

The Chronicle



Banking, Insurance and Finance

ESTABLISHED JANUARY, 1881

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MONTREAL, JANUARY 19, 1917.

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GREAT BRITAIN'S ACHIEVEMENTS.

The danger of not being able to see the wood for the trees therein is no new one. The perspective of time is usually necessary before a true or just appraisal can be made of the importance, value or extent of any particular achievements. The war is no exception to this rule. The stage is so crowded with figures, some useless as well as many useful, as democracy buckles down to an unfamiliar job of mammoth proportions, that only the instructed spectator can grasp the real significance of the movements under way and realise the importance and significance of what is being accomplished, slowly perhaps but more the less surely, and step by step. In the admirable review of financial conditions in Canada, the United States and Great Britain, issued by the Canadian Bank of Commerce, attention is drawn by the compiler of the British section to several aspects of British war finance and activity, whose importance and significance only the trained mind can appreciate as they are in process of development, while they are not known as they should be on this side of the Atlantic.

First of all, there is the matter of the cost of the war. It is an elementary maxim of sound finance that taxation must go hand in hand with borrowings by Governments. The gross British expenditure from the beginning of the war to the end of the present financial year at March 31st next has been estimated at £3,883,000,000. The amount required has been raised by taxation and by various forms of war loans in a manner in which it probably could not have been accomplished in any other country. The amount produced by taxation during the first eight months of the war was £172,000,000, and for the fiscal year ending 31st March, 1916, £337,000,000, while it is anticipated that for the year ending 31st March, 1917, the amount will be £502,000,000, aggregating £1,011,000,000 for a period of two years and eight months. That is to say, after deducting advances to the Allies and the Dominions, which amount approximately to £800,000,000, payment of which will be arranged after the war, one-third of the total British war expenditure to 31st March, 1917, will have been raised by taxation. The United Kingdom will thus have provided by taxation not only for ordin-

ary expenditure and interest on war loans, but also for a large contribution to the cost of the war. Contrast this with the fact that Germany has not yet dared impose a cent of additional war taxation, and a standard is provided by which something like a true appraisal of the importance of Great Britain's accomplishments in this particular can be arrived at.

* * *
Take again the matter of British imports and exports. The average excess of imports into the United Kingdom over exports is in normal times £125,000,000 annually. At present, the excess is about £330,000,000 not including the Government's purchases of war supplies in the United States, etc., which are not included in the figures, but bring the adverse balance up to about £850,000,000. These figures, it must be recollected, are swollen partly through high freights and high values of food products. The increased excess of imports is not due, amazing as it may appear, to any falling off in the export trade. British exports last year were almost at the same level as in 1913. For the whole of 1913 they were £634,820,326; for ten months of 1916, they were £508,583,000. Admittedly, prices are much higher in the latter year than in the former. But even so, the showing is nothing less than astonishing. Hardly less than four million men can have been transferred from civil occupations to military life in the United Kingdom since war broke out. In spite of this, in spite of scarcity of tonnage, in spite of the submarine menace, there is no decrease in Britain's export trade. What gall and wormwood must these figures be—in Berlin!

* * *
"In the greatest war of all time," says the Bank of Commerce chronicler, "Great Britain has been called upon to assume financial burdens which it would at one time have been thought impossible for it to support, and under this supreme test has succeeded in sustaining in all respects its great traditions of financial supremacy and resourcefulness. The extent of the country's resources and its financial strength have been so clearly demonstrated by what has already been accomplished, that there is no lack of confidence in the ability of Great Britain to carry its share of the financial burden of the war until such time as victory is assured to the Allies."

BANK OF MONTREAL

ESTABLISHED 1817

Capital Paid up, \$16,000,000 Reserve Fund, \$16,000,000 Undivided Profits, \$1,414,424
 Total Assets - - - \$365,215,542

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

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Travellers' Cheques, Limited Cheques and Travellers' Letters of Credit issued, negotiable in all parts of the world.

This Bank, with its Branches at every important point in Canada, offers exceptional facilities for the transaction of a general banking business.

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Sub-Agency—9 Waterloo Place,

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

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W. A. BOG,

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Agents.

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THE CANADIAN BANK OF COMMERCE

ESTABLISHED 1867. Head Office: TORONTO

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

Reserve - - - 13,500,000

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., *President*JOHN AIRD, *General Manager.*H. V. F. JONES, *Assistant General Manager.*BRANCHES OF THE BANK IN EVERY PROVINCE
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Great Britain—London. Mexico—Mexico City.

United States—New York, Portland, Ore., San
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Newfoundland—St. John's.

Agents and Correspondents throughout the World

The Molsens Bank

Incorporated by Act of Parliament 1855

Paid Up Capital - \$4,000,000

Reserve Fund - 4,800,000

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Branches in 96 of the leading Cities
and Towns in Canada.Agents and Correspondents in leading
Cities of the United States and in
Foreign Countries throughout the
World.EDWARD C. PRATT, *General Manager.*

The Chronicle

Banking, Insurance and Finance

ESTABLISHED 1881.

PUBLISHED EVERY FRIDAY.

F. WILSON-SMITH,
Proprietor.

ARTHUR H. ROWLAND,
Editor.

Office:

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

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

MONTREAL, FRIDAY, JANUARY 19, 1916

THE ROYAL BANK OF CANADA.

The instructive addresses delivered at last week's meeting of shareholders of the Royal Bank of Canada by Sir Herbert Holt (president), and Mr. Edson L. Pease (managing director), in common with other utterances which have recently been made by leading bankers and business men, laid emphasis upon the transitory character of the existent activity and prosperity in Canada, and the necessity of being prepared for a sharp reaction when war's urgent demands cease, prior to any permanent development on normal lines. Mr. Pease very aptly remarked:—"We should have less to fear from the readjustment if the people of this country would curb their propensity to reckless speculation and extravagance in this time of plenty"—a sentence which deserves the widest publicity and understanding. A particularly interesting section of Mr. Pease's address dealt with the importance of the collaboration of the banks and the Minister of Finance during the war period, a matter on which, as president of the Canadian Bankers' Association, Mr. Pease speaks with authority. He pointed out that not only can the banks be depended upon to assist the Minister of Finance to the utmost limit in the arduous task of financing Canada's war, having due regard to the needs of commercial borrowers and the maintenance of proper liquid reserves, but that in other matters, indirectly arising from the war, the banks are performing exceedingly valuable service in collaboration with Dominion authorities. Liberal advances are being made to breeders of cattle, in practical support of the Department of Agriculture's effort to increase largely the country's live stock trade. The development of foreign trade in preparation for after-war competition, which is being energetically pushed by the Minister of Trade and Commerce will also receive the hearty support of the banks. The banks' important activities in such directions as these are frequently entirely overlooked, and it is certainly extremely desirable that they should be made known occasionally, in the interests of adequate appreciation of the services rendered by the banks to the Dominion.

A NOTABLE BALANCE SHEET.

Mr. C. E. Neill, the general manager, was able to describe the Bank's balance sheet for the year

ended November 30, an analysis of which has already appeared in our columns, as the best ever submitted to the shareholders, the year's favourable results being due to four causes:—prosperous conditions in Canada and the West Indies, the advantageous location of the branches, co-operation on the part of the Directors, and a loyal and efficient staff. That striking progress was made by the Bank during 1916 is evident from the following comparison:—

	1916.	1915.
	\$	\$
Capital Paid up.....	12,000,000	11,560,000
Reserve.....	12,560,000	12,560,000
Circulation.....	18,178,228	14,224,866
Deposits (not bearing interest).....	59,365,396	37,456,997
Deposits (bearing interest).....	140,862,199	117,519,331
Total Liabilities to Public.....	227,484,470	173,148,928
Specie.....	16,072,763	15,946,290
Dominion Notes.....	14,249,110	12,977,391
Central Gold Reserve.....	6,500,000	3,000,000
Bank Balances Abroad.....	5,092,067	5,235,607
Call Loans in Canada.....	11,076,006	9,136,510
Call Loans Abroad.....	21,372,026	9,815,950
Securities held.....	30,506,068	18,629,042
Total of Quick Assets.....	121,127,664	84,894,462
Current Loans and Discounts.....	124,864,658	106,552,334
Total Assets.....	253,261,427	198,299,123

With regard to the large increase in deposits, Mr. Neill noted that no large or abnormal deposits of a temporary nature are included. The moderate expansion in loans has been due, in the case of Canadian loans to the acquisition of new accounts and temporary loans to customers producing munitions. Commercial loans abroad are higher, on account of the active demand in the West Indies in connection with the production of sugar and other staple commodities.

Profits for the year show the substantial growth of over \$200,000, being \$2,111,308 against \$1,905,576 in 1915, and equal to 8.9 per cent. upon the paid-up capital and rest combined against 7.9 per cent. last year. With a balance brought forward from 1915 of \$676,472, the total available on profit and loss account is \$2,787,780. The 12 per cent. dividend absorbs \$1,417,207; \$100,000 is transferred to the officers' pension fund; \$250,000 written off bank premises; \$50,000 contributed to the Canadian Patriotic Fund; \$118,227 absorbed by the war tax on note circulation and the increased balance of \$852,346 is carried forward.

THE BUSINESS FURTHER ENLARGED.

Since the balance sheet as at November 30th was made up, the Royal Bank's business has been enlarged by the acquisition of the Quebec Bank with assets of about \$22,000,000, these having been taken over at the New Year. The Royal Bank thus obtains a very valuable connection in the province of Quebec where hitherto it had not been strongly represented. Development is also being continued in the West Indies and Central and South America, where the Bank's prestige stands particularly high. It was intimated at the annual meeting that a further issue of capital is in mind, though no action will be taken at the present time, and it is evidently the intention of those in responsible charge of this institution to continue the energetic and progressive policy which has been so conspicuously successful in the past in the rapid building up of a great banking institution with far-reaching influence.

It remains to note the fine record made by the staff of the Bank in the matter of enlistment. To date enlistments number 762, and there have been

The Bank of British North America

Established in 1836. Incorporated by Royal Charter in 1840

Paid-up Capital, \$4,866,666.66
Reserve Fund, - 3,017,333.33

Head Office:

5 GRACECHURCH STREET, LONDON, E.C.

J. DODDS, Secretary W. S. GOLDBY, Manager

COURT OF DIRECTORS

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

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This Bank has Branches in all the principal Cities of Canada, including Dawson (Y.T.), and Agencies at New York and San Francisco in the United States.

Agents and Correspondents in every part of the world.

Collections Made at Lowest Rates.

Drafts, Money Orders, Circular Letters of Credit and Travellers' Cheques issued, Negotiable anywhere.

Agents in Canada for Colonial Bank, London and West India.

G. B. GERRARD, Manager,
MONTREAL BRANCH

The Merchants Bank of Canada

Head Office - MONTREAL

Capital Paid-up - - - \$7,000,000
Reserve Fund and Undivided
Profits - - - 7,250,984

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A GENERAL BANKING BUSINESS TRANSACTED
217 BRANCHES AND AGENCIES IN CANADA
Extending from the Atlantic to the Pacific
SAVINGS DEPARTMENT AT ALL BRANCHES

Deposits received and Interest
allowed at best current rates

New York Agency: 63 and 65 WALL ST.

IMPERIAL BANK OF CANADA

Head Office, - Toronto

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

PELEG HOWLAND,
President

E. HAY,
General Manager



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

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

Savings Departments at all Branches.

Interest Credited Half-yearly at Current Rates.

General Banking Business Transacted.

126 BRANCHES IN CANADA

92 casualties—38 killed in action or died of wounds, 45 wounded, one missing and eight prisoners of war. Mr. Neill indicated that as regards the men returning, the management of the Bank were prepared to give their future the most serious consideration.

SPECIE HOLDINGS OF CANADIAN BANKS.

With reference to the specie holdings of the Canadian banks which showed for November the large increase of \$15,303,280 to the high figure of \$82,563,868, a correspondent points out that this increase took place in the banks' specie holdings abroad. The total specie held by the banks abroad at November 30 was \$35,753,507, the month's increase in the case of the holdings of four banks being no less than \$16,147,000. It is pointed out that the New York agencies of the Canadian banks might hold the gold in their own vaults, or instruct their New York correspondents to earmark the metal as held for their account. Probably the latter method would be favored. The sequestration of \$16,000,000 in gold would naturally have a tendency to make the money market harder in New York (assuming that the increased holdings are domiciled in New York). In former years November has sometimes seen an extensive gold movement to Montreal. Balances owned by Canadian banks are then flush with proceeds of grain bills, and November 30 is the end of the fiscal year for eight important banks. The gold movement northwards was evidently obviated in November, 1916, through recourse to the methods described. One of the chief reasons why Canada did not import gold is that the banks have been holding, roundly, \$50,000,000 more than usual in Dominion Government legal tender notes. During the fall of 1916 their own note issues ran \$35,000,000 above the normal limits (paid up capital). They have utilized their surplus holdings of legal tender notes to the extent of \$35,000,000 in the form of deposits in central gold reserves covering excess issues of bank notes. Hence, gold imports were not needed.

When normal conditions return and the surplus holdings of Dominion notes are otherwise disposed of, adds the correspondent, there will probably be occasion nearly every year in October or November for Canada to import large amounts of gold from New York to serve as cover for excess issues of bank notes.

PROGRESS OF GROUP INSURANCE.

Group insurance was inaugurated as a new phase of life insurance in 1912. In the period of about five years, more than \$200,000,000 of insurance, it is estimated, has been written on this plan. Investigation has shown that in many cases, this covered a great number of easily insurable lives. During last Christmas week, the amount of group insurance presented to their employees by United States employers was fully \$25,000,000.

Restrictions are now in force in England forbidding re-building and repairing at a cost exceeding £500, and the Guardian is offering to insure, at a low premium, the rent of buildings damaged by fire, etc., the repair of which is forbidden, for the whole term during which the premises may be untenable, including both the delay prescribed by law and the time necessary for repair.

THE NEW YORK LIFE.

Turning-over old bound volumes of insurance journals the other day, brought to light an animated discussion regarding the wisdom of legislative restriction in amount of the assets of the larger New York life companies. The period was the early nineties, and at that time, various estimable people appear to have become alarmed because the volume of assets of several of the companies was approaching two hundred millions. Whether this discussion ever materialised into action of any sort does not appear. Apparently, however, counsels of commonsense prevailed. It can hardly be more than twenty-five years since this discussion took place, yet the circumstances seem almost grotesquely remote. One wonders what the estimable people who were alarmed for the welfare of society when life company assets were approaching two hundred millions, if they are yet living, think of the present condition of affairs. Here is the New York Life with assets of a market value as at December 31st last of no less than \$866,988,842—more than four times the total, the approach towards which brought insomnia to Solons of the early nineties. That "times change and we with time" is nowhere more evident than in the life insurance world among the active companies.

The various totals presented by the New York Life in its annual report constitute a remarkable tribute to the far-sighted statesmanship and unflagging energy and effort which have marked the Company's direction. The New York Life has never to any important extent, increased its business by the simple process of taking over other companies. Its present marvellous bulk is simply the result of perseverance mixed with brains in straightforward business-building. The vast responsibilities involved in the direction of such an organisation as the New York Life need no emphasis. Only those whose active brains are backed by the highest type of character, can fittingly discharge those responsibilities. Happily in recent years, under the leadership of the president, Mr. Darwin P. Kingsley, the New York Life has become known as more concerned with service to its great army of policyholders than with its achievements in business development, remarkable as these latter continue.

THE RECORD OF 1916.

The wonderful record of the year 1916 is summarised in the leading figures published on another page. New paid for business aggregated \$263,048,300, a growth of nearly \$50,000,000 in comparison with the preceding year. The outstanding insurance is advanced to \$2,511,607,274, covering about one million lives. What this insurance means to-day and will mean in the future, near or comparatively distant, of the dependents of those one million lives can only be imagined. It is impossible to bring into focus in any detail the marvellous significance of these figures in relation to the relief of poverty and distress, the making-easy of old age, the education of children, the provision of cash for businesses at critical times, and half a hundred other activities, business-like, altruistic and philanthropic. The total payments to policyholders last year were \$81,415,138—nearly twenty millions of these payments being in dividends

(Continued on page 61).

THE ROYAL BANK OF CANADA

INCORPORATED 1869

Capital Paid up \$12,900,000 Reserves \$14,300,000
Assets \$270,000,000

HEAD OFFICE - MONTREAL.

360 BRANCHES THROUGHOUT CANADA

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

BRITISH WEST INDIES

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

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NEW YORK,
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DEPARTMENT

In connection with all Branches. Ac-
counts opened with deposits of ONE
DOLLAR and upwards. Interest paid,
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The DOMINION BANK

Head Office: TORONTO

SIR EDMUND B. OSLER, M.P., President

W. D. MATTHEWS, Vice-President

C. A. BOGERT, General Manager

The LONDON ENGLAND BRANCH
of THE DOMINION BANK

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

THE BANK OF TORONTO

Incorporated 1855.

Head Office: TORONTO, Canada.

CAPITAL \$5,000,000
RESERVED FUNDS 6,508,000

DIRECTORS.

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WILLIAM STONE, JOHN MACDONALD, LT. COL. A. E. GOODERHAM,
BRIGADIER-GENERAL F. S. MEIGHEN, J. L. ENGLEHART, WM. I. GEAR,
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CHICAGO—First National Bank.
LONDON, ENG.—London City and Midland Bank, Limited.

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promptness and effi-
ciency in all transac-
tions. This Bank pays
special attention to
this phase of modern
Banking Service.
Your business and
private accounts are
invited. Complete
facilities at all
Branches.

THE BANK OF NOVA SCOTIA

INCORPORATED 1832.

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

Head Office - - - HALIFAX, N.S.
JOHN Y. PAYZANT, President.

Gen'l Manager's Office, TORONTO, ONT.
H. A. RICHARDSON, General Manager.

Branches throughout every Province in Canada, and in
Newfoundland, Jamaica and Cuba.

BOSTON CHICAGO NEW YORK

The Bank of Ottawa

Established 1874

Head Office - - - OTTAWA, Canada

Paid-up Capital - - - \$4,000,000
Rest and Undivided Profits - 4,868,179
Total Assets, over - - - 55,000,000

BOARD OF DIRECTORS

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JOHN B. FRASER, Vice-President.

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RUSSELL BLACKBURN, DENIS MURPHY,
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E. C. WHITNEY, GEORGE BURN.

D. M. FINNIE,
General Manager.

W. DUTHIE,
Chief Inspector.

HOME BANK OF CANADA

ORIGINAL CHARTER
1854

Branches and Connections throughout Canada.
Head Office and Nine Branches in Toronto.

MONTREAL OFFICES:

Main Office: Transportation Building, St. James St.
Bonaventure Branch, 523 St. James St.
Hochelaga Branch, Cor. Cuvillier and Ontario Sts.
Verdun, Que.

THE BANK OF TORONTO.

At the annual meeting of shareholders of the Bank of Toronto, illuminative reference to the existing Canadian economic position and to banking duties and responsibilities therein was made in the addresses delivered by Messrs. W. G. Gooderham (president) and Thomas F. How (general manager). Mr. Gooderham, whose long experience and keen business judgment entitle his utterances to serious consideration, took the opportunity to sound a note of warning. "It will probably be wise for us to consider," he said, "that we are possibly at the height of our prosperity for the time being. The length of time that may elapse before peace is declared is, of course, uncertain, but we cannot then look for a continuance of the favorable conditions that have been created by reason of our abnormal production of war materials and the excessively high prices for all our products. To the extent that advantage is taken of the present situation to pay off indebtedness, and to accumulate capital, we are doing wisely, but when the time comes that work will be less abundant, and trade, wages and the prices of products and material return to a more normal state, hardships will be wrought, unless provision is made now for the changes that will follow after the war has closed."

Mr. Gooderham also pointed out that the difficult task which lies before the banks during the coming year, in providing fully for both business necessities and Government needs can only be accomplished satisfactorily through increased deposits being made with the banks by the general public, and also drew attention to the need of care in order that any thrift campaign undertaken by the Government at the present time should not be of a character that would hinder the banks giving effective and continuous support in the national financing. In this connection, the general manager (Mr. How) mentioned that the Bank's gain in deposits during the past year had been largely used in increasing holdings in high-class securities, in connection with the financing of the Dominion Government and the Imperial Munitions Board, which it had been the Bank's duty and privilege to support, as well as to meet the usual requirements of the Bank's mercantile customers.

A SATISFACTORY STATEMENT.

The Bank's report for the year ended November 30th, some details of which have previously appeared in THE CHRONICLE, is a very satisfactory document. Profits are reported as \$730,954, equivalent to 6.6 per cent. upon the paid-up capital and reserve, and compared with \$663,074 (6 per cent.) in 1915. With the balance brought forward on profit and loss account of \$439,383, the total amount available is \$1,170,337. Of this amount \$550,000 is appropriated for the eleven per cent. dividend; war tax on circulation absorbs \$49,097; \$25,000 is transferred to the officers' pension fund; \$38,250 goes in patriotic and philanthropic subscriptions and the substantially increased balance of \$507,990 is carried forward.

While circulation is \$200,000 higher than in 1915, and there is a total gain of nearly \$6,000,000 in deposits to \$54,893,507, the Bank has also strengthened its liquid position. Cash holdings are up nearly \$700,000 from \$8,651,036 to \$9,320,237, plus a

deposit of \$1,100,000 in the Central Gold Reserve. Securities held have increased, through the Bank's participation in war financing already referred to, from \$3,379,677 to \$8,172,430. Quick assets (including call and short loans in Canada) are \$26,957,701 compared with \$20,653,995 in 1915, and equal to 43.7 per cent. of liabilities to the public against 37.3 per cent. a year ago. Current loans and discounts are \$175,000 larger than in 1915 at \$42,127,316, a total which includes a very considerable proportion of advances to manufacturers of munitions and war supplies.

The following are the leading items of the Bank's general statement in comparison with 1915:—

	1916.	1915.
Circulation	\$ 5,609,133	\$ 5,504,704
Deposits (not bearing interest)	13,717,785	10,529,073
Deposits (bearing interest)	41,175,722	32,240,694
Total Liabilities to Public	61,606,565	55,327,821
Specie and Legals	9,320,237	8,651,036
Deposit in Central Gold Reserve	1,100,000	
Securities Held	8,172,430	3,379,677
Call and Short Loans in Canada	3,361,277	2,607,125
Total of Quick Assets	26,957,701	20,653,995
Current Loans and Discounts	42,127,316	41,954,495
Total Assets	73,114,555	66,767,203

At Montreal, the Bank of Toronto now occupies its new and splendidly equipped offices at the corner of St. James and McGill Streets, where a steadily increasing and valuable business is transacted by the Bank under the management of Mr. H. B. Henwood. Conservatively but progressively managed, the Bank of Toronto should continue to play an increasingly important part in the commerce and industry of the Dominion, which it has served for over sixty years.

The
Standard Bank
of CANADA

QUARTERLY DIVIDEND NOTICE No. 105

NOTICE is hereby given that a Dividend at the rate of THIRTEEN per cent. per annum upon the Capital Stock of this Bank has this day been declared for the quarter ending 31st January, 1917, and that the same will be payable at the Head Office in this City, and at its branches on and after Thursday, the 1st day of February, 1917, to Shareholders of record of 22nd January, 1917.

The Annual General Meeting of Shareholders will be held at the Head Office of the Bank in Toronto on Wednesday, the 28th day of February next, at 12 o'clock noon.

By Order of the Board,

GEO. P. SCHOLFIELD,
General Manager.

Toronto, 27th December, 1916

The Trust and Loan Co.

OF CANADA

Capital Subscribed, . . . \$14,600,000.00
 Paid-up Capital, . . . 2,920,000.00
 Reserve Funds, . . . 2,710,284.07

MONEY TO LOAN ON REAL ESTATE

30 St. James Street, Montreal

PRUDENTIAL TRUST COMPANY

LIMITED

HEAD OFFICE

9 ST. JOHN
 STREET
 MONTREAL.

B. HAL. BROWN, President and Gen. Man age

Trustee for Bondholders
 Transfer Agent & Registrar

Administrator Receiver Executor
 Liquidator Guardian Assignee
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Real Estate and Insurance Departments
 Insurance of every kind placed
 at lowest possible rates.

Safety

Deposit Vault

Terms exceptionally
 moderate.

Correspondence
 invited.

AN ESTATE FREE OF DEBT.

Many investors purchase real estate by means of instalments payable monthly or yearly: thus making absolute ownership possible in time.

In the event of death before the payments are completed, however, the estate is bequeathed encumbered with debt, and the heirs may not be able to continue the payments.

And it might easily result that the whole of the investment would be lost to the beneficiaries.

Life insurance also constitutes an estate payable by instalments, but death ends the obligation to make payments and the estate is handed down intact.

Every man who has dependent relatives or friends should have a substantial portion of his investments in the form of life insurance, since the payment of the first premium creates for them an estate free of debt.

The Mutual Life Assurance Co. of Canada

WATERLOO, ONTARIO.

The Royal Trust Co.

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

EXECUTORS AND TRUSTEES

BOARD OF DIRECTORS:

Sir Vincent Meredith, Bart., President.
 Sir H. Montagu Allan, C.V.O., Vice-President.
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 A. BAUMGARTEN C. R. HORNER
 A. D. BRAITHWAITE SIR WILLIAM MACDONALD
 E. J. CHAMBERLIN CAPTAIN HERBERT MOLSON
 H. R. DRUMMOND LORD SHAUGHNESSY, K.C.V.O.
 C. B. GORDON SIR FREDERICK
 HON. SIR LOMER GOVIN, WILLIAMS-TATLOP, LL.D.
 K.C.M.G.

A. E. HOLT, Manager

OFFICE AND SAFETY DEPOSIT VAULTS:
 107 St. James St., MONTREAL.

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

WESTERN

Assurance Company

Incorporated in 1851

FIRE, EXPLOSION, OCEAN MARINE
 AND INLAND MARINE INSURANCE

ASSETS over \$4,000,000.00

LOSSES paid since organization of Com-
 pany . . . over \$63,000,000

DIRECTORS

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 H. C. COX Lt. COL. FREDERIC NICHOLLS
 D. B. HANNA Col. Sir HENRY PELLATT C.V.O.
 JOHN HOSKIN, K.C., LL.D. E. R. WOOD

HEAD OFFICE . . . TORONTO

LLOYDS BANK LIMITED, 71, LOMBARD ST., LONDON, E.C.

HEAD OFFICE:



Capital Subscribed - - - - - ^(85 = £1.) \$156,521,000
 Capital paid up - - - - - 25,043,360
 Reserve Fund - - - - - 18,000,000
 Deposits, &c. - - - - - 669,793,390
 Advances, &c. - - - - - 282,679,485

THIS BANK HAS 900 OFFICES IN ENGLAND AND WALES.

Colonial and Foreign Department: 17, Cornhill, London, E.C.
 London Agency of the IMPERIAL BANK OF CANADA.

French Auxiliary: LLOYDS BANK (FRANCE) LIMITED,
 with Offices at PARIS, BORDEAUX, BIARRITZ and HAVRE.

WAR TAXES ON UNLICENSED INSURANCE.

To the Editor of The Chronicle.

Sir—The perusal of your article on this subject in your last issue afforded much satisfaction, until the anti-climax was reached. As usual, your argument was most forceful and cogent—but all leading up to a beggarly 1%!

Have you any idea of what taxation the licensed companies are subjected to? They pay 1% alone to the Dominion Government under the War Revenue Act, 1915, besides being called upon to give up, under the Business Profits War Tax, 1916, a goodly portion of any "profits" they may be fortunate enough to make.

Then the various Provincial Governments take their whack out of the premiums, while some of the provinces admit of taxation by municipalities, of which privilege the municipalities are not slow to avail themselves.

The amount directly contributed by way of taxes to the Government treasuries is not the beginning and the end of licensed insurance's contribution. The licensed insurance interests become part and parcel of the body politic, and support the institutions of the country the same as every other business regularly established in the country. Unlicensed insurance does not. For instance, licensed insurance contributes to the military force of the country in the number that have left its ranks and are now to be found in the ranks of our army. What does unlicensed insurance contribute in this way?

When this thought was elaborated before the Senate Committee in 1910 some of the senators thought it a good joke. The amusing side of it does not stand out so prominently to-day.

In addition to the foregoing there are the time-worn arguments in support of protection which should apply in the case of insurance, for if the Government want free trade in insurance why don't they throw down the bars unreservedly?

Your article is all right up to the point of asking for 1%—make that 25% so as to about equalise the conditions and then it would be flawless!

January 15, 1916.

LICENSEE.

[The vigour of "Licensee's" arguments and style are admirable. But, in his haste he appears to have overlooked the fact that our argument last week for a "beggarly one per cent." was concerned solely with immediate war taxation by the Dominion Government—it had nothing whatever to do with the general taxation of the unlicensed concerns, which we cordially agree is a crying necessity. If "Licensee" will refer to articles appearing in our issues of August 18, 1916, page 901, September 15, page 965, and November 17, page 1105, he will see that we have some slight idea of what taxation means to the licensed insurance companies in Canada in terms of dollars and cents.—Editor.]

SOMETHING LIKE A SUBSCRIPTION.

The Prudential of London, the big British industrial life company, the cables state, has subscribed £20,000,000 (approximately \$100,000,000) to the new British War Loan. Presumably a large proportion of this subscription is represented by conversions. But even so, the action is a striking example of the enormous financial power existing in insurance institutions whose funds really represent the savings of hundreds of thousands of the poorer classes.

VALUATION OF INSURANCE COMPANIES' SECURITIES.

The Insurance Department at Ottawa has sent out to the insurance companies its annual volume containing the entire list of securities held by insurance companies in Canada as at December 31, 1916, together with the valuations thereof which will be allowed by the Department in its annual report. The valuations shown in this volume are to be used in the annual statements prepared by the companies for the year 1916.

It will be noticed, says the Department, that while the government securities of countries engaged in the war have shown in most cases a depreciation during the past year there has been a substantial increase in the value of practically all Canadian securities, particularly in the case of municipal securities.

The Department takes this opportunity of suggesting that as a measure of precaution against possible adverse conditions arising after the war the increase in the value of securities resulting from this re-valuation should be wherever possible set aside to create or increase an investment reserve fund.

In the case of companies for which a deduction from ledger assets is necessary on account of market values the excess of such deduction made a year ago over the corresponding amount necessary this year may be carried as an investment reserve fund or added to a fund of this nature already being maintained. In the case of companies for which no such deduction is necessary the same object will be attained by the increase in values as a result of the re-valuation being disregarded in arriving at the company's surplus.

In the case of companies which a year ago provided for the excess of book values over market values by the creation of an investment reserve fund equal to, or greater than, the amount of such excess, the same object will be attained by that fund being continued this year without reduction.

There are indications, concludes the Department, that security values as at December 31, 1915, will in a great majority of cases prove to be minimum values for a considerable number of years and by setting aside as an investment reserve fund the appreciation from year to year above those minimum values, the companies will be protected against a future depletion of surplus as a result of temporary depressions in market values, which are almost certain from time to time to occur.

THE NEW YORK LIFE.

(Continued from page 57).

—i.e., refunds of premiums paid consequent upon low mortality and good management. Against the assets, already noted of \$866,988,842, legal liabilities are \$728,226,426 and there is reserved for dividends and contingencies, \$138,762,415. In spite of the fact that the Company has for many years transacted a large European business, actual death losses are only 71 per cent. of the expectation two points less than the experience for each of the three preceding years. The Company sums up leading features of the 1916 experience in the formula: mortality rate and expense rate reduced, interest rate and new business increased. Better evidence of continued vitality could not be desired.

FOR THE SMALL INVESTOR.

The unquestionable safety of his investment is much more important to the person with limited resources than to the capitalist. To enable those who have only small sums to invest to do so safely, we issue

\$100 BONDS

These moneys are all invested by us in first mortgages on carefully selected improved real estate securities and behind them are nearly

ELEVEN MILLIONS DOLLARS

of Shareholders' Capital and Reserve, also invested in equally safe securities. These bonds are a

LEGAL INVESTMENT FOR TRUST FUNDS

Apply for copy of Annual Report and full information.

Canada Permanent Mortgage Corporation

TORONTO STREET

Established 1855

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

You will make money.

The great strength, big dividends and incomparable benefits of the "oldest Company in America" mean certain success for you.

FOR TERMS TO PRODUCING AGENTS, ADDRESS:

George T. Dexter

2nd VICE PRESIDENT

34 Nassau Street

New York, N.Y.

.. THE ..

**London Assurance
CORPORATION
OF ENGLAND.**

INCORPORATED BY ROYAL CHARTER A.D. 1720

CAPITAL PAID UP	\$2,241,375
TOTAL CASH ASSETS	22,457,415

Head Office for Canada. • MONTREAL

W. KENNEDY, W. B. COLLEY, Joint Managers



Assets:
\$10,178,345.13

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

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

THE LIFE AGENTS' MANUAL

Published by The Chronicle, Montreal

C. R. G. JOHNSON, POIRIER & JENNINGS, INC.
AGENTS — INSURANCE — BROKERS

ETNA INSURANCE CO. OF HARTFORD
ST. PAUL FIRE & MARINE INS. CO.

11 ST. SACRAMENT STREET
MONTREAL, P.Q.

CANADIAN BANKING PRACTICE

THIRD EDITION.

(HANDSOMELY BOUND IN CLOTH, \$4 PER COPY)

QUESTIONS ON CUSTOM AND USAGE AND LAW. Published under the Auspices of the
Canadian Bankers' Association (Compiled by John T. P. Knight).

ON SALE AT THE CHRONICLE OFFICE,

10 ST. JOHN STREET, MONTREAL

CANADIAN FIRE RECORD

Specially compiled by The Chronicle.

FIRE AT VANCOUVER, B.C.

By the fire which occurred on the 6th instant on the premises of Wood, Vallance & Leggatt, paint warehouse, etc., Vancouver, B.C., the following Companies are interested:—

On Building:—Boston, \$15,000; Insurance Underwriters, \$25,000; Pacific, \$10,000; State of Pa., \$5,000; total \$55,000. Loss about 50 per cent.

On Stock:—Aetna, \$20,000; Fid. Phenix, \$20,000; Royal, \$28,000; Northern, \$8,000; State of Pa., \$5,000; Quebec, \$15,000; Sun, \$10,000; Cornhill, \$7,000; Lloyds, \$180,500; Excess, \$6,000; Merchants, \$11,130; Boston, \$5,000; Stuy. Und., \$18,150; United States, \$7,500; North River, \$71,750; Provincial, \$20,000; Mt. Royal, \$10,000; Nationale, \$5,000; Lond. Mutual, \$2,500; Dominion, \$5,000; Nat. Ben Franklin, \$6,489; Minneapolis, \$6,000; total, \$468,020. Loss about 45 per cent.

FIRE AT QUEBEC.

By the fire which occurred on the 12th instant on the premises of Eugene Julien & Co., automobile show rooms, etc., Quebec, the following companies are interested:—St. Paul Fire & Marine, \$25,000; Northern, \$25,000; Protector Underwriters, \$10,000; Fidelity Underwriters, \$15,000; Occidental, \$20,000; Rochester-German, \$20,000; Globe Underwriters, \$3,000; London Assurance, \$5,000; Liverpool-Manitoba, \$5,000; Yorkshire, \$15,000; British Dominions, \$5,000; Glens Falls, \$5,000; Westchester, \$8,600; Niagara, \$20,000; total \$181,600. Loss about 35 per cent.

THE IDEALOGRAPH FIRE AT MONTREAL.

With reference to the fire on the 11th inst., already reported in THE CHRONICLE, on the premises of the Idealograph Moving Picture theatre, Notre Dame Street West, Montreal, by which five lives were lost, we understand the insurance amounted to \$50,000 and that the loss is \$10,000. The fire spread to the premises of the Building Syndicate adjoining.

THIS WEEK'S MONTREAL FIRES.

By the fire which occurred on the 14th instant in the Capital Lunch Rooms, Craig St., Montreal, the following companies are interested:—Continental, \$1,333.33; Fidelity Phenix, \$1,333.33; Northern, \$1,333.33; total, \$4,000. Loss total.

Flats at 613 University Street, owned by J. McDevlin damaged, January 15. Originated in furnace room.

Two blocks of tenements, 1443 to 1463 St. Urbain Street, heavily damaged, January 15. Loss placed at \$25,000.

Basement at 317 St. Lawrence Street, occupied by United Hat Store, damaged January 14. Fire started among empty boxes.

Paper and stationery establishment of John Dickinson & Co., Ltd., 88 Grey Nun Street and adjoining boot and shoe factory of M. B. Steine & Co. damaged, January 16.

H. Champoux's home at 352 Fifth Avenue, Rosemont damaged, January 12. Origin, plumber thawing pipes.

E. Bergeron's home, 1229 St. Andre Street, damaged January 11. Origin, furnace.

FIRE AT LA TUQUE, P.Q.

By the fire which occurred on the 14th instant in the Hotel des Marchands at La Tuque, P.Q., the following Companies are interested:—Caledonian, \$5,000; Atlas, \$5,000; Queen, \$5,000; North America, \$5,000; New York Underwriters, \$5,000; total, \$25,000. Loss total.

FIRE AT BRAMPTON, ONT.

On the 16th instant the Brampton High School was totally destroyed. Insurance as follows:—Royal, \$5,000; Queen, \$2,000; London & Lancashire, \$3,000; Northern, \$1,000; total, \$11,000. Total loss.

ST. CATHARINES, ONT.—Fire destroyed the G.N.W. Telegraph Company's instruments and office fixtures, January 12. The cause was a high tension electric wire falling across the telegraph line in the vicinity of Grimsby. Switchboards and equipment were also burned at Beamsville, Jordan, Niagara Falls and Merritton as a consequence of the same accident.

ST. JOHN, N.B.—\$5,000 damage done to cigar manufacturing plant of A. & I. Isaacs, 80-84 Princess street, January 8. Fire originated in stock room. Damage to building \$2,000, stock damage \$3,000, insured.

ATHENS, ONT.—Telephone exchange, acetylene gas plant, W. F. Earl's hardware store and S. Coons' boot shop destroyed January 16. Loss about \$15,000 partly covered by insurance.

TILSONBURG, ONT.—W. C. Burn's residence destroyed with contents, January 12. \$4,000 insurance. Twenty minutes' delay before water pressure came on.

SHERBROOKE, QUE.—Damage to machinery of \$5,000 caused by burning of electric generator at city power station on Frontenac street, January 7.

ESSEX, ONT.—A. C. Ransom's general store damaged, January 9. James Murray's dwelling above and A. Croteau's furnishing store also damaged.

GEYSER, MAN.—A. Finbogasson's home damaged, one killed and several injured, January 15. Origin, throwing coal oil on stove.

INGERSOLL, ONT.—C. H. Crawford's dwelling damaged, January 12. Loss \$1,000. Started from gas grate.

BELLEVILLE, ONT.—J. F. Chisholm's residence destroyed, January 15. Loss about \$7,000.

MANUFACTURERS LIFE APPOINTMENTS.

Mr. J. B. McKechnie, general manager of the Manufacturers Life Insurance Company, announces that the directors have made the following official appointments: Mr. L. A. Winter to be treasurer, Mr. A. J. Prest to be secretary, and Mr. E. S. Macfarlane to be assistant secretary. All three have been for many years in the service of the company, the new treasurer for twenty-four years, the secretary fifteen years, and the assistant secretary, thirteen years, and the new appointments are a fitting recognition of meritorious service.

YIELD OF NEW WAR SAVINGS CERTIFICATES.

A correspondent points out that the statement that the new war savings certificates yield approximately 5.40 per cent. is incorrect. Allowing for interest being compounded annually, the yield is a fraction over 5 per cent.

THE BANK OF TORONTO

REPORT OF THE SIXTY-FIRST ANNUAL GENERAL MEETING

The Sixty-First Annual General Meeting of the Stockholders of The Bank of Toronto was held at the Head Office in Toronto on Wednesday, 10th January, 1917.

The chair was taken by the President, Mr. W. G. Gooderham. The General Manager, Mr. Thos. F. How, was elected Secretary of the Meeting and Messrs. George R. Hargraft and J. K. Niven were appointed Scrutineers.

The Secretary read the Annual Report as follows:

The Directors of The Bank of Toronto beg to present their Report for the year ending 30th November, 1916, accompanied by the Statement of the Bank's affairs and the results of the operations for the year.

PROFIT AND LOSS ACCOUNT.

The Balance at credit of Profit and Loss, on November 30th, 1915, was	\$	439,382.64
The Net Profits for the year, after making full provision for all bad and doubtful debts, and deducting expenses, interest accrued on deposits, and rebate on current discounts, amounted to the sum of		780,954.04
		\$1,170,336.68

This sum has been appropriated as follows:

Dividends at eleven per cent.	\$	550,000.00
War Tax on Circulation	\$49,096.81	
Transferred to Officers' Pension Fund	25,000.00	
Patriotic Fund and other War Subscriptions	36,250.00	
Toronto General Hospital	2,000.00	
		112,346.81
Carried forward to next year		507,989.87
		\$1,170,336.68

The year has been one of increased activity, largely owing to the abundant harvest of 1915, and the extent to which Canada has been engaged in the manufacture of munitions and other war supplies.

The Head Office and branches of the Bank have been regularly inspected by the Inspection Staff, and at the Head Office the usual inspection of cash and securities has been made.

Mr. G. T. Clarkson, C.A., the auditor appointed by the Shareholders, has made the usual examinations at the principal offices of the Bank, and his report is appended to the general statement presented herewith. Mr. Clarkson's name will be submitted to the Shareholders at the annual meeting for re-appointment as auditor.

Branches of the Bank have been opened at Chaplin, Sask., and Sibbald, Alta.

It is with the deepest regret that your Directors record the loss sustained by the Bank through the death of their late President, Mr. Duncan Coulson, which took place on February 19th last. His connection with the Bank extended over 59 years, during which time he served the Bank with great ability and unwavering devotion to its best interests.

Mr. W. G. Gooderham was elected to succeed him as President, and the vacancy on the Board was filled by the election of Mr. Archibald H. Campbell, who has for many years been a Shareholder of the Bank.

All of which is respectfully submitted.

W. G. GOODERHAM, President.

After the report had been read, the President and General Manager addressed the meeting.

It was then moved by the President, seconded by the Vice-President, and Resolved:

That the Report and Statement now presented be adopted, and that printed copies thereof be distributed to the Stockholders.

Resolutions were also adopted approving the action of the Directors in subscribing to Patriotic Fund and other War subscriptions, appointing Mr. Geoffrey T. Clarkson as Auditor for the ensuing year, and tendering the thanks of the Stockholders to the President, Vice-President and Directors for their efficient attention to the affairs of the Bank during the year.

The following Directors were elected for the ensuing year: W. G. Gooderham, William Stone, John Macdonald, Lieut.-Col. A. E. Gooderham, Joseph Henderson, Brig.-Gen. F. S. Meighen, J. L. Englehart, William I. Gear, Paul J. Myler and Archibald H. Campbell.

At a subsequent meeting of the new Board, Mr. W. G. Gooderham was unanimously re-elected President, and Mr. Joseph Henderson, Vice-President.

AUDITOR'S REPORT TO THE SHAREHOLDERS.

To the Shareholders of The Bank of Toronto:

I have compared the above Balance Sheet with the books and accounts at the chief office of The Bank of Toronto, and with certified returns received from its branches, and after checking the cash and verifying the securities at the chief office and certain of the principal branches on November 30th, 1916, I certify that in my opinion such Balance Sheet exhibits a true and correct view of the state of the Bank's affairs according to the best of my information, the explanations given to me, and as shown by the books of the Bank.

In addition to the examination mentioned, the cash and securities at the chief office and certain of the principal branches were checked and verified by me during the year, and found to be in accord with the books of the Bank.

All information and explanations required have been given to me, and all transactions of the Bank which have come under my notice have, in my opinion, been within the powers of the Bank.

G. T. CLARKSON,

Chartered Accountant.

Toronto, December 13th, 1916.



CANADA BRANCH HEAD OFFICE, MONTREAL

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



Head Office: Cor. Dorchester Street West and Union Avenue.
 MONTREAL

DIRECTORS
 J. Gardner Thompson, President and Managing Director.
 Lewis Laing, Vice-President and Secretary
 M. Chevalier, Esq. A. G. Dent, Esq. John Emu, Esq.
 Sir Alexandre Lacoste, Wm. Molson Macpherson, Esq.
 J. C. Rimmer, Esq. Sir Frederick Williams-Taylor, LL.D.
 J. D. Simpson, Deputy Assistant Manager.



THE
CONTINENTAL INSURANCE COMPANY

of New York
 "THE BIG COMPANY"

ASSETS EXCEED \$31,000,000

HEAD OFFICE FOR CANADA AND NEWFOUNDLAND

W. E. BALDWIN, Manager.

MONTREAL

J. ROWAT, Asst. Manager.



The Northern Assurance Co. Limited

"Strong as the Strongest"

Accumulated Funds 1914, \$41,615,000
 HEAD OFFICE FOR CANADA, 88 NOTRE DAME STREET WEST, MONTREAL.

G. E. MOBERLY, Manager.



THE LAST WORD

IN
 ACCIDENT AND SICKNESS INSURANCE
 IS

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

AGENTS WANTED EVERYWHERE

Applications in Ontario should be addressed to

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

FIRE INSURANCE A MATTER OF AVERAGE.

Forgetfulness of the fact that fire insurance is essentially a business of averages is at the root of a considerable amount of misconception regarding it. The individual who pays his fire premiums regularly year after year, but never has a loss, is sometimes apt thoughtlessly to conclude that fire insurance is an easy business, where the troubles are few and the profits are large. His mistake lies in an individual viewpoint. The simple fact is, of course, that the premiums which he pays year after year are so many contributions towards meeting the average loss caused by fires, which loss may or may not be shared by him individually during a given period. His personal experience of no fires is not universal, neither is the experience of another man who has several fires and receives from the insurance companies thousands of dollars more than he pays them, universal. If either experience were universal there would be no such thing as fire insurance as we have it at the present time. But as some folk have fires and some have not, it is possible by the present system of fire insurance equitably to distribute the losses of some among all, and thus to minimise individual losses as a result of the development in action of the fire risk.

Moreover, this principle of average extends to communities as well as to individuals. It is just as absurd for a single town or city to complain that it is being overcharged because its loss ratio has been low this year, or even for a number of years, as it is for an individual to complain because he has paid premiums for years and has never had a fire. Being a matter of average, fire insurance can only be safely transacted when its operations are broadly based geographically and the wide field secured that is necessary in order to obtain an average that shall be reasonably dependable. A single community does not and cannot qualify in that way, and necessarily in order to secure the benefits of fire insurance it must be prepared to subordinate its individual view to the broader view, which alone makes possible the business of fire insurance through average.

FIRE INSURANCE AND INCREASED VALUES.

Appearances suggest that the necessity for increased fire insurance on account of the prevailing high prices of commodities is not fully appreciated. Whilst keen and wide-awake merchants have revised their insurances on the basis of the present values of their stocks, it is probable that in a large number of cases old insurances are allowed to remain undisturbed, without regard to the fact that under present circumstances they are entirely inadequate.

The importance of revision of insurance at the present time in order to bring it into line with enhanced values of stock or property is evident. Fire insurance, and adequate fire insurance, is a commodity no one can afford to be without, and probably it is through mere oversight that so little extra insurance has been effected owing to increased values. Such oversight is dangerous, and agents can perform good service in calling the attention of their clients to the present-day necessity of consideration of revision of existing fire insurance.

STANDARD ACCIDENT POLICY.

The casualty companies operating in Canada have recently laid before the Ontario Insurance Commission, a proposed standard form of policy, and a statement regarding the history of the movement for standard policies. They state that the question has been the subject of discussion between the managers of the casualty companies in Canada for some years past, culminating in the appointment by the Casualty Insurance Managers' Association in December, 1915, of a committee to draft a standard policy for presentation for adoption by the Association. The policy now filed with the Commission was finally adopted by the Association and recommended to be used.

The companies have postponed bringing the standard policy into general use, for the reason that the subject of standard provisions is now being made one of enquiry by the Ontario Commission, that the Dominion Superintendent of Insurance has been, and is, contemplating legislation regarding accident policy provisions, and some of the provincial superintendents are also considering legislation on this subject.

UNIFORM LEGISLATION NECESSARY.

The companies point out the necessity of uniform legislation by the Dominion and provinces in this matter, otherwise the object of a standard policy will be largely defeated. They state that they not only advocate standard provisions but strongly urge in addition the adoption of standard benefits. The provisions in the policy the companies recommend are for the most part those conforming to the requirements of the New York Standard Provisions Act 1913. The companies have made the Canadian provisions even more liberal than the New York provisions, and some changes are necessary in order to comply with Canadian conditions. The provisions are equally applicable to sickness insurance when covered under an accident policy.

UNFAIR COMPETITION.

The companies draw the attention of the Commission to the large amount of accident insurance annually done by United States accident associations working on the assessment plan, which associations are not registered to carry on business in Ontario, nor licensed by the Dominion, thereby becoming active competitors of licensed companies, but being under no expense in Canada and contributing nothing by way of taxation on the premiums collected.

What has been stated to the Commission by representatives of the fire insurance companies in regard to unlicensed fire companies, the casualty companies state is equally true as to the business carried on by unlicensed accident associations, with the difference that it cannot be even suggested that the licensed accident companies in Ontario are unable to furnish all the insurance required.

TORONTO'S INSURANCE ON SOLDIERS.

Up to recently 675 insurance claims have been paid to relatives of Toronto men who have fallen at the front, and were insured at the instance of the City, while 50 more await adjustment. Of the claims paid the Metropolitan Life has settled for 483, the Aetna Life 24, the State Life 1, and the City 167. In all some 40,000 soldiers are insured either by the city or the insurance companies.

COMMERCIAL UNION

ASSURANCE COMPANY LIMITED
of LONDON, England

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

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

Applications for Agencies Solicited in Unrepresented Districts.

Head Office: CANADIAN BRANCH

COMMERCIAL UNION BUILDING, 232-236 ST. JAMES STREET, Montreal.

J. McGREGOR, Manager. W. S. JOPLING, Assistant Manager.

PALATINE

INSURANCE COMPANY LIMITED
of LONDON, England

(As at 31st December 1915)

Capital Fully Paid	\$1,000,000
Fire Premiums 1915, Net	\$2,500,505
Interest, Net	140,220
Total Income	\$2,640,725
Funds	\$4,738,520
Deposit with Dominion Gov't	\$250,567

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

COMMENCED BUSINESS 1901
RECEIVED DOMINION CHARTER 17th JUNE 1908

Capital Stock Subscribed	Capital Stock Paid up
\$500,000.00	\$174,762.70

The Occidental Fire

INSURANCE COMPANY

Under the control of the North British & Mercantile Insurance Company

RANDALL DAVIDSON, President

C. A. RICHARDSON, Vice-President and Secretary

DIRECTORS

S. E. RICHARDS W. A. T. SWEATMAN N. T. HILLARY

Head Office - - WINNIPEG, MAN.

Agents Required at Unrepresented Points

ESTABLISHED 1809

Total Funds Exceed	Canadian Investments Over
\$109,793,258.00	\$9,000,000.00

FIRE AND LIFE

North British and Mercantile

INSURANCE COMPANY

DIRECTORS

WM. McMASTER Esq. G. N. MONCIE, Esq.
E. L. PRASE, Esq.

Head Office for the Dominion:

80 St. Francois Xavier Street - MONTREAL.

Agents in all the principal Towns in Canada.

RANDALL DAVIDSON, Manager.

HENRY N. BOYD, Manager, Life Dept.

SUN INSURANCE OFFICE

FOUNDED A.D. 1710

Head Office:

Threadneedle Street, LONDON, ENGLAND

THE OLDEST INSURANCE OFFICE IN THE WORLD.

Canadian Branch:

15 Wellington Street East, Toronto, Ont.

LYMAN ROOT,
Manager

Atlas Assurance Co., Limited

of LONDON, ENGLAND

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

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

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

Agents wanted in unrepresented districts.

Head Office for Canada:

260 St. James St., MONTREAL
MATTIEU C. HINSHAW, Branch Manager

EFFECT OF CANADIAN CAR LOSS.

Insurance on the munitions plant of the Canadian Car and Foundry Company at Kingsland, N.J., which was destroyed at the close of last week, totals \$2,834,000, distributed among a great number of companies with London Lloyds also holding a certain amount. According to New York authorities, as a result of this loss company managers are looking into their lines on the munition plants and clearly intend to send out many cancellation notices. The rates they have been securing are so ridiculous compared to the risk assumed that it will be practically impossible to place such lines hereafter at the recent current tariffs. In fact, it is likely that no such business can be covered at less than for a 5 per cent. rate hereafter. It is likely that some companies will ask and receive much more than 5 per cent. The Canadian Car & Foundry Company's loss demonstrates conclusively that the different buildings of a munition plant cannot be regarded as separate risks.

The Imperial Life cites six cases which have been experienced during the last year, in which death followed insurance within six months. In one case, the period was only six weeks; in two others two months. As the Imperial Life says, this sort of evidence should make procrastinating prospects "jump at the chance of insuring their lives immediately."

TAXATION OF LIFE INSURANCE.

The influence of all insurance men, and particularly of associations everywhere, against taxation of life insurance should be alert at all times and in every way. The fact that peaceful America is at the present time endeavoring to increase taxation of life insurance as no country in the throes of war is doing, again emphasizes the wrong policy of this country in taxing those who are taxing themselves to avert burdens that otherwise would fall upon the government. In other directions, such as the maintenance of hospitals, educational institutions or other similar matters, it is the wise policy of government to encourage persons to do for themselves what the government would otherwise have to do for them. Yet in life insurance those who assume this burden themselves and thereby relieve society at large, are penalized for doing it.

The real work accomplished by life insurance can be in no better way advertised to the public than by constant iteration and reiteration of the reasons why life insurance should not be taxed. Recently in South Africa, when a bill was proposed to tax life insurance, every member of Parliament was telegraphed asking whether he approved the measure with the result that over two-thirds at once wired their hostility to it.

This is aggressive action of the best kind, and if even a part of the British Empire, with its enormous burdens, cannot afford to tax life insurance, neither should America.—*Edward A. Woods.*

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TO INVESTORS

THOSE WHO, FROM TIME TO TIME, HAVE FUNDS REQUIRING INVESTMENT MAY PURCHASE AT PAR

DOMINION OF CANADA DEBENTURE STOCK

IN SUMS OF \$500 OR ANY MULTIPLE THEREOF.

Principal repayable 1st October, 1919.

Interest payable half-yearly, 1st April and 1st October by cheque (free of exchange at any chartered Bank in Canada) at the rate of five per cent per annum from the date of purchase.

Holders of this stock will have the privilege of surrendering at par and accrued interest, as the equivalent of cash, in payment of any allotment made under any future war loan issue in Canada other than an issue of Treasury Bills or other like short date security.

Proceeds of this stock are for war purposes only.

A commission of one-quarter of one per cent will be allowed to recognized bond and stock brokers on allotments made in respect of applications for this stock which bear their stamp.

For application forms apply to the Deputy Minister of Finance, Ottawa.

DEPARTMENT OF FINANCE, OTTAWA.
OCTOBER 7th, 1916.

NEW-YORK LIFE

INSURANCE COMPANY

346 & 348 BROADWAY - - NEW YORK CITY

TO THE POLICY-HOLDERS AND THE PUBLIC:

A brief of the chief activities of this Company during 1916 runs as follows:

New Paid Business \$263,048,300.00

Of this total \$239,090,873 was secured in the United States.

Total Income \$138,559,395.79

Total Payments to Policy-holders . \$81,415,138.36

Of this total \$19,551,361 was paid in dividends.

Invested During the Year in Bonds and Mortgage Loans . \$70,717,602.17

To pay 5.26%.

Added to Legal Reserves	\$24,676,393.00
Market Value of Assets, Dec. 31, 1916	\$866,988,841.57
Legal Liabilities	\$728,226,426.34
Reserved for Dividends and Contingencies	\$138,762,415.23
Outstanding Insurance	\$2,511,607,274.00

Represented by 1,228,601 policies.

The actual mortality of the Company expressed in the per cent. which it bears to the expected death losses according to the tables of mortality adopted by the State for valuation purposes through a period of years is as follows:

1912 Actual death losses 76% of the "expected"
1913 Actual death losses 73% of the "expected"
1914 Actual death losses 73% of the "expected" (5 mos. of war)
1915 Actual death losses 73% of the "expected" (12 mos. of war)
1916 Actual death losses 71% of the "expected" (12 mos. of war)

Significant Facts:

Mortality Rate reduced; Expense Rate reduced; Interest Rate increased;
New Business increased.

The Seventy-Second Annual Statement of the Company will be filed at once with the Department of Commerce in Washington and with each State of the United States and each country where we do business. A brief of that statement will be sent gratis to any person asking for it.

DARWIN P. KINGSLEY,
President.

PERSONALS.

Mr. John P. P. Oliver, A. A. S. has assumed the duties of secretary and actuary of the Security Life of Toronto.

* * *

Mr. C. W. Frazee, manager of the Royal Bank at Halifax, N.S., has been appointed supervisor of British Columbia branches.

* * *

It is understood that Mr. Henry Ross, assistant deputy Minister of Finance, will shortly assume the position of secretary of the Canada Bankers' Association in succession to Mr. G. W. Morley, who is taking up military duties.

* * *

Lieutenant Douglas L. Macaulay of the Royal Flying Corps, son of Mr. T. B. Macaulay, president of the Sun Life of Canada, is reported wounded but doing well. Many friends will hope that the expectation of early ability to return to duty will be realised.

* * *

Mr. B. H. Waud, of the Molsons Bank, has been elected a member of the committee of the Montreal Clearing House, in succession to Mr. D. C. Macarow, who retired on appointment as general manager of the Merchants Bank.

* * *

Mr. Peter Clinch, the popular secretary of the C. F. U. A. at St. John, N.B. spent a few days in Montreal this week on his return from Toronto. Mr. Clinch represents the Northern Assurance Company of London, England.

* * *

Dr. J. P. Munn, president of the United States Life Insurance Company, this year will complete the fortieth year of his connection with the Company. It is interesting to note that Dr. Munn's mother, Mrs. Aristine Munn, who is now in her hundredth year, is yet in the fullest possession of her faculties and leads an active life.

* * *

Following upon the promotion of Mr. John Robertson, the resident manager at the Aberdeen Head Office of the Northern Assurance Company, to be joint general manager of the Company as from the 1st prox., Mr. Robert Mackay, F.F.A., secretary of the Aberdeen Board since 1905, will act as the Company's chief officer at Aberdeen until further notice. Mr. Mackay has been in the service of the Northern for twenty-five years and was admitted a Fellow of the Faculty of Actuaries in Scotland in 1903.—Post Magazine.

THE MONTREAL CITY and DISTRICT SAVINGS BANK

The ANNUAL GENERAL MEETING OF the Shareholders of this Bank will be held at its Head Office, St. James Street on Monday, the Twelfth day of February next, at 12 o'clock noon for the reception of the Annual Reports and Statements, and the election of Directors.

By order of the Board, A. P. LESPERANCE, Manager.

Montreal, January 8th, 1917.

Recent military honors to English insurance men include the Military Cross to Lieutenant James Crafter, of the London Regiment, formerly on the head office staff of the London Guarantee and Accident, and the D. C. M. to Sergeant E. J. Rindle, Gloucester Regiment, formerly of the Bristol office, General Accident, Fire and Life.

* * *

The casualty lists continue to indicate great sacrifices on the part of the British insurance companies. The latest English exchanges to hand contain the following names:—Second-Lieut. A. J. B. Pearson, British Crown, killed; Second-Lieut. D. F. Upton, British Crown, prisoner in Germany; Captain Chaplin, Ocean Accident & Guarantee, missing; Lieutenant A. B. Francis, Alliance, killed; A. P. Higgins, Atlas, killed.

* * *

Further deaths, while serving in France are those of Lance-Corporal A. L. Apted, London Regiment (Royal Insurance Company); Lance-Corporal C. E. Francis, London Regiment, (Royal); Private J. J. Hering, Royal Warwicks (Caledonian); Private Norman Spafford, Gloucester Regiment (Commercial Union); Private A. J. Weeks, Gloucester Regiment (General Accident, Fire and Life.)

The Bank of England yesterday reduced its official rate of discount to 5 1/2 per cent. per annum.

Montreal Tramways Company SUBURBAN TIME TABLE, 1915-1916

Lachine :

From Post Office— 10 min. service 5.40 a.m. to 8.00 a.m. 10 min. service 4 p.m. to 7.10 p.m. 20 " " 8.00 " 4 p.m. 20 " " 7.10 p.m. to 12.00 mid.

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

Sault au Recollet and St. Vincent de Paul:

From St. Denis to St. Vincent de Paul— 10 min. service 5.20 a.m. to 8.00 a.m. 30 min. service 8.00 p.m. to 11.30 p.m. 20 " " 8.00 " 4.20 p.m. Car to Henderson only 12.00 mid. 10 " " 4.20 " 6.40 p.m. Car to St. Vincent at 12.40 a.m. 20 " " 6.40 " 8.00 p.m.

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

Cartierville:

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

Mountain :

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

Bout de l'Île:

From Lasalle and Notre Dame— 60 min. service from 5.00 a.m. to 12.00 midnight.

Tetraultville:

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

Pointe aux Trembles via Notre Dame:

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



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



PERSONAL ACCIDENT
 SICKNESS
 FIDELITY GUARANTEE

PLATE GLASS
 AUTOMOBILE
 GENERAL LIABILITY

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

THE YORKSHIRE INSURANCE COMPANY, LIMITED

ESTBD. 1824

YORK, ENGLAND

ASSETS EXCEED \$23,000,000

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

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

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

CANADIAN DIRECTORS | Hon. C. J. Doherty | Hon. Alphonse Racine, | Canadian Manager,
 | G. M. Bosworth, Esq. | Alex. L. MacLaurin, Esq. | P. M. WICKHAM, Montreal

APPLICATIONS FOR AGENCIES are invited from responsible persons.

ROYAL EXCHANGE ASSURANCE

Founded A.D. 1720

Losses paid exceed \$235,000,000

Head Office for Canada
 Royal Exchange Building
 MONTREAL

Canadian Directors

Dr. E. P. Lachapelle, Montreal
 H. B. Mackenzie, Esq., Montreal
 J. S. Mough, Esq., K.C., Winnipeg
 B. A. Weston, Esq., Halifax, N.S.
 Sir Vincent Meredith, Bart.,
 Chairman, Montreal

J. A. Jessup, Manager Casualty Dept.
 Arthur Barry, General Manager.

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



Head Office: Royal Exchange, London

FOUNDED 1792.

INSURANCE COMPANY OF NORTH AMERICA

PHILADELPHIA, PA.

CAPITAL, \$4,000,000.00
 SURPLUS TO POLICY HOLDERS . 10,080,043.40
 ASSETS 20,838,450.21
 LOSSES PAID EXCEED . 176,000,000.00

ROBERT HAMPSON & SON, LIMITED
 GENERAL AGENTS FOR CANADA. MONTREAL

The LIFE AGENTS MANUAL
 THE CHRONICLE - MONTREAL

MOUNT ROYAL ASSURANCE COMPANY

PAID UP CAPITAL	\$250,000.00
TOTAL FUNDS	729,957.36
NET SURPLUS	202,041.02

The NATIONALE FIRE INSURANCE COMPANY OF PARIS, FRANCE.

SUBSCRIBED CAPITAL	\$2,000,000
TOTAL FUNDS	7,491,390
NET SURPLUS	1,867,180

AGENTS WANTED IN UNREPRESENTED DISTRICTS.

HEAD OFFICE FOR CANADA

MONTREAL.

J. E. CLEMENT, General Manager.

H. H. YORK, Inspector for Ontario

L. C. VALLE, Inspector for Quebec

Forty-Eighth Annual Meeting

—OF—

THE ROYAL BANK OF CANADA

The Forty-Eighth Annual General Meeting of the Shareholders was held at the Head Office of the Bank in Montreal on Thursday, January 11th, at 11 o'clock a.m., Sir Herbert S. Holt in the chair.

Mr. W. B. Torrance acted as secretary of the meeting, and Messrs. A. Haig Sims and Alex. Paterson as scrutineers.

The Directors' Report was read by the General Manager, Mr. C. E. Neill.

Mr. Neill then referred to the Annual Statement as follows:

The Balance Sheet before you is the best ever submitted to the shareholders, and shows striking progress in all departments of the Bank's business during the past year.

Total deposits now exceed \$200,000,000, the increase for the year being no less than \$45,000,000. 42 per cent. of the advance was in the Savings Departments. It is a satisfactory feature that these figures include no large or unusual deposits of a temporary nature.

Our note circulation is approximately \$4,000,000 higher, and exceeds the paid-up capital of the bank by over \$6,000,000. The excess is covered by a deposit in the Central Gold Reserve.

Current loans show a moderate expansion. In Canada the increase is \$4,931,759, due chiefly to the acquisition of new accounts, and temporary loans to customers producing munitions of war. Commercial loans abroad are higher, on account of the active demand in the West Indies in connection with the production of sugar and other staple commodities. These loans will decrease substantially during the next two or three months.

The liquid position of the Bank has been well maintained, liquid assets being 53.24 per cent. of liabilities to the public, as compared with 49.03 per cent. last year.

The increase in investments represents subscriptions to British Government loans, the proceeds of which were to a great extent expended in this country.

Net profits for the year were 17.87 per cent. on the capital, as compared with 16.48 per cent. last year; or 8.66 per cent. on combined capital and reserve, as compared with 7.90 per cent. last year.

The year's remarkable results are attributed to four causes—prosperous conditions in Canada and the West Indies, the advantageous location of our branches, co-oper-

ation on the part of the Directors, and a loyal and efficient staff.

PRESIDENT'S ADDRESS.

In moving the adoption of the Directors' Report, Sir Herbert S. Holt, President, said:

In view of the comparative uncertainty with which Canada necessarily looked forward to the year just passed, it is specially gratifying to be able to present so excellent a statement as that before you to-day. It undoubtedly excels any previous exhibit. Our total assets have increased during the year fifty-five million dollars. Seven years ago they were sixty-seven millions; to-day they are two hundred and fifty-three millions.

In keeping with the fixed policy of the Bank, the ratio of liquid assets to liabilities to the public has been maintained at a high percentage. The rate at the close of the year was 53.24 per cent. against 49.03 per cent. at the end of the previous year. No matter how rapid the Bank's extension, we have not in the past departed from this cardinal principle, and we do not intend to in the future.

We are not singular, however, in respect of the year's growth. The wonderful prosperity of the country was reflected in the assets of Canadian banks in general, the total increase amounting to two hundred and fifty-five millions. This prosperity is not confined to those engaged directly or indirectly in the supplying of war materials. It is widely diffused, as may be seen by the record Bank clearings, the congestion of railway traffic, the general activity in every department of wholesale and retail trade, and the great volume of exports. Labor is scarce and never commanded higher wages. Commodity prices have attained a level comparable only with Civil War times in the United States. The following is a statement of some present prices compared with those of twelve months ago:

	1915.	1916.
Wheat, per bushel	\$1.00-\$1.10	\$1.70 (average)
Copper Ingots, per lb.	20½	31.32
Pig Iron, per ton	25.00	41.00
Steel Billets, per ton	42.60	50.20
Steel Rails, per gross ton	28.50	38.00
Structural Steel, per ton—bars	54.60	76.20
Structural Steel, per ton—plates	56.00	99.00
Structural Steel, per ton—shapes	48.40	77.60
Staple Cotton, per lb. . . . .	.12	.17
Wool, per lb.—Lincoln Clothing . . . . .	.38	.55-60
Wool, per lb.—South Downs . . . . .	.46	.75
Wool, per lb.—Merino . . . . .	.70	1.25
Sole Leather, per lb. . . . .	.41	.63
Print Paper, per ton	40.00	60.00
Wood Pulp, per ton	15.00	40.00
Sulphite, per ton	38.00	100.00

The list might be extended indefinitely. Abnormally high prices are enriching the producer and manufacturer, but profits are not so large as might appear on account of material increases in the cost of production.

POST-WAR CONDITIONS.

Meanwhile, the liabilities of manufacturers and others to their bankers have been greatly reduced—in many cases

wiped out—and large credit balances created. This is a very satisfactory situation, as working capital now accumulated will be of great utility on the return of peace. We should bear in mind that there is no permanence in war prosperity; that it is war business which has so accelerated the wheels of industry; and the termination of this must react on industrial activities with far reaching results. Factories employed exclusively in this connection will close down. Kindred industries stimulated by high prices will

(Continued on following pages).

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7,491,390
1,857,150

or for Quebec

THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated 1833.

FIRE, HAIL, OCEAN MARINE AND INLAND MARINE INSURANCE

HEAD OFFICE: TORONTO

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

DIRECTORS:

W. B. BROCK, President.

W. B. MEIKLE, Vice-President

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

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

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

THOMAS F. DOBBIN, Resident Manager
MONTREAL

NORWICH UNION FIRE INSURANCE SOCIETY, Limited

INSURANCE AGAINST

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

Agents wanted for the Accident Branch.

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

JOHN MacEWEN, Superintendent for Quebec.

L'UNION

FIRE INSURANCE COMPANY, Limited

Head Office: PARIS, France.

Established 1828

Capital fully subscribed . . \$ 2,000,000.00
Net Premiums in 1913 . . . 5,561,441.00
Total Losses paid to 31st Dec., 1913 90,120,000.00

Canadian Branch:

LEWIS BUILDING, 17 ST. JOHN STREET, MONTREAL

Manager for Canada:

MAURICE FERRAN D

First British Insurance Office Established in Canada, 1804

INTENDING ASSURERS

Should read the "THREE MINUTES" Leaflet of the

PHOENIX ASSURANCE CO., Limited,
OF LONDON, ENGLAND (Founded 1782)

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

100 ST. FRANCOIS-XAVIER STREET, MONTREAL

The Company offers to the Public every advantage which

LIFE ASSURANCE

conducted under the most favourable conditions is capable of affording:

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

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

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

Agents Wanted

Established 1864.

New York Underwriters Agency.

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

PROVINCIAL AGENTS.

MURPHY, LOVE, HAMILTON & BASCOM,
Toronto, Ont.
OSLER, HAMMOND & NANTON,
Winnipeg, Man.
ALFRED J. BELL & Co.
Halifax, N.S.

JOHN WM. MOLSON & ROBERT Y. HUNTER
Montreal, Que.
WHITE & CALKIN
St. John, N.B.
AYRE & SONS, LTD.,
St. Johns, Nfld.

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

Scottish Union and National Insurance Co., of Edinburgh, Scotland

ESTABLISHED 1824

Capital, \$30,000,000
Total Assets, 79,656,734
Deposited with Dominion Gov't, 391,883
Invested Assets in Canada, 7,695,338

NORTH AMERICAN DEPT., HARTFORD, CONN. U.S.A.

JAMES H. BREWSTER, Manager

ERINHART & EVANS, Resident Agents Montreal
MEDLAND & SON Toronto
ALLAN KILLAM & MCKAY, LTD. Winnipeg

THE ROYAL BANK OF CANADA—Continued.

suffer by the establishment of more ordinary conditions. Exports will decline as Europe imports less, and commodity prices will recede. Labor will become a glut on the market, aggravated by the return of soldiers in large numbers. All this appears certain to follow the establishment of peace, and the longer the war endures the more drastic will be the depression, because of the greater economic exhaustion of Europe, and the effect upon her buying power. We have already seen the stock markets convulsed by a most improbable suggestion of peace.

However, after the first shock of readjustment we may expect a great demand for our farm products, building material, farming implements, etc., etc., in the rehabilitation of Europe. Pending this demand and in preparation for the depression in business that must occur, the prudent man will put his house in order.

The war is now in its third year and prospects of peace in the near future are not bright, but the people of Canada are increasingly determined to help at any cost to bring about a complete victory for the Allies.

QUEBEC BANK.

The Quebec Bank, incorporated in 1818, whose assets we have recently acquired, was one of the oldest banks in Canada. Until a few years ago its operations were confined to Ontario and Quebec—principally to Quebec, in which province it had a valuable connection. As we had very few branches in this province, the acquisition of their connection was specially desirable. Our branches now number over 400. The fifteen Quebec Bank Branches closed by us were located mostly in leading western cities where we are duplicated, and the resultant saving will be considerable. The closing of these offices gave us over one hundred men, of whom we were in great need, to supplement the staff at other offices.

You will be asked to-day to pass a resolution increasing the number of Directors from seventeen to twenty, in order to include three of the Quebec Bank Directors.

You are aware that the capital was rounded off to \$12,000,000 during the year by the issue of 4,400 shares allotted to the shareholders at par. The issue of shares in connection with the Quebec Bank purchase has placed it again at an odd figure, namely, \$12,911,700. As the outstanding circulation of this Bank and the Quebec Bank at the highest point in December last was approximately \$10,000,000 in excess of the present paid-up capital, it may become expedient to increase the capital further. It is expected, however, to make no issue before the end of the war, or until conditions warrant an increase on terms favorable to the shareholders.

Last winter six of your Directors, including the Managing Director and myself, made a tour of inspection of our branches in the South. None of us had previously visited any branch south of Cuba. We returned most favorably impressed with the excellent connection acquired in Cuba, Porto Rico, Santo Domingo, Costa Rica and the British West Indies by many years of patient work. It was distinctly advantageous to obtain a personal knowledge of local conditions, and to meet our leading customers. We were pleased with the buildings erected by the Bank and our locations in general, and were happy to learn that the Bank is held throughout the South in the highest esteem.

We also visited the republics of Venezuela and Colombia. Since then we have opened one branch and will open two others forthwith in Venezuela, where the outlook is promising. We were gratified to receive from Viscount Grey, the late Foreign Secretary, his approval of the establishment of branches in that country, and a promise of support from the British Government.

MANAGING DIRECTOR DEALS WITH GENERAL SITUATION.

In seconding the motion for the adoption of the Directors' Report, Mr. E. L. Pease, Vice-President and Managing Director, said:—

The President and General Manager having reviewed the Bank's position, I shall refer briefly to some aspects of the general situation. The financial and economic strength developed by Canada since the beginning of the

war is little short of marvellous. In the first seventeen months she evolved from a debtor to a creditor country, with a balance of \$206,706,000 in her favor. In the past twelve months the balance has reached \$329,000,000. More remarkable still is the transition from an habitual borrower in London to a lender to the Imperial Government, coincident with the raising of large domestic loans.

In July, 1914, before the war, the percentage of liquid assets of the associated banks to their liabilities to the public, as it is commonly determined, was 43.34. On November 30, 1915, this percentage stood at 50.85, and on November 30, 1916, at 55.73. During the period between November 15, 1915, and December 15, 1916, the Dominion Government floated two domestic loans of \$100,000,000 each, the first of this character put out in Canada. The banks underwrote \$25,000,000 of the first loan and \$50,000,000 of the second, but were relieved of the latter underwriting as public subscriptions aggregated \$200,000,000. Despite withdrawals of savings for investment in these loans, and the fact that during the same period the Canadian banks advanced the Imperial Government \$100,000,000 (expended for munitions of war in Canada and still current), their combined deposits on November 30th last were \$232,000,000 greater than at the beginning of the year, and the liquid percentage was higher. Of the increase in deposits \$122,000,000 was in the Savings Department in Canada. This extraordinary showing is due to large expenditures for munitions; to a rich harvest; to the sale of surplus wheat (estimated at 30,000,000 bushels) from the previous year's bumper crop at very high prices; and to the sale in the United States of \$75,000,000 Dominion Government and \$75,000,000 miscellaneous securities. It is probable, however, that a large proportion of these security sales represented renewals of obligations. Be that as it may, the accession of national wealth has been great.

It was a wise and courageous departure of the Government to take advantage of the great improvement in the monetary situation in Canada to float internal loans. The vigorous response by the public was a general surprise, both offerings being subscribed for twice over. The benefit of the investment of the country's savings in our own Government bonds is obvious. It is estimated that not over \$35,000,000 of these issues went to American investors. Another notable feature of the times is the loan of \$100,000,000 made by the associated banks during the year to the Imperial Government on Treasury Bills at twelve months' date for the purpose of purchasing munitions. Since the close of our fiscal year \$20,000,000 additional at six months' date has been advanced by a syndicate of six banks, including ourselves, for the purpose of buying wheat and storing it over the winter. A further munitions credit of \$50,000,000 having a currency of twelve months has also been recently extended. The affording of credits to the Imperial Government will have a very beneficial influence on Canadian finance, and the possession of short date British Treasury Bills will place the banks after the war in a very strong position.

ASSISTANCE GIVEN BY CANADIAN BANKERS' ASSOCIATION.

The great factor in support of the financial situation in Canada since the beginning of the war has been the collaboration of the chartered banks, through the intermediary of the Canadian Bankers' Association, with the Minister of Finance. They may be depended upon to co-operate loyally in assisting the Minister to the utmost limit, having due regard to the needs of commercial borrowers and the maintenance of proper liquid reserves, in his arduous task of financing Canada's war. The banks are also co-operating with the Minister of Agriculture in his praiseworthy efforts to increase production and expand the country's live stock trade. To this end liberal advances are being extended to breeders of cattle. As a result of their combined action, the Department of Agriculture has been instrumental in turning back to the farms of western Canada from Winnipeg and other Stock Yards in the last three months over 9,000 head of cattle and 1,400 sheep, which would otherwise have been slaughtered or shipped to the South. It is interesting to note the large diversion of cattle from the Winnipeg Stock Yards to the prairies in-

(Continued on following pages).

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THE ROYAL BANK OF CANADA—Continued.

stead of to the United States. In 1915, 44,975 head were shipped South; in 1916 only 21,124. In 1915 there were shipped from the Winnipeg Stock Yards to the prairies 9,380, and in 1916, 29,246. Likewise the Minister of Trade and Commerce will receive the hearty support of the banks in his campaign to develop our foreign trade in preparation for after-war competition. It will be seen that the Canadian Bankers' Association is endeavoring to further the interests of the community by every means in its power, and I am pleased to say that at no time in its history has there been greater unanimity among the members.

Compared with the marvellous crop of 1915, the harvest of last year was very disappointing in volume, but in value

it approached the previous year, owing to the abnormal prices which prevailed. A small crop with high values is not so beneficial on the whole as a large crop with lower values, as the proceeds of the larger crop are more widely disseminated. The farmer received unusual returns last year, and no one will begrudge the wealth which has come to him. High prices for all grains prevailed from the beginning of the harvest. Usually prices rule lowest during the harvest.

CANADA'S PROGRESS DURING PAST YEAR.

Canada's wonderful progress during the year is summarized in the following comparative statistics:

	1915.	1916.	
Value of Field Crops (Dec. 31)	\$ 797,669,000	\$ 729,346,000	Dec. \$ 68,323,000
Railroad Earnings (June 30), 12 months	210,000,000	258,000,000	Inc. 48,000,000
Bank Clearings (Dec. 31)	7,796,781,000	10,557,188,000	Inc. 2,760,407,000
Note Circulation (Nov. 30)	124,153,000	148,198,000	Inc. 24,045,000
Chartered Banks—Deposits (Nov. 30)	1,288,985,000	1,521,349,000	Inc. 232,364,000
Chartered Banks—Current Loans (Nov. 30)	881,101,000	927,399,000	Inc. 46,298,000
Exports—Merchandise (Nov. 30), 12 months	598,742,000	1,073,509,000	Inc. 474,767,000
Imports—Merchandise (Nov. 30), 12 months	435,342,000	744,403,000	Inc. 309,061,000
Customs Receipts	87,618,000	136,160,000	Inc. 48,542,000

Our foreign trade last year, you will observe, exceeded \$1,800,000,000, being nearly double the amount for the previous year, and nearly two and a half times as great as in 1914. These abnormal figures are due to enormous munition orders and high prices for commodities. All our energies should be directed to counterbalancing the loss of these orders on the return of peace as far as possible by supplementary exports. In addition to revealing to us our economic power, the war has created a great opportunity in the field of foreign trade. The primary essentials to success in this direction are immigration, which should be stimulated to a sufficient extent to provide for a large development of our natural resources, and encouragement by the Government in some form to industrial interests, without which, as a young manufacturing country, it would be difficult to take full advantage of the coming opportunity to enter competitive markets.

We believe the present prosperity will probably continue while the war lasts, to be followed by an inevitable reaction during the readjustment period. But with the triumph of the Allies—a foregone conclusion—a new era of prosperity will eventually come to us. We should have less to fear from the readjustment if the people of this country would curb their propensity to reckless speculation and extravagance in this time of plenty.

**PROVINCIAL AND GENERAL REPORTS.
BRITISH COLUMBIA.**

Commercial conditions in the past year showed marked improvement over 1915. Real estate, however, continued dull. Economy practised in public and private life is having a beneficial effect.

The year was fairly good for agriculture, and would have been more successful but for the shortage of competent labor. Fruit crops and the yield of vegetables were larger than in the previous year, and brought better prices.

The salmon pack was disappointing. The Fraser River catch of sockeyes was not over 50 per cent. of the lowest previous record. Prices ruled high, with a very active demand.

The halibut fisheries enjoyed a good season, with considerably enhanced prices. Whaling figures are not yet available, but are reported to be the best for several years past.

The state of the lumber industry has been healthier and more active than for years past. The cut for the current year is estimated at 1,250,000,000 feet, compared with 1,017,000,000 feet in 1915. A brisk demand developed in the Prairie Provinces during the spring and summer, bringing an advance in prices. Lumbering operations, however, were seriously hampered by a shortage of labor and high wages. It will be difficult to get out sufficient logs during the present winter to meet the demands expected next

spring. The export trade was small owing to scarcity of tonnage. On account of the continued demand for pulp and paper at profitable prices, several new plants will commence operations during the coming year.

Another important industrial development is the establishment of shipbuilding yards on the Pacific Coast.

MIDDLE WEST PROVINCES.

The grain crop in the Middle West promised to be even larger than the record crop of 1915, but during the last week of July, owing to damp, hot weather, an epidemic of rust set in throughout southern and south-western Manitoba and parts of Saskatchewan. Crops in the affected districts were practically ruined, the return being only from 3 to 10 bushels an acre. Hail storms, also, have been more numerous, more severe and more widespread than for many years past. In southern Alberta, and in southern Saskatchewan, from Weyburn west, excellent crops were harvested.

The following estimate of the 1916 crop, as compared with 1915, is furnished by the "Grain Growers' Guide."

	1915.	1916.
	Bushels.	Bushels.
Wheat	341,500,000	168,605,000
Oats	330,100,000	270,477,000
Barley	62,700,000	48,515,000
Flax	7,700,000	6,570,000
	742,000,000	494,167,000

Farmers have increased their holdings of cattle and sheep, and dairying has received more attention than formerly.

Business conditions throughout the West are good. Wholesale houses report an increase in business, and collections satisfactory on the whole. Retailers are buying carefully, showing no disposition to over-stock.

ONTARIO.

The past year was a favorable one in the Province of Ontario, except for agriculture and lumbering and the building trade. Agriculture has hitherto been the basis of Ontario's prosperity, with lumbering next, but last year they were both eclipsed by manufactures. Plants were worked to the fullest capacity that labor conditions would permit, while agricultural conditions were very unfavorable, in marked contrast to 1915. The only good crop was hay, which yielded 7,200,000 tons, or 2.07 tons per acre, as compared with 4,253,000 tons in 1915, or 1.32 tons per

(Continued on following pages).



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THE ROYAL BANK OF CANADA—Continued.

acre. The Department of Agriculture furnish the following comparative figures:

	1915. Bushels. per Acre.	1916. Bushels. per Acre.
Fall Wheat	30.5	21.2
Spring Wheat	21.2	15.3
Barley	36.0	23.5
Oats	41.9	26.5
Rye	18.5	15.8
Corn	70.2	49.2
Potatoes	76.0	53.0
Sugar Beets	378.0	268.0

Lumbering operations were greatly restricted by the scarcity of labor, high wages, and increased cost of supplies. Apples and fruits generally fell below the average.

Mining is rapidly becoming an important factor in the wealth of the province. Important increases are shown in output and value for the first nine months of the year, compared with the corresponding period of 1915. The increases in value for that period are as follows:

	1915.	1916.
Copper matte	\$2,024,000	\$6,286,000
Nickel matte	5,369,000	15,523,000
Pig Iron	4,511,000	6,687,000
Gold	5,827,000	7,514,000
Silver	8,030,000	9,750,000

QUEBEC.

In the Province of Quebec crops were average except hay, and prices were high. The dairying industry had another very satisfactory year, cheese and butter commanding the highest prices on record.

Manufacturers had a busy and profitable year, especially those making munitions and other war supplies. Labor was scarce, wages were high, and money was spent freely by the working classes.

Exports of grain and dairy products from Montreal show remarkable gains over 1915, except in the case of wheat.

	Grain and Flour.		
	1915.	1916.	Increase.
Wheat (bushels)	34,025,000	34,602,000	577,000
Oats (bushels)	8,405,000	26,064,000	17,659,000
Corn (bushels)	166,000	4,879,000	4,713,000
Flour (sacks)	1,701,000	4,821,000	3,120,000

	Dairy Products.		
	1915.	1916.	Increase.
Cheese (boxes)	1,854,000	2,152,000	298,000
Butter (pkgs.)	54,500	179,300	124,800
Eggs (cases)	284,700	375,700	91,000

Lumbering operations have been active, and pulp and paper mills have been running to full capacity.

Building has continued quiet, as elsewhere.

Both wholesale and retail trade report conditions generally satisfactory, and collections good.

MARITIME PROVINCES

The Maritime Provinces have prospered exceptionally. Steel plants were employed to their utmost capacity and mills and factories in general were busy with war orders. Farmers did well on account of high prices. The trade in dry and pickled fish enjoyed great activity, with prices at high water mark. The lobster catch exceeded that of the previous season and prices were satisfactory.

Lumbering operations about equalled those of the previous year, and prices were good. The demand for wood pulp increased at high prices. Operations during the coming season are likely to be somewhat restricted owing to a shortage in labor and the increase in cost of supplies.

The coal output was a little less than in 1915, although the increased requirements of steel and other industries created a greater demand. The quantity mined was limited only by the supply of labor available.

The shortage in tonnage and consequent high freight rates have brought about a revival of the shipbuilding industry in Nova Scotia and yards are showing very great activity.

NEWFOUNDLAND.

Newfoundland experienced an excellent year. Her most important industry, the cod fishery, showed a successful catch, and prices were exceptionally high. The seal fishery had a record year, the total catch approximating 250,000 seals, valued at \$700,000. The pit prop industry has developed considerably. It is estimated that about 65,000 cords of pit props were exported to Great Britain during the year, and the amount would have been greater but for lack of tonnage. Pulp and paper mills worked to full capacity. Other industrial concerns had a busy year, and obligations were generally well met.

BRITISH WEST INDIES.

The year's results in Jamaica were only fairly satisfactory, and the lot of the banana planter was particularly hard. Tonnage was lacking for the export of the early fruit, and in August, for the second year in succession, the crop was entirely devastated by hurricane. A sharp decline in the price of logwood was another unfavorable feature.

Imports during 1915 (the latest figures available), decreased from £2,565,000 to £2,327,000, but customs duties showed an increase of £20,745, due to the higher customs tariff. Of imported goods, Jamaica purchased 54 per cent. from the United States, 33.2 per cent. from Great Britain, and 9 per cent. from Canada. It should be remarked that Canada could supply a large proportion of the goods at present unobtainable from Great Britain on account of war conditions. It is doubtful, however, if our exports to Jamaica can increase to any appreciable extent unless better steamship service is provided. Should that colony become a party to the West Indian Reciprocity Agreement, of which she has to date enjoyed the benefits, this could, no doubt, be arranged.

Total exports were valued at £2,228,664, or £676,000 less than the previous year. The chief cause of the decrease was the failure of the banana crop. Sugar, rum and cacao, brought higher prices. The exports of sugar and rum were £441,000, of which Great Britain took £334,000. Exports of fruit were £646,000, of which £586,000 went to the United States.

Conditions in Trinidad were very satisfactory. A good cacao crop was marketed at high prices. The sugar crop was considerably above normal, and the estates made large profits. The increase in the production of oil continues, and important shipments were made during the year, largely for Navy purposes. The energetic development of this industry during the past five or six years has proved very fortunate for the colony in view of the present demand for oil.

Exact figures of the sugar production of Barbados have not come to hand, but the crop was much larger than that of the previous year. Sugar is the island's only important crop, and the prosperity now enjoyed is unprecedented. St. Kitts and Antigua are in a similar position, like almost all the sugar producing islands.

Dominica was visited by a severe hurricane which resulted in some loss of life and considerable injury to the lime industry. While some of the individual planters suffered heavy loss, conditions in general were satisfactory.

Grenada marketed an average crop of cacao and spices at satisfactory prices.

The sponge industry of the Bahamas continues satisfactory, except in certain less important lines, which were formerly taken by Germany and Austria. The tourist trade was the best in years, and the present season is expected to be quite as good.

BRITISH GUIANA.

The year was a good one in British Guiana in almost every branch of trade and industry. The sugar crop was rather smaller than the year before, but good profits were realized from high prices. Shipments of rum were larger than in 1915, and prices ruled high. The rice crop was a large one, exports, according to incomplete estimates, amounting to 25,000,000 lbs., as compared with 17,000,000 lbs. the year before. All this was disposed of at profitable prices. The production of balata increased, and prices improved. Exports of timber were larger than last year,

(Continued on following page).

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THE ROYAL BANK OF CANADA—Continued.

when shipments were practically suspended on account of the scarcity of tonnage. The production of gold was only 30,000 ozs.—17,000 less than in 1915. The output of diamonds, however, was nearly doubled.

The imports for the first ten months of 1916 were equal to the total for 1915. If the rate of importation was the same for the balance of the year, imports would show an increase of \$1,263,000 over 1915. The principal imports from Canada were flour, fish, oats and lumber.

BRITISH HONDURAS.

Business conditions in British Honduras continue somewhat unsatisfactory, due principally to the limited demand for mahogany. An improvement has been noted recently in this respect. Shipments of chicle increased during the year. The business of the colony is still adversely affected by the political disturbances in Mexico.

CUBA.

The sugar crop for 1915-16 amounted to 3,005,000 long tons, against 2,575,000 for 1914-15. It is estimated that producers obtained an average price of \$4 per 100 lbs. f.o.b. Cuba—about double the average price for several years prior to the war. Experts estimate the probable 1916-17 crop at 3,500,000 tons, almost 1,000,000 tons more than the crop of two years ago. Sixteen new mills were erected during the past year, making 201 to grind during the present season. On account of unseasonable weather, the mills are considerably later than usual in starting to grind, and the cane is giving unfavorable returns as compared with last year. These facts, together with a scarcity of labor and transportation difficulties, may result in a lower production than estimated. Sugar freights during the last crop averaged 30c to 60c per 100 lbs., and present indications are that they will be higher during the coming season. There is more or less uncertainty regarding prices, but the outlook is nevertheless very favorable. An incident worthy of mention in the sugar trade during the year was the formation of the Cuba Cane Sugar Corporation, which acquired seventeen mills with an anticipated output of 550,000 tons during the present crop.

The production of tobacco was somewhat under that of the preceding year, and less than half a normal crop. Prices have risen steadily, and the value of the past crop is estimated at something over \$30,000,000, as compared with about \$20,000,000 in 1915. On the whole, conditions for the coming crop are favorable to an increased yield of good quality.

The cattle industry has been very profitable on account of the greater demand for working cattle, together with high prices for beef and hides. These factors have led to a depletion of the breeding stock, which may affect the industry seriously if not arrested.

Coffee and cacao are rapidly becoming important crops. Production and prices during the past year were satisfactory.

There was considerable development in the mining industry during 1916, particularly in iron, manganese and copper.

A notable feature of the trade of Cuba is the large balance of trade in her favor, viz., \$130,000,000. For 1914-15 it was \$92,000,000, and for 1913-14 \$38,000,000.

Imports for 1915-16 were \$172,000,000, and exports \$302,000,000.

Mr. E. F. B. Johnston, K.C., Second Vice-President, also addressed the meeting.

DIRECTORS.

The number of Directors was increased from seventeen

to twenty by an amendment to the by-laws of the bank, to provide for the addition of three Directors from the Quebec Bank Board.

AUDITORS.

Mr. J. Marwick and Mr. S. R. Mitchell were appointed auditors for the ensuing year.

BANK'S RECORD OVERSEAS.

A vote of thanks was passed to the President, Vice-President and Directors; also to the General Manager and staff. In replying to the latter, Mr. C. E. Neill, General Manager, said:

In thanking you on behalf of the staff, I must first refer to those who are absent on military duty. The number enlisted from our ranks is now 762, and we have heard of 92 casualties—45 wounded, 38 killed or died of wounds, 1 missing, and 8 prisoners of war. I take this opportunity of expressing publicly our sense of loss, and our sympathy for the relatives of those who will not return.

To those who are fighting our battles unflinchingly in the midst of inconceivable hardship, we owe a heavy debt of gratitude; and we feel that this is realized by none more keenly than the men who bear the brunt of their departure to a great extent. I refer to the many officers who are putting forth splendid efforts with unflinching cheerfulness under increasing duties. It is not easy to conduct the business without so many of our trained men. The depleted ranks must be filled almost entirely by junior clerks and by girls without banking experience, and the labors of our trained men are thus intensified. Had we not been able to secure the services of a large number of capable girls as clerks, the staff situation would have been serious indeed. The total number of girls employed on all posts has grown to 715.

As for the Executive Officials, your approval is naturally a matter of importance and an added encouragement. We endeavor to use our best efforts at all times in the interests of the bank, and it is pleasant to know that we enjoy your confidence.

In connection with the staff, one thing above all others must be borne in mind—our moral obligation to do the very best we can for our men returning from the front. This war is wearing down the fine edge of our feelings in some respects, but it must not be allowed to so dull our sensibilities that we could ever accept the sacrifices of our men as a matter of course. There are problems ahead for us in dealing with them as we wish to deal, but we are fully prepared to give the future of these men our most serious consideration.

BOARD OF DIRECTORS.

The following were elected Directors for the ensuing year:

- | | |
|----------------------------|--------------------|
| Sir Herbert S. Holt, K.B., | W. J. Sheppard, |
| E. L. Pease. | C. S. Wilcox, |
| E. F. B. Johnston, K.C., | A. E. Dymont, |
| Jas. Redmond, | C. E. Neill, |
| G. R. Crowe, | M. B. Davis, |
| D. K. Elliott, | G. H. Duggan, |
| Hon. W. H. Thorne, | C. C. Blackadar, |
| Hugh Paton, | J. T. Ross, |
| Wm. Robertson, | R. MacD. Paterson, |
| A. J. Brown, K.C., | G. G. Stuart, K.C. |

At a subsequent meeting of the Directors, Sir Herbert S. Holt was unanimously re-elected President, Mr. E. L. Pease Vice-President and Managing Director, and Mr. E. F. B. Johnston, K.C., Second Vice-President.

Messrs. John Sutherland & Sons, Ltd., the well-known Guelph insurance firm, in a useful New Year letter to their clients, call attention to the desirability of a checking-up of the amount of fire insurance carried when stock-taking has been completed, in order that an adequate amount in force may be maintained. They suggest also that business men should insist on as strict an inspection of fire hazards in their respective communities as do the health authorities in the matter of sanitation.

An old rural insurance agent published the following item in a local paper: "Burglars entered our house Monday night, and to the everlasting shame of the community for whose welfare I have labored for thirty years and some of whom my ministrations have saved from bankruptcy and poverty, be it said, they got nothing! If long overdue premiums had been paid me, I might have been spared this humiliating mention."—*Glens Falls News and Then.*

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