

# The Chronicle

Banking, Insurance and Finance



ESTABLISHED JANUARY, 1881

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## THE BOND MARKET.

An interesting development in the domestic financial situation recently has been an increasing demand for good bonds and in consequence, steadily increasing strength in the market. Not only have recent new issues been quickly absorbed at advancing prices, but a very considerable amount of Canadian sterling bonds, formerly in English hands, appear to have been taken over by Canadian institutional and other investors. While American investors have been purchasing large amounts of the domestic War Loan and of our high-grade provincial and municipal bonds, there has been a certain amount of reciprocity through Canadian purchases of the Anglo-French Exterior Loan, which can be purchased to yield the investor a higher rate of interest than the rates lately ruling for the new issues of our leading provinces and cities.

\* \* \*

There are several causes for this demand for bonds, each more or less linked with the other. The United States demand is the sequel to a period of great, though possibly uncertain, prosperity. It is entirely natural that those who have lately made abnormal profits in the States should seek to conserve these profits by turning them into conservative investments and equally natural that high-class Canadian securities, should be largely purchased, as they are familiar to the American investor and can be secured to yield slightly larger returns than corresponding American investments. Part of the Canadian demand for bonds arises no doubt from similar causes. However short-sighted a view of present conditions and duties is being taken by the large number of folk who seem to have adopted as their war-time motto, "spending as usual," leaders of finance and industry have no sort of doubt as to the ephemeral character of present-day prosperity in certain lines and the necessity of being prepared for bad financial weather ahead. One of the best signs of the times in Canada is the conservatism which marks not only our financial leaders but also the policy of industrial corporations which are enjoying for the present an unwonted activity. Undoubtedly, the demand for bonds in Canada is partly accounted for by these considerations, added to which is an increased enquiry from life insurance companies and other regular investors. The mortgage market, which in recent years has absorbed a very large amount of these

regular investors' funds, has been for some time past, and is now, making very small demands, while the prices at which it has been lately possible to secure high-class bonds, has made their purchase extremely attractive. Again, thanks to a policy of comparative economy on the part of public authorities, the supply of new bonds has been by no means super-abundant. Complaints of scarcity have, in fact, lately been made. All of these reasons account in their due measure for the great strength displayed by the Canadian loan in New York, the ten and five-year series having been well over par while the 15-year bonds have been as high as 102 bid, as well as for the rise of the domestic War Loan which has been up to 99½ in Montreal and for the success achieved in the recent Ontario, Nova Scotia and Toronto flotations. The \$4,000,000 5 per cent. Ontario bonds have been offered to the public on a 4.85 basis, the successful bid for Nova Scotia's 5 per cent. loan of \$1,000,000 was 100.28, while Toronto secured almost par for \$3,669,000 5 per cent. serial bonds.

\* \* \*

The recent strength in the bond market has already raised the question of the price of issue of a new domestic war loan. The loan of last autumn was issued on a basis of an interest yield of 5.38 per cent., or, including the privilege of paying up the instalments in advance—a privilege that was largely availed of, a yield of practically 5½ per cent. It is hinted that the Minister of Finance may be able to secure more favorable terms at the second time of asking and still ensure the success of another loan. As to that, it is to be remembered that the flotation of a loan of \$50, \$75 or \$100 million dollars is a considerably different matter from floating one of \$3 or \$4 millions and that Sir Thomas White has hitherto consistently followed the policy in his financing during the war period, of leaning a little to the side of generosity in price—a policy that has been amply justified by results. The suggestion is also made that the next loan should have its interest coupons payable in New York as well as in Canada in order to encourage American subscriptions. It is now well known that American investors have absorbed a considerable proportion of the last War Loan, and the arrangement suggested would certainly tend to facilitate an extension of their interest. But isn't there a little danger that we may allow our American cousins to do the subscribing to our war loans, while we go on "spending as usual"?

# BANK OF MONTREAL

ESTABLISHED 1817

Capital Paid up, \$16,000,000    Reserve Fund, \$16,000,000    Undivided Profits, \$1,321,193  
 Total Assets - - - \$390,421,701

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 Rest - - - 13,500,000

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JOHN AIRD, General Manager.

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Manitoba - - - - 23	Quebec - - - - 81
New Brunswick - - 4	Saskatchewan - - 59
Nova Scotia - - - 13	Yukon Territory - 2

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Paid Up Capital - \$4,000,000

Reserve Fund - 4,800,000

HEAD OFFICE - MONTREAL

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

# The Chronicle

**Banking, Insurance and Finance**

ESTABLISHED 1881.

PUBLISHED EVERY FRIDAY.

F. WILSON-SMITH,  
Proprietor.

ARTHUR H. ROWLAND,  
Editor.

Office:

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

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MONTREAL, FRIDAY, JUNE 9, 1916

## THE MERCHANTS BANK OF CANADA.

The address made by Mr. E. F. Hebden, general manager of the Merchants Bank of Canada, at the annual meeting of shareholders on Wednesday, contains much that is suggestive to those who seek to view clearly and understand rightly economic conditions in Canada at the present day, and the outlook. Mr. Hebden laid stress on the advisability, and even necessity, of visualising in advance, problems the solution of which, after the war, will be compulsory. This point is well taken. The British mind is apt to lean towards improvisation rather than scientific preparation as a means of accomplishment, and while wonders have been achieved in many fields of activity through British improvisation, it would be idle to pretend that penalties have not been suffered and achievements long deferred as a result of failure to follow the intellectually harder way of scientific preparation. In this connection, Mr. Hebden referred especially to the two problems of repatriation of returning troops and to the employment of the labour released from the making of munitions at the close of the war. He suggested practical and reasonably attractive land settlement schemes as a possible solution of the one problem and the encouragement of steel ship-building as an aid in the fresh settlement of released labour—both matters of first-rate importance concerning which, whatever decision may be arrived at eventually, it is important that adequate and careful consideration should be given.

Regarding present-day developments, Mr. Hebden spoke hopefully. While, except in certain well-known lines, our industrial efforts are mostly being directed at present towards the manufacture of munitions—a situation that will probably last for another year or two, in the meantime the farmers are creating a position of strength and purchasing power that "will make glad the heart of the manufacturer and trader when later the sword is beaten into the pruning-hook." The enlightened policy of encouragement of agriculture that has been followed by the Dominion and provincial governments and by the banks is producing excellent results, with the consequence of a liquidation of indebtedness and creation of new working capital on an extensive and most promising scale.

### THE BANK'S BALANCE SHEET.

Thanks to the increasing and justified confidence of depositors, the Merchants Bank is gradually

moving into the ranks of the Canadian banking institutions having assets of one hundred million dollars. Deposits last year showed an aggregate increase of over \$9,500,000, non-interest-bearing deposits increasing from \$12,692,061 to \$17,181,959 and interest-bearing deposits from \$50,037,102 to \$54,995,070. Circulation at April 29th was \$7,486,906 against \$6,204,069. As explained by Mr. Hebden at the annual meeting, the Bank's policy during its fiscal year has been to keep very strong in cash and in immediately available resources. While holdings of actual cash are somewhat lower than in the previous year, this decrease is more than accounted for by a fall in the amount of Dominion notes held, the current coin in the Bank's possession being practically a million more than in 1915. The Bank has largely increased its security holdings during the year, investments in Dominion and Provincial Government securities being now returned as \$2,480,447 against \$583,998 a year ago, while Canadian municipal securities and British, foreign and colonial public securities are \$5,251,321 against \$903,667. Canadian call loans show a very substantial increase at \$5,175,048, against \$3,606,343 a year ago, while foreign call loans have nearly tripled at \$2,651,404. Bank balances abroad also show a marked advance at \$4,099,253 compared with \$2,232,656. The growth of American balances is responsible for this increase, balances in the United Kingdom having declined by fully \$800,000 during the period. Total liquid assets are \$40,960,487, a proportion of 50 per cent. to the liabilities to the public compared with 44.6 per cent. a year ago. Current loans and discounts show an advance of \$1½ millions to \$49,038,691.

The following is a comparison of the leading items of the balance sheet for the last two years:—

	1916.	1915.
Capital Stock.....	\$ 7,000,000	\$ 7,000,000
Rest.....	7,000,000	7,000,000
Circulation.....	7,486,906	6,204,069
Deposits (not bearing interest)....	17,181,959	12,692,061
Deposits (bearing interest).....	54,995,070	50,037,102
Total Liabilities to Public.....	81,934,836	71,769,614
Specie and Legals.....	*12,788,094	*16,425,949
Bank Balances abroad.....	4,099,253	2,232,656
Call Loans abroad.....	2,651,404	964,193
Total of Quick Assets.....	40,960,487	33,086,571
Current loans and discounts.....	49,038,691	47,502,999
Total Assets.....	96,361,363	86,190,464

\* Including \$1,000,000 Deposit in Central Gold Reserve.

Necessarily, the policy followed by the Bank does not make for large profits but it was indicated that earnings improved in the last quarter of the Bank's fiscal year and that they should continue to improve. Profits for the year ended April 29th were \$950,713, compared with \$995,432 in the preceding year, and equal to 6.79 per cent. on the paid-up capital and rest combined. A balance of \$245,140 brought forward makes the total available on this account \$1,195,854. The 10 per cent. dividend absorbs \$700,000; \$27,000 is allocated to patriotic and philanthropic objects; the war tax on note circulation absorbs \$67,870; \$150,000 is transferred to contingent fund and the slightly increased balance of \$250,984 is carried forward. Mr. K. W. Blackwell, the Bank's vice-president, intimated at the annual meeting that the directors' aim is "to keep the Bank strong, not only in the interest of the public and shareholders but also so that it may be able to do its proper share in upholding the financial welfare of Canada and the Empire." The aim is a worthy one.

# The Bank of British North America

Established in 1836. Incorporated by Royal Charter in 1840

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

Head Office:

**5 GRACECHURCH STREET, LONDON, E.C.**

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

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F. R. S. Balfour	E. Geoffrey Hoare
J. H. Brodie	Frederic Lubbock
J. H. Mayne Campbell	C. W. Tomkinson
E. A. Hoare	G. D. Whatman

Head Office in Canada: **ST. JAMES ST., MONTREAL**

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H. A. HARVEY, Superintendent of Eastern Branches,  
Montreal.  
J. McEACHERN, Superintendent of Central Branches,  
Winnipeg.  
O. R. ROWLEY, Chief Inspector.  
A. S. HALL, Inspector of Branch Returns.  
J. H. GILLARD and N. V. R. HUUS, Inspectors,  
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This Bank has Branches in all the principal  
Cities of Canada, including Dawson City (Y.T.),  
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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 Fund and Undivided Profits - 7,250,984

## BOARD OF DIRECTORS:

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Extending from the Atlantic to the Pacific

**SAVINGS DEPARTMENT AT ALL BRANCHES**

Deposits received and Interest  
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New York Agency: 63 and 65 WALL ST.

# IMPERIAL BANK OF CANADA

Head Office, - Toronto

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

PELEG HOWLAND,  
President

E. HAY,  
General Manager



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

Dealers in Government  
and Municipal Securities.  
Dealers in Foreign and  
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Interest Credited Half-  
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**126 BRANCHES IN CANADA**

## THE LIFE COMPANIES' LAPSE RATIOS.

The Montreal Financial Times—a journal whose various ventures into the insurance field have been hitherto scarcely happy ones—printed in its issue of May 20th a table of the lapse ratios of the Canadian life companies last year in proportion to their new business of 1914, together with a long editorial thereupon. The calibre of the latter may be judged from its serious suggestion that the lapse ratio of the smaller companies is largely due to a regular system of "switching" by the larger companies, an insult which the executives of the large Canadian companies and their self-respecting agents will know how to appreciate. What the idea was in publishing this table and the comments thereupon by a writer who pretty obviously did not know what he was writing about, we should not care to guess. But the circumstances certainly suggest some other motive than that of a pure zeal for the welfare of the Canadian life insurance business.

The effect of the tabulation—possibly a designed effect—was, of course, to show up in a very unfavorable light, the smaller Canadian life companies and to suggest to their policyholders that their interests are not being carefully looked after, possibly that they are not even protected. That thereby a grossly unjust reflection was cast upon the smaller companies goes without saying. The safety of life policyholders is not dependent upon lapse ratios. Profits, to some extent, may be indirectly affected by them. But the primary purpose of life insurance is protection, not profits. And even in the matter of profits there are a good many other considerations than lapse ratios to be taken into account. It is a significant fact that while in recent years, several life companies have been wound up in Canada, in no case have the policyholders not been protected by re-insurance. At the present time, there is not the least ground for any uneasiness by any policyholder of a life insurance company under the supervision of the Dominion Insurance Department that his interests are not fully protected. The smaller Canadian life companies have their place in the Dominion as well as the large ones and are performing relatively as useful work. Size *per se* has nothing to do with financial strength—liabilities count as well as assets. A reasonable test of a life insurance company is the character of its investments. On that point, the smaller Canadian life companies have nothing to be ashamed of. As a matter of fact, the investment lists of some of the smaller companies compare very favorably with the investment lists of some of the larger companies. The most conservative of financiers could find no fault with the investment list of the National Life of Canada, a company which puts its investment funds almost entirely into municipal bonds, and is able to boast that since its establishment it has lost not a dollar in principal and has no interest in arrears. The investments of other small companies are likewise thoroughly sound.

### FACTS NOT TAKEN INTO CONSIDERATION.

The stupidity of such a compilation as that in

question and the gross unfairness to the smaller and younger Canadian life companies of a comparison of lapse ratios is apparent to anyone who knows anything about the life insurance business. It would be very curious indeed if the smaller and younger companies did not show the larger ratios. The smaller and younger companies have necessarily a considerably larger amount of recently acquired business on their books in proportion to the whole business in force than have the older companies. As a company gets older, the proportion of recently acquired business in proportion to the whole in force naturally tends to decrease and with it, the proportion of lapses. For instance, a small and young company which in the last three years had doubled its amount of business in force would very naturally have a larger lapse ratio than an older and larger company which during the same period had only increased its business in force 50 per cent. Under such circumstances the older company would have nothing to boast about; possibly its lower ratio in lapses might be swelled by surrenders to a point equal to or above the lapse ratio of the younger company. The proportion of new business to the whole of a company's business in force is a vital consideration in connection with the lapse ratio; comparisons which ignore it are bound to be misleading. Again, there is the consideration of local circumstances and local depressions to be borne in mind. It is well known, for instance, that British Columbia has suffered more severely than any other part of Canada from the financial depression. Given two companies transacting business in that field and suffering lapses as a result of the financial depression, the larger and older company would naturally show the effect of the lapses less than the smaller and younger company, merely owing to the fact that the local recent business of the larger company would be in smaller proportion to its whole business in force than the local recent business of the smaller company.

The fact of the matter is that no conclusions, except misleading ones, can be drawn from a simple statement of the insurance companies' lapse ratios. They are not comparable. A statement of that character does not even make allowances for the differences in company management in dealing with this matter. Some managements lapse a policy the day after the expiry of the days of grace; others keep the business on the books for a considerable period—and have an apparently lower lapse ratio than those companies which take the sounder course. Companies, small or large, are entitled to take due credit for low lapse ratios when those low ratios are in good part accounted for by the careful management of the business, and undoubtedly much business could be conserved in Canada, which is now allowed to lapse, did all the companies, large and small, give themselves whole-heartedly to its conservation. But that is a different matter entirely to the pillorying of small companies for circumstances over which they have no control. Proportional figures can easily be used unfairly; and the Financial Times' use of them is a case in point of their grave misuse.

## THE ROYAL BANK OF CANADA

INCORPORATED 1869

Capital Paid up \$11,560,000 Reserves \$13,236,000  
Assets \$200,000,000

HEAD OFFICE - MONTREAL.

325 BRANCHES THROUGHOUT CANADA

28 Branches in Cuba, Porto Rico, Dominican Republic and Costa Rica

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DEPARTMENT

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

## THE BANK OF TORONTO

Incorporated 1866.

Head Office: TORONTO, Canada.

ASSETS ..... \$66,000,000

DIRECTORS.

W. G. GOODERHAM, President. J. HENDERSON, Vice-President.  
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BRIGADIER GENERAL F. S. MEIGHEN, J. L. ENGLEHART, WM. I. GEAR, PAUL J. MYLER,  
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Bank with its staff of  
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special attention to  
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Banking Service.  
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private accounts are  
invited. Complete  
facilities at all  
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INCORPORATED 1832.

CAPITAL ..... \$6,600,000.00  
RESERVE FUND ..... 12,000,000.00  
TOTAL ASSETS over ..... 100,000,000.00

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

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

Branches throughout every Province in Canada, and in  
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ORIGINAL CHARTER  
1854

Head Office: - TORONTO

Branches and Connections throughout Canada.

GENERAL BANKING BUSINESS TRANSACTED  
MONTREAL OFFICES

Main Office: Transportation Building, St. James St.  
Bonaventure Branch, 523 St. James St.  
Noelholte Branch, Cor. Cuvillier and Ontario Sts.  
Mount Royal Branch, Cor. Mount Royal & Papineau Av.

## The Bank of Ottawa

Established 1874

Head Office - - - OTTAWA, Canada

Paid-up Capital - - - \$4,000,000  
Ret and Undivided Profits - 4,996,504  
Total Assets, over - - - 55,000,000

### BOARD OF DIRECTORS

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GEORGE BURN,  
General Manager.

D. M. FINNIE,  
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W. DUTHIE, Chief Inspector.

## INTER-INSURANCE AND THE ULTRA-VIRES ARGUMENT.

In our issue of April 28th, there was published an account, which excited much interest among business men throughout the Dominion, of a dispute between the Forest Mills Lumber Company of British Columbia and an inter-insurance concern known as the Lumbermen's Indemnity Exchange of Seattle. As will be in recollection, the main points are that the Lumber Company has been unable to collect from the Exchange \$170,500 following a fire in April, 1915, and that, succeeding various attempts to get a settlement, the Lumber Company took suit in the British Columbia Courts against an individual subscriber, being met with the defence of *ultra vires*.

The Lumbermen's Indemnity Exchange has now got out a counterblast to this statement, a summary of which is printed in the San Francisco Coast Review. In brief, the Exchange says that the claim is excessive to the extent of \$75,000, that the circumstances of the fire were extremely suspicious and that while the incendiary origin of the fire is admitted, no attempt has been made to discover the incendiary. The Exchange apparently forgets to mention the fact that the Board companies paid up their share of the loss promptly. The Exchange also says:—"It is well known to the Canadian members of the Exchange that it is *ultra vires* for a corporation in the Dominion to enter into inter-insurance with it, *except as a gentleman's agreement*" and again, "while an *ultra vires* defence will undoubtedly lie in Canada, such defence would not lie on this side of the line, so far as the Lumbermen's Indemnity Exchange is concerned. So the Exchange is advised by its counsel."

The Exchange's transaction of business in Canada is thus condemned out of its own mouth. It takes two to make and keep a "gentlemen's agreement" and it is easy enough when a dispute arises to tell the other fellow he is no gentleman and promptly set up the wall of *ultra vires*. Under such circumstances, the inter-insurance organisation has the whip hand all the time, and the individual party to the inter-insurance scheme no remedy. A nice position for business men to be in, regarding a matter that may mean all the difference—as fire insurance not infrequently does—between solvency and bankruptcy.

Fire insurance is too important a matter to be made the subject of merely "gentlemen's agreements" that may prove not worth the paper they are written on. According to the Exchange: "Amendments to Canadian contracts are being attached. If the Exchange finds itself involved again in a case like that of the Forest Mills Company, it will have to take its medicine." Evidently

the Exchange is very anxious not to lose its Canadian business, which it must recognise, under such circumstances as have been disclosed, was liable to get rather shaky. And no wonder.

### SCHOOL COMMISSIONS' UNBUSINESSLIKE METHODS.

Strong complaints are again being made by life insurance companies and other institutional investors in regard to the unbusinesslike methods of the various School Commissions in meeting their interest engagements. One prominent institutional investor remarked to us this week that some School Commissions don't seem to care whether or not they meet their interest payments at due date. A common example of these Commissions' careless management is the changing of the bank at which coupons are payable without any notification, public or private, to the bondholders. In consequence, when interest dates arrive, the coupons are returned unpaid by the original bank and the bondholder has the trouble of finding out as best he can—often with some difficulty—where the coupons are at present payable. He has not only this trouble, but is, in consequence, out of his interest money for any period ranging from a few days up to a month. Unless the School Commissions adopt more business-like methods in regard to these and other details, they are not unlikely to find their bonds being discriminated against by institutional investors, who hitherto have been important supporters of the market for these bonds.

ESTABLISHED 1873.

The

# Standard Bank

of CANADA

## Head Office, TORONTO

124 BRANCHES THROUGHOUT THE DOMINION



KEEPING a bank account for "household expenses" and paying all bills by cheque has many advantages. It shows the balance on hand, the amount expended, provides receipts for every payment and does not require a large deposit to begin with.



Montreal Branch: 136 ST. JAMES STREET  
E. C. GREEN, Manager.

**The Trust and Loan Co.**  
OF CANADA

Capital Subscribed. . . . \$14,600,000.00  
Paid-up Capital. . . . 2,920,000.00  
Reserve Funds. . . . 2,752,205.06

MONEY TO LOAN ON REAL E-STATE

**30 St. James Street, Montreal.**

**The Royal Trust Co.**

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

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H.V. Meredith, *President* Sir H. Montagu Allan, C.V.O., *Vice-President*  
R. B. ANGUS E. B. GREENSHIELDS  
A. BAUMGARTEN C. R. HOMER  
A. D. BRATTWATTS Sir W. C. MACDONALD  
E. J. CHAMBERLIN Hon. R. MACEAT  
H. R. DRUMMOND HERBERT MOLSON  
C. B. GORDON LORD SHAUGHNESSY, K.C.V.O.  
Hon. Sir LOMER GOVIN, Sir FREDERICK  
K.C.M.G. WILLIAMS-TAYLOR, LL.D.

A. E. HOLT, *Manager*

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

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

**PRUDENTIAL TRUST COMPANY**  
LIMITED

HEAD OFFICE 9 ST. JOHN STREET MONTREAL.

Trustee for Bondholders  
Transfer Agent & Registrar  
Administrator Receiver Executor  
Liquidator Guardian Assignee  
Trustee Custodian

**Safety Deposit Vault**  
Terms exceptionally moderate.

Real Estate and Insurance Departments  
Insurance of every kind placed at lowest possible rates.

Correspondence invited.

B. HAL. BROWN, *President and Gen. Manager*

**WESTERN**  
Assurance Company

Incorporated in 1851

**FIRE, EXPLOSION, OCEAN MARINE AND INLAND MARINE INSURANCE**

ASSETS over \$4,000,000.00

LOSSES paid since organization of Company over \$63,000,000

**DIRECTORS**  
W. R. BROCK, *President*  
W. B. MEIKLE, *Vice-President and General Manager*

JOHN AIRD AUGUSTUS MYERS  
ROBT. BICKERDIKE, M.P. Z. A. LASH, K.C., LL.D.  
ALFRED COOPER GEO. A. MORROW  
H. C. COX Lt. COL. FREDERIC NICHOLLS  
D. B. HANNA Col. Sir HENRY PELLATT C.V.O.  
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**HEAD OFFICE TORONTO**

One of the best forms of Insurance ever devised is the

**EQUITABLE'S**  
Life Income Policy

*embodying a*

**NEW DISABILITY CLAUSE**

Under this latest form, if the Insured becomes totally disabled he receives an income for life equal in amount to the income payable to the Beneficiary after his death, any sums thus paid to him being in addition to and in no way reducing the income which the Beneficiary will subsequently receive. It is a form that may fairly be said to sell itself. Insurance salesmen will do well to investigate.

**THE EQUITABLE**  
Life Assurance Society  
Of the U.S.

120 Broadway New York

FOUNDED A.D. 1819

**THE PHENIX FIRE INSURANCE COMPANY OF PARIS, FRANCE**

SURPLUS TO POLICY-HOLDERS, \$5,754,937

THOMAS F. DOBBIN, *Manager for Canada*  
EDMUND FOSTER, *Superintendent of Agencies.*

**LEWIS BUILDING, ST. JOHN ST., MONTREAL**  
Applications for Agencies invited

**THE LIFE AGENTS' MANUAL**  
Published by The Chronicle, Montreal



**CALEDONIAN INSURANCE COMPANY.**

The one-hundred-and-eleventh annual report of the Caledonian Insurance Company contains little evidence of the period of prolonged strain through which "the oldest Scottish insurance office" has had to pass in common with all other British financial institutions. Thanks to a policy of consistent conservatism in the past, its financial foundations are such that the greatest financial upheavals can be serenely encountered, while a fully matured connection, combined with a high reputation won by over a century's honorable service to its policyholders ensures for it an adequate patronage.

The British fire companies generally report increased operations during 1915 and this experience was shared by the Caledonian, whose fire premiums at \$2,344,515 reveal an advance of \$95,995 upon those of the preceding year. Combined with this increase in premiums was a more favorable experience in regard to losses, which at \$1,352,615 were in actual amount nearly \$100,000 lower than in 1914 and in a proportion to premiums of 57.69 per cent. Commission, expenses and taxes at \$875,790 show only a very moderate increase over those of 1914. The reserve for unexpired risks having been increased by \$32,640, a surplus on the year's trading of \$142,095 is carried to the profit and loss account.

The Caledonian's resources available for the protection of its policyholders indicate an exceedingly strong position. In addition to the reserve for unexpired risks amounting to \$797,135, a conflagration reserve of \$1,000,000 is maintained which with the balance on profit and loss account of \$561,010, makes a total equal to the amount received last year in premiums, this apart altogether from the paid-up and subscribed capital. The total funds of the Company aggregate \$21,093,270.

While transacting in other fields life insurance and casualty insurance in its various departments, in Canada, the Caledonian confines itself to fire insurance only. Throughout the Dominion, which field it entered in 1883, the Caledonian is held in high esteem by the insuring public for the honourable character of its dealings. For the last five years, Mr. John G. Borthwick has been in charge of the Canadian affairs of the Company and under his guidance substantial progress has been made in this field. In 1915, the Caledonian received net cash for premiums in Canada, \$433,157 and incurred net losses of \$227,887, a proportion of 52.61 per cent.

As was to have been anticipated from a Scottish office, members of the staff have made a splendid response to the call to the Colours. It was reported at the recent annual meeting that 64 had joined His Majesty's forces, of who two unfortunately have lost their lives. The Board keeps their situations open to those who return and continues full salaries while they are away.

Lieutenant Eric Stanley Gooderham, who has been reported missing on the Flanders front, is a son of Mr. W. G. Gooderham, whose prominent association with banking, finance and insurance are well-known. In business circles, the hope is widely expressed that reassuring news of the young officer will shortly be received.

**RE-INVESTMENT OF DIVIDENDS IN LIFE INSURANCE.**

Some of the British life offices are turning to effective account the fact of the wide distribution of British war loans among people who have never before held Government securities and possibly for the first time, have lately enjoyed the satisfaction of receiving half-yearly payments of interest. One brochure dealing with this question discusses the results which would be secured by hoarding, investing and putting into life insurance the annual returns received from the British 4½ per cent. war stock. Assuming the net half-yearly return, after deduction of income tax, from £500 stock as £9 17s., it is pointed out that by hoarding these returns an investor at the end of 20 years would have a capital of £894. By investing his interest, he might achieve in the same period a capital of £1,000. By using the interest payments to purchase a 20-year with-profit endowment policy, a capital of £1,100 could be achieved at the end of the period. Under limited-payment whole-life plans, a capital of £1,500 could be obtained at the close of the 20 years.

In this, there seems a hint to the Canadian life companies and agents. A good many folk who have never held bonds before are how holders in varying amounts from \$100 upwards of the Dominion War Loan. It would be an easy matter for an agent or head office to work out what insurance, to mature about the same date as the War Loan in 1935, given amounts of half-yearly or annual interest on the war loan would purchase. Those figures obtained, it seems likely that very attractive proposals could be put before those who have lately become creditors of Canada.

**AN EVENTFUL WEEK.**

It would be rash to anticipate that the last seven days will hold for any length of time a unique position in splendid and sorrowful associations. But to Canadians this week has been inevitably one of peculiar significance. Not only have we shared with the mother country and the other British Dominions beyond the seas and with our brave Allies, in the glory of the men of the British fleet and in the poignant sorrow caused by the soldier's death of Lord Kitchener, but we have had our own pride and grief resulting from the heavy fighting in which the Canadians have been engaged at Sanctuary Wood.

There is a privilege in living in these great and terrible days; let us be worthy of the privilege. In each event of the past week—in the gallantry and daring of British sailors, in the close of a life of magnificent service for England and the Empire, and in the heroism of Canadians at Ypres—there is inspiration. In courage, steadfastness, unselfishness and silence, let us "carry on"—the more firmly, determinedly and unitedly because of those who have gone before.

The Bank of Montreal announces the opening of temporary branches at the principal military camps throughout Canada, including Valcartier, Que., Barriefield, Ont., Petawawa, Ont., and Camp Hughes, Man.

## CANADA PERMANENT MORTGAGE CORPORATION QUARTERLY DIVIDEND

NOTICE is hereby given that a Dividend of TWO and ONE HALF PER CENT, for the current quarter, being at the rate of

TEN PER CENT PER ANNUM

on the paid-up capital Stock of the Corporation, has been declared, and that the same will be payable on and after

MONDAY, THE THIRD DAY OF JULY

next, to Shareholders of record at the close of business on the Fifteenth day of June.

By order of the Board,

Toronto, May 31st, 1916.

GEO. H. SMITH, Secretary.

*Representing*

## THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

You will make money.

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

FOR TERMS TO PRODUCING AGENTS, ADDRESS:

**George T. Dexter**

2nd VICE PRESIDENT

34 Nassau Street

New York, N.Y.

## Atlas Assurance Co., Limited of LONDON, ENGLAND

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

	<i>At the Accession of</i>	<i>Income</i>	<i>Funds</i>
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, 1914	7,489,145	19,064,425	

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:

**179 St. James St., MONTREAL**

MATTHEW C. HINSHAW, Branch Manager



**Assets:**  
**\$10,178,345.13**

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

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

## AUSTRALIA and NEW ZEALAND BANK OF NEW SOUTH WALES

(ESTABLISHED 1817)

Paid-up Capital	-	-	-	-	-	\$17,500,000.00
Reserve Fund	-	-	-	-	-	13,000,000.00
Reserve Liability of Proprietors	-	-	-	-	-	17,500,000.00
	-	-	-	-	-	<u>\$48,000,000.00</u>
Aggregate Assets 31st March, 1915	-	-	-	-	-	\$288,756,341.00



J. RUSSELL FRENCH, General Manager.

344 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London. The Bank transacts every description of Australian Banking Business. Wool and other Produce Credits arranged.

Head Office:  
**GEORGE STREET, SYDNEY.**

Agents: Bank of Montreal  
Royal Bank of Canada

London Office:  
**29, THREADNEEDLE STREET, E.C.**

**FIRE COMPANIES' CONTRIBUTIONS TO FIRE BRIGADES.**

"A Committee of the Bombay Corporation," says the Calcutta financial journal, *Capital* "has had under consideration the question of taxing the Fire Insurance Companies established here in order to meet the growing expenses of the Fire Brigade. The Municipal Commissioner is of opinion, and the Committee agree with him, that if any taxation is required on the Insurance Companies, it must be in the direction of the levy of a rate on the amount of movable property insured, since the owners of movable property get the benefit of the Fire Brigade while the expense of the latter is borne by the owners of immovable property. But if insured movable property is thus taxed, it will be necessary to give the Commissioner power to levy a contribution on uninsured movable property which has been in the proximity of any fire for the suppression of which the Fire Brigade has been called. Although this would cause much trouble if generally applied, it would be the fairest system. The Committee, however, do not consider it worth while to ask for an amendment of the Municipal Act to enforce it. Neither do they consider it advisable to levy a license fee from the Insurance Companies. License fees under the Municipal Act are levied on account of the need or possibility of Municipal supervision. In connection with the Insurance Companies these fees would seem to be altogether out of place. For these reasons the Committee are not in favour of levying any special contribution from the Insurance Companies towards the maintenance of the Fire Brigade."

This account of recent doings in an Indian city, for which we are indebted to Mr. W. B. Meikle, the managing director of the Western Assurance Company, expresses clearly the arguments which may be used against the system of contributions by the fire companies towards the support of fire brigades. Some of our Canadian city fathers, in their zeal for raising new revenue that is easily collectable, from time to time come forward with schemes of this kind, backing them up with the assertion that the fire companies are those who benefit most from fire department activities. The Bombay committee saw clearly that this assertion is not merely untrue, but that, in fact, if a tax of this character is to be fairly imposed, it must get at some classes of the community, the owners of movable and of uninsured property, who, in Canadian schemes of this kind, are usually entirely forgotten. In this matter, Canada has a good deal to learn from the clear thinking of Bombay.

**WESTERN UNION FIRE.**

Proceedings have been commenced by the liquidator of the Western Union Fire Insurance Company, of Vancouver, a defunct British Columbia provincial concern, against some 700 shareholders of the company, seeking to obtain a declaration that these shareholders are liable as contributors. The claims, it is said, are made against shareholders residing practically all over Canada, the total amount represented being more than \$600,000. It is understood, however, that power is only sought to obtain such sums as are necessary to pay all claims against the Company in full and the liquidation charges.

**CANADIAN FIRE RECORD**

*Specially compiled by The Chronicle.*

**HEAVY LOSS AT VANCOUVER.**

The plant of the New England Fish Company and the Alberta-Pacific grain elevator at Vancouver were destroyed on May 29th through a fire of incendiary origin. Insurance loss is total and aggregates over \$230,000 as follows:—

**ON CONTENTS WAREHOUSE. (BUILDING OWNED BY DOMINION EXIRESS CO.)**

Royal .....	\$10,000	Nova Scotia .....	\$5,000
N. W. National .....	5,000		
Springfield .....	5,000		\$25,000
Loss, total.			

**ELEVATOR, SCHEDULE COVERING BUILDING, MACHINERY AND CONTENTS.**

Globe & Rutgers .....	\$7,000	Commercial Union ..	\$2,000
Phoenix of London ..	5,000	Phil. Underwriters ..	2,000
Fidelity-Phoenix .....	5,000	Yorkshire .....	2,000
Mieh. Commercial .....	4,000	Western .....	2,000
Aetna .....	3,500	Glens Falls .....	3,000
Lon. & Lancashire .....	3,000	London Mutual .....	2,000
Westchester .....	3,000	National of Paris .....	3,500
Connecticut .....	2,500		
Royal .....	2,500		\$52,000
Loss, total.			

**COLD STORAGE, BUILDING AND MACHINERY.**

Palatine .....	\$35,000	Springfield .....	\$17,500
Connecticut .....	25,000		
Nova Scotia .....	17,500		\$95,000
Loss, total.			

**COLD STORAGE CONTENTS.**

Johnson & Higgins, of N. Y., (Companies not known) .....	\$50,000
Loss, total.	

**BROCKVILLE, ONT.**—Fulford Block, corner Court House Avenue and King Street, owned by Senator Fulford Estate, damaged to estimated extent of \$50,000, June 2. Loss to tenants as follows: F. R. Curry, drug store, loss \$25,000 with small insurance; loss to Dr. Williams Medicine Co., Lindsay Piano Store, Brockville Business College, Brockville Loan and Savings Co., and offices occupied by Hutcheson & Driver, K. A. Page, A. C. Hardy, Grand Trunk Railway, G.N.W. Telegraph Co., Canadian Express Co., and others, about \$25,000. Origin, spontaneous combustion rear of drug store.

**FLESHERTON, ONT.**—Barn of William Humberston destroyed with live stock, farm implements and quantity of grain, May 29. Insurance on buildings, \$1,000. Origin, lightning.

**SWIFT CURRENT, SASK.**—Saskatchewan & Western Elevator Company's elevator at Pambrun destroyed with 15,000 bushels of grain. Loss heavy.

**MERRICKVILLE, ONT.**—Summer residence of Howard Putmann on banks of Rideau River damaged to extent of \$2,000, June 2. Loss covered by insurance.

**KELSEY, ALTA.**—North Star Elevator destroyed May 30 with 17,000 bushels of oats and 10,000 bushels of wheat. Origin, unknown.

**PANGMAN, SASK.**—Hotel, two stores, tin shop, and post office wiped out, May 31, with loss of \$20,000. Origin, unknown.

**ROTHESAY, N. B.**—House of Andrew Dobbin destroyed with contents, May 21. Loss, \$3,000.

**KINCARDINE, ONT.**—Two barns of A. Stewart destroyed, May 28. Origin, lightning.

## You Can Improve Your Position

- † Have you heard of the Sales and Intelligence Departments of the Canada Life?
- † They give special assistance to the Company's representatives.
- † They teach a man the insurance business by correspondence and personal assistance free of charge.
- † Then they place him in a position and help him to make good.
- † The first two lessons of the Company's correspondence course will be sent to anyone interested. It will pay young men who desire to get on in the world to look into this. All correspondence strictly confidential.

CANADA LIFE ASSURANCE CO.  
HEAD OFFICE, TORONTO.



## The Imperial Guarantee

AND ACCIDENT INSURANCE CO., OF CANADA

Head Office: 46 King Street W.,  
TORONTO, Ont.

**A Strong Canadian Company.**

ACCIDENT AND SICKNESS INSURANCE  
GUARANTEE BONDS

PLATE GLASS AND AUTOMOBILE INSURANCE

E. WILLANS,

FRANK W. COX,

General Manager.

Secretary.

## The LONDON MUTUAL FIRE

INSURANCE Established 1859 COMPANY

Assets	\$784,426.31
Surplus to Policyholders	404,046.07
Losses Paid—over	8,000,000.00

PROVINCE OF QUEBEC BRANCH

W. J. CLEARY, Provincial Manager.

17 ST. JOHN STREET, - - MONTREAL

## THE CANADA NATIONAL FIRE INSURANCE COMPANY

HEAD OFFICE: WINNIPEG, MAN.

SURPLUS TO POLICYHOLDERS - \$1,820,752.00

A Canadian Company Investing Its Funds in Canada

APPLICATIONS FOR AGENCIES INVITED

## Union Assurance Society Ltd.

OF LONDON, ENGLAND.  
Fire Insurance since A.D. 1714

CANADA BRANCH, MONTREAL

T. L. MORRISEY, Resident Manager.

NORTH WEST BRANCH, WINNIPEG

THOS. BRUCE, Branch Manager.

Agencies throughout the Dominion



## 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.

THE OLDEST SCOTTISH INSURANCE OFFICE

FOUNDED 1805

# CALEDONIAN INSURANCE COMPANY

Extracts from the One Hundred and Eleventh Annual Report

## FIRE DEPARTMENT

Net Premiums for 1915 (an increase of \$95,995)	\$2,344,515
Interest on Fire Funds	58,625
	\$2,403,140
Deduct—Losses—57.69 per cent.	\$1,352,615
Commission, Expenses and Taxes—37.36 per cent.	875,790
	\$2,228,405
	\$174,735
Increase in Reserve for Unexpired Risk, being 34 per cent. of above \$95,995	32,640
Surplus on Year's Trading carried to Profit and Loss Account	\$142,095
The Balance at credit of Profit and Loss Account carried forward from last year after providing for Dividend was	\$399,040
To which has been added:—	
Surplus on Year's Trading as above	\$142,095
Balance of General Interest, etc., per Profit and Loss Account	4,915
Transferred from:—Accident Insurance Account	1,225
Employers' Liability Insurance Account	12,115
General Insurance Account	1,620
	161,970
At credit of Profit and Loss Account 31st December, 1915	\$561,010

## FIRE INSURANCE ACCOUNT 1915

Amount of Fire Insurance Fund at the beginning of the year:—		Claims under Policies paid and outstanding	\$1,352,615
Reserve for Unexpired Risks	\$ 764,495	Commission	439,130
Additional Reserve	1,000,000	Expenses of Management	364,895
	\$1,764,495	Foreign and Colonial Taxes	60,135
Premiums	\$3,160,410	Contributions to Fire Brigades	11,630
Less Re-insurance Premiums	815,895		\$2,228,405
	2,344,515	Carried to Profit and Loss Account	142,095
Interest, Dividends and Rents (less Income Tax)	58,625	Amount of Fire Insurance Fund at the end of the Year, as per General Balance Sheet:	
	\$4,167,635	Reserve for Unexpired Risks, being 34 per cent. of Premium Income for the year	\$ 797,135
		Additional Reserve	1,000,000
			1,797,135
			\$4,167,635

## FUNDS

Capital Paid Up	\$ 537,500
Fire Insurance Fund	1,797,135
Investment Reserve Account	55,000
Accident Insurance Fund	19,430
Employers' Liability Insurance Fund	139,250
Annuities Certain and Leasehold Redemption Fund	84,425
General Insurance Fund	15,855
Balance Profit and Loss Account	561,010
Life and Annuity Fund	17,883,665
<b>Funds 31st December, 1915</b>	<b>\$21,093,270</b>

(\$5 taken as equivalent of £1 Sterling.)

**CANADIAN BRANCH OFFICE: Dominion Express Building, MONTREAL**

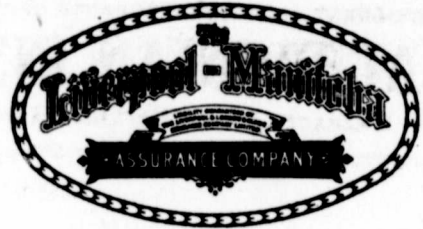
JOHN G. BORTHWICK, Manager for Canada.



CANADA BRANCH HEAD OFFICE, MONTREAL.

**DIRECTORS**

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



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

**DIRECTORS**

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

INCORPORATED 1835

THE  
**Continental Insurance Company**  
 of NEW YORK

OFFERS TO AGENTS AND ASSURED

*The Best Policy      The Best Service      The Best Terms*

PERFECT PROTECTION.      Assets Exceed      -      -      \$31,000,000

Surplus to Policyholders      \$20,462,343

PROMPT PAYMENTS.      All Canadian Losses paid from MONTREAL

LICENSED BY THE DOMINION GOVERNMENT

HEAD OFFICE FOR CANADA AND NEWFOUNDLAND:  
 17 ST. JOHN STREET, MONTREAL



**The Northern Assurance Co. Limited**  
"Strong as the Strongest"

Accumulated Funds 1914, \$41,615,000

HEAD OFFICE FOR CANADA,  
 88 NOTRE DAME STREET WEST,  
 MONTREAL.

G. E. MOBERLY, Supt. of Agencies.

ROBERT W. TYRE, Manager.

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

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

11 ST. SACRAMENT STREET  
 MONTREAL, P.Q.

**PERSONALS.**

A number of Montreal and Toronto fire managers are leaving for the West to-morrow (Saturday) to attend a meeting of all the companies interested in the business of fire insurance in the North-West provinces.

\* \* \*

Lieutenant Trevor A. Evans, reported wounded in this week's fighting near Ypres, is a member of the insurance firm of Eshhart and Evans, Lake of the Woods Building, Montreal. After having qualified in Montreal for a commission, he was refused as medically unfit but crossed to England and was eventually given a commission with the Canadian forces. He went to the Front with a Montreal battalion some two months ago.

\* \* \*

Mr. H. B. Mackenzie, General Manager of the Bank of British North America, has accepted the invitation of the Court of Directors of the Royal Exchange Assurance, whose Head Office is in the Royal Exchange, London, England, to become one of its Canadian Directors. The other Directors in Canada are Mr. H. V. Meredith and Dr. E. P. Lachapelle, of Montreal, Mr. J. Stanley Hough, K.C., Winnipeg, and Col. B. A. Weston, Halifax.

\* \* \*

Lieut.-Col. W. O. H. Dodds, of Montreal, whose name appears in the King's Birthday honours list as the recipient of the C.M.G., has a double connection with insurance. Not only was he associated with the Mutual Life of New York before going to the Front with the Montreal Field Artillery, but he is a son-in-law of Mr. R. W. Tyre, the veteran manager for Canada of the Northern Assurance Company. Colonel Dodds was a keen and efficient artilleryman for years before the outbreak of war, and many friends appreciate the new distinction conferred upon him.

\* \* \*

Captain E. A. Whitehead, reported killed in action this week, was a member of the Montreal

insurance brokerage firm of E. A. Whitehead & Company, which was founded by his grandfather, the late Col. E. A. Whitehead. Prior to the war, Captain Whitehead was with the Victoria Rifles and crossed to Europe with the first Canadian contingent. He was wounded in April, 1915, and was on the sick list for a considerable time but was subsequently able to return to the front.

\* \* \*

Mr. T. L. Morrisey, of Montreal, the well-known Canadian manager of the Union Assurance Society, has received many congratulations this week, following the appearance in the list of honours issued on the King's Birthday of the name of his son, Major T. S. Morrisey, who has been awarded the D.S.O. Major Morrisey, who went over with the first Canadian contingent as a captain, was promoted to his present rank a short time ago and now holds a staff appointment. At the front, he is making for himself an enviable record.

**WHY I should select a MUTUAL POLICY !**

- FIRST**—Because in a mutual company the assets are the sole property of the Policy-holders.
- SECOND**—Because in a mutual company ALL of the profits go to the policy-holders: not 90 per cent or 95 per cent, but **THE WHOLE**.
- THIRD**—Because in a mutual company the executive is directly responsible to the policy-holders: ALL the directors are policy-holders' directors.
- FOURTH**—Because mutual companies hold the record for stability.
- FIFTH**—Because mutual companies have all the "safety-first" features of stock companies with mutuality thrown in.
- SIXTH**—Because the largest American companies are already mutual or seriously considering mutualization, and already more than one-half of legal reserve insurance is mutual.
- SEVENTH**—Because mutual companies are not built up in the interest of the FEW, but of the MANY.

**THEREFORE, I WILL TAKE FOR MINE**

**The Mutual Life Assurance Co. of Canada**

Canada's Only Mutual. Waterloo, Ontario.

**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, BANK OF OTTAWA BUILDING, MONTREAL

C. A. WITHERS, General Manager, TORONTO

Branches: WINNIPEG CALGARY VANCOUVER

**THE CONTINENTAL LIFE INSURANCE COMPANY**  
HEAD OFFICE - TORONTO

Protect your wife and family by a monthly income policy in THE CONTINENTAL LIFE INSURANCE COMPANY. An absolutely sure investment.

W. J. BROWN, Provincial Manager,

180 ST. JAMES STREET, MONTREAL.

# THE MERCHANTS BANK OF CANADA

## Proceedings at the Fifty-third Annual Meeting of Shareholders on 7th June, 1916.

The fifty-third Annual Meeting of the Shareholders of the Merchants Bank of Canada was held on Wednesday, 7th June, in the Board Room at the head offices at Montreal. The meeting was called to order at twelve o'clock noon. Amongst those in attendance were: Messrs. K. W. Blackwell, Thomas Long, Alex. Barnet, Andrew A. Allan, C. C. Ballantyne, A. J. Dawes, F. Howard Wilson, Farquhar Robertson, George L. Cains, Alfred B. Evans, E. F. Hebden, Alex. D. Fraser, Ward C. Hughson (Ottawa), John Patterson, A. Piddington, F. Hague, Arthur Browning, Robert Shaw, Edward Fiske (Joliette, Que.), T. E. Merrett, D. C. Macarow, A. B. Patterson, J. Gillespie Muir, H. B. Loueks, W. A. Meldrum, E. A. Fox, C. A. Harcourt and J. M. Kilbourn.

On motion of Mr. John Patterson, seconded by Mr. Alex. D. Fraser, the Vice-President (Mr. K. W. Blackwell), in the absence of the President (Sir H. Montagu Allan), was asked to take the chair.

Mr. J. M. Kilbourn was appointed Secretary of the meeting.

The minutes of the last annual meeting were taken as read.

The Chairman, Mr. K. W. Blackwell, then presented the Annual Report, as follows:

### THE ANNUAL REPORT.

I have pleasure in presenting the Fifty-third Annual Statement of the Merchants Bank of Canada, as at the close of business on the evening of April 29th, 1916, the last day of the Bank's financial year; and at the same time I beg to present the directors' report of the Profits for the past twelve months.

You will note that the profits are less by \$44,718.31 than they were for the previous year. This is accounted for by reason of the heavier cash reserves held throughout the fiscal year, in view of the generally prevailing monetary conditions and the general slackening of business activity in commercial lines. You have the statement before you, showing how the profits have been apportioned. Having regard to the times we are passing through, it has been deemed wise to transfer any surplus over and above dividend requirements to the Contingent Fund. Meanwhile, the balance brought forward is slightly in excess of that of the previous year.

Referring to the General Statement, you will be glad to observe that the Bank's position is unusually strong, as befitting the times. The usual Auditors' Report is appended, certifying to the correctness of the Balance Sheet.

During the past twelve months we have closed the following offices, which had become unprofitable, viz.:—

Second St. East, Calgary	West Edmonton	Raymond
Athabasca Ave., Edmonton	Edson	Redcliff
Alberta Ave., Edmonton		

All in Alberta. And have opened the following new Branches, viz.:—

Alliance, Alta.	Ponoka, Alta.	Forestburg (Sub.), Alta.	Heisler (Sub), Alta.
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The various offices of the Bank have been inspected during the year.

All of which is respectfully submitted,

K. W. BLACKWELL,  
Vice-President.

### THE FINANCIAL STATEMENT.

Statement of the result of the business of the Bank for the year ended 29th April, 1916.

The Net Profits of the year, after payment of charges, rebate on discounts, interest on deposits, and making full provision for bad and doubtful debts, have amounted to.....	\$950,713.42
The balance brought forward from 30th April, 1915, was.....	245,140.70

Waking a total of.....	<b>\$1,195,854.12</b>
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This has been disposed of as follows:—

Dividend No. 112, at the rate of 10 p.c. per annum.....	\$175,000.00
Dividend No. 113, at the rate of 10 p.c. per annum.....	175,000.00
Dividend No. 114, at the rate of 10 p.c. per annum.....	175,000.00
Dividend No. 115, at the rate of 10 p.c. per annum.....	175,000.00
Donation to Canadian Patriotic Fund.....	\$700,000.00
Donation to British Red Cross Society.....	25,000.00
Government War Tax on Note Circulation.....	2,000.00
Transferred to Contingent Fund.....	67,870.00
Balance carried forward.....	150,000.00
	250,984.12

**\$1,195,854.12**

K. W. BLACKWELL,  
Vice-President.

E. F. HEBDEN,  
General Manager.



**THE MERCHANTS BANK OF CANADA—Continued.****STATEMENT OF LIABILITIES AND ASSETS AS AT 29th APRIL, 1916.****LIABILITIES.**

	1916.
<b>1. TO THE SHAREHOLDERS.</b>	
Capital Stock paid in .....	\$7,000,000.00
Rest or Reserve Fund .....	7,000,000.00
Dividends declared and unpaid .....	175,542.50
Balance of Profits as per Profit and Loss Account submitted herewith .....	250,984.12
	<b>\$14,426,526.62</b>
<b>2. TO THE PUBLIC.</b>	
Notes of the Bank in Circulation .....	\$ 7,486,906.00
Deposits not bearing interest .....	17,181,959.18
Deposits bearing interest (including interest accrued to date of statement) .....	54,995,069.97
Balances due to other Banks in Canada .....	363,799.39
Balances due to Banks and banking correspondents in the United Kingdom and foreign countries .....	877,399.91
Bills payable .....	1,029,702.00
Acceptances under letters of credit .....	
Liabilities not included in the foregoing .....	
	<b>\$96,361,363.07</b>

**ASSETS.**

Current Coin held .....	\$3,681,854.13
Deposit in the Central Gold Reserves .....	1,000,000.00
Dominion Notes held .....	8,106,240.25
Notes of other Banks .....	702,006.00
Cheques on other Banks .....	2,754,968.88
Balances due by other Banks in Canada .....	2,836.92
Balances due by Banks and banking correspondents in the United Kingdom .....	207,226.65
Balances due by Banks and banking correspondents elsewhere than in Canada and the United Kingdom. (In U. S. \$3,839,597.24) .....	3,892,026.83
Dominion and Provincial Government securities, not exceeding market value .....	2,480,446.72
Canadian Municipal securities, and British, Foreign and Colonial public securities, other than Canadian .....	5,251,321.38
Railway and other Bonds, Debentures and Stocks, not exceeding market value .....	5,055,106.27
Call Loans in Canada on Bonds, Debentures and Stocks .....	5,175,048.49
Call Loans elsewhere than in Canada .....	2,651,404.32
	<b>\$40,960,486.84</b>
Other Current Loans and Discounts in Canada (less Rebate of Interest) .....	48,835,565.38
Other Current Loans and Discounts elsewhere than in Canada (less Rebate of Interest) .....	203,125.72
Liabilities of customers under letters of credit as per contra .....	1,029,702.00
Real Estate other than bank premises .....	177,186.29
Overdue debts (estimated loss provided for) .....	164,363.18
Bank Premises, at not more than cost, less amounts written off .....	4,507,782.34
Deposit with the Minister for the purposes of the Circulation Fund .....	345,000.00
Other Assets not included in the foregoing .....	138,151.32
	<b>\$96,361,363.07</b>

K. W. BLACKWELL,  
Vice-President.

E. F. HEBDEN,  
General Manager.

**REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF THE MERCHANTS BANK OF CANADA.**

In accordance with the provisions of sub-Sections 19 and 20 of Section 56 of the Bank Act we report to the shareholders as follows:—

We have examined the above Balance Sheet with the Books of Accounts and other records of the Bank at the Chief office and with the signed returns from the Branches and Agencies.

We have checked the cash and verified the securities of the Bank at the Chief Office against the entries in regard thereto in the books of the Bank as on April 29th, 1916, and at a different time during the year and found them to agree with such entries. We have also attended at some of the Branches during the year and checked the cash and verified the securities held at the dates of our attendance and found them to agree with the entries in the books of the Bank with regard thereto.

We have obtained all the information and explanations we have required. In our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank, and the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs according to the best of our information and the explanations given to us and as shown by the books of the Bank.

VIVIAN HARCOURT,  
of Deloitte, Plender, Griffiths & Co.

J. REID HYDE,  
of Macintosh & Hyde.

Montreal, 23rd May, 1916.

AUDITORS.

(Continued on p. 659)

## COMMERCIAL UNION

ASSURANCE COMPANY LIMITED  
of LONDON, England

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

Capital Fully Subscribed . . . . .	\$14,750,000
Capital Paid Up . . . . .	1,475,000
Life Fund, and Special Trust Funds, . . . . .	74,591,535
Total Annual Income exceeds . . . . .	47,000,000
Total Assets exceed . . . . .	142,000,000
Total Fire Losses Paid . . . . .	183,366,690
Deposit with Dominion Government . . . . .	1,208,433

APPLICATIONS FOR AGENCIES SOLICITED  
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—

**Commercial Union Building,**  
MONTREAL

J. McGREGOR,  
Manager

W. S. JOPLING,  
Assistant Manager

## PALATINE

INSURANCE COMPANY LIMITED  
of LONDON, England

(As at 31st December 1914)

Capital Fully Paid . . . . .	\$1,000,000
Fire Premiums 1914, Net . . . . .	\$2,605,775
Interest, Net . . . . .	136,735
Total Income . . . . .	\$2,742,510
Funds . . . . .	\$5,525,540
Deposit with Dominion Gov't . . . . .	\$238,400

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

APPLICATIONS FOR AGENCIES SOLICITED  
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—

**Commercial Union Building,**  
MONTREAL

J. McGREGOR,  
Manager

W. S. JOPLING,  
Assistant Manager

COMMENCED BUSINESS 1901  
RECEIVED DOMINION CHARTER 17th JUNE 1908  
Capital Stock 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 N. T. HILLARY

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

**FIRE AND LIFE**  
**North British and Mercantile**  
INSURANCE COMPANY

DIRECTORS  
WM. McMASTER Esq. G. N. MONCEL, Esq.  
E. L. PRABB, Esq.

Head Office for the Dominion:  
80 St. Francois Xavier Street - MONTREAL.

Agents in all the principal Towns in Canada.  
RANDALL DAVIDSON, Manager.  
HENRY N. BOYD, Manager, Life Dept.

**SUN** INSURANCE  
OFFICE

FOUNDED A.D. 1710

Head Office:  
Threadneedle Street, LONDON, ENGLAND

**THE OLDEST INSURANCE  
OFFICE IN THE WORLD.**

Canadian Branch:

15 Wellington Street East, Toronto, Ont.

LYMAN ROOT,  
Manager

.. 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.

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

## THE MERCHANTS BANK OF CANADA—Continued.

In moving the adoption of the Report, which was seconded by Mr. Thomas Long, the Chairman said:—

"We are now in the second month of our new financial year, and the general situation in Canada to-day is very remarkable and unusual; our people have never as a whole been so actively employed as at the present time. The Government disbursements on account of military service, together with large exports of ammunition and other war materials, following upon the immense crops of last year, have combined in producing a very large circulation of cash in the country.

"While the war lasts it must be expected that this High pressure condition will continue, and carry with it an extraordinary movement of funds, in fact, the deposit column of the bank statements already reflect this feature in a marked degree.

"In the meantime this bank stands ready to handle the situation as it may present itself from day to day, and our aim will be to keep the bank strong, not only in the interest of the public and shareholders, but also so that it may be able to do its proper share in upholding the financial welfare of Canada and the Empire." (Applause).

In seconding the adoption of the Report, Mr. Thos. Long said: "Mr. Chairman, it is a great pleasure to me to second this Report. Notwithstanding the serious financial times we have been going through during the past twelve months the statement before you shows that the Bank's business has been well and successfully conducted. When you consider that the profits are only \$44,718 less than those of the previous year, despite the trying times, I feel you must agree with me, as stockholders, that this is a remarkably good Statement."

Mr. John Patterson: "I consider that this is a remarkably good Statement, and I, with the other stockholders am very much pleased with it, and we must congratulate the Directors and management on the result of the year's business. When the war started, I wondered if we would get any more dividends for a while, and I am sure it is a pleasant surprise to all the stockholders to see that business has gone on so well."

The Annual Report was then unanimously adopted.

### THE GENERAL MANAGER'S ADDRESS.

Since last I had the pleasure of meeting you we have come through another momentous year, another year of the bloodiest war the world has ever known. Let us hope that when we meet again brighter days will have dawned, with all we set out to attain accomplished.

We cannot put before you on this occasion an exhibit of large profits made; on the contrary, the latter are less in evidence than has been the case for some years back, and the reason is not far to seek. Our policy has been, and continues to be, safety first. Not knowing what was before us in the way of withdrawals our obvious duty was to keep thoroughly well prepared—to keep very strong in cash and in immediately available resources. This line we have followed practically throughout the Bank's financial year. Necessarily, this does not make for great profits, but by keeping well prepared and well entrenched we have favorably impressed the depositing public at home and abroad, and our deposits have grown in the twelve months by the considerable sum of ten millions. Our deposits reflect the measure of confidence the public place in us. Meanwhile, although we have not amalgamated with or taken over any other banks, we are apparently moving into the rank and range of hundred million institutions. The Board and myself are much pleased to mark the confidence shown in the Bank by the depositing public to whom we owe our first duty.

Turning to the Balance Sheet, you will find our loans and discounts have not measurably increased from last year. They are larger by \$1,500,000 only. Our additional disposable funds have, as favorable opportunity offered, gone into Dominion, Provincial Government, Municipal and other high class bonds. Our call loans have been increased against standard securities and we have also kept very considerable deposits at interest with strong institutions elsewhere, available whenever needed. In the meantime the disposition of our funds has been so arranged as to lead to the hope that even as our earnings improved the last quarter, so they should continue to improve, and when we meet again, a year hence, better returns in the way of earnings, we trust, may be looked for. In this calculation we cannot claim infallibility, least of all under present world-wide financial

conditions which are as unprecedented as unnecessary, born of the ambition of one man and one race of men.

The country has been greatly blest with an immense harvest the past year, its value being much augmented by the prevailing high prices for all grains. A great prosperity has also attended stock raising and mixed farming. A very enlightened policy of encouragement has been carried on by the Dominion and Provincial Governments and the Chartered Banks for the promotion of everything in the agricultural way, and this policy of encouragement is bringing forth fruit an hundred-fold. I do not think I am over-stating the figure in placing the value of the out-turn from agricultural fields, live stock and other sources throughout Canada, at the astonishing figure of between seven and eight hundred millions. What this means in liquidation of indebtedness and creation of additional working capital may be easily understood to a country where capital only is wanting to unlock the doors of nature's treasure-house. A comparatively young country, able to record such an accomplishment, cannot surely allow room for many doubters. The latter exist everywhere, however, and even Canada must put up with its quota. Good business in the manufacturing and trading fields will not have long to wait upon a sound and prosperous agricultural development before the wheels of the former are again humming. Our most recent data give much hope that another rich return may be looked for from our western agricultural field. Present conditions are altogether favorable. We know, however, that it is somewhat early to predict the ultimate outcome with certainty. Meanwhile, it is quite true that except in certain well-known lines most of our efforts just now are put forth in the manufacture of munitions. This situation will, no doubt, last for another year or two, but in the meantime the farmers are not idle, but are creating a position of strength and purchasing power that will make glad the heart of the manufacturer and trader when later the sword is beaten into the pruning-hook. Who shall say that we are not living in a favored country and that Canadians are not an industrious and virile people who can equally follow the plough or draw the sword—yes, and stand in the deadly breach.

In the interval, we shall have at least two important problems to deal with. The return of an immense victorious army flushed with victory and with savings at their command, unless proper safeguards are set up, may mean grave difficulty and embarrassment to the country. Will it not perhaps be hard to maintain law and order without a well-considered plan beforehand for the peaceful redistribution of the individuals where their redundant health and physical fitness may be turned to account? We know that idleness and unemployment are the sources of great evils, and that, on the contrary, there is great safety in industry and occupation. No doubt the authorities who have shown themselves so competent, are studying this question (not a new one), and that a solution will be duly found. Perhaps the Western lands may interest the returning soldier if settlement thereon is made practical and reasonably attractive. Canada can well afford to deal liberally with her repatriated sons who have deserved so well of her, but plans and timely preparation are conditions precedent to the working out successfully of such a programme. Short of the prosecution of the war, no work can measure up in importance to that of placing the returning hosts in the way of self-support and independence.

Then what of the laborer released from the munition factories when the war ceases? The larger steel companies will no doubt run on other lines. But what of the smaller ones, numbering, I understand, over 400, and whose munition machinery will be scrapped? More than once the fortuitous position of some of Canada's largest industrial undertakings has been referred to as admirably situated for assisting the building of steel ships. I understand we can build steel ships in this country cheaper than they can south of the line, and we can provide men to man them which they find difficult. Was there ever a time in the history of the world when so grand an opportunity offered to a maritime country with coal, iron and flux at her seaboard, to take up such an industry? In this matter British Columbia has made a beginning. A main desideratum in the building of modern ships we know to be steel plates. Besides the native iron and coal in millions of tons, we have steel mills at tide water. This is surely a felicitous combination of requisites as a starting point. But as in the case of

(Continued on page 661.)



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



**PERSONAL ACCIDENT SICKNESS FIDELITY GUARANTEE**  
**PLATE GLASS AUTOMOBILE GENERAL LIABILITY**  
 Head Office: TORONTO.  
 Montreal, 164 St. James Street. Quebec, 81 St. Peter Street.

**THE YORKSHIRE INSURANCE COMPANY, LIMITED**

ESTBD. 1824 YORK, ENGLAND ASSETS EXCEED \$23,000,000

**FIRE** ..... Every description of property insured. Large Limits.  
**LIVE STOCK** ..... The Yorkshire is the FIRST COMPANY, licensed by the FEDERAL GOVERNMENT, to transact Live Stock Insurance in Canada.  
**ACCIDENT** ..... Personal Accident, Employers', Automobile, Teams, General Liability, and Plate Glass.  
**CANADIAN DIRECTORS** : Hon. C. J. Doherty Hon. Alphonse Racine, Canadian Manager, P. M. WICKHAM, Montreal  
 C. H. Bosworth, Esq. Alex. L. MacLaurin, Esq.

**APPLICATIONS FOR AGENCIES** are invited from responsible persons.

**ROYAL EXCHANGE ASSURANCE**

Founded A. D. 1720  
 Losses paid exceed \$236,000,000  
 Head Office for Canada  
 Royal Exchange Building  
 MONTREAL  
 ARTHUR BARRY, Manager



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

Head Office, Royal Exchange, London

FOUNDED 1793.  
**INSURANCE COMPANY OF NORTH AMERICA**  
 PHILADELPHIA, PA.

**CAPITAL, \$4,000,000.00**  
**SURPLUS TO POLICY HOLDERS . 10,080,043.40**  
**ASSETS . 20,838,450.21**  
**LOSSES PAID EXCEED . 176,000,000.00**  
**ROBERT HAMPSON & SON, LIMITED**  
 GENERAL AGENTS FOR CANADA. MONTREAL

**THE LAW UNION & ROCK**

INSURANCE CO. LIMITED, LONDON. Founded in 1806  
**Assets Exceed - \$48,500,000.00**  
 Over \$19,600,000 invested in Canada.  
 FIRE and ACCIDENT RISKS accepted.  
 Canadian Head Office: 87 Beaver Hall Hill, MONTREAL.  
 Agents wanted in unrepresented towns in Canada.  
 W. D. AIKEN, Superintendent, J. E. E. DICKSON, Canadian Manager  
 Accident Dept.

**THE LIFE AGENTS' MANUAL**  
 Published by The Chronicle, Montreal

**MOUNT ROYAL ASSURANCE COMPANY**

PAID UP CAPITAL . . . . .	\$250,000.00
TOTAL FUNDS . . . . .	729,867.36
NET SURPLUS . . . . .	202,041.02

**The NATIONALE FIRE INSURANCE COMPANY OF PARIS, FRANCE.**

SUBSCRIBED CAPITAL . . . . .	\$2,000,000
TOTAL FUNDS . . . . .	7,461,300
NET SURPLUS . . . . .	1,867,100

AGENTS WANTED IN UNREPRESENTED DISTRICTS.

HEAD OFFICE FOR CANADA . . . . . MONTREAL.

J. E. CLEMENT, General Manager.

H. N. YORK, Inspector for Ontario

L. C. VALLE, Inspector for Quebec

**THE MERCHANTS BANK OF CANADA—Continued.**

preparing for the return of our sons-in-arms, so must we be well beforehand with any plans for shipbuilding. In both cases Government help will be necessary, and if railways can be richly assisted, would it be a great matter if the builders of steel ships were given the necessary initial support to secure employment for any released skilled and other labor to the end that an unexampled opportunity may be availed of.

It is surely the part of sanity to visualize our problems in advance.

May I say a word on the subject of general domestic policy. There never has been a time when conservation of all our means and resources was so plainly incumbent upon us as just now, when even the shadow of waste and extravagance means trenching on the criminal. The country has need for every dollar available. Needless purchases outside the country are a contravention of sound economic law. Great victories are being won equally in the financial field. Let everywhere a well-considered municipal and domestic policy support and strengthen the hands of those whose hard task may be measurably lightened by worthy and considerate economies.

**STAFF.**

If there is anything in connection with the Bank we are proud of it is the staff. Over 400 of your officers have taken up arms. Some of them, I greatly regret to say, will never return to us. They have fallen on Flanders' field, with their face to the enemy. Some are maimed and broken, and some are prisoners. None of them are forgotten. Their names are written on our hearts. Those who have remained with us under stress we are grateful to. They are doing their bit ably, and they also have our regard and respect. The work must be done, and to relieve the pressure we have taken into our employ about 150 young women, who are proving themselves very willing, diligent and capable.

I need not perhaps say more than repeat that our policy throughout the coming year will be to keep strong and in the best position to meet all requirements, including continuing to bear our part in supporting the Government of Canada, to help place Canada's bonds advantageously by substantial subscriptions and otherwise, and to promote as far as in us lies the well considered plans of those who so ably represent our great Dominion (applause).

On motion of Messrs. John Patterson and A. Browning, Mr. Vivian Harcourt, of Deloitte, Plender, Griffiths & Co., was appointed Auditor for the Bank, to hold office until next Annual General Meeting, Major J. Reid Hyde, who was associated with Mr. Harcourt last year being now on active service.

**INCREASE IN BOARD OF DIRECTORS.**

The Chairman then explained that it had been found desirable to increase the number of Directors to fourteen in order to ensure adequate attendance at meetings, intimating that the two vacancies thus created would not be immediately filled, but would be left over for future action. The amendment to By-Law 3, increasing the number of directors to fourteen was then passed unanimously.

On motion of Messrs. Alex. D. Fraser and Fred. Hague, Messrs. John Patterson and A. Browning were appointed Scrutineers for the election of Directors.

Mr. John Patterson moved, seconded by Mr. Alex. D. Fraser, that the Scrutineers cast one ballot in favor of the following persons as Directors:

Sir H. Montagu Allan, Mr. K. W. Blackwell, Mr. Thomas Long, Mr. Alex. Barnett, Mr. F. Orr Lewis, Mr. Andrew A. Allan, Mr. C. C. Ballantyne, Mr. A. J. Daves, Mr. F. Howard Wilson, Mr. Farquhar Robertson, Mr. Geo. L. Cains, Mr. Alfred B. Evans.

The motion was unanimously carried, and these Directors were declared elected.

Mr. John Patterson: "For the Shareholders of the Bank, I wish to express the warm appreciation we all feel for the able and loyal services rendered during the past trying year by the General Manager, the branch Managers, the Inspectors, and the whole staff of the Bank. With regard to the Staff I hope the Directors will not lose sight of the fact that the cost of living is increasing a good deal, and that the clerks who are doing such excellent work for the Bank need consideration in the matter of salaries. I like to think that our employees are well paid, and trust the Directors will take this into consideration."

The General Manager: "An annual revision of salaries is always made. It is under way now, and Mr. Patterson's suggestion will be given due consideration."

Mr. Fred Hague: "In connection with the motion just adopted, I may say that in looking round I see present only two of what I may term the Old Guard still left, Messrs. Long and Barnett. I wish to congratulate them that they are so well, and also the Bank, that it still has the benefit of their wisdom and counsel in guiding its destinies. For the other members, their good work is likewise apparent in the report presented, and I am quite sure the Bank is safe in their hands."

This concluded the business of the meeting, which then adjourned. At a subsequent special meeting of the Directors, Sir H. Montagu Allan was re-elected as President and Mr. K. W. Blackwell as Vice-President.

**Traffic Returns.**

**CANADIAN PACIFIC RAILWAY.**

Year to date	1914	1915	1916	Increase
Apr. 30.	\$33,813,000	\$27,275,000	\$37,722,000	\$10,447,000
Week ending	1914	1915	1916	Increase
May 7.	\$2,119,000	\$1,594,000	\$2,763,000	\$1,169,000
" 14.	2,233,000	1,604,000	2,592,000	988,000
" 21.	2,199,000	1,575,000	2,610,000	1,035,000
" 31.	2,982,000	2,223,000	4,222,000	1,999,000

**GRAND TRUNK RAILWAY.**

Year to date	1914	1915	1916	Increase
Apr. 30.	\$16,110,787	\$14,755,831	\$17,484,879	\$2,729,048
Week ending	1914	1915	1916	Increase
May 7.	\$978,178	\$863,195	\$1,030,768	\$167,573
" 14.	945,032	922,106	1,076,436	154,330
" 21.	963,587	938,386	1,088,679	150,293
" 31.	1,422,763	1,291,615	1,482,053	190,438

**CANADIAN NORTHERN RAILWAY.**

Year to date	1914	1915	1916	Increase
Apr. 30.	\$6,038,800	\$6,889,000	\$9,607,300	\$2,718,300
Week ending	1914	1915	1916	Increase
May 7.	\$423,400	419,600	677,400	257,800
" 14.	407,200	364,800	748,300	383,500
" 21.	369,000	387,500	693,100	305,600
" 31.	441,700	549,500	970,100	420,600

**TWIN CITY RAPID TRANSIT COMPANY.**

Year to date	1914	1915	1916	Increase
Apr. 30	\$.....	\$3,005,371	\$3,270,852	\$265,481
Week ending	1914	1915	1916	Increase
May 7.	\$171,704	\$171,796	\$191,212	\$19,416
14.	171,760	174,737	178,954	4,217
21.	187,408	172,471	184,824	12,353

**CANADIAN BANK CLEARINGS.**

	Week ending June 8, 1916	Week ending June 1, 1916	Week ending June 10, 1916	Week ending June 11, 1914
Montreal	\$73,485,382	\$75,322,946	.....	\$61,759,240
Toronto	51,892,167	49,851,714	.....	47,492,750
Winnipeg	33,492,174	40,910,238	.....	.....
Ottawa	.....	4,975,889	.....	4,479,602

The Canadian Bankers' Association has enlisted the support of the Montreal Board of Trade with reference to representations which are to be made to Premier Gouin of Quebec in regard to the injustice of double succession duties on bank and company shares. At present, where a deceased shareholder at the time of his death is domiciled in Quebec and held shares in a bank with head office in Ontario or vice-versa, succession duties are charged in both provinces. A reciprocal arrangement for duties in only one province is sought.

# THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated 1833.

**FIRE, HAIL, OCEAN MARINE AND INLAND MARINE INSURANCE**

HEAD OFFICE: TORONTO

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

**DIRECTORS:**

W. R. BROCK, President.

W. B. MEIKLE, Vice-President

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

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

W. B. MEIKLE,

General Manager

E. F. GARROW,

Secretary

THOMAS F. DOBBIN, Resident Manager  
MONTREAL

## NORWICH UNION FIRE INSURANCE SOCIETY, Limited

INSURANCE AGAINST

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

Agents wanted for the Accident Branch.

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

JOHN MacEWEN, Superintendent for Quebec.

## L'UNION FIRE INSURANCE COMPANY, Limited

Head Office: PARIS, France.

Established 1828

Capital fully subscribed . . . \$ 2,000,000.00  
Net Premiums in 1913 . . . 5,561,441.00  
Total Losses paid to 31st Dec., 1915 90,120,000.00

Canadian Branch:

LEWIS BUILDING, 17 ST. JOHN STREET, MONTREAL

Manager for Canada:

MAURICE FERRAND

First British Insurance Office Established in Canada, 1804

## INTENDING ASSURERS

Should read the "THREE MINUTES" Leaflet

of the

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

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

100 ST. FRANCOIS-XAVIER STREET, MONTREAL

The Company offers to the Public every advantage which

### LIFE ASSURANCE

conducted under the most favourable conditions is capable of affording:

At the BONUS DIVISION for the five years ending 31st DECEMBER, 1910

(1) A UNIFORM ADDITION of \$85 per \$1,000 was declared on all classes of Full-Bonus Policies.

(2) A GUARANTEED BONUS was also declared of \$12.50 per \$1,000 per annum on Full-Bonus Policies becoming claims by death, and \$17 per \$1,000 per annum on Endowment Assurances maturing before 31st December, 1915. These bonuses apply to new as well as existing policies.

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

### Agents Wanted

Established 1864.

## New York Underwriters Agency.

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

### PROVINCIAL AGENTS.

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

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

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

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

ESTABLISHED 1824

Capital, . . . . . \$30,000,000  
Total Assets, . . . . . 72,238,564  
Deposited with Dominion Gov't, 391,883  
Invested Assets in Canada, . . . 7,166,267

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

JAMES H. BREWSTER, Manager

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

**THE ARNOLD DECISION.**

The judgment of Chief Justice Hunter of British Columbia, in the case of the insurance on the life of the late W. R. Arnold, managing director of the Dominion Trust Company, payment of which was resisted by the companies concerned chiefly on the ground of suicide, is very lengthy. The Chief Justice took the line that it had not been proved with reasonable certainty that Arnold did commit suicide. He added:—

"I will say that I think the companies are quite justified in resisting this claim for payment of these policies; that there was reasonable ground for defending the case, upon the theory of suicide, for there are a great many circumstances which until fully investigated would naturally suggest that that is what happened. And for this reason, I think the companies were justified, out of regard for other policyholders, in requiring that a judicial investigation should be had before they paid these claims. They were not only justified because they are trustees for the other policyholders, but also in the public interest. It certainly cannot be in the public interest that bogus insurance claims shall be paid without contest and without the matter being thoroughly thrashed out. It certainly is in the public interest to keep down the rates for insurance, and if large claims for insurance are obtained fraudulently with a view to ultimate suicide, and have to be paid by the companies, it is easy to see that the insurance rates would have to rise in order to allow the companies to do business. So that I say that both out of the fact that they are trustees for other policyholders, and from the public interest, I think the companies are justified in this case in resisting the claim until it was made the subject of judicial investigation."

As already intimated, the decision against the companies is being appealed.

**ANOTHER UNLICENSED INSURANCE DODGE—GERMAN TOO.**

Mr. F. Bartels, the well-known St. Hyacinthe insurance agent, sends us a letter addressed to one of his clients by the W. P. Doremus Co., Underwriters Building, William Street, New York, intimating that "with the facilities of the New York Fire insurance market we are in a position to secure insurance for your account at a considerable saving from the local tariff rates."

Recipients of this philanthropic offer, before placing it in the waste-paper basket, might enquire from the Doremus Company the names of the companies with which insurance would be placed and the prospects of getting a prompt settlement of a hundred cents on the dollar in the event of loss. By the way, Doremus is a good old German name.

**WAR INSURANCE ON CANADIAN TROOPS.**

The Metropolitan Life and the Aetna Life have written policies on the lives of Canadian soldiers to the amount of about \$14,000,000 since the beginning of the war, it is stated in New York. All told, about 16,000 men in the various Canadian contingents have been insured by the two companies before leaving for the fighting lines.

Payments in death benefits to the families of Canadian volunteers have been about as follows to date: Metropolitan Life, \$552,000; Aetna Life, \$37,500. The Metropolitan took risks ranging from \$500 to \$1,000 on 11,513 men in various regiments to a total amount of \$10,811,000. The Aetna insured about 4,500 soldiers for \$3,000,000.

An approximate schedule of the Metropolitan's insurances by districts is as follows:—

Districts.	Lives.	Insurance.
Barrie .....	12	\$ 12,500
Berlin .....	394	312,500
Hamilton .....	647	463,000
Kingston .....	62	62,000
Lachine .....	27	13,500
London .....	705	561,000
Quebec .....	282	186,500
Ottawa .....	23	23,000
Peterboro .....	70	70,000
St. Catharines .....	278	193,500
Saginaw .....	7	3,500
Toronto .....	8,810	8,807,000
Windsor .....	196	114,000
<b>Total .....</b>	<b>11,513</b>	<b>\$10,811,500</b>

The Bank of England continue its official rate of discount at 5 per cent.

**Montreal Tramways Company  
SUBURBAN TIME TABLE, 1915-1916**

**Lachine :**

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

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

**Sault au Recollet and St. Vincent de Paul:**

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

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

**Cartierville:**

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

**Mountain :**

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

**Bout de l'Île:**

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

**Tetrautville:**

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

**Pointe aux Trembles via Notre Dame:**

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

**OPPORTUNITIES**

**in Life Insurance are many.**

**FOR AN AGENCY, ADDRESS**

**GRESHAM LIFE ASSURANCE SOCIETY, LTD.**

Established 1848. Funds \$50,000,000

**GRESHAM BUILDING - - - MONTREAL**



# The Employers' Liability

Assurance Corporation Limited

" " " OF LONDON, ENGLAND " " "

TRANSACTS:

Personal Accident, Health, Liability,  
Fidelity Guarantee and Fire Insurance.

*Most Liberal Policies Issued*

Offices: MONTREAL, TORONTO

CHARLES W. I. WOODLAND,

General Manager for Canada and Newfoundland.

JOHN JENKINS, Fire Manager.

Canadian  
Government  
Deposit over

**\$1,340,000**

**STANDS FIRST**

In the liberality of its Policy Contracts, in financial strength, and in the liberality of its loss settlements

## THE CANADA ACCIDENT ASSURANCE COMPANY

HEAD OFFICE: Commercial Union Building, MONTREAL

CAPITAL \$500,000.00

Personal Accident, Sickness, Plate-Glass, Guarantee and Liability Insurance.

Board of Directors:

S. H. EWING, President

J. S. N. DOUGALL, Vice-President

HON. N. CURRY,

JAMES MCGREGOR,

T. H. HUDSON,

T. H. HUDSON, J. WM. MCKENZIE, Joint Managers.



Founded 1871

## BUSINESS TRANSACTED

PERSONAL ACCIDENT

ELEVATOR LIABILITY

HEALTH

AUTOMOBILE LIABILITY

EMPLOYERS' LIABILITY

PLATE GLASS

PUBLIC LIABILITY

GUARANTEE BONDS

TEAMS LIABILITY

FIRE INSURANCE

Canadian Head Office - TORONTO

CHARLES H. NEELY, General Manager.

WHY NOT HAVE THE BEST ?

## The Globe Indemnity Company of Canada

Head Office, MONTREAL.

formerly--The Canadian Railway Accident Insurance Company.

DIRECTORS -- J. Gardner Thompson, President. Lewis Laing, Vice-President. A. G. Dent, W. Molson MacPherson, T. J. Drummond, Sir Alexandre Lacoste, Martial Chevalier, Sir Frederick Williams-Taylor.

JOHN EMO, General Manager & Secretary.

ROBERT WELCH, Assistant Manager

Transacts ACCIDENT INSURANCE, SICKNESS INSURANCE, LIABILITY INSURANCE IN ALL ITS BRANCHES, AUTOMOBILE INSURANCE IN ALL ITS BRANCHES, BURGLARY INSURANCE, GUARANTEE INSURANCE.

Policies issued by this Company are the most liberal and up-to-date issued in Canada, free from unnecessary restrictions and conditions.

All policies guaranteed by the Liverpool & London & Globe Insurance Co., Ltd.; assets over Sixty-Five Million Dollars (\$65,000,000.00)