

FORTY-FIRST ANNUAL REPORT

— OF THE —

NEW YORK LIFE INSURANCE CO.,

OFFICE: NOS. 346 & 348 BROADWAY, NEW YORK.

JANUARY 1ST, 1886.

Amount of Net Cash Assets, January 1, 1885 \$57,835,998 45

REVENUE ACCOUNT.

Premiums	\$12,517,428 00	
Deferred Premiums, January 1, 1885	785,223 00	\$13,302,651 00
Interest and rents (including realized gains on Securities and Real Estate sold)	\$8,957 47	— 3,379,063 71
Interest accrued January 1, 1885	461,707 76	
		16,121,172 74

\$73,957,171 19

DISBURSEMENT ACCOUNT.

Deaths by death, including reversionary additions to same	\$ 2,909,109 64
Payments, matured and discounted, including reversionary additions to same	741,754 47
Dividends, and purchased policies	3,910,999 64
Total Paid Policy-holders	7,561,863 55
Commissions	250,142 32
Expenses, brokerage, agency expenses and physician's fees	2,024,000 50
Legal and law expenses, salaries, advertising, printing, etc.	458,416 62
	\$10,441,233 19

\$63,512,618 00

ASSETS.

Cash in bank, on hand, and in transit, (also received)	\$ 2,012,512 00
United States Bonds and other bonds and stocks (market value, \$3,591,253 88)	3,591,253 88
Real Estate	6,555,532 63
Mortgages, first lien on real estate buildings thereon insured for \$16,500,000 and the policies assigned to the Company as additional collateral security	15,150,590 70
Temporary loans, market values of securities held as collateral, \$254,480 net	451,160 60
Reserve on existing policies, (the reserve held by the Company on these policies amounts to over \$2,000,000 00)	416,031 15
Unpaid and semi-annual premiums on existing policies, due subsequent to January 1, 1886	678,161 63
Reserve on existing policies in course of transmission and collection. (The reserve of these policies included in Liabilities, is estimated at \$250,000)	575,000 50
Other balances	58,142 73
Accrued interest on investments, January 1, 1886	435,284 15
	\$63,512,618 00

\$3,351,703 32

Market value of Securities over cost on Company's Books.

* A detailed schedule of these items will accompany the usual annual report filed with the Insurance Department of the State of New York.

NET ASSETS, January 1, 1886 **\$66,864,321 32**

Appropriated as follows:—

Unpaid losses, due subsequent to January 1, 1886	\$ 144,474 00
Unpaid losses, awaiting proof, &c.	245,123 12
Unpaid endowments, due and unpaid claims not presented	41,854 06
Unpaid death and unpaid (uncalled for) dividends	10,595 21
Reserve for reinsurance on existing policies: participating insurance at 1 per cent. Carlisle net premium, non-participating at 2 per cent. Carlisle net premium	56,509,575 00
Reserve for contingent liabilities to Tontine Dividend Fund, January 1, 1885, over and above a 4 per cent. reserve on existing policies of that class	\$2,623,796 70
Reserve on existing policies of that class	482,683 31
Total	\$3,867,450 14

Amount paid to Tontine policy-holders during the year on matured Tontines 462,737 24

Amount of Tontine Fund, January 1, 1886 3,120,712 77

Amount for premiums paid in advance 23,301 63

\$59,799,848 19

Amount Surplus Company's Standard **\$7,064,473 13**

Amount plus by the New York State Standard, at 4½ per cent **13,225,053 94**

From the undivided surplus of \$7,064,473 13 the Board of Trustees has declared a Reversionary dividend to participating policies in proportion to contribution to surplus, available in settlement of next annual premium.

Death Claims paid.	Income from Interest.	Insurance in Force.	Cash Assets.
1881, \$2,013,253	1881, \$2,432,951	Jan. 1, 1882, \$151,709,924	Jan. 1, 1882, \$47,729,751
1882, 1,265,200	1882, 2,729,015	Jan. 1, 1883, 171,415,097	Jan. 1, 1883, 50,800,206
1883, 2,253,022	1883, 2,712,973	Jan. 1, 1884, 190,746,043	Jan. 1, 1884, 57,542,202
1884, 2,257,175	1884, 2,971,621	Jan. 1, 1885, 222,382,596	Jan. 1, 1885, 59,553,153
1885, 2,220,100	1885, 3,320,029	Jan. 1, 1886, 239,674,500	Jan. 1, 1886, 66,864,321

During the year, 18,566 Policies have been issued, insuring \$68,521,452.

SURPLUS	January 1st, 1885—Company's Standard,	\$4,371,014 :	State Standard,	\$9,896,773
	January 1st, 1886—Company's Standard,	7,064,473 :	State Standard,	13,225,053
	INCREASE—Company's Standard,	\$2,693,459 :	State Standard,	\$3,328,280

WILLIAM H. BEERS, President,

HENRY TUCK, Vice-President,

ARCHIBALD F. WELCH, 2nd Vice-President,

RUFUS W. WEEKS, Actuary,

THEODORE M. BANTA, Cashier,

D. O. DELL, Supt. of Agencies,

A. HUNTINGTON, M.D., Medical Director.

DAVID BURKE, General Manager for Canada.

OFFICES: { UNION BANK BUILDING, MONTREAL.
MAIL BUILDING, TORONTO.

OUR DIRECTORY

CANADIAN BANKS AND BANKERS. ONTARIO.

Bank of Commerce. Established 1867. HEAD OFFICE: Toronto. Paid-up capital, \$6,000,000. Reserve, \$7,100,000. DIRECTORS: Wm. McMaster, President. Wm. Elliot, Vice-President. T. S. Stayer, Jas. Crathern, John Waddie, Hon. S. C. Wood, Geo. Taylor, W. B. Hamilton, W. N. Anderson, Gen. Manager. Jno. C. Kemp, Asst. Gen. Man'r. Robert Gill, Inspector. NEW-YORK AGENTS: J. H. Goodley and E. E. Walk. BRANCHES. MANAGERS: Ayr.....John Wylie. Barrie.....Wm. Gray. Belleville.....K. Thomson. Berlin.....D. H. Dewar. Brantford.....W. Roberts. Casham.....J. R. Thomas. Collingwood.....F. C. Minty. Dundas.....Wm. Smith. Downsview.....F. C. Minty. Galt.....Wm. Thompson. Goderich.....R. S. Williams. Hamilton.....E. Mitchell. London.....H. A. Nicholson. Montreal.....W. Simpson. Norwich.....W. A. Sampson. Orangeville.....B. Sheppard. Ottawa.....J. Coffey Hale. Paris.....R. C. Jennings. Parkhill.....J. M. Duff. Peterboro.....W. Manson. St. Catharines.....F. O. Cross. Sarnia.....T. W. Nibbet. Seaford.....A. H. Ireland. Simcoe.....E. Corby. Stratford.....Wm. Maynard jr. Strathroy.....J. S. Small. Toronto.....W. J. Robertson. Toronto J. C. Kemp & L. Bober. Walkerton.....J. R. Clark. Windsor.....C. M. Stark. Woodstock.....D. H. Charles.

The Bank of Toronto. Established 1826. Paid-up capital, \$7,000,000. Reserve, \$1,150,000. DIRECTORS: Geo. Gorderham, President. Wm. H. Beatty, Vice-President. W. R. Wadsworth, Alex. T. Fulton. W. G. Gorderham, Henry Cavitha, Henry Covert. HEAD OFFICE: Toronto. Duncan Coulson, Cashier. Hugh Leach, Asst. Cashier. J. T. M. Barnside, Inspector. BRANCHES. MANAGERS: Barrie.....J. A. Strath. Cobourg.....Jos. Henderson. Collingwood.....W. A. Copeland. Montreal.....J. M. Smith. Peterboro.....J. H. Roper. Port Hope.....W. R. Wadsworth. St. Catharines.....G. W. Hoggett. London, Eng.—The City Bank, (Limited). New-York.—National Bank of Commerce.

The Dominion Bank. Established 1871. HEAD OFFICE: Toronto. Paid-up Capital, \$1,200,000. Reserve, \$200,000. DIRECTORS: Jas. Austin, President. Hon. Frank Smith, Vice-President. Wm. Ince, E. B. Oler, Ed. Lindsay, Jas. Scott, W. D. Mahew. H. H. Bethune, Cashier. BRANCHES. MANAGERS: London, Eng.—National Bank of Scotland. New-York.—W. Watson and A. Lang, The National City Bank. BRANCHES. MANAGERS: Belleville.....J. W. Murray. Brampton.....W. Nation. Cobourg.....E. H. Oler.indsay.....T. B. Dean. Napanee.....W. Darling. Trillia.....H. S. Scadding. Ottawa.....W. H. Holland. Toronto.....J. H. Kane. Queen St. E. H. M. Gray. do St. W. J. Prior. Strathroy.....H. Hoar. Whitby.....H. B. Taylor.

The Ontario Bank. Established 1858. HEAD OFFICE: Toronto. Paid-up Capital, \$1,500,000. Reserve, \$155,000. DIRECTORS: Sir W. P. Howland, President. Donald McKay, Vice-President. Hon. C. P. Fraser, G. M. Rose. H. K. Barrow, A. M. Smith, J. H. H. Cockburn. C. Holland, Gen. Manager. BRANCHES. MANAGERS: Bowmanville.....G. McGill. Cornwall.....A. Denny. Delhi.....E. Munn. Lindsay.....Leon D. McMorhy. Montreal.....W. W. L. Chipman. St. Fortes.....A. J. McNeill. Newmarket.....J. E. Sooch. Ottawa.....A. Simpson. Peterboro.....Chas. McGill. Pickering.....W. J. McQuerry. Port Perry.....W. J. McQuerry. Fort Arthur.....H. N. King. Toronto Brch.....W. H. Smith. do Queen St. W. H. Caldwell. Whitby.....W. R. Beith. Winnipeg.....E. Porter.

The Imperial Bank of Canada. Established 1873. HEAD OFFICE: Toronto. The Niagara District Bank merged into The Imperial Bank. Paid-up Capital, \$1,500,000. Reserve, \$450,000. DIRECTORS: H. S. Howland, President. T. R. Merritt, Vice-President. Robert Jaffray, P. Hughes, T. R. Wadsworth, Wm. Ramsay, Hon. Alex. Morris. D. R. Wilkie, Cashier. E. Jennings, Inspector. London, Eng.—Lloyds, Barnetts & Co. Bank (Limited), and Manchester and Liverpool District Bank (Limited). New-York—Bank of Montreal, H. Irwin & Co. Chicago—First National Bank St. Paul—Second National Bk. Detroit—National Bank. Buffalo—Bank of Buffalo. Boston—National Bank of the Commonwealth. Oregoo—Second National Bk. BRANCHES. MANAGERS: Brandon.....A. Jukes. Suez Centre.....J. Watt. Ferris.....J. F. Patterson. Galt.....J. A. Carver. Ingersoll.....J. A. Hitchcock. Niagara Fall.....E. Hay. Pt. Colborne.....G. G. Easton. St. Catharines.....C. M. Arnoll. St. Thomas.....M. A. Gilbert. Welland.....G. McTibban. Winnipeg.....C. S. Hoare. Woodstock.....S. R. Fuller.

The Federal Bank. Established 1874. HEAD OFFICE: Toronto. Paid-up Capital, \$1,250,000. Reserve, \$100,000. DIRECTORS: S. Nordheim, President. J. S. Playfair, Vice-President. W. Galbreath, E. Gurney, B. Crosby, H. K. Clarke, J. W. Langmuir. W. Yarker, Gen. Manager. BRANCHES. MANAGERS: London, Eng.—National Bank of Scotland. New-York.—Amer. Exchange National Bank. Buffalo.—Bank of Commerce. Boston.—Maverick National Bank. Oregoo.—Second National Bk. Chicago—First National Bank. BRANCHES. MANAGERS: Aurora.....P. H. Jones. Casham.....R. N. Rogers. Guelph.....M. U. Gravid. Kingston.....T. Y. Givet. London.....Geo. Malr. Newmarket.....J. C. Yarker. Simcoe.....T. A. Stephens. St. Marys.....C. S. Rumsey. Strathroy W. Thomson Smith. Tilcomburg.....Francis Cole. Toronto.....J. O. Buchanan. do Yonge St. G. C. Dunstan. Winnipeg.....P. L. Patton.

The Bank of Ottawa. Established 1874. HEAD OFFICE: OTTAWA. Paid-up Capital, \$100,000. Reserve, \$210,000. DIRECTORS: James McLaren, President. Charles Macree, Vice-President. C. T. Bate, R. Blackburn, Hon. Geo. Bryson, Hon. L. R. Church, Alex. Fraser, Geo. Hay, John Mather. Geo. Burn, Cashier. BRANCHES. MANAGERS: Armport.....D. M. Pinnick. Carlton Place.....A. Bangs. Persebroke.....H. C. Fraser. Winnipeg.....F. H. Mathewson. AGENTS: Ottawa.—Canadian Bank of Commerce. New-York.—Importers and Traders National Bank. London, Eng.—National Bank of Scotland.

The Bank of Hamilton. Established 1873. HEAD OFFICE: Hamilton. Paid-up Capital, \$999,500. Reserve, \$270,000. DIRECTORS: John Stuart, President. Hon. Jas. Turner, V. President. A. G. Hamby, Chas. Gurney, Dennis Moore, John Proctor, George Hinch. E. A. Colquhoun, Cashier. H. S. Steven, Asst. Cashier. BRANCHES. MANAGERS: Alliston.....A. M. Kirkland. Georgetown.....H. M. Watson. Hagersville.....N. M. Livingstone. Li-towel.....H. H. O'Reilly. Milton.....J. Butterfield. Oranville.....J. L. Haun. Port Eglon.....W. Corbould. Tottenham.....H. C. Alken. Wingham.....H. Willson. AGENTS: New-York.—Bank of Montreal. London, Eng.—The National Bank of Scotland.

The Standard Bank. Established 1876. HEAD OFFICE: Toronto. Formerly the St. Lawrence Bk. Established 1873. Paid-up Capital, \$1,000,000. Reserve, \$260,000. DIRECTORS: W. F. Cowan, President. Jno. Harms, Vice-President. W. F. Allen, A. T. Told, Dr. Morton, R. C. Jamieson, Fred. Wyll. J. L. Brodie, Cashier. BRANCHES. MANAGERS: Berensville.....W. J. Jones. Bradford.....T. Dawson. Brantford.....Geo. Ingle. Brighton.....J. E. Gray. Campbellford.....E. A. Bee. Canlington.....John Houston. Colborne.....C. Larke. Harrison.....W. T. Shannon. Markham.....F. A. Bessor. Newcastle.....J. K. Allen. Picton.....J. S. Landon. AGENTS: Montreal.—Bank of Montreal. New-York.—Bank of Montreal. London, Eng.—National Bank of Scotland.

The Central Bank of Canada. Established 1884. HEAD OFFICE: Toronto. Paid-up Capital, \$10,000. Reserve, \$10,000. DIRECTORS: David Blain, President. Saml. Trex, Vice-President. H. P. Dwight, A. McLean. Howard. C. Blackett Holman, K. Chisholm, M.P., D. M. McDonald. A. A. Allen, Cashier. Toronto Branch.—F. V. Philpott 254 Yonge St. AGENTS: Ottawa.—Canadian Bank of Commerce. New-York.—Importers and Traders National Bank. London, Eng.—National Bank of Scotland.

The Western Bank. Established 1887. HEAD OFFICE: O-BARA. Paid-up Capital, \$200,321.48. Reserve, \$25,000. DIRECTORS: John Cowan, President. Robert S. Hamlin, Vice-Pres. W. F. Cowan, R. McIntosh, M.D., W. F. Allen, J. A. Gibson, Thos. Paterson. T. H. McMillan, Cashier. BRANCHES. MANAGERS: Midland.....F. H. Holland. Millbrook.....E. V. Barchin. N. Hamburg.....T. D. Allen. Tilsburg.....A. G. L. Gay. Whitby.....Thos. Dow. AGENTS: Montreal, The Merchants Bk. of Canada. London, Eng.—The Royal Bank of Scotland.

The Traders Bank. Established 1885. HEAD OFFICE: Toronto. Paid-up Capital, \$307,643.26. DIRECTORS: Alex. Manning, President. Wm. Bell, Vice-President. H. H. Cooke, M.P., W. H. Dunlop, R. Sneling, LL.D., Hobb Thomson. BRANCHES. MANAGERS: Aylmer.....Stuart Smyby. Brantford.....C. H. Smith. Elmira.....J. Newk. Glenora.....Geo. Ingle. Hamilton.....F. Jarvis. Kirkton.....J. A. Mackleat. St. Thomas.....A. G. Simpson. Wallaceburg.....A. W. Marton.

The Bank of London In Canada. Established 1854. HEAD OFFICE: LONDON. Paid-up Capital, \$200,797.80. Reserve, \$20,000. DIRECTORS: H. Taylor, President. Jno. Labatt, Vice-President. A. M. Smart, Manager. W. R. Meredith, W. Duffield, Isiah Banks, F. B. Lyle, Thos. Kent, Benj. Crony, Thos. Isaac, John Morrison, John Lyle, Nic Lewth & Son, Toronto. BRANCHES. MANAGERS: Dresden.....J. W. Sharpe. Ingersoll.....C. W. M. Simpson. Petrolia.....P. Campbell. Watford.....T. A. Telfer. CORRESPONDENTS: Ottawa.—Molson's Bank and Branches. New-York.—National Park Bk Great Britain.—National Bank of Scotland (Limited).

OUR DIRECTORY

CANADIAN BANKS AND BANKERS. QUEBEC.

Bank of Montreal. Established 1818. HEAD OFFICE: Montreal. Paid-up Capital, \$12,000,000. Reserve Fund, \$5,000,000. DIRECTORS: C. F. Smith, President. Hon. T. A. Smith, Vice-President. Gilbert Svatl, A. T. Patterson, Alex. Murray, George A. Drummond, Hugh McLennan, Hon. John Hamilton. W. J. Buchanan, General Manager. A. Mansfield, Asst. General Manager and Inspector. J. V. Meredith, Assistant Inspector. A. B. Buchanan, Secretary.

Branches and Agencies in Canada. Alzante...Thos. Plummer. Belleville...H. Richardson. Bradford...W. L. Creighton. Brockville...Neil McLennan. Chatham, Ont. Angus Kirkland. Chatham, N.B. F. E. Windsor. Cornwall...H. Mackenzie. Godbich...H. Glass. Godsch...J. H. Finlay. Halifax...C. Sweeney. Hamilton...J. N. Travers. Kingston...R. M. Moore. Lindsay...C. F. L. Porteous. London...W. J. Anderson. Montreal...F. M. Cotton. Ottawa...F. Gundry. Perth...R. J. Drummond. Peterborough...F. S. Lewis. Quebec...E. S. Clouston. St. John's...J. B. Crombie. St. John's...A. J. C. Galletly. St. John's...John Porteous. Regina...E. J. Hunter. St. John's...Gen. Griffin. Stratford...G. A. A. Farmer. St. John's...E. C. Jones. St. Mary's...H. Milligan. Toronto...C. Brough. Winnipeg...James Hogg.

AGENTS. Great Britain—London, Bank of Montreal, 22 Abchurch Lane, E. C. Ashworth, Manager. London Committee—E. H. King, Chairman, Robert Gillespie. United States—New York, Walter Watson and Alex. Lang, 23 Wall street. Chicago, Bank of Montreal, W. Murray, Manager; E. Y. Hildes, Asst. Manager.

BANKERS. Great Britain—London, The Bank of England; The Union Bank of London; The London & Westminster Bank. Liverpool, The Bank of Liverpool. Scotland, The British Linen Company and Branches. United States—New York, The Bank of New York, N.H.A. The Merchants' National Bank. Dallas—The Merchants' National Bank. Buffalo—Bank of Commerce in Buffalo. San Francisco—Bank of British Columbia. COLONIAL AND FOREIGN CORRESPONDENTS. St. John's, Newfoundland—The Union Bank of Newfoundland. British Columbia—The Bank of British Columbia. New Zealand—The Bank of New Zealand.

Merchants Bank of Canada. Established 1864. HEAD OFFICE: Montreal. Paid-up Capital, \$3,750,000. Reserve Fund, 1,375,000. DIRECTORS: Andrew Allan, President. Robt. Anderson, Vice-President. A. Joly, H. Cassin, Hector Mackenzie, Jonathan Hodgson, John Cassidy, John Duncan, Hon. J. C. Abbott, M.P., Hugh Montagu Allan. George Hague, General Manager. J. H. Plummer, Asst. General Manager.

BRANCHES. Belleville...W. Hamilton. Berlin...Gus. Crookall. Brantford...J. C. Moore. Chatham...F. S. Jarvis. Galt...G. V. J. Greenhill. Gananoque...A. Petrie. Hamilton...J. S. Meredith. Ingersoll...A. M. Smith. Kinross...G. C. Tyro. Kingston...G. E. Haues. London...W. P. Harper. Montreal...A. M. Crombie. Mitchell...E. G. Lawrence. Napanee...A. Smith. Ottawa...W. H. Rowley. Owen Sound...A. St. L. Mackintosh. Perth...James Gray. Prescott...T. Kirby. Quebec...J. in Gault. Renfrew...G. G. Morgan. Sherbrooke...J. A. Healy. Stratford...T. E. P. Trew. St. John's...E. H. Howard. St. Thomas...W. Fringle. Toronto...Wm. Cooke. Walkerton...J. H. Patterson. Windsor...Wm. Kingley. Winnipeg...D. Miller. Brandon...J. C. Meredith. BANKERS. Great Britain—The Clydesdale Bank (limited), 29 Lombard Street, London, Glasgow and elsewhere. New York—The Bank of New York, N.H.A. AGENCY. New York—61 Wall street, Messrs. Henry Hague and John B. Harris, jr., Agents.

Bank of B. N. America. Established 1876. HEAD OFFICE: Montreal. Paid-up Capital, £1,000,000. Sterling Currency, \$1,500,000. Reserve, \$1,000,000. London Office—2 Clement's Lane, Lombard St., E. C. DIRECTORS: J. E. Bondie, John James Cater, Henry R. Farrar, Richard H. Glyn, Edward Arthur Hoare, H. J. Kendall, J. J. Kingsford, Frederic Lubbock, A. H. Phillips, J. Murray Robertson. Secretary—A. G. Wallis. R. G. Grindley, General Manager. Branch and Agencies in Canada. Brantford...Alex. Robertson. Fredericton, N.B.R. Inverness, Halifax...A. E. Ellis. Hamilton...D. G. McGregor.

Bank of B. N. A. Cont'd. Kingston...F. Brownfield. London...D. Com. plant. Montreal...J. P. Gault. Ottawa...D. Robertson. Paris...G. P. Buchanan. Quebec...H. M. J. McMichael. St. John's...W. E. Culler. Toronto...Wm. Grindley. Victoria, B. C. Gavin H. Burns. AGENTS IN THE UNITED STATES. New York—D. A. McTavish and H. S. Kinnon, Agents. Chicago—H. N. Breelon and J. J. Morrison, Agents. San Francisco—W. Lawson and C. E. Taylor, Agents. London Branches—The Bank of England and Messrs. Glyn & Co. FOREIGN AGENTS. Liverpool—Bank of Liverpool. Australia—Union Bank of Australia. New Zealand—Union Bank of Australia. Bank of New Zealand. Colonial Bank of New Zealand. India, China and Japan—Chartered Mercantile Bank of India, London and China. Acra Bank, limited, West Indies, Colonial Bank, Paris—Messrs. Mariani, Krauss & Co. Lyons—Credite Lyonnais.

Quebec Bank. Established 1818. HEAD OFFICE: Quebec. Paid-up Capital, \$2,500,000. Reserve, \$125,000. DIRECTORS: Hon. Jas. G. Ross, President. Wm. Withall, Vice-President. Sir N. P. Bellan, K.C.M.G. H. H. Smith, Jas. H. Young, William White, Gen. B. Henry, James Stierman, Cashier, W. H. Dean, Inspector. BRANCHES. Ottawa...H. V. Noel. Montreal...T. McDougall. Toronto...J. Walker. Thunder Bay...D. H. Crombie. Pembroke...T. G. Gault. Faroe Rivers...T. F. Gault. AGENCY. New York—Bank of B.N.A. London—The Bank of Scotland.

Molson's Bank. Established 1855. HEAD OFFICE: Montreal. Paid-up Capital, \$2,000,000. Reserve, \$750,000. DIRECTORS: Thomas Workman, President. R. H. H. Nelson, Vice-President. J. W. Shepley, Miles Williams, Sir D. L. Macpherson, S. H. King, A. F. Gault. F. W. Johnston Thomas, Gen. Manager. M. Heaton, Inspector. BRANCHES. Atlixer...W. H. Draper. Brockville...J. W. H. Rivers. Clinton...H. C. Brewer. Elstere...A. A. C. Denovan. Hamilton...J. M. Burns. London...Joseph Jeffrey. Meaford...Peter Fuller. Morrisburg...I. W. Howard. Owen Sound...T. W. D. Broderick. Ridgerton...L. E. Tete. Smith's Falls...E. A. Bethune. Toronto...C. A. Pipoe.

Molson's Bank Cont'd. St. Thomas...C. W. Chish. Sorel...G. G. Gault. Trenton...H. B. Wilson. Watrous...H. Heister. Woodstock...C. M. McCaw. AGENTS IN THE DOMINION. Quebec—La Banque du Peuple and Eastern Townships Bank. Ontario—Durham Bank, Bank of Montreal, Bank of Commerce, Merchants Bank. New Brunswick—Bank of N. Brunswick, St. John. Nova Scotia—Halifax Banking Company and its Branches. Prince Edward Island—Union Bank of P. E. I., Charlottetown and Summerside. Newfoundland—Commercial Bank of Newfoundland, St. John's. AGENTS IN UNITED STATES. New York—Mechanics' National Bank, Messrs. Morton, Bliss & Co., Messrs. W. Watson and Alex. Lang. Boston—Merchants National Bank. Portland—Casco National Bank. Chicago—First National Bank. Cleveland—Commercial National Bank. Detroit—Mechanics' Bank. Buffalo—Farmers and Merchants' National Bank. Milwaukee—Wisconsin Marine and Fire Insurance Co. Bank. Toledo—Second National Bank. Helena, Montana—First National Bank. Fort Benton, Montana—First National Bank. AGENTS IN EUROPE. London—Alliance Bank, limited—Messrs. Glyn, Mills, Curtis & Co., Messrs. Morton, Jones & Co. Liverpool—The Bank of Liverpool. Antwerp, Belgium—La Banque d'Avers.

Union Bank of Lower Canada. Established 1866. HEAD OFFICE: Quebec. Paid-up Capital, \$2,000,000. DIRECTORS: Andrew Thomson, President. Hon. G. Irvine, Vice-President. Hon. Thos. McGreevy, E. Giroux, E. J. Price, D. C. Thomson, P. J. Hal. E. Wells, Acting Cashier. FOREIGN AGENTS. London—The London and County Bank. New York—National Park Bank. BRANCHES. Montreal...F. Nash. Ottawa...M. A. Anderson. Winnipeg...G. H. Haffour.

Eastern Townships Bank. Established 1860. HEAD OFFICE: Sherbrooke. Paid-up Capital, \$1,419,488.70. Reserve Fund, \$375,000. DIRECTORS: R. W. Hecker, President. Hon. G. G. Stevens, Vice-President. Hon. M. H. Cochrane, Hon. J. H. Pope, Thos. Hart, John Thornton, G. N. Galor, D. A. Mansur, T. S. Mory, Wm. Farwell, General Manager. BRANCHES. Bedford...E. W. Morgan. Compton...H. Anelin. Cowansville...J. Mackinnon. Farnham...F. N. Robinson. Granby...W. H. Robinson. Richmond...W. J. Ball. Stanstead...S. Stevens. Waterloo...W. J. Briggs. AGENTS. Montreal—Bank of Montreal. London, England—Natl. Bank of Scotland. Boston—National Exchange Bank. New York—National Park Bk.

Banque Nationale. Established 1809. HEAD OFFICE: Quebec. Paid-up Capital, \$2,000,000. DIRECTORS: Hon. J. Thibodeau, President. Joseph Hamel, Vice-President. Hon. P. Garneau, T. LeBlait, C. Tessier, jr., M. W. Baby, Ant. Poinchaud, J. P. Lafreuer, Cashier. BRANCHES. Montreal...C. A. Vallée. Ottawa...C. H. Carrière. Sherbrooke—John Campbell. AGENTS. England—National Bank of Scotland, London. France—Messrs. Grunbaum Pères & Co., La Banque de Paris et des Pays Bas. United States—National Bank of the Republic, New York; National Reserve Bank, Boston. Newfoundland—The Commercial Bank of Newfoundland. CANADA. Ontario—The Bank of Toronto. Maritime Provinces—Bank of New Brunswick, Merchants Bank of Halifax, Bank of Montreal. Manitoba—The Union Bank of Lower Canada.

Banque du Peuple. Established 1833. HEAD OFFICE: Montreal. Paid-up Capital, \$1,200,000. Reserve, \$200,000. DIRECTORS: Jacques Grenier, President. A. A. Trotter, Cashier. GENERAL MANAGER: Thos. L. P. E. Panneton. AGENCY. AGENT. St. Reul...C. Délard. FOREIGN AGENTS. London, England—The Alliance Bk. Co., limited. New York National Bank of the Republic. Quebec Branch—E. C. Barrow, Manager.

Banque d'Hochelega. Established 1874. HEAD OFFICE: Montreal. Paid-up Capital, \$710,000. Reserve, \$70,000. DIRECTORS: P. X. St. Charles, President. C. Melancon, Vice-President. A. D. Parant, Cashier. BRANCHES. Joliette...J. H. Ostigny. Sorel...M. Dorval. Three Rivers...H. N. Boire.

QUEBEC Cont'd.

Banque Jacques Carlier.

Established 1862. HEAD OFFICE: Montreal. Paid-up Capital, \$500,000. Reserve, \$140,000.

DIRECTORS. Alph. Desjardins, President. A. S. Hamelin, Esq., Vice-President. J. L. Cassidy, Lucien Huot, J. O. Villeneuve, A. L. DeMartigny, Cashier.

BRANCHES. Beauharnois C. H. Hamel, Fraserville, J. F. P. Haut, St. Hyacinthe, A. Clément, St. Jean-Baptiste village, L. G. LaCase, Valleyfield, L. de Martigny, Victoriaville, J. A. Cooke

AGENTS. New York—National Bank of the Republic. London, Eng.—Glyn, 2911, Currie & Co.

Banque Ville Marie.

Established 1875. HEAD OFFICE: Montreal. Paid-up Capital, \$75,539. Reserve, \$20,000.

DIRECTORS. W. Weir, President. J. G. Guimond, Vice-President. The Hon. A. H. Paquet, Summersville Weir, J. G. Davie, C. F. Vinet. Urbain Garand, Cashier.

BRANCHES. Berthier, A. Gariépy. Lachute, J. A. Thibierge. St. Germain, M. L. J. Larocque. Louiseville, F. X. O. Lacombe. Nicolet, C. A. Sylvestre. St. Jérôme, Adj. Larue. Agents at New York. The National Bank of the Republic.

Bank de St. Hyacinthe.

Established 1874. HEAD OFFICE: St. Hyacinthe. Paid-up Capital, \$263,310.

G. C. Desmaulles, President. R. Blanchard, Acting Cashier.

Banque de St. Jean.

Established 1873. HEAD OFFICE: St. Johns, Q. Paid-up Capital, \$236,420. Reserve, \$10,000.

DIRECTORS. L. Molléur, President. W. Brown, Vice-President. Fr. Gosselin, A. A. L. Brien, J. O. Cass, Ph. Boudoin, Manager.

BRANCH. AGENT. Napierville, J. Molléur.

AGENT. Montreal—La Banque du Peuple. New York—Bank of Montreal. Boston—Maverick Nat. Bank.

P. E. I. The Merchants Bank.

Established 1871. HEAD OFFICE: Charlottetown. Paid-up Capital, \$146,000.

DIRECTORS. Owen Connolly, President. L. H. Davies, W. W. Sullivan, Benj. Harris, Donald Farquharson, L. L. Beer, W. McLean, F. Mitchell, Cashier.

BRANCH. St. John's, J. S. Hughes.

NEW BRUNSWICK.

Bank of New Brunswick.

Established 1852. HEAD OFFICE: St. John, N.B. Paid-up Capital, \$1,000,000. Reserve, \$200,000.

DIRECTORS. Hon. J. D. Lewin, President. John Yeat, Vice-President. T. W. Daniel, C. H. Fairweather, W. W. Turnbull, W. Girvan, Cashier.

FOREIGN AGENTS. London, Eng.—Williams, Deacon & Co. New York.—Mechanics' National Bank. Boston.—Elliot National Bank. Fredericton, N. B.—Peoples' Bank. Halifax, N.S.—Merchants Bk.

Maritime Bank of the Dominion of Canada.

Established 1875. HEAD OFFICE: St. John, N.B. Paid-up Capital, \$1,100,000. Res't, \$60,000.

DIRECTORS. Thos. MacLellan, President. Jer. Harrison, Vice-President. John Tapley, John McMillan, A. A. Sterling.

AGENTS. Fredericton, A. S. Murray. Woodstock, G. W. Vanwart.

St. Stephens Bank.

Established 1836. HEAD OFFICE: St. Stephen, N.B. Paid-up Capital, \$200,000. Reserve, \$25,000.

W. H. Todd, President. J. F. Grant, Cashier.

AGENTS. Montreal.—Bank of Montreal. London, Eng.—Messrs. Glyn, Mills, Currie & Co. New York.—Bank of New York, N.Y.A. Boston.—Globe National Bank. St. John, N.B.—Bank of New Brunswick.

People's Bank, N.B.

Established 1871. HEAD OFFICE: Fredericton. A. F. Randolph, President.

DIRECTORS. James Tittle, Thomas Temple, Geo. N. Babbitt, A. H. F. Randolph.

FOREIGN AGENTS. London, Eng.—Union Bank. New York.—Fourth National Bank. Boston.—Elliot National Bank. Montreal.—Union Bank of Lower Canada.

MANITOBA. The Commercial Bank of Manitoba.

Established 1885. HEAD OFFICE: Winnipeg, Man. Paid-up Capital, \$150,530.

Duncan MacArthur, President. William Lewis Boyle, Vice-President.

DIRECTORS. Hon. C. E. Hamilton, Hon. John Sutherland, Alex. Logan, Esq.

FOREIGN AGENTS. New York.—Merchants Bank of Canada. Saint Paul.—First National Bank. Canada.—The Merchants Bank of Canada. London, Eng.—Boyle, Campbell, Baxton & Co.

NOVA SCOTIA.

Bank of Nova Scotia.

Established 1852. HEAD OFFICE: Halifax. Paid-up Capital, \$1,111,300. Reserve, \$100,000.

DIRECTORS. John S. McLean, President. J. Donoh, Vice-President. Daniel Cronin, A. S. White, A. Barris, Jarvis Hart, Thos. Fyche, Cashier. Jas. B. Torgan, Inspector.

FOREIGN AGENTS. London.—Williams, Deacon & Co. and Royal Bank of Scotland. New York.—Bank of New York. Boston.—Merchants' National Bank.

BRANCHES. Amherst, D. C. Chalmers. Antigonish, J. Mowat. Bridgetown, T. D. Ruggton. Campbellton, F. H. Morrison. Canimog, S. W. Bonlon. Charlottetown, Geo. McLeod. Chatham, F. Kennedy. Digby, J. H. Churchill. Kentville, D. R. Forgan. Liverpool, D. V. Chipman. Moncton, Geo. Sanderson. Newcastle, D. Watters. New Glasgow, J. W. Carmichael. North Sydney, W. Thomson. Pictou, Howard Primrose. St. John, J. M. Robinson. St. Stephen, J. Black. St. Andrews, J. Black. Summerside, Neil McMillan. Sussex, Geo. W. Dan I. Woodstock, Wm. Halliburton. Yarmouth, J. H. Lombard.

Merchants Bank of Halifax.

Established 1861. HEAD OFFICE: Halifax. Paid-up Capital, \$1,000,000. Reserve, \$120,000.

DIRECTORS. Thos. E. Kenny, President. Hon. Jas. Butler, Vice-President. Thos. A. Ritchie, A. Smith, Thomas Ritchie, E. J. Davis, D. H. Duncan, Cashier. J. T. P. Knight, Inspector.

FOREIGN AGENTS. Ontario and Quebec.—Merchants' Bank of Canada. St. John, N.B.—Bank of New Brunswick. New York.—Bank of New York, N.Y.A. Boston.—National Hide and Leather Bank. St. John's, Newfoundland.—Union Bank of Newfoundland. London, Eng.—Imperial Bank (Limited), Williams, Deacon & Co. Hamilton, Bermuda.—N. A. Butterfield, agent.

BRANCHES. Antigonish, C. E. Harris. Baddeck, G. H. Hart. Bathurst, E. C. Jarvis. Bridgetown, J. C. Dudley. Dorchester, J. R. Emerson. Guysboro, H. R. Jones. Kingston, G. H. Abbott. Londonderry, E. Walsh. Lunenburg, S. Finck. Maitland, Geo. Fricke. Newcastle, G. H. Butcher. Pictou, G. H. Chisholm. P. H. Brown, E. L. M. Faint. Sackville, W. F. McLaughlin. Summerside, W. F. M. Bell. Sydney, J. E. Rowshell. Truro, Martin Dickie. W. ymouth, H. Kemp. Hamilton, Bend. N. A. Butterfield. Esquimaux, Que. G. H. MacKenzie. Charlottetown, F. H. Armand.

Peoples' Bank of Halifax.

Established 1861. HEAD OFFICE: Halifax. Paid-up Capital, \$600,000. Reserve, \$45,000.

L. E. Baker, President. C. E. Brown, Vice-President. Hugh Cann, Jno. Lovitt, J. W. Moody. Thos. W. Johns, Cashier. H. G. Parish, Accountant.

N. SCOTIA Cont'd.

Peoples' Bank of Halifax.—Cont'd.

DIRECTORS. R. W. Fraser, President. W. J. C. Sherman, Vice-President. A. W. West, T. A. Brown, G. H. Starr, Peter Jack, Cashier.

FOREIGN AGENTS. London.—Union Bank. Boston.—New England National Bank. New York.—Bank of New York, N. Y. A. Montreal.—Ontario Bank.

BRANCHES. Liverpool, Austen Locke. Wolfville, A. DeW. Bates.

Halifax Banking Co.

Established 1855. HEAD OFFICE: Halifax. Paid-up Capital, \$500,000. Reserve, \$55,000.

DIRECTORS. Robt. Uniacke, President. I. J. Morton, Vice-President. Thos. Bayne, F. D. Collett, James Thomson. W. L. Pitalathly, Cashier. J. A. McCarthy, Accountant.

FOREIGN AGENTS. Dominion of Canada.—Melsons Bank. Boston.—Saffold National Bank. New York.—John Paton & Co. London, Eng.—Alliance Bank (Limited).

BRANCHES. Antigonish, D. E. McDougall. Barrington, F. W. Homer. Hillsboro, H. McKelton. Lockeport, E. A. Capstick. Lunenburg, W. G. Greenwood. Pettitodiac, J. H. Morrison. Parrsboro, A. S. Townsend. Sackville, Thos. A. H. Mason. Shelburne, Geo. W. McLean. St. John, Jas. G. Taylor. Truro, A. Allan. Windsor, J. A. Russell.

Union Bank of Halifax.

Established 1856. HEAD OFFICE: Halifax. Paid-up Capital, \$500,000. Reserve, \$10,000.

DIRECTORS. W. J. Stairs, President. Hon. Robt. Bank, Vice-President. Jno. Gibson, G. R. Anderson, M. P. Black, W. Koch, Jr., E. L. Thorne, Accountant.

FOREIGN AGENCIES. London.—London & Westminster Bank. Newfoundland.—Commercial Bank Newfoundland. New York.—National Bank of Commerce. Boston.—Merchants' Nat. Bk. Montreal.—Bank of Toronto. Toronto, Bank of Toronto and Branches. St. John, N. B.—Bank of New Brunswick.

Bank of Yarmouth.

Established 1861. HEAD OFFICE: Yarmouth. Paid-up Capital, \$300,000. Reserve, \$20,000.

DIRECTORS. L. E. Baker, President. C. E. Brown, Vice-President. Hugh Cann, Jno. Lovitt, J. W. Moody. Thos. W. Johns, Cashier. H. G. Parish, Accountant.

N. SCOTIA Cont'd.

Commercial Bank of Windsor.

Established 1866. HEAD OFFICE: Windsor, N.S. Paid-up Capital, \$200,000. Reserve, \$65,000.

DIRECTORS. G. P. Payzant, President. Wm. Dimock, H. D. Fraser, E. W. Dimock, Andrew P. Shand, Walter Lawson, Cashier.

Pictou Bank.

Established 1874. HEAD OFFICE: Pictou, N.S. Paid-up Capital, \$250,000. Reserve, \$50,000.

DIRECTORS. J. Stey-McCall, President. Jas. Hindon, Vice-President. James Westwood, Daniel Fleet, A. Fisher.

Exchange Bank of Yarmouth, N.S.

Established 1853. HEAD OFFICE: Yarmouth. Paid-up Capital, \$215,210. Reserve, \$50,000.

DIRECTORS. A. C. Robbins, President. J. H. Kilham, Vice-President. N. B. Lewis, W. D. Lovitt, L. Cann, Alex. S. Murray, Cashier.

The Bank of British Columbia.

Incorporated by Royal Charter 1852. HEAD OFFICE: London, Eng. HEAD OFFICE IN CANADA: Victoria, B.C.

Paid-up Capital, \$1,821,257.50. Reserve, \$310,666.

OFFICERS IN ENGLAND. H. Hughes, General Manager. A. M. Forsyth, Accountant. Robert Gillespie, Chairman. F. Colville, Deputy-Chairman. H. D. Harrison, Director.

OFFICERS IN CANADA. W. C. Ward, Manager. Geo. Gillespie, Asst. Manager. J. Keith Wilson, Accountant.

NEWFOUNDLAND. Commercial Bank of Newfoundland.

Established 1857. HEAD OFFICE: St. John's, Nfld. Capital, \$306,000. Reserve, \$60,000.

Henry Cooke, Manager. H. D. Carter, Chief Accountant. AGENTS. London.—The London and Westminster Bank. New York.—The National Bank of the Republic. Boston.—The Atlas Nat. Bank. Montreal.—The Merchants Bk of Canada. Halifax.—The Union Bank of Halifax. Quebec.—The Merchants Bank of Canada.

HEAD OFFICE

HAMILTON, ONT.

ESTD 1847

CANADALIFE

Assurance Coy

Board of Directors:

Hon. Mr. Justice BURTON, Toronto.
 Col. C. S. GZOWSKI, A. D. C. to the Queen,
 Toronto.
 N. MERRITT, Esq., St. Catharines.
 JOHN STUART, Esq., Hamilton.
 DENNIS MOORE, Esq., Hamilton.
 WILLIAM HENDRIE, Esq., Hamilton.
 Hon. G. A. KIRKPATRICK, M.P., Kingston.
 A. G. RAMSAY, Esq., Hamilton, *President*.
 J. OSBORN, Esq., Hamilton.

Hon. Sir ALEX. CAMPBELL, K. C. M. G.,
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 Rev. CANON INNES, London.
 Hon. D. MACINNIS, Hamilton.
 GEORGE HAGUE, Esq., Montreal.
 F. W. GATES, Esq., Hamilton, *Vice-President*.

Managing Director—A. C. RAMSAY.

Secretary—R. HILLS.

Superintendent—ALEX. RAMSAY.

CAPITAL & FUNDS
 NEARLY
 \$800,000

ANNUAL INCOME
 OVER
 \$1,300,000



FIRE AND MARINE

WESTERN ASSURANCE OF TORONTO

Directors:

A. M. SMITH,
President.

W. M. GOODERHAM,
Vice-President.

Hon. S. C. WOOD,
 A. T. FULTON,
 GEO. McMURRICH.

ROBT. BEATY,
 GEO. A. COX,
 H. N. BAIRD.

J. J. KENNY, *Managing Director.*

CAPITAL,	\$1,000,000.00
CASH ASSETS,	1,188,200.46
ANNUAL INCOME, over	1,300,000.00
LOSSES PAID SINCE ORGANIZATION, over	10,000,000.00

INSURANCE ROYAL COMPANY.

GENERAL RESOURCES.
 CAPITAL
\$10,000,000
 INVESTED FUNDS,
\$28,000,000.
 SURPLUS OVER LIABILITIES.
\$9,616,424.
 SHAREHOLDERS LIABILITY UNLIMITED.



ASSETS, \$28,000,000.
 CHIEF OFFICE FOR CANADA.—MONTREAL.
M. H. GAULT & W. TATLEY,
 CHIEF AGENTS.

CANADIAN POLICY-HOLDERS
 SECURED BY
\$800,000
 DEPOSITED WITH GOVERNMENT
 IN ADDITION TO OTHER
DOMINION INVESTMENTS.
CANADIAN PREMIUMS EXCEED
\$600,000.
RATES MODERATE.
 LOSSES EQUITABLY ADJUSTED
 —AND—
PROMPTLY PAID.

[ESTABLISHED]— 1825. — [ESTABLISHED]— 1825.

ASSURANCE COMPANY

SUBSISTING ASSURANCES,
\$100,000,000.
 INVESTED FUNDS,
\$30,552,868. ANNUAL REVENUE,
 Over **\$4,234,000**, over **\$10,000** a day.

STANDARD LIFE

CLAIMS PAID IN CANADA, INVESTMENTS IN CANADA,
\$15,000,000. **\$2,000,000.**
 BONUS DISTRIBUTED,
\$17,000,000.
 Total Amount paid in Claims during last 8 years, over **\$15,000,000** or **\$5,000** a day

OF EDINBURGH, SCOTLAND.

Head Office for Canada.
 Standard Building, Montreal.

W. M. FAHSAY,
 Manager.

NORTH BRITISH & MERCANTILE FIRE & LIFE INSURANCE COMPANY.

HEAD OFFICE FOR THE DOMINION, 72 ST. FRANCOIS XAVIER ST., MONTREAL.

ESTABLISHED 1809.

TOTAL ASSETS	SUBSCRIBED CAPITAL . . .	\$12,100,000.	TOTAL ASSETS
	PAID-UP CAPITAL . . .	3,001,000.	
	FIRE FUND AND RESERVES . . .	7,700,500.	
	<p>THOMAS DAVIDSON, —[MANAGING DIRECTOR]—</p>		

W.M. EWING, Inspector.

ESTABLISHED 1809.

LIFE AND ANNUITY FUNDS . . .	\$18,600,510.
FIRE REVENUE	5,776,076.
LIFE REVENUE	2,631,027.

G. U. AHERN, Sub-Inspector.

[DIRECTORS]—
 GILBERT SCOTT, Esq. CHARLES F. SMITHERS, Esq.
 HON. THOMAS RYAN.

[AGENTS IN ALL CITIES AND PRINCIPAL TOWNS IN CANADA]—

No. 6.

Insurance and Finance

CHRONICLE.

Vol. VI.

OFFICE:
1724 Notre Dame Street.

MONTREAL, JUNE, 1886.

SUBSCRIPTION,
\$2. per ANNUM.

Insurance and Finance Chronicle.

[Formerly Insurance Society.]

PUBLISHED MONTHLY,

R. WILSON SMITH,

Editor and Proprietor,

OFFICE: 1724 NOTRE DAME ST., MONTREAL

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THE NEW INSURANCE BILL.

The most important matter affecting insurance which has occurred for some time is the passing of the Act consolidating the laws relating to insurance in all its branches. We have procured an advance copy of the Act as it passed the senate, and as it became law, with all the final amendments. To be able to insert the whole Act in this issue, and thus give it to our readers at the earliest possible moment, necessitated our enlarging the paper, but the importance of the matter justified us in doing so. We think every underwriter in the Dominion—fire, life, marine and accident—should carefully preserve this issue of the CHRONICLE for reference in future years; for the law we have now published is the one which will control the business for many years to come, in all probability.

The new law consolidates the old ones in more than the mere name, for the wording has been much abbreviated and simplified. Mr. Fitzgerald, the Superintendent of Insurance, is no doubt its author, and is to be congratulated on his work. We may draw attention to the more important changes in our next issue.

BANQUE DE ST. JEAN.

An action has been for some time pending in the Court charging the President of this Bank, Mr. Louis Molleur, with having caused false returns to be made to the Government as to its financial condition. The chief item in the indictment is, we understand, that the capital of the bank was reported as paid-up in cash, whereas a large proportion was paid in promissory notes only. The action has had a most injurious effect on the business of the bank, for public confidence has been withdrawn to such an extent that it has had practically to abandon its business, and it is rumored that it will soon wind up. The Banque du Peuple is opening an agency in St. John's to replace it.

GOLD AND SILVER.

We reproduce elsewhere a very interesting article on Bimetallism, from *Chambers' Journal*. We recommend our readers to read it carefully, for the clear and simple manner in which the question is discussed will give them a better insight into its merits than a volume of more complicated discourses. The problem which the financiers of the world have to solve, and with which our English exchanges are full, is shown distinctly. We do not intend to make any extended remarks on the subject, but hardly think the conclusion arrived at is entirely correct. "If the supply of gold is too small for the world, then the only alternative is to utilize silver more largely, and to give it an official value in relation to gold." Before this is put as the only escape from the dilemma, it must be shown that the use of gold cannot be economised without in any way interfering injuriously with trade. Gold must of course be retained as the basis of the circulation of the country, but we in Canada know from experience that people can get on very well indeed without a gold coinage, if it is only well understood that our bank notes can be converted into gold at the will of the possessor. The fact is Canadians would rather have government or bank bills or promises to pay gold, as they really are, than the metal itself, and it is only necessary to have a sufficient reserve of gold on hand to provide for possible calls.

The Canadian banks have only about \$7,000,000, of specie, including silver (besides Dominion bills of course) to pay about \$30,000,000 of circulation. We admit, of course, that if Canada had not the gold coinages of England and the United States to fall back on, a large coinage of her own would be necessary, but it does seem to us that England does not require all the gold she has in circulation. The trouble would be at least greatly lessened if the Bank of England were allowed to issue bills to £1 sterling, instead of £5 as at present, and were not compelled to retain in their vaults gold coins for all the bills they issue beyond £15,750,000. At the present time there is lying idle in the Bank of England the enormous sum of £21,038,000 in gold coins and bullion and this is much under the average amount. Probably at least half of this could be released with perfect safety and great advantage. Moreover, if bank notes could be issued for £1 there would very soon be an immense amount of gold now in circulation returned to the coffers of the bank to be replaced by notes, thus increasing the reserve in coin, and helping greatly to strengthen the position of the Bank, for small notes are admittedly the safest and less likely to be "run" on it.

MONTREAL AND TORONTO.

THEIR RELATIVE COMMERCIAL STANDING.

The keen rivalry which exists between Montreal and Toronto is well-known to all who are in any way connected with the wholesale trade of Canada. Montreal at present has decidedly the lead, but Toronto is straining every nerve, and claims to be advancing more rapidly than her rival, and hopes some day to wrest from her the title of "the commercial metropolis of Canada." Under such circumstances a few figures as to the trade of the two cities will no doubt be interesting. We have at considerable trouble prepared a little table showing as nearly as possible the capital invested in the different branches of wholesale trade in each place. As our basis on which to work we took the ratings of the different firms as given by Dun, Wiman & Co.'s mercantile agency book. No doubt some will object to this as being unreliable, and we ourselves do not wish to be understood as in any way endorsing the correctness of the statements of this or any mercantile agency. We see no reason, however, to doubt that, whether some of the individual ratings are correct or not, the *totals* cannot be far from correct, or at any rate as just to one city as to the other. To simplify matters we have omitted every firm which is not rated at least as high as "\$20,000 to \$40,000."

TRADE CAPITAL IN MONTREAL AND TORONTO.

KIND OF BUSINESS.	MONTREAL.		TORONTO.	
	No. of firms.	Capital.	No. of firms.	Capital.
<i>Wholesale:</i>				
Dry Goods, fancy goods, etc..	43	\$9,985,000	38	\$4,900,000
Foundries, machinery, etc....	19	4,875,000	19	3,435,000
Hardware, tin, lead, etc.....	30	4,435,000	13	1,125,000
Groceries, teas, coffees, etc....	38	4,300,000	21	2,005,000
Drugs, paints, etc.....	27	3,745,000	14	1,670,000
Hats and shoes, leather, etc...	26	2,925,000	14	1,400,000
Brewers and vinegar mfrs.....	11	2,655,000	7	645,000
Distillers and liquor dealers...	3	380,000	6	1,570,000
Books, stationery, printing, etc.	21	2,635,000	32	3,525,000
Shipping.....	6	2,575,000	1	30,000
Clothing, hats, furs, etc.....	19	2,535,000	8	640,000
Flour mills, etc.....	11	1,840,000	8	670,000
Lumber, sawmills, etc.....	16	1,120,000	20	3,270,000
Tobacco.....	5	1,055,000	..	.....
Stock brokers.....	5	685,000	7	400,000
Jewellery, etc.....	7	505,000	7	300,000
Wood and coal.....	4	320,000	9	660,000
Furniture, coffins, etc.....	1	250,000	4	440,000
Glass and crockery.....	4	210,000	3	160,000
Saddlery, trunks, etc.....	3	150,000	2	130,000
Seeds.....	2	90,000	5	280,000
Musical instruments.....	1	30,000	8	1,100,000
Other manufacturers.....	35	7,290,000	22	2,030,000
Other merchants.....	29	1,850,000	16	1,190,000
Miscellaneous.....	23	2,215,000	16	1,700,000
Total for wholesale trade.	389	\$58,755,000	300	\$33,275,000
Retail trade, all branches.	40	\$1,540,000	39	\$1,790,000
Grand total.....	429	\$60,295,000	339	\$35,065,000

The above figures we believe may be accepted as at least approximately correct. They are very instructive. It must be remembered that they refer only to the capital invested in the business, or, in other words, to the wealth of the various firms, without reference to the amount of business

which they do. It will be seen that in the aggregate Toronto has more than three-fourths (77 per cent.) as many large wholesale firms as Montreal, but their capital is less than sixty per cent. (58 per cent.) of that of the latter. This is of course partly the result of the length of time during which many of the Montreal firms have been established.

An examination of the details will show that the lines in which Toronto has the advantage are as follows:

Books and stationery; lumber and saw mills; pianos and musical instruments; distilling and liquor dealing; coal, furniture and undertaker's materials; and seeds. In all others she is behind. It is curious to note that Montreal has almost the monopoly of the brewing interest, while Toronto is similarly situated as regards distilling. In tobacco Toronto is apparently nowhere, for it would seem that there are only three firms large enough to be considered in this connection which deal in tobacco, and they only do so as an adjunct to their liquor business. The other items speaks for themselves.

The retail trade of Montreal seems to be less profitable than that of Toronto, for the capital invested is apparently less. It is true, we believe, that the competition is keener here, and the trade more cut up, which will explain the above figures.

For the sake of curiosity we have analyzed the figures for Montreal from another standpoint, for the purpose of seeing how the business is divided between the English and French population. Of the above 389 wholesale houses representing \$58,755,000 of capital, 54 houses, representing \$3,960,000 of capital are French. This is about 14 per cent. of the total in number and 7 per cent. in amount. Evidently the vast bulk of the wholesale trade of Montreal is in the hands of the English-speaking population. The retail trade is, however, in a very different position. Of the above 40 retail firms representing \$1,540,000 of capital, 15, with \$570,000 of capital, are French. But even this tells but half the story, for a very much larger proportion of the smaller retail firms are French, so that we do not think we are going beyond the fact when we say that probably more than two-thirds of all the retail firms in the city are French, and that these do not less than one-half of the total retail business.

LIFE ASSOCIATION OF CANADA.

We notice that the deposit of this company with the Dominion Government has been altered from municipal debentures of the par value of \$106,094 to a cash deposit of \$96,075. It is well-known that as the Association is winding up its affairs it is very anxious to withdraw part at least of its deposit for use in purchasing its policies. To this we have always objected in the most uncompromising terms. We can hardly object, however, to what has been done, for, so far as we can see, the company had the right to ask for the change it has had made, the municipal debentures having been accepted by the Government at only ninety per cent of their face value for deposit purposes, and cash for the amount they were taken at being deposited to replace them. The practical effect, however, has been to reduce the value of the deposit in the hands of the Government by at least \$15,000.

THE HOMANS' PLAN OF LIFE ASSURANCE.

We insert with pleasure on page 229 the reply which Mr. Dexter, the Managing Director of the Federal Life makes, or rather attempts to make, to our criticism of the Homans' Plan. His letter arrived just as we were going to press last month, and had, therefore, to be omitted. We trust that our readers will do us the favor of turning to our April issue, and refreshing their minds as to what we said, and will then mark off which of the facts and arguments Mr. Dexter even refers to, and then decide whether his remarks on those few points are worthy of consideration. We think they will agree with us that the weakness of the reply is about the strongest proof that could possibly be brought forward as to the truth of our statements, as well as the absolute soundness of our conclusions.

As we have already said, Mr. Dexter refers only to what he thinks are the weakest points in our position, and apparently hopes that his letter will pass muster as a reply to all. But let us see if he has found any flaw at all in our armor.

The first statement that "there is no similarity between the "Term" insurance used for comparison, and the "Renewable Term" insurance, known as the "Homan's Plan," falls to the ground immediately, for the *old* Homans' Plan is, for comparison sake, not only similar but *identical* with the new Homans' Plan. We ask our critic to point out any difference "so far as the class of risk and the mortality rate are concerned." Again the "Renewable Term" policy of the *Ætna*, with which we compared, is not only no worse than the Homans' Plan but so much better than it that we do it an injustice by mentioning the two in the same sentence. He also ignores the fact that it is a great disadvantage rather than otherwise to have to renew a Term policy on a poor life after the original term of five or ten years has run out. The companies issuing ordinary Term policies must have had many escapes from claims by the expiration of policies shortly before the death of the assured. The companies issuing ordinary Term policies do not have to carry the assured for more than five, or at the outside ten years after he leaves the examiner's hands while under the Homans' Plan the company has to continue the risk until he dies.

The statement that the Homans' Plan is the same as any other Whole Life Plan is manifestly incorrect, for in the one case the company has a hold by which it can retain the assured in it, which it has not in the other. This is, in fact, the vital difference.

The writer then evidently thinks that he has found an important item, judging by his quotation from the mortality report of the Connecticut Mutual. We do not feel inclined to attach the same importance to the dangers of the overland route to California as the actuary of that company does, and rather think the most reasonable explanation of the high mortality under their Term policies is the undesirable nature of such risks on general grounds. The introduction of the extra premiums received, during the civil war especially, on the company's *total* business only complicates matters. We, however, were perfectly aware that a little objection might possibly be made to this case, and for that reason only brought it in at the very end of what we had to say on the subject. But it is a conclusive sign of a weak case to have to pass over the nineteen lines of matter which we de-

voted to the experience on this same point of the Mutual Benefit of New Jersey, and pick out the less than six lines we devoted to the Connecticut Mutual. How is it that our critic does not quote the remarks of the actuary of the Mutual Benefit, when he says: "The death rate (under Term policies) has been considerably higher than the standard and compares very unfavorably with the company's experience on ordinary policies, (178 deaths for every 100 expected according to its total mortality). The facts offer abundant reason for the company's action, some years since, in discontinuing the issue of policies of this class. *In compiling the statistics on Term policies, as above given, all cases involving a special war risk were excluded.*"

The statement that "a considerable number of the Term policies of the Connecticut Mutual were on the lives of children," is disproved by the facts. Out of 188 deaths only 13 were under 21 years of age, and if we leave them out of the question entirely the ratio is still 197 deaths to every 100 in the total experience.

But we need not go on further on this point. Let our critic quote the experience of any life company under Term policies, which has not been heavier than under its other policies. We of course only refer to companies which have a large enough experience to be of any value, extending over say, at least, ten years. We will not say positively that none such exists, but we will say that we know of none. This fact is all the more remarkable when it is remembered that it is the practice of companies to admit only the very best lives (in fact those which they consider unexceptionable) to the privileges of term insurance. This is a fact which most of our readers can certify to out of their own knowledge. Will Mr. Dexter deny that both the mortality and lapses under the old Homans plan in the Provident Savings Company have been very much heavier than should have been expected? If he does not, the question is settled, so far as we can see.

In regard to lapsed policies it is only necessary to state that the *Ætna's* Renewable Term plan has been in use by that company for about twenty years, and should therefore show no higher percentage of lapses than the other plans.

The figures as to the progress of the Provident Savings Company since 1883 have no bearing on the merits of the plan, unless it be that they prove that the Society is having a similar history to other assessment concerns: they show rapidly upward like a stone thrown into the air, but afterwards fall just as surely to the ground.

The incompleteness of the defence was no doubt felt, and the quotation from Mr. Homans' letter introduced in order to fill the gap. It however has very little bearing on the subjects under consideration.

To sum up:—Our critic has not denied the truth of even one fact of all those quoted by us, and on which our arguments are based; neither has he brought forward ever one fact from which a different result from ours can be drawn; he has contented himself with merely trying to explain away the conclusions which we drew from those facts. To what extent he has succeeded our readers can judge. For ourselves we are more than ever convinced of the strength of our position from the weakness of the attack which has been made on it.

London Letter.

(From our own Correspondent.)

DEAR SIR,—We Londoners are just now so interested in our Colonial Exhibition that we may be pardoned if by chance we over-estimate the amount of interest taken in it by other people. I, however have not much fear of doing this in writing to a Montreal editor, for some of the most interesting objects in the exhibition come from your part of the world.

The opening was a complete success. The Queen and a great show of notables made a most imposing exhibition in themselves, and we are all trusting that the new policy of Her Majesty in thus coming out will not have to be described in insurance language as a short term policy only. The opening was effected in what may be called a blaze of triumph, and our fire offices are devoutly hoping that the exhibition may not be closed by a blaze of a somewhat different nature.

For the risk of this is by no means small. The buildings and contents are terribly combustible, and once well alight there would probably be little left of the Colonial Exhibition besides ashes and fire claims. Not only is the place very burnable but, from the nature of an exhibition, it would be impossible to attack a fire in it from all sides at once, and, as we all know, this is a most important consideration, from the fireman's point of view.

All kinds of rates are being charged, ruling from one and a half per cent to three guineas; and as much above this as can be got in special cases. In fact, our strongest fire offices are treating the issuing of fire policies on goods in the Colonial Exhibition as personal favors granted to their customers. One insurance man I know took so lofty a tone when I discussed the matter with him, and seemed to consider his company doing such a nobly beneficent thing in insuring its customers' goods that I began to think it must be doing it for nothing. I ventured timidly to ask for information as to rates, and my admiration for that man's company fell a little when I found what it was charging. It seemed to me that that company was doing pretty well, and I went away wondering whether I could in any way be noble and beneficent to my fellow-creatures in a similar manner, I haven't discovered how to do it yet, and must content myself for the present with the satisfaction of knowing that virtue is its own reward.

From Montreal we have one exhibit that I think should receive careful attention from all of us who are interested in fire insurance, and that is the model of the Montreal Ice Palace. In this, I mean the Palace not the model, we have, I think, as near an approach to an incombustible structure as we are at present likely to attain to. Practical men may indeed point out that there are difficulties in building in this style which will probably stand in the way of its universal adoption. No doubt there are, but nevertheless an incombustible structure has been desiderated by fire insurance companies for a long time, and as Montreal has discovered this I think it fair that she should get the credit of it.

Next in importance to making buildings so that they cannot catch fire is to find something that will put out the fire which they have caught, or, as it seems to me better to say, the fire which has caught them. There is something new I hear from America in this line, called the Imperial Fire Extinguisher. The usual experiments were tried and the usual success attained: "wooden structures covered with pine-tar and oil when set on fire were extinguished very quickly." Of course they were, they always are; but the extraordinary thing about all these fire extinguishers seems to me to be that, although they can extinguish a fire in a wooden structure soaked in oil or pitch or what not, and indeed according to some of their "introducers" would put out an eruption of Vesuvius in about five minutes yet they

don't seem equal to putting out an ordinary fire produced by the ordinary servant girl with the ordinary paraffin lamp in an ordinary brick built dwelling-house.

I am of course in no way specially describing the Imperial Fire Extinguisher as having this curious trait: my remarks apply equally to the Royal, Princely, Republican, etc. They are all like that. I am only writing you a short letter to day, so will now extinguish myself. If you think my remarks on the Fire Extinguishers are captious you must make some allowance for the natural feeling of envy which I, one of the oldest and most trusted fire extinguishers in the world, am bound to entertain against the new-fangled interlopers. I wonder whether the owners insure them against fire and at what rates. My proprietors will never be put to the expense of insuring me against fire, for it takes a very clever man to set on fire

"TAMESIS."

PROTECTION FOR OUR FIRE COMPANIES.

We must put in an earnest plea on behalf of the regularly licensed fire insurance companies of the Dominion. Our Government has a national policy and protects our manufacturers, and it is surely not asking too much to wish insurance treated at least as liberally. As it stands at present the law allows foreign companies to sell their policies here, and by means of their smaller expenditure, to cut rates to a lower point than the regularly licensed companies, who have to pay Government and other taxes and all the expenses connected with maintaining offices and agents in the country can afford. If the companies are to be taxed for the privilege of doing business in the country they ought at least to be protected in their rights, and not placed at a disadvantage in competing with their untaxed rivals. Since writing the above we are sorry to see that the Insurance bill has become law without any effective remedy having been adopted.

AUSTRALIAN MUTUAL PROVIDENT SOCIETY.

This company is making wonderful progress. It already surpasses any other company in the British Empire in most features, and will very soon be acknowledged at the head in every way. During 1885 it received 15,497 applications for about \$29,000,000, of which over 11,000 for \$20,000,000 were completed. These figures are more than one-third larger than those of the previous year, and about 80 per cent. in excess of the largest amount obtained in a single year by any other British life company.

There are 69,207 policies in force, assuring about \$125,000,000. The annual income is about \$6,000,000, and the death claims \$1,500,000. The assets increased by about \$3,000,000 and are now about \$30,000,000. The surplus at 4 per cent. was over \$2,100,000. The interest earned was a shade over 6.1 per cent. on the assets, and the report says that "there seems little reason to suppose that any difficulty will be experienced for many years to come in maintaining a minimum effective rate of 6 per cent." The society is opening a branch office in Great Britain and will no doubt, do well there.

Canada with a population five times as large as that of California, says the *Coast Review*, yields only a half a million more in fire premiums.

CUSTOMS FRAUDS.

The outrageous and disgraceful proceedings of certain "special agents" of the custom house in Montreal lately have shown conclusively that some amendment to the law is necessary for the protection of the property and reputation of our citizens. It must be at once settled whether this Dominion is a free country, or is ruled by a few detectives who will stop at no depth of meanness or dirtiness, and who laugh at the law of the land, and are ready to draw a revolver and threaten to shoot any person who attempts to uphold the mandates of a Court of Justice which has prohibited their unlawful proceedings. It is high time these relics of despotism, called "special customs agents," were abolished. They are a disgrace to our civilization.

It is exceedingly curious that no member of Parliament on either side of the house has yet had the manliness to demand a statement of the fines paid in the Dominion for violations of the customs law during the last three or four years. We have seen it stated that since 1st January 1885 alone there have been 201 seizures made: 73 in Ontario, 63 in Nova Scotia, 36 in New Brunswick, 26 in Quebec, and 3 in Prince Edward Island. There should be no compounding of felonies. Full details should be given in every case, if only as a warning to the public, and the matter should be tried before our regular courts and not settled by the accusing detectives themselves who receive two thirds of whatever fine they themselves see fit to impose.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY.

The seventy-sixth annual report of this strong and prosperous company is in every respect a most satisfactory one. The North British and Mercantile is one of the three largest fire offices in the world which transact the most extensive business and have the greatest amount of accumulated funds.

In the Fire Department while the premiums increased by £34,442 during 1885, the losses were less by £57,129. The total fire premiums for 1885 being £1,148,510, and losses £615,228. The following tabular statement shows the premiums and losses for the last quinquennium:—

	Fire Premiums.	Fire Losses.
1881.....	£ 958,654. 1. 2	£623,605. 6. 6
1882.....	1,086,366. 14. 8	677,562. 14. 6
1883.....	1,107,745. 9. 9	672,825. 13. 10
1884.....	1,114,068. 15. 0	704,357. 0. 2
1885.....	1,148,510. 14. 4	615,228. 11. 5
	<u>£3,415,345. 12. 11</u>	<u>£3,295,579. 6. 5</u>

The premiums received during the previous five years were £2,535,118, and losses £2,605,384. The percentage of losses to premiums for the five years ending 1880 was 57.5 while for the period ending 1885 it was 60.8. The North British, as usual, sets aside one-third of the net premiums for the year to provide for liabilities on current policies. The fire reserves now amount to £1,250,000 (which is exclusive of the premium reserve of £582,836 on current policies for 1885). The total fire funds aggregate £2,311,458, including the paid-up capital.

In the Life Branch the quinquennial investigation has just been completed, and clearly demonstrates that the business

is of a most satisfactory and remunerative character. The test applied in the valuation, viz., the Hm. table of the Institute of Actuaries, with interest at 3½ per cent., is a severe one. The balance of the accumulated life insurance fund has increased during the year from £3,458,595 to £3,592,628; and the annuity fund from £536,066 to £586,444.

The total assets in all branches as per balance sheet, amount to the magnificent total of £7,026,339 518. Great credit is due to the management for the truly satisfactory results achieved.

The Canadian Branch well sustains the character of the office under Mr. T. Davidson, Managing Director, who is ably assisted by first-class officers and agents, among whom we may specially mention: Mr. William Ewing, the inspector; Mr. Geo. U. Ahern, Sub-inspector; and Mr. R. N. Gooch, manager at Toronto and Western District Inspector.

AUSTRALIAN INVESTMENTS.

An interesting question is: At what rate will British life assurance funds find their way to the Australasian colonies? One thing is certain— that no office, however large, can suddenly change the form of its investments to any material extent. All steps of this kind must necessarily be of a gradual character, and although we may be entering upon an era in which English and Australian rates of interest will tend to approximate, the process can scarcely be so rapid as to tend to any serious perturbation.

In the matter of investing funds in Australian securities, the action of the Scottish Widows' Fund has been anticipated by the Scottish Provident, which has up to the present lent considerably over a quarter of a million sterling in the colonies at minimum current rates of interest. It is also rumored that the Scottish Equitable has commissioned an influential firm doing business in Melbourne to invest largely on its account.—*Australian Insurance and Banking Record.*

FINANCIAL AND GENERAL ITEMS.

The New Oxley Ranch Co., Limited, of Canada, has asked for subscriptions on the London market to its capital of £120,000 in 10,000 shares of £12 each. The lists are open till 1st June.

Where Did The Money Go? At a meeting of the English bond and shareholders of the New York, Pennsylvania and Ohio R.R. it was stated by Lord Bury that two prominent English railroad men, Sir James Allport and Mr. Swarbrick had gone to America to investigate the position of the Company in 1882. They reported that since 1871 "the nominal capital had been increased from \$60,000,000 to \$124,500,000, or possibly \$132,500,000. Of this increase of \$64,500,000, or possibly \$72,500,000, they were only able to trace \$8,500,000, which could by any possibility have added to the value of the property." An effort will be made to have the charges investigated.

The Manitoba and North Western Railway is endeavoring to place £525,000 first mortgage bonds to bear 5 per cent till 1890 and 6 per cent thereafter till 1933. This is part of a total issue of £540,000. The issue price is 95 per cent. One hundred and thirty miles of the road (from Portage la Prairie northwestward) have been built, and fifty more are in course of construction. The mortgage is equal to a charge of \$15,000 per mile of railroad, or if the land grant be deducted, at a valuation of \$2.50 per acre, the charge will be about \$3,500 per mile.

APPORTIONMENT AND CONTRIBUTION TO FIRE LOSSES, ONCE MORE.

Since our last issue there has been another interesting session of the Institute of Chartered Accountants held at Toronto, under the presidency of William McCabe, Esq., at which the fruitful subject of apportionment of insurance and contribution to losses among co-insuring offices, as suggested by Mr. Lye's problem, and the several solutions of it that have since appeared, were discussed somewhat at length, but seemingly without solving the vexed question to the satisfaction of those present.

In this discussion Mr. McLean, the worthy secretary of the Canadian Fire Underwriters' Association, seems to have taken a leading part, during which he recited a list of the several results achieved by some of the "experts," who had essayed to untie this gordian knot in insurance practice.

Mr. McLean, our esteemed contemporary the *Monetary Times* says:—"showed that the authorities differed as to liability of each of the companies B, D, E and F." Now, we would ask, when Mr. McLean means by "authorities," not these "experts" surely, who fail to give the insured his indemnity in this case.

MR. POWIS' PAPER.

The feature of the occasion, however, seems to have been a paper read by Mr. William Powis, a life agent, as we understand; but, from the manner in which he handles the subject and the peculiar phrases he makes use of, we should take him to be a marine average stater, just launching out into the fire branch—yclept "adjustment of average," purporting to be "a reply to that portion of Mr. Lye's paper which refers to the adjustment of average." The expression "average adjustment" is entirely a marine one, and is never used in the fire branch; it means simply "contribution," as between co-insurers.

It will scarcely be needful to follow Mr. Powis' process, which in final result differs from Mr. Lye's \$52.59 only, leaving the insured a co-insurer to his own loss to the amount of \$521.12 with \$4,271.12 of unexpired insurance still remaining and this, as we gather from his 6th "axiom" because he did not take out his insurance correctly. The utter fallacy of this method is so apparent from its conclusions that it is not surprising that it was severely criticized in the discussion following upon its reading.

Mr. Powis lays down a number of truisms, which he calls "axioms," all of which, except No. 6, have unexpectedly the true insurance ring, which he says very complacently, "are for the guidance of novices." Novices is *not* good, coming from such a source, and under such circumstances. What is he but a novice? Had he been anything beyond, with his "axioms" before him, omitting No. 6, he never could have reached the results he did.

To cap the climax, he winds up his address with the following covert eulogy of himself, thinly hidden in an apology to Mr. Lye, viz: * * * "I feel it a duty not to let a question of such importance remain in the position he has placed it, unanswered in the records of this Institution."

The whole difficulty in this matter is because these "experts" have not the first glimmering of what a general or blanket policy is, or how it should be treated, and they will continue to blunder along in the dark until they all, like Mr.

Lye, learn the meaning of "convertible insurance." If the Institute is desirous of learning something about compound policies and their bearing upon specific co-insurers, why do they not send for somebody that has the requisite ability to teach them, and give a good reason for the faith that is in him? There must be such hidden away somewhere in the Dominion's wide extent.

The Institute, as the question now stands, is on the horns of a dilemma, and knows not which way to turn for relief. The point before it is, however, simply: shall the insured be indemnified to the full extent of his loss, which is partial only, or shall the companies "chisel" him out of some \$500 to \$600, under the puerile plea that he "did not take out his insurances correctly?" This is the question, and all that it amounts to. There ought not to be any two words as to how the Institute should decide this point, yet it is in doubt.

The *INSURANCE CHRONICLE* and Mr. Rowland are the only ones that give the insured full indemnity, and the benefit of the unexhausted insurance. The former, also, does full justice to each co-insurer by calling upon no one of them for contribution beyond its legitimate rateable proportions upon each house; the latter, Mr. Rowland, does so at the expense of companies A and F, both of which he compels to contribute upon some of the houses in sums greater than their several unexhausted insurances; by which process they are exhausted to the benefit, not of the insured, but of the remaining co-insurers, by enlarging their several quotas of salvage—*Fiat justitia, ruat cælum*.

We copy the following notice of the proceedings from the *Monetary Times* :—

APPORTIONMENT OF FIRE LOSSES.

Some time ago Mr. Henry Lye, of Cobourg, a well-known insurance expert, read a paper before the Institute of Accountants in this city on the apportionment of fire losses on non-concurrent policies, and illustrated his method by apportioning the loss to each of six companies under the following supposed circumstances:

Company A, has \$5,000 on 5 houses, Nos. 1, 2, 3, 4, and 5.

Company B, has \$5,000, being \$1,000 on each of Nos. 1, 2, 3, 4, and 5.

Company C, has \$5,000 on houses Nos. 1 and 2.

" D, has \$5,000 on houses Nos. 1, 2 and 3.

" E, has \$5,000 on houses Nos. 1, 2, 3 and 4.

" F, has \$5,000 on houses Nos. 3, 4 and 5.

The loss by fire on each of the five houses is supposed to be \$5,250. Mr. Lye's apportionment of the loss results in the assured's contributing to the loss \$573.51.

The paper was criticized at the time by some insurance adjusters present at the meeting, and since that time several insurance experts have made adverse criticisms on Mr. Lye's paper and have published their own views on the much disputed question of how losses under non-current policies should be apportioned. At the last meeting of the Institute, held on the evening of the 6th inst., one of the members, Mr. Wm. Powis, read a paper purporting to be a "reply to that portion of Mr. Lye's paper which refers to the adjustment of average." Mr. Powis lays down certain rules "for the guidance of the novice," but to those "who had given sufficient thought to the subject, these might more properly be termed axioms."

During the discussion that took place on Mr. Powis' paper, in which ex-Alderman Moore, Mr. McLean, secretary of the Fire Underwriters, Mr. Wylie and others took a part, it became apparent that some of the axioms of Mr. Powis were

not "self-evident truths," for several of them were called in question by those who criticized his paper, a document which reflected a good deal of credit on Mr. Powis in his endeavor to throw some new light on this, as yet, unsolved problem. To show how far this desideratum still was from being an accomplished fact, Mr. McLean read the following statement in which an apportionment was made, in the case given by Mr. Lye, by Mr. Rowland, of the "City of London" Mr. Neill, of the "Guardian," Mr. Powis, and the INSURANCE AND FINANCE CHRONICLE; no two of which agreed as to the proper distribution of the loss. Mr. McLean said that the science of apportioning losses could not certainly be called an exact one, which, with the same premises, arrived at different conclusions; as would be seen from the following results arrived at by insurance experts:—

Adjuster.	Big. No. 1.	No. 2.	No. 3.	No. 4.	No. 5.
Mr. Lye says Co. A. pays.....	\$ 803.67	803.67	803.67	1,051.80	1,530.19
Mr. Rowland says Co. A. pays.....	681.00	681.00	959.00	1,085.00	1,591.07
Mr. Neill says Co. A. pays.....	707.93	707.93	797.33	1,000.00	1,000.00
Mr. Powis says Co. A. pays.....	707.87	707.87	797.47	1,013.41	1,743.38
INS. CHRONICLE says Co. A. pays.....	570.40	570.40	749.15	1,105.50	1,591.00
Mr. Lye says Co. C. pays.....	1,494.04	1,494.04	.....	.....	.....
Mr. Rowland says Co. C. pays.....	1,780.00	1,780.00	.....	.....	.....
Mr. Neill says Co. C. pays.....	1,767.84	1,769.84	.....	.....	.....
Mr. Powis says Co. C. pays.....	1,769.66	1,769.56	.....	.....	.....

In a similar manner, Mr. McLean showed that the authorities differed as to the liability of each of the companies B. D. E. and F. Now, the total loss on the five buildings was \$26,250.00. The Cos. were liable according to

Mr. Lye, for only.....	\$25,676	29
Mr. Rowland for.....	26,250	00
Mr. Neill ".....	25,613	33
Mr. Powis ".....	25,728	98
INS. CHRONICLE for.....	26,250	00

It will be seen that Mr. Rowland and the INSURANCE CHRONICLE pay the assured his full loss.

Mr. Lye makes the assured loss.....	\$573	71
Mr. Neill ".....	636	67
Mr. Powis ".....	521	12

It is evident from the above that there exists, even among experts, a great difference of opinion as to the proper mode of apportioning losses among companies on non-concurrent policies. If the Institute of Accountants be the means of ascertaining a true plan of settling such losses, they will deserve much credit. At present, the adjuster who is fortunate enough to be the first to settle the claim chooses the mode of apportionment most favorable to the company he represents. An American adjuster of great experience, in speaking of the different rules applied to the apportionment of such losses said:—"I have been for all the rules and don't know where I stand—get converted to a new way at every fire."

FIRE SURVEYS.

(From the Review, London, Eng.)

Mr. Charles E. Goad is well and honorably known on the other side of the Atlantic as a surveyor whose plans of the various buildings and risks in which fire insurance companies are interested are entitled to the highest respect. Mr. Goad has done such useful work on the American side of the water that he has not unreasonably assumed that he might find an opening for his great talents on this side. He has, therefore, commenced a series of plans of fire risks in London, some of which we have had the pleasure of inspecting. The London fire offices, or, at least, some of them, have been in the possession of some very useful plans

of this class, and these have been endorsed by constant and vigilant surveys. It has been with the greatest difficulty, however, that many of even our best offices have avoided a concentration of undesirable risks, both in quality and the magnitude of the lines carried. Any assistance given by the plans prepared by Mr. Goad will be welcomed by English offices. At the same time, however, whilst a new series of maps cannot be other than useful, it does not follow that the old ones be discarded. Information is cheap at any price, and, even though a fresh set of plans may be sometimes superfluous to a few offices, yet it is a wise thing to possess all the new ideas which can be brought to bear on the subject of the complex nature of fire insurance. It is by no means improbable that the approach of the subject of fire surveys by a new mind, and from a new standpoint, may reveal to many fire managers some interesting and novel details, even of a business that some of them have studied so deeply. It is to be hoped that Mr. Goad will be encouraged to persevere in his scheme, and that he will receive all the support he deserves.

AMERICAN LIFE COMPANIES.

We have prepared some tables showing in brief space the position of the principal American Life Offices at the end of 1885, and how they compare with each other in progress. We would have preferred to include all the twenty-nine companies reporting to the State of New York, but for the sake of space have been compelled to leave out those in which Canadians are not so much interested. The tables are self-explanatory.

ASSETS OF AMERICAN LIFE COMPANIES.

Company.	Assets.	Rank in regard to Assets.	Increase in Assets over previous year.	Rank in regard to increase over previous year's Assets.	Per cent. increase over previous year's Assets.
Mutual.....	\$168,431,779	1	\$ 4,848,478	3	4.7
New York.....	66,515,406	2	7,573,667	2	12.9
Equitable.....	65,547,594	3	7,998,878	1	13.9
Connecticut Mut.	51,374,075	4	947,367	7	1.8
Mut. Benefit, N.J.	39,625,995	5	1, 18,599	6	2.6
Ætna.....	30,499,568	6	816,582	8	2.7
North Western..	24,238,046	7	1,740,273	4	7.7
Phoenix Mut....	10,500,242	12	-37,628	28	-4
Travelers.....	6,279,951	16	4599,268	12	+10.6
Union Mutual...	6,109,619	17	-201,783	29	-3.2
United States....	5,425,264	19	+270,852	18	+5.2
Metropolitan....	2,781,954	23	480,951	15	20.9
Provid't Savings.	217,881	29	43,354	26	24.8
Total of all Cos..	\$523,664,678	..	\$32,179,959	..	6.5

The second portion of this table is especially interesting. Those Companies which rank higher in regard to the year's increase in assets than they do in regard to total assets, are evidently making their way more and more to the front.

SURPLUS TO POLICYHOLDERS.

Company.	Surplus.	Rank in regard to surplus.	Increase in Surplus during year.
Equitable.....	\$16,473,179	1	\$ 3,020,937
Mutual.....	13,303,569	2	1,281,556
New York.....	13,215,047	3	3,518,474
Connecticut Mutual.....	7,747,563	4	412,557
Ætna.....	6,741,368	5	360,645
North Western.....	5,490,118	6	623,459
Mutual Benefit.....	5,450,563	7	36,971
Phoenix Mutual.....	1,478,156	14	41,176
Travelers.....	1,261,081	15	140,005
United States.....	894,243	19	198,350
Metropolitan.....	706,382	21	93,262
Union Mutual.....	696,202	22	-22,032
Provident Savings.....	119,797	28	+ 9,334
Total of all Companies...	\$92,749,487	.....	\$10,958,296

The above figures are taken from the New York Report and are based on a 1/2 per cent. standard. It will be seen that the greatest advances were made, as would naturally be expected by the Tontine Companies.

INCOME.

Company.	Income.	Rank in regard to Income.	Increase.
Mutual	\$20,214,954	1	\$1,119,636
Equitable.....	16,590,053	2	1,586,573
New York.....	15,905,141	3	2,072,389
Connecticut Mutual.....	7,651,213	4	149,198
Mutual Benefit.....	6,323,538	5	196,655
North Western.....	5,104,230	6	448,348
Etna.....	4,579,875	7	289,647
Metropolitan.....	3,528,877	8	612,939
Phoenix Mutual.....	1,316,056	16	- 1,760
Travelers.....	1,229,762	17	+ 157,403
Union Mutual.....	1,030,655	18	45,032
United States.....	917,318	20	- 5,875
Provident Savings.....	367,142	26	+194,039
Total of all Companies... ..	\$105,527,865		\$8,553,489

NEW POLICIES ISSUED.

Company.	New Insurances.	Rank in regard to new insurances.	Increase over last year.
Equitable.....	\$96,011,378	1	\$11,134,321
New York.....	68,521,452	2	7,036,902
Mutual.....	46,518,894	3	11,860,905
North Western.....	26,259,357	4	5,201,435
Mutual Benefit.....	14,826,351	5	1,147,970
Provident Savings.....	13,881,600	6	5,072,200
Etna.....	11,111,960	7	3,017,734
Connecticut Mutual.....	9,007,390	8	1,723,680
Travelers.....	5,893,652	14	250,167
Union Mutual.....	5,010,844	16	498,565
United States.....	4,059,260	21	- 65,715
Phoenix Mutual.....	1,702,651	25	-116,381
Metropolitan.....	176,980	29	-4,263,834
Total of all Companies... ..	\$378,214,523		\$56,904,353

* Not including industrial business, to which the Company is now devoting itself exclusively.

ASSURANCES IN FORCE.

Company.	Amount at Risk.	Rank in regard to amt. at Risk.	Gain over previous year.	Rank in regard to Gain.
Mutual.....	\$368,952,337	1	\$17,163,052	3
Equitable.....	357,338,246	2	47,929,075	1
New York.....	259,674,500	3	30,291,914	2
Connecticut.....	151,301,583	4	- 929,097	28
Mutual Benefit ..	139,416,807	5	+ 3,573,264	8
North Western ..	110,710,861	6	11,916,579	4
Etna.....	87,791,213	7	3,127,652	11
Travelers.....	29,806,131	15	2,477,317	13
Phoenix Mutual..	26,237,249	16	-1,005,578	29
Prov. Savings ...	25,151,296	17	+11,113,125	5
Union Mutual....	24,567,438	18	1,026,960	18
United States....	20,153,833	19	383,989	22
Metropolitan	5,062,955	29	- 629,800	27
Total of all Cos... ..	\$2,923,517,488		\$152,771,967	

Mr. L. A. Dastous, of Sherbrooke, has been appointed joint general agent, in conjunction with Mr. Hallamore, for the British Empire Life Assurance Co. for Quebec and Eastern Ontario. Mr. Dastous has been acting as general agent for St. Francis district for the New York Life since October, 1883. He is an energetic, enthusiastic life insurance agent.

"A RECORD WITHOUT A PARALLEL."

From the sworn statement of the Mutual Reserve Fund Association, as published in the New York Insurance Report for 1885, we take the following facts:—

Total amount received from members in 1885.	Total amount paid to members in 1885	Expenses, including agts'com's, salary, etc.
\$1,571,675	\$838,879	\$416,704

"Death claims resisted by the Association, \$120,000."

The amount of unadjusted, unpaid and resisted death claims on Dec. 31st, 1885 \$390,750
 Insurance in force..... 123,353,500
 Invested assets..... \$585,435
 (We of course do not include the outstanding assessments, which may or may not ever be collected.)

The Mutual Reserve Fund Association has assets of \$585,000 against \$123,000,000 of assurances outstanding. Thus for every \$100 at risk it has 47½ cents invested as a "reserve fund!" It will require more than double and triple assessments to make up the remaining \$99.52½ before all the claims are paid.

From the organization of the Mutual Reserve Fund in 1881 to December 31st, 1885, its record as to income and expenditure has been:—

Income.	Paid to members.	Expenses.
\$3,883,992	\$1,655,994	\$1,093,118

In other words, for every dollar paid to members 66 cents has gone in expenses. This is cheap insurance!

Twenty-six United States Old Line life insurance companies received from policy holders during the sixteen years ending 1885, the sum of \$92,371,676, and paid back to them during the same period \$763,124,793, besides having assets in hand, to provide for future payments, the sum of \$465,060,729. The Mutual Reserve Fund Association received from members since its organization \$3,883,992 and paid back \$1,655,994, and has cash assets of about \$585,000. Thus while the Old Line companies paid back to policy holders 77 per cent. of the amount received from them and held assets equal to 47 per cent. of this amount. The Mutual Reserve paid back only 49 per cent. of the amount received and has cash assets only equal to 15 per cent. of this amount.

The total amount paid for death claims in 1885 by the Mutual Reserve Fund Life Association was \$838,875. The death claims, unadjusted, unpaid and resisted on December 31st, 1885, amounted to \$390,750. See New York Insurance Report, 1885, pages 263-4.

Only the difference between \$1,000,000 and \$100,000. Some time ago we called attention to the little error made by the company with "a record without a parallel"—the Mutual Reserve Fund Life Association in its advertisement in a Montreal daily:—"It did deposit \$100,000,000 (!) with the Insurance Department at New York." A similar little discrepancy on a smaller scale appears in its advertisement in a Montreal Weekly Commercial Journal. "Amount deposited with Insurance Department, N.Y., \$1,000,000!" Now, for curiosity, let us see what amount is stated on its circular, issued recently. On page 1 it says: "\$250,000

deposited with the Insurance Departments of New York and Canada."—On page 2 it says it is the first and only assessment association in the United States having a deposit of \$100,000 with the Insurance Department of the State (N. Y.) for the security of its policyholders." So that we get all the way down from \$100,000,000 advertised in the Montreal Gazette to \$100,000 on the second page of this circular! This is truly a record of contradictory statements without a parallel.

A PLEA FOR THE LIFE ASSURANCE AGENT.

There is no worker in any walk of life entitled to more consideration than the intelligent, earnest life assurance agent.

His business is the nearest akin to benevolence of any calling whereby mankind earns a livelihood. He it is who persuades, coaxes, reasons, with us, worries us, and finally drives us into providing for our families, it may be at times sorely against our will. He is probably the least appreciated of any of the business men with whom we come in contact. His persistency has become a by-word; his earnestness a subject for ridicule; and his well-studied and carefully prepared facts are often received with suspicion.

It is not uncommon for would-be clever people to put up signs on their premises bearing the legend: "Beggars and life assurance agents not admitted." If a simile for brass or adamant is wanted, the ready foil is the life assurance agent's cheek. If a word is required to denominate a bore, small men are heard to drivel "a life assurance agent." In short if any addleheaded noodle wants a joke at the expense of some one he takes it out of the life agent.

In the entrance to one of our large wholesale establishments in a Canadian city you are met with a notice something like the following: "These premises are kept open for the purpose of carrying on the business of Big Head & Co. No canvassers admitted," and yet this very firm lives by the work of its drummers! In every hole and corner of the land they are to be found pushing the wares of this particular business house, and indeed but for their canvassing the firm might close its doors.

Besides, the head of this great establishment is himself an executive officer of a life insurance company whose existence depends on its canvassers being admitted to other business houses. Such airs are insufferable, and unworthy of a people supposed to possess commonsense.

But when the poor tired head is laid on the dying pillow, and the feeling of thankfulness to the agent who, it may be bored the sufferer into insuring his life is welling up in the heart of the dying man. Who dares sneer at the faithful agent? When the lonely widowed mother stands by the open coffin, looking for the last time at the face of him who was almost her very life, and remembers that but for the faithfulness of the life assurance agent she and her little ones would have been consigned to poverty worse than death; is there any contempt at hand for the agent who brought these blessings?

When the money paid by the company comes in time to save the little homestead; when the mortgage is paid off which threatened to engulf the home; when the sons and daughters are enabled to finish their education; when the business partner can be paid off without loss to the business; when the sorrowing mother thanks heaven that the agent did worry, tease, bore, drive her husband to effect a life policy; Where is the poor creature who will stand forth and attempt to laugh at the work of the life assurance agent?

There is no nobler work than that in which such men are engaged. As a class there are no men whose sympathies are broader, whose hearts are warmer, or whose intellects are clearer than those very men who give their lives to the thankless task of endeavoring to induce men to do their duty to themselves and to their families, by making this provision which can be made in no other way.

To the agents, we say: Be of good heart, keep at your noble work of honestly endeavoring to benefit mankind. Let

those small-minded creatures who attempt to sneer at you see that you care nothing for their opinions, you have a consciousness of right-doing, and why should you care for the contempt of fools? To the companies we say: Respect your agents, give them encouragement at all times, pay them liberally, let them see that their efforts are appreciated; remember that without them the moss would grow upon your doorsteps, the dust accumulate on your office furniture, and your managing directors would be without an occupation. In your annual meetings give them some little credit for your "unparalleled success"—We believe that is the proper phrase. Learn to believe that although your president be a leader among men; your vice-presidents, scions of nobility and men of stern rectitude; your managing directors, solons for wisdom and administrative ability; your directors, merchant princes, etc., etc.; your office staff composed of the very flower of chivalry and the petted darlings of society; your medical examiners the most deserving and painstaking of men;—without your agents your balances would all be on the wrong side of the ledger; your reserves would be getting small by degrees and beautifully less; your surplus microscopic; your revenues infinitesimal, and your very existence an impossibility.

What would be the result of a general strike among them? Picture to yourselves a company in these days without an agent. Where would the "new blood" come from to keep the company going? Who would boom the company and its officers? and who would keep up the revenue?

We know instances in which the men who have made, and are making companies, receive no recognition, simply because smaller men, placed over them by accident, fear that to bring them to the notice of the company or of the public would result in their being elevated still more, and their services be transferred to other companies, or, mayhap to official positions in the companies now keeping them out of sight as much as possible. This should not be, and whoever succeeds in bringing about a better state of things will deserve well at the hands of this long suffering and much-misunderstood class of willing workers.

THE MUTUAL RESERVE FUND LIFE ASSOCIATION.

(IN THE HOUSE OF COMMONS AT OTTAWA).

Mr. Amyot asked, is the Government aware that the Mutual Reserve Fund Life Association issues certificates contrary to law, promising to pay an amount not exceeding "the sum mentioned in the certificate;" whereas the law says: "Every certificate shall contain a promise to pay the whole amount mentioned therein:" "There shall be inserted in each certificate a clause to the effect that no reduction shall be made, for any cause or reason whatsoever, on the amount of a policy lapsed through death?" Whether the Government is aware that the official report of the Superintendent of Insurance of the State of New York shows that the Mutual Reserve Fund Association has already diverted \$78,657.12 of the funds derived from death assessments, in order to meet its expenses, contrary to the law in force in Canada; and is it the intention of the Government to take any, and if so, what steps to protect persons insured in Canada against such unlawful acts of the said association?

Mr. McLelan, replied. The Government is not aware that the Mutual Reserve Fund Life Association issues certificates contrary to law. The words quoted in the second clause do not form a portion of the Statute relating to insurance, nor is it correct that there shall be inserted in each certificate a clause to the effect that no reduction shall be made for any cause whatsoever on the amount of a policy lapsed through death. The annual statement of the company is now before the Superintendent of Insurance, and is being examined with those of other companies; and sufficient steps will be taken to protect persons insured in said company in Canada, if anything should be found contrary to the Act.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY.

[From *Edinburgh Scotsman*, 29th April, 1886.]

The annual general meeting of this company was held in the Royal hotel, Edinburgh, to-day, Mr. David Davidson, chairman, presiding. The report for the year, which closed on the 31st December last, stated, with reference to fire business:—In 1884 the premiums received amounted to £1,428, \$30 5s 7d; deduct reinsurances, £414,761 12s 7d—£1, 114,067 13s. During 1885 the premiums received amount to £1,450,143 16s 3d; deduct reinsurances, £281,633 1s 11d; net premiums, £1,148,510 14s 4d—increase of net premiums, £34,442 1s 4d. The net losses by fire have amounted to the sum of £615,228 11s 5d, which include a full estimate of all claims that arose prior to 31st December, 1885. After setting aside, as formerly, one-third of the net premiums of the year to provide for liabilities on current policies, the balance at the credit of profit and loss account for 1885, including the unappropriated balance of £55,939 5s 2d brought forward from 1884, amounts to £303,429 6s 11d. In regard to the life business, the report said:—during the year 1885 there were issued 1,009 policies, assuring £895,290, the premiums on which amount to £32,756 11s 3d. The net amount insured in 1885, after deducting sums reinsured, was £754,600; and the net premiums were £27,102 2s 9d. The net amount insured in 1884 was £749,562, and the net premiums were £27,371 3s 4d. There was thus an increase in the net business in 1885 over that of 1884 of £5,038 in the sums assured, but a decrease of £269 0s 7d in the net premiums. The income of the life branch from premiums and interest for the year amounted to £520,612 1s 3d. The life assurance fund amounted at 31st December, 1885, to £3,592,628 1s 8d, being an increase during the year of £134,032 2s 11d. The directors recommended that there be appropriated to provide the balance necessary to meet pensions to present clerks the sum of £12,500; that a dividend of 20s per share, and a bonus of 25s per share, be declared; that £50,000 be added to the reserve, thereby increasing it to the sum of £1,250,000; leaving a sum of £53,621 5s 4d to be carried forward. The divisible fund of the quinquennium was £396,919 4s 3d, one-tenth of which, or £39,691 18s 5d fell to the shareholders. Baron Schroder, deputy chairman, moved the adoption of the report. He said that the business of the company was second to none in the world. If they dissected the business and compared it with the business of other companies, they would find that, although in certain quarters other companies might have a larger business, yet, taking it as a whole, there was no business so large as the North British and Mercantile all over the world. (Applause.) The last year had been an exceptionally successful one, and at no quinquennial period had they given such a large dividend and bonus. Mr. George Auldjo Jamieson, C. A., seconded the adoption of the report. He referred at some length to the continued prosperity of the company, which he showed from comparisons with the results of previous years. He said he did not see any reason why their present prosperous condition should not be exceeded at another quinquennial period, and it was a matter of great satisfaction to the directors that, while they had redeemed every hope for the present, they had laid the

foundations, he explained, of still brighter hopes for the future. The retiring directors and the auditors were re-elected. Mr. William Mitchell, S.S.C., gave notice of motion for next meeting to the effect that one of the shareholders' auditors should retire every third year, and be ineligible for three years afterwards. Thanks were awarded to the directors, the officials and agents of the company and also to the chairman.

STANDARD LIFE ASSURANCE COMPANY.

The 6th annual general meeting of the Standard Life Assurance Company was held at Edinburgh on Tuesday, the 11th of May, 1886, to declare the results of the business for the past year, and to receive the report on the investigation of the company's affairs and division of profits for the five years ended 15th November, 1885. The following results for the year ended 15th November, 1885, were reported:—

2,732 new proposals for life assurance were received during the year for.....	8 7,349,859 00
2403 proposals were accepted, amounting.....	6,132,666 73
The total existing assurances in force at 15th November, 1885, amounted to.....	8100,007,401 20
of which \$7,399,732.60 was reassured with other offices.....	
The claims during the year amounted, including bonus additions to.....	2,053,292 06
The annual revenue amounted at 15th November, 1885, to.....	4,369,034 00
The accumulated funds at same date amounted to.....	32,085,801 93
Being an increase during the year of.....	615,370 53
Amount of assurances accepted, 1880-85: 11,925 policies for.....	832,676,065 33
Amount of assurances accepted, 1875-80 9,409 policies for.....	30,140,171 87
Increase during the present quinquennium, 2,576 policies, for.....	82,535,893 40

After setting aside a guarantee fund of £40,000 from the profits of the previous five years a bonus was declared—at the rate of 28s per cent. per annum, being an increase of 4s per cent per annum above the rate declared at last investigation.

With an intermediate bonus at the rate of 20s per cent. per annum for policies of ten years' standing becoming claims between 15th November, 1886, and 15th November, 1890.

COMMISSIONER REINMUND ON CO-OPERATIVES.

Members of co-operative associations should thoughtfully ponder the following from the Life Insurance Report of Commissioner Reinmund, of Ohio:

"Out of the nineteen Ohio associations, but five during the past year paid a \$1000 certificate in full. The remaining fourteen have averaged on the \$1,000 certificate from \$79.31 the lowest, to \$961.56, the highest. Dwell carefully on this aspect: An Ohio association issuing a contract representing a \$1000 to be realized upon the death of the holder, and at his death being able to pay his widow and orphans only the pittance of \$79.31. Yet, under our present law, no remedy exists and the Department can in no way stop such association doing business."

New Marine Policy—The International Marine Insurance Company of Liverpool has forwarded draft of a proposed new marine insurance policy which has been prepared with the aid of eminent counsel, and will, it is believed, protect shipowners not only from the loss of their own ship, but from liabilities—(1) in respect of loss of life or injury to any person or of any life salvage; (2) in respect of loss to

any other ship or to any merchandise on board any other ship; (3) in respect of any damage done to any harbours, docks, quays, etc., (4) in respect of loss or damage to any goods whether on board the insured ship or not, which may have arisen from an unauthorised deviation or improper navigation of that or any other ship; (5) in respect of raising and removal of wreck, etc.; (6) in respect of costs incurred in resisting claims covered by the policy.—*Ins. Post*, London.

BRITISH FIRE OFFICES.—U. S. BRANCHES.

The following table shows the amounts received from and returned to the home offices by the United States branches of foreign companies during the year 1885:

United States branches.	Received from home office	Returned to home office
City of London.....	\$50,253	\$ 19,501
Commercial Union.....	24,350	.....
Fire Insurance Association.....	125,000*	12,500
Guardian.....	.....	18,000
Hamburg-Bremen.....	.....	31,889
Imperial.....	19,430	4,950
Lancashire.....	.....	.....
Lion.....	.....	25,765
Liverpool and London and Globe.....	.....	621,154
London and Lancashire.....	.....	.....
London Assurance.....	.....	16,098
North British and Mercantile.....	.....	.....
Northern.....	40,000	54,855
Norwich Union.....	5,950	53,854
Phoenix.....	198,307	179,589
Queen.....	.....	49,994
Royal.....	105,462	313,535
Scottish Union and National.....	.....	21,050
Sun Fire.....	297,200	44,722
Transatlantic.....	.....	27,909
United Fire Reinsurance.....	21,100	.....

* Owing to Calvesdon fire.

—*Ins. Post*, N. Y.

ANNUAL MEETINGS.

Queen Insurance Company. The report for the year 1885, adopted at the meeting held on May 6th, showed that the fire premiums, less re-insurances, were £586,061, and the losses £375,253. The balance at the credit of profit and loss account amounted to £89,851, out of which a dividend of ten per cent. was declared, absorbing £18,003, and £71,848 carried forward, making the total fire reserves £382,146. In the life branch new policies were issued for £264,286, yielding in premiums £9,693, and £41,208 was added to life fund, increasing it to £521,013. The total funds of the company were shown to be £1,102,006.

Scottish Union and National Insurance Co.—The 61st annual meeting of this company was held in Edinburgh on Wednesday, May 5. The report stated that the year's balance of fire profits, together with the interest on the shareholders' funds, amounted to £44,017, which provided for a dividend of 14 per cent. and left a balance to be added to the reserve, which amounted to £180,882, and together with the paid-up capital, made the amount at the credit of shareholders £503,013. The gross income had been £741,400, and the total funds, which had increased during the year by £102,000, amounted to £3,284,290. The report of the professional auditor, elected by the shareholders having been read, the directors' report was approved of.

London and Lancashire Fire Insurance Company.—The shareholders of this Company held their twenty-fourth annual meeting on the 29th April, in Liverpool, when the

fire premiums for 1885, after deducting re-insurances, were reported at £490,712 and the losses at £263,053. After deducting all commissions and expenses, and including interest on investments and other receipts, the year's working shows a credit balance of £82,913, which, added to amount brought over from previous year, presents a total of £130,217 to be dealt with. A dividend on the year of 10 per cent. (free of income-tax) was declared, and the sum of £40,000 was added to reserve and re-insurance fund. After providing for these appropriations the funds of the Company will consist of paid-up capital £185,200 and reserves £351,697, exclusive of the uncalled capital of £1,666,800.

LABOR vs. CAPITAL.

In the great struggle between employers and employed, which has culminated in the disgraceful riots at Chicago and Milwaukee, the relation of labor to capital has once more been brought prominently forward. Looked at dispassionately it certainly seems strange that two such important materials in the world's prosperity, each dependent upon the other, should be at the present time in fierce conflict. We may remark that it is perfectly useless for the Knights of Labor to disclaim all responsibility in regard to the aforesaid riots, for indirectly they are as answerable for such as Mr. Parnell and his followers were for the numerous and terrible outrages perpetrated in Ireland under the "No Rent" manifesto. When a man deliberately stands by passive while another applies the match to a barrel of gunpowder it is simple folly for him to shirk his share in the explosion which follows. But as in this parallel there is a something of far deeper meaning than the mere explosion, which, fearful though it be, is but a temporary outlet for some deep-rooted grievance, so for the moment, passing over the recent riots, which we believe may be confidently left to the law-abiding citizens of the republic to deal with for the time being, let us, for the brief space allotted to us, consider the question of these late strikes which are becoming so painfully universal, and endeavor to judge impartially between the contending parties.

To begin with, it may be conceded without dispute that a given number of men have an undoubted right to form themselves into a club or union for their mutual benefit and protection. They may enact rules binding upon all within said union to charge a fixed price for their labor, supporting those members who cannot, from one cause or another, obtain that price from the common fund; and they may agree upon terms for admission or expulsion to or from the membership. These rules may not be all perfect, and may have the effect of placing the best workmen upon the same level as the worst; but, so long as the rules are not at variance with the common law of the land or against morality, no one can object to them or refuse to accord the liberty of anyone to join such a union. On the other hand, a capitalist has an equal right to decide whether he will employ that labor or not, and for the trades union to attempt forcibly to prevent an employer from giving work to non-unionists is a gross interference with the liberty of the citizen and becomes one of the worst forms of despotism? Let us not be misunderstood. The unionists, as free men, may decline to work along with those not belonging to the union, and terminate their contract in a lawful manner, but, beyond this, they cannot legally go, and should the employer succeed in securing labor below the union price it is a double tyranny to prevent his doing so, a tyranny in denying the right of the purchaser to buy what he requires in the cheapest market, and a tyranny in not allowing the vendor to sell an article at his own price. For labor after all is a commodity subject to the laws of supply and demand, and if "A," "B," and "C," agree not to accept less than \$3.00 a day while "D," "E" and "F," being under no such agreement are willing to give their services for \$2.50 how can the former complain because the latter are awarded the contract?

It appears as, if for so many years on this side of the Atlantic, the doctrine of protecting labor has been preached and acted upon to such an extent, that it has blinded many to the fact that as population increases and the country becomes settled, the price of labor, like the rate of interest, has a tendency to decrease, especially when trade is dull and that with increased competition, the employing, like the investing, capitalist having to be contented with smaller returns must necessarily exercise closer economy in the management of his outlay.

It is a mistaken notion to imagine that capital does not suffer in a proportionate degree with labor when times are bad,—the two are so bound up together as to be inseparable for weal and woe and the apparent strength of the union of labor can prove its greatest weakness by enhancing the price to a figure that the capital is unable to afford, thereby causing ruin so complete as to place labor far below the point from which it had been the effort of the union to raise it. We may be thought to be taking a gloomy view of the situation; but when it is remembered that the very principle of the trades union is to make a uniform level which places the bad and good workmen on the same footing, and one price is paid to all without respect of merit, it seems to us that labor is endeavoring to kill the "Golden Goose," capital, which lays the eggs. Trades-unionism, which was inaugurated to resist oppression and monopoly, may become one of the most oppressive monopolists the world has ever seen, for not content with enacting rules for its own members it insists in arbitrarily forcing those rules upon everyone else, maintaining that not only shall employers pay its price for labor, but that no one shall accept anything less, and to carry out this monstrous oligarchy resorts to boycotting and other unwarrantable measures disgraceful to civilization and common manhood. This is the struggle which is now being fought out, a struggle by which the trades unions are endeavoring to do away with the freedom of contract, and employers are rapidly finding themselves face to face with a despotism which, unless checked, will quickly paralyze the business of the country. The trades unions have attained a wonderful and almost an overpowering strength, but that strength, like Samson's, appears to be accompanied by a blindness, which may lead it to its own destruction. It may seem at the first glance a simple matter to reduce the hours of labor from ten to eight hours a day but without a corresponding reduction in wages this means, in plain language, twenty per cent. more outlay upon that labor for the employer and may turn the scale from a profit on a transaction to a loss.

It is difficult to propose or foresee a remedy for this state of things, and it is possible—so firmly is the principle of tradesunionism become rooted—that it will have to work its own cure, in which case, as assuredly as in any other revolution, the union will suffer to an incalculable extent, but meanwhile it is absolutely necessary that the lives and liberties of the citizen shall be protected and that any illegal usurpation of private rights shall be punished, even at the point of the bayonet.

The Anglo-American Insurance Company.—Our contemporary the *Weekly Underwriter* says:—"Complaints of inability to collect claims against the Anglo-American multiply. Our Washington correspondent finds the following suits against the concern docketed in the Supreme Court of the District of Columbia (law side):"

Docket Number.	Suit entered	Amount sued for	Name of Plaintiff.
26,365	Sept. 5, 1885	\$2,300.00	C. P. Hunt & Co.
26,367	Sept. 7, 1885	1,416.00	Little Falls Kaiting Mill Co.
26,508	Nov. 21, 1885	800.00	L. A. Weinberg.
26,509	Nov. 21, 1885	2,700.00	J. Walkowski.
26,815	Mar. 24, 1886	2,000.00	Pierson & Cotharan.
26,824	Mar. 31, 1886	1,200.00	Emily Meyer.
26,828	April 2, 1886	2,301.84	Alfred Vezina.
26,911	May 11, 1886	1,500.00	David Tozier et al., Trustees.

Some months ago we published a list of the claims due by this concern to Quebec citizens, amounting to \$19,000, arising out of the loss caused by the fire which occurred on July 16th, 1885. We presume the claimants have come to the conclusion that it is useless to go to the trouble and expense of prosecuting the *Anglo-American*. It is surprising how really shrewd business men will run after cheap insurance. They get it, pay their premiums but carry the risk themselves. In nine cases out of every ten these underground, "Cheap John" prowlers never pay their claims.

GOVERNMENTAL FIGURES.

DOMINION REVENUE AND EXPENDITURE.

Revenue to 31st March, 1886.....	\$27,307,575 01
Expenditure, " "	\$28,850,249 13

CIRCULATION AND SPECIE.

30th April, 1886.....	\$16,584,094 81
being a decrease of \$274,743-47 during the month, but an increase of \$1,955,548.95 over same month last year.	

POST OFFICE SAVINGS BANKS.

Deposits in P. O. Savings banks for month of April, 1886.....	\$639,284 00
Withdrawals during month.....	624,103 44

Deposits over withdrawals.....	\$15,180 56
Total amount in P. O. Savings bank on 30th April, 1886.....	\$16,949,742 20
Total amount in P. O. Savings bank on 30th April, 1885.....	15,128,226 67

Increase during year..... \$1,821,515 53

GOVERNMENT SAVINGS BANKS.

Deposits during the month of March, 1886.....	\$556,897 46
Withdrawals " " "	533,966 39

Deposits over withdrawals.....	\$ 22,931 07
Total standing at the credit of depositors in Government Savings banks on 31st March, 1886.....	\$19,688,564 79
Total amount standing at credit of depositors in Govt. Savings banks on 31st March, 1885.....	17,577,465 45

Increase during year..... \$2,111,101 34

MONTREAL CITY AND DISTRICT SAVINGS BANK AND CAISSE D'ECONOMIE OF QUEBEC.

Paid up Capital, \$850,000.

Liabilities.

	30th April, 1886.	31st March, 1886.
Deposits.....	\$9,038,106.98	\$9,010,065.45
Special Poor Fund.....	263,000.00	263,000.00
Other Liabilities.....	247,041.37	242,978.25
Total liabilities.....	\$9,548,148.35	\$9,516,043.68

Assets.

Government Securities.....	\$3,869,212.30	3,879,484.57
Loans and Stock and other securities.....	4,183,389.22	4,059,815.27
Cash in hand.....	1,633,749.33	1,706,676.31
Poor Fund.....	263,000.00	263,000.00
Other assets.....	805,543.41	811,380.49
Totals.....	\$10,754,894.26	\$10,720,356.64

*Included in the above is the sum of \$2,836,246.99 Ex. on account North West Rebellion.

STATISTICAL ABSTRACT OF THE CHARTERED BANKS IN CANADA.

COMPARISON OF THE CHIEF ITEMS.

Assets.	Month of April, 1886.	Month of Mch., 1886.	Increase or Decrease.
Specie and Dominion notes.....	\$18,507,935 75	\$18,730,309 02	Dec. \$22,373 27
Due from British banks.....	2,103,586 63	2,222,901 77	Dec. 119,315 14
Due from American banks.....	15,134,887 43	16,018,323 08	Dec. 883,435 65
Governmental securities.....	7,606,015 28	7,542,837 04	Inc. 63,178 24
Loans and collaterals.....	14,740,003 98	14,454,353 29	Inc. 285,650 69
Loans to Corporations.....	15,501,323 32	14,719,769 06	Inc. 781,554 26
Discounts to the public current.....	132,592,178 52	131,372,894 97	Inc. 1,219,283 55
Total Assets.....	228,336,520 02	225,929,994 93	Inc. 2,406,525 09
Liabilities.			
Notes in circulation.....	29,281,603 38	29,959,916 55	Dec. 678,313 17
Government deposits.....	11,464,449 18	11,519,086 24	Dec. 54,637 06
Deposits from the public.....	100,015,419 08	98,872,854 75	Inc. 1,142,564 33
Loans from other banks.....	1,968,833 02	1,809,601 01	Inc. 159,232 01
Balances due to British banks	2,149,679 84	1,811,090 30	Inc. 338,589 54
Balances due to American banks.....	412,538 78	270,527 84	Inc. 142,010 94
Total liabilities to the public.....	145,413,155 05	144,490,346 64	Inc. 922,814 41
Capital paid up.....	62,303,741 48	62,218,385 37	Inc. 85,356 11
Reserve Fund	17,870,141 00	17,830,141 00	Inc. 40,000 00

Inc. increase. Dec. decrease.

The Bank statement for this month cannot be said to contain anything very startling. It may not be out of place, however, to note some minor changes which have taken place: Specie and Dominion notes have decreased over \$222,000; but taking the items separately we find specie increased over \$40,000 and that the falling off has been in Dominion notes. Balances due from British banks are still on the decline, as are also amounts due from American banks, while the amounts due to both countries have largely increased. This would indicate a probable strengthening in the market for foreign exchange. Government securities and loans increased slightly, while loans on stocks, bonds and debentures slightly decreased. Loans to municipal and other corporations increased materially. Discounts to the public current increased about 1 1/2 millions, which may be accounted for by activity in the shipping trade consequent on the opening of navigation. Total assets increased nearly 2 1/2 millions. Circulation decreased \$678,313, which is to be expected at this season, and cannot be taken as an indication of the business of the country. Deposits have gone on increasing and \$1,142,564 has been added to that already enormous amount. The total liabilities increased \$922,814.

Our word of warning regarding the returns as to loans between banks has apparently been disregarded, but on this we will have more to say again.

Directors' liabilities have been reduced, especially in Quebec and Nova Scotia. In Ontario they have increased slightly.

INSURED PERSONS PER 100,000 INHABITANTS.

The number of persons assured per 100,000 inhabitants in the following countries is estimated at:—

Spain.....	10	Norway.....	168
Portugal.....	10	Belgium.....	213
Russia.....	23	Sweden.....	430
Italy.....	30	Switzerland.....	1,313
France.....	68	United States.....	1,640
Austria.....	80	England.....	2,659
Germany.....	148		

Total European Continent and England 702; Total Continent, 461; Total Europe and United States, 831.

THE PUBLIC REVENUE OF THE UNITED KINGDOM.

I. An abstract of the gross produce of the revenue of the United Kingdom in the year ended March 31, 1886, compared with the preceding year:—

	Years ended	
	March 31, 1886.	March 31, 1885.
Customs.....	£19,827,000	£20,321,700
Excise.....	25,460,000	26,600,000
Stamps.....	11,590,000	11,925,000
Land Tax.....	1,040,000	1,065,000
House duty.....	1,850,000	1,885,000
Property and income-tax.....	15,160,000	12,000,000
Post office.....	8,150,000	7,905,000
Telegraph service.....	1,740,000	1,760,000
Crown lands.....	350,000	380,000
Interest on advances.....	1,376,080	1,027,350
Miscellaneous.....	3,008,221	3,174,760
Totals.....	£89,581,301	£88,043,110

II. Increase and decrease in the year ended March 31, 1886, as compared with the preceding year:—

	Increase.	Decrease
Customs.....	—	£494,000
Excise.....	—	1,140,000
Stamps.....	—	335,000
Land tax.....	—	25,000
House duty.....	—	35,000
Property and income tax.....	£3,160,000	—
Post office.....	245,000	—
Telegraph service.....	—	20,000
Crown lands.....	—	—
Interest on advances.....	348,730	—
Miscellaneous.....	—	166,539
Totals.....	£3,753,730	£2,215,539
		Net increase, £1,538,191

WHAT IS BI-METALLISM?

One of the great troubles of the commercial and financial world is the growing scarcity and dearness of gold, concurrently with a growing abundance and cheapness of silver. That gold is not merely a form of money, but is also a valuable and useful commodity in itself, goes without saying. What is true of gold is true also of silver. These two metals are called 'precious' because, or all other metals, the desire to possess them in a crude form is universal. Let us put it in another way. All nations do not desire to possess pig-iron, or ingot copper, or block tin, because all nations cannot utilise these metals in such form, however ready they may be to purchase articles made from them. But all nations above the lowest rank of savagery do desire to possess gold and silver in the state of bullion, because they can all utilise these metals in some mode of ornament or in purposes of exchange. But, for obvious reasons, the desire for silver is not so large and so general as the desire for gold.

From an early period in the history of civilisation, gold and silver have been used as money, and the reason they are valuable as money is because they have a high intrinsic value. Now, value is a quality which has been variously defined, but which for our purposes can best be explained as of two kinds. That is to say, there is exchange value and intrinsic value. It is a common thing to say that an article is worth just what it will bring, or sell for. In a certain sense, this is true; but the 'worth,' or value, in such cases is market or exchange value only. Take, for instance, the value in the book market of some scarce book or pamphlet for which an extravagant price will be paid by a bibliomaniac, wholly regardless of its literary merits. Book, which are intellectually worthless will often at a very high 'market value.' *Per contra*, a copy of the Bible may be obtained for sixpence.

In speaking of value, therefore, one must always understand whether market value or intrinsic worth be meant. The two do not always coincide. A thing is very often intrinsically worth a great deal more than it will sell for, and, on the other hand, a thing will often sell for a great deal more than it is intrinsically worth. No better examples of the latter can be mentioned than the extravagant prices which are sometimes paid for pieces of old china, or the extraordinary sums which are given for bulbs in the days of the Dutch tulip mania.

Now, the peculiar virtue of gold is that it combines the exchange value with the highest intrinsic value. It possesses qualities which no other substance has; some of these qualities adapt it for use as money, while it possesses at the same time a value independent of its worth as money—namely, its intrinsic value. That is to say, a sovereign is valuable not merely because it will exchange for twenty shillings, or purchase a pound's worth of goods, but also because it can, itself, by re-melting it or otherwise, be made an article of use. The same is true only in a modified degree of silver money. A shilling can be utilised in the same way as bullion-silver can; but a shilling does not contain a shilling's worth of the metal. This is why silver coins in this country are called only 'token-money.' Their intrinsic value is not equal to their 'face' or exchange value, and, therefore, you cannot at law compel a man to receive payment of a debt from you in silver if the amount be greater than forty shillings sterling. Silver, beyond forty shillings, is not what is termed a 'legal tender.' A creditor may take silver from you if he likes, just as he may take a cheque from you if you have a banking account; but you can no more compel him to receive payment in silver over forty shillings than you can compel him to take your cheque.*

This has been the law of England since 1816 and it is this law which makes England what is

* The only other legal tender are Bank of England notes. They are a legal tender for sums above five pounds. The Bank of England itself must, however, if desired, pay gold.

called a mono-metallic country—that is, possessing one sole standard of value. That standard, as we know, is gold. But India is also a mono-metallic country, and silver is there the sole standard, gold not being now minted at all, although gold coins, such as mohurs, circulate to some extent, and are hoarded as 'treasure.' Indeed, in all the Asiatic countries, it may be said that silver is the circulating medium of exchange—that is to say, the actual form of money. Yet, in all Asiatic countries, gold is more highly prized than silver, and is more readily taken in payment of a debt, even if of Western coinage, and this fact is another illustration of the high intrinsic value of gold in all parts of the world. Strictly speaking, gold is not 'money' in Asia, but it is held more precious than official money.

Now, there are certain persons who contend that it is a great mistake on the part of any nation to have a standard of value confined to a single metal, be it gold or silver, and who further contend that the existing universal depression of trade is principally due to England and one or two other countries rejecting silver for purposes of legal money. These persons are what it is usual to call Bi-metallists, and they desire to see adopted a universal dual, or, more correctly, alternative standard.

The theory of bi-metallism is one of French origin. In 1865, certain European states formally adopted it. These states were France, Belgium, Italy, and Switzerland; and their combination is known as the 'Latin Union.' The agreement they made among themselves was that each of them should coin both gold and silver in unrestricted quantities and of defined fineness, and that both gold and silver money should be 'legal tender' in each State for all debts. That is to say, in the Latin Union a man may pay a debt of a thousand pounds, or any amount, in silver—if he likes—instead of being confined to forty shillings' worth of silver, as with us. In practice, he does not do so, because it is inconvenient to carry and to count large sums in silver coins. The purpose of that agreement was to increase the amount of coined currency without causing an addition to the market value of one metal by concentrating the demands of mints upon one alone. It necessitated fixing a ratio of value between the two metals, and that the ratio was taken by the Latin Union to be fifteen and a half parts of silver to one of gold. That is to say, one ounce of gold was declared by law to be 'worth' fifteen and a half ounces of silver, and *vice versa*.

It would take too long and too much technicality to follow the operations of the Latin Union; but it is necessary to explain that one branch of the agreement had to be departed from after the close of the Franco-German war. The Germans demanded payment of the whole of the two hundred millions of the war indemnity *in gold*, and they then adopted for themselves a gold standard. This is what is meant by saying that Germany demonetised silver; she became mono-metallic, like England. The effect of this action on the part of Germany was to cause an extra demand for gold for mint purposes, and at the same time to throw upon the markets of the world a vast quantity of silver which was no longer wanted for coinage. Consequently, the price of silver measured in gold fell so considerably, that the Latin Union could no longer maintain the ratio of fifteen and a half to one, which they had established. They therefore agreed among themselves not to coin any more silver—or to coin only such small quantities as were needed for the convenience of the people—while, however, they retained the principle of silver money being 'legal tender' as well as gold.

Some years later, the United States Government resumed specie payments—that is to say, they called in the 'greenbacks,' or notes for small amounts which were issued during the war, when coin was scarce, and began to pay all their debts in gold. In order to do this, they had to purchase and mint a large quantity of that metal. Between 1873 and 1883, it is estimated that no less than two hundred millions sterling worth of gold were taken up for coinage over

and above the normal consumption in that way. Thus, the United States required one hundred millions; Germany, eighty-four millions; and Italy, sixteen millions. This meant an average extra demand on the ten years of twenty millions annually.

We must bear these figures in mind in endeavoring to see how gold has become scarce, and as it is termed, 'appreciated in value.' Besides the coinage for these and the other states which have to put a certain quantity of gold through the mints every year in order to keep up their normal currency, there is the large demand for the metal for employment in the arts and manufactures. M. de Levalleye estimated a few years ago that the amount of gold thus used is about ten millions sterling annually; but in a former article we took fifteen millions sterling as the figure. The latter we believe to be nearer the mark, and it is the fact that the use of gold for purposes other than coinage is annually increasing.

A thing may increase in market value—which, as we have said, is different from intrinsic value—in two ways—namely, by means of enlarged demand, or by reason of diminished supply. Both forces have operated in the case of gold; for, while the demand has increased in the manner just shown, the supply has been steadily falling off. In 1852, after the discoveries in California and Australia, the production of gold was to the value of the thirty-six and a half millions sterling; but now, it is only about half that amount. The decrease in yield is shown in a very interesting manner by comparing successive periods of five years. Thus:

Period.	Total Production.	Annual Average.
1852-56.....	£150,000,000	£30,000,000
1857-61.....	123,200,000	24,600,000
1862-66.....	114,000,000	22,750,000
1867-71.....	109,000,000	21,753,000
1871-75.....	77,000,000	19,200,000

Between 1875 and 1882 the average remained a little over nineteen millions annually; but in 1883 the production was only about eighteen and a quarter millions, and in 1884 it was rather under eighteen millions sterling. At the close of last year, Mr. Samuel Smith, M.P.—a leading bi-metallist—said that the present production could not be estimated at much over sixteen millions annually. If our estimate is correct that fifteen millions annually are used in the arts and manufactures, it will be seen what a narrow margin is now left for coinage.

This is bad enough from a bi-metallist point of view; but worse remains. Silver has been all the time increasing in amount of production. We have not the figures for precisely the same periods as for gold, but the following will suffice to show the growth in the yield of silver:

Period.	Total Production.	Annual Average.
1852-62....	£90,760,000	£9,076,000
1863-73....	124,530,000	12,453,000
1874-80....	110,400,000	15,771,428
1881.....	..	18,800,000
1882.....	..	20,500,000
1883.....	..	21,400,000
1884.....	..	21,400,000

The broad inference from these figures is that the production of silver has about doubled within the last twenty years. The increase is mainly, if not entirely, from the development of the mines in the western States of America; and an American authority estimates that the production will probably double itself again within the next twenty years.

Now, the curious fact is, that while the world at once and greedily absorbs the annual production of gold, it is in present circumstances unable to utilise all the silver. This metal is actually decreasing in employment in the arts; and indeed it is within the observation of every one that silver-plate is no longer the highly coveted possession which it once was in middle-class families. One meets now with 'solid-silver' appliances comparatively seldom in general use, electro-plate having taken their place. Its disuse as money has been already mentioned.

The result is remarkable. In 1848, the metallic money, current or hoarded in the world, was estimated at one thousand millions sterling, of which four hundred millions were gold, and six hundred millions were silver. In 1870, the metallic money was estimated at fourteen hundred millions, of which seven hundred and fifty millions were gold, and six hundred and fifty millions were silver. At present, the metallic money of the world is estimated at about fifteen hundred and seventy millions sterling, of which about eight hundred millions are gold, and seven hundred and twenty millions are silver. It is to be remembered also that a very small proportion of the gold which is withdrawn for manufactures and ornaments ever finds its way back into the circulating arena, because the labor expended on the finished ornament gives it a higher value than can be obtained out of the melting-pot. In this connection another interesting point may be noticed, which is, that it has been ascertained that out of every three thousand sovereigns coined, one sovereign represents the annual loss by friction; and in half-sovereigns the annual loss in the same way is one in eighteen hundred. It may not be generally known that our gold coins circulate very much in some parts of the East and in South America, and are only returned to this country when they have lost in weight by friction. This loss reduces the intrinsic value; but when sent to London they are exchangeable at face value, if not excessively abraded.

The effect of this change in the actual production and employment of gold and silver is to materially alter their relative values. The value of silver measured in gold has fallen so enormously that, instead of the ratio being, as was fixed by the Latin Union, fifteen and a half parts of silver to one of gold, the actual ratio in the markets of the world is now only about twenty parts of silver to one of gold. It is estimated that a sovereign will now purchase as much as thirty shillings would do fifteen years ago; and this is what is meant by saying that the appreciation of gold is the cause of the depreciation of prices of commodities. But all this time silver has remained the legal standard of value of India, and a rupee is still worth two shillings in that country. That is to say, a rupee has still the purchasable power of two shillings in India; but in England it is worth only about one shilling and sevenpence. Therefore, upon every pound which the Indian remits to this country he must lose twenty per cent., or about four shillings, for exchange. This is a very serious loss not only on merchants—many of whom, however, can to some extent counteract it by sending home goods instead of money, goods which they buy for silver in Calcutta and sell for gold in London—but also on the Government, which has to send home something like fifteen millions sterling, gold value, every year, to meet the interest on the public debts, and the like.

The position, then, is this—that the supply of gold-money is now too small for the world's needs, and that all commerce and international intercourse is being hampered by the restriction of the medium of exchange. At present, the sole practical medium is gold; and gold-money, as Mr. Goschen has remarked, has three functions to perform: it has to supply the pocket and till-money of the people; it has to remain in the vaults of bankers as security for the notes issued against it; and it has to serve in settling the balances between nations. The larger the amount of trade which is being done, the larger must these balances necessarily be—although not in direct proportion—and the more gold must be required to adjust them. By analogy of reasoning, the less gold there is in the form of circulating money, the more must the trade be restricted. If the restriction does not operate on volume, it must operate on prices, and this, in effect is what has happened.

The subject of concern, then, in the circles of finance throughout the world is how to rehabilitate silver, as it is termed—that is, how to replace it in the position which it is claimed the metal should occupy as money. If the supply of gold is too small for the world, then the only alternative

is to utilise silver more largely, and to give it an official value in relation to gold. That value cannot now be placed in the ratio of fifteen-and-a-half to one; but it is thought that common agreement among the nations might enable the ratio to be fixed at something like seventeen to one.

The object of the bi-metallists is to bring about an arrangement between all the nations of Europe and the United States of the same principle and effect as that adopted by the Latin Union, which we have described. That is to say, they seek to have the free concurrent coinage of both gold and silver in a fixed ratio of value, and to have both metals everywhere decreed unlimited legal tender. The effect of this would be, they claim, to provide a supply of metallic coinage amply sufficient for the world's present and increasing requirements, while it would prevent those violent fluctuations in exchange which do so much to disturb our trade with the silver-using countries of the East and of South America (where the Mexican silver dollar is the standard). Unless this be done, they assert, gold will become the sole currency of the world, and will have to perform the work of two metals. The effects of the consequent depreciation of silver upon India will be ruinous, and the effects of the consequent appreciation of gold will be to reduce the value of property in all commodities in this country still further. The final result, say some, must be panic and revolution.

The arguments *pro* and *con*. involve technicalities not quite suitable for our pages. It may be mentioned, however, that those opposed to bi-metallism say that there is no reason to conclude that the supply of gold has *permanently* fallen off; that fresh discoveries may be made any day, that the effects of the fluctuations of exchange on trade are exaggerated, and do not, in practice, prevent free commercial intercourse between countries of quite different currencies; and that the diminishing use of silver in the arts is an argument against its use as money. If silver becomes comparatively valueless as a commodity, how, it is asked, can the ratio of value as money between it and gold be maintained? The metal would be placed in the anomalous position of having two values—one at the mints, and another in the markets—and the consequence would be that the market value would rule, and people would refuse to take the silver money. This is the case at present in the United States, where the Government is compelled by law to buy for coinage some five hundred thousand pounds-worth of silver every month, which silver money lies dead in the treasury because the people don't want it.

On the other hand, it may be contended that the very fact of silver being legalised by all the great nations of the world would impart to it a value which might re-create a demand for it for other employment. It may be possible, too, to arrange not a permanent but an adjustable ratio, to be altered from time to time by joint agreement among the nations, according as the relative values of the metals are affected by supply and demand.

Be this as it may, it would seem that all the nations concerned, including even Germany, who acknowledges having made a mistake in demonetising silver, are more or less in favour of bi-metallism, and that all wait for the concurrence of England. In the United States, the present efforts of the Government are directed towards repealing the law which compels them to coin a certain amount of silver—not that they do not want a dual currency, but simply because they cannot work it, as long as England persists in adhering to the gold standard. Thus it would appear that in the great silver question England is, rightly or wrongly, not as yet prepared to come to a decision. In England, moreover, counsels are very much divided among experts, while the general public gives almost no attention to the question whatever. It is in the hope of stimulating the interest of our readers in a great, almost a vital, matter, that we place this article before them.—*Chambers Journal*.

Financial and General Items.

The Imperial Bank has lately opened an agency at Calt, with Mr. John Cavers as manager.

An Amalgamation of the People's Bank and the Union Bank of Halifax, is spoken of.

The Union Bank of Canada has reduced its capital stock from \$2,000,000 to \$1,500,000.

The Bank of England discount rate has been raised from 2 to 3 per cent.

Munster Bank.—The creditors expect shortly to receive a first dividend of ten shillings in the pound on their claims.

The Capital stock of this Bank of New Brunswick has been reduced from \$1,000,000 to \$500,000, and that of the Pictou Bank from \$250,000 to \$200,000.

An arrangement similar to that made by the British Post Office Department for granting compensation for loss or damage of registered letters and packages is at present receiving the attention of the Canadian Government and will probably be adopted.

National Finances.—Prince Bismarck is said to entertain favorably a scheme for sustaining Mexican credit, with the view of extending Germany's colonial influence.—**The negotiations for a loan to the new Congo-African state** have been broken off in Paris.—**The Greek Government** recently secured a loan of £300,000 in London.

Savings Banks in Great Britain.—Notwithstanding the general trade depression, the deposits in the savings banks continue to increase. A return lately issued shows that the balance standing to the credit of depositors was increased during the year from £44,773,773 to £47,697,838, less £1,093,112 paid in interest, from which it may be gathered that wage-earners continue to suffer less in comparison than other classes from the depression.

Minneapolis, Sault St Marie and Atlantic R. R.—Arrangements it is reported have been completed for construction of this line. The Bank of Montreal is to give the Company a loan of \$5,000,000 on the guarantee of the Canadian Pacific R.R. This would be of great advantage to the whole of the American north-west, and to Canada also, for no doubt much of the freight which now goes to New York would go to Montreal the natural seaport for St. Paul.

Gold and Silver.—The returns for 1883 to the enquiries made by the director of the mint as to the amount of gold and silver used in the United States in the arts and manufactures, show that a total of \$14,459,464 worth of gold was used in the various manufactures, including jewellery and watches, pens, instruments, gold leaf and chemicals. Of this total amount of gold \$7,905,163 was utilized in the manufacture of watches and jewellery. The statistics for silver exhibit a total of \$5,656,530 used in similar manufactures.

The Accountant has the following:—The managing-director of a bank, while informing a new watchman of his duties, after giving him general directions said:—"And our cashier—he is a good man, honest, reliable and trustworthy; but it will be your duty to keep your eye upon him. "But it will be hard to watch two men and the bank at the same time, sir." "Two men—how?" "Why, sir, it was only yesterday that the cashier called me in for a talk, and he said you were the honestest man in the town, but it would be just as well to keep both eyes on you, and let the directors know if you stopped about the office after hours."

Correspondence.

THE HOMANS' PLAN.

To the Editor of the INSURANCE AND FINANCE CHRONICLE.

SIR,—With your permission I will briefly notice some of the statements in your article on the Homans' Plan, in the April number of your Journal, which are not in accord with an impartial opinion.

There are several inaccuracies in your references to and explanations of the Plan which I will pass over, and call attention to the unfairness of the comparisons calculated to mislead as to the probable mortality experience under the Homans' Plan of insurance.

There is no similarity, so far as the class of risk and mortality rate are concerned, between the "Term" insurance which you use for comparison and the "Renewable Term" insurance known as the Homans' Plan. The former covers for a limited term of years a special risk of one kind or another, sometimes an occupation or a place of residence specially hazardous, frequently it is taken upon a life which would not be insured under a whole life policy, owing to a defective family history, or some other reason, and by some companies these risks are taken on the lives of children covering the term of years to age of maturity.

In these cases medical selection is overbalanced by the special hazards.

Insurance under the "Renewable Term" or Homans' Plan is renewable during life, at the option of the assured, the same as under any other whole life policy, differing from the latter only in the manner of dealing with the premium or cost to the assured, hence the greatest care is exercised in selecting the risks.

To prove what I have stated in reference to the Term insurance you quote statistics from we will quote the words of the actuary of the "Connecticut Mutual" (the experience of which you used and applied to the Homans' Plan)—in the published experience of that Company. In referring to the heavy rate of mortality experienced from Term insurance he says: "This is due in great part to the fact that these policies were largely taken to cover special risks; especially on the lives of persons going to California to engage in gold-mining, in 1849" and the years succeeding

"The extra premium required for permits covering risks not covered by the policy contract amounting in the year 1851 to over \$38,000 and in the course of Company's business to over \$500,000, a considerable share of which in the earlier years of the Company's history was received from Term policies would probably more than offset the increased mortality."

A considerable number of the Term policies of the Connecticut Mutual were on the lives of children, under which policies the largest percentage of the Company's mortality was shown in proportion to the number and amount at risk.

The mortality experienced under the Renewable Term policies of the Aetna Life would afford much more suitable and impartial information.

In reference to the statistics adduced to prove a greater percentage of losses you overlook some important factors necessary to an impartial comparison. It is known and admitted that the number of losses is greater from new business than from that of longer standing, hence it is not just to compare the percentage of lapsed policies on the Aetna's Renewable Term plan which has been in use but a few years with the losses under the other plans of that company, thirty years or more in existence, including endowment.

The same objection applies to a comparison of the lapses of policies in the Provident Savings Life Assurance Society with the twenty-nine companies doing business in the State of New York. The former a young company, with a comparatively new business, as against the oldest companies of the country with hundreds of millions of old standing business. In addition to this it is apparent to insurance men that the younger company in competition with those controlling millions of the people's money must naturally suffer to some extent.

The "Provident" increased the amount of its business in force one hundred per cent in each of the years 1883 and 1884, and as the new plan was first offered by that Society in 1883 no doubt many of the cancellations of those years were owing to changes from the old plans

to the new one. In 1884 the 29 companies reporting to the New York State Insurance Department wrote \$321,310,170, of new insurance and lost by cancellations (not including death claims) \$189,440,302—a loss equalling nearly sixty per cent. of new business, while in the same year the "Provident Savings Life" wrote \$8,809,400 of new business and lost by cancellations from all causes (including death claims) an amount only equal to about twenty per cent. of the new business. In 1885 that Society increased the amount of its business in force to over \$25,000,000 showing for that year the largest percentage of new business to amount in force at the beginning of the year, the lowest percentage of expense to amount insured, the lowest percentage of death claims and the large percentage of increase in surplus of any company reporting to the New York State Insurance Department.

The slow progress of that Society previous to the adoption of its present plans of insurance may be attributed in part to the difficulties experienced by every young Company and partly to the retirement of Mr. Homans from the active management of the Society for about two years. Having occupied more space than I intended I will conclude by quoting the following from a letter written by Mr. Homans and recently published:

"The Renewable Term Plan has now been before the public for three years, during which time it has received the endorsements of insurance commissioners, actuaries, officers and agents of the regular companies and, so far as I know, its safety has not been questioned over the signature of any responsible person. The actual cost of the assured has been but one-fourth to one-third the usual level premium rate. We make no war upon the old companies. The level premium system has its advantages and its disadvantages. It is a combination of insurance, which is one thing, and of investments, which is quite another thing.

The Renewable Term Plan is *pari passu*, except that one-fourth of each monthly premium is laid aside to create a guaranty fund, available in case of necessity, and for the better protection of policyholders, which will be returned to them after ten years.

This Society holds an insurance reserve on each and every policy in force, computed upon precisely the same principles as are adopted in the case of all regular companies. We promise absolutely to pay in full the sum insured in case of death, which promise is backed by the capital, by the full legal reserve, and by the surplus of the Society, which last is larger in proportion to its liabilities than that shown by any other life insurance company in America.

The following is an extract from the recent report of the Insurance Commissioner of Massachusetts:

"Insurance that does not insure is dear at any price. Insurance that costs beyond the needs of safety is an unjust burden. That system is the best that combines safety with the minimum of cost. The old system is, humanly speaking, safe; if it is too expensive, and cannot reform the fault, some other system that can provide safety with less cost will supersede it, but, to rival the old, the new must prove itself safe as well as cheaper."

We claim that the Renewable Term Plan of insurance is the other system which, if it will not supersede the old system, will at least meet the wants of that large class of men who insure for protection, and who desire sound, safe and reliable insurance at the lowest price consistent with absolute security."

DAVID DEXTER.

HAMILTON, April 28th, 1886.

DEPUTATION TO OTTAWA.

To the Editor of the INSURANCE AND FINANCE CHRONICLE:

SIR.—A "house divided against itself must fall," says the old adage and with what peculiar adaptation to the "Insurance Bill" legislation, it stands, I leave it to those concerned to answer. We in Toronto were asked by a deputation from our Montreal brethren to assist them in obtaining certain badly needed amendments to the Consolidated Insurance Act before the Dominion Parliament. Unanimous as we generally are here, we were led to expect, and did expect, a similar voice from Montreal. But what was our surprise to find, on reaching Ottawa, where the battle was to be fought, that to meet the Toronto full contingent, one earnest Montrealer was present, and upon a second visit to the Legislature where the discussion was to be held with the Committee of Parliament, the same earnest Montrealer was present with the assistance of one other luke-warm representative and one openly avowed opposant!!

Justice to the two promoters of this movement leads me to state, that they were both, most unfortunately, on beds of sickness, so that help from them could not be expected; it was, therefore, all the more

necessary that the other members should have come forward, and surely out of twenty-three chief offices in Montreal, in so important a matter, a stronger and more loyal deputation should have appeared.

And what was this important matter? Nothing less than the preservation of the business of the country to the companies who have established agencies at considerable cost in it to get it.

It has been notorious that the best business of the country has of late years been gradually finding its way to unlicensed pirate companies in the United States, and of late some in England. These risks are the safest and best in the country, generally held by people who don't intend to burn, and hence always anxious for cheap insurance. Never mind what your tariff may be on this class of risk, these pirate companies having no deposit here, no expenses to pay in this country, can readily afford to under-bid your figure by 15 to 20 per cent., and, if dealing direct with the assured, by saving the commission, can quote 30 to 35 per cent. less.

A rough estimate places the amount of this business now done in such companies at ten millions and which is rapidly on the increase since the Tariff Association prevents under-cutting by licensed companies and the schedule rates prove unpopular.

The law as at present formulated imposes penalties upon a broker or agent effecting such insurances in unlicensed companies, but leaves the assured at liberty to place it himself if he chooses.

Thus the broker paves the way, the assured consummates the bargain and the law is *not* violated.

The State of New York in protection of its licensed companies passed a prohibitory law in 1884, requiring affidavits to be made that the insurance could not be obtained from licensed companies, before permitting the assured to go outside of the State. It was a somewhat similar amendment which we desired to obtain here. Strange to say, to so rational a measure, opposition should come from those in whose protection it was intended, our own members!! That there should be a solitary dissentient voice among underwriters, chief agents and managers, to so conservative a step, will no doubt be a matter of great surprise to their principals abroad. But such unfortunately was the case in the present instance, and hence the failure reached at Ottawa, and such is the case too often in the administration of Underwriting in Canada, resulting in the present desponding state of the business and struggle to attain an equilibrium between receipts and expenditure, leaving aside profits altogether.

That opposition should come from manufacturers in the laudable desire on their part to obtain free trade in insurance and cheap insurance, (though *ultra* protectionists in their own businesses and whatever concerns them) was to be expected; though it was somewhat of a surprise that most of this opposition sprung from Montrealers, as if they had been inspired on the part of some underwriters, where sympathy, seems to exist too much in favor of Manufacturing to the detriment of Insurance Interests.

Yours truly,
FIRE INSURANCE.

MR LYE'S PROBLEM

The Editor INSURANCE AND FINANCE CHRONICLE.

DEAR SIR,—I am very much amused by the autoeratic "we's" and "don't's" of your correspondents in your May issue. I do not propose, further than this communication, to reply to those who assume the editorial "we" as a lion's skin for the proverbial purpose; assuming ignorance on the part of others.

I am aware that certain companies in New York inserted in their policies a condition whereby their blanket policies became specific insurances on each subject covered, in proportion as the loss on each bore to the whole loss. If this condition was in general use, or was part of the statutory law, then the first proposition of my critic in INSURANCE CHRONICLE and of Messrs. Neill, Rowland & Powis would be correct but without such condition or law, or an equivalent condition of average, I think they are in error.

In reply to Mr. S. or Mr. G., or whoever my critics may be, I reply that there is nothing in any condition in general use, nor in any law, nor in any judgment, whereby it is "established" that a general

policy is a floating policy, or that it may be "converted" from general to specific, or that it may be "converted" from one of its subjects to another; consequently the term "convertible insurance" is impertinent.

My critic quotes Griswold to contradict Griswold, his personality is such as to provoke the inquiry, St. Matthew xii. 26.

Policies A, C, D, E, & F, were not floaters. I did not "divide them in the ratios of the losses to get the assumed or maximum liability," but I followed Griswold, Art-2224, Page 727, so do not "convert them from general to specific insurances," ignorantly or otherwise.

The "don't" is an impertinence, as is the assumption that I insulted my hearers of the Institute of Accountants with falsehoods. Your readers know me too well to make reply from me necessary to my vindication in this respect.

It is not conducive to the establishment or examination of a principle that petty quibbles concerning terms and definitions should take the place of argument. It is immaterial whether you use the terms primary, maximum, initial or assumed in reference to the liability of the policy to each of the items or subjects covered; it is the liability which each subject may insist upon. Each subject may be a rival claimant for the whole amount of the general policy; this liability must be accounted for—when this is done, the liability of the policy is ended.

Any rule which requires a re-arrangement or re-apportionment thereby demonstrates its own fallacy.

Taking my critic "G" in order of his reply:

1. I do not propose to be drawn into a did and did not controversy with my anonyma. I think I am sufficiently sane to know what I do.
2. "Convertible Insurance" being explained as a system of converting one company's money to the payment of another company's liability, I do not need to discuss it.
3. There is no warrant for any *preferential* application of insurances; the commencement of contribution at the greatest or at the least or at any other deficiency is in fraud of any subject or company which suffers by reason of *preferential* instead of *simultaneous* application of insurances.
4. As I do not "start out by dividing the general insurances in the ratios of loss upon their several subjects," all criticism based upon such a misstatement is inapplicable.
5. If not correct, its incorrectness is capable of being demonstrated.
6. Summaries prove nothing, so should not be used as arguments, my critic either meant that his summary proved a liability for the full amount of the loss, or intended to mislead his readers.

As the final liabilities in the example given by me in your April issue are: Co. A, \$2100; C, B, \$5000, and Co. C, \$5000, my critic's argument and his solution are, both of them, incorrect.

7. My critic evades
8. Is an argument a la skittles; in it "established" means set up to be knocked down by a "convertible" misappropriation of moneys.
9. My critic keeps until he understands Griswold?
10. He evades.
11. He shirks.
12. If he refers to page 22 of the pamphlet he will perceive his error. There is no "mix" about it, the word "assured" means "assured" in both cases.

13 and 14 I repeat.

As I neither claim nor concede infallibility I should be glad to assist in the real "establishment" of an equitable universal rule; but I have no leisure for defence against personalities, nor do I care for those who indulge in them anonymously.

HENRY LYE.

THE GLOBE RESERVE MUTUAL LIFE INS. CO. BALTIMORE, MD., MAY 21, 1886.

DEAR SIR:—Do you consider a plan of Life Insurance, with proper selection and management, and based on "American Experience" with a 25 per cent. loading, and on a 4 per cent. Reserve basis, as being sound within the purview of safe insurance principles?

Expense Due is additional.

An early reply will greatly oblige,

Yours respectfully,
C. L. MAULSBY.

The details regarding the scheme are too indefinite for us to express an opinion upon. If full information be furnished us we are perfectly willing to go into the matter, provided that it is one in which Canadian readers would be interested.—[ED. INS. AND F. CHRONICLE.]

To the Editor of the INSURANCE AND FINANCE CHRONICLE.

DEAR SIR:—Could we trouble you to give us an idea of the "status" of the "Provincial Provident Institution," John Bond, secretary, Box 1228 St. Thomas, Ont., P.O. An agent is soliciting risks here. We don't remember seeing any notice of the concern in the CHRONICLE. Is it worthy of public confidence?

Any information on the above will oblige,

Yours truly,
INSURANCE AGENTS

MEAFORD, May 18, 1886.

We know comparatively nothing about the status of this institution, except that it is a co-operative or assessment society, and we presume neither better nor worse than the ordinary run of such concerns. When the government blue-book appears we will be able to give more details.—[EDITOR I. AND F. C.]

TORONTO, May 7th, 1886.

To the Editor of the INSURANCE SOCIETY,

DEAR SIR:—Can you inform me what sort of a company the Western Union Mutual of Detroit is? Its agents are canvassing for business here.

Yours truly,
TORONTO AGENT.

The Western Union Mutual Life and Accident Society of the U.S. is a co-operative concern, hailing from Detroit, Michigan. It has no license to transact business in Canada.—[ED. I. AND F. C.]

LAPSES UNDER TERM POLICIES.

"The INSURANCE AND FINANCE CHRONICLE of Montreal, in order to prove the excessive lapses that occur under Term forms of policy, cites the business of the Provident Savings Life of New York from 1879 to 1884, both inclusive, and compares it with the business of all the companies reporting to the New York Department during the same period, forgetting entirely the fact that in 1879 the oldest business of the Provident was not yet four years in force, while that of the other companies, the youngest of which was seven years older than the Provident, averaged much older, and should, therefore, show a much smaller rate of lapse. One can prove almost anything, if permitted to manipulate the facts with the express purpose of so doing."—*Boston Guardian*.

We insert the above merely to show how pitifully weak are the endeavors of the advocates of the assessment plan to explain away the telling points made by us against the whole system in our criticism of the Homans' plan. The paper from which we quote can do nothing better than try to pick a hole in one point and utterly ignore all others. They do not state that the lapses in the Provident Savings Co. were shown by us to be about four times as heavy as those among the *new* policies alone of a good company. Neither do they mention that we quoted the experience of the Mutual Benefit Life of New Jersey, which showed that the lapses under its Term policies also was about four times as heavy as under its total policies of the same duration, nor that of the Aetna which also confirmed these statements. There are none so blind as those who will not see.

ITEMS.

Theatres.—During the last five years 174 theatres have been consumed by fire.

The Bill incorporating the Tocumseh Insurance Company of Canada has been passed.

The Texas Underwriters have decided to adopt the eighty-five per cent co-insurance clause on lumber risks.

The Northwestern Live Stock Insurance Co. of Des Moines, Ia., has been organized with a capital of \$100,000.

The New York Legislature has passed a bill allowing Canadian Companies to deposit Canadian securities.

The Losses by fire in Canada so far this year are about 15 per cent. greater than during the same period in 1885.

An old Insurance Company.—The Hand-in-Hand of London, Eng., held its 189th meeting on April 27th ult.

Honolulu Fire.—The estimated loss caused by this fire is \$1,500,000. Eight thousand people are rendered homeless.

The Pacific Mutual Life Ins. Co. recently sold an annuity for \$1,550 to a man seventy-five years old for \$10,000.

Sixty-seven millions of pounds is said to be the amount invested in land in the United Kingdom by insurance companies.

T. H. Brosnan, Esq., President of the United States Life Insurance Co. of New York, sailed for Great Britain on May 25th.

D. Marshall Lang, Esq., general manager of the Glasgow and London Insurance Co., is expected to visit Canada in August.

Mooney vs. Imperial.—The Court of Review has granted the Imperial a new trial in this case. Mr. Mooney has appealed against this decision.

Lord Penrhyn, who recently died at an advanced age, carried life insurance to the amount of over £500,000.—*The Index*, London.

The "Argus" of Chicago says that the Enterprise Fire Insurance Company, limited, of Liverpool, Eng., is a rank swindle.

The Directors of the Queen Insurance Company recommend a dividend for 1885 at the rate of 10 per cent., leaving £71,000 to be carried forward.

The Phenix Insurance Company of Brooklyn has begun the writing of \$50,000 lines on first-class manufacturing risks.—*Chronicle*, N.Y.

Royal Canadian Insurance Company.—We are glad to announce that the Royal Canadian has joined the Nova Scotia and P. E. I. Tariff Associations.

Mr. Wm. M. Ramsay, of Montreal, the popular manager of the Standard Life for Canada, is at present taking a tour through Manitoba and the Northwest.

Incendiarism.—The *Chronicle* N.Y., attributes 26 per cent of the fires in the United States during the year 1885 to incendiarism.

The foreign business of the New York Life is represented by 25,806 policies, covering \$84,000,000. That of the Equitable by 24,809 policies, covering \$105,978,000.

The New York Life Insurance Company has purchased \$200,000 of 5 per cent. fifty-year Canadian Pacific Railway first mortgage land grant bonds.

Jeffrey Beavan, Esq., joint manager of the New York branch of the London and Lancashire fire office, was in Montreal during the past week, and favored us with a call.

The **Glasgow and London Insurance Company** has commenced business in Australia. Mr. F. F. Leslie has been appointed general agent at Melbourne for South Australia.

The losses to Insurance Companies on the Pacific Coast have thus far during 1886 been about ten per cent. greater than for the corresponding period last year.—*Fireman's Fund Record*.

Royal Canadian.—Mr. Harry Cutt has been appointed secretary to the Royal Canadian Insurance Company. Mr. Cutt was formerly secretary of the Atlantic and Northwestern Railway Company.

Mr. R. H. Matson informs us that he has resigned his position as Superintendent of the Union Mutual Life. He leaves the company with the good-will of all connected with it.

The formation of a new Stock Fire office is spoken of in New York with a capital of \$1,000,000. It will, if organized, be conducted on similar plans to the New England Mill Mutual and the Mutual Fire of N. Y.

The **Popular Science News** asserts that the average length of life is constantly increasing, and the time may yet come when persons 100 years old will excite no more curiosity than of eighty years at the present time.

The **Insurance Agent** is a missionary, persuading men to perform a manifest duty, and the only reason that he is ever unpopular is owing to the fact that few men like to be reminded of a duty unperformed.—*Weekly Statement*.

The "**Anglo-American**" has, we are informed, established a marine agency at St. John, N.B. The "**Anglo-American**" prowler is quite competent to receive premiums, but paying claims is beneath its dignity.

The **Directors of the Standard Life** have appointed Mr. Thomas H. B. Black, resident secretary at Glasgow, as successor to the late Mr. R. S. M. Forbes. Mr. Black was previously inspector at Leeds for the Crown Life office.

Mr. C. B. Whiting, of Hartford, Conn., for several years secretary of the Hartford Fire Insurance Company, has been elected President of the Orient Insurance Company of Hartford. Mr. Whiting is a popular and able underwriter.

Mr. Jean R. Stebbins, of Little Falls, has been elected president of the Agricultural Insurance Company of Watertown, in place of the late Dr. Munson. Mr. Stebbins is one of the largest stockholders of the Agricultural, and has been a director for the last 15 years.

The **New York Life** has an office building in Paris which cost \$1,046,317; one in Vienna which cost \$207,371 and one in Berlin which cost \$183,174. The Equitable's office building in Paris cost \$325,633, and the Germania's in Berlin cost \$273,378.

The **Mutual Life Insurance Company of N.Y.** has opened an agency in Mexico. The New York Life, Equitable Life, and a Co-operative Association are the only other companies transacting a life insurance business in that country.

The **Puget Sound Insurance Company** of Tacoma is the cognomen of a "wild cat" which recently came to light in connection with a loss at Toronto. We learn from a contemporary that the concern has been shut up since March 23rd ult.

May Removals in Mon'treal.—The City of London has removed to No. 1 Exchange Court, Hospital St.—The Commercial Union from St. Francois Xavier St. to No. 173 Notre Dame St.—The Guardian Assurance Co. to the new Fraser Building, St. Sacrament St.

Mr. John Kennedy, Inspector of the Royal Insurance Company, Montreal, sailed for Great Britain on the 27th ult for a two months' holiday trip. It is some twelve years since he sniffed the air of sweet Eborac' town. We wish him a pleasant holiday among the banks and braes of Lothian's land.

John Higley, of Hamilton, Ont., accused of receiving money on certificates of a New York assessment society, which were never issued, has been released on bail, only to be tried on a similar charge at St. Catharines, whereupon the law will look after his record in Hamilton.—*The Standard*.

Mr. H. Sutherland of Halifax—the energetic general Agent of the Federal Life Assurance Company for the Lower Provinces and Quebec was in Montreal during the past month. We are informed that he has decided to make Toronto his headquarters instead of Montreal, as at first intended.

The **Citizens Insurance Company of Canada** received 120 applications for fire insurance lately by one mail, 118 of which were accepted, representing in premiums \$1,844. General Manager Hart was beaming. Perhaps it may not be out of place to inform his agents that he won't object to a continuance of that sort of business.

Messrs Meak & Raynes, advocates, etc., of Montreal, have removed from Place d'Armes square to Exchange Court, No. 10 Hospital Street. The name of this rising young firm will be familiar to our readers as the compilers of the insurance legal decisions published in our columns. They give special attention to insurance cases.

New Companies.—Among the insurance companies lately licensed to do business in Canada are:—"The Mutual Accident Association (limited)" of England; "The Temperance and General Life" of Toronto; "The Canadian Mutual Aid Association" of Toronto; and "The Provincial Provident Institution" of St. Thomas.

Mr. E. Hallamore who has been for some time superintendent of agencies for the British Empire Life has been appointed general agent of that company for the province of Quebec and Eastern Ontario, associating with him Mr. L. A. Dastous, of Sherbrooke. The name of the firm will be Messrs. Hallamore & Dastous. We wish the new firm every success.

Bonds, Mortgages, etc.—The editor of the INSURANCE AND FINANCE CHRONICLE will be glad to hear from insurance agents and others who may have or know of any principal debentures to be disposed of in their neighborhood. We have inquiries for investments of this nature in amounts ranging from \$500 to \$500,000. Please address the editor, INSURANCE AND FINANCE CHRONICLE, Montreal.

An esteemed Correspondent in Nova Scotia writes us:—"Digby, N.S., has passed the necessary municipal order for a steam fire engine. Nearly all the important towns in Nova Scotia have or are preparing to get steamers for fire purposes. The average annual loss by fire is small in Nova Scotia, as compared with other Provinces, and I think, therefore, the Underwriters in some cases charge a little too high."

London, Eng.—There was over \$3,719,000,000 of insurance on London property in 1884. The companies writing the largest amounts were as follows: Sun Fire Office, \$395,000,000; Phoenix Fire, \$363,000,000; Law Fire, \$247,500,000; County Fire, \$241,500,000; North British and Mercantile, \$212,000,000; London and Liverpool and Globe, \$189,500,000, and Royal, \$170,000,000.

Live Stock Insurance Company.—We have enquiries from various points in the Dominion respecting a live stock insurance Co. Such a company is wanted in Canada. We were informed some time ago that one was being organized, in fact, was going to commence business in April last. What has become of it? Perhaps our English or U. S. friends will come to our aid and establish a branch agency here.

Good Advice.—In the suit of the R. & O. N. Co. against an American Insurance Co. to recover the amount of a policy, insuring the SS. Spartan against damage, the Hon. Justice Taschereau held that, as the policy was signed in Buffalo the action should have been instituted there. At the same time he took the opportunity to advise Canadian policy-holders to have their policies signed in Canadian territory.

The Suit of Mrs. Ten Broeck. daughter of Senator Madden, in the court of Judge Brown, at Newburgh last month, to recover \$10,000 on a policy on the life of her father for \$10,000, issued by the Travelers, resulted in a verdict for the plaintiff. The cause of death was alleged to be a fall over a cuspidor in getting out of bed. The defense was that the policy was vitiated by the drinking habits of the insured. *The Monitor.*

Insurance Reports.—We hereby tender our thanks for copies of the following insurance reports:—*New York*, bound volume, parts I, II and III, from Robert A. Maxwell, Esq., Superintendent of Insurance. *New Hampshire*, 17th Annual Report, from Oliver Pillsbury, Esq., Superintendent of Insurance. *Pennsylvania*, 13th Annual Report, Part I Fire and Marine, from J. M. Forster, Esq., Insurance Commissioner. *Ohio*, 19th Annual Report, part I, from Henry J. Richmond, Esq., Superintendent of Insurance.

On the Sick List.—Quite a number of our Montreal insurance managers have been on the sick list lately:—Messrs. G. F. C. Smith, president of the C. F. U. A.; Gerakl E. Hart, general manager of the Citizens; James Taylor, of the Northern and Caledonian; and G. H. McHenry of the Royal Canadian, were among the number. We are glad to state, however, that they are all better and attending to business as usual. Mr. Hart was suffering from the effects of a severe accident.

The Employers' Liability Assurance Corporation. Limited, of London, England, has made the necessary deposit, and will commence business at once in Canada. Mr. F. Stanchiffe, who is also general manager for Canada of the British Empire Life, is manager. We are sure this Corporation will transact a large business in the Dominion, under the energetic management of Mr. Stanchiffe. Lord Claus J. Hamilton, M.P., is chairman of the Employers' Liability.

Incendiarism.—The Toronto Board of Fire Underwriters passed the following resolution in regard to the punishment of incendiaries at its meeting on May 20th:—"That this Board has noticed with regret in the columns of the press of this city the very light sentence passed on certain incendiaries who in this city were caught in the act and convicted of the offence; that in our opinion such lenient dealing with criminals is fraught with danger to the lives and property of the community at large, as well as with evil consequences to the members of this board."

The Mutual Life of New York has lately issued circulars comparing its dividends on policies with those of other companies in proportion to the amount at risk. We have been asked to say what we think of it. We consider it unfair to the other companies and misleading in that it overlooks at least two important points—that some companies issue tontine policies, and others divide their profits every five years only, and a year in which they do not divide cannot be taken as a test or comparison. The Mutual has no necessity to resort to such comparisons.

A record without a parallel.—The Mutual Life of N.Y., Equitable, New York Life and Connecticut Mutual paid to policyholders in 1885 the sum of \$35,047,085, and resisted payment of claims to the amount of \$149,752. The Mutual Reserve Fund Life Association paid to policyholders in 1886 \$838,879 and resisted claims to the extent of \$120,000. In other words, the four Old Line companies resisted less than one-half of one per cent of the claims presented, whilst the Mutual Reserve resisted one out of every 8 claims or 12.9 per cent. It may well claim to have a record without a parallel, in this respect at all events.

The Lye Problem.—We have just received a long communication on this subject from Col. C. Mason Kinne—author of the "Kinne Rule,"—special agent and adjuster of the Liverpool and London and Globe Insurance Co. at San Francisco, and we regret very much our inability to publish it in this issue (the forms being now on press) but we shall have great pleasure in doing so in our next.

We will just quote one sentence from it: "There can be no question as to the fallacies of Mr. Lye's method of apportionment wherein he causes the assured to suffer a loss with unexhausted general insurance still in hand, and the INSURANCE CHRONICLE shows this so clearly that all ought to see it."

FINANCIAL ITEMS.

Mr. Robert Gill, formerly Inspector of the Bank of Commerce, has been appointed manager of the Montreal branch of that bank, as successor to Mr. Simpson, deceased.

The City of London, Eng., has just secured a loan of £1,060,000 at 3½ per cent. for 30 years, at an average price of about 100 25. Tenders were received for £3,251,200, or more than three times the amount offered.

Bank Dividends.—The following banks have declared half-yearly dividends:

The Canadian Bank of Commerce, 3½ per cent.

Banque d'Hochelega, 3 per cent.

Bank of London in Canada, 3½ per cent.

Bi-metallism.—An economist who proposed to fix by law a ratio between the value of a yard of cotton and a quarter of wheat, or between a pound of tea and a pound of coffee, would win few converts. He would not find a sympathetic audience even in a Social Science Congress, or other gatherings of vacant minds. But these who advocate somewhat similar proposals with respect to gold and silver are not few or friendless, and the astonishing fact is that they make themselves heard at the Institute of Bankers, where we might look for better things.—*Times*, London.

CLIPPINGS.

A large Annuity.—F. W. Webber, agent of the New York Life Insurance Company, has placed with his company the largest annuity ever written in this country on an individual life. The insured pays in \$100,000 in cash to the company, and will draw \$6000 annually for life.—*Spectator*, N. Y.

Assessment vs. Old Line.—Out of every dollar received by the Old Line life insurance companies operating in New York last year 76.8 cents were returned to policy-holders, while Assessment societies returned but 51.7 cents. Leaving out all the other advantages of the former over the latter plan of insurance, it will be readily seen that Old Line insurance is by far the best. *U. S. Review, Philadelphia.*

Cacoethes S ribendi—"There seems to be a sort of interecine warfare inaugurated among the several would-be-fire-loss-adjusting-athletes across the line in Canada."—*Insurance Times, N. Y.*

Our contemporary then goes on to criticise at some length the several apportionments and adjustments made in the Lye Problem, and shows "the utter fallacy of Mr. Lye's method" as well as that of most of his would-be critics.

An exchange announces, with evident surprise, that England has a pig insurance company. The only thing remarkable about this is that England should have pigs. We thought America and Ireland monopolized this table delicacy. Why should any one be surprised at the insurance of pigs? Has not Ireland a Cork insurance company? and Germany a Hamburg insurance company? and Constantinople a Turkey insurance company? and Africa a Nubia, a Cape and a Morocco insurance company? and Asia a China insurance company? and England a Pelican, a Lion, a Queen, and a Royal Liver, insurance company? and America a Sun, a Star, an Eagle, a Globe, a River, and a Buffalo insurance company? Why, then, this announce in every insurance journal that a pig insurance company has been organized in England?—*Coast Review.*

Defunct Assessment Societies.—Obituaries of defunct assessment Societies have become monotonous reading, being all very much alike. The Dominion Mutual Benefit Society of Canada has petered out in the usual way. Its organizers thought they had found an improved plan, and drew in as co-directors a number of well-meaning men, who knew little or nothing about any sort of undertaking. In every place where they sought business they obtained endorsement for this scheme from those who, though eminent as mayors, sheriffs, judges, barristers and merchants, were utterly ignorant of the thing they recommended. On account of these high, though baseless, recommendations, the great promises which the Society made were readily believed by very many who wanted cheap insurance, and who had

not learned how brief is the average life of co-operatives. One unhappy circumstance connected with every such case of disintegration is that many members since their certificates were taken have come into a condition of impaired health which debar's them henceforth from obtaining life insurance. They have been cheated of their golden opportunity of laying hold of the substance by the shadowy mirage which the unwise counsels of some unthinking man of note led them to consider as lasting in beauty and of true value. The lesson ought to be heeded by those who have not yet suffered.—*The Insurance Critic.*

OBITUARY RECORD.

Mr. John J. W. O'Donoghue, died at Chicago on May 10th ult. He was well known in journalistic circles, having founded the *Chronicle* of New York, which he controlled up to a few years ago. He was born in Dublin, Ireland, in 1820, and came to America in 1857.

At a recent meeting of insurance journalists held in New York, the following resolution was adopted:—

Whereas, In the providence of God, our former associate, Mr. John J. W. O'Donoghue, the founder of the *Chronicle*, and so long its controlling power up to within a few years, has been removed from this life, the insurance journalists of New York feel called upon to recognize with regret this removal of one formerly and so influentially associated with insurance journalism, and for this professional and personal reason desire to put on record the following memorial resolution:—

Resolved, That in the decease of our late associate we realize the loss of a friend whose hand and heart were always on the friendly side; who believed in human sympathy and practiced it; who maintained a good repute personally, and as a journalist professionally; who was ready always to sustain sound principles in insurance and to denounce such schemes as were delusive and fraudulent. In his personal, social, and professional relations, Mr. O'Donoghue was peculiar in forming and cementing friendly associations; and a large circle outside of insurance interests will, with us, regret his removal from this scene of earthly labor.

Mr. William Simpson, Manager of the Montreal branch of the Bank of Commerce, died at his residence in this city on May 22nd, at the age of 48 years. He had been seriously ill for some time. Mr. Simpson successfully managed the affairs of the Bank of Commerce in this city for about 15 years, displaying considerable tact and ability in the conduct of the business, and his kindly and obliging disposition won for him many friends. His funeral was largely attended by bank officials and merchants of Montreal.

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SUN LIFE

«ASSURANCE COMPANY»

OF CANADA.

BUSINESS OF 1885.

Income, \$319,987.05. Assets, \$1,411,044.33. New Life Applications, \$2,608,071.48. Life Policies in force, \$7,930,878.77.
Increase, 41,607.40. Increase, 136,607.09. Increase, - - 707,229.30. Increase, - - 1,086,474.73.

R. MACAULAY,
Managing Director.

THOMAS WORKMAN,
President.

x

x

The New Consolidated Insurance Act, 1886.

"AN ACT RESPECTING INSURANCE."

Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

SHORT TITLE.

1. This Act may be cited as "*The Insurance Act, 1886*," 40 V., c. 42, s. 1, *part*.

INTERPRETATION.

2. In this Act, unless the context otherwise requires:—

(a) The expression "Minister," means the Minister of Finance and Receiver General;

(b) The expression "Superintendent," means the Superintendent of Insurance;

(c) The expression "company" means and includes any corporation or any society or association, incorporated or unincorporated, or any partnership carrying on the business of insurance;

(d) The expression "Canadian company" means a company incorporated or legally formed in Canada, for the purpose of carrying on the business of insurance in Canada, and which has its head office therein;

(e) The expression "agent" means the chief agent of the company in Canada, named as such in the power of attorney hereinafter referred to, by whatever name he is designated;

(f) The expression "chief agency" means the principal office or place of business of the company in Canada;

(g) The expression "inland marine insurance," means marine insurance in respect to subjects of insurance at risk upon the waters of Canada above the harbor of Montreal;

(h) The expression "Canadian policy" or "policy in Canada," as regards life insurance, means a policy issued by any company licensed under this Act to transact the business of life insurance in Canada, in favor of any person or persons resident in Canada at the time when such policy was issued, and "policy holder in Canada" means any such person as aforesaid;

(i) The expression "Canadian policy" or "policy in Canada," as regards fire and inland marine insurance, means a policy of insurance on any property within Canada, issued by any company licensed under this Act to transact the business of fire or inland marine insurance. 38 V., c. 42, s. 1, *part*, and s. 3, *part*;—40 V., c. 42, s. 1, *part*.

(j) The expression "License" includes certificate of registration.

(k) The expression "Policy" includes a certificate of membership relating in any way to life insurance.

APPLICATION OF ACT.

3. The provisions of this Act shall not apply—

(a) To any company transacting, in Canada, ocean marine insurance exclusively; or—

(b) To any policy of life insurance in Canada, issued previously to the twenty-second day of May, in the year one thousand eight hundred and sixty-eight, by any company which has not subsequently received a license; or—

(c) To any company incorporated by an Act of the legislature of the late Province of Canada, or by an Act of the legislature of any Province now forming part of Canada which carries on the business of insurance, wholly within the limits of that Province by the legislature of which it was incorporated, and which is within the exclusive control of the legislature of such Province; but any such company carrying on the business of life insurance may, by leave of the Governor in Council, avail itself of the provisions of this Act, and if it so avails itself, the provisions of this Act shall thereafter apply to it and such company shall have the power of transacting its business of insurance throughout Canada. 38 V., c. 20, ss. 2, *part*, and 3 *part*;—40 V., c. 42, s. 2, *part*, and s. 28.

LICENSES.

4. No company or person, except as hereinafter provided, shall accept any risk or issue any policy of fire or inland marine insurance or policy of life insurance, or grant any annuity on a life or lives, or receive any premium, or carry on any business of life, or fire or inland marine insurance, in Canada,—or prosecute or maintain any suit, action or proceeding, either at law or in equity, or file any claim in insolvency relating to such business, without first obtaining a license from the minister to carry on such business in Canada. 38 V., c. 20, s. 2, *part*, and s. 3;—40 V., c. 42, s. 2, *part*.

5. The license shall be in such form as is, from time to time, determined by the minister, and shall specify the business to be carried on by the company; and it shall expire on the thirty-first day of March in each year, but shall be renewable from year to year. 38 V., c. 20, s. 4;—40 V., c. 42, s. 3.

6. The Minister, as soon as the company applying for the same has deposited in his hands the securities hereinafter mentioned, and has otherwise conformed to the requirements of this Act, shall issue such license as aforesaid. 38 V., c. 20, s. 5;—40 V., c. 42, s. 4.

DEPOSITS TO BE MADE BEFORE THE ISSUE OF LICENSE.

7. Every company carrying on the business of life insurance, and every Canadian company carrying on the business of fire or of inland marine insurance, or of both combined, shall, before the issue of such license, deposit with the minister, in such securities as are hereinafter mentioned, the sum of fifty thousand dollars; and every company incorporated or legally formed out of Canada, carrying on the business of fire or of inland marine insurance, or of both combined, shall, before the issue of such license, deposit with the minister, in such securities as are hereinafter mentioned, the sum of one hundred thousand dollars. 38 V., c. 20, s. 6, *part*;—40 V., c. 42, s. 5, *part*.

8. All such deposits may be made by any company in securities of the Dominion of Canada, or in securities issued by any of the Provinces of Canada; and by any company incorporated in the United Kingdom in securities of the United Kingdom; and by any company incorporated in the United States, in securities of the United States; and the value of such securities shall be estimated at their market value at the time when they are so deposited:

2. If any securities other than those above mentioned are offered as a deposit, they may be accepted, at such valuation and on such conditions as the Treasury Board directs:

3. If the market value of any of the securities which have been deposited by any company declines below that at which they were deposited, the minister may notify the company to make a further deposit, so that the market value of all the securities deposited by the company shall be equal to the amount which it is required by this Act to deposit; and on failure by the company to make such further deposit within sixty days after being called upon so to do, the minister may withdraw its license:

4. Any company licensed under this Act may, at any time, deposit in the hands of the Minister any further sums of money or securities beyond the sum herein required to be deposited; and any such further sums of money, or securities therefor, so deposited in the hands of the minister, shall be held by him and be dealt with according to the provisions of this Act in respect to the original sum required to be deposited by such company, and as if the same had been part of such original deposit, and no part of such additional deposit shall be withdrawn, unless with the sanction of the Governor in Council, on the report of the Treasury Board. 38 V., c. 20, s. 6, *part*, and s. 7;—40 V., c. 42, s. 5, *part*, and s. 6.

9. If it appears from the annual statements, or from an examination of the affairs and condition of any company carrying on the business of fire or inland marine insurance, that the re-insurance value of all its risks outstanding in Canada, together with other liabilities in Canada exceeds its assets in Canada, including the deposit in the hands of the minister, the company shall be notified by the minister to make good the deficiency; and on its failure so to do, within sixty days after being so notified, he shall withdraw its license. 38 V., c. 20, s. 8.

10. If it appears from the annual statements, or from an examination, as provided for by this Act, of the affairs and conditions of any company carrying on the business of life insurance, that its liabilities to policy-holders in Canada, including matured claims, and the full reserve or re-insurance value for outstanding policies, as hereinafter described, after deducting any claim the company has against such policies, exceed its assets in Canada, including the deposit in the hands of the minister, the company shall be called upon by the minister to make good the deficiency; and on its failure so to do within sixty days, he shall withdraw its license:

2. If any such company as is mentioned in this and the next preceding section is incorporated or legally formed elsewhere than within Canada, the assets in Canada as aforesaid shall be taken to consist of all deposits which the company has made with the minister under the foregoing provisions of this Act, and of such assets as have been vested in trust for the company for the purposes of this Act, in two or more persons resident in Canada, appointed by the company and approved by the minister:

3. The trust deed shall first be approved of by the minister, and the trustees may deal with such assets in any manner provided by the deed of trust appointing them, but so that the value of the assets held by them shall not fall below the value required by this section:

4. In the case of any such life insurance company, which gave written notice to the minister before the thirty-first day of March, in the year one thousand eight hundred and seventy-eight, of its intention to avail itself of the proviso contained in section seven of "The Consolidated Insurance Act, 1877," the foregoing requirements of this section shall not apply to policies issued previously to that date; and the deposit of such company, which was in the hands of the minister, on the twenty-eighth day of April, in the year one thousand eight hundred and seventy-seven, shall be dealt with in regard to such policies, in conformity with the fourth and fifth sections of an Act passed by the Parliament of Canada in the thirty-fourth year of her Majesty's reign intitled "An Act to amend the Act respecting Insurance Companies:" and whenever the full liability under such policies falls below the amount so held by the minister, he may, with the concurrence of the Treasury Board, direct that the whole or such portion of the difference as he deems advisable, shall be released and handed over to the company, and so on, from time to time, until the total deposit with the minister is reduced to the amount of fifty thousand dollars required by this Act. 40 V., c. 42, s. 7.

11. So long as any company's deposit is unimpaired, and the conditions of this Act are satisfied, and no notice of any final judgment against the company, or order made by the proper court in that behalf for the winding up of the company or the distribution of its assets, is served upon the minister, the interest upon the securities forming the deposit shall be handed over to the company as it falls due. 38 V., c. 20, s. 9;—40 V., c. 42, s. 8.

DOCUMENTS TO BE FILED.

12. Every company shall, before the issue of a license to it, file in the department of Finance,—

(a) A copy of the charter, Act of incorporation, or articles of association of the company, certified by the proper officer in charge of the original thereof:

(b) A power of attorney from the company to its agent in Canada under the seal of the company, if it has a seal, and signed by the president and secretary or other proper officers thereof, in presence of a witness, who shall make oath or affirmation as to the due execution thereof; and the official positions in the company held by the officers signing such power of attorney shall be sworn to or affirmed by some person cognizant of the facts necessary in that behalf; and—

(c) A statement, in such form as is required by the minister, of the condition and affairs of such company on the thirty-first day of December then next preceding, or up to the usual balancing day of the company, if such day is not more than twelve months before the filing of the statement. 38 V., c. 20, s. 10, *part*;—40 V., c. 42, s. 9, *part*.

13. Such power of attorney shall declare at what place in Canada the head office, or chief agency of such company is, or is to be established,—and shall expressly authorize such attorney to receive service of process in all suits and proceedings against such company in any Province of Canada, in respect of any liabilities incurred by the company therein, and also to receive from the minister and the superintendent, all notices which the law requires to be given, or which it is thought advisable to give,—and shall declare that service of process for or in respect of such liabilities, and receipt of such notices, at such office or chief agency or personally on or by such attorney at the place where such head office or chief agency is established, shall be legal and binding on the company to all intents and purposes whatsoever. 38 V., c. 20, s. 10, *part*;—40 V., c. 42, s. 9, *part*.

14. Whenever any such company changes its chief agent or chief agency in Canada, such company shall file a power of attorney, as hereinbefore mentioned, containing any such change or changes in such respect, and containing a similar declaration as to service of process and notices as hereinbefore mentioned; and every company shall, at the time of making the annual statement hereinafter provided for, declare that no change or amendment has been made in the charter, Act of incorporation or articles of association of the company, and that no change has been made in the chief agency or chief agent, without such amendment or change having been duly notified to the superintendent. 38 V., c. 20, s. 10, *part*;—40 V., c. 42, s. 9, *part*.

15. Duplicates of all such documents, duly verified as aforesaid, shall be filed in the office of one of the superior courts in the Province in which the head office or chief agency of the company is situated—or if the chief agency is in the Province of Quebec, with the prothonotary of the Superior Court of the district wherein such chief agency is established. 38 V., c. 20, s. 10, *part*;—40 V., c. 42, s. 9, *part*.

SERVICE OF COMPANIES WITH PROCESS.

16. After such power of attorney and certified copies are filed as aforesaid, any process in any suit or proceeding against any such company, in respect of any liabilities incurred in any Province of Canada, may be validly served on the company at its chief agency; and such service shall be deemed to be service on the company. 38 V., c. 20, s. 11, *part*;—40 V., c. 42, s. 10.

2. If such power of attorney becomes invalid or ineffective from any reason whatsoever, or if other service cannot be effected, the court or a judge may order constructive service of any process or proceeding to be made, by such publication as is deemed requisite to be made in the premises, for at least one month in at least one newspaper; and such publication shall be held to be due service upon the company of such process or proceeding.

NOTICE OF LICENSE.

17. Every company on first obtaining such license shall forthwith give due notice thereof in the *Canada Gazette*, and in at least one newspaper in the country, city or place where the head office or chief agency is established, and shall continue the publication thereof for the space of four weeks:

2. The like notice shall be given, for the space of three calendar months, when a company ceases, or gives notice that it intends to cease, to carry on business in Canada. 38 V., c. 20, s. 12;—40 V., c. 42, s. 11.

PUBLICATION OF LICENSED COMPANIES.

18. The minister shall cause to be published quarterly in the *Canada Gazette* a list of the companies licensed under this Act, with the amount of deposits made by each company; and upon any new company being licensed, or upon the license of any company being withdrawn in the interval between two such quarterly statements, he shall publish a notice thereof in the *Canada Gazette* for the space of six weeks. 38 V., c. 20, s. 13;—40 V., c. 42, s. 12.

ANNUAL RETURNS BY COMPANIES.

19. The president, vice-president, or managing director, and the secretary or manager of every Canadian company licensed under this Act, shall prepare annually, under their own oath, and cause to be deposited at the Department of Finance, a statement of the condition

and affairs of such company at the usual balancing day of the company in the preceding year—which statement shall exhibit the assets and liabilities of the company, and its income and expenditure during the previous year, and such other information as is deemed necessary by the minister :

2. In the case of such companies carrying on the business of life insurance, such statement shall be deposited as aforesaid on the first day of January in each year or within two months thereafter, and shall be made in the form and manner set forth in the form A in the schedule to this Act :

Provided, however, that a preliminary abstract of the year's business to December thirty-first inclusive, comprising the cash premium receipts of the year, the number and amount of the policies issued and taken up that are in force, and that have become claims and been paid to that date, shall be sent to the superintendent of insurance within the first fifteen days of January in each year.

3. In the case of companies carrying on the business of fire or inland marine insurance, such statement shall be deposited as aforesaid on the first day of February in each year, or within one month thereafter, and shall be made in the form and manner set forth in the form B in the schedule to this Act :

4. Such statements shall be sworn to before some person duly authorized to administer oaths in any legal proceeding, in the form C in the schedule to this Act :

5. The minister may, from time to time, make such changes in the form of such statements as seem to him best adapted to elicit from the companies a true exhibit of their condition in respect to the several points hereinbefore enumerated. 38 V., c. 20, s. 20;—40 V., c. 42, ss. 20 and 27.

20. Every company incorporated or legally formed elsewhere than in Canada, and at present licensed or hereafter licensed under this Act, and every company which is subject to the provisions of this Act, shall make annual statements of its condition and affairs under the oath of its chief agent, and shall furnish the same to the minister at the same time as Canadian companies; and the form and manner of making of such statements shall, as to the Canada business of such company, be the same (so far as applicable) as is required of Canadian companies,—and as to its general business, shall be in such form and to such date as such company is required by law to furnish to the Government of the country in which its head office is situate, in a separate schedule attached. The blank forms of the statements of the Canada business shall be furnished in duplicate by the Superintendent.

PENALTIES AND FORFEITURES.

21. Every company which violates any provision of either of the two sections next preceding shall incur a penalty of five hundred dollars for each violation, and an additional penalty of one hundred dollars for each month during which any such company neglects to make such publication or to file such affidavits and statements as are therein required :

2. If such penalties are not paid, the minister, with the concurrence of the Treasury Board, may order the license of such company to be suspended or withdrawn, as is deemed expedient. 38 V., c. 20, s. 22;—40 V., c. 42, s. 22.

22. Every person who delivers any policy of insurance or interest receipt or who collects any premium (except only on policies of life insurance issued to persons not resident in Canada at the time of issue) or carries on any business of insurance on behalf of any life, fire or inland marine insurance company, without such license as aforesaid, shall on summary conviction thereof, before any two justices of the peace or any magistrate having the powers of two justices of the peace, for a first offence, incur a penalty of not less than twenty dollars and costs and not more than fifty dollars and costs, and in default of payment the offender shall be liable to imprisonment with or without hard labor for a term of not less than one month nor more than three months; and for a second or any subsequent offence such offender shall be imprisoned with hard labor for a term not less than three months nor more than six months;

2. One half of any such penalty when recovered shall belong to Her Majesty, and the other half thereof to the informer.

23. All informations or complaints for the prosecution of offences under the provisions of sections twenty-two, twenty-five and forty-two of this Act shall be laid or made in writing within one year after the commission of the offence.

24. Unless otherwise provided in the special Act incorporating any insurance company, passed by the Parliament of Canada after the twenty-eighth day of April, one thousand eight hundred and seventy-seven, or hereafter to be passed, such special Act and all Acts amending the same shall expire and cease to be in force at the expiration of two years from the passing thereof, unless within such two years the company thereby incorporated obtains a license from the minister under the provisions of this Act. 40 V., c. 42, s. 26.

SUPERINTENDENT AND HIS DUTIES.

25. The Governor in Council may appoint an officer, to be called the superintendent of insurance, who shall act under the instructions of the minister, and shall examine and report to the minister, from time to time, upon all matters connected with insurance, as carried on by the several companies licensed to do business in Canada, or required by this Act to make returns of their affairs :

2. Such superintendent may be appointed at a salary not exceeding four thousand dollars per annum :

3. The Governor in Council may, from time to time, appoint such officers and clerks under the superintendent, as are necessary for the purposes of this Act :

4. The superintendent shall keep a record of the several documents required to be filed by each company in the superior courts of Canada, under this Act; and shall,—

(a) Enter in a book, under the heading of each company, the securities deposited on its account with the minister, naming in detail the several securities, their par value, and value at which they are received as deposit :

(b) In each case, before the issue of any new license, or the renewal of and license, make a report to the minister that the requirements of the law have been complied with, and that from the statement of the affairs of the company it is in a condition to meet its liabilities :

(c) Keep a record of the licenses as they are issued :

(d) Visit the head office of each company in Canada, at least once in every year, and examine carefully the statements of the condition and affairs of each company, as required under this Act, and report thereon to the minister as to all matters requiring his attention and decision :

(e) Prepare for the minister, from the said statements, an annual report, showing the full particulars of each company's business, together with an analysis of each branch of insurance, with each company's name giving items, classified from the statements made by each company :

5. If the superintendent, after a careful examination into the condition and affairs and business of any company licensed to transact business in Canada, from the annual or other statements furnished by such company to the minister or for any other cause, deems it necessary and expedient to make a further examination into the affairs of such company, and so reports to the minister, the minister may, in his discretion, instruct the superintendent to visit the office of such company, to thoroughly inspect and examine into all its affairs, and to make all such further inquiries as are necessary to ascertain its condition and ability to meet its engagements, and whether it has complied with all the provisions of this Act applicable to its transactions :

6. The officers or agents of such company shall cause their books to be open for the inspection of the superintendent, and shall otherwise facilitate such examination so far as it is in their power; and for that purpose the superintendent may examine under oath the officers or agents of such company relative to its business :

7. A report of all companies so visited by the superintendent shall be entered in a book kept for that purpose, with notes and memoranda showing the condition of each company after such investigation; and a special report shall be communicated in writing to the minister, stating the superintendent's opinion as to its standing and financial position, and all other matters desirable to be made known to the minister :

8. If it appears to the superintendent that the assets of any company are insufficient to justify its continuance of business under the requirements of sections seven, eight, nine and ten, or that it is unsafe for the public to effect insurance with it, he shall make a special report on the affairs of such company to the minister; and if the minister, after full consideration of the report, and after a reasonable time has been given to the company to be heard by him, and upon such further inquiry and investigation as he sees proper to make, reports to the Governor in Council that he agrees with the superintendent in the opinion so expressed in his report, the Governor in Council may, if he also concurs in such opinion, suspend or cancel the license of such company, and each company shall, during such suspension or cancellation, be held to be unlicensed and unauthorized to do further business:

9. Every person who, after notification of the suspension or cancelling of such license in the *Canada Gazette*, delivers any policy of insurance, collects any premium or transacts any business of insurance, on behalf of such company, shall be liable to the penalties provided for in the twenty-second section of this Act:

10. Once in every five years, or oftener, at the discretion of the minister, the superintendent shall himself value, or procure to be valued under his supervision, the Canadian policies of life insurance of all companies licensed under this Act to transact the business of life insurance in Canada; and such valuation shall be based on the mortality table of the Institute of Actuaries of Great Britain, and on a rate of interest at four and one half per centum per annum, except in the case of bonus additions or profits accrued or declared before the twenty-eighth day of April, one thousand eight hundred and seventy-seven, and then valued on the basis of a rate of interest other than that above mentioned, which, in any such valuation, shall continue to be valued on such other basis:

11. The minister may, from time to time, instruct the superintendent to visit the head office of any company licensed under this Act and incorporated or legally formed elsewhere than in Canada, and to examine into the general condition and affairs of such company; and if such company declines to permit such examination, or refuses to give any information necessary for such purpose, in its possession or control, its license shall be withdrawn:

12. Every company now licensed, and every company hereafter licensed under this Act, and every company transacting life insurance business under the thirty-second section of this Act, shall annually contribute a sum in proportion to the gross premiums received by it in Canada during the previous year, towards defraying the expenses of the office of the superintendent,—which sum shall be paid upon the demand of the superintendent:

13. The sum to be contributed annually by companies carrying on the business of fire or inland marine insurance in respect exclusively of such business carried on by them shall not exceed in all eight thousand dollars:

14. The superintendent, or any officer or clerk under him, shall not, directly or indirectly, be interested as a shareholder in any insurance company doing business in Canada, or licensed under this Act:

15. The minister shall lay the superintendent's annual report before Parliament within thirty days after the commencement of each session thereof. 35 V., c. 20, s. 23;—40 V., c. 42, s. 24.

PROVISIONS RELATING TO LIFE INSURANCE.

26. The provisions of sections twenty-seven to forty-three inclusive apply only to life insurance companies and to other insurance companies carrying on life and other insurance, in so far as relates to the life insurance business *only* of such companies.

CONDITIONS ON POLICIES.

27. No condition, stipulation or proviso modifying or impairing the effect of any policy, or certificate of membership of life insurance issued after the first day of January, one thousand eight hundred and eighty-six, by any company doing business within Canada under the authority of the Parliament of Canada, shall be good or valid unless such condition, stipulation or proviso is set out in full on the face or back of the policy or certificate. 48 and 49 V., c. 49, s. 7.

28. No policy or certificate shall contain or have endorsed upon it any condition providing that such policy or certificate shall be avoided by reason of any statement contained in the application therefor being untrue, unless such condition is limited to cases in which such statement is material to the contract. 48-49 V., c. 49, s. 8.

Forfeiture and Renewal of License.

29. Whenever satisfactory proof has been furnished to the minister of any undisputed claim upon a company, arising on any policy of life insurance in Canada, remaining unpaid for the space of sixty days after becoming due, or of a disputed claim remaining unpaid after final judgment in a regular course of law and tender of a legal valid discharge made to the agent of such company, the minister may withdraw the license of such company. 40 V., c. 42, s. 14, part.

30. Such license may be renewed if within thirty days after such withdrawal such undisputed claims or final judgments upon or against the company are paid and satisfied. 40 V., c. 42, s. 14, part.

31. When the license of a company carrying on the business of life insurance has been withdrawn by the minister under any of the foregoing sections of this Act, such license may be renewed if, within thirty days after such withdrawal, such company complies with the requirements of this Act to the satisfaction of the minister. 40 V., c. 42, s. 14, part.

Companies Ceasing to do Business and Release of Deposits.

32. In the case of any company which, previously to the twenty-eighth day of April, in the year one thousand eight hundred and seventy-seven, was licensed to transact the business of life insurance in Canada, and which ceased to transact such business before the thirty-first day of March, one thousand eight hundred and seventy-eight, having before that date given written notice to that effect to the minister, the premiums due or to become due on policies actually issued before the last-mentioned date, may continue to be collected, and the claims arising thereon may be paid, and all business appertaining thereto may be transacted, and all proceedings appertaining thereto, either at law or in equity, may be continued, or commenced and prosecuted; and the deposit at present in the hands of the minister shall be dealt with under the law as it existed previously to the first mentioned date, as if this Act had not been passed. 40 V., c. 42, s. 17.

33. When any company licensed under this Act desires to discontinue business and to have its assets in Canada released, and gives written notice to that effect to the minister, it may, with the consent of the policy-holders, procure the transfer of its outstanding policies in Canada to some company or companies licensed under this Act in Canada, or may obtain the surrender of the policies, as far as is practicable:

2. The trustees may employ any portion of the assets vested in them for the purpose of effecting such transfer or surrender.

3. The company shall file with the minister a list of all Canadian policy-holders whose policies have been so transferred or have been surrendered, and also a list of those which have not been transferred or surrendered:

4. The company shall, at the same time, publish in the *Canada Gazette* a notice that it will apply to the minister for the release of its assets and securities on a certain day not less than three months after the date of the notice, and calling upon its Canadian policy-holder-opposing such release to file their opposition with the minister on or before the day so named:

5. After that day, upon the application for release being made, if the minister, with the concurrence of the Treasury Board, is satisfied that such transfer or surrender has been effected, he may direct that a portion of the assets held by the trustees, or securities held by the minister shall be retained, sufficient in amount to cover the full equitable net surrender value of such policies (including bonus additions and accrued profits), as have not been transferred or surrendered, or in any respect to which opposition has been filed, and may order the remaining assets or securities aforesaid to be released and transferred or paid over to the company:

6. The portion retained shall be tendered in the manner hereinafter described to the aforesaid policyholders *pro rata*, according to the aforesaid values of their respective policies; and on the acceptance of the amount so tendered, such policies shall thereby be deemed to be cancelled; but if such tender is refused by any policyholder, the amount so tendered may be paid over to the company, and the policy shall continue in force, and such policyholder shall not be barred from any recourse he has, either in law or in equity, against the company to compel the fulfilment of its contract under such policy:

7. The surrender values above-mentioned shall be determined by the superintendent on the basis stated in the twenty-fifth section of this Act, and he shall collect from the company the expenses of such valuation at the rate of three cents for each policy or bonus addition, and shall pay the same to the minister before the latter shall hand over the securities.

8. Nothing herein contained shall prevent any policyholder from making special arrangements with the company whereby his policy may be continued in force; and on proof being given of such arrangement, such policy may be omitted or removed from the above-mentioned lists of policies, and this Act shall thereafter not apply in respect of such policy. 40 V., c. 42, s. 18.

34. The tender referred to in the next preceding section shall be made in the following manner:—

(a) A list and notice in the form D in the schedule to this Act, or to the like effect, shall be published in the *Canada Gazette* for at least thirty days previously to the day named in such notice:

(b) The company shall also cause the said list and notice to be published in such newspapers in Canada and for such length of time as the minister determines:

(c) A notice in the form E in the schedule to this Act, or to the like effect shall be sent by mail (postpaid or franked) from the office of the superintendent to each of the policyholders named in the said list, whose address is known to him, and such notice shall be deposited in some post office in Canada at least thirty days previously to the day named therein, which shall be the same day as that named in the list and notice above mentioned:

(d) Any policyholder who does not signify in writing to the superintendent his acceptance of the amount so tendered, on or before the day named in the said notice, shall be deemed to have refused the same; but the minister may, at any time prior to the payment over to the company of the amount so refused, allow any policyholder to signify his acceptance of such amount,—which acceptance, so allowed, shall have the same effect as if made on or before the day named in the said notice. 40 V., c. 42, s. 19.

35. In computing or estimating the reserve necessary to be held in order to cover its liability to policyholders in Canada, each company may employ any of the standard tables of mortality as used by it in the construction of its tables, and any rate of interest not exceeding four and one-half per centum per annum; but if it appears to the superintendent that such reserve falls below that computed on the basis stated in the twenty-fifth section of this Act, he shall report the same to the minister, who may thereupon direct the superintendent to compute, or to procure to be computed under his supervision, the reserve on the basis therein mentioned, and the amount so computed, if it differs materially from the return made by the company, may be substituted in the annual statement of assets and liabilities; and in such case the company shall furnish to the superintendent, on application, the full particulars of each of its policies necessary for such computation, and shall pay to the superintendent an amount at the rate of three cents for each policy or bonus addition so computed, which amount he shall pay over to the minister:

2. Any company instead of itself computing or estimating the reserve above mentioned, may require the same to be computed by the superintendent on the basis stated in the twenty-fifth section of this Act, on payment of a like amount as is mentioned in the next preceding subsection:

3. Provided always, that in the case of any bonus additions or other profits on the policies of any company, accrued or declared before the twenty-eighth day of April, one thousand eight hundred and seventy-seven, and which have been heretofore valued on the basis of a rate of interest other than that above mentioned, such company may compute or have the same computed on such other basis; and provided also, that in the case of any company which has heretofore based its computation or estimate of its reserve necessary to cover its liability to policyholders in Canada (other than the reserve to cover the bonus additions or other profits in the last proviso mentioned) on a rate of interest of five per centum per annum, the basis of computation or estimates mentioned in the twenty-fifth section and in this section, shall not apply until the twenty-eighth day of April, one thousand eight hundred and eighty-seven, but such company may, until such date, compute such reserve, or have the same computed, at a rate of interest not exceeding five per centum per annum. 40 V., c. 42, s. 23.

MUTUAL OR ASSESSMENT LIFE INSURANCE COMPANIES.

36. No company shall carry on within Canada any business of life insurance by promising to pay on the death of a member of such company, a sum of money solely from the proceeds of assessments or dues collected or to be collected from the members thereof for that purpose without being licensed or registered under this Act, except that, in the case of any contract entered into, or any certificate of membership or policy of insurance issued before the twentieth day of July, one thousand eight hundred and eighty-five, by any company carrying on such business, assessments may be made and collected, and claims paid, and all business connected therewith transacted without any penalty being incurred. 48-49 V., c. 49, ss 2 and 9 and 5. 10.

37. Any company incorporated or legally formed within Canada which transacts business of the nature described in the next preceding section may, at the discretion of the minister, on report of the superintendent approved by the Treasury Board be exempted from the operations of the foregoing provisions of this Act, except those of sections twenty-five, twenty-seven, twenty-eight, twenty-nine, thirty and thirty-one, and be permitted to transact the business of life insurance on the conditions specified in the five sections next following. 48-49 V., c. 49, s. 2.

38. Companies to be so exempted shall register their titles or corporate names in the office of the superintendent; they shall also make attested returns of their condition and affairs at such times and in such form, and attested in such manner, as are prescribed by the minister, and the superintendent shall include such returns in his annual report; and any failure to make such returns, when called for by the superintendent, shall subject such company, and any officer thereof, to the penalties mentioned in the twenty-first section of this Act: 48-49 V., c. 49, s. 3.

2. The registration of any such company shall cease to be valid on the thirty-first day of March in each year, but shall be renewable from year to year, in the discretion of the minister. 48-49 V., c. 49, s. 4.

39. The provisions of this section shall apply to corporations or associations incorporated or legally formed elsewhere than in Canada for the purpose of carrying on the business of life insurance upon the cooperative or assessment plan:

2. Any such corporation or association may be licensed by the Minister, under the provisions of this Act, to transact business in Canada upon depositing with him fifty thousand dollars, and thereafter shall have the right to transact business so long as it continues to pay its losses to the full limit named in its certificates or policies, and has complied with all the requirements of this Act and of the Superintendent of Insurance:

3. In addition to such deposit of fifty thousand dollars, the Minister, upon the report of the superintendent, approved by the Treasury Board, may, from time to time, require such other and further deposit as is recommended in such report and so approved, to be made by such companies or deposited with trustees to be named by the Minister, upon such trusts as are determined by the Governor in Council:

4. Death claims shall be first charge on all moneys realized from assessments, and no deduction shall be made from any such death claims on any account whatsoever.

5. No portion of any moneys received from assessments for death claims shall be used for any expense whatever, and every notice of any assessments shall truly specify the cause and purpose thereof :

6. Every application, policy and certificate, issued or used by any such company in Canada, shall have printed thereon in a conspicuous place, in ink of a colour different from that of the ink used in the instrument, and in good-sized type, the following words :—

"This association is not required by law to maintain the reserve which is required of ordinary life insurance companies."

7. Every certificate and policy shall contain a promise to pay the whole amount therein mentioned, out of the death fund of the association and out of any moneys realized from assessments to be made for that purpose, and every such association shall be bound forthwith, and from time to time, to make assessments to an amount adequate with its other available funds, to pay all obligations created under any such certificate or policy without deduction or abatement :

8. The condition embodied in the next preceding sub-section shall be inserted in every policy or certificate issued or delivered by any such company to any person insured in Canada. 48-49 V., c. 49, s. 5.

9. In every policy issued by a company licensed in accordance with this section of this Act in favor of a resident of Canada, a clause shall be either embodied therein or endorsed thereon, to the effect that an action to enforce the obligation of such policy may be validly taken into any court of competent jurisdiction in the Province wherein the policyholder resides or last resided before his decease, and such policy shall not contain any provision inconsistent with such clause. 48-49 V., c. 49, s. 11.

40. The provisions contained in sub-sections four, five, six, seven and eight of the next preceding section shall also apply to any company (not being such a company, society or association as is referred to in section forty-three of this Act) incorporated in Canada and carrying on the business of life insurance upon the co-operative or assessment plan. 48-49 V., c. 49, s. 6.

41. The words "assessment system" shall be printed in large type at the head of every policy and every application for the same, and also in every circular and advertisement issued or used in Canada in connection with the business of a company to which any of the provisions of the fire sections next preceding apply. 48-49 V., c. 49, s. 9, part.

42. Every director, manager, agent or other officer of any such company as is hereinbefore lastly mentioned, which carries on business without being licensed or registered; and

(b) Every person who transacts any business of insurance on behalf of any such company which so carries on business, without being registered or licensed; and

(c) Every such company which neglects to print the words "assessment system" as provided by the next preceding section; and,

(d) Every director, manager, agent or other officer of such company, and every other person who transacts business on behalf of any such company and who circulates or uses any application, policy, certificate, circular or advertisement on which the words "assessment system" are not printed as hereinbefore provided, shall be liable to the penalties mentioned in the twenty-second section of this Act. 48-49 V. c. 49, s. 9, part.

43. Nothing contained in this Act shall apply to any society or association of persons for fraternal, benevolent, industrial or religious purposes, among which purposes is the insurance of the lives of the members thereof exclusively; or to any association for the purpose of life insurance formed in connection with such society or organization and exclusively from its members, and which insures the lives of such members exclusively :

2. Any society or association which is declared by this section to be exempt from the application of this Act, may, nevertheless, apply to the Minister to be allowed to avail itself of the seven sections next preceding, and upon such application being assented to, such society or association shall cease to be so exempt by virtue of this section. 48-49 V., c. 49, s. 12.

PROVISIONS RELATING TO FIRE AND INLAND MARINE INSURANCE.

44. The provisions of sections forty-five to forty-eight inclusive, apply only to fire and inland marine insurance companies and to other insurance companies carrying on fire and other insurance or inland marine and other insurance in so far as it relates to the fire or inland marine insurance business of such companies.

Forfeiture and Renewal of Licenses.

45. Whenever any company fails to make the deposits under this Act at the time required, or whenever written notice has been served on the minister of any undisputed claim arising from loss insured against in Canada remaining unpaid for the space of sixty days after it becomes due, or of a disputed claim remaining unpaid after final judgment in a regular course of law and tender of a legal valid discharge, the license of such company may be withdrawn by the Minister. 38 V., c. 20, s. 15, part.

46. Such license may be renewed, and the company may again transact business, if, within sixty days after notice to the minister of the failure of the company to pay any undisputed claim, or the amount of any final judgment as provided in the next preceding section, undisputed claims or final judgments upon or against the company in Canada are paid and satisfied. 38 V., c. 20, s. 15, part.

Companies Ceasing to do Business and Release of Deposits.

47. When any company has ceased to transact business in Canada, and has given written notice to that effect to the minister, it shall insure on behalf of its Canadian policyholders, all its outstanding risks, in some company or companies licensed in Canada, or obtain the surrender of the policies; and its securities shall not be delivered to the company until the same is done to satisfaction of the minister :

2. Upon making application for its securities, the company shall file with the minister a list of all Canadian policyholders who have not been so re-insured or who have not surrendered their policies; and it shall, at the same time, publish in the *Canada Gazette* a notice that it has applied to the minister for the release of its securities on a certain day, not less than three months after the date of the notice, and calling upon its Canadian policyholders opposing such release to their opposition with the minister on or before the day so named; and after that day, if the minister, with the concurrence of the Treasury Board, is satisfied that the company has ample assets to meet its liabilities to Canadian policyholders, all the securities may be released to it by the Governor in Council, or a sufficient amount of them may be retained to cover the value of all risks outstanding or respecting which opposition has been filed, and the remainder may be released; and thereafter, from time to time, as such risks lapse, or proof is adduced that they have been satisfied, further amounts may be released on the authority aforesaid :

3. When a company has ceased to transact business in Canada after the notice hereby required, and its license has in consequence been withdrawn, such company may, nevertheless, pay the losses arising upon policies not re-insured or surrendered, as if such license had not been withdrawn. 38 V., c. 20, s. 15.

FIRE POLICIES.

48. No fire policy shall be issued for or extend over a longer period than three years. 38 V., c. 20, s. 19.

INSURANCE OTHER THAN LIFE, FIRE OR INLAND MARINE.

49. No company or person shall issue any policy other than a life, fire or inland marine insurance policy, or receive any premium in respect thereof, or carry on any business of insurance other than life, fire or inland marine insurance, without permission obtained from the minister, who, with the approval of the Governor in Council, shall determine in each case whether such permission shall be granted, and whether a license is proper or necessary to be issued, and whether any and what deposit should be required to be made with the minister, and the sections of this Act which shall apply to such company or person :

2. The minister may require annual statements under oath of such business, in such form and manner as he deems expedient, may revoke the permission or license granted if he sees cause therefor, and may grant to the superintendent the same powers with regard to such company as are conferred on him by this Act with regard to other insurance companies, and may require such company to contribute towards the expenses of the office of the superintendent such sum as he deems equitable :

3. Every company or person carrying on any such business without obtaining such permission or license, or after such permission or license is revoked, or which neglects or refuses to make the statements required,—and every person who delivers any policy of insurance, or collects any premium on behalf of such company, shall respectively incur the penalties mentioned in the twenty-first and twenty-second sections of this Act.

4. This section shall not apply to companies carrying on, in Canada, ocean marine insurance business exclusively. 40 V., c. 42, s. 25.

50. The Act passed in the thirty-eighth year of Her Majesty's reign, chaptered twenty, intitled "*An Act to amend and consolidate the several Acts respecting Insurance, in so far as regards Fire and Inland Marine business*" except sections sixteen and seventeen thereof, the Act passed in the fortieth year of Her Majesty's reign, chaptered forty-two, intitled "*An Act to amend and consolidate certain Acts respecting Insurance*," except sections fifteen and sixteen thereof, and the Act passed in the Session held in the forty-eighth and forty-ninth years of Her Majesty's reign, chaptered forty-nine, intitled "*An Act to amend the application of The Consolidated Insurance Act, 1877*," are hereby repealed.

We have not inserted the Schedule of forms for annual statements as it is only of interest to insurance managers. ED. I. & F. C.



TENDERS.

SEALED TENDERS, marked "For Mounted Police Provisions and Light Supplies," and addressed to the Honorable the President of the Privy Council, Ottawa, will be received up to Noon on WEDNESDAY, 30th June.

Printed forms of tenders, containing full information as to the articles and approximate quantities required, may be had on application at any of the Mounted Police Posts in the North West, or at the office of the undersigned.

No tender will be received unless made on such printed forms.

The lowest or any tender not necessarily accepted.

Each tender must be accompanied by an accepted Canadian Bank Cheque for an amount equal to ten per cent. of the total value of the articles tendered for, which will be forfeited if the party declines to enter into a contract when called upon to do so, or if he fails to complete the service contracted for. If the tender be not accepted the cheque will be returned.

No payment will be made to newspapers inserting this advertisement without authority having been first obtained.

FRED. WHITE,
Comptroller.

Ottawa, 18th May, 1886.

RAND BROS.,

Real Estate Brokers and Financial Agents.
BRITISH COLUMBIA.

Offices at Victoria, New West and Vancouver (Coal Harbor), B.C.
Property for sale in all parts of the Province. Investments made and estates managed for our clients. Rents collected. Mortgages bought and sold. Debentures purchased on commission. Correspondence solicited. Special attention given to property at the terminus of the Canadian Pacific Railway.

R. N. GOOCH,
— AGENT AND WESTERN DISTRICT INSPECTOR —
North British and Mercantile Insurance Co.
26 Wellington Street East, TORONTO.

F. BARTELS,

(Established 1872.)

ST. HYACINTHE, QUE.

General Insurance Agent and Vice United States Consul
Representing—**FIRE:** Western, British America, Imperial and Life Insurance Association. **LIFE:** Canada Life. **ACCIDENT:** Sun and Travelers' **GUARANTEE:** Guarantee Co. of N.A.
Net Premiums after paying all losses for year 1884:—
FIRE, \$8,080.58. **LIFE AND ACCIDENT,** \$6,023.18.

GOLDIE & McCULLOCH,

SAFES AND VAULT DOORS.

— AWARDED —

GOLD MEDAL for BURGLAR PROOF,

— GOLD MEDAL for FIRE PROOF

— AND —

Highest Prizes at all Exhibitions where shown.

Warerooms at Montreal, - - 298 St. James Street,
(NEAR VICTORIA SQUARE.)

ALFRED BENN, Manager.

THE
MUTUAL LIFE INSURANCE COMPANY

RICHARD A. McCURDY,
President.

OF NEW YORK.

ISSUES
Every Desirable
FORM OF POLICY.

The MUTUAL of New York is the largest LIFE INSURANCE COMPANY in the world, with the best record.

ASSETS, nearly	-	-	\$109,000,000.
SURPLUS, over	-	-	13,000,000.

Messrs. GAULT & BROWN,
General Managers,
MONTREAL.

J. L. STEARNS,
General Manager,
HALIFAX, N. S.

PAID-UP CAPITAL £1,000,000.

Capital Subscribed, \$10,000,000.
 Invested Funds, over \$19,000,000.
 Dominion Deposits, \$100,343.

GUARDIAN FIRE

LIFE ASSURANCE COMPANY

—OF—
 LONDON,
 ENGLAND.

GENERAL AGENTS FOR CANADA,
 ROBERT SIMMS & CO.,
 GEORGE DENHOLM,
 No. 13 ST. SACRAMENT STREET,
 MONTREAL.

ESTABLISHED 1821

ESTABLISHED 1821

Fire Risks accepted at Equitable Rates, and Claims paid as soon as established.

INSURANCE AETNA COMPANY

ESTABLISHED 1821

HARTFORD, CONN.

CASH ASSETS, \$9,000,000

FIRE AND INLAND MARINE INSURANCE.

L. J. HENDEE, *President.*
 J. GOODNOW, *Secretary.*
 W. B. CLARK, *Asst.-Secretary.*

WOOD & EVANS, AGENTS, MONTREAL.

FIRE INS. HARTFORD COMPANY

ESTABLISHED * A.D. 1810

HARTFORD, CONN.

CASH ASSETS, \$4,500,000

Fire Insurance Exclusively.

GEO. L. CHASE, *President.*
 C. B. WHITING, *Secretary.*
 P. C. ROYCE, *Asst.-Secretary.*

WOOD & EVANS, AGENTS, MONTREAL.

NATIONAL ASSURANCE COMPANY OF IRELAND,
Incorporated by Royal Charter 1822.

— CAPITAL. £1,000,000 Stg. —

Head Office for Canada: 79 St. Francois Xavier St., Montreal.

BOULT & BOURNE, *Special Agents, MONTREAL.*
SCOTT & BOULT, *Chief Agents*

THE MERCANTILE
— FIRE INSURANCE COMPANY. —
 INCORPORATED 1875.

HEAD OFFICE: WATERLOO, ONT

SUBSCRIBED CAPITAL \$200,000.00
 GOVERNMENT DEPOSIT 20,100.00

The Business for the past nine years has been:

PREMIUMS received \$391,751.00
 LOSSES paid 217,640.29

++ LOSSES PROMPTLY ADJUSTED AND PAID. ++

I. E. BOWMAN, *President.* P. H. SIMS, *Secretary.*
 JAMES LOCKIE, *Inspector.*

THE WATERLOO
MUTUAL FIRE INSURANCE COMPANY,
 ESTABLISHED IN 1863.

HEAD OFFICE: WATERLOO, ONT.

Assets \$228,620.00
 Policies in Force 11,399

Intending Insurers of all classes of insurable property have the option of insuring at STOCK RATES or on the Mutual System.

CHARLES HENDRY, *President.* C. M. TAYLOR, *Secretary.*
 J. B. HUGHES, *Inspector.* GEORGE RANDALL, *Vice-President.*

THOMAS J. POTTER,
Auctioneer & Real Estate Agent.

195 ST. JAMES ST., (Opposite Molsons Bank) MONTREAL.

A General Auction Business transacted. My spacious Sales room is the best and most central in the City—it has been used as an Auction room for over 25 years. Reliable Valuations of Real Estate furnished. The Appraisals and Inventories of Furniture etc., 15 years' successful experience.

References:—All the Banks and the principal Merchants and professional men of Montreal.

WM. H. ARNTON,
AUCTIONEER.

A General Auction Business transacted in all its Branches.

Office and Salesrooms: 212 St. James Street,
MONTREAL.

Telephone Communication: { Residence 807. } P. O. Box 5.
 { Office - 772. }

HEAD OFFICE FOR CANADA, MONTREAL.

LONDON & LANCASHIRE LIFE

ASSURANCE COMPANY

OF LONDON, ENGLAND.

This Company has deposited with the Receiver General, in approved Canadian securities, over One Hundred Dollars for each One Hundred Dollars of liability, thus affording absolute security.

WILLIAM ROBERTSON, GENERAL MANAGER.

AGENTS WANTED. SPECIAL TERMS.

B. HAL BROWN, SUPT. OF AGENCIES.

HEAD OFFICE FOR CANADA, MONTREAL.

The Fire Insurance Association

OF LONDON, ENGLAND.

The Funds of the Company are:

CAPITAL PAID UP	-\$500,000
RESERVE FUNDS	850,000
CAPITAL	4,000,000
DOMINION GOVERNMENT DEPOSIT	\$100,000
TOTAL SECURITY	\$5,350,000

WILLIAM ROBERTSON, General Manager.

E. P. HEATON,
Inspector.

AGENTS WANTED IN UNREPRESENTED DISTRICTS.

LANCASHIRE

INSURANCE COMPANY,

OF ENGLAND.

CAPITAL, - - - £3 000,000 Stg.
 SUBSCRIBED CAPITAL, - - - 2,729,680 Stg.
 PAID-UP CAPITAL, - - - 272,968 Stg.

GENERAL AGENTS.
 S. C. DUNCAN-CLARK & CO., TORONTO,
 Agents at Montreal, J. H. ROUTH & CO'Y.

LE BUREAU CANADIEN-FRANCAIS
 d'Assurances Générales sur la Vie,
 F. N. BELCOURT, Directeur,
 1680 Notre Dame Street, - - MONTREAL.

General Agent for the Province of Quebec and part of Eastern Ontario of first-class Companies:-

"EQUITABLE," "ÆTNA LIFE,"
 "TRAVELERS"

Representing Assets, - - - \$100,000,000 00
 Liabilities, - - - 80,500,000 00
 Surplus, - - - 23,500,000 00
 Government Deposit, - - - 1,450,000 00

Insurance on all well-known and approved systems. Considerations on all questions of insurance in litigation and settlement of claims with insurance companies, by the Manager at the instance.

F. N. BELCOURT, Manager.

Good Agents wanted, not necessarily in the business already.

THE

EQUITABLE LIFE

Assurance Society,

120 BROADWAY, - - NEW YORK.

HENRY B. HYDE, President.

Assets, January 1st, 1886 - - \$66,553,387.50

Liabilities, 4 per cent. valuation - 52,691,148.37

Surplus - - - \$13,862,239.13

(SURPLUS on N. Y. Standard 4 1/2 p. c. interest, \$17,432,329.40.)

Surplus over Liabilities, on every standard of valuation, larger than that of any other life assurance company.

NEW ASSURANCE in 1885 \$98,011,378.00

OUTSTANDING ASSURANCE 357,338,248.00

Total Paid Policy-Holders in 1885..... 7,138,689.05

Paid Policy-Holders since Organization.. 88,211,175.63

INCOME..... 16,590,053.13

IMPROVEMENT DURING THE YEAR.

INCREASE OF PREMIUM INCOME.... \$1,430,349.00

INCREASE OF SURPLUS..... 3,78,622.03

INCREASE OF ASSETS..... 8,391,461.96

New assurance written in 1885, the largest business ever transacted by the Society by any other company in a single year; the business of 1884 three million one hundred and thirty, and that of 1883 seven million over that of 1882.

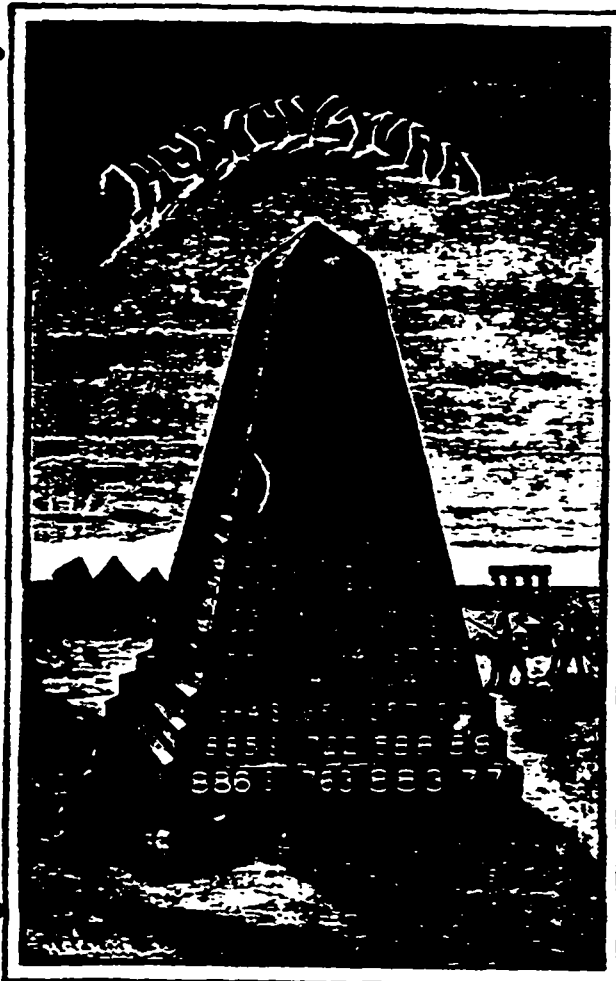
Stiff life insurance agents can do more business for the Equitable than for any other company, and consequently can earn more money for themselves. Interviews and correspondence invited.

AGRICULTURAL

INSURANCE COMPANY,
 OF WATERTOWN, N. Y.

ESTABLISHED - - - - - 1853.

CAPITAL, - - - - - \$ 500,000 00
 NET ASSETS, to protect Policy Holders - - - 1,763,883 77
 NET SURPLUS to Policy Holders, - - - 656,320 43
 NET SURPLUS to Stock Holders - - - 156,220 43
 DEPOSIT AT OTTAWA, - - - - - 100,000 00



The Progress of a Successful Company.

The attention of Owners of Private Residences is invited to the Pyramid above which shows the uniform and sure growth of the AGRICULTURAL INSURANCE COMPANY during twenty-three of its thirty-three years of existence. The figures represent the amounts set apart at the dates given for the maintenance of its Policy Holders.

Thirty-three years of growth and has made this the strongest and largest Company doing an exclusive dwelling business in the United States, if not in the world. It now issues over seven million a year. No other life Company can show such growth and increase.

The history of this Company proves that a LARGER BUSINESS, well scattered, managed with prudence, CAN BE DONE WITH A VERY SMALL INVESTMENT EACH YEAR, and afford perfect security, which will grow stronger every year.

While hundreds of the "Meadow" fire insurance companies, and more of the Sea's companies, have failed, on account of reckless or extravagant management, or done too small a business, the AGRICULTURAL, by economy, energy and prudence, has every year added a substantial amount to its Assets, for the indemnity of its patrons, and it now occupies a position in the confidence of the public second to none.

From year to year it spreads the base of its Pyramid and gains strength.

J. FLYNN, Chief Agent,
 26 Victoria Street, Arcade Building,
 TORONTO.

DEWEY & BUCKMAN,
 General Agents Eastern Ontario and
 Province of Quebec.
 BROCKVILLE, Ont.

THE

CITY OF LONDON

OF LONDON, ENG.

FIRE INS. COMPANY

CAPITAL, \$10,000,000 Government Deposit \$100,000

Head Office, Province Quebec: 53 & 55 St. Francois Xavier St., Montreal.
W. R. OSWALD, General Agent.

Head Office, Manitoba and North West Provinces, Winnipeg, Man.
G. W. GIRDLESTONE, General Agent.

INSURANCE EFFECTED AT LOWEST CURRENT RATES CLAIMS PROMPTLY SETTLED.

Before insuring your life examine the very attractive and advantageous plan of

THE UNION MUTUAL LIFE INSURANCE CO.
OF PORTLAND, MAINE.

(Incorporated in 1845)
JOHN E. DEWITT, President. HENRY D. SMITH, Secretary. ARTHUR L. BATE, Asst. Secretary.

Assets, December 31, 1885, - - - - - \$6,119,547.15
Surplus, (N. Y. Standard) - - - - - \$706,130.41
Total Amount paid to policy holders to Dec. 31st, 1885. } - - - - - \$21,653,155.94

Policies of this old and reliable company indisputable after three annual payments. Matured policies are payable at once without rebate of interest on receipt of satisfactory proofs of death, together with a valid discharge from proper parties interested.

AGENTS WANTED in unrepresented districts. For further particulars apply to
C. L. BOSSE, Manager,
102 St. James Street, Montreal.

THE NORTH-WEST
FIRE INSURANCE COMPANY
(LIMITED.)

Head Office, Winnipeg, Manitoba.

AUTHORIZED CAPITAL, \$500,000.

DESKAN MACARTHUR, Esq., President. COL. W. N. KENNEDY, Vice-President.

G. W. GIRDLESTONE, Esq., Secretary and Manager.
(Also Agent for City of London and Guardian Fire Offices.)

BRITISH AND FOREIGN
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Interest - - - - -	4,213 65	Losses (Sovereign) - - - - -	20,409 55
		Re-Insurance Premiums - - - - -	31,559 55
		Expenses - - - - -	63,393 05
			\$232,876 92
		Balance - - - - -	22,448 24
	\$255,325 16		\$255,325 16

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