

The Chronicle

Banking, Insurance and Finance

ESTABLISHED JANUARY, 1881

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THE GENERAL FINANCIAL SITUATION

The recent circular issued by the President of the Canadian Bankers' Association, pointing out the necessity for conservation and curtailment of banking credits, has been taken by the business community as an intimation that lines of credit will be carefully overhauled during the next five or six months, especially during the period in which the banks are making their new series of advances to the Dominion Treasury. Returns issued by the Finance Department show that in April and May the banks rediscounted further amounts of their securities (or commercial paper) at the Treasury, causing thereby a corresponding increase in the volume of Dominion note circulation not covered by gold. Thus the bank statement for May showed an increase of \$8,000,000 in the Dominion notes held in bank vaults, while at the same time the Dominion notes pledged by the banks in Central Gold Reserves increased \$5,400,000. This increase of over \$13,000,000 in the direct and indirect holdings of the banks is balanced by the rise of the Dominion note circulation from \$255,600,000 to \$268,700,000. Dominion notes outstanding against deposits of approved securities, under Finance Act, 1914, being \$95,145,000 on May 31st, as against \$81,895,000 on April 30th. The increase of \$13,250,000 in issues against securities during May followed an increase of \$5,230,000 in April. So in the two months, the banks have rediscounted paper to the extent of \$18,480,000. Although no official explanations of the purpose of the loans have appeared, the general belief is that the banks turned in British Treasury bills, or other approved securities, to the Finance Minister to provide in part the necessary funds for carrying the enlarged credit lines of farming, mercantile and manufacturing customers. It will be noted that the banks were obliged to expand their current loans and discounts in Canada, between January 31, 1918 and May 31, \$42,000,000.

The special issues of Dominion notes against securities on May 31, notwithstanding the increase of \$18,000,000 in the two months, were still below the high level reached in December 1917. These issues were called into play extensively last fall to enable the banks to finance the harvests in such manner as to ensure that producers would be paid cash on delivery as usual. On September 30, the special issues were \$11,450,000; on October 31, \$53,620,000; on November 30, \$91,070,000; and on December 31, \$98,270,000. From December 31, to March 31, 1918, the banks were repaying their loans, and in consequence the Dominion note issues contracted the issues based on securities falling to

\$76,665,000 on March 31. Similarly when the special loans which caused the note expansion of this spring are repaid, the Dominion issues will again contract. Probably it will be necessary in the fall to have recourse extensively to this method of finance. These proceedings throw a side-light on the general monetary situation, and they give point to the circular on conservation of credits issued by Mr. Pease. As the bankers were obliged to rediscount their securities last month, in order to provide the means for fresh loans to regular customers, it seems certain that when they this month commence to make their large special loans to the Minister of Finance, they will be forced to regulate their ordinary loans and discount carefully, after the manner suggested in the Bankers' Association circular.

It is not thought that further regulation of credits will have a material effect upon interest and discount rates. The quotations for call and time loans on bonds and stocks and for the best grades of mercantile paper have not varied greatly for some time, and it is expected that the market will be fairly steady during the immediate future. American exchange continues to be quoted at premiums substantially above 2 per cent. As the business community has abandoned its hopes of a large Dominion loan in the United States, it does not seem that relief can come suddenly or quickly from other directions. Such relief as is obtained through reduction of our adverse trade balance and as a result of American war orders placed here will necessarily take effect slowly or gradually. When the 1918 grain crops go out, however, there will likely be a pronounced improvement in the exchange situation.

Financial atmosphere in London steadily grows brighter as a result of the improving military aspect. While waiting for Hindenburg's final grand assault the Allies in the West are every few days winning local successes of considerable importance at various points on the long battle line. These smart actions, in which the Americans frequently participated, have served to keep up Allied confidence and presumably they have disarranged, to some extent, enemy plans.

Bank of England rate holds, without change, at 5 per cent; discount bills in the open market at London also are unchanged at 3½ and 3 9-16.

In New York call money ranged from 4 to 6 per cent. Time money continues to rule at 6 per cent, borrowers however endeavor to supply their wants at 5¼ on industrial collateral and 5½ on mixed collateral. Mercantile paper commands 5¼ to 6 per cent.

(Continued on Page 725)



BANK OF MONTREAL

ESTABLISHED 100 YEARS (1817-1917)

Capital Paid up, \$16,000,000

Rest, \$16,000,000

Undivided Profits, \$1,784,979

Total Assets - - \$426,322,096

BOARD OF DIRECTORS:

Sir Vincent Meredith, Bart., President
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Head Office: MONTREAL

General Manager—Sir Frederick Williams-Taylor

BRANCHES OF THE BANK LOCATED IN ALL IMPORTANT CITIES AND TOWNS IN THE DOMINION.

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

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

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.

PRINCIPAL BRANCHES OUTSIDE OF CANADA:

LONDON, Eng.: 47 Threadneedle St., E.C.
 G. C. CASSELS, Manager.

Sub-Agency: 9 Waterloo Place
 Pall Mall, S.W.
 Trafalgar Square Branch

CHICAGO: 108 South La Salle Street.

NEW YORK: 64 Wall Street

R. Y. HERDEN
 W. A. BOG
 A. T. SMITH
 Agents

SPOKANE: Washington.

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

THE CANADIAN BANK OF COMMERCE

Established 1867

Head Office: TORONTO

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

Rest - - - - 13,500,000

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L.
 President

SIR JOHN AIRD, General Manager.
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BRANCHES OF THE BANK IN EVERY PROVINCE OF CANADA AND AT THE FOLLOWING POINTS OUTSIDE CANADA:

Great Britain—London. Mexico—Mexico City.

United States—New York; Portland, Ore.; San
 Francisco, Cal.; Seattle, Wash.

Newfoundland—St. John's.

Agents and Correspondents throughout the World

The Molsons Bank

Incorporated by Act of Parliament 1855

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

Reserve Fund - - 4,800,000

HEAD OFFICE - - MONTREAL

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

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

EDWARD C. PRATT

General Manager

THE BANK OF BRITISH NORTH AMERICA

Established in 1836 Incorporated by Royal Charter in 1840

Paid-up Capital - \$4,866,666
Reserve Fund, - 3,017,333

Head Office:

3 GRACECHURCH STREET, LONDON, E.C. 3

Capt. JACKSON DODDS Secretary W. S. GOLDBY Manager

Court of Directors

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 J. H. Woodie J. H. Mayne Campbell E. A. Hoare
 Lieut. E. Geoffrey Hoare, R.N.V.R.
 Frederic Lubbock Major C. W. Tomkinson
 G. D. Whatman Hon. A. R. Mills, M.P.

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ST. JAMES STREET, MONTREAL

Advisory Committee in Montreal:

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 W. R. MILLER W. R. MACINNES

H. B. MACKENZIE, General Manager

- J. ANDERSON, Superintendent of Branches.
- O. R. ROWLEY, Superintendent of Eastern Branches, Montreal.
- J. McEACHERN, Superintendent of Central Branches, Winnipeg.
- A. S. HALL, Inspector of Branch Returns.
- J. H. GILLARD and N. V. R. HUUS, Inspectors, Montreal.

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 Indies

G. B. GERRARD, Manager, Montreal Branch

The MERCHANTS BANK OF CANADA

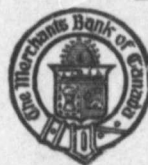
HEAD OFFICE - MONTREAL

Capital Paid-up - \$7,000,000
Reserve and Undivided Profits 7,437,973
Total Deposits (May, 1918) 113,000,000
Total Assets (May 1918) - 144,000,000

BOARD OF DIRECTORS:

SIR H. MONTAGU ALLAN, C.V.O., President
 K. W. BLACKWELL, Vice-President
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 D. C. MACAROW, General Manager
 T. E. MERRETT, Supt. of Branches and Chief Inspector

Collections For Business Houses



The satisfactory service which The Merchants Bank renders to Business Houses, in the matter of collecting Notes, Drafts and other financial paper, is due to the number and strategic location of its branches throughout Canada, and the efficient system in force.

Special attention is given to Collections, returns are promptly made and credited, losses are often prevented by the care and thoroughness with which we do this part of our work. 236 Branches and Agencies in Canada extending from the Atlantic to the Pacific.

ESTABLISHED - 1875

IMPERIAL BANK OF CANADA

DIVIDEND No. 112

NOTICE is hereby given that a dividend at the rate of TWELVE PER CENT. (12 p.c.) per annum upon the paid-up capital Stock of this institution has been declared for the three months ending 31st July, 1918, and that the same will be payable at the Head Office and Branches on and after Wednesday the 1st day of August next.

The transfer books will be closed from the 17th to the 31st August, 1918, both days inclusive.

By order of the Board,

E. HAY,

General Manager.

Toronto, 19th June, 1918.

THE ROYAL BANK OF CANADA

Incorporated 1869

Capital Paid Up, \$14,000,000

Reserves, \$15,000,000 Assets, \$360,000,000

Head Office, Montreal

462 BRANCHES THROUGHOUT CANADA

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

BRITISH WEST INDIES

Branches in Antigua, Bahamas, Barbados, Dominica, Grenada, Jamaica, Montserrat, Nevis, St. Kitts, Tobago, Trinidad, British Guiana and British Honduras
Spain, Barcelona, Plaza de Catalina 6

London, Eng.
Princes Street, E.C.

New York
Cor. William & Cedar Sts.

SAVINGS DEPARTMENT

In connection with all Branches. Accounts opened with deposits of ONE DOLLAR and upwards. Interest paid or credited at highest current rates.

Victory Loan Securities

Will be accepted for safekeeping from subscribers for moderate amounts for one year free of charge.

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

THE DOMINION BANK

160 St. James Street, MONTREAL

M. S. BOGERT, Manager

THE BANK OF TORONTO

Incorporated 1855.

Head Office: TORONTO, Canada

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

Reserved Funds, \$6,555,306

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

Bankers—NEW YORK—National Bank of Commerce.
CHICAGO—First National Bank.
LONDON, ENG.—London City and Midland Bank, Limited.

DIRECTORS.

W. G. GOODERHAM, *President*
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WILLIAM STONE,
JOHN MACDONALD
LT.-COL. A. E. GOODERHAM,
BRIG.-GEN. F. S. MEIGHEN,
J. L. ENGLEHART,
WM. I. GEAR,
PAUL J. MYLER,
A. H. CAMPBELL,
THOS. F. HOW, *Gen. Manager*,
JOHN R. LAMB, *Assistant Gen. Manager*,
D. C. GRANT, *Chief Inspector*.

THE BANK OF NOVA SCOTIA

INCORPORATED 1832

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

Head Office - - HALIFAX, N.S.
CHARLES ARCHIBALD, President
Genl. 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

Capital Paid-Up \$4,000,000
Rest \$4,750,000

94 Branches in Canada

Conservation of Resources means success.

Conserve YOUR assets by building up a Bank Account.

Savings Department at all Branches.

The Home Bank of Canada



Original Charter 1854

Branches and Connections throughout Canada

MONTREAL OFFICES:

Transportation Bldg., St. James Street

Hochelaga Branch:

Cor. Davidson and Ontario Streets

Versun Branch:

1318 Wellington Street

The Chronicle

Banking, Insurance and Finance

ESTABLISHED 1881. PUBLISHED EVERY FRIDAY
F. WILSON-SMITH, Proprietor and Managing Editor.

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10 ST. JOHN STREET, MONTREAL.

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MONTREAL, FRIDAY, JULY 12, 1918

THE GENERAL FINANCIAL SITUATION

(Continued From Front Page.)

New York clearing house banks, in their Saturday statement reported a decrease of \$145,400,000 in excess reserves, thus more than offsetting the large gain of \$124,000,000 shown the preceding week. The excess reserve was thus reduced to \$26,000,000. Loans decreased \$15,400,000; reserve in Federal Reserve Bank decreased \$155,900,000; and net demand deposits decreased \$98,000,000. The week covered the July dividend and interest disbursements, and doubtless these were in no small degree responsible for the loss of reserve strength. Possibly also financing by the United States Government would also have a tendency in the same direction. Reports from New York are that many financiers there look for a period of comparatively easy call money. They say that if money is easy circumstances will be favorable for a rise in stocks. Also if favorable news is forthcoming from France, Italy or Russia, this would react upon the stock market in all probability. For example should the Huns launch their great drive and encounter a defeat comparable with that suffered by Austria, the markets would doubtless reflect that happening very promptly.

CAPITAL LEVY FOR ENGLAND URGED BY MR. SYDNEY ARNOLD, M.P.

Sydney Arnold, M.P., discussed his proposal to ease the financial burden after the war by a levy on capital in a speech made before the Trades and Labour Council at Penistone recently.

Mr. Arnold said that national finance, always a subject of great importance, would be of vital importance after the war. "Looking at the country's financial position as a whole," he said, "higher direct taxation should have been proposed in the recent Budget. At least such an amount should be raised by permanent taxation now as would make the annual revenue of the country equal to the estimated peace expenditure when the war was over. Otherwise it would be necessary to impose fresh taxation after the declaration of peace. The heaviest burden of taxation should be borne during the currency of the war.

"Mr. Bonar Law estimated in his Budget speech that if the war ended next March the post-war expenditure would be about £650,000,000 per annum. I think that the figure would be about \$720,000,000, and I consider that the Chancellor of the Exchequer in his estimate did not allow enough for the ultimate cost of war pensions or for various other things.

"Must Raise Direct Taxation."

"A large sum must be available for social reform, particularly for national health and housing. In my indirect taxation, and therefore direct taxation will

view it is out of the question, on balance, to increase have to be higher. I calculate that if the war ends next March the general rate of the income tax would be 7s 6d in the £1. The only alternative is to reduce the national debt by a capital levy, and this in my opinion would be much the best way of dealing with the problem.

"It must be remembered that the choice would not be between a capital levy and nothing. The choice would be between a capital levy and a high income tax, and the balance of advantage lies with a capital levy. As a matter of sound economics this is clearly so, because the great bulk of the war debt would be wiped off from capital instead of being a charge for many years to come on income.

"War stock holders would not be penalized under a capital levy. On the contrary, those who held war stock would be in a better position than those who did not. It has been said that a capital levy would discourage thrift. It would be less discouragement to thrift than a high income tax. Surely it would discourage thrift if a man felt that in future 7s 6d in the £1 or more of the interest on his savings would be taken in income tax.

"No objection is valid against a capital levy if the same objection applied to a high income tax. In short, a capital levy after the war is practical, equitable and economically sound; and combined, as it would be, with a large and immediate reduction in income tax, a capital levy would be preferable to any alternative plan."

Plan Finds Supporters.

"Mr. Arnold put the main point of the advocates of a capital levy quite correctly," says the Manchester "Guardian." "An immense revenue has to be raised to meet an immense debt. It will have to come in the main from the classes able to pay. Those classes are the possessors of the larger incomes, whether from property already realized or from present earnings. They must be taxed, therefore, either on capital or on earnings.

"If the whole burden is put on earnings it will raise the income tax to a figure which few care to contemplate, and it will raise it with little prospect of relief, for the new charge will be permanent. Something may be done by further graduation of death duties, but the amount so obtainable is limited by the fact that when death duties rise beyond a certain point people begin to evade them by transfers of property during their lifetime.

"There remains the question of a levy on all accumulated wealth, land or capital. Such a levy has three advantages. It would be used to wipe off a sensible proportion of the debt at one stroke, thereby doing much to repair the national credit. Secondly, it would fall on wealth already realized, and would not be a handicap on the efforts of men to repair their position by increasing their incomes. Thirdly, from the taxpayers' point of view, though bad to meet it would have to be met once only and then would be over and done with.

"Mr. Arnold dismissed the fear that it would discourage thrift. That might be the effect of any predatory legislation undertaken in the spirit of a class war. People will not accumulate if they lack confidence in the social and political system. But there is no suggestion of predatory motives. The object is to pay for a war which intimately concerns the nation as a whole, and the propertied classes

(Continued on page 727).



THE LIVERPOOL AND LONDON AND GLOBE INSURANCE COMPANY LIMITED

CANADIAN BRANCH HEAD OFFICE - MONTREAL

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



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Liability Guaranteed by THE LIVERPOOL and LONDON and GLOBE Insurance Company Limited
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 J. D. Simpson, Assistant Secretary.
 M. Chevallier, 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



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Liability Guaranteed by THE LIVERPOOL and LONDON and GLOBE Insurance Company Limited
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CASUALTY Insurance including Accident, Sickness, Guarantee, Burglary
 Employers' Liability and Automobile

== FIRE INSURANCE ==

John Hemo 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. Chevallier 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 \$22,000,000

DIRECTORS FOR CANADA:
 A. J. DAWES, Esq. H. B. MACKENZIE, Esq.
 E. F. HERBURN, 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

CAPITAL LEVY FOR ENGLAND URGED BY MR. SYDNEY ARNOLD, M.P.

(Continued from page 727).

certainly not less than others—a war in which so many hundreds of thousands have given their lives that the sacrifice of property is small in comparison. "There is no fear that the circumstances will recur, and if the propertied classes throughout the world will actively interest themselves they are the best able to prevent its recurrence. We do not say that these arguments would apply to a levy of a crushing proportion. But a levy averaging 10 or 15 per cent. and suitably graduated would make a considerable hole in the war debt and would ruin nobody."—New York Journal of Commerce.

TRAFFIC RETURNS.

Canadian Pacific Railway.				
Year to date	1916	1917	1918	Increase
May 31 ...	\$49,909,000	\$56,569,000	\$58,185,000	\$1,616,000
Week ending	1916	1917	1918	Increase
June 7 ...	2,674,000	2,927,000	2,846,000	*81,000
" 14 ...	2,920,000	3,165,000	2,914,100	*63,700
" 21 ...	2,631,000	2,939,000	2,849,000	*90,000
" 30 ...	3,409,000	3,975,000	3,419,000	*556,000
Grand Trunk Railway.				
Year to date	1916	1917	1918	Increase
May 31 ...	\$22,162,815	\$24,274,445	\$25,560,375	\$1,285,930
Week ending	1916	1917	1918	Increase
June 7 ...	\$ 1,147,091	\$ 1,333,194	\$ 1,383,669	-50,475
" 14 ...	1,113,418	1,348,185	1,541,392	193,207
" 21 ...	1,152,446	1,441,424	1,621,993	180,569
" 30 ...	1,736,084	2,104,316	2,411,295	306,979
Canadian Northern Railway.				
Year to date	1916	1917	1918	Increase
May 31 ...	\$12,669,200	\$15,564,600	\$16,562,700	\$98,100
Week ending	1916	1917	1918	Increase
June 7 ...	\$ 1,107,091	\$906,700	\$843,100	*61,600
" 14 ...	880,400	916,800	853,000	*251,000
" 21 ...	744,300	911,400	916,300	4,900
" 30 ...	1,122,800	1,311,700	1,414,600	-162,900

*—Decrease.

SURPLUS BELONGS TO POLICYHOLDERS.

The U. S. Circuit Court of Appeals has decided that the net surplus of the Equitable Life Assurance Society belongs to the policyholders and not to the stockholders.

The decision was made on an appeal from a U. S. District Court decision, which had denied a preliminary injunction to restrain the society from using the net surplus to buy and retire its capital.

The case is one of considerably long standing, having been brought by the Royal Trust Co. as administrator of the estate of Sir William Van Horne, the noted Canadian railroad builder and financier who was one of those lost when the Titanic went down a few years ago. Sir William held a considerable stock interest in the Equitable and his administrators sought to obtain what they considered his share of the net surplus of the society because of these holdings. Officials of the company held that the surplus belonged to the policyholders. The matter was taken to the courts, and the present decision seems to be final.

CAN'T HAVE A REDUCTION.

About the only thing of interest regarding the local fire insurance situation is the move of the Halifax Board of Control to ask for a reduction in the rates. The interesting thing about this move is the fact that the Board of Control did not go directly to the Board

of Fire Underwriters, but asked the Board of Trade to intercede for them. Something like Miles Standish sending John Alden to Priscilla to propose for him. The only explanation of this diffidence on the part of the Board of Control is the fact that the Board of Trade had used its influence to urge the city to carry out certain reforms, and now, perhaps, the Board of Control wishes to fasten on the Board of Trade the blame for any failure to get a reduction in rates; for failure must obviously follow any such application at this juncture. The city authorities have done precious little to deserve a reduction, for while they have installed a few more paid men and a little more modern apparatus, they have made no attempt at all to reform the water service, and the fire alarm system is most unreliable, as experience in its failure to work properly has demonstrated on several occasions lately. So the underwriters have to send a refusal to the Board of Control, through the intermediary, the Board of Trade. And very lucky is Halifax in not having the rates actually increased for the underwriting experience in the Maritime Provinces has been as bad probably as in any other part of the continent, and while we have had no increase here, there have been very important increases both in other parts of Canada and in the United States, where fire protection facilities are much more elaborate.—The Maritime Merchant.

The expression, "not worth a copper," did not arise from the use of copper settings for plate glass, but some underwriters swear it applies to them.

"'Aim high' is a good copy-book maxim that doesn't help much with an army rifle."

ESTABLISHED 1873

Standard Bank

of CANADA

ESTABLISHED 1873.

QUARTERLY DIVIDEND NOTICE,
No. 111.

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 July, 1918, and that the same will be payable at Head Office in this City, and at its branches on and after Thursday, the 1st day of August, to Shareholders of record the 22nd July, 1918.

By Order of the Board,
C. H. EASSON,
General Manager.

Toronto, March 23rd, 1918.

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



FIDELITY (FIRE) UNDERWRITERS

OF NEW YORK

HENRY EVANS, President

Policies assumed half by the Fidelity-Phenix Fire Insurance Company
and half by the Continental Insurance Company

Combined Assets Exceed \$56,766,868

HEAD OFFICE FOR CANADA AND NEWFOUNDLAND:

W. E. BALDWIN, Manager.

17 St. John Street, Montreal.

A Fire Insurance Policy does not cover

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

NOVA-SCOTIA-FIRE UNDERWRITERS AGENCY

PREMIUM RATES MAY BE HAD FROM

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

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

AGENTS

INSURANCE

BROKERS

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

11 ST. SACRAMENT STREET
MONTREAL, P.Q.

ALLIANCE ASSURANCE CO., LIMITED, OF LONDON, ENGLAND.

Established in 1824 the great Alliance Assurance Company of London, England, with a conspicuously successful career and a position of outstanding influence in the insurance world covering nearly a century, has probably the most powerful and desirable connections of any other institution of a similar character in the world.

Notwithstanding the continuance of adverse conditions, usual in war times, the statement for 1917 reveals an increase in premiums of nearly \$5,000,000, the departments mainly responsible for this large advance being Fire and Marine. The total net premiums from all departments amounted to \$25,249,755, while the total revenue (including interest and other receipts) amounted to \$30,000,000. The assets of this wealthy concern have been increased to \$135,570,679 (not including an uncalled capital of \$22,250,000). At date of the annual meeting the large amount of \$27,500,000 was represented by British Government securities.

Fire Department.

For many years, a large majority of the British Fire offices have been operating in the United States, the premiums derived from this enormous field, constituting a substantial proportion to such companies total premium incomes. It has always been well known that the Alliance of London, England, does not operate its fire department in the United States, and notwithstanding this the company's net fire premiums for 1917 amounted to \$7,580,525, an increase of \$734,730 as compared with the preceding year. This substantial advance was largely attributable to increase in the value of commodities generally. The high connections, and the consequent commanding position, held by the Alliance, and especially in London, England, where its fire premium income is greater than that of any other company, has long been a matter of history. A loss ratio of 41.4 per cent. of premium receipts, as compared with the exceptionally low ratio of 34.4 per cent. recorded in 1916, demonstrates very clearly the unusually choice character of the company's fire business, and the excellent methods of its management.

Including contributions to fire brigades, &c., expenses of the fire department totalled \$2,524,955, a ratio of 37.3 per cent. to fire premiums, as compared with 38.8 per cent. in 1916, and after providing 40 per cent. of the increase in premiums to meet the consequent increased liabilities, a net trading profit of \$1,321,455 is recorded. The sum of \$358,680 was derived from interest, making a total of \$1,680,135 transferred to profit and loss from the fire account. The fire insurance fund has been increased to \$10,928,985, (which is equivalent to 144.2 per cent. of the annual premiums), which may be considered an unusually high record for any Company.

Canadian Business.

Entering the Canadian field 26 years ago, the Company's high prestige has been well maintained with a most desirable organization throughout the most important centres of the Dominion. With every indication of expansion, the results of the fire department in recent years have been

most satisfactory. Last year the net cash received for premiums amounted to \$308,203, as compared with \$246,250 in 1916. Associated with this growth in premiums was a loss ratio of 45.50 per cent. following a ratio of \$50.04 per cent. and 42.97 per cent. in the immediately preceding years. In addition to its fire business a casualty branch has been operating for the past year in Canada, and the business in this department is being gradually enlarged, with careful underwriting. Mr. T. D. Belfield, manager for Canada, is known as an underwriter of great experience. He entered the service of the Imperial Fire (absorbed by the Alliance) forty years ago, and has been manager of the Canadian branch of the Alliance since 1905.

SHERBROOKE P.O. AND FIRE PROTECTION.

La Tribune:—"Regarding the conflagration which destroyed recently an Alberta town, the statement is made that the cities and towns of the West are not sufficiently protected against fires. This evil not only exists in the West, but it exists as well in Sherbrooke. For some years past industries have been established here and are being developed in a remarkable degree in this part of the town, yet the municipal council has not furnished them with that protection from fire to which they are entitled. The nearest fire station to our manufacturing establishments is situated more than a quarter of a mile distant, that is to say, far enough to permit, as was the case not long since, fire to get under good headway before any help can reach the scene. The distance, however, is not all, for the difficulties in the road must also be taken into consideration, when an alarm is sounded calling the firemen from the central station to the west ward. Such a hilly route cannot be covered in the wink of an eye, hence the difficulty to be encountered. We have on different occasions asked for the construction of a fire station nearer at hand, and the interested parties have seconded our request, but nothing of a practical nature has yet been accomplished, although a post capable of giving immediate assistance is absolutely necessary. In the meantime the manufacturing establishments spoken of just now, the Sacred Heart Hospice, the Church of Notre Dame, and a great number of other important edifices, are practically at the mercy of the devouring element, whose ravages were witnessed recently. This situation has already lasted too long, and the Canadian Underwriters' Association commences to show its teeth."

SCHOOL BONDS FOR SALE

Tenders addressed to the undersigned, will be received up to half-past nine o'clock in the morning of Tuesday, July 16th, for the purchase of \$900,000 of six per cent. serial bonds of the Protestant Board of School Commissioners of the City of Montreal.

Full particulars will be given upon application.

C. J. BINMORE,
Treasurer,
36 Belmont Street.

The Trust and Loan Co.

OF CANADA

Capital Subscribed \$14,000,000.00
 Paid-up Capital 2,920,000.00
 Reserve Funds 2,753,996.38

MONEY TO LOAN ON REAL ESTATE

30 St. James Street, Montreal

Prudential Trust Company

LIMITED

Head Office

9 St. John St.,
 Montreal

Trustee for Bondholders
 Transfer Agent & Registrar
 Administrator Receiver Executor
 Liquidator Guardian Assignee
 Trustee Custodian
 Real Estate and Insurance Departments
 Insurance of every kind placed at
 lowest possible rates.

Safety Deposit
 Vaults

Terms Ex-
 ceptionally
 moderate.

Correspond-
 ence invited

B. HAL. BROWN, President and Gen. Manager

A Practical Pointer on Salesmanship

It is of first importance in good salesmanship to select a worth-while article to sell, something about which you can become enthusiastic with a reason—a reason that will last. In life insurance salesmanship, for instance, a discriminating agent would naturally select the policies of the Mutual Life of Canada because—first, the company is well-established; second, it has an unblemished record; third, it has a continental reputation as a dividend payer; fourth, it is a democratic organization; fifth, it is a wonderfully successful going concern; and, lastly, being the only Canadian policyholders' company, its contracts find a ready market. Where a company is so favorably known one-half of the trouble of making the sale is avoided. If you get the best goods in your line and go to it, success is certain. Last year our agents placed \$20,000,000 paid for business.

The Mutual Life Assurance Co. of Canada
 WATERLOO, ONTARIO

CHARLES RUBY, Gen. Mgr.

E. P. CLEMENT, K.C., Pres.

The LIFE AGENTS' MANUAL

THE CHRONICLE - - MONTREAL

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
 Sir John Aird Z. A. Lash, K.C., LL.D.
 Robt. Bickerdike, Geo. A. Morrow, O.B.E.
 Alfred Cooper Lt. Col. The Hon.
 H. C. Cox Frederick Nicholls
 D. B. Hanna Brig.-General Sir
 E. Hay Henry Fellatt, C.V.O.
 John Hoskin, K.C., LL.D. E. R. Wood

HEAD OFFICE - TORONTO

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

A BRITISH COMPANY

Union Insurance Society of Canton, Limited

ESTABLISHED 1835

Head Office: HONGKONG

Assets over \$17,000,000

FIRE, MARINE AND AUTOMOBILE

Head Office for Canada, 36 Toronto Street, TORONTO

General Agent Montreal, JOSEPH ROWAT

Manager for Canada, C. R. DRAYTON

FIRE MARINE CASUALTY ■ AUTOMOBILE
ALLIANCE ASSURANCE CO., LIMITED
OF LONDON, ENGLAND

EXTRACTS FROM THE REPORT FOR THE YEAR 1917

Premiums (Fire, Life, Marine, Casualty, etc.)	\$25,249,755
Interest derived from Investments	4,549,790
Total	<u>\$29,799,545</u>
Total Assets of the Company	<u>\$135,570,695</u>

FUNDS OF THE COMPANY

The total Funds of the Company at the 31st December, 1917 were as follows:—They are subject to revaluation of the securities at the close of the current quinquennial term on the 31st December, 1918.

Paid Up Capital	\$ 5,000,000
Life Assurance and Annuity Funds	89,732,660
Sinking Fund and Capital Redemption Fund	5,208,815
Fire Insurance Fund	10,928,985
Marine Insurance Fund	8,428,745
Casualty and Miscellaneous Insurance Funds (which include \$402,935 for estimated outstanding claims on the accounts) ..	2,643,015
General Fund	918,335
Reserve for Contingencies arising out of the War	500,000
Reserve for Excess Profits Duty not yet adjusted	500,000
Profit and Loss Account (subject to Dividend on Share Capital)	6,246,800
	<u>130,107,355</u>
Reserve for Outstanding Claims and other Liabilities (as per Balance Sheet)	5,463,340

\$5 taken as equivalent to £1 Stg.

\$135,570,695

Canadian Branch:
10 ST. JOHN STREET, MONTREAL
T. D. BELFIELD, Branch Manager



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



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. B. STEWART, Special Agent, 36 Toronto Street,
 TORONTO, Ont.

E. 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 1866

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.

UP-TO-DATE INSURANCE SALESMEN!

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

H. A. KENTY, Superintendent of Agencies,

THE CONTINENTAL LIFE INSURANCE CO.

GEORGE B. WOODS, President.

TORONTO, Ont.

CHAS. H. FULLER, Secretary.

A RADICAL REPORT.

For some years past, as has from time to time been announced, the Commission of Conservation has had under its consideration the problems presented by Canada's fire waste and the methods pursued by the fire companies operating in the Dominion. Mr. J. Grove Smith, formerly, if we mistake not, an official of the C.F.U.A., has had the matter in hand on behalf of the Commission, and a few days ago issued a report of his conclusions. We have not yet had the advantage of pursuing the full report, but the newspaper summaries which have been sent out, suggest that it is a document which certainly does not lack interest, whatever opinions may be held regarding the wisdom of some of its conclusions.

What Mr. Smith has to say in connection with the extent of the Canadian Fire Waste, and its causes will not be new to the Chronicle readers. Mr. Smith makes some admirable recommendations, particularly in regard to the necessity of better building by-laws and their strict enforcement, the imperative need for legislation making careless individuals responsible for their acts, and in this matter the courts are giving a lead, and the desirability of a long continued campaign of education of the public. Readers of this journal, however, will be more interested in Mr. Smith's conclusions about the business of fire insurance. They are radical enough. There are too many agents, they are paid too highly, the method of compensating them is all wrong, a contingent commission system is essential, and the expenses of the insurance companies are altogether excessive.

We may be wrong, but the newspaper summaries certainly also give the impression, that Mr. Smith is not altogether averse to the idea of Government fire insurance.

There is nothing very original about the programme of reform. Agency problems were being discussed as keenly, thirty years ago as they are today, the allegation that insurance companies, expenses are excessive, is an old story, and the idea that the advent of the millenium depends upon government fire insurance is older still. Fire insurance has been a favourite target for the would-be reformer from time immemorial and faith in the efficiency of Government operation of it, pathetic. But thus far, there has been no proof adduced why the Government should take over the fire insurance business in preference to taking over, say, the retail grocery business. It would be easy enough to present an argument, showing that the present system of free competition, in the retail grocery trade is absurdly wasteful and ridiculously inefficient, and that our old friend, the "ultimate consumer" would save 50 per cent., if he could purchase his butter, cheese, pork, and beans at a government food distribution centre. Mr. H. E. Wells once actually got up an argument of this sort about the milk business. But why government fire insurance any more than government groceries or government milk, or feminine fripperies. Admittedly, the functions of government have been extended vastly in the last four years, and it would be foolish to ignore the possibility of even more sweeping extensions within the next decade. But if other business is to be allowed to go on and prosper, why is fire insurance to be decapitated? Thus far we have not seen an answer.

Mr. Smith is scarcely fair in his comparison of

the ratio of expenses of the fire insurance business with the similar ratio of the customs and the inland revenue departments. The two things are not comparable. There is no analogy between the cost of collecting public dues avoidance of which is punishable, and the cost of collecting premiums for fire insurance, which however essential theoretically are in fact voluntary payments by only a section of the population. Moreover customs and inland revenue dues are not subject to taxation which forms a preceptable and in these days, increasing, proportion of fire insurance expenses. The fact is that although the assertion is made frequently enough. It has yet to be proved that fire insurance expenses in Canada are excessive. They certainly are not so in comparison with those of other countries. The official returns show an average expense ratio of all the Dominion licensed insurance companies, transacting business in Canada last year of approximately 33 per cent. This rate is, we believe not higher than the general rate in the United States, and is certainly not higher than the rate reported from year to year, in their annual statements, by the great English and Scotch Companies, who have some small reputation for not making expenditures recklessly.

Prima Facie, it would be expected that the cost of conducting insurance business in a country like Canada, where the few large cities are hundreds of miles apart, and such a thing as a reasonably thickly populated area, outside those cities is unknown, would be higher than in a thickly populated country. This factor needs to be borne in mind.

Mr. Smith pins his faith for a reform of the Canadian fire insurance business, as he sees it, on a system of contingent commissions, as he terms them, profit sharing commissions. There may be something in the idea of rewarding the good and faithful agent according to his deserts. But the very fact that at this date, after so many years of discussion of the agency problem, this plan has not yet been adopted in any large scale elsewhere so far as we are aware, makes for scepticism as to its practicability and essential effects. Has Mr. Smith considered what the effects would be if such a measure as he proposes as a compulsory contingent commission in regard to unlicensed companies business in Canada? If any legislative action eventually develops as a result of this report, it appears more likely to deal with the matter than with any other of the collateral questions discussed by Mr. Smith. As regards a government scheme of fire insurance it does not seem likely in spite of the movement of the present times that this will become a really live question in Canada, in the immediate future. Governmental financial responsibilities are at the present time heavy enough without any attempt to shoulder an additional load, now being very conveniently carried by others.

MOUNT ROYAL APPOINTMENTS.

Mr. Arthur A. Lefavre for the past fourteen years inspector of the Norwich Union at Montreal has resigned that position to accept the position of Inspector for the Province of Quebec for the Mount Royal Assurance Company. Previous to his connection with the Norwich Union, Mr. Lefavre was for thirteen years Inspector of the North British & Mercantile.

Mr. J. Deslongchamps for past ten years cashier of the Mount Royal Assurance Co. has been promoted to the position of Secretary Treasurer.

THE CHIEF CONSIDERATION

Is the safety of your money your chief consideration in deciding upon an investment for it? Then you cannot find a more satisfactory investment than this Corporation's Debentures. To bring them within the reach of the smallest investor, they are issued for sums as small as one hundred dollars. This does not preclude their selection by investors of large sums, large numbers of whom hold them for many thousands of dollars. They are a legal investment for Trust Funds, and many Executors and Trustees save themselves worry and anxiety by investing in them. They are held in large sums by Insurance Companies, Benevolent and Fraternal Societies, and similar institutions. Send for specimen Debenture, copy Annual Report, etc.

CANADA PERMANENT MORTGAGE CORPORATION

Paid-up Capital and Reserve Fund: \$11,250,000.00
TORONTO STREET, TORONTO.

ESTABLISHED 1855

Seventy-Five Years Ago

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

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

THE OLDEST COMPANY IN AMERICA IS
THE COMPANY FOR YOU.

For terms to producing agents address

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

34 Nassau Street - - - New York City

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

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

	Income	Funds
At the Accession of		
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, 1917 9,633,665 22,416,355
In addition the Company has a Subscribed Capital of Eleven Million Dollars (of which \$1,320,000 is paid up.)

Agents wanted in unrepresented districts.

Head Office for Canada:

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



Assets:
\$22,022,227.19

Surplus:
\$7,426,114.26

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

**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.

L'UNION

FIRE INSURANCE COMPANY, Limited

Established 1828 Head Office: PARIS, France.

Capital fully subscribed - - - \$2,000,000.00
25 p. c. paid-up
Fire Reserve Funds - - - 5,539,000.00
Available Balance from Profit
and Loss account - - - 111,521.46
Net Premiums in 1916 - - - 5,630,376.43
Total Losses paid to 31 Dec., 1916 100,942,000.00

Canadian Branch:

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

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

In deference to the request made by some valued readers of The Chronicle, we publish the following article, which has already appeared in our issue of the 28th ult. As it has an important bearing on the value of Life Insurance the article concerns all our readers, and not merely those engaged in the Life Insurance business.

LIFE INSURANCE, WITHOUT A PARALLEL.

In comparing the institution of life insurance with the various financial and benevolent enterprises of which we have any knowledge, we are forced to the conclusion that it is not paralleled by any other, and that the advantages claimed by any and all of the various schemes, for the accumulation of wealth, the conservation of the public interests, in the provisions made for the carrying on the business of the country by our chartered banks, the protection of the people from loss by fire and tempest, the accommodations provided by government and other savings banks, for the convenience and comfort of the people, as well as the organization and sustenance of charitable guilds, etc. are only secondary as compared with the benefits conferred upon mankind by life insurance.

Our banks have done and are doing grand work in their own way. But every dollar received from a bank in times of difficulty, must be paid back, and very properly so, as unless this is done, it would be impossible for the bank to continue in business. If death overtakes the borrower before his debt is paid his estate must pay the loan, even if the last dollar is needed for that purpose, and the family are compelled to seek shelter from the storm in the homes of strangers. How is it with life insurance? A single premium if paid in season, provides the policy which stands between the little ones, and want, when the funeral is over. The creditors may be as unfeeling as the most pronounced shylock, but the law protects a life insurance company in paying over to the bereaved ones, at the time they most need it, the amount secured them by the beneficence of a system as yet comparatively misunderstood. The Chronicle says "misunderstood", because with a proper understanding of its merits, there would be none uninsured.

Our orphanages, children's homes, houses of Providence, etc., are doing a good work, but the most they can dole out is charity, and in this every day world of ours, while such homes are better than actual starvation, the comforts they furnish fall far short of what might have been in store for the inmates, if only the fathers of those little ones had protected them by life insurance. In many instances the presence of these waifs in those homes means, that a poor heart broken mother, being left utterly penniless by the loss of her protector has battled heroically with a cruel fate, until worn out at last with the hopelessness of her future, she has laid herself down to die, commending her little ones to the tender mercies of those about her. In how many cases would even a limited amount of insurance have changed all this?

Our fire, marine, accident and other branches of insurance are bulwarks of protection to the millions of business men scattered throughout Christendom. Fortunes are saved to the owners by the existence of these institutions, and without them an element of great danger to the interests of the nation would be abroad. But after all, buildings and ships may be insured for generations and no serious contingency arise, while man has but one life, and the culmination

of that is terribly certain. He must die. No matter what special interests he represents, no matter how dependent on his efforts his family may be, no matter how he stands towards the community which has been benefitted by the wisdom of his counsels, he is taken away just as if his life was of no value. And even if property is lost, in most cases a man's all is not taken, and if it is, he still has the world before him, and can have a living, even if not the living to which he has been accustomed. But the loss of the family hand is a different matter. If a man could choose the time of his taking off, or if he knew of a certainty, that at a given day in a certain year, he would be compelled to take leave of his surroundings, he might be able to arrange his affairs, that he would be missed but little. But the uncertainty of death admonishes all thoughtful men that the preparation should be present and continuous.

In the absence of accumulated fortune, the necessity for using capital, in case of the ordinary business man, makes it impossible for him to so arrange it that his family is always safe. Just here is where life insurance is needed, no matter how subtle the approach of disease, or how sudden the summons which hurries him away, a life insurance policy takes his place as a provider and not only so, but helps to save his estate from ruin. The savings banks of the country have their uses, and are of incalculable value, to any community. They encourage habits of thrift, and assist in training people to be self-reliant and helpful. They discourage extravagance by inducing people to husband their resources, and tempt them by payment of interest to allow their earnings, to accumulate. But side by side with a policy in a well selected, and carefully managed life company, the savings bank goes to the wall.

Let any man early in life place fifty dollars per annum in a savings bank, and a similar amount on a life policy, and even if he lives to a green old age, this life insurance premium will produce the best results, while all the time it possesses this enormous advantage. His fifty dollars in the saving banks will produce the amount deposited, plus the interest, should he die during the year, while the amount invested in life insurance, would produce at least a couple of thousand dollars.

The best men everywhere are insured, lawyers, doctors, clergymen, bankers, statesmen and all men of prominence in every walk of life, have recognized the claim of life insurance, and have allied themselves with it.

A business succeeds only as it serves.

Do more than your bit; do all you can.

A man is worth what his ideas are worth.

As long as anyone is dissatisfied there's hope.

A lot of problems solve themselves if let alone.
Hard work always stands at the top of the list of factors in success.

What's become of the fellow who, the minute you came in to talk business, grabbed their hats and suggested retiring to the nearest wet grocery.
—Cottrell's Magazine.

There are at least two ways of losing money on plate glass underwriting—cutting rates and hiring a boy to run the business.

New York Life Insurance Co.

FIVE YEARS OF EFFICIENT SERVICE
INCLUDING
THREE AND ONE-HALF YEARS OF WAR TIME

During the Five Years ending December 31, 1917, the New York Life	
Received in Income.....	\$667,884,000
Paid Policy-holders.....	382,875,000
Increased its Resources.....	215,272,000
Increased its Insurance in Force.....	503,535,000
THE BUSINESS OF 1917 EXCEEDED THAT OF 1912.	
In Income.....	\$27,325,000
In Amount Paid Policy-holders.....	25,337,000
In New Insurance.....	119,917,000

The increase in Business and Resources in Five Years equals the Business and Resources of a very substantial life insurance company, and this new Company is returning to policy-holders 92 per cent. of its entire income. It is also adding forty million dollars a year to its resources and one hundred millions a year to its insurance in force.

HELPING WIN THE WAR.

Since the war began, in August, 1914, the New York Life paid to December 31, 1917, 998 war losses amounting to \$3,007,223. There were 238 reported losses for \$607,084 awaiting proof on December 31. The Company had so carefully guarded itself against extra mortality by reason of war that, notwithstanding the world-wide character of the conflict, the percentage of its actual to its expected mortality has not been appreciably affected. This percentage for 1917 was 70.85—the lowest of any year since the Company has kept complete mortality statistics.

The Company owned Liberty Bonds on January 1, 1918, to the amount of \$12,075,000, and subscribed for \$20,000,000 of the Third Liberty Loan.

There are Four Hundred and Twenty-six Stars in the Company's Service Flag, and one of the Home Office boys—Frank J. Brandreth, of the Rainbow Division, has already won the French War Cross.

The Company has afforded the Government every assistance in its power in formulating and carrying out the plan of Government Insurance on the lives of soldiers and sailors. Agents are forbidden to accept applications from soldiers or sailors unless they have already taken the limit with the Government.

EVERY MAN'S BUSINESS.

Just now it is every man's business to Help Win the War. Our daily occupations are incidental; winning the war is our real business.

Winning the war is our real business because back of that lies the chief and ultimate purpose of life—making the world a safe place for women and children. And that is the aim of Life Insurance in war time and in time of peace.

The Government has recognized this in the provision made by life insurance for the families of those who die or are disabled in the service. The man who stays at home and does less is a slacker.

NEW YORK LIFE INSURANCE CO.,
DARWIN P. KINGSLEY, President.

EAGLE, STAR AND BRITISH DOMINIONS INSURANCE CO.

LIMITED

Assets over \$61,000,000 Premium Income over \$14,000,000

FIRE and MARINE

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

THE YORKSHIRE INSURANCE COMPANY, LIMITED

ESTAB. 1824

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

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

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

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

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DIRECTORS { 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.

FIRE COMPANIES' EXPERIENCE BY PROVINCES.

In 1917, the insurance department at Ottawa inaugurated the practice of publishing statistics of the business of the Dominion-licensed fire companies arranged according to provinces, and this departure has been continued this year. The details given are net premiums written (less licensed re-insurance) and net losses incurred. From the figures published in the blue-books, the subjoined table has been compiled, showing the experience of the companies by provinces in each of the years 1916 and 1917, and the combined experience of those two years.

A number of interesting facts are shown up effectively in this tabulation. It appears that in the last two years, practically one-half of the companies' Canadian fire premiums have come from the two provinces of Ontario and Quebec, Ontario itself being responsible for a third of the whole. Experience in that province, which constitutes the most important fire insurance field in Canada, has been decidedly bad during the last two years. A two-year loss ratio as high as 69.3 per cent. means a heavy loss to the companies, particularly in these days when with expanding premium income, increased reserve is no light item. Nova Scotia's two-year record is proportionately as bad as that of Ontario, although the actual amounts involved are very much less. The case of Prince Edward Island is interesting. There was a conflagration of moderate size at Summerside in December, 1916, and with the limited premium income coming from the Island, it will in consequence need several years of relatively good business, to bring down the Island's loss ratio to a reasonable level.

While these statistics are interesting so far as

they go, a word of caution is perhaps necessary in regard to their use, as they can be easily misused to prove what in fact they do not prove at all. It will be noted that outside the two provinces of Ontario and Quebec, the figures of the fire insurance business of any single Canadian province are very small. They are in fact so small that a conflagration of only moderate size in any one province would have a pronounced effect upon loss ratios. The possibilities of conflagration in numerous centres throughout Canada are notorious, and it is upon those possibilities of conflagration that fire insurance ratio generally must be based. Any method of rating which omits to take into consideration these conflagration possibilities is ipso facto unsound. In the case of San Francisco, fire underwriters were much criticised for several years before 1906, because their ratios took into consideration, conflagration possibilities foreseen by fire insurance engineers. After 1906, nothing more was heard of this criticism. Here in Canada, the loudest criticism of fire insurance rates has come, curiously enough, from that province, in which as the records show, the fire underwriters have lost in recent years most money. In any case, considering the possibilities of conflagration at various Canadian centres, the fire insurance business of no single Canadian province is large enough to warrant its selection for the purposes of average. Canadian fire insurance business can only be averaged for the whole Dominion.

These statistics then must be used in argument with caution. But with the Dominion authorities continuing to collect them, there will be available in a few years, a very interesting body of information regarding the growth of the fire business by provinces, the provincial distribution of premium income, and the loss experience by provinces.

FIRE COMPANIES' EXPERIENCE BY PROVINCES, 1916-1917

	Premiums Written 1916	Losses Incurred 1916	% Losses to Premiums 1916	Premiums Written 1917	Losses Incurred 1917	% Losses to Premiums 1917	Total of Premiums Written 1916-17	Losses Incurred 1916-17	% Losses to Premiums 1916-17
	\$	\$	p.c.	\$	\$	p.c.	\$	\$	p.c.
Alberta	2,087,818	1,000,066	47.9	2,431,748	813,007	33.4	4,519,566	1,813,073	40.1
British Columbia	2,915,663	1,314,865	45.1	3,480,396	864,967	24.9	6,396,059	2,179,832	35.7
Manitoba	2,635,394	1,372,749	52.1	2,814,919	1,597,612	56.8	5,450,313	2,970,361	54.5
New Brunswick	1,283,675	776,660	60.5	1,456,135	854,343	58.7	2,739,810	1,631,003	59.5
Nova Scotia	1,246,731	625,392	50.2	1,439,245	1,247,211	86.7	2,685,976	1,872,603	69.8
Ontario	9,735,142	7,550,718	77.6	11,289,839	7,015,384	62.1	21,024,981	14,566,102	69.3
Prince Edward Island	118,065	248,086	210.1	155,031	75,410	48.6	273,096	323,496	118.5
Quebec	6,991,149	3,438,339	49.2	7,734,936	4,616,312	59.7	14,726,085	8,054,651	54.7
Saskatchewan	2,249,037	893,356	49.7	2,753,197	1,220,612	44.3	5,002,234	2,113,968	42.3
Yukon	2,584			3,861	203	5.3	6,445	203	3.1
Floater Premiums undivided	30,062			46,538			76,600		
Totals and Averages	29,295,320	17,220,231	58.8	33,605,845	18,305,061	54.5	62,901,165	35,525,292	56.5

CLAIMS UNDER TORNADO POLICIES

The Spectator, New York, says:— A multiplicity of small claims under tornado policies and a tendency to make claims under such policies for losses by hail are awakening discussion as to the advisability of embracing a clause in tornado policies providing that no claim shall be made for a loss less than \$25. It costs in many instances as much or more to adjust and settle a claim for a few dollars as the amount of

the loss, so that the percentage of adjustment expense is much too heavy on this account. Such a clause would certainly tend to discourage the filing of claims for such small amounts that they would mean little to the average policyholder, whereas, in the aggregate, they amount to a considerable sum for the companies, besides putting the latter to a vast amount of trouble and expense. The plan seems to be at least worthy of serious consideration.

THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated 1833

Fire, Marine, Hail and Automobile Insurance

HEAD OFFICE: TORONTO

Old	Reliable	Progressive
Assets over	- - -	\$3,500,000.00
Losses paid since organization over	- - -	\$43,000,000.00

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NORWICH UNION FIRE INSURANCE SOCIETY, Limited

INSURANCE AGAINST
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Employers' Liability
Automobile, Plate Glass

AGENTS WANTED FOR THE ACCIDENT BRANCH.

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

FOUNDED A. D. 1819

THE GENERAL FIRE INSURANCE COMPANY OF PARIS, FRANCE

SURPLUS TO POLICYHOLDERS, \$5,828,500

THOMAS F. DOBBIN, Manager for Canada.
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Lewis Building, St. John Street, - MONTREAL
Applications for Agencies invited.

THE NATIONALE FIRE INSURANCE COMPANY OF PARIS, FRANCE

SUBSCRIBED CAPITAL	\$2,000,000
TOTAL FUNDS	7,491,390
NET SURPLUS	1,857,150

J. E. Clewett, General Manager
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First British Insurance Office Established in Canada, 1804

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of the
PHOENIX ASSURANCE COMPANY, imited
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,
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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.

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J. B. PATERSON, } Managers

Agents Wanted

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T. D. RICHARDSON, Supt. for Canada
TORONTO

Founded A. D. 1710

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LYMAN ROOT
Manager

BANK AMALGAMATIONS.

The Treasury Committee appointed on March 11th, in London, England, to consider "to what extent, if at all, amalgamations between banks may affect prejudicially the interests of the industrial and mercantile community, and whether it is desirable that legislation should be introduced to prohibit such amalgamations or to provide safeguards under which they might continue to be permitted, have issued their report. The Committee point out that bank absorptions and amalgamations are no new phenomenon in this country, about 300 instances having occurred, more than half of them in the last fifty years. Several recent amalgamations have, however, provoked an unusual amount of interest and have been seriously criticised in certain quarters. The change in public opinion appears to be due mainly to the fact that amalgamations have changed their type and consist no longer in the absorption of a local bank by a larger and more widely spread joint-stock bank, but in the union of two joint-stock banks, both possessing large funds and branches spread over a wide area.

Two main arguments, the Committee say, were laid before them in support of the policy of amalgamation. The first was "the convenience and gain to trade secured by an extension of bank areas." It was claimed that, as the large banks of the past secured certain advantages to trade by collecting deposits from various parts of the country where they were not required and placing them at the disposal of other parts which stood in need of advances, this process could be carried still further with advantage by amalgamating large banks with one another. While admitting the truth of this contention, the Committee remark that there must come a point when the policy of substituting one large bank for two will usually mean a very small extension of area, if any, and some reduction of competition. Moreover, if both the amalgamating units have before amalgamation lent up to their full resources home trade as a whole cannot gain any increase in accommodation as a result of the amalgamation.

They point out that in London an amalgamation can secure no material extension of area, and usually means a net reduction in the number of competing banks in the city, as all other important competitors are already represented there and cannot therefore, as is sometimes the case in other districts, add a new element of competition to counterbalance the amalgamation. Should no such new element arise, there will be a similar net reduction in the number of competing banks in nearly all the most important towns outside London.

The second main argument for amalgamation was that large banks were better for traders, and particularly for large traders; than small banks, because they could safely make individual advances on a more generous scale.

Three main grounds of objection to further amalgamations were brought before the Committee. The first was that amalgamation schemes usually mean a reduction in the total paid-up capital and uncalled liability of the two pre-amalgamation units. They give figures to show that in three cases of amalgamation or proposed amalgamation substantial benefits to shareholders are thus purchased at the expense of some of the security of the depositors, though they say the reduction of capital resulting in two of the cases appears to be merely

nominal. The second ground of objection was based on the dangers of reduced competition, and the third on the danger of monopoly. On the last point the Committee say:

"It has been represented to us that there is a real danger lest one bank, by the gradual extension of its connections, may obtain such a position that it can attract an altogether preponderant amount of banking business; or, alternatively, lest two banks may approach such a position independently and then achieve it by amalgamation.

Any approach to a banking combine or Money Trust, by this or any other means, would undoubtedly cause great apprehension to all classes of the community and give rise to a demand for nationalising the banking trade. Such a combine would mean that the financial safety of the country, and the interest of individual depositors and traders, would be placed in the hands of a few individuals, who would naturally operate mainly in the interests of the shareholders.

While we believe that there is at present no idea of a Money Trust, it appears to us not altogether impossible that circumstances might produce something approaching to it at a comparatively early date. Experience shows that, in order to preserve an approximate equality of resources and of competitive power, the larger English banks consider it necessary to meet each other by important amalgamation, sooner or later, by another. If, therefore, the argument from size is to prevail, it can only lead, and fairly rapidly, to the creation of a very few preponderant combinations; and if those combinations amalgamated, or entered into a joint agreement as to rates and policy, etc., the Money Trust would immediately spring to birth."

The Committee go on to point out that such are the main arguments laid before them against further amalgamations, and they add: "Undoubtedly some of the dangers feared are somewhat problematical and remote, and we should very much have preferred to avoid the necessity for any interference by Government with the administration of banking. But on a careful review of all the above considerations, we are forced to the conclusion that the possible dangers resulting from further large amalgamations are material enough to outweigh the arguments against Government interference, and that, in view of the exceptional extent to which the interests of the whole community depend on banking arrangements, some measure of Government control is essential. Our conclusions on this point were confirmed by the resolution passed at the recent annual meeting of the Association of Chambers of Commerce, in which it was proposed that steps should be taken to guard against amalgamations, etc., shown to be injurious to commercial interests. We therefore recommend that legislation be passed requiring that the prior approval of the Government must be obtained before any amalgamations are announced or carried into effect. And, in order that such legislation may not merely have the effect of producing hidden amalgamations instead, we recommend that all proposals for interlocking directorates, or for agreements which in effect would alter the status of a bank as regards its separate entity and control, or for purchase by one bank of the shares of another bank, be also submitted for the prior approval of the Government before they are carried out.

(Continued on page 741.)



The Northern Assurance Co. Limited

Of England

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

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

Head Office for Canada: Lewis Building, 17 St. John Street, Montreal

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Railway Passengers Assurance Company

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

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

THE ST. PAUL FIRE AND MARINE INSURANCE COMPANY

INCORPORATED 1865

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McADAM, SHERRITT & COMPANY

General Agents

ASSETS OVER \$13,000,000

Excelsior Life Building

36 Toronto Street

BRITISH TRADERS' INSURANCE COMPANY, LIMITED

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Head Office: HONG KONG

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FIRE & MARINE INSURANCE

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

C. R. G. JOHNSON, POIRIER & JENNINGS, Inc., General Agents,
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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 - \$375,644

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

BANK AMALGAMATIONS.

(Continued from page 739.)

As general principles to be acted upon at present by the Government at its discretion, we would suggest that a scheme for amalgamating or absorbing a small local bank, or any scheme of amalgamation designed to secure important new facilities for the public or a really considerable and material extension of area or sphere of activity for the larger of the two banks affected, should normally be considered favourably, but that if an amalgamation scheme involves an appreciable overlap of area without securing such advantages, or would result in undue predominance on the part of the larger bank, it should be refused. Consideration should also, in our opinion, be given to the question of the clerical labour—usually very large—involved by amalgamations during the war, and to the undesirability of permitting an unusual aggregation of deposits without fully adequate capital and reserves.

It only remains to make a suggestion as to which Government Department or Departments should be charged with the responsibility of approving or disapproving amalgamation schemes, etc., under our proposal above. On the whole, we think that the approval both of the Treasury and of the Board of Trade should be obtained and that legislation should be passed requiring the two departments to set up a special Statutory Committee to advise them, the members of which should be nominated by the departments from time to time, for such period as may seem desirable, and should consist of one commercial representative and one financial representative, with power to appoint an arbitrator, should they disagree."

CANADIAN FIRE RECORD.

Compiled by The Chronicle.

Fire at Port Credit, Ont.—By the fire which occurred on the 6th instant on the premises of the St. Lawrence Starch Company. The following companies are interested Aetna \$3,000; Atlas, \$7,500; British Dominion, \$5,000; British Empire Ind., \$2,500; County of Phil., \$2,500; Employers, \$2,500; Georgia Home, \$2,500; Glens Falls, \$5,000; Globe & Rutgers, \$2,500; Guardian, \$15,000; North America \$5,000; Insurance Co. of Penn., \$5,000; London & Loan, \$5,000; London Guarantee, \$5,000; London Mutual, \$2,500; London Lloyds, \$7,500; Merchants New York, \$1,000; National of N.J., \$2,500; Northern, \$5,000; Norwich Union, \$9,500; North River, \$11,500; North West, \$2,500; North Empire, \$4,000; North Brit. & Mer. \$5,000; Occidental, \$4,250; Ocean, \$6,500; Pacific Coast, \$2,500; Pacific Fire, \$10,000; Richmond, \$10,000; St. Lawrence Ind., \$2,500; United States, \$10,000; Union of London, \$5,000; Union of Canton, \$5,000; Western, \$7,500; Millers' Mnfrs., \$10,000. Total, \$191,250. Loss about 50 per cent.

No. 1 plant (burned) is a frame structure of four stories built about 25 years ago. No. 2 plant (not damaged) is a modern building of steel construction and stands away about 20 yards from the other building. Origin of fire not known.

Fire at Indian River.—On the 1st instant the grist mill owned by Ross Staples of Indian River was destroyed by fire. It was one of the landmarks of the place being a stone structure erected 57 years ago.

Fire at Cardston, Alta.—On the 2nd instant a

fire destroyed the O.K. livery barns. A garage and six cars. Loss about \$15,000.

Fire at Graham, Ont.—On the 8th instant a disastrous fire occurred in the business section of Graham, Ont., a division point on the Canadian Government railway situated east of Winnipeg. The following buildings are reported destroyed:—Graham Hotel, Post Office, Bank of Montreal, Hudson Bay Company's Store, Cosco's General Store, Jewel's General Store, Hamilton Bros. Hardware, three restaurants, Day's Drug Store, McCartney & Burke, Jewelers, Rastin, tailor, Ettridge's Barber Shop and Mrs. Hensen's millinery store, in addition to four or five unoccupied buildings. Loss may probably reach \$250,000 to \$300,000.

Fire at Montreal.—On the 7th instant, fire destroyed the Ontario Skating Rink, DesErables St., Montreal. Insurance as follows: Phoenix of London, \$3,000; New York Underwriters, \$500; Hartford, \$500; Northern, \$500; Royal Exchange, \$2,000; Atlas, \$2,000; Norwich Union, \$2,000. Total, \$10,500.

(Above property Estate Samuel Robertson.)

WHERE TO FIND DEPARTED FRIENDS

If you want to know where to find departed friends, and at the same time help along the "Clean-up Week" movement, the following letter sent out by Insurance Commissioner James R. Young, of North Carolina, will aid you considerably:

Those old paint buckets we used while painting up last spring—Under the house or in the closet. (They are about right now to start a fire or to make a fine incubator for mosquitoes, etc.)

The Christmas edition of a New York paper—It's back behind the kitchen cabinet. (You never went back to read it the second time.)

The shavings and scraps the carpenters left when they remodeled the house—They are stuck around in little piles under the house and around the yard. (Unsightly and dangerous.)

The box and packing in which the furniture was packed—It's up in the attic. We are going to use it some time. (Said that last year.) You are going to use it some time, too, if you don't mind.

Those buckets we mixed the whitewash in last spring—They are around on the north side of the house. Thought it was best to leave them there where the sun would never reach them.

The hat boxes and tissue paper which came around last Easter's hat and clothes—They are up in the attic with those from Easter before last. They are doing no good—might do harm. Better clean up and get rid of them.

Take a look around your premises. Clean up. Get those fire breeders and germ breeders out of your house and out of your yard. They belong on the city dump heap, but will never get there until you start something. Start them on the road to the dump heap—that's your part.


All is trash which reason cannot reach. There is no reason for:

A back yard full of broken bits of goods boxes.

A basement full of old papers, hat boxes, and ashes.

An attic full of broken chairs, sofa stuffing, and old carpet strips you will never use.

All the wrapping paper and old newspapers which have for years blown under the house.



THE EMPLOYERS'

Liability Assurance Corporation, Limited
of LONDON, England

Transacts

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

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ELEVATOR, FIDELITY GUARANTEE, CONTRACT BONDS
and FIRE INSURANCE

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

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


APPLICATIONS FOR AGENCIES INVITED

Canadian
Government
Deposit

\$1,342,455.00

Stands First

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



THE LAST WORD

IN
ACCIDENT AND SICKNESS INSURANCE
IS

THE DOMINION GRESHAM'S NEW "GRESHAM MAXIMUM" POLICY

AGENTS WANTED EVERYWHERE

Applications in Ontario should be addressed to

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



AUTOMOBILE INSURANCE

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

The "OCEAN" can meet these requirements under one contract

Branch Office: MERCHANTS BANK BUILDING, MONTREAL

ARTHUR JAMES,
Superintendent.

H. GORDON WARING,
Inspector, Automobile Department.

Canadian Head Office: Ocean Insurance Building, TORONTO

The Dominion of Canada Guarantee & Accident Ins. Co.

**The Oldest and
Strongest Canadian
Casualty Company**

TRANSACTS:

ACCIDENT	SICKNESS	PLATE GLASS
BURGLARY	AUTOMOBILE INSURANCE	
GUARANTEE BONDS	FIRE INSURANCE	

C. A. WITHERS, General Manager
TORONTO

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701, LEWIS BUILDING, MONTREAL

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UNDERWRITING AND INVESTMENT PROFITS AND LOSSES OF FIRE COMPANIES IN 1917

Our contemporary the Spectator New York says: One hundred leading fire insurance companies licensed in New York State were in 1917 only able to report an aggregate underwriting profit of \$8,783,404, or 2.2 per cent of their underwriting income earned, though even this relatively small profit exceeded that of the preceding year by nearly 1 per cent. In 1917 the underwriting income earned of the 100 largest companies advanced from \$345,759,981 (in 1916) to \$404,420,967, while their underwriting profit increased from \$4,650,819 to \$8,783,404. The profit in 1917 was four and one-quarter million dollars less than in 1915, which latter was the most favorable year for the companies since 1910.

The investment gains fell off \$21,500,000 last year as compared with the previous year, so that the surplus earned was seventeen and a quarter million dollars less in 1917 than in 1916. The net dividends incurred declined seven and three-quarter million dollars last year. There were gains by decrease in special reserves, excess of deposits over liabilities, etc., amounting to \$4,000,000 as compared with 1916, so that, in round figures, the net result was an increase in surplus in 1917 of five and one-half million dollars less than the increase in 1916.

The dividends of American companies and net remittances to home offices of foreign companies amounted to \$16,805,763 net, or seven and three-quarter million dollars less than in the preceding year, which latter included the transfer of \$7,000,000 from surplus to capital by one company. Even with the gain in surplus occasioned by the reduction of excess special deposits, etc., amounting to \$3,370,588, the companies only added \$2,801,747 to their surplus funds last year.

Of the 100 companies listed only 45 derived any profit from their underwriting transactions, while 55 showed underwriting losses last year. The percentages of underwriting profits ranged from 18.9 per cent down to .1 per cent, while the percentages of underwriting loss varied from .5 per cent to 32.7 per cent, the average profit for the whole number of companies having been 2.2 per cent. The stockholders of fire insurance companies are certainly entitled to expect a moderate profit upon their investment in the business from the underwriting transactions of the companies. It is also a matter of permanent interest and of great importance to the policyholders that the fire insurance companies should steadily advance in financial strength, so as to be able to withstand any drain which may be made upon their resources by reason of a great conflagration or a financial panic. Naturally, the policyholders of insurance companies demand that their contracts shall always be good for 100 cents on the dollar, whenever a fire loss claim shall become due thereunder. For the companies to be in position to carry out their contracts of indemnity to the letter, they must secure enough income in normal years to provide surplus resources wherewith to pay the excessive losses in years in which conflagrations occur.

Huge amounts of insurance are carried by the fire insurance companies for the people of the country, probably amounting to over seventy-five billion dollars, and the insurance interests thus sustain and

foster the general trade and commerce of the country. During the past two decades it is probable that the leading companies have paid losses of at least \$2,600,000,000, while during that period the net dividends and remittances have only aggregated \$182,313,959. This latter sum is manifestly small in proportion to the tremendous hazards assumed by the stockholders, the reality of which has been demonstrated by numerous conflagrations, among which one alone, that at San Francisco, destroyed \$350,000,000 worth of property. However, it is to be noted that even the dividends paid were not earned through the underwriting transactions of the companies, having been drawn from their investment income. The earnings upon capital invested in the fire insurance business should, in all reason, be as large as those in safer classes of business, in which the risk of loss of the entire invested capital is relatively negligible.

It needs no argument to satisfy the thoughtful citizen that the capital invested in all other lines of business is largely safeguarded by the financial stability of the fire insurance institutions, and that the ability of the latter to meet all obligations is a most important matter to all owners of property. They, in common with the officers and stockholders of fire insurance companies, should wish to see the latter so strongly entrenched that no possible emergency should render them unable to promptly meet their every obligation. In order that this satisfactory condition may continue to exist, all owners of property should co-operate with the fire underwriters by paying adequate premiums for their insurance protection, and, by using every endeavor to avoid preventable fires, success in the last-named movement tending towards the maintenance of low premium rates.

THE HUMAN TIDE

Over a billion and one-half,
By latest estimation,
Of living, active human-kind
Make up earth's population.
Average life is "thirty-three,"
Careful statistics show it,
And most physicians will agree
The "trend" is not below it.

Over "five thousand" hourly die,
'Bout "ninety" every minute,
The span of life to some so brief,
We wonder, why begin it?
To whence departs this constant throng
When ent'ring Death's dark portal?
Centuries vast have rolled along
Toward what's called "immortal".

No mortal from that unknown realm
Beyond the "uncharted sea"
Has e'er returned to tell us of
What is called "eternity."
We dream of what we know not of
Beyond life's fateful curtain.
And realize that, after all—
'Tis death alone that's certain.

—AUCUSTUS TREADWELL.

Vacation Time Suggests

BURGLARY INSURANCE

Our Burglary policy provides a four months' vacancy permit without extra premium. Specimen policy and rate sheet cheerfully furnished upon request. Liberal commission to authorized Agents and Brokers.

The Canada Accident Assurance Company

HEAD OFFICE, MONTREAL

Managers—T. H. HUDSON, Fire Department. H. F. RODEN, Casualty Department

The Security Behind The Policy

Is the final argument in closing business, and the agent representing the Company, which can show such absolutely gilt-edge security as the investments of

THE NATIONAL LIFE ASSURANCE COMPANY OF CANADA

has an advantage, which is of inestimable value. The complete list of securities owned by the Company is published in conjunction with the 19th Annual Report. A copy of this report, together with our latest agency folder, "Results that Satisfy," will be mailed upon request.

HEAD OFFICE :: :: TORONTO

"The Oldest Scottish Fire Office"

The Caledonian Insurance Co. of Edinburgh

Founded 1805.

Head Office for Canada,
Dominion Express Building
Montreal

JOHN G. BORTHWICK,
Canadian Manager.

The Travellers Life Assurance Company of Canada

HEAD OFFICE: MONTREAL
Hon. GEO. P. GRAHAM, President

TO AGENTS.—Write to the Home Office for particulars of direct renewal contract. Valuable territory available in Quebec and Eastern Ontario.

FIRE

British Crown Assurance of Glasgow, Scotland

Corporation, Limited

Head Office for Canada: TRADERS BANK BLDG., TORONTO
J. H. RIDDEL, Manager. E. C. G. JOHNSON, Asst. Manager.

Joseph Rowat, 17th St. John Street, Montreal
GENERAL AGENT, PROVINCE OF QUEBEC

THE LONDON MUTUAL FIRE INSURANCE COMPANY

ESTABLISHED 1859

Assets - - - - - \$753,417.06
Surplus to Policyholders - - - - - 411,808.66



DIRECTORS:

A. H. C. CARSON, Toronto - - - - - President
E. 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

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

FOOD FOR THOUGHT

No man should avoid personal responsibility. He is personally responsible that the interests of family and self have the protection of an accident insurance policy.

No man does justice to himself by ignoring facts. The fact is you are in danger from accident, asleep or awake, every minute.

Every moment of your life you are called on for self protection. You cannot protect yourself against accident, but you can protect your family and yourself against money loss by an accident policy.

The most dangerous place for a man is the place he is in now. The truest source of comfort and mind ease is the possession of an accident policy in force.

The sole purpose of accident insurance is to protect against money loss of value of your time to self or family. A policy of accident insurance will furnish such needed protection.

Some day in your experience you may reach the point where an accident policy would prove your greatest help and comfort. Secure one today.

Are you prepared for every emergency? Are you prepared against money loss through a personal accident? Your turn may be next.

There are many things you may not know, but there is one thing you ought to know. The best protection for family and self is an accident insurance policy.

If you were required to participate in a battle knowing that one in every seven were sure to be killed or injured, would you think seriously? Do you think seriously that you are assuming an equal hazard in your regular daily life?

Do you approve of yourself when you neglect to do what you ought to do? You ought to have the protection of a policy.

AUTOMOBILE ACCIDENTS

That the owners of automobiles are not liable for accidents caused by the carelessness of chauffeurs when the latter use the cars without authority was decided recently in New York by the Court of Appeals in the case of Fannie Rose, as administratrix, vs. Harry Balfe. This case is particularly interesting, as it follows closely the case deciding that owners are responsible for injuries to their guests, even though a chauffeur and not the owner is driving.

In the decision at hand the plaintiff's intestate was killed by an automobile owned by the defendant and driven by his chauffeur, and on the trial of an action therefor the following facts appeared: The chauffeur, after finishing his day's work for the defendant and without the latter's knowledge or consent, and in violation of orders, took a touring car from the garage, where it had been placed in "dead storage," to try it out and test the clutch and valves, as he testified, and while driving that night with a companion caused the accident. The car had been recently repaired at a shop and brought back to the garage. The chauffeur was not employed as a mechanic and had no authority in that respect. It was held by the court that the facts did not warrant a judgment for the accident against the owner of the car.

WANTED

General Agent.—A Tariff Company is open to appoint an active, energetic man or firm to develop its Montreal business. A good contract will be given to one who can cultivate a good business. Address :

GENERAL AGENT,
c/o The Chronicle,
Montreal.

WANTED

Inspector. — A bright young man wanted by a Fire Insurance Company to act as Inspector for the City of Montreal. An English-Canadian preferred, who speaks both languages. Address :

A. B. C.,
c/o The Chronicle,
Montreal.

WANTED

Inspector.—An Inspector is wanted by a strong Tariff Office, for the Province of Ontario; Apply stating particulars to :

P. O. BOX 579,
Montreal.

1850

1918

**THE
UNITED STATES
LIFE
INSURANCE COMPANY**

**In the City of New York
Issued Guaranteed Contracts**

JOHN F. MUNN M.D.,
President

FINANCE COMMITTEE :

CLARENCE KELSEY,
Pres. Title Guarantee & Trust Co.

WILLIAM H. PORTER,
Banker

EDWARD TOWNSEND,
Pres. Importers & Traders Nat.
Bank

Good men, whether experienced in life insurance or not, may make direct contracts with this company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, No. 277 Broadway, New York City.

To be busy is in the very air we breathe! To lead in the many new things accomplished, in essential work well done, is the consuming ambition of the day. There is a hunger for bringing notable things to pass, a Passion for Great Achievement.

A remarkable epoch of financial, commercial and national activity and development is under way. And Life Insurance is in vital touch with the Spirit of the Hour.—New England Pilot.



HERE IS YOUR OPPORTUNITY

The success which has attended the operations of the North American Life throughout its history has made association with the Company particularly inviting.

The year 1918 promises to be bigger and better than any heretofore. Some agency openings offer you an opportunity at this time.

Correspond with

E. J. HARVEY, Supervisor of Agencies

NORTH AMERICAN LIFE ASSURANCE COMPANY

"Solid as the Continent"

HEAD OFFICE - - TORONTO, CAN.

SOLID GROWTH

- ¶ Up-to-date business methods, backed by an unbroken record of fair-dealing with its policyholders, have achieved for the Sun Life of Canada a phenomenal growth.
- ¶ Assurances in force have more than doubled in the past seven years and have more than trebled in the past eleven years.
- ¶ To-day, they exceed by far those of any Canadian Life assurance company.

**SUN LIFE ASSURANCE
COMPANY OF CANADA
HEAD OFFICE - MONTREAL**

COMMENCED BUSINESS 1901
RECEIVED DOMINION CHARTER 17th JUNE 1908
Capital Stock Authorized and Subscribed **\$500,000.00**
Capital Stock Paid up **\$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 S. G. DORSON

Head Office - - WINNIPEG, MAN.
AGENTS REQUIRED AT UNREPRESENTED POINTS

ESTABLISHED 1809
Total Funds Exceed **\$109,798,258.00** Canadian Investments Over **\$9,000,000.00**
Capital Authorized **\$29,300,000.00**
Amount Subscribed for **21,900,000.00**
Amount Paid-Up in Cash **11,567,500.00**

**FIRE AND LIFE
NORTH BRITISH AND MERCANTILE**

INSURANCE COMPANY
DIRECTORS
WM. McMASTER, Esq. G. N. MONCEL, 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.

**The Imperial Guarantee
And Accident Insurance Co. of Canada**

Head Office, 46 King St. W., TORONTO, Ont.

A Strong Canadian Company

Accident and Sickness Insurance
Guarantee Bonds

Plate Glass & Automobile Insurance

E. WILLANS, General Manager FRANK W. COX, Secretary

**METROPOLITAN LIFE
INSURANCE COMPANY OF NEW YORK**

Insurance in force in Canada Dec. 31, 1917 - - **\$22,215,566**
(Ordinary, \$109,706,359; Industrial, \$112,447,507)
Paid policyholders in Canada during 1916 - - - **\$2,954,702.57**

Over 1,000,000 Metropolitan policies held by Canadians.
This company had over 1290 employees in Canada at the end of 1917.

For the exclusive protection of its Canadian policyholders, it has on deposit with the Dominion Government and Canadian Trustees, in registered Canadian Bonds and Mortgages, over **\$27,771,505.65**.

In 1917 the Company increased its holdings in Canadian securities by **\$4,550,000**.

Home Office, 1 Madison Ave., New York City

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