

The Chronicle

Banking, Insurance and Finance



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THE GENERAL FINANCIAL SITUATION

A matter of considerable interest to financial observers at this juncture, and one which is developing wide comment, is the apathetic condition of the stock markets in the face of the tremendous and triumphant events of the last month. So far as the Canadian market is concerned, that apathy is to be perhaps explained by the recent concentration upon the requirements of national financing. However great our financial progress during the last four years, our capacity has not yet developed to a point where national financing on the scale demanded by present-day requirements does not at least temporarily put other financing into eclipse. However, the phenomenon is not only confined to the relatively small Canadian stock markets, but is seen also in New York and in Europe. In explanation of the phenomenon, it is pointed out that the paucity of response on the part of the stock markets to news of such outstanding importance, is exactly a repetition of what the stock markets have done on the news of peace after every other great war. To the stock markets, the beneficent influence of restored peace is counterbalanced by the unfavourable influence of doubt regarding economic conditions in the return of industry to a peace footing with its large uncertainties in such important matters as prices, wages, consuming markets and the attitude of labour. Moreover, in the present case, there is considerable uneasiness regarding the outbreak of political restlessness and unsettlement in the various nations—a restlessness which takes its most extreme form in Bolshevistic doctrines and practices. It is pointed out that the markets have always continued to reflect by their own uncertain movement these conflicting influences, until some single important event came into the situation, or some important general tendency made itself unmistakable. How long this will have to be waited for does not yet appear, perhaps until the Peace Conference, perhaps even longer.

Locally, the first signs of the economic changes consequent upon the ending of the war are being seen in gradual demobilization and the laying-off of men in munitions and other industries. The latter is reported as likely to reach very large dimensions before the end of the present month. There will be apparently a certain easy transference of labour through the expansion of shipbuilding and other industries which have been seriously handicapped in this direction of late; some firms will be able to turn promptly from production for military to production for civilian needs, and men who left a wide variety of occupations for munition-making will no doubt gradually be re-absorbed into the old lines. However when every allowance has been made for the absorption of labour in these ways, it is apparent that during the next few months there will be considerable dis-

organization in Canadian industry, and that prompt measures need to be taken in order to ensure that the labour now released from war-work shall continue to be usefully employed. With the prices of the staple necessities of life at their present levels, the situation might easily become an unpleasant one if allowed to drift, and while the season of the year prevents much work being immediately undertaken, which can be easily developed in the spring, it is to be hoped that the various public authorities will take prompt measures which will tend to stabilize conditions.

With reference to Sir Thomas White's proposal, referred to on this page last week, for the granting of credits by the Government to European nations or an Inter-Allied Commission, for the purpose of financing reconstruction work undertaken in Canada, it may be pointed out that such an arrangement would have a decidedly valuable effect not only in maintaining our trade balance in a healthy condition, but in minimizing the burden of our annual interest payments abroad, which have not been greatly cut down as a result of the changes due to the war, and constitute a considerable charge upon Canadian industry. With these credits developed to any extent, the annual interest could be easily made to offset the interest due upon Government debts held abroad. The collateral which would be given in connection with these credits would presumably be for fairly long terms, and probably also, in due course, it could be disposed of and thus constitute, together with the sale abroad of War Bonds now held in Canada, a valuable means of importing fresh capital into the Dominion for development purposes, when the time arrives for such developments to be undertaken.

The announcement that the Bank of Montreal is to open shortly a branch in Paris, is an interesting indication of a development in Canadian banking which, it is to be believed, will in the not far distant future, assume important proportions. While this opening on the Continent is not entirely a novelty, as one of the banks with important interests in Spanish America, has for some time also had a branch in Spain, it is the first representation of the banks in a very important international money centre, and the example of the Bank of Montreal, it seems not unlikely, will be followed by other banks at no distant date. It is to be believed also that there will be seen within the next year or so, important developments of Canadian banking in other fields—South America and Siberia being particularly mentioned in this connection as offering suitable fields for the development of Canadian trade by the establishment of Canadian banking facilities. In this connection it is to be remembered that with the progress of demobilization,

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R. L. Ellis,
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 Total Deposits (Oct., 1918) 132,000,000
 Total Assets (Oct., 1918) - 165,000,000

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ADDRESS

THE MANAGER,
 BOND DEPARTMENT,
 Toronto

The Chronicle

Banking, Insurance and Finance

ESTABLISHED 1881. PUBLISHED EVERY FRIDAY.

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

Office:

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MONTREAL, FRIDAY, DECEMBER 6, 1918

THE GENERAL FINANCIAL SITUATION

(Continued from Front Page).

the banks will have returning to them a considerable number of young, trained bankers, who for the last two or three years have been in the army. A natural sequel, also, to such a programme of expansion will be an increase in the banks' paid-up capitals which have been practically at a standstill for several years, and immediately the time becomes ripe it is to be expected that the stockholders of the banks will find themselves invited to increase their holdings on favourable terms.

There has been some discussion lately regarding the amount of Canada's share in the indemnity to be paid by Germany, and apparently in some quarters an assumption that it would be an easy matter to get back practically the whole of what Canada has expended. There seems no doubt that Germany can well afford to pay a substantial indemnity. One London writer calculates that by additions to taxation by no means unbearable in amount, a levy for the Allies of some three thousand million dollars a year could be raised. This sounds a very handsome amount, until it is placed in comparison with the financial costs of the war to the Allies of two hundred thousand million dollars. Moreover, it is to be remembered that the Allies have three or four small bankrupt nations on their hands, and that these nations will very rightly have first claim in the indemnity for the ruin which Germany has brought to them. In any case, any expectation that Canada's share of indemnity will be sufficient to reduce federal taxation to a pre-war standard is likely to be disappointed.

BANK OF MONTREAL.

The 101st annual statement of the Bank of Montreal published on another page affords convincing evidence of that foresight in policy, and statesmanship in action which has long been a characteristic of the management of this great institution, thus enabling it to steer in safety through the financial crisis at the outbreak of the war and since to render important service to the cause of the Allies, which has not only been of importance to Canada in the stimulation of industry and trade, but of very great value to Great Britain.

The Bank still retains its commanding position.

Part of the increase in resources became available only towards the close of the year, when the Bank of British North America was taken over, and consequently did not enter to any extent in the earning results of the year. Profits, however, show a moder-

ate gain at \$2,562,720 against \$2,477,969 a year ago. After payment of the usual dividends and bonuses, totalling 12 per cent., providing \$160,000 for war tax on circulation, donating \$46,000 to patriotic funds and reserving \$200,000 for bank premises account, a sum of \$236,720 remained to be added to profit and loss balance.

Comparisons of earning results for three years follow:

	1918	1917	1916
Profits	\$2,562,720	\$2,477,969	\$2,200,471
Less:			
Dividend	1,600,000	1,600,000	1,600,000
Bonuses	320,000	320,000	320,000
War tax	160,000	160,000	160,000
Patriotic	46,000	47,500
Bank premis	200,000	100,000
Tot. deduct	\$2,326,000	\$2,227,500	\$2,080,000
Balance	236,720	250,469	120,471
Prev. bal.	1,664,893	1,414,423	1,293,952
Tot. P. & L.	\$1,901,613	\$1,664,893	\$1,414,423

Cash holdings exclusive of a deposit of \$27,700,000 in the Central Gold Reserve, amount to 94 millions, or about 18.1 per cent. of liabilities to the public, against 51 millions or about 14 per cent. a year ago.

Quick assets including security holdings, amount to 370 millions, a proportion of 71.3 per cent. to liabilities to the public, against 276 millions, or 75.5 per cent. in 1917.

The expansion within the war period is striking. When the statement of October, 1914, was drawn up there were no indications of the large influence war was to exert on the finance and business of the country. Business was depressed, but the banking position was steady. Taking the 1914 statement, therefore, as the position on the outbreak of war, and the 1918 statement, drawn up about ten days before the signing of the armistice, as the position at the close, comparisons would show that the bank has somewhat more than doubled in size. Total assets of 558 millions now compare with 259 millions then; savings deposits of 345 millions and total deposits of 469 millions compare with 154 millions and 197 millions respectively.

The proportion of cash to public liabilities shows little change, 18.1 per cent. against 18.3, but the proportion of quick assets to public liabilities has risen to 71.3 per cent. against 55.1, the principal factor in the increase being the rise from 12 to 110 millions in the bank's holdings of securities, chiefly obligations of the Dominion and Imperial Governments.

The bank's foreign reserve, represented in cash balances and call loans abroad, has been kept at a very high level considering the large demands for money at home. It represents today about 20 per cent. of the total assets of the bank, against a proportion of about 22 per cent. four years ago.

Deposits at Record Levels.

That the policy of thrift so strongly advocated by the Bank has been followed in a large measure by the people of Canada is shown by the increase in interest bearing deposits to the record level of \$345,552,764 as compared with \$246,041,786, a gain of almost One Hundred Million Dollars, while Deposits not bearing interest stand at \$124,175,047 up

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TRAFFIC RETURNS

Canadian Pacific Railway				
Year to date	1916	1917	1918	Increase
Oct. 31.....	\$110,875,000	\$121,068,000	\$123,652,000	\$2,584,000
Week ending	1916	1917	1918	Increase
Nov. 7.....	3,036,000	3,204,000	3,437,000	233,000
Nov. 14.....	3,051,000	3,575,000	3,247,000	*328,000
Nov. 21.....	2,984,000	3,582,000	3,565,000	17,000
Nov. 30.....	4,086,000	4,598,000	4,502,000	* 96,000
Grand Trunk Railway				
Year to date	1916	1917	1918	Increase
Oct. 31.....	43,636,732	49,929,022	58,409,046	8,480,024
Week ending	1916	1917	1918	Increase
Nov. 7.....	1,244,959	944,110	1,342,941	398,831
Nov. 14.....	1,283,901	959,136	1,471,654	512,518
Nov. 21.....	1,202,291	904,336	1,357,756	453,420
Nov. 30.....	1,612,502	1,223,810	1,996,921	773,111
Canadian Northern Railway				
Year to date	1916	1917	1918	Increase
Oct. 31.....	30,479,200	34,154,600	37,490,400	3,335,800
Week ending	1916	1917	1918	Increase
Nov. 7.....	885,000	895,400	1,049,300	153,900
Nov. 14.....	825,100	1,039,800	1,065,900	26,100
Nov. 21.....	853,000	931,700	1,209,600	277,900
Nov. 30.....	1,152,200	1,183,300

*Decrease.

THE EFFECT OF PEACE ON FIRE INSURANCE.

It appears that the fire insurance situation is never without menace. No sooner has the peril of war vanished, than the perils of peace arrive and the address of President Henry Evans reveals that this shrewd and far seeing underwriter speaks for the whole fraternity in pointing out the needs of the utmost vigilance and quick adaptation to changing conditions in the period of readjustment and reconstruction upon which the country is now entering. In this connection President Evans says:—

One thing is certain beyond a peradventure: The business of fire insurance will be affected. Whichever way after-war conditions turn, vigilance is requisite for the good of the business. Declining values will have to be carefully scrutinized. Covers will have to be reduced correspondingly with lowered values. Useless and unused properties will call for cancellations. The moral hazard will bear close watching. Especially in the case of the unusual amount of use and occupancy insurance, written during the war and based on war incomes, will moral hazard play a larger role than ever before. Explosion insurance, which produced a comfortable premium income with satisfactory results so far, will no doubt disappear to a great extent, noticeable especially in the East.

Changing Values

An average stability of values will need even closer

watching, for concealed in any such averages will lie innumerable small and local readjustments—a decrease here balanced by an increase there; this loss offset by that enhanced value; good conditions in one place standing against bad conditions in another. Any such situation as this will demand constant alertness, both for the company itself and for the benefit of the assured. For the company, to see that liability is reduced to correspond with decreased values, or eliminated in the event of impairment of value. For the assured, to make sure that where values do enhance they are properly cared for; that coinsurance provisions are properly compiled with; that insurable values, so far as the company can rightly exert its influence, are properly protected.

This is a phase of our service that must not be overlooked; a service which, if carefully and impartially rendered to the assured, should be of great benefit to the company and to the business as a whole, in demonstrating to the assured that his interests are not being overlooked while the business is seeing to its own future. Any great wave of prosperity, with blanket inflation of values will call for close study because such a trend will mean only indefinite postponement of the final readjustment, which must be handled as already indicated.

Increased Watchfulness

To sum up:—The change from war to peace conditions will call for increased watchfulness from fire insurance—not only to protect itself, but also to guard the interests of its clients, our assured. There must be no disposing of vanished values to the companies, at war prices; there must be no wanton reduction in amounts of insurance, unless values have actually depreciated, or are sure to decrease. Our readjustment to general values and conditions must be brought about impartially and fairly.

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		(£8 = £1.)
CAPITAL SUBSCRIBED	. . .	\$156,521,000
CAPITAL PAID UP	. . .	25,043,360
RESERVE FUND	. . .	20,000,000
DEPOSITS, &c.	(December, 1917)	873,489,725
ADVANCES, &c.	do.	307,333,545

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BANK OF MONTREAL.*(Continued from page 1245).*

from \$71,114,641. As there is no increase in the Bank's capital stock in connection with the purchase of the Bank of B.N. A. it is assumed the amount required to redeem the shares of that institution has been set aside and included in the total of non-interest bearing deposits.

The chief items in the statement of the Bank as of Oct. 31st with comparisons with those of the previous year are as follows:

	1918.	1917.
Total Assets.....	\$558,413,546	\$403,980,236
Deposits bearing interest.....	345,552,764	246,041,786
Deposits not bearing interest.....	124,175,047	71,114,641
Current Loans and Discounts.....	146,028,861	97,607,404
Dominion and Provincial Government Securities.....	46,870,586	28,573,322
Railway and other Bonds.....	11,375,199	12,571,625
Canadian Municipal Government Securities and British, Foreign and Colonial Public Securities.....	52,085,835	33,455,254
Gold and Silver Coin.....	25,492,341	20,592,891
Dominion Notes.....	68,531,256	30,760,233
Deposit in Central Gold Reserves.....	27,700,000	14,500,000
Profits for year.....	2,562,720	2,477,969
Balance of Profit and Loss carried forward.....	1,901,613	1,664,893

The measure of assistance lent the Dominion and British Governments is reflected by Dominion and Provincial Government securities of a value of \$46,870,586 as compared with \$28,573,322 a year ago and Canadian Municipal Securities and British, Foreign and Colonial Public Securities, other than Canadian of \$52,085,835 up from \$33,455,254. The expansion of the general commercial business is indicated by Current Loans and Discounts of \$146,028,861, as compared with \$97,607,404, while at the same time Loans to Cities, Towns and Municipalities have gained to \$15,598,069 from \$11,415,383, and Current Loans and Discounts elsewhere than in Canada \$14,649,836 up from \$10,045,811.

The addresses of the President, Sir Vincent Meredith and of the General Manager, Sir Frederick Williams-Taylor cover a wide field of finance and trade and acquire more than ordinary interest from the termination of war. In their review of the year there is much that is informative and suggestive. In Canada it has been a year of prosperity, indications of which are found in growth of public deposits and increased note circulation. High commodity prices account for this condition, perhaps, more than increased production; and high prices mean dear labour, with opportunity for thrift. The remarkable over-subscription of the recent Victory Loan is convincing evidence of the prosperity the people of Canada have enjoyed. Foreign trade has, indeed, fallen off in value, less from a recession in prices than from a diminution in output, but as Sir Vincent Meredith points out, this trade still greatly exceeds that of pre-war years, and comparing exports with imports, there is still a very substantial balance in favour of Canada. The crops fell below the expectation of their early promise in the Northwest, with an exception in the case of Manitoba, but in central and eastern Canada a fair average was reaped; and for the product of the farm indications point to profitable markets for many months to come.

Sir Vincent Meredith believes the banks should extend liberal and long-time credits for reconstruc-

tion purposes, as they have during the last four years for fighting and feeding purposes, and in this willingness there is assurance that labour in Canada will not lack employment, nor the farmer fail of a market.

There may be clouds on the horizon, though no bigger than a man's hand, for which banks, the financial fabric of the country, must be prepared. One is, as Sir Frederick Williams-Taylor indicates, a recession in prices. The great rise in prices since 1914 having been caused by war, it is logical to conclude that, with the cessation of war, prices will fall; and if this probability becomes an eventuality, merchants' and manufacturers' stocks must be written down in value. That is a disturbing contingency of the early future, for which traders will doubtless prepare themselves, and it is satisfactory to know that, in Sir Frederick's opinion, preparation has already been made. It has been made by the Bank of Montreal and precaution is always a safe banking rule.

The whole statement of the Bank forms an impressive exhibit of banking service to Canada and, cannot fail to have an important and favourable influence abroad.

DEATH OF F. J. J. STARK.

The sudden death of Mr. F. J. J. Stark at his residence in Westmount on the 4th instant, is greatly regretted in this city, and generally throughout the Dominion in Casualty insurance circles. Holding the important position, for some years, of General Manager for Canada of the Dominion Gresham Accident & Guarantee Company, Mr. Stark was well known, and esteemed by his colleagues in the Casualty business, he was a keen business man, and an experienced underwriter, much respected for his sterling character. His death at the early age of 43 years was due to heart trouble.

DEATH OF JOHN W. MOLSON.

The death of Mr. John W. Molson of this city, on the 27th ult., removed a familiar figure from fire insurance circles in Montreal, a business he had been connected with for nearly forty years. He was head of the firm of the J. W. Molson Company, and joint Provincial Agent of the New York Underwriters' Agency for many years. Mr. Molson belonged to an old and distinguished Montreal family. Descended from Hon. John Molson, who landed at Quebec in 1762 and settled in Montreal. Educated at Bishop's College and McGill University, Mr. Molson spent some years of his early business career in the banking business, with the Bank of Montreal in 1869, and the Molsons Bank in 1873. He served in the Fenian Raid, with the rank of Captain, in the Montreal Garrison Artillery. A member of the leading clubs in this city, Mr. Molson was a man of considerable wealth, and while retaining his connection with the firm of the J. W. Molson Company, its business for some years has been under the active management of Mr. R. Y. Hunter.



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J. Gardner Thompson, Manager. Lewis Laing, Assistant Manager
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ASSURANCE COMPANY**

Liability Guaranteed by THE LIVERPOOL and LONDON and GLOBE Insurance Company Limited
Head Office: Cor. Dorchester St. West and Union Ave., MONTREAL

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

FIRE INSURANCE



**The Globe Indemnity Company
of Canada**

Liability Guaranteed by THE LIVERPOOL and LONDON and GLOBE Insurance Company Limited
Head Office: 343 Dorchester Street W., MONTREAL

CASUALTY Insurance including Accident, Sickness, Guarantee, Burglary
Employers' Liability and Automobile
== FIRE INSURANCE ==

John Emo Secretary and General Manager
Robt. Welch Assistant Manager
Lewis Laing Fire Manager
J. D. Simpson Assistant Fire Manager

DIRECTORS
J. Gardner Thompson, President. Lewis Laing, Vice-President.
M. Chevalier Wm. Molson Macpherson A. G. Dent J. D. Simpson
Sir Frederick Williams-Taylor, LL.D. Sir Alexandre Lacoste

**410 TONS OF GOLD HAVE BEEN PAID TO
POLICYHOLDERS BY
Insurance Company of North America**

THE OLDEST AMERICAN STOCK FIRE INSURANCE COMPANY

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

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

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

of LONDON, ENGLAND

ESTABLISHED IN CANADA, 1863

ASSETS EXCEED \$24,500,000

DIRECTORS FOR CANADA:
A. J. DAWSON, Esq. H. B. MACKENZIE, Esq.
E. F. HENDEN, Esq. E. C. PRATT, Esq.
Manager for Canada: ALEX. BISSETT

BRANCHES THROUGHOUT THE DOMINION
HEAD OFFICE FOR CANADA:
LONDON AND LANCASHIRE LIFE BUILDING
164 St. James Street, Montreal, P.Q.

Take Your Choice

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

**THE MANUFACTURERS LIFE
INSURANCE COMPANY**

TORONTO - - - CANADA

BANK OF MONTREAL

101st Annual General Meeting.

The 101st Annual General Meeting of the shareholders of the Bank of Montreal, was held in the Board Room at the Bank's headquarters on the 1st instant.

Amongst those present were:—

D. Forbes Angus, R. B. Angus, H. W. Beauclerk, D. R. Clarke, F. J. Cockburn, Lieut.-Colonel Henry Cockshutt, A. J. Dawes, H. R. Drummond, C. J. Fleet, K.C.; G. B. Fraser, Dr. W. Gardner, Sir Charles Gordon, G.B.E.; C. R. Hosmer, Lieut.-Col. G. R. Hooper, Harold Kennedy, H. B. Mackenzie, Wm. McMaster, Sir Vincent Meredith, Bart.; W. R. Miller, John Patterson, Rt.-Hon. Lord Shaughnessy, K.C.V.O.; Dr. F. J. Shepherd, L. J. Skafie, A. E. Warren, R. Campbell Nelles.

The President, Sir Vincent Meredith was requested to take the chair, on motion of Mr. R. B. Angus, and said in part:—

In moving the adoption of the Report of the Directors to the Shareholders, said:

At a special Meeting of the Shareholders of this Bank, held on 10th September, your permission was obtained to purchase the assets and assume the liabilities of the Bank of British North America. At that time the nature of the transaction and the terms of purchase were explained; these, I believe, are equitable as well as advantageous to both Banks.

The amalgamation was completed on 12th October, 1918, but the combined balance sheet showing the new capital and rest and undivided profits cannot be prepared until after the expiration of four months from the date of taking over, as the agreement stipulated the shareholders of the Bank of British North America should have that period in which to elect whether they would accept cash or our shares in exchange for their holdings.

Another matter that has engaged the attention of your Directors has been the distribution of profits. It was thought the term "bonus" was out of harmony with existing conditions. After giving the matter careful consideration, and having in view the fact that the earnings of the Bank for some years past have warranted the payment of the usual 10 per cent. dividend with an additional 2 per cent., it has been decided that the stock should be placed on a 12 per cent. basis, effective at the next dividend period.

A sum of \$46,000 was donated to Patriotic and Red Cross Funds, and I know the action of your Directors in this connection has your approval.

The business of the Bank has been well maintained during the year. In view of possible Government financing and the somewhat uncertain outlook at home and abroad, we have consistently set our faces against over-expansion, which is to be deprecated under existing conditions. While giving our customers all reasonable accommodation required, and taking up many new desirable accounts, we have maintained a strong liquid position, continuing a well-considered policy of the Bank; a policy which, in the past as now, has added materially to the stability as well as the credit of the Bank at home and abroad, and of Canadian finance generally.

Business generally has been active and profitable as banking accounts abundantly attest, note circulation deposits and loans being unprecedentedly large.

As an adequate supply of raw materials again becomes available, it is reasonable to expect an extension of manufacturing operations, and in the necessarily small stocks in merchants' hands, there is assurance of a good demand for mill products, even though the expectation of a recession in prices may prompt caution in purchasing.

Will Establish Agency in Paris.

The question of opening branches in foreign countries to participate in the business that may arise in connection with reconstruction requirements abroad is one that has received considerable attention from your Directors. Following the policy of many English banks, we have deemed it prudent to refrain from establishing branches at points far afield where Canadian capital would be required in local and possibly competitive industries, preferring rather to strengthen and extend our relations with foreign banking houses and to retain their good-will, thereby conserving our resources for the assistance and encouragement of home trade. In this connection, it may be well to mention that we propose presently to establish an Agency of the Bank in Paris, not for the purpose of loaning Canadian funds, but to supply necessary banking facilities to Canadians travelling abroad and to further the interests of Canada generally in France.

The harvest in Canada, while not as bountiful as we have reaped in past years, has on the whole been satisfactory. Estimates from authoritative sources place the yield of wheat from the three prairie provinces at 160,000,000 bushels, and from the whole of Canada at approximately 200,000,000 bushels, a large proportion of which is high grade. Saskatchewan, and more particularly Alberta, suffered somewhat through damage by drought and frost, but in Manitoba a full average has been reaped, with an exceptionally good barley crop.

Immigration upon which the future prosperity of this country so largely depends, has been of a somewhat negligible quantity since the outbreak of war, although a number of experienced farmers, with cash capital, have come into the West from the United States.

The total number of immigrants from foreign countries of necessity has not been large. The immigrants entering Canada during 1916-17 numbering 87,000 of whom 78,000 came from the United States. In 1917-18 the total immigration was 55,000, of whom 46,000 came from the United States. The reduction in 1917-18 is no doubt in a large measure due to the entry of the United States into the war and the subsequent draft regulations.

It is confidently expected that we shall receive a large influx from that country to our Western Provinces with the return of peace conditions, as the superior fertility of these lands is becoming more widely recognized; but I am not so sanguine in regard to settlers from Great Britain and foreign countries, where the difficulties of transportation will be an adverse factor, although probably less serious than anticipated. There is also the possibility that some

(Continued on page 1251).

Commercial Union

ASSURANCE COMPANY LIMITED
of LONDON, England

The largest general Insurance Company in the world
(As at 31st December, 1917)

Capital Fully Subscribed.....	\$14,750,000
Capital Paid Up.....	1,475,000
Life Fund, and Special Trust Funds.....	73,045,450
Total Annual Income exceeds.....	57,000,000
Total Funds exceed.....	159,000,000
Total Fire Losses Paid.....	204,667,570
Deposit with Dominion Govern- ment.....	1,323,333

Palatine

INSURANCE COMPANY LIMITED
of LONDON, England

(As at 31st December, 1917)

Capital Fully Paid.....	\$1,000,000
Fire Premiums 1917, Net.....	\$2,896,395
Interest, Net.....	142,130
Total Income.....	\$3,038,525
Funds.....	\$5,476,985
Deposit with Dominion Gov't....	\$318,267

N.B.—In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Funds exceed \$159,000,000.

Applications for Agencies Solicited in Unrepresented Districts

Head Office: CANADIAN BRANCH

COMMERCIAL UNION BUILDING, - 232-236 St. James Street, - MONTREAL

J. MCGREGOR, Manager

W. S. JOPLING, Assistant Manager

Head Office
for Canada;
TORONTO



Eagle

Star

AND

British Dominions
Insurance Company Limited

Of London, England

J. H. RIDDEL, Manager E. C. G. JOHNSON, Asst. Manager

DALE & COMPANY, LIMITED

GENERAL AGENTS

MONTREAL AND TORONTO

Assets
Exceed
\$65,000,000

Head Office
for Canada
TORONTO



Security
over
\$65,000,000

The
BRITISH CROWN

Assurance Corporation Limited

Of Glasgow, Scotland

Guaranteed by Eagle, Star and British Dominions
Insurance Company, Limited, of London, England

J. H. RIDDEL, Manager E. C. G. JOHNSON, Asst. Manager

JOSEPH ROWAT, General Agent

LEWIS BUILDING - - - - - MONTREAL

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

AGENTS

INSURANCE

BROKERS

AETNA INSURANCE CO. OF HARTFORD
ST. PAUL FIRE & MARINE INSURANCE CO.
BRITISH TRADERS INSURANCE CO. LIMITED

11 ST. SACRAMENT STREET
MONTREAL, P.Q.

THE
FIRE INSURANCE COMPANY OF CANADA

MONTREAL

Authorized Capital, \$1,000,000

Subscribed Capital, \$250,000

Paid Up Capital, \$100,000

GENERAL FIRE INSURANCE BUSINESS TRANSACTED

President: Hon. R. DANDURAND

Vice-President and Managing Director: J. E. CLEMENT

BANK OF MONTREAL—101st Annual General Meeting.*(Continued from Page 1249).*

restraint may be placed on intending emigrants by their home Governments for some time to come. Notwithstanding this, however, I feel Canada will attract and receive a very considerable immigration in the not distant future.

Preparing for Post-Bellum Period

Already much preparatory work of practical value to meet post-bellum requirements has been undertaken by other countries, and with wise foresight, the organization of strong central bodies, equipped with large powers, has been encouraged, to link up the great manufacturing industries, the promotion of scientific and industrial research and the employment of a competent intelligence Staff to seek out new markets abroad.

We in Canada have embarked on a shipbuilding programme of considerable magnitude, first important step in preparedness if operated on business lines, as I feel sure it will be, the capital expenditure will be amply justified. The action taken by our Government in appointing a Trade Commission to provide employment for increased tonnage that will soon be available, and to secure for Canada a full share of the large and urgent demands of the devastated countries for reconstruction and replacement purposes as well as for food stuffs, is a further step in preparedness, and is to be commended.

We shall undoubtedly for some years have to pay in relatively high taxation the price of our devotion and patriotism, but I am confident this will be done uncomplainingly, in the belief that all present and prospective difficulties can and will be overcome.

The General Manager's Address.

Sir Frederick Williams-Taylor, the General-Manager of the Bank, said in part:—

The ease with which financial Canada has met the stress of war conditions has been favourably commented upon abroad. At home one hears no expression of surprise at the stable financial conditions in the Dominion.

The real basis of that stability is a banking system that has proved most efficient in peace times and, with the facilities accorded by the Minister of Finance, has withstood the severe test of war times. The system as it stands is, without doubt, adequate to meet any possible demands arising during the reconstruction period and for year's thereafter.

The public, long accustomed to banking stability, now accept it as a matter of course. The strong liquid position of your own bank has been an important factor in the situation.

It is quite possible that the economic and financial problems of the next few years will be more difficult to surmount than those we have faced of late.

The anticipated disturbance in bank deposits resulting from domestic Government war loans has subsided, as was to be expected. Seeing that the proceeds of such loans remain in the country, the money, of necessity, finds its ultimate way back to the banks through one channel or another; and, therefore, the loanable capital of the banks is, in the long run, undiminished. On the other hand, the strength of a banker's position lies largely in his command of numerous small deposits. The volume of deposits has increased by many millions, but the number has not grown proportionately. Our

own deposits are now \$469,727,811.96, as compared with \$350,795,390.72 a year ago. This sum includes \$58,950,000 Bank of British North America money. As usual, we have certain large deposits of special character. The increase in our savings deposits is reasonably satisfactory.

As regards profits, an impression exists that these war years have been unusually fruitful for the banks. The reply is that when adequate provision has been made for unknown future rates of taxation in Canada and elsewhere, for the increased cost of administration, for heavy depreciation in even the most gilt-edged securities, it may be stated without reservation that the net results are none too ample for safety. I would emphasize another point, viz., that while the cost of everything else has risen, the public have paid no higher rates of interest for having banking accommodation than before the war.

The banks of Canada as a whole have out on loan to the merchants, manufacturers and private individuals of this country, secured and unsecured, on business paper and by way of accommodation, \$1,003,593,000. This great sum represents the extent to which the banks may be described as financing Canada's domestic and foreign trade. The amount is apart from \$73,685,136 loaned by the banks on call to brokers.

Helping Expansion of Canada.

With the acquisition of the Bank of British North America we are now the custodians of \$558,413,546.12, of which \$34,468,283.72 belongs to you as shareholders and \$523,945,262.40 is entrusted to our care by the public. It is worthy of note that this Bank's total assets are now as great as were the combined total assets of all the Canadian Chartered banks seventeen years ago. Thirty-four banks were in operation then as compared with nineteen at this date. You may be confident that we have a proper appreciation of the responsibility involved in using this great sum of money. We keep ever before us our duty to our depositors and to the shareholders. At the same time the Bank has a further duty, national in nature, in financing established business and in fostering the young industries of the Dominion; in loaning capital for all legitimate enterprise from the small farmer and live-stock breeder to the great packing and milling industries; from the small trader to the great merchant and manufacturer. Governments, cities, railways and public bodies look to us for temporary financial aid. For these various purposes our power is greater than ever before, and the Bank has never been in a stronger, more elastic position.

There have been fewer commercial failures in Canada than for many years. The number in 1918 was 905, as compared with 1,172 in 1917 and 1,669 in 1913.

Our note circulation has risen to the great height of \$42,082,209.08, or \$12,774,123 more than last year. Present figures naturally include Bank of British North America circulation. The total bank circulation in Canada for the same periods were \$227,597,808 and \$189,852,907 respectively. We look for a rapid post bellum reduction from the abnormal heights caused by high prices and business activity largely of a war nature.

(Continued on page 1253)

The Trust and Loan Co.
OF CANADA

Capital Subscribed \$14,000,000.00
Paid-up Capital 2,920,000.00
Reserve Funds 2,920,000.00

MONEY TO LOAN ON REAL ESTATE

30 St. James Street, Montreal

CANADA PERMANENT MORTGAGE CORPORATION

QUARTERLY DIVIDEND

NOTICE is hereby given that a Dividend of TWO and ONE HALF PER CENT, for the current quarter, being at the rate of TEN PER CENT PER ANNUM on the paid up capital Stock of the Corporation, has been declared, and that the same will be payable on and after THURSDAY, the SECOND day of JANUARY next, to Shareholders of record at the close of business on the Fourteenth day of December.

By order of the Board,
GEO. H. SMITH,
Assistant General Manager.

Toronto, 27th November, 1918.

Prudential Trust Company
LIMITED

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

B. HAL. BROWN, President and Gen. Manager

Western
Assurance Company
Incorporated in 1851

**FIRE, MARINE, EXPLOSION AND
AUTOMOBILE INSURANCE**

ASSETS over \$6,000,000.00

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

DIRECTORS

W. B. MEIKLE, President and General Manager	John Hoskin, K.C., LL.D.
Sir John Aird	Z.A. Lash, K.C., LL.D.
Robt. Bickerdike, (Montreal)	Geo. A. Morrow, O.B.E.
Lt. Col. Henry Brock	Lt. Col. The Hon.
Alfred Cooper, (London, Eng.)	Frederic Nicholls
H. C. Cox	Brig.-General Sir
John H. Fulton, (New York)	Henry Pellatt, C.V.O
D. B. Hanna	E. E. Wood
E. Hay	

HEAD OFFICE - TORONTO

"THE DAWN OF A TO-MORROW"

The war having ended so happily it is believed that a better world will rise out of the ruin—more of beneficence, equality, fraternity and sympathy with "the other fellow" will prevail in the great "to-morrow" that is dawning. Life insurance embodies these great conceptions and will be one of the big movements that "will come into its own." Now is the time to make life insurance your life work. The war has given the institution of life insurance a great impulse and it is appreciated to-day as never before. It is a calling for men of the highest abilities and the finest character. Sell life insurance; and sell Mutual Life Insurance, for the Mutual system is popular because it is based upon strictly democratic principles. If not as an agent then as a member you will be welcomed into our organization.

The Mutual Life Assurance Co. of Canada
WATERLOC, ONTARIO

The LIFE AGENTS' MANUAL
THE CHRONICLE - - MONTREAL

A BRITISH COMPANY

Union Insurance Society of Canton, Limited
ESTABLISHED 1833

Head Office: HONGKONG Assets over \$18,000,000

TOTAL ASSETS—Union and Allied Companies, \$30,000,000

FIRE, MARINE AND AUTOMOBILE

Head Office for Canada, 36 Toronto Street, TORONTO

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

BANK OF MONTREAL.
101st Annual General Meeting.

(Continued from page 1251)

Our New York and London offices have been invaluable channels for international transactions during the war.

Problem of Exchange.

The Dominion has been penalized during the past year by a heavy premium on New York funds. This new condition is a matter of widespread interest. All Allied countries have been at a similar disadvantage in their dealings with the United States during war conditions. Our dollar is worth at present only ninety-eight and a half cents in the United States. In other words, it costs one dollar and fifty cents to send one hundred dollars across the line. The one and a half per cent in question is lost to us. Canada receives no counter-value. In simple language the obvious explanation is that more money is going out of than coming into the Dominion. The prime factors are our imports, our exports and our interest payments. Our exports in fact exceed our imports, but Great Britain, by arrangement, has not been paying in cash for munitions manufactured here on Imperial Government account. On the other hand it is pertinent to mention that Canada is not paying in cash the cost of maintaining our overseas forces.

In theory, there are four ways in which this onerous penalty can be removed; by increased exports, by reduced imports; by paying in gold, or by borrowing in outside markets. None of these remedies is at hand, but with the return of peace Canada should at least be able to float public loans in New York. Then also we can hope for better things so far as imports and exports are concerned. Also there is on balance a large amount owing our Government by the Imperial Government and \$200,000,000 owing the Banks of Canada by the Imperial Government representing wheat and munition purchases. In due course these combined amounts will aid the exchange situation. The premium in question should therefore diminish sooner or later to a point that will be immaterial. Meantime it discourages the importation of non-essentials from the United States, and the investment of Canadian funds in American and foreign securities.

In conclusion, it will bear repeating, that Canada possesses all the attributes of a great nation excepting population. The crying necessity of the hour is for increased production. This cannot be fully achieved without immigration. We have room and opportunity for many millions of farmers and for a good class of labour to develop our mineral wealth and our fisheries and to convert our great forests into lumber and into pulp and paper. One sure way of attracting such immigration, is to make living in Canada cheap. To attain this object there must be an end to the public and private extravagances of the past.

CANADIAN FIRE RECORD

Fire at Montreal.—By the fire which occurred on the 29th ult., on the premises of Bannockburn Clothing Manufacturer, 319 St. James St., the following companies are interested. Yorkshire, \$5,000; Rochester, \$2,500; London & Lancashire, \$2,500; Great American, \$5,000; Caledonian, \$1,500; Northern, \$4,500; General Fire, \$1,500; British Empire Underwriters, \$1,500; Hartford, \$3,000; London Assurance, \$3,000; Strathcona, \$2,500; London

Guarantee, \$2,500. Total, \$35,000. Loss 85 per cent.

Fire at Gananoque, P.Q.—On the 28th ult. the summer cottage owned by Dr. Young was destroyed by fire.

Fire at Montreal.—On the 2nd instant a fire occurred in the shops of the Shawinigan Water & Power Co., 575 Orleans St. Loss about \$15,000.

Fire at Sydney, N.S.—On the 1st instant, a fire broke out in the nail plant of the Dominion Steel Corporation, Sydney. The City & Company firemen removed about \$3,000,000 worth of Electrical Equipment to safety, before much damage was done.

Fire at Toronto.—On the 29th ult. a fire broke out in the Allen Appleford Counter-check Company's building at 12 Johnson St., entailing a loss of about \$8,000.

Fire at Elora, Ont.—By the fire which occurred on the 18th ult. on the premises of T. E. Bissel, manufacturer of Implements, the following companies are interested, many of them unlicensed to do business in Canada:

Ohio Millers	\$25,000
Mill Owners	10,000
Millers National	9,500
Northwestern National	5,000
Dominion Fire	5,000
Nationale of Paris	5,000
Fire Ins. Co. of Canada	5,000
British Colonial	5,000
Provincial of England	4,000
Lloyds	3,000
London Mutual	3,000
Stuyvesant	3,000
Continental	2,500
National Benefit	2,500
Ohio Valley	1,200

Loss \$75,000.

\$117,500

Fire at Toronto.—By the fire which occurred on Nov. 29th, in the plant of the British Forgings, Limited, Toronto, the following companies are interested:—Occidental, \$25,000; Minnesota Undrs., \$20,000; British Colonial, \$20,000; Imperial Undrs., \$15,000; Alliance of England, \$30,000; Providence Washington, \$30,000; Protector Undrs., \$5,000; Hand in Hand, \$10,000; Queen City, \$10,000; Springfield, \$25,000; New York Undrs., \$50,000; Niagara, \$40,000; Great American, \$25,000; General of Perth, \$15,000; Globe & Rutgers, \$25,000; Phoenix of Hartford, \$5,000; London Undrs., \$10,000; Hartford, \$40,000; Lloyds, \$100,000; Hamilton New York, \$20,000; Pacific New York, \$15,000; North River, \$25,000; United States, \$25,000; Richmond, \$25,000; Peoples National, \$15,000; Atlantic City, \$10,000; North Branch and Sundbury, \$10,000; New York National, \$10,000; Georgina Home, \$15,000; Rhode Island, \$15,000; Connecticut, \$5,000; Strathcona, \$7,500; London Mutual, \$5,000; London & Lancs, \$310,000; Home, \$75,000; Norwich Union, \$50,000; Sun, \$35,000; Ocean, \$30,000; British Crown, \$25,000; Hartford, \$85,000; Montreal Undrs., \$20,000; Western, \$50,000; Rochester Undrs., \$15,000; Pacific Coast, \$5,000; Northern, \$30,000; Pennsylvania, \$15,000; Century, \$5,000; Westchester, \$10,000; Continental, \$25,000; Alliance of Philadelphia, \$20,000; Commercial Union, \$60,000; British Dominions, \$10,000; Canada National, \$10,000; British America, \$50,000; Canadian, \$7,500; Caledonian,

(Continued on page 1259)

What An Agent Wants

A Company whose name, everywhere a household word, is his best introduction. Prestige is a door opener, and age and size are impressive.

Policies that are unexcelled. Big dividends. Strength and safety that need no demonstration. Unsurpassed service to policy-holders — the thing that makes solid patrons out of first-time customers.

The Oldest Company in America! Come with it and you will **stay** with it, and it will **stay** with you!

For terms to producing Agents address:

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

34 Nassau Street . . . New York City

THE London Assurance CORPORATION OF ENGLAND.

INCORPORATED BY ROYAL CHARTER A. D. 1720

CAPITAL PAID UP \$ 2,241,375
TOTAL ASSETS EXCEED 36,000,000

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

THE PROVIDENT ASSURANCE COMPANY

All lines of
**Accidents, Sickness,
Liability, Guarantee and
Automobile Insurance**

Head Office

189 St. James St. - - Montreal

REPRESENTATIVES WANTED FOR ONTARIO AND
MARITIME PROVINCES

ATLAS ASSURANCE COMPANY LIMITED

Founded in the Reign of George III

Subscribed Capital - - - \$ 11,000,000
Capital Paid Up - - - - - 1,320,000
Additional Funds - - - - - 22,141,355

The Company enjoys the highest reputation for prompt and liberal settlement of claims and will be glad to receive applications for agencies from gentlemen in a position to introduce business.

Head Office for Canada:

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

Established 1886

Queensland Insurance Co. Limited of Sydney, N. S. W.

Capital Paid Up \$1,250,000 Assets \$3,185,605

Agents Wanted in Unrepresented Districts.

Managers for Canada:

Montreal Agencies Limited, Montreal



Assets:
\$22,022,227.19

Surplus:
\$7,426,114.26

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

L'UNION

FIRE INSURANCE COMPANY, Limited
Established 1828 Head Office: PARIS, France.

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

Fire and General Reserve Funds 5,949,000.00
Available Balance from Profit

and Loss Account 113,266.84
Net Premiums in 1917 6,136,055.28
Total Losses paid to 31 Dec.,
1917 104,117,000.00

Canadian Branch:

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

BANK OF MONTREAL

ANNUAL STATEMENT

Statement of the result of the Business of the Bank for the Year ended 31st October, 1918

Balance of Profit and Loss Account, 31st October, 1917.....	\$	1,664,893.08
Profits for the year ended 31st October, 1918, after deducting charges of management, and making full provision for all bad and doubtful debts.....		2,562,720.14
	\$	4,227,613.22
Quarterly Dividend 2½ per cent. paid 1st March, 1918.....	\$	400,000.00
Quarterly Dividend 2½ per cent. paid 1st June, 1918.....		400,000.00
Bonus—1 per cent. paid 1st June, 1918.....		160,000.00
Quarterly Dividend 2½ per cent. paid 1st Sept., 1918.....		400,000.00
Quarterly Dividend 2½ per cent. payable 1st Dec., 1918.....		400,000.00
Bonus—1 per cent. payable 1st Dec., 1918.....		160,000.00
	\$	1,920,000.00
War Tax on Bank Note Circulation to 31st October, 1918.....		160,000.00
Subscriptions to Patriotic Funds.....		46,000.00
Reservation for Bank Premises.....		200,000.00
		2,326,000.00
Balance of Profit and Loss carried forward.....	\$	1,901,613.22

GENERAL STATEMENT, 31st October, 1918

LIABILITIES

Capital Stock.....		\$ 16,000,000.00
Rest.....	\$	16,000,000.00
Balance of Profits carried forward.....		1,901,613.22
	\$	17,901,613.22
Unclaimed Dividends.....		6,670.50
Quarterly Dividend, payable 1st December, 1918.....	\$400,000.00	
Bonus of 1% payable 1st December, 1918.....	160,000.00	
		560,000.00
		18,468,283.72
	\$	34,468,283.72
Notes of the Bank in circulation.....	\$	42,082,200.08
Deposits not bearing interest.....		124,175,047.41
Deposits bearing interest, including interest accrued to date of statement.....		345,552,704.55
Deposits made by and Balances due to other Banks in Canada.....		4,315,348.92
Balances due to Banks and Banking Correspondents elsewhere than in Canada.....		3,086,740.51
Bills payable.....		311,894.45
		519,524,004.92
Acceptances under Letters of Credit.....		3,674,865.17
Liabilities not included in the foregoing.....		746,392.31
		\$558,413,546.12

ASSETS

Gold and Silver Coin current.....	\$	25,492,841.03
Dominion notes.....		68,531,256.00
Deposit in the Central Gold Reserves.....		27,700,000.00
Balances due by Banks and Banking Correspondents elsewhere than in Canada.....	\$14,703,461.29	
Call and Short (not exceeding thirty days) Loans in Great Britain and United States.....	97,029,549.19	
Call and Short (not exceeding thirty days) Loans in Canada.....	2,371,387.74	
		114,104,398.22
Dominion and Provincial Government Securities not exceeding market value.....		46,870,586.00
Railway and Other Bonds, Debentures and Stocks not exceeding market value.....		11,375,199.29
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian.....		52,085,835.19
Notes of other Banks.....		2,767,397.00
Cheques on other Banks.....		21,424,138.77
		\$370,351,651.50
Current Loans and Discounts in Canada (less rebate of interest).....		146,028,861.28
Loans to Cities, Towns, Municipalities and School Districts.....		15,598,069.21
Current Loans and Discounts elsewhere than in Canada (less rebate of interest).....		14,649,836.95
Overdue debts, estimated loss provided for.....		855,445.15
		177,132,212.59
Bank Premises at not more than cost (less amounts written off).....		6,000,000.00
Liabilities of Customers under Letters of Credit (as per Contra).....		3,674,865.17
Deposit with the Minister for the purposes of the Circulation Fund.....		1,038,166.60
Other Assets not included in the foregoing.....		216,650.26
		\$558,413,546.12

VINCENT MEREDITH,
President.

FREDERICK WILLIAMS-TAYLOR,
General Manager.



**LONDON &
LANCASHIRE
FIRE**
INSURANCE COMPANY
LIMITED

Security - - \$36,000,000

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

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



**LONDON &
LANCASHIRE
GUARANTEE &
ACCIDENT**

**PERSONAL ACCIDENT
SICKNESS
FIDELITY GUARANTEE**

**PLATE GLASS
AUTOMOBILE
GENERAL LIABILITY**

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

Mount Royal Assurance Company

SURPLUS AND RESERVES, \$970,499 TOTAL FUNDS, \$1,199,903

TOTAL LOSSES PAID \$2,224,512

Applications for Agencies Invited

HEAD OFFICE - - - - MONTREAL

P. J. PERRIN and J. R. MACDONALD, - - - Joint Managers

Ætna Insurance Company
Established in Canada 1821

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

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

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

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

Agencies throughout the Dominion.

EXCELSIOR
INSURANCE LIFE COMPANY
A Strong Canadian Company

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

The Law Union & Rock
INSURANCE CO. LIMITED, LONDON. Founded in 1906

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

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

INSURANCE SALESMEN, ATTENTION!

We have one or two choice vacancies in Western Ontario awaiting District Managers, for men of character and ability. If you are a productive worker, and would like to improve your position, write, stating experience, etc., to

H. A. KENTY, Superintendent of Agencies,

THE CONTINENTAL LIFE INSURANCE CO.

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

THE MONTREAL CITY and DISTRICT SAVINGS BANK

NOTICE is hereby given that a Dividend of Two Dollars and Fifty Cents per share has been declared on the Capital Stock called and paid up of this bank, and will be payable at its Head Office, in this City, on and after Thursday, the second day of January, next, to shareholders of record the 14th of December, at 12 o'clock noon.

By order of the Board,

A. P. LESPERANCE, Manager.

Montreal, 23th November, 1918.

WANTED

A Fire Insurance Company wants a bright, energetic young man as Montreal Inspector. Apply, stating full particulars, to—

INSPECTOR,
c/o The Chronicle,
Montreal.

WANTED

Young man to take charge of the Casualty business and Casualty Claims Department in a General Brokers' Office. Reply stating experience, to

CASUALTY,
c/o The Chronicle,
Montreal.

CANADIAN FIRE UNDERWRITERS ASSOCIATION, MONTREAL, RECEIVE LETTER OF APPRECIATION

The Chairman of the United States War Industries Board, Washington, has written the Canadian Fire Underwriters Association, Montreal, a letter of appreciation for valuable services rendered by the Association throughout the period of the war in aiding to prevent destruction by fire of the plants under their jurisdiction, where war orders were placed by the United States Government. The C.F.U.A. placed Inspectors and Surveys at the full disposal of the United States War Industries Board, of which Mr. B. M. Baruch is the Chairman.

We believe the above tribute is well merited, and we have no doubt that the Canadian Manufacturers, who are constantly benefitting by the work undertaken by the C.F.U.A. through its corps of efficient inspectors for the improvement of their risks, will gladly endorse the above letter of appreciation.

Editor.

WANTED

A leading Casualty Company requires Inspector for the Province of Quebec. Apply, stating full particulars, to

CASUALTY INSPECTOR,
c/o The Chronicle,
Montreal.

WANTED

By a British Fire Insurance Company, Clerk with experience in Plans or Re-insurance Departments. Apply to

P. O. Box 2760,
Montreal.



The Cost of Smoking

Do you know that the cost of your two or three cigars—say a quarter a day—will maintain about \$4,000 of life assurance for a man between 25 and 30?

You can afford to smoke, sure! But you can also afford an Imperial Life Policy to provide for your wife and little ones should death call you suddenly. For particulars write to

THE IMPERIAL LIFE
Assurance Company of Canada
HEAD OFFICE - TORONTO



The Northern Assurance Co. Limited

Of England

ACCUMULATED FUNDS, 1917. - \$48,384,320.00

Including Paid up Capital \$1,460,000.00

Head Office for Canada: Lewis Building, 17 St. John Street, Montreal
G. E. MOBERLY, Manager



RAILWAY PASSENGERS ASSURANCE CO.

OF LONDON, ENGLAND

DEPARTMENTS:

ACCIDENT, HEALTH, EMPLOYERS' AND PUBLIC
LIABILITY, MOTOR CAR, ELEVATOR, TEAMS, PLATE
GLASS, BURGLARY, AND FIDELITY BONDING

Head Office for Canada and Newfoundland - - - TORONTO
F. H. RUSSELL, General Manager

THE ST. PAUL FIRE AND MARINE INSURANCE COMPANY

INCORPORATED 1865

REPRESENTED IN TORONTO BY

ASSETS OVER \$13,000,000

McADAM, SHERRITT & COMPANY
General Agents

Excelsior Life Building

36 Toronto Street

BRITISH TRADERS' INSURANCE COMPANY, LIMITED

Head Office: HONG KONG

ESTABLISHED 1865

Head Office for Canada: TORONTO

FIRE & MARINE INSURANCE

LOSSES PAID SINCE ORGANIZATION OVER \$50,000,000

C. R. G. JOHNSON, POIRIER & JENNINGS, Inc., General Agents,
MONTREAL

Manager for Canada, C. R. DRAYTON

The Canada National Fire Insurance Company

HEAD OFFICE: WINNIPEG, MAN.

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

A Canadian Company investing its Funds in Canada

APPLICATIONS FOR AGENCIES INVITED

THE STRATHCONA FIRE INSURANCE COMPANY

HEAD OFFICE, 90 St. James Street, MONTREAL

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

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

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

FIRE AT TORONTO

(Continued from page 1253)

\$10,000; Equitable, \$5,000; Fireman's Fund, \$10,000; General of Paris, \$7,500; London Assurance, \$20,000; North Empire, \$10,000; North Br. & M., \$50,000; Minnesota Undrs., \$5,000; Royal, \$45,000; Queen, \$20,000; Hudson Bay, \$15,000; Lloyds, \$155,000; Scottish Union, \$250,000; St. Lawrence Undrs., \$5,000; Stuyvesant, \$10,000; National of Paris, \$20,000; Mount Royal, \$40,000; London Mutual, \$10,000; Gore Mutual, \$5,000; Fidelity Undrs., \$15,000; Dominion, \$7,500; Palatine, \$30,000; North

America, \$50,000; Br. Empire, \$10,000; Canada Acc., \$15,000; Emp. Liability, \$30,000; Aetna, \$30,000; Fidelity Phenix, \$30,000; London Guar. & Acc., \$25,000; Fire Ins. of Canada, \$10,000; Total, \$2,365,000. Loss about 10 per cent.

LONDON & LANCASHIRE FIRE INSURANCE CO. SUBSCRIPTION TO VICTORY LOAN

The London & Lancashire Fire Insurance Company subscription to the Victory Loan of \$100,000 was not included in the list of Insurance Companies subscriptions published in a recent issue.

A REAL OPPORTUNITY

For Men Who Have Had Selling Experience of Any Kind

Here is an independent line of work with immense opportunities for the man who has character and selling capacity. You deal with the new and rich fields of Life, Income, Pension and Indemnity insurance. You earn an income that is limited only by the energy and ability you put into your work.

We start you into business: we give you a Free Course in Salesmanship, and help you to make good. Write to-day.

Sales Department:

Canada Life Assurance Company

Toronto, Ont.



BRITISH COLONIAL

FIRE INSURANCE COMPANY

MONTREAL

Authorized Capital, \$2,000,000.00

Subscribed Capital, \$1,000,000.00

Paid-up Capital, \$247,015.79

General Fire Insurance Business Transacted

THEODORE MEUNIER
Manager

REGINALD B. GAUDIN
Assistant Manager

THE YORKSHIRE INSURANCE COMPANY, LIMITED

ESTAB. 1824

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

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

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

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

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

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

Canadian Manager.
P. M. WICKHAM, Montreal

APPLICATIONS FOR AGENCIES are invited from responsible persons.



THE EMPLOYERS'

Liability Assurance Corporation, Limited
of LONDON, England

Transacts

AUTOMOBILE INSURANCE
covering ACCIDENT, PROPERTY, DAMAGE, COLLISION, FIRE, THEFT
and TRANSPORTATION

PERSONAL ACCIDENT, HEALTH, LIABILITY, PASSENGER and FREIGHT
ELEVATOR, FIDELITY GUARANTEE, CONTRACT BONDS
and FIRE INSURANCE

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

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

APPLICATIONS FOR AGENCIES INVITED

Canadian
Government
Deposit

\$1,342,455.00

Stands First

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



TRANSACTS:

Personal Accident	Automobile
Sickness	Burglary
Liability [All Kinds]	Postal
Fidelity Guarantee	

HEAD OFFICE: 302 St. James Street, MONTREAL
F. J. J. STARK, General Manager
C. H. McFadyen & Co., Limited, General Agents
Paris Building, Winnipeg, Man.



AUTOMOBILE INSURANCE

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

The "OCEAN" can meet these requirements under one contract

Branch Office: MERCHANTS BANK BUILDING, MONTREAL

ARTHUR JAMES, Superintendent. H. GORDON WARING,
Inspector, Automobile Department.

Canadian Head Office: Ocean Insurance Building, TORONTO

The Dominion of Canada Guarantee & Accident Ins. Co.

**The Oldest and
Strongest Canadian
Casualty Company**

TRANSACTS:

ACCIDENT	SICKNESS	PLATE GLASS
BURGLARY	AUTOMOBILE INSURANCE	
GUARANTEE BONDS	<u>FIRE INSURANCE</u>	

E. ROBERTS, Manager
701, LEWIS BUILDING, MONTREAL

C. A. WITHERS, General Manager
TORONTO

Branches: WINNIPEG CALGARY VANCOUVER

CONSTRUCTION OF SO-CALLED "STANDARD" POLICIES OR CLAUSES

M. L. HAYWARD, B.C.L.

There is no principle of insurance more firmly established than this, that doubtful expression occurring in a policy of insurance are to be construed most strongly in favour of the insured and against the company, the reason underlying this rule being that the companies prepare their own policies with the greatest care and deliberation for their own protection; that the insured has no election except to take the policy as it is written, that if the company had intended the unfavourable construction to govern, it would have provided for the same in unmistakable terms, and that it is only fair that these doubtful terms should be construed against the company in order to carry out the object for which the insurance was obtained.

This rule was established by the Courts, however, at a time when each company had a free hand in preparing its own policy; but in Canada, the various Provinces have prescribed certain so-called "statutory conditions" which shall apply to all policies, the object being to secure uniformity and to protect the interest of the insured.

Across the line many of the States have "gone one better" and have prescribed a complete policy, known as the "standard policy," so that every policy issued in the State contains uniform terms.

"A law providing for a uniform policy, known as the standard policy, and which makes its use compulsory upon insurance companies," says a New York Court, "marks a most important and useful advance in legislation relating to contracts of insurance. The practice which prevailed before this enactment, whereby each company prescribed the form of its contract, led to great diversity in the condition of insurance policies, and frequently to rank injustice. Parties taking insurance are often misled by unusual clauses or obscure phrases, which are often so printed so as to elude discovery. Unconscionable defences based upon such conditions, were not infrequent, and Courts seem sometimes to have been embarrassed in the attempt to reconcile the claims of justice to the law of contracts. Under the law providing for a standard policy, companies are not permitted to insert conditions in the policies at their will. The policies they now issue must be uniform in their provisions, arrangement and type. Persons seeking insurance come to understand to a greater extent than heretofore the contract into which they enter."

In connection with these "standard policies" or "statutory conditions," which are prescribed by the legislative power and must be uniform in all cases, a rather important point arises, as in some cases the insurance companies have contended that the above rule, namely, that the doubtful terms in insurance policies shall be construed most strongly against the company, does not apply to a standard policy, on the ground that since the law compels the company to use a standard policy the company cannot be regarded as selecting the terms of the policy, and that the company should not, therefore, be compelled to have the policy construed most strongly against itself, as the reason for that rule, namely, that the policy was prepared by the company itself, now no longer exists.

This point has been before the American Courts on several occasions, and, while there seems to be

considerable in the argument of the insurance companies, the Courts have decided against them, and hold that doubtful terms occurring in a standard policy are still to be construed in favour of the insured.

"While many of the unfair features of the earlier policies have been eliminated from the modern standard policies," says a leading American textbook on insurance, "the Courts still apply to this instrument the same rule of construction which they applied to the old form. Any doubtful terms are always construed in favour of the insured. It has been contended inasmuch as the law compels the use of the standard policy, and will not allow any variance from it, except in certain limited particulars, the company cannot be regarded as selecting any of the terms of the contract and should not be subjected to an unfavourable rule of construction on that account."

This contention, however, has been held to be without merit, for the terms of these standard policies were chosen with reference to the construction by the Courts of similar terms in other policies, and, therefore, ought to be regarded as being used in the sense of their previous construction. It is also apparent from an examination of these instruments, as well as from the history of their adoption, that their terms are really chosen by the underwriters with particular reference to their own interests."

"Nor has the rule the doubtful terms are to be construed favourable to the insured, been changed," says the North Carolina Court, and similar decisions have been given by the Courts of Kentucky, Michigan, Maine, Pennsylvania and other American Courts.

LIEUT. R. A. ROBERTSON WOUNDED.

Lieutenant Robert A. Robertson, (Gordon Highlanders) son of Mr. John Robertson, Joint General Manager of the Northern Assurance Company, was severely wounded in the left arm in France last month. He is now in Hospital in England, and is making good progress.—Post Magazine.

AN IMPORTANT SUIT.

A policyholder has brought suit against the Travelers Insurance Co. of Hartford for \$136,000, and the case is of interest to all life companies because it involves the question of the extent of the company's liability under total and permanent disability.

It seems that the policyholder in question had taken a policy in the Travelers for \$100,000, paying on it a half-yearly premium. Shortly afterwards in alighting from a train he was thrown under the wheels, losing both feet. Under the policy the company agreed to pay \$6,800 annually for 20 years in the event that the assured should suffer total and permanent disability, the loss of both feet being defined as that. As the company did not pay the first annual instalment within one year of the date of injury, the policyholder has brought suit for the whole 20 instalments.

The company's defence is that the policyholder had paid only one half-yearly premium, while the policy provided that the total and permanent disability provision should be effective only after one full yearly premium had been paid.

Aside from the very large amount involved, the after-effects on the total and permanent disability feature in life policies will give the case very great interest in life insurance circles.

DALE & COMPANY, Limited
Marine and Fire Underwriters
CORISTINE BUILDING, - MONTREAL

All classes of Insurance underwritten or placed in reliable companies.

Branch Offices at TORONTO, HALIFAX and VANCOUVER
LLOYD'S, AGENTS MONTREAL

Life Insurance Salesmen

Your best interests, and those of your clients, are best served by representing a Company in which you and they have absolute confidence.

THE NATIONAL LIFE
ASSURANCE COMPANY OF CANADA

has been doing business for nearly twenty years. Its policies are up-to-date and liberal. It has over \$3,000,000 invested in Government, Municipal and School District Bonds—the highest class of security known. It is well managed and progressive, and the exceptionally high standard of strength and stability has been steadily maintained since the inception of the Company, twenty years ago. Write for particulars.

Head Office : National Life Chambers, TORONTO

"The Oldest Scottish Fire Office"

The Caledonian
Insurance Co. of Edinburgh
 Founded 1865.

Head Office for Canada,
Dominion Express Building
Montreal

JOHN G. BORTHWICK,
 Canadian Manager

THE LONDON MUTUAL FIRE
INSURANCE COMPANY
 ESTABLISHED 1859

Assets - - - - -	\$753,417.06
Surplus to Policyholders - - - - -	411,908.66



DIRECTORS :

A. H. C. CARSON, Toronto	President
R. HOME SMITH, Toronto	Vice-President
F. D. WILLIAMS	Managing Director
A. C. McMASTER, K.C.	W. T. KERNAHAN
S. G. M. NESBITT	H. N. COWAN
G. H. WILLIAMS	

HEAD OFFICE - 33 SCOTT ST., TORONTO

QUEBEC BRANCH OFFICE
 LEWIS BUILDING, ST. JOHN STREET MONTREAL
 BRANCH MANAGER, W. J. CLEARY

SCOTTISH UNION AND NATIONAL
Insurance Company, 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

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

Canadian Banking Practice
 On Sale by The Chronicle, Montreal

THE LIFE AGENT'S MANUAL
 PUBLISHED BY THE CHRONICLE, MONTREAL