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Banking, Insurance and Finance

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THE GENERAL FINANCIAL SITUATION

The net result of the meeting of the Minister of Finance with the financial communities of Montreal and Toronto is apparently that the voluntary arrangement for the restriction of the import of securities formerly held abroad will be continued for the present, although doubtless in the absence of a legal enforcement of this measure, to which legal enforcement, the Minister is apparently opposed, a certain amount of importation will still go on by those who do not feel bound by this arrangement or are content to ignore it. While theoretically, both this arrangement and continued control of the price of Victory Bonds may be open to considerable criticism, there is little doubt that present circumstances justify both measures as a matter of expediency. The criticism which has been lately heard in London regarding this arrangement that through it Canada is missing an opportunity of marketing her crops by taking securities in exchange, overlooks the fact that Canada cannot now afford to sell extensively goods on credit. The marketing of this year's crops is indeed a vital matter to the Dominion, since completion of this operation, probably means a revival in business activity through increase of purchasing and investment power. But in our view, it would be preferable that this year's crops should be marketed comparatively slowly, rather than they should be marketed more rapidly simply by means of credits. At the Montreal meeting one critic of the Minister light-heartedly expressed his willingness that the Canadian dollar should go to a discount of 50 per cent. in New York, on the ground that thereby purchases by Canada in the United States would be effectively restricted. This is simply theory run mad, in view of the fact that while our purchases in the states undoubtedly comprise many luxuries, they also include such vital necessities as coal and cotton. With the present exchange adding something over a dollar to the cost of every ton of American coal purchased by the Canadian consumer, we are inclined to think that there will be few who will share the light

heartedness of this critic on the subject of New York Exchange.

While the marketing of the crops is, of course, the main source from which must come any increase in Canada's liquid resources, there are some indications that relief from the present situation will in due course be obtained elsewhere. The announcement that an arrangement has been concluded between the banks and the British Government for the repayment of outstanding credits, given by the banks for purchases by the British Government in Canada during the war and amounting to \$150,000,000, this amount to be repaid by instalments within the next eighteen months is an important one in this connection. The repayment should make a distinct addition to the resources of the banks available for loaning in Canada. Incidentally, the arrangement is an interesting commentary upon the continued determination and ability of the British Government to liquidate as quickly as possible obligations incurred abroad during the year.

The September Bank Statement continues the story of recent months. There is a moderate increase in notice deposits, and a much larger one in current loans and discounts. Naturally, the peck of pressure in current loans, as a result of the crop movement is not seen until October, so that the next bank statement is likely to show a very large increase over the September figures. As it is, current loans and discounts at the end of September, reached the new high record figures of \$1,417,520,756, a growth for the month of \$32,050,603, and for the year of no less than \$358,948,554. Notice deposits show an expansion for the month of \$8,552,374, to \$1,270,194,097, their increase for the year being \$42,756,382 — figures which in comparison with the year's increase in notice deposits make eloquent evidence of the way in which demands for credit have outstripped the capacity of the country for new and permanent savings.

The small September increase in the banks' call loans in Canada is interesting. It is only \$1,070,

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The Chronicle

Banking, Insurance and Finance

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(Continued from front Page)

688 to \$114,669,611. These call loans include a considerable volume of loans on commodities as well as on stocks and bonds and it may be presumed that the former showed a considerable increase during the month, the inference being that this demand was in part met by withdrawals of funds loaned on stock exchange collateral. Call loans abroad were reduced during the month by \$6,925,285 to \$186,962,960, but still remain higher than a year ago by \$17,430,471. Circulation increased during September by \$3,721,021 to \$231,094,885 but in spite of higher prices is only \$5,186,888 higher than at the end of September, 1919, a fact which is in itself pretty good evidence of the decline in domestic industrial activity.

One swallow does not make a summer. But the several announcements of wage decreases in the shoe trade which have been made in the last few days are an interesting indication of a beginning of a new stage in the process of deflation. In one local case the operatives have accepted a 5 per cent. cut with a 30 hour week, in preference to a 15 per cent. cut and a full week. The operatives may be presumed to know their own business best, but in the present case they appear to have displayed poor judgment. From now on announcements of this kind may be expected in increasing volume as a result of the pressure of circumstances. But the unions will undoubtedly hold out for existing wage scales as long as possible, and extensive reductions in wages may only come about after considerable trouble.

One eventual result of the Presidential elections in the United States that has some interest for Canada is the question of taxation policy. With in recent months a considerable agitation has sprung up in the states for the removal of taxes on business, and the substitution of a system of sales taxes. Whether any notable changes in this respect will eventually materialise remains to be seen, but should they do so, the probabilities are that eventually such changes would have an effect upon taxation policies in Canada. There is in

business circles some expectation that this will be the last year of the Business Profits' War Tax, and that the tax on sales which is apparently proving itself to be a very effective revenue producer, will produce sufficient to enable the former tax to be dispensed with in the next Budget. In any case it is to be anticipated that the revenue to be obtained from the Business Profits' Tax for 1920 will be considerably smaller than has been obtained in years immediately preceding, owing to the falling off of general business and the large inventory losses which necessarily have to be taken in many directions.

September earnings of the Canadian Pacific Railway make a somewhat better showing than those for the preceding month, but the effect of high operating expenses is still to be seen. Gross earnings for the month totalled \$20,009,287 and expenses \$16,100,632, net earnings thus reaching \$3,908,654 a decrease of \$183,264 in comparison with net a year ago, when gross was \$2,500,000 less than in the present September. It may be noted that net earnings in September were no more than they were in September 1910, when the company's gross earnings were less than half what they are at present. The difference has simply gone in increased expenses.

TRAFFIC RETURNS

Canadian Pacific Railway

Year to date	1918	1919	1920	Increase
Sept. 30 ..	\$108,138,000	\$121,186,000	\$114,203,000	\$23,017,000
Week ending	1918	1919	1920	Increase
Oct. 7 ..	\$3,458,000	\$3,965,000	\$5,356,000	\$1,391,000
Oct. 14 ..	3,534,000	4,029,000	5,689,000	1,660,000
Oct. 21 ..	3,569,000	4,241,000	5,983,000	1,742,000
Oct. 31 ..	5,023,000	5,878,000	7,579,000	1,701,000

Grand Trunk Railway

Year to date	1918	1919	1920	Increase
August 31 ..	\$34,408,555	\$50,384,474	\$58,814,039	\$8,429,565
Week ending	1918	1919	1920	Increase
Sept. 7 ..	\$1,346,506	\$1,949,914	\$2,473,270	\$523,356
Sept. 14 ..	1,415,000	2,178,855	2,680,720	501,865
Sept. 21 ..	1,436,812	2,163,619	2,483,460	320,841
Sept. 30 ..	2,126,177
Oct. 7 ..	1,460,738
Oct. 14 ..	1,433,788	2,148,124	2,557,273	409,149
Oct. 21 ..	1,296,165	2,101,885	2,666,086	561,201

Canadian National Railways

Year to date	1918	1919	1920	Increase
Sept. 30 ..	\$56,492,823	\$66,642,628	\$71,207,168	\$75,646,540
Week ending	1918	1919	1920	Increase
Oct. 7 ..	\$1,789,180	\$2,140,414	\$2,657,913	\$517,499
Oct. 14 ..	1,745,665	2,012,883	2,901,802	888,019
Oct. 21 ..	1,915,656	2,167,313	2,917,348	760,035
Oct. 31 ..	3,660,917	3,221,718	3,674,104	652,386



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THE MOLSONS BANK REPORT

The statement of the results of the business of the Molsons Bank for the year ending September 30th, 1920, shows net profits of \$822,718 as compared with \$818,802 in the preceding year.

The General Manager, Mr. Edward C. Pratt, gave a few words of explanation with regard to the Annual Statement, during which he said:

The most striking change this year is the large decrease in Dominion and Municipal securities, over \$11,000,000, and on the other side the decrease of over \$5,000,000 in the amount owing to the Dominion Government. Last year's figures were exceptionally large, owing to the Government requirements just prior to the issue of the last Victory Loan and the reduction is mainly due to the paying off of Dominion and British Government loans. We may look for a further reduction in the same item in the coming year.

The great demand for commercial loans in Canada is reflected in the increase of \$7,800,000 in our loans and discounts. Our deposits show reasonable growth, a little over \$3,000,000.

There is an increase in Bank Premises of \$325,000. This covers expenditure that we found it absolutely necessary to make either in buying, building or improving our properties. We can assure you that the Bank now is very well equipped at practically all its offices.

With a total of assets and liabilities of about the same amount as last year we have returned practically the same profits although the expense of conducting the business has largely increased.

THE BANKS AND BUSINESS

Much of the present widespread criticism of our banks, on the part of industrial and agricultural interests grown out of a misunderstanding, or more accurately perhaps, out of a lack of complete understanding of the normal relationship of the banks to business. The funds of a bank are in a sense a public trust and should be employed in such a way as to render the greatest real service to the business community.

Co-operation of banks with business is of a twofold nature: First, a direct service through the extension of credits and, second—and in no way of less importance—the indirect service of maintaining the integrity of the general business situation. Common sense should make it clear that the second or indirect service is as truly in the nature of a service to the business community as is the first. This is not meant as a statement that the bank is in any sense an eleemosynary institution, for such, of course, is not the fact. In fact, the interests of the bank itself as a permanent profit making institution demand that it perform both of these services. Any impairment of the integrity of the

general business situation is, accordingly, a danger to the soundness of the bank. On the other hand, a material embarrassment of the bank is little short of disastrous to business. The bank, therefore, owes it to the business community as well as to itself to keep its position sound at all times.

There still exists just as truly and just as definitely as ever a limit to the ability of banks to lend. The position of our banking system is at present not such as would warrant any talk of bank difficulty or the like, but the facts of the situation should lead any intelligent and unbiased mind to feel that further credit extension would be unwise.

INDUSTRIAL UNREST

The war has left many by-products, but none more disturbing to the public mind than that of industrial unrest. This condition is the culminating result of changing industrial and political conditions which have been in progress for many years, and the war has simply accelerated these forces and brought some of the problems to a more acute state.

We witness vast and numerous experiments in the world with new industrial and social organizations. Many fear that we in this country are to have similar changes in our industrial society. But in our country there is doubtless unnecessary alarm in this respect. This is yet a land of opportunity with wide distribution of private property. Our Constitution provides easy and adequate means for its change and there is no excuse for violence, nor need we fear the fullest liberty of speech and press.

The enormous increase in the cost of living has greatly aggravated the industrial unrest, but with a prospective decrease in prices, and increase in disposition on the part of industrial and labor leaders to recognize their mutual obligations and duties, both to each other and the public, we may reasonably look forward, without alarm, to better adjustment of the forces of labor and capital.

Labor by fomenting strikes, encouraging disagreement with employers, is, in fact, striking at the heart of its own future progress, and impairing the prosperity of the country. Capital should recognize the results of the toilers, and improve working conditions and wages in ratio to the production and investment. Every man should be free to work out his own salvation and not be bound by the shackles of organizations, to his detriment.

Three factors are concerned in all these misunderstandings: labor leaders, industrial leaders, and the more often disregarded public. The latter's interests usually suffer most because of the rules under which the contest is held. The welfare of the general public is most important. In the settlement of disputes, consideration should be given to the effect upon the public, and full responsibility placed.

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DEPOSITS with Federal Government and
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Continuance of Restrictions on Canadian Securities Abroad

Continuance of restrictions on Canadian securities abroad in order to retain sufficient funds in the Dominion to finance the bumper wheat crop was advocated last week by the Minister of Finance Sir Henry Drayton.

Addressing Montreal bond dealers, he said the task of financing the wheat crop of the country requires a larger amount of money than usual, because of high prices and the enormity of the yield. The task, he added, devolves wholly on banking institutions of Canada.

It has been lightened by purchase of 12,000,000 bushels by the United States, but other countries bought less than contemplated. Sir Henry expected the United States would buy 20,000,000 more bushels.

Canadian funds tied up in sugar purchases from Cuba totalled \$15,000,000, he said.

PUBLIC'S INTEREST IN CROP

Our contemporary "*The Vancouver Sun*" publishes the following interesting article in a recent issue. While some of the statements contained therein, are not far off the mark; others have the ear mark of being somewhat one sided. Editor.

"Down on the Prairies the grain-grower has had a terrific struggle to harvest a bumper crop. All over Canada the people have been watching his efforts, but the frantic calls upon the cities for more help have not been answered.

The only visitors have been general managers of banks and scouts from the various commercial interests, who have gone out to look the farmer and his problem over and see how he was getting along. The press reports and interviews with these gentlemen have been eagerly looked for, and read with great interest by the whole country, not with the idea of helping out and sharing in the farmer's loss, should he be unsuccessful, but with the whole-souled motive of trying to figure out just how much of that crop money they can get their hand on.

The Prairie situation is duplicated, on a smaller scale throughout the rural districts of Canada, and will continue to exist until the Government and our people as a whole take a greater interest in what is really our most important industry—farm production.

The farmer is put on the receiving end of every loss due to tempests, climatic conditions, and acts of God; and on the paying end of every fiscal policy. This is not good enough.

So long as we have a Government at Ottawa whose interest in the farmer and his problems is so limited that it confines agricultural appropriations to one per cent. of the country's revenue, and then, because the farmer raises a holler, classes

him as a secessionist, Canada cannot develop in the right direction.

Sterling Fire Insurance Company, Indianapolis, Ind.

The Sterling Fire Insurance Company of Indianapolis, which is now entering Canada, commenced business in January 1912, and is controlled by the Hartford Fire Insurance Company. Its head office will be in Toronto under the direction of Mr. P. A. McCallum.

National Liberty Insurance Company of America

The National Liberty Insurance Company of America has completed arrangements for the transacting of fire insurance in Canada, with head office in Ottawa. Mr. E. H. Hornbostel has been appointed manager.

This Company has been operating for past sixty years under conservative management. Its net income for 1919 (Fire, Marine, etc.) was well over \$6,000,000. The Company has a paid up capital of \$1,000,000, and a net surplus of \$3,111,913.

Large Increase in Number of Board Companies Operating in Canada

The growth of fire insurance in Canada is indicated by the large number of fire Companies now operating in the Dominion. The number of Board Companies have increased from 65 in 1914 to 108 in 1920, and we understand that the latter will be increased to at least 110 during the present month by the entry of two more companies. It will interest our readers to note that there are at present 97 Board Companies operating in Montreal as compared with 67 represented in Toronto.

Church Insures Its Members

The Home Street Presbyterian Church, Winnipeg, Man., has been successful in inducing 150 of its members to insure for \$250 per head, on the twenty-year endowment plan, in favor of the finances of the church.

No medical examination is required and should any of these policy-holders go to other localities the church has the privilege of substituting another proponent.

A similar proposition, but on a much larger scale, was submitted to a leading Canadian life company some twenty years ago, whereby the religious organization was to be responsible for payment of the premiums and sole beneficiary, but the life company, after considering the moral risk, declined the business.

In the Winnipeg case, above cited, members of the church are pledged to pay the premiums.

Commercial Union Assurance Company Limited

of London, England

as at 31st Dec., 1919.

Capital Fully Subscribed.	\$14,750,000	Total Annual Income exceeds.	\$75,000,000
Capital Paid Up.	7,375,000	Life Fund, Etc.	99,147,565
Deposit with Dominion Gov't.	1,416,333	Total Funds exceed.	209,000,000

Palatine Insurance Company Limited

of London, England

as at 31st Dec., 1919.

Capital Fully Paid	\$1,000,000	Total Income	\$4,145,585
Fire Premiums 1919.	3,957,650	Funds.	6,826,795
Interest Net	187,935	Deposit with Dominion Gov't.	365,567

N.B.--In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Funds exceed \$209 000,000.

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

ARE PRICES HEADING DOWNWARD?

Comment on the prices of food products at the present times takes two forms. One is "Market prices on staple food commodities are heading downward and the market is destined to reach lower levels," and, "Are market prices on staple commodities really heading downward and is the downward trend permanent or significant?"

It is rather a difficult question to answer in the face of existing conditions and there is always a fixed value for food based upon supply and demand, but it is safe to say that at the present time, regardless of the cost of production, conditions are such that the tendency appears to be downward. If we take a staple article which is used every day and quote it, generally speaking, upon the basis of its worth, we do not get an even chance at the price quoted, but those interested in it will come back, making a lower offer than the one named. The fact that this appears to be the domestic situation in the sale of food products for export, it follows that if foreign exchange would improve so far as exports are concerned it would help very largely in sales and for a time undoubtedly help manufacturers by enabling them to get a price which would offset the higher cost of manufacture.

The position of bankers at the present time is not very encouraging for raising money upon merchandise and unless there is some marked improvement, it looks very much as though many people would be out of employment, and we very much fear some increase of commercial failures, simply because those in control do not seem able to handle the situation and it would also appear to be a time when everyone in business should be tempted by the old fashioned common sense on the part of buyer and seller keeping in touch with each other, in order to get what business there is and in order to keep up volume.

The summary of the whole matter is simply this, that statistics do not always count, but conditions always do count, and regardless of the statistical strength of any food article, the price would have

to be named in order to move that article based upon the existing condition, which is simply nothing more or less than the old and oft quoted law of supply and demand. We cannot get around this basic fact, no matter how hard we try.

The trend is downward. Those who decide to sell do not want to reduce so slowly that to keep down with the dropping demand they arrive at a conclusion this week which should have been arrived at last week. Manufacturers ought to learn to come down to present price levels before a lower one is reached. Hanging on in the face of tight money and so long as banks press for all money due, is simply bewailing a situation without beating it. The cleaning out process will be a good thing. Irresponsible operators and speculators must get out of the business and all others must get to work, for the reward is sure to follow.

The great and degrading influence has been the wild speculation, the gambling, the spending, the irresponsible lending and borrowing of money. While we regret very much the present panic in connection with money, we really think that, when the thing is over and the air cleared, things will be very much better all around. It will eliminate the rotten institutions and stiffen those who are inclined to be a little easy and increase public confidence in the conservative sense.

—*New England Grocer.*

BRITISH STRIKES

The position assumed by British labor evidently has but scant support from men of light and leading in Great Britain herself. The decision to strike is regretted by the general heads of the unions and, according to the dispatches, gets its standing only from the local union chiefs. Apparently there is a threatening quality of sovietism in it although there is good hope that the wiser counsels of conservative thinkers will prevail, as they so often have in the past history of the British labor movement.

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

British Northwestern Fire Insurance Company

HON. EDWARD BROWN
President.

J. H. RIDDEL
Managing Director.

E. C. G. JOHNSON
Secretary.

LEWIS, APEDAILE & HANSON, INC., Lewis Building, MONTREAL
GENERAL AGENTS. PROVINCE OF QUEBEC.

≡ THE ≡
**NORTH BRITISH AND
MERCANTILE INSURANCE
COMPANY**

Established 1809

Entered Canada 1862

Total Assets Exceed \$136,000,000
Canadian Investments Exceed \$5,000,000
Investments West of the Great Lakes
Exceed \$1,000,000

HEAD OFFICE
80 St. Francois Xavier St., Montreal, P.Q.

Randall Davidson, Manager

North Western Branch
909-911 Paris Building, WINNIPEG
C. A. Richardson, Branch Manager

Insurance Company by Conducting Defence for Insured Assumes Liability Even if Insured has Violated a Clause of Policy

An employer who conducted a laundry had taken out an insurance policy to indemnify him against accidents to his employees in his business. There was stipulation in the policy that the machinery should be guarded. While the policy was in force, an employee had her hand injured in a mangling machine that was not guarded. The insurance company entered into negotiations with the injured employee and paid her a sum of money in settlement of her claim, and later undertook the defence of an action brought by the employee against her employer. Judgment was given against the employer, and after paying the amount of the judgment he brought an action against the insurance company to recover the amount so paid under the policy. The company denied their liability and entered a counterclaim for the amounts they had paid under the policy and to their solicitor for defending the action brought against the plaintiff. In the trial court judgment was given against the plaintiff, the action was dismissed, and the counterclaim of the defendant company was allowed. The employer appealed against this judgment and the case was heard by the Court of Appeal of Saskatchewan. The plaintiff claimed that the stipulation in the policy that the machine should be guarded was waived by the company by entering into negotiations with the injured employee and paying her a sum on account of the accident, and further by

taking charge of the defence in the subsequent action. It was held by the Court of Appeal that the defendants by continuing to defend the action after knowledge of the machinery being unguarded would lead the employer to believe that they were assuming liability under the policy, and the defendants were estopped from denying that they had waived the conditions of the policy as to unguarded machinery.

The appeal was therefore allowed with costs, also the appeal as to the counterclaim. It was further pointed out in the judgment that the defendants could not recover from the plaintiff money paid to their solicitor, even if they were not liable under the policy, for money paid to a third person cannot be recovered as money paid under a mistake of facts. (*Saskatchewan—Parrot vs. Western Accident and Guarantee Insurance Company.*)

SUMMARY OF THE TRADE OF CANADA

	Twelve months ending September		
	1918	1919	1920
IMPORTS FOR CONSUMPTION			
	\$	\$	\$
Dutiable goods...	514,232,548	550,522,559	873,703,522
Free goods...	384,319,336	335,617,397	452,064,418
Total imports, n.d.se.	898,551,884	886,139,956	1,325,767,940
Duty collected...	134,869,499	158,435,970	211,426,267
EXPORTS			
Canadian...	1,358,419,580	1,210,541,587	1,238,919,175
Foreign...	42,761,192	58,511,284	36,807,793
Total exports, m.d.se.	1,401,180,772	1,269,052,871	1,275,726,968

COLUMBIA
INSURANCE COMPANY OF NEW JERSEY

Annual Statement as of December 31st, 1920

ASSETS

Government and Municipal Bonds...	\$ 790,488.00
Railroad and Miscellaneous Bonds...	563,890.00
Cash in Banks...	175,145.60
Premiums in course of Collection and other Assets...	267,431.48

\$1,796,955.08

LIABILITIES

Cash Capital...	\$ 400,000.00
Unearned Premium Reserve...	390,134.38
Losses in process of adjustment...	105,426.82
All other claims...	88,000.00

983,561.20

Surplus over all Liabilities... **813,393.88**

\$1,796,955.08

Head Office for Canada
Montreal

R. MacD. Paterson }
J. B. Paterson } Joint Managers

A. McBEAN & CO.
GENERAL AGENTS FOR MONTREAL
LEWIS BUILDING, MONTREAL



THE EMPLOYER'S

Liability Assurance Corporation, Limited

of London England

Transacts
AUTOMOBILE INSURANCE, covering ACCIDENT, PROPERTY DAMAGE, COLLISION, FIRE, THEFT and TRANSPORTATION
 Personal Accident, Sickness, Passenger and Freight Elevator, Burglary, Hail, Boiler, Plate Glass, Explosion and Fire Insurance, Fidelity Guarantee and Contract Bonds..

OFFICES:
Temple Building, Toronto. Lewis Building Montreal

Charles W. I. Woodland,
 General Manager for Canada and Newfoundland

John Jenkins,
 Fire Manager

Applications for Agencies Invited

Canadian
 Government
 Deposit
\$1,622,000.00

Stands First
 in the
 liberality of its
 Policy contracts,
 in financial strength
 and in the
 liberality of its loss
 settlement.



TRANSACTS:

**Personal Accident Automobile
 Sickness Burglary
 Liability (All Kinds) Postal
 Fidelity Guarantees Plate Glass**

302 St. James Street, MONTREAL

ROBERT WELCH, General manager

APPLICATIONS FOR DIRECT AGENCIES INVITED.

The Ocean Accident & Guarantee Corporation Limited

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 BLDG.,
 MONTREAL**

JOHN W. WETMORE,
 Superintendent.

W. T. PERRY,
 Manager for Canada

Canadian Head Office: Ocean Insurance Bldg., 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**

E. ROBERTS, Manager
 706, Lewis Building, MONTREAL

C. A. WITHERS, General Manager
 TORONTO

Branches: **WINNIPEG CALGARY VANCOUVER**

Companies and Agents Must Co-operate

Occasionally there is an undiplomatic attitude taken by some general agents in treating the company as though it were an insignificant factor, amounting sometimes, sad to say, to defiance of the rules of the company in the conduct of business. Companies are just as necessary for agents as agents are for companies—the one cannot prosper without the other, and a close, wholesome, strongly co-operative, eager spirit of mutual sympathy and esteem should exist. Anything less than this relation will sooner or later cause a rupture which is bound to be troublesome, vexatious and unprofitable in the extreme to both the company and the agent.

The agency of a first-class company is a very valuable franchise, and it is amazing to see, in some cases, a disregard of the fundamental principles that should exist between companies and such agents. There are few, if any, companies operating nationally that would seek to interrupt any agency which is successfully and adequately handling the territory, but the management of no company seeking to have territory properly cultivated and its underwriting properly safeguarded, and its premiums properly collected and forwarded can be criticized if it demand the performance of these essentials.

INSURANCE AND MONEY

The slow but inevitable movement of national finances back toward a normal basis is quite perceptible these days. Banks are limiting and even refusing loans and renewals where the purpose is to maintain stocks in the hands of merchants at top prices that have been prevailing. The tightening up of loans is notice to the dealer to sell his stock at lower prices, realize the cash tied up and be prepared to purchase new stocks at the lower level. That is the pressure which will bring prices down. They are already coming down and every good citizen should see to it that he does individually all he can to keep the pressure steady. A general refusal to buy at high prices will soon permanently substitute lower prices and the process repeated at intervals will get us down stairs without many broken bones.

There is bound to be some accompaniment of troubles, however, that will affect insurance in more ways than one. In life insurance the difficulties of getting bank loans will send many men to realize on the loan values of their policies. They can not only get the money but can get it under the market rate. Such loans are already being applied for and the only thing that can be done to minimize them is for companies through their agency forces to discourage them as much as possible. The loan and surrender value provisions

in life policies will probably be put to the severest test they have yet encountered. Much hope rests upon the new banking system through which it is believed acute pressures can be relieved. Nothing can relieve the pressure upon the unwise business man who has wholly overbought or over obligated himself.

At this point fire insurance enters the danger zone. There is always with us the man who in times of pressure will sell his building or stock for the insurance money if he cannot obtain funds in other ways. Acute financial times develop an acute moral hazard. Not merely the criminal moral hazard but the moral hazard that comes with depression and hopelessness, which develops in carelessness and neglect. Overinsurance of property is more undesirable and dangerous now than it has been for many years. It is probable that a period of cancellations may soon open if it has not already opened. Local agents cannot be too alert in watching for indications that point to moral hazard and companies should scrutinize their lines with utmost care.

This is not a pessimistic utterance. Considering the pangs of Presidential year and international conditions the country is in excellent condition but it is well in times of flux to look ahead and be prepared—*Insurance Field*—pared for plain contingencies.

PULP AND PAPER EXPORTS

Comparative statement of value of pulp and paper exports for first six months of fiscal years 1918, 1919 and 1920 are as follows:

	1918	1919	1920
Paper . . .	\$21,821,915	\$27,119,246	\$43,025,764
Chem. pulp.	15,903,189	14,008,388	33,579,554
Mech. " . .	2,512,086	2,618,338	10,638,158
Totals. . .	\$40,237,191	\$43,745,972	\$87,243,476

An Agent's and Broker's Company, writing all Lines of Casualty Insurance and Guarantee

**ROYAL
INDEMNITY
COMPANY**

CHARLES H. HOLLAND, President

CANADIAN OFFICES:

MONTREAL
Royal Insurance Bldg.
RICHARD J. BOND,
Supt. for Canada

TORONTO
Royal Insurance Bldg.
JULIAN H. FERGUSON
Supt. for Ontario



FIRE CASUALTY
The Northern Assurance Co. Limited
 of England

ASSETS - - - \$79,801,255.00

Including Paid up Capital of \$4,010,100.00

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

ALEX. HURRY, Manager Casualty Department

G. E. MOBERLY, Manager

FIRE

THE

FIRE



Royal Scottish

INSURANCE COMPANY LIMITED
 of Glasgow, Scotland

HEAD OFFICE FOR CANADA
 17 ST. JOHN STREET
 MONTREAL

G. E. MOBERLY,
MANAGER

This Company's contracts are guaranteed by
The Northern Assurance Company Limited, of England

THE ST. PAUL FIRE AND MARINE INSURANCE COMPANY

INCORPORATED 1805

ASSETS OVER \$16,000,000

REPRESENTED IN TORONTO BY
McADAM, SHERRITT & COMPANY
General Agents

EXCELSIOR LIFE BUILDING

36 TORONTO STREET

BRITISH TRADERS' INSURANCE COMPANY, LIMITED

ESTABLISHED 1865

HEAD OFFICE: HONG KONG

HEAD OFFICE FOR CANADA: TORONTO

FIRE & MARINE INSURANCE

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

JOHNSON—JENNINGS, Inc., General Agents,
 MONTREAL.

Manager for Canada, C. R. DRAYTON

THE STRATHCONA
FIRE INSURANCE COMPANY

HEAD OFFICE: MONTREAL,
 90 ST. JAMES ST.

“For ten years the STRATH-
 CONA has pursued a safe and
 steady course and is now begin-
 ning to gather the fruits of its
 wise and sound policy.”

British Columbia Fire Underwriters Association

It will be noted with regret that owing to ill health, Mr. W. L. Foster, secretary of the B. C. F.U.A. has resigned the secretaryship of the association acting upon the advice of his doctor. At time of going to press, his successor has not been appointed.

The Three Great Essentials in Rodding Buildings

In rodding buildings for lightning protection three essentials are necessary to get the best results.

The first essential is, all exterior metals such as rain pipes, crestings, and tin decks should have metallic connection to the rod. The interior metals are not ordinarily as important but if a water pipe system or any other pipe system enters the house the rod should by all means have metallic connection to such system where they enter the building. The means by which this connection is made is usually immaterial if under ground. The object of these connections is to prevent electro static sparking between metals and also to insure better earth connection at the metallic pipes in the soil.

A branch from the lightning rod should extend to points within an inch or less of where the telephone enters the building, but should not touch the telephone wires, as contact would destroy the telephone service. In event of a lightning discharge anywhere on the telephone line, a spark would take place there, but such short spark could scarcely do any harm where there is nothing more combustible than wood, yet such part could not be allowed with safety through very inflammable material.

The second essential in rodding buildings is the proper arrangement of sharp points at gable ends, chimneys and cupolas.

There is something wonderfully interesting in the action of sharp points when the earth's electrical field is getting ready to discharge through a lightning rod but it is difficult to explain. If your eyes were big enough so you could see the air you would enjoy a revelation and the explanation would be simple enough. You would see the air to be composed of small grains called molecules.

If eight hundred cubic feet of these air molecules were compressed into one cubic foot and cooled enough you would have a cubic foot of liquid air but in the gaseous form these molecules have plenty of room and they continually fly around and joggle each other at a tremendous rate.

The third essential in rodding a building is the manner of its ground connections and while this essential is quite important it is not so important as the other two. In some localities it is nearly impossible to get an orthodox grounding, but the building can be protected without it if the other two essentials are faithfully performed.

If a building was on solid rock and a metallic girdle nailed to the building at the solid rock then rod the building properly otherwise and attach it to this encompassing metallic girdle that building would be safe from lightning damage.

A good grounding, however, should always be made where it is possible for the points work better and the lightning is not so wicked.

A good rule of practice is to ground ten or twelve feet deep when possible and when impossible it is well to bury abundance of any old metal in the soil in connection with the ground rod. This is frequently necessary in some sections of the country especially in mountainous regions and stony soil.

The most important thing by far in getting the best results in lightning protection for the home and barn is the intelligence of the man who engineers the work. It is a scientific proposition and should never be entrusted to a charlatan.

Insure in one of Canada's Oldest and Strongest Fire Insurance Companies
Organized in 1862

The Acadia Fire Insurance Company

OF HALIFAX

LIABILITY UNDER ALL ACADIA POLICIES GUARANTEED BY
PHOENIX ASSURANCE COMPANY, LIMITED

OF LONDON

WHOSE ASSETS EXCEED \$98,000,000

MONTREAL AGENCIES, LIMITED
GENERAL AGENTS

MONTREAL TRUST BUILDING, MONTREAL.

JAS. D. CHERRY, Manager

Improved Disability Provision

Claim may be made as soon as disability occurs—no probationary period.

Payments begin immediately on approval of claim—no probationary period.

Monthly payments, lifelong, conditioned on permanence of disability.

Immediate waiver of future premiums—no waiting until next anniversary.

Full amount of insurance paid when insured dies, without deduction for disability payments or for premiums waived.

This new disability provision brings the service of America's oldest legal reserve life insurance company still closer to the needs of the insuring public.

For terms to producing Agents address

The Mutual Life Insurance Company

OF NEW YORK
34 NASSAU STREET, NEW YORK

GENERAL

ACCIDENT FIRE AND LIFE ASSURANCE CORPORATION LIMITED

OF PERTH, SCOTLAND

Total security to Policyholders now exceed - \$12,000,000

PELEG HOWLAND, Esq.

Chairman Advisory Board

T. H. HALL

Manager for Canada.

JUDSON G. LEE

General Agent Montreal.

THE

London Assurance CORPORATION

OF ENGLAND

INCORPORATED BY ROYAL CHARTER A.D. 1720

CAPITAL PAID UP - \$ 3,711,375
TOTAL ASSETS EXCEED 42,500,000

Head Office for Canada, MONTREAL.

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

Fidelity Insurance

Manufacturers—Contractors—Merchants

The Workmen's Compensation Act imposes upon you serious obligations respecting your liability for injuries or death suffered by your employees by reason of or in course of their work.

The Provident Assurance Company issues, at reasonable cost, an Employers' Liability Policy that provides complete indemnity against all liability imposed by law upon the assured for injuries to his employees, including all legal expenses.

The Provident Assurance Company

159 St. James Street, Montreal. Tel. Main 1626-7.
J. C. Gagne, Managing Director

ATLAS

ASSURANCE COMPANY LIMITED

Founded in the Reign of George III

Subscribed Capital \$11,000,000
Capital Paid Up 1,320,000
Additional Funds 25,198,205

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

Head Office for Canada:

260 St. James Street, MONTREAL.

R. R. MARTIN

Manager

Established 1884

Queensland Insurance Co. Limited

of Sydney, N. S. W.

Capital Paid Up \$1,750,000 Assets \$4,015,811

Agents Wanted in Unrepresented Districts

Managers for Canada:

Montreal Agencies Limited, Montreal



Assets:
\$33,687,274.25

Surplus:
\$10,846,031.00

Canadian Head Office:
MONTREAL

J. W. BINNIE, Manager

L'UNION

FIRE INSURANCE COMPANY, Limited

Established 1828 Head Office: PARIS, France.
Capital fully subscribed . . \$2,000,000.00

50 per cent. paid-up.
Fire and General Reserve Funds 8,270,000.00
Available Balance from Profit

and Loss Account. 55,891.00
Net Premiums in 1919. 8,648,669.00

Total Losses paid to 31 Dec.
1919. 104,500,000.00

Canadian Branch:

EWIS BUILDING, 17 St. John St. Montreal
Manager for Canada: MAURICE FERRAND

CANADIAN FIRE RECORD

Fire at Fredericton, N. B.—On the 2nd instant a fire damaged the frame building on Queen St. which was first used by the House of Assembly of New Brunswick in 1788. The building was the most historic in Fredericton.

Fire at Brandon, Man.—On October 29th a fire destroyed the old Winter Fair buildings and 42 horses belonging to the Royal Canadian Mounted police. Insurance on buildings \$38,000 on contents \$8,500 carried by various companies in small amounts. Loss total.

Fire at Whitby, Ont.—On Oct. 30th a fire destroyed the planing mill owned by the Whitby Brick and Clay Products Company, together with many thousand feet of lumber. Loss stated to be about \$20,000. It is stated there was no insurance.

The Rubber Stamp Signature Danger

A fresh illustration of the risk of having a rubber stamp for signing important documents was provided recently, when a commissionaire was charged at the Mansion House, London with stealing two cheque forms and uttering cheques for £60 and £80. It was stated that the prisoner took two forms from the check book of a director of the company while the latter was on holiday, filled them up, and signed them by means of a rubber stamp. The Lord Mayor remarked that it seemed very careless to leave a stamp about that anyone could use in signing cheques. For the prosecution (according to the brief press report of the case) it was said the stamp, in the ordinary way, was used with different ink for signing letters. Presumably a special arrangement was made with the bank to honour cheques so signed.

WANTED

Important position vacant in leading British Fire Office. Experience in planning and examining business requisite. Apply in confidence.

Plans.

Care The Chronicle,

Montreal.

NOTICE

NOTICE is hereby given that the Northern Assurance Company Limited of London, England has been granted Dominion License No. 904 dated 6th October, 1920, to transact in Canada the business of Burglary Insurance, in addition to the classes for which it is already licensed namely Fire, Accident, Sickness, Automobile, Guarantee and Plate Glass Insurance.

INDIA—EAST AFRICA—A large and important firm of MERCHANTS, with valuable connections in BOMBAY, UNITED PROVINCES and other parts of India, and also established in East Africa, is prepared to take up a representative AGENCY for first-class Insurance Companies, transacting FIRE, ACCIDENT, LIFE and MARINE business. The firm is extending its Insurance Department in Bombay, and is in a position to offer valuable facilities to anyone desirous of increasing its business in India and East Africa. Write, Box 9900, Post Magazine Office, 9 St. Andrew Street, Holborn Circus, E.C.4, London, England.

WANTED

FIRE INSURANCE INSPECTOR FOR ALBERTA. A well established General Agency in Winnipeg, with good connections, requires an experienced Inspector for Alberta, with headquarters at Calgary. Knowledge of territory is desirable, but not essential. Apply, stating fully qualifications, previous experience, salary required and whether married or single. Applications treated confidential

INSPECTOR,

Care: The Chronicle,

Montreal.

WANTED

An old established Insurance Agency, operating in the City of Vancouver, which has a premium income from select business of \$30,000 per annum, desires to obtain the General Agency of a good, strong, non-tariff company for the Province of British Columbia. Address,

General Agency,

Care The Chronicle,

Montreal.

WANTED

CHIEF CLERK wanted immediately by a large Fire Insurance Company to take full charge of office, one having a thorough knowledge of all branches of Fire and Automobile insurance and capable of reading and writing French. Apply, to

Chief Clerk,

Care The Chronicle,

Montreal.



Security - - \$46,500,000
ONTARIO AND NORTH WEST BRANCH
 14 Richmond Street, East, TORONTO
PROVINCE OF QUEBEC BRANCH
 146 Notre Dame Street West, MONTREAL



PERSONAL ACCIDENT **PLATE GLASS**
SICKNESS **AUTOMOBILE**
FIDELITY GUARANTEE **GENERAL LIABILITY**

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

Mount Royal Assurance Company

SURPLUS and RESERVES, \$1,416,740.57 TOTAL FUNDS, \$1,708,120.67
TOTAL LOSSES PAID, \$3,180,308.63

Application for Agencies Invited

Head Office - - - MONTREAL

P. J. PERRIN - - - - - Manager

Established in Canada in 1821

1819 **AETNA (FIRE)** 1920

HARTFORD, CONN., U.S.A.

Losses Paid over \$183,000,000

J. R. STEWART, Special Agent, 36 Toronto Street, TORONTO, ONTARIO
 R. LONG, Special Agent, 515 Yorkshire Building, VANCOUVER, B. C.

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

FOR PROTECTION OR INVESTMENT
 BUY EXCELSIOR POLICIES

J. J. Robichaud, Prov. Man., Montreal

The Law Union & Rock

INSURANCE CO. LIMITED, LONDON. Founded in 1800

Assets Exceed - - - \$50,000,000.00

Over \$10,000,000 invested in Canada
 FIRE and ACCIDENT RISKS accepted.

Canadian Head Office: 277 Bayview Hall Bldg.
 MONTREAL

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

POSITIONS FOR LIFE INSURANCE MEN. We have a few vacancies, with bright prospects, for live insurance sales men of good record and proven ability. Every assistance given to enable hard workers to make good. Correspondence confidential. If you want a good position as Agent or District Manager with a progressive Company, apply stating experience and references, to **W. R. BROWNLEE, Provincial Manager, 180 St. James St., MONTREAL, P.Q.**

THE CONTINENTAL LIFE INSURANCE CO.

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

Few Failures Because of Readjustment

Considering the fact that passing through a period of adjustment always is a painful process, more or less, to business in general, it is gratifying to realize that few scars are being made by the present one, and those up to the present time are of minor importance when measured by the magnitude of our commercial and industrial position. Comparatively few corporations among the thousands that are doing business have been compelled to drop their dividends. The bulk of them are continuing payment to their shareholders of a return on their investments—if not what they have been regularly accustomed to pay, something, at least.

For this fortified situation the wise judgment of most of our corporate executives and their boards of directors is responsible. In the accentuated period of prosperity produced by the war these men kept keenly in mind that there would come a day when there would be an abrupt end and to prepare for it they kept strengthening their cash resources, poured profits into maintenance, adopted a liberal policy in marking down depreciation; while others went so far as to set aside a portion of their profits against their inventories so that when prices for material began to go down the reduction to them caused no ill effects.

It remains to their great credit that so few failures have occurred because of the readjustment. Had there been less foresight exercised in the preparation for this transition from war to peace conditions we would have been reminded of an acute business depression by the presence of soup kitchens and bread lines.

CASUALTY ADJUSTERS

Today the really efficient claims expert talks to the claimant as one man to another and tries to effect an honest disposition of the case.

The first thing he does is to investigate the circumstances in order to determine where the blame lies. If it appears that the assured was negligent and was responsible for the accident then he tries to ascertain what the real value of the claim is. And, mark you, both the adjuster and the home office are desirous of settling the case for what it is worth—no more, no less. It is true that there are some companies extant which still adhere to the old system, but these are not the reputable companies and they do not boast of their methods in the advertisements. As a matter of fact society as a whole has assumed a different attitude toward the whole affair. The assured, generally, expect the injured man to get a square deal from the company and if it appears that an adjuster is trying to bamboozle an honest man, the policyholder is going to be heard from. This is

particularly true of property damage cases; the assured doesn't want to be dragged into court to defend a trifling case if he knows that he was to blame and the other fellow deserves to be reimbursed for his damage. And when the adjuster evinces the desire to settle just claims immediately, without even waiting for a claim to be made, the assured is certain to render greater co-operation in the event of serious accidents which ought to be resisted.

Therefore, your modern, efficient adjuster has found the habit of talking to the injured as one man to another. If the claim is meritorious he does not pretend that there isn't a thing in it. He doesn't insult an honest man, who is lying helpless on his back, by insinuating that there is nothing the matter with him, or that he is a malingeringer. On the contrary his attitude is sympathetic; he informs the claimant that his client wants to do the right thing, that he is sure that everything will come out all right; and he impresses upon the injured man the uselessness of employing a lawyer unless the matter cannot be settled amicably.

This attitude arouses the sense of fair play in the claimant and thus impels him to discuss the case sensibly and honestly. An adjuster who handles his claims with the right spirit can obtain from the claimant the names of the adverse witnesses and after these have been interviewed he can recommend to his company the proper disposition of the case without being obliged to work in the dark in constant fear that the other side is going to spring some surprise on him because he is unable to determine the nature of their offense.

Workmen's compensation has, of course, done away with the problems of master and servant claim and in this branch of adjusting there is no chance for the claims man who has cards which he will not place on the table. Every phase of workmen's compensation should be open, honest and above reproach. As we have hitherto stated, the adjuster who handles this sort of business is more than the mere agent of corporations—he is a social worker in the truest sense of the word. He should feel and he should make the assured and the injured realize, that he is legally and morally bound to give every claimant every dollar to which he is justly entitled and by carrying out this program, he can consistently stand on his rights and refuse to pay exorbitant and fraudulent claims. The fact that every settlement is scrutinized by the respective compensation boards and the insistence upon the observance of the letter of the law so far as the insurance companies are concerned has done much to bring this condition about, but insurance companies are not losing money by it—which proves that it is the best policy for everybody concerned. C. W. MORRIS, *In Insurance Field*.

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Fire, Marine, Mail and Automobile

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**LYMAN ROOT
 Manager**

FRENCH EXPORTS

French exports in August approached so near the value of the imports during the same month that an increase of 17 per cent. would have balanced the country's trade. Figures for the first seven months show that the adverse trade balance decreased by 31.54 per cent., while the statistics for August bring the improvement for the eight months' period to 36.52 per cent.

INSURANCE OF A BANKRUPT

Award to Widow is Upheld.

The United States Supreme Court this week refused to review the case of Elliott Frederick vs. the Fidelity Mutual Life of Philadelphia. The case involved the right of a trustee in bankruptcy to the proceeds of a policy upon the life of a bankrupt when such policy had not been included in the schedule which the bankrupt filed in the bankruptcy proceedings.

The company issued a policy for \$1,000 upon the life of John E. Schmidt of Rochester, Pa. Schmidt was adjudged bankrupt in 1912 and Elliott Frederick was elected trustee. The policy was not included in the schedule of assets and liabilities filed by the bankrupt. Schmidt died and the amount of the policy was paid to his widow, named as beneficiary therein. The trustee filed out suit to recover the proceeds of the policy on the ground that it became an asset of the estate of the bankrupt, later amending the proceedings so as to seek to recover only the cash value of the policy, \$322.

The lower court found in favor of the insurance company, declaring that "neither at the time the proceeds of said policy were paid nor at any time prior thereto did the defendant have any knowledge of the adjudication in bankruptcy, nor did the plaintiff give the defendant any notice that he would claim the whole or any part of said policy."

"The defendant in good faith," declared the court, "without knowledge of the adjudication in bankruptcy and in the absence of any adverse claim, paid the proceeds of the policy in strict accordance with the terms of the contract and cannot again be required to make payment of the same or any part thereof.

"The adjudication in bankruptcy, in the absence of actual notice of an adverse claim, created no liability on the part of the defendant to the plaintiff."

The decision was later upheld by the Superior Court of Pennsylvania.

The trustee claimed that the failure of the bankrupt to advise him that such a policy existed did not

relieve the company from its liability to his creditors which required the payment of all moneys due the bankrupt to his trustee to be applied to the settlement of his trusteeship.

SOLDIERS INSURANCE

(Beneficiaries.)

The insurance money may be paid to the wife, husband, child, stepchild, grandchild, brother, or sister of the insured, or father, mother, grandfather, grandmother, stepfather, or stepmother of either the insured or his wife; but there are the following further limitations as to the persons who may be named as beneficiaries in the policy:—

(1) If the insured is a married man or a widower with a child or children, the beneficiaries named in the policy may be either his wife or his wife and children, or his children alone, or his wife and some or more of his children. If he survives his wife and all his children the insurance money may be paid to such of the other relatives above mentioned as he may designate. If the insured survives all the said relatives the insurance money payable is the reserve on the policy at the time of death, and this becomes part of his estate.

(2) If the insured is an unmarried man or a widower without children the beneficiaries named in the policy must be his future wife or his future wife and children. If the insured dies unmarried or a widower without children the insurance money will be payable to such of the said relatives above mentioned as he may designate. If he survives all the said relatives the reserve of the policy becomes part of his estate.

(3) If the insured is a female any person of the above described relationship to the insured may be named as beneficiary in the policy, provided that, in the case of a female insured as the widow of a returned soldier, the beneficiary must be to a substantial extent dependent upon the insured for support.

LABOR AND WAGES

It is feared in some quarters that a long struggle with labor will have to come before wages go down. It is a question with others whether it is necessary that wages should go down before construction work starts on a large way. The selection of efficient rapid workmen, who will earn the scales of wages paid in their respective crafts would be a more satisfactory way of reducing labor costs than general wage reductions, applied alike to the good and bad, and contractors in recruiting their forces as business in their line brightens up may find a way of doing this.

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INSURANCE COMPANY LIMITED**



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INCORPORATED-1872

PAID FOR LOSSES

\$112,397,573.17

STATEMENT JANUARY 1, 1920

CAPITAL
AUTHORIZED, SUBSCRIBED AND PAID-UP

\$5,000,000.00

RESERVE FOR ALL OTHER LIABILITIES

17,191,302.37

NET SURPLUS

11,010,376.51

ASSETS

33,201,678.88

THE SECURITIES OF THE COMPANY ARE BASED UPON ACTUAL VALUES ON DECEMBER 31st, 1919

Since January 1st the authorized, subscribed and paid-up Capital Stock of the Company has been increased to \$10,000,000.

The Company now owns \$10,000,000 U. S. Government Liberty Loan Bonds, and \$340,000 Canadian Victory Loan Bonds.

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Fire Dangers of Electric Irons

Legislation Should Require Safety Attachments on Electrically Heated Appliances.

An electric iron left turned on . . . Two stores and a cottage completely destroyed.—*Winnipeg Free Press.*

Electrical appliances in the home are of great convenience, but they are, at the same time, a fire danger. Familiarity with their use breeds carelessness, which has resulted in heavy fire losses. From reports received by fire marshalls, these are rapidly increasing.

From tests it has been found that fire will break

out in from 15 to 90 minutes when the electric iron is left in circuit on a table or ironing board, the time interval depending upon the surface material.

Many devices have been invented to make electric irons fire-safe. Unfortunately, however, price has been a ruling factor in the sale of this convenience, with the result that cheapness necessarily eliminated the safety attachments. In the absence of public regulation requiring their use, there is little hope of their general adoption. Until the enforcement of legislation requiring fire-safe attachments on all electrically-heated appliances, freedom from fires due to this cause must, therefore, depend upon educating the public to a recognition of the danger.