

The Chronicle

Banking, Insurance and Finance

ESTABLISHED JANUARY, 1881

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MONTREAL, SEPTEMBER 3rd, 1920

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THE GENERAL FINANCIAL SITUATION

The recent applications by a number of public utility companies for increased rates, together with the prevalent tightness of money, and consequent high interest and dividend yields from investment securities, bring into prominence the general question of the remuneration received by capital for its services or use. If the purchasing value of a dollar at the present time is only equal to the purchasing value, of 50 or 60 cents ten years ago, then an 8 or 10 per cent dividend rate which has remained unchanged, is in the hands of the shareholders at present only equivalent to from four to six per cent., in so far as it is used to purchase the ordinary necessities and reasonable comforts of life. This proviso should be noted, inasmuch as this argument is frequently put in such a way as to suggest that the cutting in two of the purchasing power of dividends which have remained at stationary levels involves hardship to the wealthy, or necessarily to those whose income is entirely made up of such dividends. Such is, in fact, not the case. To those, whose means are slender, and who are entirely dependent upon dividends or interest for their income, some hardship may ensue, but this class is not a large one in Canada. In the case of the really wealthy, it is simply futile to argue that the decline in the purchasing power of the dollar has been a serious matter. It may have meant in certain cases, an inability to purchase various luxuries, or lack of wherewithal to indulge in ostentatious display. But that it means any real hardship comparable, for instance, to that undergone by those belonging to the large class with moderate salaries, cannot be pretended.

With the necessary proviso, the fact remains that the remuneration of capital has not increased in anything like the same proportion during recent years as the remuneration of so-called "labour." The increase in the return received by capital can broadly be gauged by the advance in the rate of interest afforded by Canadian Government securities. These in 1914 were on a four per cent. basis; at the present time, their level is $5\frac{1}{2}$ to $5\frac{3}{4}$ per cent. But it must be observed that the advantage of this increase is only derived by newly invested

capital. Capital already invested secures no advantages; in fact it is at a serious disadvantage owing to the rise in the rate of interest resulting in the shrinkage of the value of the body of capital itself. There is not an institutional or individual investor holding high-grade securities purchased before the war whose capital account has not been seriously depleted as a result of the rise in the rate of interest. The comparative position of capital is therefore very much worse than that of "labour" as a result of the changes of recent years. Whereas the remuneration of "labour" has been increased, in many cases to a point of ridiculous over-payment for services rendered, the increased remuneration secured by newly invested capital is offset by the losses sustained by old invested capital,—more than offset in fact,—while the further fact remains that dividends, which have not been increased since 1914, in proportion as the purchasing power of the dollar has decreased, are of so much less value in the hands of the individual shareholder.

It is possible enough that before the war, labour did not receive a sufficient share in the products of its industry. But that is no reason why it should now be over paid or why capital should not receive an increased return commensurate with new conditions. Apart from the holders of high-grade securities, such as Government bonds, who have lost very heavily in volume of capital, the pinch has been most severely felt by holders of public utility and railroad securities, very few of which companies have increased their dividends over the levels ruling in 1914. The increases in rates which have been lately asked for do not contemplate possible increases in dividends, but merely the maintenance of the existing condition of affairs. This is scarcely too much to ask, if capital is to continue to be interested in the development and extension of these properties. The threat which has been made in Ontario in connection with the Bell Telephone Company's application that a competing Government owned system would be set up is, we believe, idle, in view of the existing immense cost of materials and the difficulty of procuring them, while experience with Government owned and run telephone and telegraph system in other countries than Can-

The Royal Indemnity Company

is now transacting business

In the Provinces of Quebec and Ontario

**PERSONAL
ACCIDENT**

**GUARANTEE
BONDS**

**BOILER AND
FLY WHEEL**

BURGLARY



SICKNESS

LIABILITY

**AUTOMOBILE
LIABILITY**

PROPERTY DAMAGE

COLLISION

CHARLES H. HOLLAND, President

CANADIAN OFFICES

Montreal

**Royal Insurance Building
RICHARD J. BOND,
Superintendent for Canada**

Toronto

**Royal Insurance Building
JULIAN H. FERGUSON,
Superintendent for Ontario**

The Chronicle

Banking, Insurance and Finance

Established 1881.

Published Every Friday

F. WILSON-SMITH, Proprietor and Managing Editor

OFFICE:

406-408 Lake of the Woods Building,

10 St. John Street, Montreal.

Annual Subscription \$3.00 Single Copy, 20 cents.

MONTREAL, FRIDAY, SEPTEMBER 3rd, 1920

(Continued from front Page)

ada, does not give much confidence as to the value of the service, which such a system, even if established, would afford to the public.

That the present high rate of interest on capital will not be maintained indefinitely, but will gradually decrease over a series of years goes without saying. But it can only decrease as the cost of labour and materials comes down; in proportion as prices generally decrease. The investor who a few years ago was buying a 6 per cent. bond is now buying an 8 per cent. preferred stock; he will not return to the 6 per cent. bond until the proceeds of its coupons will purchase for him the equivalent of what today he can purchase with his 8 per cent. dividend cheques.

The July Bank Statement holds out little hope to those who are anticipating easier money conditions at an early date. Once again, current loans show a monthly increase considerably in excess of that recorded by notice deposits, which are the principal mainstay of these loans, while the comparative yearly figures indicate that the position of affairs in respect of these two matters is steadily becoming more strained than before. The month's increase in current loans in Canada amounted to \$12,125,770, bringing these loans to a new high record figure of \$1,377,276,853. On the other hand, notice deposits were enlarged by only \$9,469,456, the smallest increase of the last twelve months with the exception of December, when the effects of the last Victory Loan were being felt. This enlargement brings up the total of these deposits to \$1,253,170,433. Thus at the end of July, notice deposits were fully \$124,000,000 behind current loans and discounts in Canada in their aggregate. The manner in which these deposits are failing to keep pace with current loans and discounts is shown strikingly in the figures of increases for the last twelve months to the end of July. Whereas current loans have increased in the period by no less than \$362,889,647, notice deposits have been enlarged by only \$78,078,275.

The concurrent relatively small increase in the banks' circulation of \$3,758,980 for the month and \$24,627,292 for the year, shows clearly enough that this vast increase in the banks' loans in Canada, and the minor accumulation of notice deposits is not due to the activity of trade and industry within the Dominion itself. It is, in fact, closely related, as has been previously pointed out in these columns, to the heavy excess of imports which our trade returns are now showing, and to the phenomena of extravagant spending which are still so much in evidence. We are inclined to think that possibly also to come extent, though doubtless not a very large one, the minor increase in notice deposits is likewise to be accounted for by the fact that certain classes are now finding that high prices have overtaken increases in wages to a greater extent than two or three years ago. Be that as it may, there can be no question regarding the influence of our present heavy importations upon the banks' loaning position. The July trade figures, which are also now available, afford little cause for satisfaction in this connection. With imports of \$127,268,811 and exports of \$104,875,624, the adverse balance of trade amounting to \$22,393,187 is some \$6,000,000 less than the adverse balance for the month of June, but it compares with a balance of exports over imports in July, 1919, of \$29,505,600. The change is brought about by an increase in imports of no less than \$13,000,000 and a reduction in exports of practically \$9,000,000. The position in respect to exports would be very much worse but for the large proportionate increase in exports of wood, paper, etc., which in July this year were \$28,775,429 compared with \$17,696,673 in July a year ago. There remains to be seen what effect exports of the new crops will have upon the condition of our external trade in the closing months of the year. As it is, for the seven months to the end of July there is an adverse balance of \$167,297,021, compared with a favourable balance in the corresponding seven month of 1919 of \$153,769,023.

Preferential Trade Agreement Between Canada and British West Indies

A preferential trade agreement has been concluded between Canada and the British West Indies, providing for mutual reductions of import duties of from 20 to 50 per cent., and an extension of the existing reciprocal free list. Improved steamship service between Canada and the islands will be established. The announcement has been made that early in 1921 a Canadian Government steamship line known as the Western Steamship Service will commence sailings between Nova Scotia and Bermuda, the Bahamas and British Honduras.

CANADA PERMANENT MORTGAGE CORPORATION

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 FRIDAY, the FIRST day of OCTOBER next, to Shareholders of record at the close of business on the Fifteenth day of SEPTEMBER By Order of the Board,

GEO. H. SMITH,
Assistant General Manager.

Toronto, 25th August, 1920.

The Trust and Loan Co.

OF CANADA

Capital Subscribed _____ \$14,630,000.00
Paid-up Capital _____ 2,000,000.00
Reserve Funds _____ 2,000,000.00

MONEY TO LOAN ON REAL ESTATE

30 St. James Street - Montreal

The MERCHANTS BANK OF CANADA

HEAD OFFICE - MONTREAL

Capital Paid-up	\$ 8,400,000
Reserves and Undivided Profits	8,660,774
Total Deposits (July 31, 1920)	163,000,000
Total Assets (July 31, 1920)	200,000,000

SIR H. MONTAGU ALLAN, C.V.O., President
A. J. DAWES, Vice-President
D. C. MACARROW, General Manager.
T. E. MERRETT, Supt. Branches and Chief Inspector
W. A. MELDRUM, General Supervisor.



Collections for Business Houses

The Satisfactory service which The Merchants Bank renders to Business Houses, in the matter of collecting Notes, Drafts and other financial paper, is due to the number and strategic location of its

branches throughout Canada, and the efficient system in force.

Special attention is given to Collections, returns are promptly made and credited, losses are often prevented by the care and thoroughness with which we do this part of our work.

391 Branches in Canada

Extending from the Atlantic to the Pacific
London, England, Branch: 53 Cornhill, E. C. 3
New York Agency: 63 & 65 Wall Street



SERVICE—This Bank, for the past 45 years, has done its share in the development of the business of the Dominion. Our experience and equipment are at the service of every customer.

THE Standard Bank

of CANADA

Montreal Branch, 136 St. James St.
E. C. GREEN, Manager

REAL BANKING SERVICE

All branches of this Bank are in a position to give the most comprehensive Banking service. Government and Municipal Securities are dealt in. Foreign Exchange bought and sold. Money Orders and Letters of Credit issued. Collections made on all points in Canada or overseas.

ESTABLISHED - 1878

IMPERIAL BANK OF CANADA

180 BRANCHES IN CANADA

AGENTS IN GREAT BRITAIN

England: Lloyd's Bank Limited, London and Branches.
Scotland: The Commercial Bank of Scotland, Limited, Edinburgh and Branches.

Ireland: Bank of Ireland, Dublin and Branches

AGENTS IN FRANCE

Credit Lyonnais, Lloyd's and National Provincial Foreign Bank Limited

CANADA AND THE BRITISH WEST INDIES

In view of the many reciprocal advantages to be gained by closer trade relations between Canada and the British West Indies, which has been so frequently referred to by Mr. T. B. Macaulay (President Sun Life) through the press, the following editorial from the *New York Journal of Commerce* is well worthy of attention:—

The Spanish-American War resulted in the annexation of Porto Rico by the United States and the assumption of a protectorate over Cuba. A few years later came the virtual American protectorates over San Domingo and Haiti, with the purchase of the Virgin Islands from Denmark.

This extension of American authority and influence at once has brought into sharp discussion the question of the ultimate destiny of the remaining European possessions. America needs tropical products, affords a near market, and her recently acquired possessions have an opening to these markets on such advantageous terms that the other West Indies find it difficult to compete. As an illustration, Jamaica's position, where she is compelled to meet the competition of Porto Rico, which enjoys free trade with the United States, and also of Cuba, with especial reciprocal advantages, has been difficult in the extreme. This is merely typical of the situation in the other islands. But the British possessions have an especial opportunity to make new commercial arrangements with the Dominion of Canada, which is likewise a part of the British Empire. The growing population of Canada also needs tropical products, and its eastern ports are much nearer than those of Europe. If proper trade and tariff agreements can be entered into there would be an opportunity for Jamaica, Barbadoes and other British possessions in the West Indies to acquire a market that in time might equal at least the advantages enjoyed by the American possessions.

That our British friends at home have not been unaware of these trade problems is shown by the various suggestions during the past year that the United States might accept Jamaica in payment of the British war debt, thus meeting in advance and solving a destined separatist problem and "cashing in" while yet there was time to realize upon the colonial property. But this suggestion has not met with favor among the inhabitants of the British possessions in the western hemisphere, either continental or insular. They have felt the wonderful impulse toward unity that was the almost miraculous result of the war efforts throughout the whole world empire of Great Britain. Their loyalty to the British Crown is stronger than at any time in

history. They have met the present commercial difficulty, which probably will increase in force during the next few years, with a strong and logical movement toward unity on their own account, and this movement is worthy of careful study on the part of American business, which now, as never before, must look to the future.

The first result of this new British colonial development may be the final uniting of Newfoundland with the Dominion of Canada, of which it is not yet a member. This would add to the breadth of future Canadian markets. Also Canada itself is about to enter upon a period of tariff readjustment, the whole matter being the subject for careful study by the present Government, and also by experts well fitted for the purpose. Some two months ago a commission of business men from the West Indies, especially Jamaica, were in Canada and were received with great hospitality. The conferences that were held cannot but have important results in the near future. The Canadian business men and those from the various British possessions around the Caribbean Sea have too much mutually to offer each other to allow this opening of negotiations to fall short of some final accomplishment. It should be remembered that the trade between the British and French possessions in the East Indies, on the one hand, and the continental colonies in Canada, and later those which became the United States, on the other, was the cause of the political controversies that resulted in the many wars of the eighteenth century and these conflicts changed the whole map of the world, being just as influential in India or Africa as in America or the Far East. The building of the Suez and Panama canals was only a later expression of this world movement to acquire trade and markets. The United States has at present a position of wonderful strategic advantage in the West Indies. It cannot afford to sit back and let things slide. Other powers, by the use of perfectly legitimate and fair measures, will finally absorb the largest share of this trade or we must meet them on terms of equality and acquire our proper share. But this will not come merely for the asking.

NOTICE

We regret that owing to a delay in shipment of paper, there will be no issue of *The Chronicle* on the 10th inst. The difficulty in procuring the quality of paper on which this journal is printed is considerably intensified, and the price has advanced nearly two hundred per cent. during the past few months.

FIRELIFEMARINE

ESTABLISHED

1845



ASSETS

\$156,673,215

Extracts from the Report for the year 1919

FUNDS

The Funds of the Company stand as follows:

Capital paid up		\$ 3,582,694.00
Life Assurance Fund	\$58,667,859.75	
Annuity Fund	4,141,934.03	
		62,809,793.78
Capital Redemption Assurances Fund		338,224.69
Employers' Liability Fund	2,261,895.50	
Personal Accident Fund	574,636.90	
General Insurances Account	6,069,441.87	
		8,905,974.27
Marine Fund		10,538,223.59
Superannuation Fund		1,046,895.34
Fire Fund	24,333,333.33	
Reserve Fund	4,866,666.67	
Balance of Profit and Loss	2,612,147.27	
		31,812,147.27
General Contingencies Fund		7,300,000.00
		<u>\$126,333,952.94</u>
Net Premiums (Fire, Life, Accident, Marine, Employers' Liability, etc.)		\$56,030,580
Consideration for Annuities granted		275,845

CANADIAN HEAD OFFICE

Royal Insurance Building, 2 Place d'Armes, - - MONTREAL

J. H. LABELLE, *Manager*

R. A. MANNINGS

F. J. WALKER

A. F. GLOVER

} *Assistant Managers.*

ROYAL INSURANCE COMPANY, LIMITED

Without any ostentation or special celebration, the Royal of Liverpool passed its seventy-fifth milestone on the date of its Annual Meeting, 31st May, 1920. On that occasion the chairman said:—"Three quarters of a century we register as passed in our history, and looking back over the way, we have come to see that the road has been a steady rising one. There have been depressions on the way, valleys even, as well as steep gradients, but looked at from the height which we have now reached, these are blotted out, and in retrospect we are cognizant only of the general upward trend and the exhilaration of the higher altitude reached. Before us still stretch loftier summits, which we face with a confidence engendered by the success of the past."

Fire Department.

When reviewing the various branches of insurance transacted by the company, the chairman very aptly said that the fire department always remains the great bulwark of the Royal's fortunes. For the year under review net fire premiums totalled approximately \$30,444,000. This record amount indicates an increase of about \$2,742,000 as compared with 1918—and accompanying this important increase in premiums was a moderate loss ratio figuring at 44.39 per cent. of the premiums, as compared with 46.79 per cent. in the preceding year. The loss ratio for the year under review recorded in the fire department was the most favourable experienced for the past twenty years. Expenses, including contributions to fire brigades, figure a ratio of nearly 38 per cent., an appreciable increase of roughly two per cent. of premiums. This increase bears out the anticipations expressed by the chairman at the Annual Meeting in 1919. The surplus of \$5,574,625 has been carried to Profit and Loss Account.

Transacting practically all branches of insurance, the Royal showed a total net premium income, for the year 1919, of well over \$56,000,000, a growth of roughly \$8,000,000 as compared with 1918. The fire fund has been increased from \$19,466,667 to \$24,333,333. There is in addition a reserve fund of \$4,866,666. The assets show a growth of nearly \$13,000,000 and now stand at \$156,673,214.

Life Department.

In the Life Department the company shared to a remarkable extent in the increase of new business which took place over the world generally in 1919. 6617 new policies were issued for the imposing total of \$20,939,534, the largest amount ever written in one year in the company's history, and more than two and one half times the new business of 1918. The premium income for the year was \$5,143,656 and \$2,283,929 was derived from interest on invest-

ments, after allowing for income tax. But the outstanding feature of the report is the result of quinquennial valuation in respect of the five years ending on 31st December, 1919. The period covered by the valuation was a most trying one for life insurance companies generally, not only on account of the extra mortality due to the War and the influenza but also because of the depreciation in securities which has been steadily going on over the whole period. Notwithstanding the adverse conditions, however, the Royal was able to show a surplus of \$5,818,519 after valuing its life and annuity liabilities on a most stringent basis, and this easily admitted of the continuance of the same scale of profits as has now been maintained without interruption for the long period of 55 years, namely, an addition of \$15 to each \$1000 assured for each year's premium paid. In addition, all participating policies becoming claims before the next distribution of profits in 1925 will receive further profits at the same rate.

The war claims paid by the company amounted in all to \$1,807,840 and the fact that payment of this large sum has not interrupted the payment of the company's regular distributions of profits or caused any diminution in their amount affords ample evidence of the great financial strength of the Royal.

Canadian Branch.

It has been aptly stated by a contemporary, that the Royal is easily one of the most striking examples of enterprise and success which the British Nation has produced. It has come to be recognized that not only the letter, but the spirit of a contract, will be honoured when it bears the seal of the Royal Insurance Company. The Royal has held a commanding position in the Canadian field for many years. Its fire premium income in the Dominion has been consistently advanced year by year. Notwithstanding the increasingly keen competition in Canada, the Royal is likely to continue holding the place of honour in point of premium income, under the management of Mr. J. H. Labelle, who during his long record as a fire underwriter in the service of the Royal, has gained the esteem and respect not only of his confreres, but of everyone connected with him in business from the Atlantic to the Pacific.

The company's fire business in Canada has been uniformly prosperous. Last year the total net cash received for fire premiums amounted to \$1,764,826, showing an increase of nearly \$100,000 over 1918. Net losses incurred figured a ratio of 46.90 per cent. to premiums, as against 48.58 per cent. in 1918.

(Continued on page 975)

Prudential Trust Company

LIMITED

Head Office	Trustee for Bondholders	Safety Deposit
9 St. John St.	Transfer Agent & Registrar	Vaults
Montreal	Administrator	Receiver
	Executor	Liquidator
	Guardian	Assignee
	Trustee	Custodian
	Real Estate and Insurance	Department
	Insurance of every kind placed at lowest possible rates	Correspondence invited.

B. HAL. BROWN, President and Gen. Manager

The Standard Life Assurance Co.

Established 1825 Incorporated 1910
Accumulated Funds - - \$68,000,000
Over \$10,000 paid daily in claims.

1870 - Our Golden Jubilee - 1920

CO-OPERATIVE — SCIENTIFIC — SUCCESSFUL

"How did the Mutual Life of Canada succeed in attaining its present impregnable position in the financial world?" It may be replied that the promoters of the Company did not organize it as a commercial undertaking, but that it might serve as a public benefactor giving the largest amount of genuine Life Insurance for the least possible outlay. A spirit of devotion to the success of the enterprise supplied the place of capital. Although strictly co-operative or mutual, yet the Company has been built up on a scientific basis as an old line, Legal Reserve Life Insurance Company. The Mutual Life of Canada is a beneficent idea worked out on scientific lines—that is the secret of its popularity. The Mutual being essentially a Company of policyholders, conducted by policyholders, in the interests of policyholders, naturally became a great success.

THE MUTUAL LIFE ASSURANCE CO. OF CANADA

WATERLOO, - - ONTARIO

The Travellers Life Assurance

Company of Canada

HEAD OFFICE: MONTREAL

Hon. GEO. P. CRANAN, President

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

First British Insurance Company Established in Canada

A.D. 1804

Phoenix Assurance Co. Limited

OF LONDON, ENGLAND (Founded 1782)

FIRE LIFE MARINE

TOTAL RESOURCES, over \$98,000,000.00

CLAIMS PAID EXCEED. 500,000,000.00

DEPOSITS with Federal Government and Investments in Canada, for security of Canadian policyholders only, exceed . 2,000,000.00

AGENTS WANTED IN BOTH BRANCHES. Apply to

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

100 Francois Xavier Street - MONTREAL

WESTERN

Assurance Company

Incorporated in 1851

HEAD OFFICE, - TORONTO, Ont.

FIRE, MARINE, AUTOMOBILE, EXPLOSION,
RIOTS, CIVIL COMMOTIONS AND STRIKES

ASSETS - over - \$8,000,000.00

Losses paid since organization
of Company . . . over \$77,000,000.00

DIRECTORS:

W. B. MEIKLE, President

Sir John Aird	John Hoskin, K.C., LL.D.
Robt. Bickerdike, Montreal	Miller Lash
Lt.-Col. Henry Brock	Geo. A. Morrow,
Alfred Cooper, London, Eng.	Lt.-Col. the Hon.
H. C. Cox	Frederic Nicholls
John H. Fulton, New York	Brig.-Gen. Sir Henry
D. B. Hanna	Pellatt, C.V.O.
E. Hay	E. R. Wood

W. B. MEIKLE, C. S. WAINWRIGHT,
Pres. and Gen. Man. Secretary

A. R. PRINGLE, Canadian Fire Manager

ROBERT BICKERDIKE & SON
Branch Managers for Province of Quebec
MONTREAL

A BRITISH COMPANY

Union Insurance Society of Canton, Limited

Head Office: HONGKONG

ESTABLISHED 1833

Assets over \$24,000,000

A combination of AGE, MAGNITUDE and EXPERIENCE

FIRE, MARINE AND AUTOMOBILE

Head Office for Canada, 36 Toronto Street, TORONTO

General Agent Montreal, JOSEPH ROWAT

Manager for Canada, C. R. DRAYTON

Including its subsidiaries, the Queen, Hudson Bay and Newark Fire, the Royal's net fire premiums in Canada for 1919 totalled the large sum of \$2,724,565. In addition to fire and life insurance, the Royal is now operating casualty insurance in Canada through one of its most important subsidiaries, the Royal Indemnity Company. Mr. Richard J. Bond, a most experienced and capable casualty underwriter, is superintendent in Canada of this department.

The Canadian Life Business for 1919 surpassed all previous records, the amount of new business written being \$3,230,316 of which \$228,522 was re-assured. This is more than three times the amount written in 1918 and brings the Royal into first place among British Offices in Canada so far as new business is concerned. Under the energetic and able direction of Mr. I. W. Watts, the company's Canadian Superintendent of Life Agencies, the new life business of the Royal is rapidly being developed to a magnitude compatible with the company's world wide reputation and prestige. On 31st May last, the 75th anniversary of the company's foundation, the Canadian new business for 1920 passed the \$2,000,000 mark.

LOYDS EVASION OF PUBLICITY FIRE AND CASUALTY INSURANCE

Commenting upon the operation of Lloyd's underwriters, the lack of definite information of the security back of their policies and their adoption of measures to avoid complete publicity, the "Policy-Holder" of Manchester says:—

"We have always had a great regard for many Lloyd's underwriters as individuals—but collectively, ever since the passing of the 1909 Assurance Companies Act, we have had a disagreement with them. The point is quite simple, we hold that every company and every person carrying on insurance business should place before the insuring public full information as to the financial resources so that policy holders may judge for themselves as to whether it is wise or otherwise to trust them for insurance purposes.

Requirements of the Law.

"In the ordinary way all companies and persons writing these classes of business are now obliged to submit their affairs to the searchlight of publicity, exception being made in the case of Lloyd's underwriters."

The law provides specially for Lloyd's underwriters and the deposit for the latter is £2,000 as against £20,000 for a company. Lloyd's underwriters do not require to make the same Government Returns as the companies, consequently Lloyd's evade publicity of financial returns.

The Insuring public in Great Britain are more familiar than the people of this country with the

differences between Lloyd's contracts, and those of the companies.

Each underwriter is liable only for the amount set opposite his name, (a fact not generally known) and to recover under a Lloyd's policy at law, each underwriter must be sued separately. The somewhat lower rates quoted by Lloyds for fire and casualty risks do not offset the satisfaction afforded the holders of policies backed by the known resources (which are given publicity) of numerous established Companies.

Continental Casualty Company Resigns From Bureau

The Eastern Casualty Underwriters' Association, of which all insurance companies writing employers' liability and compensation insurance are members, have accepted the resignation of the Continental Casualty Company.

Mr. H. G. B. Alexander of Chicago, the President of the Company, some months ago advocated the adoption by the Association of a system of merit rating supplementing the plan of experience rating at present being followed by the Association. The Continental and a number of companies accustomed to inspection and analytical system of rate adjustment endeavored to bring about the immediate inspection of all risks coming within the factory act of the Province of Quebec.

However, it was felt that the adoption of the Schedule Rating system would entail too large an operation expense, and that a modified system would be adopted, that will be satisfactory to all companies operating in Quebec, regardless of the premium income.

DEATH OF MR. J. B. HUGHES

The death occurred on August 26th of Mr. J. B. Hughes at Waterloo, Ont. Mr. Hughes was a resident of Waterloo for 56 years, where he became inspector of the Waterloo Mutual, which position he held for 12 years. He subsequently was appointed special agent for Canada of the Aetna Fire Insurance Co. of Hartford, and served that company for nearly thirty years, when failing eyesight at the age of 82 years compelled him to retire about two years ago. His services with the Aetna were highly appreciated, and his rugged honest nature made him extremely popular, more especially among the agents of the Aetna. His adjustments were always fair, and he never tried to beat an assured. In Waterloo he took a great interest in local affairs, and especially the hospital, being its president for eight years. The funeral took place on August 28th, and was largely attended. A. M. M. Kirkpatrick, Chief Agent, and J. B. Stewart, Special Agent, representing the "Aetna."

Improved Disability Provision

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

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

Monthly payments, lifelong, conditioned on permanence of disability.

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

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

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

For terms to producing Agents address

The Mutual Life Insurance Company OF NEW YORK

34 NASSAU STREET, NEW YORK

GENERAL FIRE AND LIFE

ACCIDENT ASSURANCE CORPORATION LIMITED
OF PERTH, SCOTLAND.

Total security to Policyholders now exceed - \$12,500,000.

PELEG HOWLAND Hon.
Chairman Advisory Board

T. H. HALL JUDSON G. LEE
Manager for Canada. General Agent Montreal.

THE London Assurance CORPORATION OF ENGLAND.

INCORPORATED BY ROYAL CHARTER A. D. 1793

CAPITAL PAID UP \$ 2,741,975
TOTAL ASSETS EXCEED 42,500,000

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

Fidelity Insurance

Manufacturers—Contractors—Merchants

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

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

The Provident Assurance Company

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

ATLAS ASSURANCE COMPANY LIMITED

Founded in the Reign of George III

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

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

Head Office for Canada:

260 St. James Street, MONTREAL

R. R. MARTIN Manager

Established 1836

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

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

Agents Wanted in Unrepresented Districts.

Managers for Canada:

Montreal Agencies Limited, Montreal



Assets:
\$33,687,274.25

Surplus:
\$10,846,031.00

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

L'UNION

FIRE INSURANCE COMPANY, Limited

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

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

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

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

Canadian Branch:

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

CANADIAN FIRE RECORD

Fire near Newcastle, N.B.—By the fire which occurred on August 21st in the Lumber Yard of the Edward Sinclair Lumber Co. about three miles from Newcastle, N.B. The lumber destroyed was owned by Malcomb Mackay Ltd. The following companies are interested:—Atlas, \$5,000; Allied Und., \$1,000; Alliance, \$2,500; British Colonial \$5,000; British Traders, \$3,500; Commercial Union, \$5,000; Caledonian, \$2,000; Continental \$4,000; Employers, \$4,500; Fidelity Phenix, \$6,500; Fidelity Und., \$6,000; General of Perth, \$2,500; Hartford, \$10,500; Home, \$4,000; Imperial Und., \$5,500; London Assurance, \$2,500; London & Lancashire, \$8,000; Liverpool & London & Globe, \$3,000; London Guarantee, \$12,000; Montreal Und., \$4,000; New York Und., \$5,000; North America, \$8,000; North British & Mercantile, \$4,000; North West, \$4,000; National Union, \$4,000; Nova Scotia, \$2,500; National of Hartford, \$2,000; Occidental, \$9,000; Palatine, \$10,000; Phoenix of London, \$3,500; Quebec \$4,000; Queensland, \$6,500; Royal Exchange, \$12,000; Royal, \$2,000; Royal Und., \$5,000; Scottish Union, \$2,000; Sun, \$3,000; Union of Canton, \$5,000; Union of London, \$5,000; Western, \$5,000; Yorkshire, \$5,000. Total \$204,000. Loss total.

Fire at Point du Lac, P.Q.—On the 1st instant a fire destroyed the summer dwelling of Jules Bulcer. Insured by North America for \$12,500. Loss total.

Fire at Chateau Richer, P.Q.—On August 29th a fire destroyed a bakery and six houses. Loss about \$6,500.

Fire at Brigden, Ont—On August 30th a fire broke out in Sinclair's implement warehouse and extended to the Brigden Progress Co. and other property. Loss about \$9,000 partly covered.

Fire at Montreal.—On August 1st a fire broke out in Dominion Park in some of the booths near entrance, entailing a loss of about \$3,500. Insurance on schedule \$150,000.

Fire near Port Moody, B.C.—On August 27th a fire destroyed six dry kilns filled with shingles, also a loading shed and contents, and several C.P.R. box cars in process of loading at the McNair Shingle Company's new plant at the head of Burrard's Inlet. Loss about \$70,000.

TRAFFIC RETURNS

Canadian Pacific Railway				
Year to date	1918	1919	1920	Increase
July 31	\$82,133,000	\$89,095,000	\$106,925,000	\$17,830,000
Week ending	1918	1919	1920	Increase
August 7	\$2,882,000	\$3,442,000	\$3,956,000	\$514,000
August 14	2,759,000	3,293,000	4,043,000	745,000
August 21	2,942,000	3,374,000	3,895,000	521,000

Grand Trunk Railway				
Year to date	1918	1919	1920	Increase
July 31	\$28,396,817	\$41,479,399	\$47,423,281	\$5,943,882
Week ending	1918	1919	1920	Increase
August 7	\$1,236,343	1,906,718	2,443,144	476,426
August 14	1,285,464	1,906,718	2,443,144	476,426
August 21	1,341,827	2,038,317	2,560,720	522,412

Canadian National Railways				
Year to date	1918	1919	1920	Increase
July 31	\$42,178,530	\$49,392,635	\$54,678,488	\$5,285,853
Week ending	1918	1919	1920	Increase
August 7	\$1,546,287	\$1,846,508	\$2,235,110	\$388,602
August 14	1,583,071	1,926,349	2,253,719	327,370
August 21	1,648,924	1,829,914	2,150,359	317,435

COLUMBIA
INSURANCE COMPANY OF NEW JERSEY

Annual Statement as of December 31st, 1920

ASSETS

Government and Municipal Bonds . . .	\$ 790,488 00
Railroad and Miscellaneous Bonds . . .	563,890 00
Cash in Banks	175,145 60
Premiums in course of Collection and other Assets	267,431 48

\$1,796,955.08

LIABILITIES

Cash Capital	\$ 400,000 00
Unearned Premium Reserve	390,134 38
Losses in process of adjustment	105,426 82
All other claims	88,000 00

983,561.20

Surplus over all Liabilities **813,393.88**

\$1,796,955.08

**Head Office for Canada
Montreal**

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

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



THE LIVERPOOL AND LONDON AND GLOBE INSURANCE COMPANY, LIMITED CANADIAN BRANCH HEAD OFFICE - MONTREAL

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



THE LIVERPOOL-MANITOBA ASSURANCE COMPANY

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

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

FIRE INSURANCE



The Globe Indemnity Company of Canada

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

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

== FIRE INSURANCE ==

John Emo, Secretary and General Manager
 John Pinkerton, Assistant Manager
 Lewis Laing, Fire Manager
 J. D. Simpson, Assistant Fire Manager

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

INSURANCE COMPANY OF NORTH AMERICA

CAPITAL - - - \$5,000,000
 ASSETS IN EXCESS OF \$36,000,000

Issues specially desirable forms of Use and Occupancy, Rental and Leasehold Insurance
 Agents in all the principal Cities of Canada and the United States

ROBERT HAMPSON & SON, LIMITED

General Agents for Canada - - - - 1 ST. JOHN STREET, MONTREAL

THE BRITISH GENERAL INSURANCE CO. LIMITED

OF LONDON, ENGLAND

FIRE INSURANCE

Head Office for Canada : Lewis Building, Montreal

THOMAS F. DOBBIN, Manager for Canada

EDMUND FOSTER, Assistant Manager

JOHNSON-JENNINGS, INC.

AGENTS

INSURANCE

BROKERS

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

25 ST. SACRAMENT STREET
 MONTREAL, P.Q.

STATE CONTROL OF INSURANCE

By W. D. Aiken

The question of revising the Workmen's Compensation Law in the Province of Quebec has come up from time to time and it has been frequently said that efforts will be made by certain interests to introduce a system of monopolistic State insurance following the lead of other Provinces.

The report of the Departmental Committee appointed to inquire into a system of compensation for injuries to workmen in Great Britain comes as a timely addition to the literature on the subject.

The Committee was a formidable one in comparison with many of the Commissions which were appointed to investigate the subject on this Continent. The evidence before the Committee was also of a most reliable and complete kind.

The purpose of the investigation was two-fold. Firstly to inquire into the desirability of establishing a system of State insurance or State control and secondly to report what alterations should be made to remedy defects in the existing law.

No doubt considerable prejudice had already been created in the minds of those concerned with Workmen's Compensation in England by the results of investigations of the subject elsewhere particularly in the United States. These earlier investigations have all been more or less remarkable for the amount of unreliable data submitted, the lack of preparedness to publish the true facts on the part of those who had access to them, the wanton and even ludicrous assertions of some witnesses whose evidence was given prominence and above all the illogical conclusions of the Commissions on many points.

The British Committee were no doubt faced in the very beginning with the findings of these earlier commissions and notwithstanding the great constitu-

tional danger involved in State insurance, repeated recommendations for such a form of law must have had weight. In tackling the problem, the British Committee found themselves faced with three separate questions. Firstly the organization of a monopolistic State fund, secondly the organization of a competitive State fund and thirdly State control of the rates and administration of Stock and Mutual Companies.

The question of a monopolistic State fund immediately introduces great difficulties under the Constitution. These difficulties were only overcome in some of the American States by the deliberate act of changing the written constitution. In Britain the Constitution is unwritten and is based upon the traditional rights of the people which cannot be altered at the will of the Government in power for the time being.

The first step towards the inauguration of monopolistic State Insurance schemes on this continent was the cutting off of the old common law right (in Britain this would incidentally involve the repeal of the Employers' Liability Act which still stands on the Statute Books for the benefit of injured workmen). The reason for this preliminary is clear.

It will be readily conceded that it would be folly for any Democratic State to take up the argument of the employer in the endless series of legal disputes which follow upon personal injury claims.

It was apparently as clear as day-light to the framers of the State monopoly laws on this Continent that the first step was to make disputes impossible, more particularly the carrying of any dispute to the law courts. The Common Law which entirely depended upon the right of access to the law court with the injured man would have to go. The result was the suppression of the Common

(Continued on page 981)

TAKE pen and ink and paper. Write on the paper, something to this effect: "I'm a fire insurance agent. I'd like to know if this 'Superior Service to Agents,' you are always talking about will really enable me to place more business on my books. I don't accept your agency,—yet, I just want the particulars of what you have to offer—then I'll decide." Address your envelope: "Service Department."

If you are looking for something better in service don't miss this opportunity. Write us now.

The Continental Insurance Company
OF NEW YORK.

HENRY EVANS, President.

FIRE AUTOMOBILE PROFITS

CANADIAN HEAD OFFICE: 17 ST. JOHN STREET, MONTREAL.
W. E. BALDWIN, Manager



FIRE CASUALTY
The Northern Assurance Co. Limited
Of England

ASSETS . . . \$79,801,255.00

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

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

ALEX. HURRY, Manager Casualty Department

G. E. MOBERLY, Manager

FIRE

THE

FIRE



Royal Scottish

INSURANCE COMPANY LIMITED

of Glasgow, Scotland

HEAD OFFICE FOR CANADA
 17 ST. JOHN STREET
 MONTREAL

G. E. MOBERLY,
 MANAGER

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

THE ST. PAUL FIRE AND MARINE INSURANCE COMPANY

INCORPORATED 1865

ASSETS OVER \$16,000,000

REPRESENTED IN TORONTO BY

McADAM, SHERRITT & COMPANY

General Agents

EXCELSIOR LIFE BUILDING

36 TORONTO STREET

BRITISH TRADERS' INSURANCE COMPANY, LIMITED

ESTABLISHED 1865

HEAD OFFICE: HONG KONG

HEAD OFFICE FOR CANADA: TORONTO

FIRE & MARINE INSURANCE

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

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

Manager for Canada, C. R. DRAYTON

THE STRATHCONA
FIRE INSURANCE COMPANY

HEAD OFFICE: MONTREAL.

90 ST. JAMES ST.

"For ten years the STRATHCONA has pursued a safe and steady course and is now beginning to gather the fruits of its wise and sound policy."

Law remedy in the States and the precedent was followed in certain parts of Canada.

The British Committee make no such suggestion. On the other hand they carefully avoid all the constitutional difficulties surrounding it by leaving it severely alone.

Having found matters in this position they then formulate their conclusion regarding State Insurance follows:—

"The evidence satisfied us that the administration of a Workmen's Compensation Act necessarily involves many disputes of law and fact, and it is not desirable for the State to enter into a sphere of administration involving disputes with workmen which frequently become the subject of litigation."

Of course the Committee have reference to a Compensation Law under which appeal to the Courts is possible but their remarks have more significance when applied to the Common Law or the Employers' Liability Law which primarily involves the absolute propriety of the working man going to the Law Courts to enforce his right to lump sum damages.

This is the very kernel of the Report of twelve highly trained men after listening to the arguments to all sides of the question of State Insurance.

The logic of this finding will be perfectly clear to any one who is familiar with the administration of the Common Law or any form of Employers' Liability Law involving direct appeal to the law courts.

There is nothing definite or certain about a claim for personal injury. It involves the right of an individual to recompense for some personal harm. It involves the right which is open to all free men to claim protection from the aggression of others involving personal injury.

Nothing is more indefinite on account of the different viewpoints of men placed in a similar position. It is essentially a matter for argument and adjustment by compromise between individuals.

The State must never be a party to such an argument. It could never assume the place of the legal wrong-doer (even in the capacity of insurer) and litigate with the injured man on the subject of an exaggerated claim.

It might safely be inferred that this Report is the last word on the subject and no commission entrusted to investigate the same point in other democratic states in future is likely to find otherwise.

The Common Law and State Insurance cannot exist together. Why then did the British Committee not follow the weight of opinion in the American States and recommend suppression of the Common Law leaving it open to discuss the question of State Insurance entirely apart from this barrier.

It might truly be said that the Common Law right is the very life blood of individual liberty and justice in every state where liberty is known. It had its beginning in England in Magna Charter when John promised to give to all men justice. What he really gave was a court of appeal. The old Curia Regis became the Court of the King's Bench and is now the King's Bench Division of the Law Courts. Away back in the early days there were Barons and common people just as there are to-day. Somebody was, and is, the master and somebody was, and is, the servant. When individual rights or liberty were interfered with and there was no written law to give relief, the Common Law of the courts had a remedy, and the remedy was justice pure and simple. From a small beginning the Law Courts have grown into a great institution of national liberty. They broke down the power of the old Barons inch by inch and accomplished for Englishmen in one case alone all that the French Revolution accomplished in breaking the last servile strand of the Feudal System. The supremacy of the Law Courts is the birthright of the people and it is a supremacy that has never been seriously threatened in England since the time of King Charles I, when the Star Chamber was abolished.

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

The Acadia Fire Insurance Company

OF HALIFAX

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

WHOSE ASSETS EXCEED \$98,000,000

MONTREAL AGENCIES, LIMITED

GENERAL AGENTS

MONTREAL TRUST BUILDING, MONTREAL

JAS. D. CHERRY, Manager



THE EMPLOYER'S

Liability Assurance Corporation, Limited
of London England

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

OFFICES:
Temple Building, Toronto. Lewis Building Montreal

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

John Jenkins,
Fire Manager

Applications for Agencies Invited

Canadian
Government
Deposit
\$1,622,000.00

Stands First
in the
liberality of its
Policy contracts,
in financial strength
and in the
liberality of its loss
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TRANSACTS:
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382 St. James Street, MONTREAL
ROBERT WELCH, General Manager

Applications for direct Agencies invited.

The Ocean Accident & Guarantee Corporation Limited

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

The "OCEAN" can meet these requirements under one contract

Branch Office:
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MONTREAL**

JOHN W. WETMORE,
Superintendent.

W. T. FERRY,
Manager for Canada

Canadian Head Office: **Ocean Insurance Building, TORONTO**

The Dominion of Canada Guarantee & Accident Ins. Co.

**The Oldest and
Strongest Canadian
Casualty Company**

**ACCIDENT
BURGLARY
GUARANTEE BONDS**

**TRANSACTS:
SICKNESS PLATE GLASS
AUTOMOBILE INSURANCE
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E. ROBERTS, Manager
100, LEWIS BUILDING, MONTREAL

G. A. WITHERS, General Manager
TORONTO

Branches: **WINNIPEG CALGARY VANCOUVER**

Firemens Insurance Co. of Newark and Girard Fire & Marine Insurance Co. Appoint Chief Agent for Canada.

Mr. Hugh R. M. Smith, assistant secretary of the Firemens Insurance Company of Newark, N.J., who has been visiting Montreal for the past two weeks, announces the appointment of Mr. Angus G. Fairbairn from the Western department of Chicago, as chief agent for Canada for both the Firemens Insurance Company and the Girard Fire and Marine Insurance Company. Mr. Fairbairn's office will be located in Lewis Building, St. John St., Montreal.

PROTECTING RESIDENTIAL AREAS

The following advertisement recently appeared in a Halifax paper:

"Notice is hereby given, that application has been made to the Building Inspector by the undersigned for permission to erect a shop on west side of Elm street between Chebucto road and Oak street. Any person objecting to the erection of this building within the residential district, should lodge a copy of said objections with the Building Inspector, City Hall."

The City Council of Regina, Sask., has before it for consideration an amendment to the fire limits bylaw, which, if passed, will prohibit the opening of business places in the residential districts of the city.

This legislation is in harmony with the efforts of the Town Planning Branch of the Commission of Conservation, which, for the protection of residential areas, has consistently advocated the zoning of towns and cities.

Unless a property owner has some guarantee that his investment will be safeguarded, there is little inducement to build or improve a home, even in the best residential districts, in most of our cities. In an eastern city, a permit was recently issued for the erection of a wood-working factory in the heart of a residential section. Although the residents formally protested against such construction urging that the area was purely residential and that the insurance rates on adjoining property would be considerably enhanced, the permit was not revoked.

Canadian Mills Get Big Textile Order

Negotiations of a nine million dollar order for woolen textiles for Rumania, have, it is stated been consummated. We understand the order has been allocated among the various manufacturers, and they are getting ready to begin production.

Canada has been getting after Rumanian business and has shipped considerable quantities of merchandise to the Balkan country. The woolen order was held up, it is reported, because the necessary financial arrangements could not be completed.

This difficulty has apparently been overcome, for a group of British financiers have perfected plans whereby Canadian manufacturers will receive cash against documents at the port of loading. These arrangements were originally discussed with the financiers by the secretary of the Canadian Association of Woolen Manufacturers, who made a special trip to England for the purpose.

Advices from Toronto state that 37 mills in the Dominion will participate in the cloth order and a similar number will handle the portion of the order relating to knit goods. About 1,900,000 yards of cloths, involving a cost of approximately \$7,000,000, will be taken, and knit goods to the extent of \$2,000,000.

Canadian manufacturers, it is pointed out, have peculiar advantages in getting foreign trade. The woolen manufacturers are well organized and their association is made up of most of the woolen mills in the Dominion, so that prices on wide range of woolen textiles can be quoted to foreign buyers for early delivery. It is understood that the delivery of the \$9,000,000 order has been promised within a period of six months.

There is considerable satisfaction over the placing of this particular order because many mills in the Dominion were shutting down for lack of orders. Many of the mills, for instance, installed equipment to turn out woolen blankets for military use, and these plants were kept busy, but the demand dropped when hostilities came to an end.

J. H. White, of London, who is visiting Canada in behalf of his firm, which has big spinning mills in the Yorkshire district, declared in an interview in Toronto that there will be no reduction in the price of woolen goods in the immediate future. He added that if labor refused to accept the final offer made by the mills the latter would shut down. He added:

"I am prepared to admit that labor was not getting a fair deal before the war, but having gained great advantages during the past few years their leaders are pressing their gains too far and unless they come to a more reasonable frame of mind they are in danger of losing all they have won.

"The leaders do not seem to realize the situation; mills cannot be run without a margin of profit, and at the present time of slump it would be more profitable to close down for a while.

When asked how the Canadian luxury tax affected the British woolen manufacturers he replied that at first there was a panic among the buyers on this side, but he believed that since the tax had been modified the market was steady again. He added that in his view the luxury tax was a good way of setting a limit to the upward tendency of prices and that it acted as a check to the extreme demands of labor as much as to those of capital.

Commercial Union Assurance Company Limited

of London, England

as at 31st Dec., 1919.

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

Palatine Insurance Company Limited

of London, England

as at 31st Dec., 1919.

Capital Fully Paid	\$1,000,000	Total Income	\$4,145,585
Fire Premiums 1919.	3,957,650	Funds.	6,826,795
Interest Net	187,935	Deposit with Dominion Gov't.	365,537

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

Applications for Agencies Solicited in Unrepresented Districts

Head Office: CANADIAN BRANCH

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

W. S. JOPLING, Manager

THE CANADA

ACCIDENT & FIRE
ASSURANCE COMPANY

Head Office, - - - MONTREAL

T. H. HUDSON, Manager, Fire Department.

H. F. RODEN, Manager, Casualty Department

Policies Guaranteed by
Commercial Union Assurance
Company Limited

Local General Agents, (Fire)

G. U. PRICE & CO., LIMITED
Bank of Toronto Bldg., Montreal

FIRE - MARINE - HAIL
AUTOMOBILE

ASSETS EXCEED
\$93,000,000



EAGLE STAR AND BRITISH DOMINIONS

INSURANCE COMPANY LIMITED

J. H. RIDDEL, Manager for Canada OF LONDON, ENGLAND E. C. G. JOHNSON, Assistant Manager
HEAD OFFICE FOR CANADA - TORONTO

DALE & COMPANY, LIMITED - GENERAL AGENTS - MONTREAL AND TORONTO

THE FIRE INSURANCE COMPANY OF CANADA MONTREAL

Authorized Capital, \$1,000,000 Subscribed Capital, \$500,000 Paid Up Capital, \$200,000

GENERAL FIRE INSURANCE BUSINESS TRANSACTED

President: Hon. R. DANDURAND Vice-President and Managing Director: J. E. CLEMENT

Fire Losses in Ontario for July

Fire losses for July this year in Ontario, are reported by Fire Marshal Heaton, as amounting to \$676,297 as compared with \$1,028,833 in July 1919. Insurance losses are given as amounting to \$551,301, as compared with \$636,729 in July 1919.

THE WORKMEN'S COMPENSATION COMMITTEE IN ENGLAND

The Report of the Committee appointed by the Home Secretary in May of last year to inquire into the system of compensation for injuries to workmen has now been issued.

The Committee, which was presided over by Mr. Holman Gregory, K.C., M.P., considered the desirability of the inauguration of a system of State insurance, but does not advocate such a scheme, being of the opinion that "employers generally have a preference for private enterprise rather than State management," also that "there is a general feeling among Employers that the administration of Workmen's Compensation by the State must necessarily tend to become rigid in character and slow in mechanism, and that owing to lack of competitive interest it may easily become inefficient and expensive." It recommends instead the continuation of the present system of insurance through Companies, subject to State supervision. The amendments suggested include largely increased benefits and compulsory insurance.

INFLUENZA DISAPPEARING

Influenza as a cause of death seems to have practically disappeared, the death rate from this cause in May last, per 100,000 lives exposed, as computed by the Metropolitan Life of New York in connection with its industrial department, having been but 25.4, whereas the rate for the entire year 1919 was about ninety-seven. Pneumonia, also, has shown a considerable decline as a cause of mortality. It is notable that in the first four months of 1920, there were forty deaths among industrial policy-holders in the Metropolitan Life from wood alcohol poisoning incidental to the use of adulterated beverages. On the other hand, in the first three months of 1919, there were sixty-two deaths from alcoholism in its usual sense, as against but twelve this year. These figures are considered as representing the general experience throughout the country.

\$5,000,000 for Improving Main Highways

The Provincial and Dominion Governments will expend \$5,000,000 this year improving the main highways of Canada. Similar appropriations will be granted annually for the same purpose.

FIRE MANAGER WANTED

British Tariff Company, about to open in Canada, is prepared to appoint Manager experienced in Fire business and with good organizing powers. Applications invited, stating age, experience, salary required, etc., to

X. Y. Z.,

Care The Chronicle,

Montreal.

WANTED

The Atlas Assurance Company Limited has an immediate opening for an Ontario plan Clerk. Apply, stating experience, to

Mr. Gendron.

WANTED

Experienced young man desires position as Plan or Endorsement Clerk. Address

Clerk,

Care The Chronicle,

Montreal.

WANTED

Book-keeper for a Tariff Fire Insurance Co. Must understand both languages and be well recommended. Address

I. F. U.,

Care The Chronicle,

Montreal.

INSTITUTE OF ACTUARIES

STAPLE INN HALL, LONDON.

NOTICE IS HEREBY GIVEN—

1. That the Examinations of the Institute of Actuaries will be held from Monday, 13 December to Wednesday, 15 December, 1920, inclusive.
2. That Candidates presenting themselves for the first time for Part I of the Examinations must make application for admission as Students of the Institute on the form to be obtained from the Local Supervisor, and remit the Application Fee of £1 1 0, in addition to the Examination Fee.
3. That all applications of Candidates for Examination, and all remittances from them, should reach the Hon. Secretaries in London not later than 13 October, 1920.

(By Order) H. M. TROUNCER,

A. O. THORNE, Hon. Secs.

ARTHUR B. WOOD, F.I.A.

Hon. Supervisor in Montreal.

Canadian Banking Practice
On Sale
By The Chronicle



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



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

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

Mount Royal Assurance Company

SURPLUS and RESERVES, \$1,415,740.57 TOTAL FUNDS, \$1,708,120.67
TOTAL LOSSES PAID, \$3,180,308.63

Application for Agencies Invited
Head Office - - - MONTREAL
P. J. PERRIN - - - - - Manager

Established in Canada in 1821
 1819 **AETNA (FIRE)** 1920
 HARTFORD, CONN., U. S. A.
Losses Paid over \$183,000,000
 J. B. HUGHES, Special Agent, WATERLOO, ONTARIO
 J. R. STEWART, Special Agent, 36 Toronto Street, TORONTO, ONTARIO
 R. LONG, Special Agent, 515 Yorkshire Building, VANCOUVER, B. C.

Union Assurance Society, Ltd.
 OF LONDON, ENGLAND
 (Fire Insurance since A.D. 1714)
CANADA BRANCH, MONTREAL.
 T. L. MORRISSEY, Resident Manager.
NORTH WEST BRANCH, WINNIPEG.
 THOS. BRUCE, Branch Manager.
Agencies Throughout the Dominion

EXCELSIOR
INSURANCE LIFE COMPANY
A Strong Canadian Company
 FOR PROTECTION OR INVESTMENT
 BUY EXCELSIOR POLICIES
J. J. Robichaud, Prov. Man., Montreal

The Law Union & Rock
 INSURANCE CO. LIMITED, LONDON. Founded in 1866
Assets Exceed - - - \$50,000,000.00
 Over \$10,000,000 invested in Canada
FIRE and ACCIDENT RISKS accepted.
 Canadian Head Office: 277 Beaver Hall Hill.
MONTREAL
 Agents wanted in unrepresented towns in Canada.
 W. D. AIKEN, Superintendent, **COLIN E. SWORD**
 Accident Dept. Canadian Manager.

SUCCESS IN SELLING LIFE INSURANCE is the result of intelligent hard work, and the excellence of your service to clients. The more you put into it the more you will get out of it. Let "Greater Service to Policyholders" be your motto, and if you want a good position as Agent or District Manager with a progressive Company, apply stating experience and references, to **W. R. BROWNLEE, Provincial Manager, 180 St. James St., MONTREAL, P.Q.**

THE CONTINENTAL LIFE INSURANCE CO.
GEORGE B. WOODS, President TORONTO, Ont. CHAS. H. FULLER, Secretary

PERSONALS

Mr. Owen D. Jones, general manager of the North British & Mercantile Insurance Company, arrived in Montreal this week. He is at present visiting important Agencies of the Company in the West accompanied by Mr. Randall Davidson, manager for Canada.

British Columbia will have one of the largest power sites in the world, when the projected \$30,000,000 development of the Bridge River is carried out.

Mr. F. W. P. Rutter, general manager London & Lancashire Fire Insurance Co. is expected to visit Canada during the present month.

Mr. George Chappell, general manager of the Royal Insurance Company, is expected to visit Canada sometime this month.

PROFITEERING

Conditions seem to point to organized effort to keep up prices in not a few directions. The fact that large crop yields promise but little in the way of immediate lowering of prices for food at retail is a sore subject with many consumers. Labor especially is clearly irritated at the fact that though it has succeeded in enforcing its own demands in money wages they have profited it little, due to the fact that prices have risen sufficiently to take much of the increase in purchasing power.

The time has come to recognize that profiteering is not solely the result of wilful and unfair effort on the part of individuals to exact a tribute from the community but is the outcome of conditions which have been established in some cases by law and which permit or, in other cases, dictate high prices for goods. Of these conditions the most fundamental is possibly the present system of taxation. Excess profits taxes are responsible for no small portion of the shortage of goods which exists in many directions and are thus the cause of numerous instances of overcharge. Excessive freight rates, while in many cases constituting only a small fraction of the retail price of goods, are, nevertheless, an important influence in the price of heavy commodities like coal.

No doubt there has been a good deal of wilful "jacking up" of prices without good reason. This has been effected in some cases by the use of machinery which was started during the war, through the establishment of trade understandings, and the use of commercial mechanisms of various sorts which may have had a desirable purpose then but has none now.

PLAYING THE GAME

By B. C. Forbes, in Forbes Magazine

Business is as much a game as golf or baseball or football.

Life itself is aptly likened to a game.

To win, to earn and enjoy the fruits of victory, you must play fair.

A cup or medal or other trophy is not the real prize the victor receives; the real prize, the real reward, is the satisfaction derived from superior, worthy achievement.

Wealth is not the real prize of life, it is only a trophy, a symbol, and may carry with it no satisfaction; indeed it does not carry with it genuine, lasting satisfaction unless it has been won fairly, honestly, honorably.

The more I see of rich men and the closer my insight into the workings of their minds and hearts, the more strongly convinced do I become that great wealth is no passport to happiness nor proof of true success.

It is an old truth, but it needs preaching every sunrise, so many do not know it, or, knowing it, do not heed it. If they could only be made to understand, if they could only see things in their true colors, if they could only peer into the hearts of many millionaires, they would order their lives more rationally and enjoy life more thoroughly.

To win out you must play the game every time.

"Look at So-and-So; he has everything he wants, yet everybody knows that he made his money by shady practices," you may reply.

Don't fool yourself that So-and-So has everything he wants. Do you imagine that he doesn't know how you and other people regard him? And do not think for a moment that he enjoys being looked at askance, or that he wouldn't exchange most of his ill-gotten gains to stand high with you and other people—and to stand high with himself.

There have been wholesale efforts to reap more than has been sown, to get more than has been earned, to tilt the scales unduly.

Sooner or later the profiteers and labor slackers will get their just reward.

The call is for the fellows who can be depended upon, under any and all circumstances, to play the game.

The things that count are the things that last. Playing the game lasts.

Many Fires Caused by Lightning

While lightning is always a factor in farm insurance during the summer months, fires from this cause have been unusually numerous during the past few weeks in Canada, due to the many electrical storms in various parts of the country.



STRIDING AHEAD

These are wonderful days for life insurance salesmen, particularly North American Life men. Our representatives are placing unprecedented amounts of new business. All 1919 records are being smashed.

"Solid as the Continent" policies, coupled with splendid dividends and the great enthusiasm of all our representatives tell you why.

Get in line for success in underwriting. A North American Life contract is your opening. Write us for full particulars.

Address E. J. Harvey, Supervisor of Agencies.

NORTH AMERICAN LIFE ASSURANCE COMPANY

"Solid as the Continent"

HOME OFFICE - - TORONTO, ONT.

SIZE, STRENGTH, LIBERALITY

The Sun Life Assurance Company of Canada, with over \$340,000,000 of business in force, has all the advantages that size can bring to a life company.

With assets of over \$97,000,000 and surplus of over \$8,000,000 it has decided strength and safety.

Its policy conditions and dividend record have earned for it an enviable reputation for liberality, while its record for fair dealing is unexcelled.

For information as to contracts, communicate with the nearest Division Office, or with the Company's Head Office in Montreal.

SUN LIFE ASSURANCE COMPANY OF CANADA

Head Office: Montreal.

T. B. Macaulay, President.



RAILWAY PASSENGERS ASSURANCE CO.
OF LONDON ENGLAND

DEPARTMENTS:

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

Head Office for Canada and Newfoundland - - - TORONTO

F. H. RUSSELL, General Manager

The Imperial Guarantee And Accident Insurance Co. of Canada

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

A Strong Canadian Company

Accident and Sickness Insurance
Guarantee Bonds

Plate Glass & Automobile Insurance

B. WELLS, General Manager FRANK W. COX, Secretary

THE LIFE AGENTS' MANUAL
THE CHRONICLE - - MONTREAL

METROPOLITAN LIFE INSURANCE COMPANY OF NEW YORK

Paid for new business in Canada during 1919.
Ordinary \$61,559,058
Industrial \$33,798,953
Total \$95,357,111

Largest amount ever issued in Canada by any Company.

Amount of insurance in force in Canada

December 31, 1919 \$336,193,990

Largest amount in force in Canada by any Company.

Number of Metropolitan policies held by

Canadians December 31, 1919 1,431,827

Largest number in force in any Company in Canada.

Investments in Canada exceed \$57,000,000

Subscriptions to Victory Loans \$24,137,550

The Company had nearly 1,500 employees in Canada at the end of 1919.

Home Office, 1 Madison Ave., New York City