of the paid-up capital should be spent in bank premises throughout the province. The co-operative concern would be empowered to issue notes to the total value of the buildings.

The statement reads further as follows:—"The wealth producers of the province will support such a scheme by depositing their surplus cash which the bank should loan only for productive purposes to producers in our own province. The co-operative bank can soon get all its notes in circulation through the agency of the Co-operative Elevator Company and by creating a spirit of loyalty to our own institution would all do our best to keep our notes in circulation as a medium of exchange, and keep turning in the notes of the other banks." He concludes as follows: "We can find ample room for all available funds, in the purchase of bonds and debentures of known reliability in our own province."

The Bank of Nova Scotia has opened a branch at Chandler, Gaspé County, Que. Mr. G. T. Kennedy being in charge.

THE CANADIAN BANK OF COMMERCE

DIVIDEND 106

Notice is hereby given that a quarterly dividend of 2½ per cent., upon the capital stock of this institution has been declared for the three months ending the 31st August next, and that the same will be payable at the Bank and its Branches on and after Tuesday, 2nd September next, to shareholders of record at the close of business on the 16th day of August, 1913.

By order of the Board,

ALEXANDER LAIRD,
General Manager.

Toronto, 21st July, 1913.

THE HOME BANK OF CANADA

NOTICE OF QUARTERLY DIVIDEND

Notice is hereby given that a Dividend at the rate of Seven per cent. (7%) per annum upon the paid up Capital Stock of this Bank has been declared for the three months ending the 31st August, 1913, and that the same will be payable at its Head Office and Branches on and after Tuesday, September 2nd, 1913. The Transfer Books will be closed from the 17th to the 31st August, 1913, both days inclusive.

By order of the Board,

JAMES MASON,
General Manager.

Toronto, July 16th, 1913.

Bankers' Burglar and Fireproof Safe for Sale at ½ Regular Price

A splendid bargain. In perfect condition. For full particulars and price, address The R. S. Williams & Sons Co., Limited, 145 Yonge Street, Toronto. Attention, Mr. Shelton.

RICHELIEU FINANCING COMPLETED

A cable message from London states that the financial arrangements have been completed under which the Canada Transportation Lines, Limited, takes over the assets of the Canada Interlake Line, Quebec Steamship Company, the Ontario and Quebec Navigation Company, and the Steamship Haddington, and all that now remains to be done in order to complete the Canadian navigation merger is to include the Richelieu and Ontario Navigation Company and the subsidiaries.

The London board of the Canada Transportation Lines has been constituted as follows:—

Sir Stephen Furness, M.P., chairman of Furness-Withy, Limited, and the British Mercantile Trust Company; Sir A. Trevor Dawson, deputy chairman and managing director of Vickers, Limited; Sir Vincent Caillard; Albert Vickers, chairman of Vickers, Limited; F. Lewis; W. Grant Morden; Claude Bryan, director of the British Maritime Trust.

Mr. Grant Morden has arrived in Canada from London as the fully-qualified representative of the London board, to complete all matters necessary in Canada in order to prepare the basis of the public issue in London of the debenture stock of the Canada Transportation Line soon after the holidays. The bankers of the issue are Brown, Shipley, and Company, and the London County and Westminster Bank.

DEBENTURES FOR SALE

TENDER FOR DEBENTURES

Tenders will be received up to twelve o'clock noon on Friday, the 19th day of September, A.D. 1913, for the purchase of an issue of \$40,000 worth of debentures for the purpose of purchasing stock in the Laurentia Milk Company, of Saskatchewan, Limited, repayable at the end of a period of ten years, and bearing interest at the rate of 5½ per cent. per annum.

The highest or any tender not necessarily accepted.

J. P. MARSHALL,
Secretary-Treasurer,

Town of Battleford.

Battleford, Sask., 21st August, 1913.

RURAL MUNICIPALITY OF BEAVER, NO. 276, SASKATCHEWAN

DEBENTURES FOR SALE

Sealed tenders will be received by the undersigned up to and including Friday, September 5th, 1913, for the purchase of an issue of ten years debentures of the Rural Municipality of Beaver No. 276, Province of Saskatchewan, to the value of \$10,000 (ten thousand dollars) bearing interest at 5 per cent. per annum, with equal annual payments of principal and interest, payable at the Northern Crown Bank, Foam Lake, Sask.

The issue is for the purpose of improving roads of the municipality.

Offers to be payable net at the Northern Crown Bank, Foam Lake, Sask.

The highest tender or any tender not necessarily accepted.

A. H. PARROTT,
Secretary-Treasurer.

Rural Municipality of Beaver No. 276, Foam Lake, Sask.

CONDENSED ADVERTISEMENTS

Advertisements on this page will be accepted hereafter at the following rates:—"Positions Wanted" advts. one cent per word each insertion; "Positions Vacant," "Agents or Agencies Wanted" advts. two cents per word each insertion; all other advertisements, three cents per word each insertion. A minimum charge of 50 cents per insertion will be made in each case.

FIRE INSURANCE INSPECTOR desires connection with first-class company. Eastern and Western experience. Best references. Box 237, *The Monetary Times*, Toronto.

THE MONARCH LIFE, head office at Winnipeg, advertises two vacancies for District Managers for Western Cities, and states that the positions offer good opportunities for capable persons.

YOUNG ACCOUNTANT who has had six years' training in Western Canada in office of wholesale hardware and lumber business where he had charge of very important work, is open for engagement. Can take full charge of accounting department, familiar with credit work. Can furnish excellent credentials as to ability and character. Address, Box 235, *The Monetary Times*, Toronto.

WANTED—Secretary or office manager's position by accountant with three years' experience at auditing and nine years as secretary and sales manager of a manufacturing business. Fully capable of taking charge of credit, collection and sales departments of either wholesale or manufacturing business. First-class references. Box 231, *Monetary Times*, Toronto.

Hornibrook, Whittemore & Allan General Insurance and Mortgage Agents CALGARY

Delaware Underwriters, Philadelphia
Equitable Fire & Marine Insurance Co.
Germania Fire Insurance Co. of New York
Rochester German Underwriters Agency
Yorkshire Insurance Company Limited

Agents wanted at unrepresented points in Alberta & Saskatchewan

ADDITIONAL INFORMATION CONCERNING FIRES ALREADY REPORTED.

Orillia, Ont.—July 24.—The E. Long Manufacturing Company's storage building. Loss, stock, \$6,300; patterns, \$6,526; buildings, \$3,540. Insurance, stock, \$5,000; buildings, \$3,000; patterns, \$2,000. Companies interested were Gore, Waterloo, Wellington and Crown Manufacturing plant was not interfered with.

Toronto, Ont.—Insurance on Central Press Agency's premises and stock as follows:—Building, Canadian, \$3,500; North America, \$4,500; North British, \$7,000; total, \$15,000. Loss, 75 per cent. Contents, Acadia, \$2,400; Aetna, \$1,000; Canadian \$2,700; Commercial Union \$2,500; Connecticut, \$1,500; Guardian, \$3,000; Home, \$1,500; Northern, \$2,000; Phoenix of London, \$1,500; Scottish Union, \$3,200; Springfield, \$2,400; Union of London, \$2,000; Western, \$2,500; total, \$28,200.

Toronto, Ont.—The insurance on Robert Crean and Co., Ltd., hat factory, was:—Liverpool and London and Globe, \$10,000; Mercantile, \$7,500; Waterloo, \$2,500; Pacific Coast, \$2,500; Hartford, \$5,000; Home, \$6,000; Caledonian, \$2,000; Northern, \$5,000; Fidelity-Phoenix, \$6,000; B. and C. Underwriters, \$1,500; Roch. German, \$2,000; Sovereign, \$2,500; Providence-Washington, \$2,600; National Union, \$2,050; Continental, \$2,500; Canadian, \$2,500; Duquesne, \$5,500; General, \$4,000; Fidelity Underwriters, \$4,000; Sun, \$4,000; North Western, \$3,000; Acadia, \$4,000; Employers' Liability, \$2,000; total, \$89,100.

Athabasca Landing, Alta.—August 5.—E. A. Lilly, adjustment agency, Calgary, reports following insurance losses:—

Canadian Bank of Commerce, North British and Mercantile, \$500.

Royal Bank of Canada, Royal, \$1,300.

Thomes Stoker, Royal, \$3,000.

H. F. Cull, Guardian, \$1,000; Great North, \$2,000; total, \$3,000.

Ferdinand Dubord, British Crown, \$4,000.

Grand Union Hotel Company, Rochester German, \$2,000; General, \$5,000; Firemen's, \$5,000; Law Union and Rock, \$2,000; German American, \$2,000; Commercial Union, \$4,000; Protector Underwriters, \$4,000; Connecticut, \$4,000; British Crown, \$4,000; total, \$32,000.

Athabasca Hotel Company, Rochester German, \$2,000; Germania, \$4,500; Delaware, \$1,500; total, \$8,000.

Athabasca Trading Store, Germania, \$2,000.

A. McLeod, Rochester German, \$2,500.

R. W. Dueck, National, \$4,200; British America, \$1,000; total, \$5,200.

Athabasca Club, Germania, \$1,500.

R. Bannerman, Guardian, \$350.

Braut and Viens, Guardian, \$1,050; Montreal Canada, \$2,500; total, \$3,550.

W. H. Gaskel, British America, \$500.

T. Frame Thomson, London and Lancashire, \$2,000.

R. Wyssman, North British and Mercantile, \$1,500.

Revillon Brothers, various, \$6,000.

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The value of any paper as an advertising medium is the circulation multiplied by the purchasing power per subscriber, then divided by the rate. The reasonable advertising rates and good circulation of The Monetary Times are strong points in its favor, but the unusually high purchasing power per subscriber makes it one of the very best advertising mediums obtainable in Canada.

UNITED STATES FINANCIERS AND THE DOMINION

Empire-building in the West Suggests Great Possibilities from Development

Every one who has followed the various steps taken by President C. S. Mellen of the New Haven Railroad Company in the direction of creating an organic system covering entire New England has not failed to observe that his thoughts have frequently been centred upon Canada and not so much the Canada which is the neighbor of New England as the new Canada—that region in which empire building upon a magnificent scale is now in progress, says Holland, in the Wall Street Journal. President Mellen on the other hand and his associate in railway management in the far West, the late President Hays of the Grand Trunk, on the other hand, regarded England and imperial Canada, especially the western part, each as supplementing the other in commercial relations.

Probably the broad-minded vista of railway opportunities which has been characteristic of Howard Elliott since his management of the Northern Pacific will not fail to impress upon him the value of the mutual relationship which can be established between the New England section of the United States and Canada.

The government of Canada has been doing what New England as a section has never thought of doing. For the imperial government began, some fifty years ago, a most comprehensive and far-reaching method of exploiting the wonderful resources of Western Canada and the transportation facilities by which these resources could be made available. In the south, there are evidences that the method adopted by the minister of the interior of Canada will be imitated.

Results from Publicity.

If publicity is the expedient policy for the great industrial corporations of the United States there is no reason why it should not be expedient policy for the people of each of the states as it has been found to be a highly advantageous policy for Canada. Publicity in its broadest meaning is nothing but advertising. It may not always be paid advertising, but the full reports of the United States Steel Corporation and the wonderfully clear exposition which the latest report of Theodore N. Vail of the American Telephone and Telegraph Company are, from one point of view at least nothing but advertising. The Canadian policy of publicity brought into Canada in a few years about a million and a quarter of immigrants and a great many million dollars. It has been officially stated that these results were secured, in part at least, by an expenditure of about two and one-half million dollars in publicity work.

The empire building which is now in progress in Western Canada and which reflects to some extent the plans of President Mellen for creating an organic railroad system in New England and the purpose of the late President Hays of carrying his Grand Trunk system across New England, with terminals at Providence and Boston, compares favorably with any work now in progress anywhere in the world involving the opening up of new and hitherto uninhabited regions and cultivating the prodigious natural resources which have awaited cultivation. Inevitably the growth of Western Canada within the next twenty-five or thirty years is to have a very influential relation to the growth of the United States. Canada is now the largest market for some of the American products. Canada is beginning to tempt American manufacturers to establish their plants within its boundaries.

To Be Great Seaport.

The contemplated plan of Governor Foss of Massachusetts to shift one of his manufacturing plants from Massachusetts to Canada furnishes a most important object lesson. One of the great American manufacturing corporations, at one time, seriously contemplated the removal of its plants to Canada and at this time the corporation managers are turning over in their minds the feasibility of removing some or all of their plants to Canada in case they find the new tariff law would be permanently detrimental.

A year or two ago one of the largest of the ocean steamship companies owned in Great Britain was purchased by another company and the reason given for that purchase was that the steamers of the purchased company would be available for use after the Panama Canal is open, so that the expected increase in wheat production in Western Canada could be made available for English markets by the utilization of the Panama Canal. This wheat, it is expected, will be transported from the fields to the new terminal which the Grand Trunk is now to establish on the Pacific Coast near the southern boundary of Alaska. The terminal is likely to be-

come the greatest seaport anywhere in the world located as far north as this seaport is to be.

The fleet of steamers will receive the wheat at this particular Pacific terminal of the Grand Trunk and will transport it unbroken in bulk to Great Britain by way of the Panama Canal, and that is likely to be as large a part of the commerce of Great Britain as will pass through the canal excepting some between the west coast of South America and Great Britain.

The railroads of Canada have co-operated with the Canadian government in carrying on a plan of publicity the results of which have already been magnificent. The managers of these railroads appear to realize that if publicity is the wiser part in informing the people as to the details of operation; of financing and like matters there is no reason why it should not be the wiser part to adopt if business for the railroads is to be desired. The railroads of Canada have recognized the vast influence which may be exerted by a skilful and honest method of advertising the resources of the country and the opportunities the railroads furnish for making these resources available.

AGAINST GROUP LIFE POLICIES

A resolution striking at the issuance of group life insurance policies unanimously was adopted at an executive session of the American Life Convention at St. Paul. Life insurance men, representing old line companies, denounced group insurance, by which an employer, for instance, puts into effect a blanket policy insuring all his employees against death. It was declared inimical to legal reserve life insurance, unfair and dangerous.

The life insurance men also adopted unanimously a committee report which vigorously opposed the upward trend of medical fees for old line insurance. The report said that, while \$5 was the usual fee charged in some sections, \$3 was entirely sufficient to guarantee sound medical examinations.

WESTERN TRUST COMPANY.

Discussing at the seventh annual meeting, the business of the Western Trust Company, of Winnipeg, for the past year, Mr. A. J. Adamson, the president, was able to report that the interest payments on loans have been satisfactorily met, largely due to the conservative policy adopted by the board as to limiting advances to high grade securities. The reserve account has been increased from \$100,000 to \$150,000, the latter amount representing 15 per cent. of the paid-up capital of the company. During the past financial year, the company has for the first time been working with the subscribed capital fully paid up. This has resulted in a marked increase of the transactions of the company. There has been a gain in the profits of nearly 50 per cent. in comparison to those of the year immediately preceding.

Here is a statement showing the development of the company since it commenced business:—

Year ended June 30th.	Paid-up Capital.	Reserve.	Net Earn- ings.	Total Assets.
1907	\$ 238,726	\$	\$ 4,076	\$1,203,324
1908	244,427	12,500	17,851	1,601,963
1909	252,879	25,287	25,340	2,279,606
1910	385,050	38,505	33,496	3,114,813
1911	580,600	58,060	54,026	3,497,558
1912	1,001,266	100,126	80,120	6,293,258
1913	1,005,000	150,000	126,284	6,617,333

The company's assets are as follows:—Real estate mortgages, \$1,132,962.88; stocks and shares, \$54,102.99; office furniture, \$2,712.34; other assets, \$9,881.86; cash in banks, \$4,475.51—\$1,204,135.58. Trust property guaranteed and agency funds.—Real estate mortgages, \$988,990.22; cash in banks, \$48,040.86—\$1,037,031.08. Trust estates and agencies.—Unrealized original assets held for collection and administration, \$4,376,166.97—\$6,617,333.63.

The net profits for the year ended June 30, 1913, after making all proper deductions, were \$126,284. Dividends to shareholders at 7 per cent. per annum absorbed \$70,159. The reserve account was strengthened and \$7,177 was carried forward.

The company is making good progress under efficient management and a strong directorate.

The city council of Regina is arranging to give better fire protection in the residential section. Three hydrants will be installed in every block so that there will be no difficulty in getting plenty of water in cases of fire.

DOMINION GOVERNMENT SAVINGS BANKS
Statement of the Balance at Credit of
Depositors on July 31st, 1913.

BANK	Deposits for July, 1913	Total Deposits	Withdrawals for July, 1913	Balance on 31st July 1913.
<i>Manitoba:-</i>				
Winnipeg.....	\$ cts. 10,490.00	\$ cts. 656,615.63	\$ cts. 22,858.38	\$ cts. 633,757.25
<i>British Columbia:-</i>				
Victoria.....	37,989.87	1,090,964.96	41,196.10	1,049,768.86
<i>Prince Edward Island:</i>				
Charlottetown.....	30,395.00	2,057,625.16	40,835.71	2,016,789.45
<i>New Brunswick:</i>				
Newcastle.....	2,516.06	295,108.06	3,564.79	291,543.27
St. John.....	68,410.76	5,760,383.35	98,952.30	5,661,431.05
<i>Nova Scotia:-</i>				
Acadia Mines.....				
Amherst.....	9,526.08	391,342.16	15,382.47	375,959.69
Arichat.....		120,576.88	*120,576.88	
Barrington.....	40.00	150,195.56	46.73	150,148.83
Guysboro'.....	2,437.00	121,898.72	777.96	124,120.76
Halifax.....	39,382.78	2,473,329.33	43,946.15	2,429,383.18
Kentville.....	2,515.06	258,115.48	4,604.23	253,501.25
Lunenburg.....	1,380.00	422,437.16	2,002.92	420,434.24
Pictou.....				
Port Hood.....	1,247.00	109,710.08	3,908.81	105,801.27
Shelburne.....	4,080.45	219,570.48	6,615.97	213,354.51
Sherbrooke.....	1,487.26	93,239.70	1,262.38	91,977.32
Wallace.....	2,379.06	130,507.73	1,015.02	129,492.71
Totals:	214,256.20	14,355,010.44	407,546.80	13,947,463.64

POST OFFICE SAVINGS BANK ACCOUNT
(JUNE, 1913).

DR.	\$ cts.	Cr.	\$ cts.
BALANCE in hands of the Minister of Finance on 31st May, 1913..	41,938,210.51	WITHDRAWALS during the month.....	1,054,229.38
DEPOSITS in the Post Office Savings Bank during month.....	957,342.14		
TRANSFERS from Dominion Government Savings Bank during month:-			
PRINCIPAL.....			
INTEREST accrued from 1st April to date of transfer...			
TRANSFERS from the Post Office Savings Bank of the United Kingdom to the Post Office Savings Bank of Canada.....	40,855.84		
INTEREST accrued on Depositors accounts and made principal on 30th April, 1913.....			
INTEREST allowed to Depositors on accounts during month.....	3,076.08	BALANCE at the credit of Depositors' accounts on 30th June, 1913.....	41,885,255.19
	42,939,484.57		42,939,484.57

*114,689.18 of this amount transferred to Post Office Savings Bank, July 28, 1913.

MONTREAL STOCK EXCHANGE—UNLISTED SECURITIES

Capital in thousands			MINES			Dividend	Price Aug. 20 1913	Sales week end'd Ag. 20	Price Aug. 27 1913	Sales week end'd Ag. 27	Capital in thousands			Miscellaneous—contin'd			Dividend	Price Aug. 20 1913	Sales Week ended Ag. 20	Price Aug. 27 1913	Sales Week ended Ag. 27		
Auth'oriz'd	Iss'd	Par Value									Auth'oriz'd	Iss'd	Par Value										
3,000	3,000		5	Hollinger.....	15		25				4,000	3,000	100	MacDonald Co'y, Ltd.....									
3,000	3,000		1	Porcupine Crown.....	110	4617	121	113	1353		3,000	2,000	100	pref.	7								
Miscellaneous																							
5,000	3,500	100		Ames Holden McCready Co.,		14	13	52			15,000	12,600	100	Mexico Northern Power.....		7	25		7	25			
5,000	2,500	100		bonds		72	71	925			10,000	10,000	100	bonds									
1,500	1,000	100		pref.		7					40,000	25,000	100	Mexico North Western Rly...									
3,000	3,000	100		Asbestos Corp. of Canada....				9			5,000	4,121	100	bonds									
4,000	4,000	100		pref.				21			20,000	20,000	100	Mont. Tramway Power Co.....					302	35	344	737	
5,000	3,000	500		bonds		5			28		1,000	1,000	100	National Brick.....com.	6	50	47	185		47	50		
1,250	750	100		Beld, Paul & Corti, Silk Co....				25			3,000	1,500	100	bonds	6	75	74	3600			1500		
1,250	850	100		pref.							6,000	6,000	100	Nova Scotia Steel Bonds...									
1,000	750	100		bonds							3,000	1,500	100	Ontario Pulp Co'y.....									
1,000	750	100		British Can. Cannery, Ltd....			170	35	35	2	2,500	1,500	100	bonds									
1,000	500	500		bonds							1,750	1,750	100	Peter Lyaall Construction Co.									
1,500	1,500	100		Can. Felt.....com.							1,500	1,300	500	pref.									
500	500	100		pref.							1,250	1,250	1000	bonds									
6,000	6,000	100		Can. Light & Power.....							5,000	5,000	100	Price Bros.....									
4,000	4,000	100		bonds							6,000	4,866		bonds									
15,000	12,244	100		Can. Coal & Coke.....com.			25	6	5		5,000	3,000	100	Prince Rupert Hydro Elec. Co									
500	6,506	100		bonds							3,000	2,500	500	bonds									
500	4,347	100		Can. Venezuelan Ore.....							1,500	1,048	100	Sherbrooke Rly. & Power Co.									
500	1,000	1000		pref.							1,500	1,048	500	bonds									
1,000	1,000	1000		bonds							1,000	750	100	Toronto Paper Co.....									
10,000	8,440	100		Dominion Bridge Co'y.....							500	500		bonds									
2,000	1,000	100		Hillcrest Collieries.....							5,000	3,000	100	Western Can. Power.....			52	100	55	52	85		
1,000	705	100		pref.							5,000	5,000	100	Wayagam'k Pulp & Paper Co.			27	378		26	55		
											5,000	3,000	100	bonds			6	76	74	2500	76	75	5800

(u) Unlisted
† Canadian Consolidated Rubber Bond Denominations, \$100, \$500 and \$1000. Steel Company of Canada, \$100, \$500 and \$1,000. Sherwin Williams, \$100, \$500 and \$1,000. Penmans, Ltd., \$100, \$500 and \$1,000. Canadian Cottons, \$100, \$500 and \$1,000.
‡ Quarterly.
All companies named in the tables will favor The Monetary Times by sending copies of all circulars issued to their shareholders, and by notifying us of any errors.
** Trethewey pays no regular dividend. They have paid:—1906, 4%; 1907, 4%; 1908, 15%; 1909, 25%; 1910, 10%; 1911, 20%; 1912, 10%.
* \$20,000 of this was redeemed April 1st, 1913.
Figures in brackets indicate in footnotes date on which books close for dividends, etc.
(1) Aug. 17-31 (2) Aug. 16-Sept. 17 (3) Aug. 30-Oct. 2 (4) Aug. 15-23 (5) Aug. 23-30 (6) Sept. 15-Oct. 1 (7) Sept. 1-9

COBALT ORE SHIPMENTS

The following are the shipments of ore in pounds from Cobalt station for the week ended August 22nd:—La Rose, 100,000; Hudson Bay, 56,650; Cobalt Townsite, 84,000; Crown Reserve, 40,500; McKinley-Darragh, 201,900; total, 483,050. Gold ore, ex South Porcupine, 106,000; total, 589,050. The total shipments since January 1st are now 25,737,720 pounds, or 12,868 tons.

In 1904 the camp produced 158 tons, valued at \$316,217; in 1905, 2,144, valued at \$1,437,106; in 1906, 5,835 tons; in 1907, 4,850 tons; in 1908, 29,360 tons; in 1909, 29,941 tons; in 1910, 34,041 tons; in 1911, 25,089 tons; in 1912, 21,509 tons.

PANAMA CANAL OUTLAY.

In the purchase and construction of the Panama Canal to date, the United States has expended \$322,500,000, of which \$138,600,000 was proceeds of bonds sold and the balance, \$183,900,000 was paid direct out of the Treasury and for which the Treasury can issue bonds to reimburse itself at any time.
Of the amount expended only \$292,228,379 has been classified for items up to April 30, as follows:—Civil administration, \$6,313,052; law department, \$40,846; sanitation, \$16,016,458; construction, \$179,538,594; general items, \$87,517,764; fortifications, \$2,801,665.

STOCKS AND BONDS - MONTREAL

VANCOUVER STOCK EXCHANGE table with columns for Cap. in thou'ds, Par value, LISTED, and Price Aug. 23 1913.

WINNIPEG STOCK EXCHANGE table with columns for Cap. in thou'ds, Par value, LISTED, and Price Aug. 23 1913.

Main table with columns for Capital and Rest in thousands, Dividend, TORONTO (Price Aug. 29 1912, Price Aug. 21 1913, Price Aug. 23 1913, Sales Week ended Ag. 28), and MONTREAL (Price Aug. 29 1912, Price Aug. 21 1913, Price Aug. 23 1913, Sales Week ended Ag. 28). Rows include BANKS, COMPANIES, Loan, Transportation, and Tel., Light, Electr., Power.

Do you need a Bond Salesman, an Insurance Agent, or a Representative? Insert "Condensed Ad." in THE MONETARY TIMES and reach the best men.

TORONTO AND WESTERN CANADA

Main table containing stock prices for Toronto and Montreal, including columns for Price, Dividend, Sales, and various stock names like Ames Hold'n M'C com, B.C. Packers, etc.

STOCKS & BONDS—Continued

Continuation of the main table, listing Bonds (Continued) and other financial instruments with columns for Issue, Par, and Value.

Notes in connection with these Tables appear on Page 423

CANADIAN SECURITIES IN LONDON

Table of Canadian Securities in London, listing various categories like Dominion Govt. Issues, Railroads, Banks, Land Companies, Loan Companies, Mining Companies, and Miscellaneous Co's, with columns for price and date.

GOVERNMENT FINANCE

INLAND REVENUE (July, 1913)

Table of Government Finance showing Public Debt, Liabilities, Assets, and Total Net Debt to 31st July and 30th June.

Table of Inland Revenue (July, 1913) showing Source of Revenue, Excise, and Total Excise Revenue.

MUNICIPAL FINANCING

Ottawa's Annual Bond Sale—Calgary Seeks Capital—
Schools a Factor in Bond Market

The Dominion Government loan of \$80,000,000 which reaches maturity on October 1st will be paid off. It bears interest at 4 per cent., and is the last of the list of loans at that rate.

Municipal finances have been easier for the past month at Calgary. An offer of \$1,000,000, at 6¾ per cent., may be accepted by the city, a rate which, though apparently high, covers all expenses and commissions. More than 4,000 men are on the city pay-roll, but many of these will be dropped off now, as some construction work is completed. Nothing new is being inaugurated.

The Calgary public school board is disposing of \$750,000 worth of bonds to Messrs. W. C. Langley and Company, New York, at approximately 88, at 5 per cent. These are forty-year bonds, one-fortieth repayable annually, and interest semi-annually. Demand for more school accommodation made it necessary to secure this money.

Ottawa's Bond Sale.

Tenders were opened yesterday for the purchase of \$51,000 40-year debentures, \$596,500 30-year debentures and \$517,206.40 20-years debentures of the city of Ottawa. They are all a liability of the city at large, and bear 4½ per cent. interest, payable 1st January and 1st July. Accrued interest from 1st July, 1913, must be paid in addition to price tendered. The \$236,000 debentures are in \$1,000 denominations, principal and interest payable at Ottawa. The remainder of the debentures will be made payable in Ottawa, New York, or London, at the option of the purchaser, and in denominations to suit.

Two Vancouver bond houses were among the applicants for the bonds which the city is selling locally, the total sales of which are anticipated to amount to \$100,000.

Money For Schools.

Victoria school board are to notify the city council that the sum of \$160,000 will be required. The chairman of the committee on finance, stated that the board required \$270,000 till December, and was \$160,000 short, for which it would want debentures sold.

The township of Melancthon has been building steel bridges. Finding that the rate of interest on loans had been increased by the banks the township authorities are borrowing from people in the township, on properly secured notes, at 5 per cent.

Changes in Canadian securities in London during the past week were noted as follows:—

Dominion of Canada inscribed, redeemable 1947, 2½ per cent., 73 to 75.

Dominion of Canada registered, 1930-50, 93 to 95.

Province of Nova Scotia, 1954, 3½ per cent., 82 to 84.

Winnipeg, 1914, 5 per cent., 100 to 102.

DEBENTURES AWARDED

Grey County, Ont.—\$20,000 5 per cent. 20-years, to Messrs. Stimson and Company, Toronto.

Montreal East, Que.—\$80,000 5 per cent. to Messrs. J. A. Mackay and Company, Montreal.

Melville S.D., Sask.—\$20,000 6 per cent. 30 instalments, to Messrs. C. H. Burgess and Company, Toronto.

Maisonneuve, Que.—(Schools).—\$205,000 5½ per cent. 40-years, to Messrs. J. A. Mackay and Company, Montreal.

PERSONAL NOTES

Mr. A. L. Crossin, of Messrs. Oldfield, Kirby and Gardner, Winnipeg, is in Toronto this week.

Mr. A. W. Smithers, chairman of the board of directors of the Grand Trunk Railway, is in Montreal, preparing to make his annual inspection of the system.

Mr. Arthur E. Fisher, superintendent of insurance for Saskatchewan, is in Toronto, as the guest of Mr. A. E. Donovan, M.P.P., manager for Ontario of the Mutual Life Insurance Company of New York.

Mr. A. E. Moulds has been appointed manager of the Manitoba branch of the Gresham Life Assurance Society, Limited, in succession to Mr. W. G. Johnson. Mr. Moulds was district agent and then district inspector in Winnipeg.

Mr. F. F. White, who was appointed provisional liquidator of the Canada Iron Corporation, is a member of the New York house of Messrs. Deloitte, Plender and Griffiths. It is understood that Mr. White will be appointed permanent liquidator with a view to the reconstruction of the company.

COMPANIES LICENSED IN VARIOUS PROVINCES.

The following companies have been licensed to do business in Ontario:—The Klotz Company, Limited (Dominion charter), capital, \$40,000; O'Reilly and Belanger, Limited (Dominion charter), capital, \$100,000; Bogue Brothers and Henry, Limited (Dominion charter), capital, \$50,000; Norfolk Fruit Farms, Limited (Dominion charter), capital, \$100,000.

The following companies have been registered to do business in Saskatchewan:—The Guardian Accident and Guarantee Company, the Northern Improvement and Investment Company, Limited, the Marsch, Siems-Carey, Smith Company, Limited, the Standard Reliance Mortgage Corporation and the Okanagan United Growers, Limited.

The following companies have been registered to do business in Alberta:—The Alberta-Indianapolis Land Company, Indianapolis, capital, \$6,000; Crushed Stone and Gravel Company, Saskatoon, capital, \$200,000; Standard Reliance Mortgage Corporation, Toronto, capital, \$5,000,000; Okanagan United Growers, Limited, Vernon, capital, \$10,000.

The following companies have been licensed to do business in British Columbia:—The Consolidated Film Company, Limited, Montreal, provincial office, Vancouver, capital, \$150,000; the Gordon Development Company, Limited, Toronto, provincial office, Vancouver, capital, \$499,900; the Kee Lox Manufacturing Company, Limited, Windsor, Ont., provincial office, Vancouver, capital, \$2,000.

The following companies have been registered to do business in British Columbia:—Ballou and Wright, Seattle, Washington, U.S.A., provincial office, Vancouver, capital, \$65,000; Clyde Iron Works, Augusta, Maine, U.S.A., provincial office, Vancouver, capital, \$1,000,000; Monitor Oil Company, Cleveland, Ohio, U.S.A., provincial office, Vancouver, capital, \$25,000; Shea-Mac Vaugh Engineering Construction Company, Portland, Oregon, U.S.A., provincial office, Victoria, capital, \$10,000.

SCHOOL DISTRICTS EMPOWERED TO BORROW MONEY.

The following school districts have been authorized to borrow money. The particulars are given in order, name and number of school district, amount required and name of secretary-treasurer:—

Alberta.

Hilltop, No. 2507, \$500. J. Jones, Gainford.
Victor, No. 2897, \$1,800. C. D. Holm, Victor.
Glendon, No. 2935, \$1,400. L. Stead, Glendon.
Gatine, No. 2753, \$1,500. T. A. Walker, Carbon.
Macleod, No. 47, \$3,500. E. F. Brown, Macleod.
Stanger, No. 2970, \$1,000. L. H. Mercer, Stanger.
Macleod, No. 47, \$13,500. E. F. Brown, Macleod.
Bituma, No. 2856, \$1,200. W. H. McMillan, Bituma.
Springburn, No. 2904, \$1,600. E. R. Briggs, Oyen.
Butte Vale, No. 2839, \$1,200. W. A. Walker, Sedalia.
Rose Glen, No. 2767, \$1,500. J. Bearss, Rose Glen.
Bye Moor, No. 2927, \$1,600. L. Brown, Hartshorn.
Northern Crown, No. 2940, \$1,000. J. Swan, Chauvin.
Golden West, No. 2490, \$1,600. W. H. McEwan, Hoskin.
Shamrock Valley, No. 2943, \$1,500. W. O. Melson, Elk Point.
East Edmonton, No. 98, \$5,000. E. Gee, Box 4425, Strathcona.

Saskatchewan.

Bell, No. 2999, \$1,000. E. Donovan, Sceptre.
Oleskow, No. 540, \$700. Paul Kyba, Veregin.
Stayner, No. 701, \$2,200. H. M. Clark, Grace.
Blofield, No. 1307, \$800. R. R. Bruce, Tuxford.
Wakaw, No. 1338, \$6,000. J. H. Flynn, Wakaw.
Divide, No. 2894, \$1,800. W. M. Phalen, Wallard.
Viceroy, No. 3007, \$5,000. And. Moffett, Viceroy.
Kochmstedt, No. 2938, \$1,700. J. Janhsen, Denzil.
Round Up, No. 2949, \$1,500. L. Matasky, Ceylon.
Hepburn, No. 1059, \$1,000. J. Schmidt, Hepburn.
Spiral, No. 2950, \$1,800. Mrs. A. Moffat, Lone Star.
Observation, No. 3004, \$1,700. J. E. Assels, Forres.
Blooming, No. 2917, \$1,400. S. A. Balgard, Blooming.
Preeceville, No. 2850, \$2,500. Jas. Fraser, Preeceville.
Garthland, No. 2977, \$1,000. M. G. Isbister, Wingard.
Treherne, No. 783, \$400. H. H. Robinson, High Hill.
Bengough, No. 978, \$7,000. A. D. Bruce, Bengough.
Fife Lake, No. 2908, \$1,000. R. F. Clapp, Little Woody.
Lone Tree Lake, No. 2918, \$1,500. J. T. Penna, Morse.
Northwood, No. 2988, \$1,700. R. H. Clayton, Broadview.
Marguerite, No. 1321, \$1,000. W. R. Adams, St. Walburg.
Drinkwater, No. 969, \$10,000. J. W. A. McIsaac, Drinkwater.