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Banking, Insurance and Finance



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THE GENERAL FINANCIAL SITUATION.

The statement made by Sir Thomas White in the House of Commons last week regarding the position of the Dominion currency contains considerable information on a subject which is of primary importance to the economic well-being of the Dominion, but is distinctly "caviar to the general." The occasion of the statement was the giving of Parliamentary sanction to various measures, which during the war were put through under the authority of orders-in-council and which it is desired to continue in force. Broadly speaking, these measures concern the powers of the banks and of the Dominion Government to issue currency. It is desired, as the Minister of Finance explained, to continue this legislation in force for a period of two years, by which time, it is estimated, conditions will have become normal, and this emergency circulation legalising the expansion of currency beyond the limits which were permissible before August, 1914, will be no longer necessary.

It appears that at the end of January last, Dominion note circulation amounted to \$319,315,689, compared with \$112,000,000 in 1914—in other words, in less than five years Dominion note circulation has been practically tripled. The present issue is secured by gold and securities amounting to 80 per cent. of the issue, the percentage fully covered by securities being 51.8 per cent. Of the balance of the issues, the percentage covered by gold is 75.2 per cent., the percentage of gold held against the total issue, irrespective of securities also held being 36.2 per cent. The securities held against this circulation include a large amount, over \$80,000,000, of British Government treasury bills and small amounts of Canadian Government treasury bills (deposited by their owners in exchange for currency) and provincial and municipal bonds. In addition, \$20,000,000 G. T. P. and Canadian Northern bonds, guaranteed by the Dominion Government, are held in connection with the issue to an amount of \$16,000,000 of Dominion notes against railway securities under legislation which was passed in 1914, and securities to a value of 11,000,000 pounds sterling, pledged by the British Government and deposited with the Bank of Montreal in London to the credit of the Canadian Government, are held in respect of an issue of \$50,000,000 Dominion notes made in August, 1917, in order to enable the British Gov-

ernment to buy cheese and other Canadian agriculture products.

The net result of these arrangements is this: The Dominion Government holds against its note circulation, in addition to gold holdings, British Government, Dominion Government, provincial and municipal securities to the amount of \$90,000,000; railway securities guaranteed by the Dominion to the extent of \$20,000,000, and securities owned by the British Government, but lodged with the Bank of Montreal in London for account of the Dominion Government, to a market value of 11,000,000 pounds sterling. Holdings of gold against Dominion notes amount in round figures at the present time to \$120,000,000, this last named figure comparing with \$97,000,000 of gold which was held on July 31st, 1914. At the earlier date, therefore, the percentage of gold held against Dominion currency was approximately 80 per cent. at the present time it is 36 per cent. plus the securities which have been enumerated. Some further figures given by Sir Thomas White regarding the currency position of Great Britain and the United States show that Canada's position in this respect compares not unfavourably with both countries. In Great Britain the percentage of gold held is barely 10 per cent., and in the United States, which was in an exceptionally strong financial position when it entered the war at a much later date than Canada, 53 per cent. It should also be noted that during the war, the Canadian banks have increased their own holdings of gold from \$54,000,000 to \$91,000,000, an increase of \$37,000,000.

The removal of British Government control of sterling exchange in New York, marks undoubtedly an important step in the restoration of financial dealings to a normal basis. The slump in exchange which has immediately followed the removal of the control, is probably not regarded with a great deal of anxiety by English statesmen and financiers, since it forms a very effective hindrance to British purchases abroad and is a useful aid in checking the volume of imports. The desire to take effective steps in this direction has probably had something to do with the decision to remove control at this time. The British support of New York exchange since 1915 has involved an enormous amount of costly work and operations. Four distinct methods, it is pointed out by New

(Continued on page 333)

BANK OF MONTREAL

ESTABLISHED OVER 100 YEARS (1817-1918)

Capital Paid up, \$16,000,000

Est., \$16,000,000

Undivided Profits, \$1,901,613

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EDWARD C. PRATT

General Manager

The Chronicle

Banking, Insurance and Finance

ESTABLISHED 1881. PUBLISHED EVERY FRIDAY.

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

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MONTREAL, FRIDAY, MARCH, 28th, 1919

THE GENERAL FINANCIAL SITUATION.

(Continued from Page 329)

York observers, have been employed to rehabilitate the market since sterling exchange touched \$4.50 in September, 1915. There were first shipments of gold, of which the net import into the United States between January, 1915, and June, 1917, reached the unprecedented total of \$1,225,000,000. Also, loans were raised in the United States amounting in the case of Great Britain to \$1,300,000,000; securities held in Europe were mobilised, and sold or pledged on this side of the Atlantic to an amount of between \$2,000,000,000 and \$3,000,000,000, and, after the United States had entered the conflict advances were made from the national treasury to Europe totalling \$8,700,000,000. These resources appear no longer available to support the market for sterling to any extent. That Great Britain would countenance, any considerable outward gold movement at present, even were supplies available in sufficient amounts, has not been seriously suggested. Borrowing in the United States is apparently not completed. Stocks of securities in the hands of the British Treasury authorities have been greatly reduced. Those that were bought outright from holders have probably all been disposed of, while those that were borrowed from their owners, if still unsold, are likely to be returned, according to well-informed opinion. The British authorities have apparently squarely faced the issue. What the future of sterling exchange will be it is difficult to prophesy, but its movement will certainly be a valuable index of the recuperative power of Great Britain, now that the war is over. So far as Canada is concerned, while sterling exchange remains at a low figure, we shall benefit considerably, of course, in making remittances to Great Britain, for interest payments or other obligations, though the benefit will be modified by the premium on New York funds.

Shipping difficulties appear to be mainly responsible for the pause in Canadian export trade, which is noted in the trade figures for February. Total exports during the month reached an amount of \$82,899,483, compared with \$116,358,387 in the month of January and \$86,361,617 in February, 1918. The principal decline was under the heading of agricultural exports, mainly due to the decline in exports of flour. Manufactured products only show a slight falling off of less than a million dollars, while exports of animal products were proportionately very largely increased by almost eight millions. Imports during February reached \$64,117,126 compared with \$52,206,000 in February, 1918, and \$73,749,397 in January, 1919. The net result of the month's foreign trade is an export balance of \$18,782,357, compared with one of \$34,155,000 in February, 1918, and of \$42,608,990 in January, 1919. It may be noted, however, that in February, 1917, this export balance was only \$194,000 and in 1916, \$6,277,000, there having been in preceding years a heavy balance the other way.

Problems connected with the forthcoming taxation proposals of the Government have been illuminated to some extent by the tabling in the House of Commons of the main estimates for the forthcoming fiscal year. These estimates, which it should be noted do not cover expenditures connected with the war, show total proposed expenditures during the forthcoming fiscal year of \$437,679,071, an increase of practically \$138,000,000 over the estimates for the year just closing. Of this total amount \$86,000,000 will be chargeable to capital account, and the balance of over \$350,000,000 to revenue. Railway expenditures run to over \$50,000,000; \$30,000,000 will go in pensions; \$22,000,000 to the Department of Soldiers' Civil Re-establishment; \$30,000,000 for the construction of vessels in accordance with the Government's shipbuilding programme; \$25,000,000 for Government grants in connection with trading. What the Government's taxation programme will be remains to be seen, but in the face of them these estimates suggest that it will not be possible to allow revenue to be depressed, and that any loss of it through concessions in one direction will have to be made up by additional impossibilities in others.

CANADIAN BANKING PRACTICE

ON SALE BY

THE CHRONICLE, - MONTREAL



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TRAFFIC RETURNS

Canadian Pacific Railway				
Year to date	1917	1918	1919	Increase
Feb. 28.....	\$18,773,000	\$19,889,000	\$23,579,000	\$3,690,000
Week ending	1917	1918	1919	Increase
March 7.....	2,442,000	2,617,000	2,469,000	*148,000
" 14.....	2,670,000	2,496,000	2,645,000	149,000
" 21.....	2,648,000	2,846,000	2,832,000	*14,000
Grand Trunk Railway				
Year to date	1917	1918	1919	Increase
Feb. 25.....	\$ 8,530,394	\$ 5,506,414	\$ 8,490,257	2,983,843
Week ending	1917	1918	1919	Increase
March 7.....	1,063,190	834,742	1,224,388	389,646
" 14.....	1,068,837	846,554	1,159,337	312,783
" 21.....	1,054,639	893,804	1,235,013	341,209
Canadian National Railways				
Year to date	1917	1918	1919	Increase
Feb. 28.....	.....	\$9,119,071	\$12,744,360	\$3,625,289
Week ending	1917	1918	1919	Increase
March 7.....	1,116,260	1,286,614	176,354
" 14.....	1,147,790	1,397,986	250,196
" 21.....	1,292,511	1,404,051	111,540

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FIRE INSURANCE MEANS INDEMNITY ONLY, NOT A SOURCE OF PROFIT.

One of the things which the average property owner especially in the small towns and rural districts is slow to comprehend, is that a policy of fire insurance is not a promise that in the event of a loss by fire the company will pay the full amount named therein. In many minds the idea seems fixed that the possession of a policy for a thousand dollars, for example, entitles the holder to that amount from the company in case of fire, even if the destruction wrought is not equal in value to that amount. Experienced adjusters fully appreciate the difficulty of making clear to a large class of the insured that the fundamental idea of insurance is to replace or enable the owner to replace that which has been lost—simply to furnish indemnity. The company names in its policy the maximum amount which it guarantees in case the loss should reach that amount the actual payment below that maximum being always equal to the actual loss sustained. Thus the actual loss whatever it may be, within the policy limit is the maximum of liability to the company. This practice proceeds upon the equitable principle that for a stipulated consideration the insurance company in case of loss, puts itself exactly in the place of the insured. To pay less than the actual loss would be robbery of the insured; to pay more would be robbery of the insurance company.

The fundamental principle of indemnity as applying to the insurance of property, has been recognized in all lands by the highest legal authorities, and everywhere by the best writers and lexicographers, insurance has been regarded as the synonym of indemnity. The general definition of fire insurance is succinctly stated in Whartons Law Dictionary as follows:—"Insurance against fire is a contract of indemnity." A standard authority says:—"Insurance is a contract by which the insurer undertakes in consideration of a premium equivalent to the hazard run, to indemnify the person against certain perils or losses, or against some particular event."

Although it is a recognized principle by all the courts that "insurance ought never be a source of profit to the insured," and though the attempt to thus profit is wholly indefensible, yet a good many people who would not cheat a neighbour, or knowingly defraud a creditor, and who are regarded as generally honest, seem to see no breach of good faith or moral delinquency, in getting a thousand dollar payment if they can from an insurance company for an eight hundred dollar loss. The Chronicle does not now refer to that class of people who deliberately design by over-insurance and sharp—not to say criminal, practices to swindle the companies, but to the still larger class, who harbour the mistaken notion, that the face of the policy represents the sum to which they are entitled, because a premium on that sum has been paid.

CANADIAN BANKS' DISPOSITION OF PROFITS, 1918

CANADIAN BANKS' DISPOSITION OF PROFITS, 1918
(Compiled Exclusively for the Chronicle.)

NAME	Year ended	Balance brought in	Profits for Year	Premiums New Stock issued	Total	Dividends paid	War Tax on Circulation	Added to Rest	Premises and Furniture	Written off Bank Premises, Dep. Cont., etc.	Contributions, Pension Funds, etc.	Balance carried out	TOTAL
Montreal	Oct.	\$1,664,803	\$2,562,720	.....	\$4,227,613	\$1,920,000	\$160,000	.....	\$200,000	.....	46,000	\$1,901,613	\$4,227,613
Nova Scotia	Dec.	560,269	1,411,925	.....	1,972,194	910,000	65,000	.....	.....	150,000	97,500	749,694	1,972,194
Toronto	Nov.	555,306	844,402	.....	1,399,709	550,000	50,000	.....	.....	110,854	63,200	625,624	1,399,708
Mouloins	Sep.	151,826	712,485	.....	864,311	440,000	40,000	.....	.....	100,000	36,282	248,029	864,311
Nationale	Apr.	49,966	435,283	.....	485,249	180,000	20,000	100,000	45,000	100,000	15,000	35,249	495,249
Merchants	Apr.	421,293	1,326,681	.....	1,657,974	700,000	70,000	200,000	.....	400,000	50,000	437,974	1,657,974
Union	Nov.	106,624	824,175	.....	930,799	450,000	50,000	.....	.....	75,000	29,500	126,299	930,799
Commercie	Nov.	1,332,075	2,850,318	*1,000,000	5,182,393	1,800,000	150,000	1,500,000	.....	400,000	287,550	1,444,843	5,182,393
Royal	Nov.	564,265	2,809,846	.....	3,374,111	1,614,702	133,652	500,000	.....	.....	190,000	535,757	3,374,111
Dominion	Dec.	393,005	1,086,498	.....	1,479,503	720,000	.....	.....	.....	.....	63,000	446,503	1,479,503
Standard	Jan.	175,216	697,444	46,710	919,370	455,893	34,840	46,710	.....	50,000	56,600	227,327	919,370
Hochelaga	Nov.	45,021	595,188	.....	640,209	360,000	40,000	100,000	.....	50,000	27,250	62,959	640,209
Ottawa	Nov.	94,418	645,438	.....	739,856	480,000	40,000	.....	.....	.....	20,000	199,856	739,856
Imperial	Apr.	1,164,876	1,185,067	.....	2,349,943	840,000	70,000	.....	.....	200,000	35,000	1,204,943	2,349,943
Home	May	140,239	228,963	208	369,410	97,362	19,317	.....	.....	100,000	.....	150,731	369,410
Sterling	Apr.	60,829	186,120	.....	246,949	72,906	11,982	50,000	.....	71,187	.....	40,874	246,949
		\$7,490,121	\$18,312,553	\$1,046,918	\$26,849,592	\$11,588,863	\$954,791	\$2,496,710	\$245,000	\$2,107,071	\$1,018,882	\$8,438,275	\$26,849,592

* Recovered from over appropriations
Note — Bank of Hamilton and Weyburn Security Bank annual reports not published at date of writing. Bank of B.N.A. merged in Bank of Montreal and Northern Crown with Royal Bank.

BANKING PROFITS IN CANADA (II.)

The table published to-day on another page indicates that the bank directorates had at their disposal in the 1918 profit and loss accounts a considerably greater amount than in the years immediately preceding. The "carry forward" from the preceding year had been substantially augmented in comparison with former years; and the profits of the year were greater, these profits being augmented considerably by recoveries of preceding over-appropriations, an item which more than compensates for the decrease in comparison with 1917 in premiums on new stock issued. As regards these premiums on stock issues, those on the various new issues of stock announced by several of the banks during recent months, will only appear in the tabulation for 1919. Taking the banks, whose records for 1918 are at present available, there is a total amount for disposition of about \$26,900,000, and the figures of the other banks, were it possible to include them, would probably bring this total up to \$28,000,000, which compares with an approximation to \$26,000,000 in 1917.

The amount of dividends paid is practically stationary in comparison with 1917, the various increases in the rates of dividend distribution recently announced, not being reflected in the present table. The war tax on circulation is about the same as in the preceding year. Additions to rest are somewhat larger than in 1917, this item reflecting the renewed capacity of the banks to make further substantial additions to their resources in this connection. Appropriations for depreciation contingencies, premises and furniture are about \$400,000 more than in 1917, while contributions to pension funds, etc., are about the same as in the preceding year at just over a million. The balance forward is again considerably increased by nearly a million dollars, which with the increased earning power of the banks upon their paid-up capitals explains the dividend increases recently made.

NATIONS AGREE ON THRIFT.

Nations differ greatly in their fiscal policies but they all agree on the necessity of promoting thrift among their people.

France has been held up as the classic example of a thrifty nation, but the vigorous widespread savings campaigns adopted by both Great Britain and the United States are, in this respect, dwarfing the record of France.

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BANK OF HAMILTON.

The statement of the result of the business of the Bank of Hamilton for the year ending 28th February, 1919, constitutes the best report ever issued by this popular banking institution. The bank's statement for the year is characterized by a considerable enlargement of resources and by yet further strengthening of its liquid position. This indicates the conservative course pursued by the bank under the able management of Mr. J. P. Bell.

Net profits for the twelve months under review of \$571,226 compare with \$598,522 for the previous fifteen months. The sum of \$100,000 appear in the statement as recovered from over appropriations which together with the sum of \$232,422 balance from last year make a total of \$903,648 available for distribution, appropriated as follows: Four quarterly dividends, \$360,000; pension fund, \$37,287; war tax, \$30,000; patriotic fund, \$18,150; premises account, \$173,096; transferred to reserve, \$200,000; leaving a balance of profits carried forward of \$85,114.

The service rendered by the Bank of Hamilton to Canada is indicated by the current loans amounting to \$37,719,328 an increase of \$4,585,000, and Government wheat loans on demand of \$7,918,000. Call loans abroad which amounted to \$1,400,000 in 1917 have been eliminated while call and short loans in Canada have been increased by \$933,000 to \$4,421,378. The total assets have been increased from \$66,541,680 to \$77,404,121. The proportion of liquid assets to liabilities to the public is over fifty per cent. indicating a very strong position. Deposits bearing interest have increased from \$36,588,312 to \$41,578,248 while deposits not bearing interest have increased \$16,771,669 to \$22,798,810.

The Bank of Hamilton has recently opened a branch in Montreal under the management of Mr. R. L. Ellis where an important volume of business is already being transacted.

SOMEWHAT OF A PROPHECY.

We publish the following letter addressed to the Editor of The Chronicle and published in its columns in August, 1900, from a correspondent in Germany in the year 1900, as being both interesting and enlightening, and indicating conditions as they actually existed nearly twenty years ago in Germany. Had England correctly sized up the situation at that date the war just concluded so victoriously for the Allies, might never have taken place.

ENGLAND AND GERMANY.

Leipzig, Aug. 15th, 1900.

Dear Editor,—When the war between England and the Transvaal broke out, the feeling borne by the nations of Europe to England was no secret. In fact, it was what might be expected of most of

them. The ill feeling of Germany to England, however, is much greater than is generally supposed, and its roots extend far beyond any Transvaal war, although in that war they find expression. One has only to take up a paper, and read the war news—scathing, unrelenting criticism of the English on all sides. No doubt much of this criticism is deserved, but the bitterness with which all such notices are saturated, points to more than mere criticism or even temporary ill-feeling. It cannot be sympathy for the smaller nation. Any reasoning, thinking German admits that there was no course other than the one they have taken, open to the English; that they themselves would have acted in the same manner, had they been placed in similar circumstances. The truth is, that the Germans are bitterly jealous of the English, of England in the sense of Greater Britain.

Germany has grown remarkably rapidly from an insignificant state to a leading nation. She is now, by the very rapidity of her growth, carried on to strive for first place, and her jealousy can be explained when she sees that place for the present at least, hopelessly occupied by England. But Germany is working grimly, patiently to make England's position untenable. One can see it in many ways—notably in the wildly enthusiastic manner in which the Kaiser's late naval appropriations were backed by the entire nation.

I was talking the other day to one of the judges of the Supreme Court of Germany—surely a man whose words ought to carry some weight. I found him as bitter against England as the many of lowlier station has been. "England," he said (and these are almost the exact words), "hates us and does all she can to harm us, and we are but biding our time to do the same thing to England. That time will come in about twenty years. The struggle for supremacy will be between the fleets on the channel, and the whole thing will be over in 48 hours." So much from a thinking man.

Surely this is surprising. The feeling in England certainly does not warrant it. Tell an Englishman this, and he will laugh at you, and yet it is undeniably the state of German feeling at the present. The one thing that the Germans cannot understand, and it seems to act as a damper on their malicious joy at English disasters in the magnificent way in which the Colonies have responded to the call of the Mother Country. The Germans (and others) cannot but recognize the fact, that in any big struggle these same colonies will claim their share of attention. And the fact does not please them.

Yours truly,

J. C. F.

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

The Trust and Loan Co.

OF CANADA

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

MONEY TO LOAN ON REAL ESTATE

30 St. James Street, Montreal

Prudential Trust Company

LIMITED

Head Office
 8 St. John St.,
 Montreal

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

Safety Deposit
 Vaults
 Terms Ex-
 ceptionally
 moderate.
 Correspond-
 ence invited

B. HAL. BROWN, President and Gen. Manager

YOU MAY BE A RICH MAN, SOME DAY

Opportunities for making money are many but it takes time for capital to accumulate even under the most favorable conditions. Every man of ability expects in the course of years to have sufficient to ensure to his family during their life time the comforts to which they have been accustomed. Unless an unexpected reverse of fortune occurs their is little doubt but that you will make money. "But "many things may happen" while the money is being made. This is where life insurance comes in and makes available the means that would have been yours if health and life had been spared. You will be rich "some day," if you live, but the insurance policy will anticipate for your family the accumulations of future years and render sufficient means available even should you not survive to realize your ambition.

IS YOUR PROSPECTIVE INCOME INSURED?

The Mutual Life Assurance Co. of Canada
 WATERLOO, ONTARIO

E. P. CLEMENT, President. CHAS. RUBY, General Manager

The LIFE AGENTS' MANUAL
 THE CHRONICLE - - MONTREAL

Trust Fund Investments

The prompt payment beyond question of interest and principal at maturity must be the paramount consideration when investing Trust Funds.

The Bonds issued by the Canada Permanent Mortgage Corporation meet all the requirements, and are

A LEGAL INVESTMENT FOR TRUST FUNDS.

We should like to send you a specimen Bond, copy of our Annual Report and all particulars. Send us your name and address.

CANADA PERMANENT MORTGAGE CORPORATION

Paid-up Capital and Reserve Fund ... \$11,500,000

Toronto Street - - TORONTO

Established 1855.

Western

Assurance Company

Incorporated in 1851

FIRE, MARINE, EXPLOSION AND
 AUTOMOBILE INSURANCE

ASSETS over \$7,000,000.00

LOSSES paid since organization
 of Company . . . over \$74,000,000.00

DIRECTORS

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

HEAD OFFICE - TORONTO

A BRITISH COMPANY

Union Insurance Society of Canton, Limited

ESTABLISHED 1828

Head Office: HONGKONG

Assets over \$18,000,000

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

FIRE, MARINE AND AUTOMOBILE

Head Office for Canada, 36 Toronto Street, TORONTO

General Agent Montreal, JOSEPH ROWAT

Manager for Canada, C. R. DRAYTON

SUN LIFE OF CANADA'S REPORT.

The forty-eighth annual report of the Sun Life Assurance Company of Canada is of more than ordinary interest, in view of the year just past, being a period of the gravest, anxiety for life insurance companies generally owing to the heavy losses due to the war and the epidemic. Never has the strength and ability of the companies been put to a more severe test than during the year just closed, when in addition to the mortality from regular sources they had to absorb many millions of losses arising from the war followed during the last months of 1918 by an entirely unexpected drain of approximately \$6,000,000 as a result of the epidemic.

For the first time in the history of the Sun Life the amount of new policies issued and paid for exceeds fifty millions of dollars, the actual figures being \$51,591,392. This is an increase of no less than \$3,779,824 over the figures of 1917, the best previous record in the history of the company. Insurance in force was increased in very favourable proportion to new business by \$28,938,710 to \$340,809,656. Cash income is \$2,362,102 larger than in 1917 at \$21,651,099 and assets show a substantial growth of \$7,460,204 to \$97,620,378.

In regard to the important matter of profits distributions and allotments to policy-holders during 1918, this item amounted to \$1,546,607 or \$13,782 less than the amount distributed in 1917. At the end of the year the total surplus over all liabilities including capital according to the company's strict standard amounted to \$8,027,378 as compared with \$8,550,762 in 1917.

Payments to policy-holders during the year amounted to \$9,768,564 as compared with \$8,840,245 in 1917 an increase of \$928,319. The recent epidemic called for the large payments of \$1,016,242 and war claims during the year under review called for \$797,509. From the standpoint of the company these are unfavourable features, but from the standpoint of the public they mean that in these times when death has invaded so large a proportion of the families of the land the Sun Life of Canada has sheltered and helped an increased number of widows and orphans of its policy-holders; thus fulfilling its beneficent mission to a greater extent than ever previously.

The company's new building on Dominion Square is a most striking structure, handsome and commodious, and is entitled to a position in the front rank of life insurance buildings on the continent of America, in this connection we might point out, that the cuts recently published in newspapers supposed to represent the new Sun Life Building, (which is undoubtedly the finest building of its kind in Montreal) would scarcely be recognized as such, were it not for the title printed at foot of cut.

The following brief table summarises in an in-

teresting way the remarkable growth of the Sun Life during a period of 46 years.

Year.	Income.	Assets.	Life Insurance in force.
1872	\$ 48,210.73	\$ 96,461.95	\$ 1,064,350.00
1887	477,410.68	1,312,504.48	10,873,777.69
1897	2,238,894.74	7,322,371.44	44,983,796.79
1907	6,249,288.25	26,488,595.15	111,135,694.38
1917	19,288,997.68	90,160,174.24	311,870,945.71
1918	21,651,099.69	97,620,378.85	340,809,656.13

The record is a very fine one, and constitutes a great tribute to the energy and enterprise of those associated with the Company. The energy and determination of Mr. T. B. Macaulay, F.I.A., president and managing director, are largely responsible for the commanding position occupied by the company at the present time. Mr. Macaulay has able lieutenants in Messrs. Arthur B. Wood (actuary), Frederick G. Cope (secretary), E. A. Macnutt (treasurer), and J. C. Tory (general manager of agencies).

PERSONALS.

Mr. E. C. Durham, assistant manager, London Assurance Corporation, who has been on this side of the water since the 11th instant, arrived in Montreal this week, where he spent a few days visiting the Head Office for Canada, afterwards leaving for the Coast.

Mr. Robert Stirling, general manager of the Law Union & Rock, will arrive in Montreal about the middle of next month.

Mr. Herbert Lewis, general manager of the Union Assurance Society, London, Eng., sailed for home a few days ago after spending some time in Montreal, visiting the Head Office for Canada. Mr. Lewis is also general manager of the Palatine. While both companies are controlled by the Commercial Union; the Union Assurance Society is with one exception, the oldest fire office in the world having been organized in 1714, the exception being the Sun Insurance Office which was organized only four years earlier. The Canadian branch of the Union has been under the management of T. L. Morrissey for nearly thirty years, and as his underwriting experience extends over forty years, there is probably no other Underwriter in Canada more widely known, or possessing a more thorough knowledge of the Canadian fire insurance business.

Mr. Ralph Yeo Sketch, the newly appointed general manager of the Norwich Union Insurance Society arrived on this side of the water a few days ago. It is expected that he will tour both Canada and the United States before returning home.

Mr. J. E. Clement, general manager of the Fire Insurance Company of Canada, is visiting agencies of his company, in important centres in the West.

Commercial Union

ASSURANCE COMPANY LIMITED
of LONDON, England

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

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

Palatine

INSURANCE COMPANY LIMITED
of LONDON, England

(As at 31st December, 1917)

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

N.B.—In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Funds exceed \$169,000,000.

Applications for Agencies Solicited in Unrepresented Districts

Head Office: CANADIAN BRANCH

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

J. McGREGOR, Manager

W. S. JOPLING, Assistant Manager

Head Office
for Canada;
TORONTO



Assets
Exceed
\$85,000,000

Eagle Star

AND

British Dominions
Insurance Company Limited

Of London, England

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

DALE & COMPANY, LIMITED
GENERAL AGENTS

MONTREAL AND TORONTO

Head Office
for Canada
TORONTO



Security
over
\$85,000,000

The
BRITISH CROWN

ASSURANCE CORPORATION LIMITED

Of Glasgow, Scotland

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

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

JOSEPH ROWAT, General Agent
LEWIS BUILDING - - - - - MONTREAL

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

AGENTS

INSURANCE

BROKERS

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

11 ST. SACRAMENT STREET
MONTREAL, P.Q.

THE
FIRE INSURANCE COMPANY OF CANADA

MONTREAL

Authorized Capital, \$1,000,000

Subscribed Capital, \$250,000

Paid Up Capital, \$100,000

GENERAL FIRE INSURANCE BUSINESS TRANSACTED

President: Hon. R. DANDURAND

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

SPLENDID RECORD ACHIEVED

During 1918

THE year 1918 was for the business of life assurance a year of supreme achievement. Owing to the combined effect of the war and the influenza epidemic, death claims were unusually high. The payment of these claims enabled the Companies to render an unprecedented measure of public service, and to fulfill to a more noteworthy degree than ever previously the beneficent purpose for which they were founded.

The record achieved during 1918 by the Sun Life of Canada was one of particularly striking success. For the first time in the Company's history new assurances paid for exceeded Fifty Million Dollars. The growth in size, strength and prosperity accentuates the Company's position as not merely the leader among Canadian Life offices, but one of the great insurance corporations of the world.

The Company's financial power is emphasized by its large Assets, Income and Surplus. During the year \$7,460,000 was added to the Assets, which at December 31st, had reached the huge total of \$97,620,000. The Income is now \$21,651,000, while the undivided Surplus is \$8,027,000.

THE RESULTS FOR 1918

ASSETS

Assets as at 31st December, 1918 - - - - - \$97,620,378.85
 Increase over 1917 7,460,204.61

INCOME

Cash Income from Premiums, Interest, Rents, etc, in 1918 - - - - - 21,651,099.69
 Increase over 1917 2,362,102.01

PROFITS PAID OR ALLOTTED

Profits Paid or Allotted to Policyholders in 1918 - - - - - 1,546,607.16

SURPLUS

Total Surplus 31st December, 1918, over all liabilities and capital - - - - - 8,027,378.55
 (According to the Company's Standard which is more severe than that laid down by the Insurance Act.)

TOTAL PAYMENTS TO POLICYHOLDERS.

Death Claims, Matured Endowments, Profits, etc., during 1918 - - - - - 9,768,564.28
 Payments to Policyholders since organization - - - - - 78,862,881.15

ASSURANCES ISSUED DURING 1918

Assurances issued and paid for in cash during 1918 - - - - - 51,591,392.04
 Increase over 1917 3,779,824.56

BUSINESS IN FORCE.

Life Assurance in force 31st December, 1918 - - - - - 340,809,656.13
 Increase over 1917 28,938,710.42

THE COMPANY'S GROWTH.

Years	Income	Assets	Life Assurances in Force
1872	\$ 48,210.73	\$ 96,461.95	\$ 1,064,350.00
1883	274,865.50	735,940.10	6,779,566.00
1893	1,240,483.12	4,001,776.90	27,799,757.00
1903	3,986,139.50	15,505,776.48	75,681,189.00
1913	13,996,401.64	55,726,347.32	202,363,996.00
1918	21,651,099.69	97,620,378.85	340,809,656.00

Sun Life Assurance Company of Canada.

1871

HEAD OFFICE, - MONTREAL

1919

T. B. MACAULAY, President

What An Agent Wants

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

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

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

For terms to producing Agents address:

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

34 Nassau Street . . . New York City

THE London Assurance CORPORATION OF ENGLAND.

INCORPORATED BY ROYAL CHARTER A. D. 1720

CAPITAL PAID UP \$ 2,241,375
TOTAL ASSETS EXCEED 36,600,000

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

THE PROVIDENT ASSURANCE COMPANY

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

Head Office
189 St. James St. - - Montreal
REPRESENTATIVES WANTED FOR ONTARIO AND
MARITIME PROVINCES

ATLAS ASSURANCE COMPANY LIMITED

Founded in the Reign of George III

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

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

Head Office for Canada:
260 St. James St., MONTREAL
MATTHEW C. HINSHAW, Branch Manager

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

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

Agents Wanted in Unrepresented Districts.

Managers for Canada:
Montreal Agencies Limited, Montreal



Assets:
\$30,389,461.55

Surplus:
\$8,824,000.31

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

L'UNION FIRE INSURANCE COMPANY, Limited

Established 1828 Head Office: PARIS, France.
Capital fully subscribed \$2,000,000.00
25 p. e. paid-up
Fire and General Reserve Funds 5,949,000.00
Available Balance from Profit
and Loss Account 113,266.84
Net Premiums in 1917 6,136,055.28
Total Losses paid to 31 Dec.,
1917 104,117,000.00

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

LONDON MUTUAL FIRE INSURANCE CO.

Mr. A. H. C. Carson, president of the London Mutual Fire Insurance Company, was in Montreal this week, and informs us that himself and Captain F. D. Williams, managing director of the company, have completed the purchase of the shares of the London Mutual held by the London & Midland Fire Insurance Co. for some years. By the completion of this deal Messrs. Carson & Williams are in absolute control of the company. It is proposed by the present management to continue the policy of this old and well known institution which has been in vogue for the past sixty years. The London Mutual ranks as the oldest non-tariff company in Canada. The company's organization throughout the Dominion is not only a large one, but of long standing, many of the company's agents having represented it for upwards of forty years.

Mr. W. J. Cleary has been the company's branch manager for the Province of Quebec for the past seven years, during which period the business under his control has shown a steady growth.

UNION OF CANTON AND BRITISH TRADERS.

Mr. H. Gordon Waring, recently connected with the Ocean, has been appointed general superintendent, Automobile Dept. of the Union of Canton and the British Traders for the Province of Quebec with headquarters at Montreal. Mr. Waring is popular, and a capable underwriter, and will no doubt have a successful career in his new position.

CANADIAN FIRE RECORD.

Fire at Windsor, N.S.—On the 25th, a fire broke out in the Murphy & Demont building which later communicated with the adjoining building owned by D. Smith and finally spread to the A. P. Shand building. Loss about \$75,000 with insurance stated to be \$30,000.

Fire at Midland, Ont.—On the 22nd inst., a fire broke out in a dwelling on the plant of the Midland Iron & Steel Co. Later, on the same date, H. Sargents furniture store was completely destroyed. Loss about \$7,500.

Fire at Sudbury, Ont.—On the 24th inst., a fire destroyed the Des Rosiers block, Sudbury's largest business block, occupied by nineteen tenants practically all offices and stores. The heaviest loss is that of E. N. Des Rosier, owner of the property and occupying all the main floor with a \$50,000 stock of dry goods all destroyed. Loss about \$75,000.

Fire at Winnipeg.—By the fire which occurred on the 19th instant in St. Mary's Cathedral,

the following companies are interested: On building, Royal, \$18,000; Union Assurance Society, \$5,000; Home, \$5,000; North America, \$5,000; Scottish Union, \$4,000; Quebec, \$3,500; North West, \$3,000; Western, \$5,000; Westchester, \$7,500; Springfield, \$10,000; Occidental, \$5,000; General, \$5,000; Sun, \$8,500. Total, \$84,500. On contents: Scottish Union, \$2,500; North Empire, \$3,500; Springfield, \$2,000; Westchester, \$3,000. Total \$11,000. Grand Total, \$95,500. Loss about \$50,000.

Fire at Montreal.—By the fire which occurred on the 26th instant in the Prince Arthur Hall, Prince Arthur St., the following companies are interested on Building: Yorkshire, \$100,000; Rochester, \$10,000. Total, \$110,000. Loss about \$60,000. On contents: Home, \$4,500. On rent: Home, \$9,000. In addition, there are various small amounts covering a few tenants.

Fire at Montreal.—On the 24th instant, a fire destroyed the Amusement Pavillion at Sohmer Park. Insured in the Phoenix of London, for \$20,000. Property loss about \$80,000.

Fire at Quebec.—By the fire which occurred on the 15th instant in the Leonard Building the following companies are interested: British America, \$6,000; Great American, \$6,000; Scottish Union, \$6,000; Continental, \$6,000. Total, \$24,000. Loss, total. Farrel & Belisle: Stock, N. B. & M., \$5,500; Nat. of Hartford, \$4,500. Total, \$10,000; loss about 90 per cent. Fixtures, N. B. & M., \$1,500. Total, \$1,500; loss about 50 per cent. J. M. Orkin: Stock, Rock Und., \$2,500; Home, \$2,500; Alliance, \$2,000; Aetna, \$1,500; Que., \$1,500; Nat. of Hartford, \$1,500; total, \$11,500. Loss about \$7,500. Orkin Building: Sun, \$10,000; Nova Scotia, \$7,500; Aetna, \$7,500; Brit. Dom., \$5,000; Rock Und., \$5,000; Hartford, \$5,000; Scottish Union, \$5,000; Equitable, \$2,500; Union of Canton, \$2,500; Prov. Wash., \$2,500; Yorkshire, \$2,500; Royal Exchange, \$2,500; Hartford, \$1,500; Brit. Dom., \$1,000; total, \$60,000. Loss, \$8,655. European Agencies: Building, Royal, \$3,250; total loss. Stock, Globe & Rutgers, \$23,000; Aetna, \$17,000; N. B. & M., \$3,200; total, \$43,200. Loss total.

FIDELITY-PHENIX NEW APPOINTMENT.

Mr. George W. Pacaud, well-known as general agent of the National Fire Insurance Company for the Province of Quebec, has this week been appointed general agent of the Fidelity-Phenix Fire Insurance Co., of New York, for Montreal and vicinity with the added privilege of underwriting throughout the whole province. We may add that Mr. Pacaud's excellent record for the National of Hartford, is to a large extent, responsible for the present appointment.



Security - - \$36,000,000
ONTARIO AND NORTH WEST BRANCH
 14 Richmond Street, East, TORONTO
PROVINCE OF QUEBEC BRANCH
 164 St. James St., Cor. St. John St., MONTREAL.



PERSONAL ACCIDENT **PLATE GLASS**
SICKNESS **AUTOMOBILE**
FIDELITY GUARANTEE **GENERAL LIABILITY**
Head Office, TORONTO
 Montreal, 164 St. James Street. Quebec, 51 St. Peter Street.

Mount Royal Assurance Company

SURPLUS AND RESERVES, \$1,214,457

TOTAL FUNDS, \$1,436,842

TOTAL LOSSES PAID, \$2,692,201

Applications for Agencies Invited

HEAD OFFICE - - - - MONTREAL

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

Established in Canada in 1821

1819 **AETNA (FIRE)** 1919

HARTFORD, CONN., U.S.A.

LOSSES PAID IN 100 YEARS OVER \$174,000,000

J. S. HUGHES, Special Agent, WATERLOO, ONTARIO
 J. R. STEWART, Special Agent, 36 Toronto Street, TORONTO, ONT.
 R. LONG, Special Agent, 516 Yorkshire Bldg., 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

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

The Law Union & Rock

INSURANCE CO. LIMITED, LONDON. Founded in 1896

Assets Exceed - - \$50,000,000.00

Over \$10,000,000 Invested in Canada

FILE and ACCIDENT RISKS accepted.

Canadian Head Office: 277 Beaver Hall Hill,

MONTREAL

Agents wanted in unrepresented towns in Canada.

W. D. AIKEN, Superintendent, J. E. E. DICKSON
 Accident Dept. Canadian Manager.

LIFE AGENTS WANTED FOR CITY OF MONTREAL

If you are a productive worker, ambitious, and available for a good steady position in Montreal, with a progressive Company, who meets you more than half way, write (or call upon) stating experience, etc.,

M. D. McPHERSON, Provincial Manager, 180 St. James Street, MONTREAL, P. Q.

THE CONTINENTAL LIFE INSURANCE CO.

GEORGE B. WOODS, President.

TORONTO, Ont.

CHAS. H. FULLER, Secretary

RELATIONSHIP OF LIFE INSURANCE TO THE DEVELOPMENT OF OUR NATION.

We live in a time big with the destiny of the world for generations to come. Collective as well as individual responsibility is heavy. In order to meet the situation more readily and effectively, we must, with as keen foresight as we can exert, look into the pressing problems and thus be better prepared to successfully take up our part in their solution.

Here, then, is the golden opportunity for active educational work. The policyholder and the uninsured alike need enlightenment. They must be made to more quickly recognize that these institutions derive their being from all the people. They must be made to more clearly understand that it is not the personal interest of the few who manage, but of all who contribute that is to be respected, safeguarded and wisely nurtured. They must be encouraged to more readily realize that any injury to the life insurance business means injury to them. Only by such means can the conviction be brought home with greater emphasis that the business of life insurance is a sacred trust to be most carefully and efficiently administered for the benefit of all.

I feel, therefore, that the greater obligation of the future demands a readjustment of attitude on the part of life insurance management and of the public, in order that this institution,—the greatest of all constructive powers,—shall not be hampered in reaching its highest efficiency. The management must emphatically reveal that the trust they direct comes from the many associated in a spirit of closer confidence and clearer understanding of their true relationship,—a more responsive system of co-operation between the insurer and the insured, to the end that the interest of each shall be fully safeguarded and the benefit

by both be of the greatest good to the public generally.

Your policyholders offer a fertile field for education on fundamental principles and ideals. Millions of men to-day know absolutely nothing of the character and aims of the management of the companies in which they are insured. Their sole relationship consists of a peremptory order to step up to the cashier and pay. They hear nothing from their companies except at the time a premium is due. Some companies, it is true, endeavor to keep in touch with their policyholders. There is need for wider development along this line. This work among policyholders has within it the germ of salvation that may smother the spark of Bolshevism whose spectre haunts Europe to-day and is not wholly absent from our own national unrest.

(Continued on page 347)

NOTICE.

Notice is hereby given that The Alliance Assurance Company, Limited, of London, England, has been granted license by the Government of the Dominion of Canada, to transact the business of Hail Insurance in Canada, under License No. 780, dated 7th March, 1919.

WANTED

Young Man, 19 years old, with three years' experience in Office work (French and English) wishes to better himself. Address:

A. P.,

c/o The Chronicle.
Montreal.

A REAL OPPORTUNITY

For Men Who Have Had Selling Experience of Any Kind

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

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

Sales Department:

Canada Life Assurance Company
Toronto, Ont.



THE EMPLOYERS'

Liability Assurance Corporation, Limited
of LONDON, England

Transacts

AUTOMOBILE INSURANCE
covering ACCIDENT, PROPERTY, DAMAGE, COLLISION, FIRE, THEFT
and TRANSPORTATION
PERSONAL ACCIDENT, HEALTH, LIABILITY, PASSENGER and FREIGHT
ELEVATOR, FIDELITY GUARANTEE, CONTRACT BONDS
and FIRE INSURANCE

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

CHARLES W. I. WOODLAND,

General Manager for Canada and Newfoundland.

JOHN JENKINS, Fire Manager.

APPLICATIONS FOR AGENCIES INVITED

Canadian
Government
Deposit

\$1,342,455.00

Stands First

in the
liberality of its
Policy contracts,
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(Continued from page 345)

I consider it not only your province but your duty, in behalf of those you represent, to study carefully the legislation proposed in the various states and in the nation.

I wish there might be more hearty co-operation between the management of insurance interests and the supervising departments of the states. It is true that great progress has already been made, but there are still instances of too much independence, if not opposition, on the part of some companies toward the departments. There can be no reason to doubt that supervision has come to stay and whatever may have been the situation in the past, to-day there can be but one correct desire on the part of the supervising departments and that is to not only help safeguard the interest of the insured, but of the insurer as well, realizing that any injury or injustice to the latter must necessarily result in harm to the former also. It is incumbent on the companies to not only co-operate harmoniously with the departments, but to get away from past indifference toward public opinion and the feeling of smug security, of fancied immunity from the consequence of misinformed public sentiment. Through realizing the constant need of studying general conditions and influences, and by anticipating the needed readjustments companies can assist the departments in making changes before misguided legislative opinion forces conditions on the business that are antagonistic to the interest of all.

The greatest danger confronting life insurance is government interference, however efficiently and economically the business may be carried on. A very extensive practical demonstration of government life insurance is now being tried out, brought about by the stress of war conditions. The idea was just and patriotic, for the men at the front were fighting for all, and all should bear the expense. The greatest protection we could give them or their dependents was at best inadequate, but the plan adopted promises to be one of the most costly innovations the Government has ever undertaken. The result of this experiment ought to be watched most earnestly and critically by us all, and its uneconomic character should be fearlessly given publicity, to the end that the perpetuity of that system shall not take place in our Government. Those who are qualified to determine the facts may hesitate to state them publicly, fearing that such action might result in injury to the interests they represent, but you should be warned that such indifference means danger to your business, and ultimately to the nation.

During the reconstruction period now upon us, socialistic propaganda will be plentiful, with so-called advanced ideas being constantly brought out for exploitation. This condition must be carefully watched and consistently discouraged if our business institutions as now constituted are to

survive. An English philosopher recently made the wise observation that while we are making the world safe for democracy, we should exercise great care lest it be necessary later to make democracy safe for the world.

There is nothing so dangerous as power, governmental or otherwise, in the hands of irresponsible people. With this in mind we should consider it a duty to interest ourselves in the politics of the day to the end that the fundamental principles of our government may not be disturbed by the exploitation of unsound doctrines. We must reckon now, as never before, with the extremist who on account of the war has been afforded opportunity to urge his extravagant and socialistic theories on the public under the slogan of "win the war" or with the assertion that they will aid during the reconstruction period. This is no time for visionary schemes. It is a time for sober reasoning and calm, sane reflection.

In the after-war world programme of creative impulses the business of life insurance will stand squarely at the front. As an institution it has served the public and the nation as no other instrumentality could. Since its inception it has been the greatest of all agencies in calculating habits of saving and thrift. No one force has been so important a factor in moulding a true national character. Without its fundamental teachings our magnificent record as a people in supporting with ease the staggering totals in Liberty loans and war savings would have been almost, if not impossible of achievement. And in the reconstructive development of the future it is through life insurance that the people will increasingly reveal their higher appreciation of the value of sound investment and protection and the safeguarding of all those things they hold most dear.

—By Hon. Claude W. Fairchild.

LIFE INSURANCE IS NOT AN EXPENSE.

No great pains need be taken to correct the somewhat general but erroneous impression that life insurance is an expense. It is really nothing of the kind. It is a saving, pure and simple. People do not consider money deposited in a bank at stated periods, to draw against when needed, as an expense. The individual who puts ten dollars monthly into a building association towards paying for the house he lives in does not call it an expense, but a saving. Yet the life insurance policy represents both the bank deposit and the home paid for. Whether the assured dies suddenly or ten years after affecting his assurance, the premiums paid in all come back to his family in a lump, multiplied many times. Money in bank may be lost by extravagant use the house being paid for may be burned, but the life policy means cash without shrinkage or discount, available at the right time to put where it will do the most good



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