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North Sea Claims Settled. The Russian Ambassador to Great Britain has paid \$325,000 to Lord Lansdowne, secretary of Foreign Affairs, in settlement of the claims for damages caused to the fishermen who were fired upon by the Baltic Fleet. The amount is trifling, but this with the verdict of the Commissioners that the attack on the fishing boats "was not justified" will be enough to warn Russia not to do it again.

Some idea of the enormous supplies of food products imported by Great Britain is given by reports of the cold storage accommodation in use at various ports. During the year 1904 the imports of refrigerated produce into the United Kingdom aggregated a value of \$150,000,000. In London alone there are cold storage establishments with a total capacity of 2,716,000 carcasses of 56 lb. each, or 76,000 tons of 2,000 lb. each. Southampton has a total net storage earning capacity of 2,000,000 cubic feet sufficient for the storage of over 4,800 quarters of beef and 155,000 carcasses of sheep leaving 1,300,000 cubic feet for butter, fish, game, etc., etc. From Russia alone England imported refrigerated eggs last year to value of \$10,000,000. As was pointed out some time ago in this journal the system of cold storage is effecting a revolution in the whole business of dealing with edibles all over the world. Prices will not fluctuate so much in accordance with temporary conditions as formerly, as all kinds of perishable products will be stored, in the same way as money is stored and a supply will be provided for the whole year of such articles as used to be and, to some extent, yet are rushed on the market to avoid their becoming unmarketable. The trade in perishable goods is becoming less risky, less speculative, less controlled by the seasons and weather, there will not be such enormous losses as formerly by edibles becoming unsaleable, hence, when these elements of the

business are eliminated prices will settle down to averages throughout the year. There has been a large addition made to the sphere of fire insurance by these storage establishments, which are now found, or soon will be, in all ports where edibles are shipped or received and in all large cities and towns.

Sir Henry Burdett, K.C.B., has published a statement regarding the hospitals of London, in which he gives a list of those classes who are not entitled to free relief at these institutions from which are excluded all but artisans and labourers. The population of the County of London, numbers 4,613,812 persons, one half of whom represent possible patients. The total ordinary income of 94 voluntary hospitals in London for 10 years was \$33,540,000, from legacies there was received \$11,474,500, from special donations, \$7,134,400, making a total income of \$52,148,900 in 10 years. The annual expenditure absorbed all but a small balance of the year's revenue. The income of these 94 hospitals has been increasing year by year. In 1894 it was \$4,038,900, in 1898 \$5,240,000, and in 1903, \$6,650,000. Owing to the introduction of trained nurses and modern modes of treatment hospital expenditures have increased, but so, in a much greater degree, has their efficiency. The King's Fund has been of the greatest benefit to the hospitals. Owing to the high reputation of these institutions there is now a greater desire to secure hospital care than in former years, and the conviction prevails that the free treatment system leads to a large amount of imposition. This is believed to be the case nearer home, where thousands of patients secure medical advice and medicine free, or nearly so, who could afford to pay a doctor. In London last year there were 2,302,563 cases of free medical relief for a population of 4,613,812. The above will be useful in making comparisons with our hospitals in this city.

BANK INVESTMENTS IN SECURITIES.

In view of the wide fluctuations in the securities markets since 1900, it would be interesting to take note of the changes that have occurred since then in the holdings of securities by the Canadian banks. Some idea of their policy in regard to investments in bonds and stocks may perhaps be gained from a perusal of the tables that follow. For the purposes of the monthly Government return the banks are obliged to divide their security holdings into three classes. The movement in each class is shown:

DOMINION AND PROVINCIAL GOVERNMENT SECURITIES.

31st December, 1900	\$12,451,142
30th June 1901	12,318,007
31st December, 1901	9,768,701
30th June, 1902	10,024,060
31st December, 1902	9,455,752
30th June, 1903	11,760,805
31st December, 1903	10,722,900
30th June, 1904	10,674,984
31st December, 1904	9,561,422

In these there is manifested a tendency to decrease. The amount held on 31st December, 1900, the date on which this review begins, has not been equalled down to the present time. There were several influences working to bring about the decreases. One of the most potent was the appreciation in interest rates during 1902, and the early part of 1903. Call loan rates ruled very high, and attractive opportunities for the investment of bank funds lay in view on every side. Investments in Dominion Government bonds netted the banks anywhere from 2½ to 3 p.c. on the prices paid for them. These rates of return seemed very small when compared with the fancy rates paid by the brokers in New York and Canada, for loans on good stock collateral. Of course, banks everywhere deem it wise to hold a certain amount in gilt-edged, low-income bonds, which can be used in emergencies to strengthen the cash position. For this reason the British banks buy and hold large amounts in Consols which are always negotiable in London or the continental markets. Where money is high there exists a strong desire to reduce investments of this nature to a minimum. During 1903-4 our banks were not able to liquidate their Canadian Government bonds, except perhaps at a loss. Quotations fell very materially. The holdings had to be reduced in the books to make them conform to the lower range established by the markets. This writing down process would account for some of the decrease shown. There was one fact, however, that enabled them to effect some liquidation. Several of the Dominion's loan issues matured since 1902, and holders of the bonds were given the option of drawing cash or of accepting new bonds for a short term netting them about 3 p.c. It is supposed that some of the banks availed themselves of this opportunity to dispose of a part of their bonds. The statement given above shows that fluctuations have occurred since 31st December, 1902. Perhaps the temporary increase re-

presented purchases of provincial bonds, which were afterwards sold.

CANADIAN MUNICIPAL, AND BRITISH FOREIGN OR COLONIAL SECURITIES.

31st December, 1900	\$12,290,984
30th June, 1901	13,037,093
31st December, 1901	14,528,036
30th June, 1902	14,717,139
31st December, 1902	14,879,654
30th June, 1903	14,976,300
31st December, 1903	14,517,538
30th June, 1904	14,897,875
31st December, 1904	17,241,673

In this class of bonds the increase has been steady; investment has been regular. As the market rates for money became higher municipalities were obliged to offer slightly higher rates on their bond issues. From the large increase shown between the 30th June and the 31st December, 1904, it might appear as if the comparative slackness in money rates had induced a more general movement among the banks to invest in bonds. But an examination of the returns of the individual banks hardly bears out this contention. Of the total increase of \$2,350,000, one bank is responsible for no less than \$1,500,000. The probability is that it acquired the bonds in carrying through a special transaction. This is the more likely as the investment was made principally during the month of September.

RAILWAY AND OTHER BONDS, DEBENTURES AND STOCKS.

31st December, 1900	\$25,507,842
30th June, 1901	31,618,845
31st December, 1901	31,904,130
30th June, 1902	34,850,386
31st December, 1902	36,925,800
30th June, 1903	37,309,754
31st December, 1903	38,351,233
30th June 1904	39,486,657
31st December, 1904	31,744,635

This class of bonds would be likely to follow the fluctuations of the stock market much more closely than would the other two. In amount it comprises considerably more than half the total security holdings of the banks. The figures disclose the fact that there has been a steady investment right through the disturbed period. During 1903 it is probable that the investment was in reality greater than the figures show, for the reason that very considerable sums were applied from profits to write down book values. It is known that there were also some sales made by the banks at a loss, or at least without profit, to enable them to take advantage of the high rates ruling for loans. But the new purchases were sufficient, evidently, to more than offset both these factors. Since the rise in market values there has been, no doubt, a profit-taking movement on foot. The individual bank statements show heavy decreases in bond holdings of particular banks in certain months. At one or two recent bank meetings the managements were able to gratify the stockholders by announcing that fair pro-

fits had been earned through selling securities on the rise. Also it must have been that book values have lately been marked up, just as they were previously marked down. It is reasonable to suppose that profit-taking sales have been especially large in the last half of 1904. But all the bankers are not, of course, of the same opinion. Some believe that investments will in future yield lower returns than they do to-day. Holding this opinion they prefer to hold what they have, and even to continue buying in the rising market, rather than risk having to pay higher prices for the same class of bonds a little later.

MONTREAL FIRE PROTECTION.

ITS WATER SUPPLY.

During the past twelve months a great deal has been written and spoken on the subject of the water supply of Montreal. After the conflagrations in the cities of Baltimore and Toronto; the Fire Underwriters naturally began to consider from what point the next heavy blow would be likely to come, and as a result a most thorough and searching investigation was made with regard to the ability of the authorities to deal with a large fire in this city. The general inspector of the fire offices, Mr. Robert Howe, C.E., had made a report about three years previously, or shortly after the heavy fire loss of 1901. In this report which dealt with both the water supply, and the Fire Brigade and its appliances, several recommendations were made. The majority of the most important have only been partially complied with, and many entirely ignored. On several occasions we have already commented upon these recommendations and called attention to Mr. Howe's report of 1904. We will limit our observations to the water supply of this city, which, apart altogether from the question of fires, is of much importance to the citizens generally. Fancy the conditions that would arise from a shortage, and the possibility of these conditions arising cannot be over-estimated.

The high pressure system by direct pumping would be the best remedy for existing deficiencies, but it would be so expensive we doubt whether the City Council would be prepared to face the music, so to speak. That system would, in brief, necessitate the laying down of new mains, and the cost would be in the neighbourhood of a million dollars. Of course, some of our citizens would reap a large benefit by this expenditure in the shape of reduced rates. However, we have not the high pressure system, but there is no reason why we should not have an ample water supply. Buffalo for instance, has a low pressure service, and a daily pumping capacity of 213,000,000 of gallons of water, and if Montreal's capacity was in equal ratio to its population, it would have a pumping capacity of 150,000,000 of gallons, instead of as it is now, about 44,000,000. Mr. Howe recommended an additional 15,000,000 gallon pump; enlargement of mains in the congested district (this has been partially complied

with), and a 24 inch main cut for railway purposes in Notre Dame street has been connected. These are simple matters and would not entail a very large outlay. We do not wish to contemplate the misery and the possibility of disaster which might occur if we had a shortage of water for forty-eight hours. It must not be forgotten that the reservoir has only a capacity of about thirty hours normal consumption. It is essential that nothing should be allowed to interfere with placing the low level pumping station in a state of efficiency. The building is only of an ordinary construction sheathed inside with wood, and lighted by coal oil lamps. With very little cost it seems to us that the station could be made fireproof, and it certainly should be lighted with electricity. It would be desirable to have a reserve steam plant, the present plant might be made available for this purpose, and to take prompt steps to erect an electrical plant, for we have seen the statement in the newspapers that electricity can be had to run the pumps at a cost of \$5 per million gallons. The cost of steam is, we believe, in the neighbourhood of \$8 per million gallons, while, of course, water power costs in the vicinity of \$1.50.

At the present juncture, it is doubtful whether it would be wise to undertake the bringing of water from St. Laurent, or going to an expenditure of a couple of million dollars for a system which, in any case, would take some years to complete. Meanwhile the citizens have a right to demand that every available precaution be taken to place Montreal's water supply in such a condition that it would be beyond question.

BRITISH AMERICA ASSURANCE COMPANY.

The severe conditions under which the companies labour who are engaged in fire insurance business in Canada is shown by our having to repeat what was said only as far back as 1900 when we had to congratulate Mr. J. J. Kenny, the managing director, and Mr. P. Henry Sims, secretary, on having steered the company through the trying experiences of 1890, during which year fire losses were very enormous. Last year the fire companies had an exceptionally disastrous record, and as one of the conflagrations was in the home of the British America it was inevitable for that company to suffer heavily by the fire almost at its very door. This old Canadian company is an especial favourite in the United States, where its prompt and liberal settlements have secured it an extensive business in all the leading business centres. Owing to this it was a heavy sufferer by the Baltimore conflagration in February, 1904. Such a succession of conflagrations as occurred early last year, at Baltimore, Rochester and Toronto, with large fires at Des Moines, Cincinnati, Chicago, Oswego, Brooklyn, etc., is without precedent, but, through this terrible ordeal the Bri-

tish America came with its prestige rather heightened than lowered, for all claims were paid as promptly as they could be adjusted.

A company like the British America, that can point to a record stretching back to 1833, without its having a stain, or a reproach is a credit to the fire insurance business and to those by whom its affairs have been conducted.

The financial statement to 31st December, 1904, gives the total assets as \$2,043,678. The liabilities are, "capital stock subscribed, less calls in course of payment." \$835,397, losses under adjustment \$163,595, a dividend which was paid in January, \$20,644. These items make a total of \$1,019,636, the balance between that sum and the total assets is \$1,024,042 which sum constitutes the reserve fund.

The company since its organization has paid \$25,868,544 to policy-holders for loss claims.

The management is in the hands of Mr. J. J. Kenny, vice-president and managing director, and Mr. P. H. Sims, the very able and hardworking secretary. The gentlemen stand high in fire insurance circles as capable and honourable underwriters, they also enjoy a large measure of public confidence and respect.

DEFERRED DIVIDENDS.

TONTINE AND SEMI-TONTINE POLICIES.

By WALTER C. WRIGHT, Consulting Actuary.

In an address delivered to the Institute of Actuaries on January 28, 1901, entitled "The Effect of Using the Lapse Element in Calculating Premiums and Reserves," Mr. Arthur Hunter incidentally made the following assertion: "Under the old Tontine system, where the reserve was forfeited in case of discontinuance, no satisfactory answer could be made to the charge that in case of lapse a proper equivalent was not given to the policy-holder for the higher premium." The truth of this remark is unquestionable, and has added significance as being the statement of the Associate Actuary of the New York Life Insurance Company. It looks as if it could soon be said that the view held by the majority of thinking persons is that it also applies to deferred dividends.

That such a change of conviction appears to be gaining ground on the question of life insurance dividends, is testified by the following paragraph which I copy from the Standard of Boston, which quotes it from the address of Henry C. Lippincott, manager of agencies of the Penn Mutual Life Insurance Company, before the Wharton School of Finance of the University of Pennsylvania:

"OBJECTIONS TO DEFERRED DIVIDENDS."

"Insurance has for its central and sustaining idea the care of widows and orphans and one's own protection in old age. Take away this proper motive and the system if it do not fail becomes something else. It has by so much ceased to be insurance. When one sets out to buy insurance if rightly informed he will

get all that his money can command and to this end all of his money will be thus applied. No part of it will be exposed to loss in consideration of prospective gain from the losses of others! Gambling is a harsh word, and the deferred dividend system has been so contrived and exploited as measurably to conceal its true operation, but gambling with surplus is truly expressive of its nature. Large returns, handsome profits, are the inducements, while little or nothing is said of the sources from which such gains are derived nor the hazard to which each member of the class is exposed. Such a plan appeals most strongly to one of the worst sides of our human nature—an instinctive, and may be perfectly natural, desire for something without an exchange of equivalent value. One fact here stands prominently in relief. This appeal to cupidity has tremendously aided in the diffusion of life insurance."

Notwithstanding the undeniable truth stated in the last sentence of this quotation, most striking positive evidence of the decline in popularity of deferred dividends has been published since the paragraph was penned. This is to be found in the report of S. H. Wolfe, on his recent examination of the Northwestern Mutual Life Insurance Company, for the Insurance Department of Wisconsin. He makes the following statements in that report:

"The company is a mutual organization in the strictest and best sense. It issues annual dividends and semi-tontine policies. All the policy-holders of the same class, whether they hold annual dividend contracts or semi-tontine contracts, receive the same dividend each year, *i.e.*, two policy-holders aged 35 holding twenty-payment life policies, one upon the annual dividend basis and the other upon the deferred dividend basis, will receive each year exactly the same dividend apportionment. In the latter case, however, the unpaid dividends are accumulated at interest and constitute the tontine fund. The company does not, however, compel the policy-holder at the time that a policy is issued to him to make a selection of the manner in which the dividends are to be paid. At the end of the second year (when the first dividend is apportioned), the policy-holder receives notice of the amount of such dividend and is requested to indicate the manner in which he wishes it applied, *i.e.*, as a cash payment upon his next premium, as a reversionary addition or as the beginning of his semi-tontine accumulation. This, you will perceive, removes the policy-holder from any influence of the agent who might desire, for various reasons, to write semi-tontine contracts instead of annual dividend ones. The result of this method is obvious. In 1903 of all the policy-holders (whose contracts were, of course, issued in 1901), *only 768 took the semi-tontine option*. In 1904 only 579 took anything but the annual dividend method of settlement. It has become a serious question in my mind whether these results do not indicate that the semi-tontine classes are becoming too small to justify the continuance of this method of distribution. From the foregoing remarks it will be apparent to you that the company apportions *each year to each policy-holder his share of the surplus according to the rules and methods of the company*. At any point in the history of a semi-tontine contract the company can tell exactly how much surplus is standing to its credit. Its principles of distribution are, in my opinion, conservative and equitable."

It will not fail to be observed that under the system of the Northwestern Mutual as described by Mr. Wolfe, whatever tontine surplus may accumulate by the forfeiture of semi-tontine dividend rights in cases of lapse, surrender and death, this sum is distributed equally between annual dividend and semi-tontine dividend policy-holders, which must have some effect in destroying a demand for the latter sort of policies, as it removes the motive mentioned by Mr. Lippincott. But, nevertheless, the evidence is very strong that the great majority of policy-holders prefer annual dividends, when not urged to decide otherwise.

When stating in his characterization of deferred dividends that "Large returns, handsome profits, are the inducements, while little or nothing is said of the sources from which such gains are derived nor the hazard to which each member of the class is exposed," Mr. Lippincott came very close to explaining the fault which Mr. Hunter so squarely acknowledges as regards the old tontine system, and which I think applies, so far as the dividends may amount to anything, to the present deferred dividends. If the former gentleman had introduced the word *uneven* before the word "hazard," in his remark, I should have been sure that he had this distinctly in mind. In the natural order of things, the deferred dividend operates for the advantage of those few persons, or policy-holders, who do not have occasion to insure to an amount that lays any severe tax on their resources, and the plan is hazardous, or speculative as applied to the case of the great majority of policy-holders, because, with them the need of insurance is so great that their premium payments are a serious tax on their means, and a considerable proportion have to suffer their policies to lapse, before realizing their claims to deferred dividends.

The reason of this consequence of deferred dividends has perhaps never been explained more clearly than by De Morgan in his famous Essay on Probabilities. He remarks on page 101 "The result of all which precedes shows us that great risks should not be run, unless for sums so small that the venturer can afford to repeat them often enough to secure an average. But it should seem as if we were thus told either not to gamble at all, or else to play incessantly. With a little reservation, this is true, the stake must be lowered, and more games played, instead of risking a large fraction of the whole upon one game. It is better to buy the sixteenth of sixteen different tickets than to stake all upon one ticket, and this even though it should be better than either not to buy at all. It is more prudent to play twenty games, staking one shilling upon each, than to stake a sovereign upon one game. Lay a proper proportion of the whole capital upon any hazard, and stipulate for as many trials as you please, and it will follow that with any mathematical advantage, however trifling, in your favour, you must come off a winner. The mistake committed by those who attempt to gamble with

professional men, is twofold: firstly, they set out upon unequal terms; secondly, if the terms were equal, their stakes would be too large a proportion of their means. That the terms are unequal may readily be supposed, and will presently appear. No bank or individual gamester can play on fair terms, without losing as much as he wins in the long run. But even in such a case, the player of superior fortune has a great advantage over his antagonist, unless the stake be very small. If A with twenty guineas engage B with forty, all other things being equal, and if they are to play on until one or other has lost all, it is obviously much more likely that A shall lose his money before B, than the converse. If the play be unequally in B's favour, as well as the largeness of the fund, then it is still more against A in any given succession of games."

The Canadian life companies are generally distinguished for conscientious management in all respects, but my strong conviction is that if the new movement in favour of annual dividends becomes general in Canada, as well as in the United States, the result will be no less advantageous to the Canadian public, and creditable to the companies.

BOSTON, March 10, 1905.

WESTERN ASSURANCE COMPANY.

The Western Assurance Company is one of the best and most widely known of Canadian fire insurance companies. It has also a branch in England which was established a few years ago.

The Western has made its mark in the insurance sphere by prompt and liberal settlement of all claims.

The branch in England is under a Board of Directors, of whom the Earl of Aberdeen is chairman.

Last year the Western passed through an experience that severely tested the strength of the fire insurance companies. How successfully this ordeal was passed is shown by the financial statement to end of last year.

The total assets were \$3,305,504. The liabilities were, capital stock, less unpaid calls, \$1,468,746, losses under adjustment \$189,680, dividend, which was paid in January, \$38,312, the balance of \$1,608,765 being the amount of the reserve fund.

Since its establishment in 1851 the Western has paid fire claims to the extent of \$40,785,392, and has won its high reputation and the large measure of public confidence it enjoys by settling claims without delay and on the most liberal terms.

The Western and British America are run as consorts, the Hon. Senator Cox is president of both companies, and they are each under the management of Mr. J. J. Kenny who is vice-president and

managing director of both institutions, with Mr. P. H. Sims, secretary of the British America. The business following the Toronto conflagration is stated to have been so favourable as to have helped materially in making up for the losses by that calamity.

FEDERAL LIFE ASSURANCE COMPANY.

The life assurance companies generally did a prosperous business last year. As a rule they are "growing up with the country," which evidences that, as the business of Canada develops and as the people's resources are enlarged, there will be a proportionate increase in the business of life assurance. That proportion is not as high as is desirable, is indeed, far below what the community at large in its own interests, might advantageously carry, but, so long as there is growth manifested there is a probability of that growth expanding.

The Federal Life had a good share of the increased business of 1904. Its main field of operations is developing rapidly in business activities and gives every sign of becoming one of the principal manufacturing centres of Canada, as well as one of its richest agricultural districts. The electrical works at Niagara are promising to add very largely to the industries of Southwestern Canada, and the population they will draw will contribute materially to the business of life assurance.

Last year the Federal Life wrote new business to extent of \$3,010,499. The premium and annuity income was \$542,389, and from interest, rents and profits on sales of securities, \$86,329, making a total income of \$628,718. The net death claims paid amounted to \$144,455 and \$54,456 was paid to policy-holders for cash dividends, and dividends applied to reduction of premiums, the total amount paid to policy-holders having been \$198,911. Other payments aggregated \$191,621, which, with payments to policy-holders, made an outgo of \$390,532, leaving a balance of \$238,186 as the excess of receipts over disbursements.

The assets consist of \$685,383 in debentures and bonds; mortgages on real estate, \$704,168; loans on policies, bonds, stocks, etc., \$410,615, and sundries, \$348,605; the total assets being \$2,148,773. The liabilities comprise, \$1,887,725 reserve fund; \$51,140 death claims awaiting proofs, other liabilities \$24,070, leaving \$185,837 as "surplus on policy-holders' account." The "guarantee capital" amounts to \$870,000.

At the close of 1904 the Federal Life had insurance in force to extent of \$16,047,806, as compared with \$10,521,137 in 1894, the increase since which date has been \$5,526,669, or about 55 per cent. In the same period the company's assets have risen from \$426,806 to \$2,148,773, and the total income from \$284,467, to \$628,718. This enlargement of business and resources evidences the growing popularity and strength of the Federal Life under the management of Mr. David Dexter, the president and managing director of this prosperous company.

GOVERNMENT INSPECTION OF BANKS.

To base an argument in favour of the Government inspection of banks on the failure of the Bank of Yarmouth is a not very rational proceeding. The total liabilities of that bank amounted to \$379,149, or only about a sixteen-hundredth part of the liabilities of the other banks, and there was nothing in its business to cause its failure that was preventible by a Government Inspector.

The demand for Government inspection of banks implies there being some necessity for this to protect the creditors of banks. What evidence is there for such a notion? The banks that have gone into liquidation in Canada since Confederation, that is in the last 37 years, which failed to pay their notes and depositors in full could be counted by the fingers of one hand. What other form of enterprise has such a splendid record? Compare it with the history of banks in the United States which are subject to government inspection. Here in Canada a bank failure is an event occurring only every ten or twelve years and then it is some small affair, like the Bank of Yarmouth, while the banks across the line that are inspected by government officials are failing every day, a week free from a bank failure in the States is quite an exception to the rule. The Chadwick case proves that the rankest frauds may be perpetrated by bank officers who are under Government oversight without being detected.

For a staff of outside officials to inspect the banks of Canada effectually would be almost an impossibility. There are nearly a thousand bank offices open in Canada which are branches of a central head office. The work of inspecting the head office alone occupies from one to two weeks when done by an experienced clerk who has the entire staff at his service. An outsider coming to such a task would find a month none too long for this work and then a vital element in a thorough inspection would not be done. Imagine a stranger to the business of the bank undertaking to pass upon the bills under discount, the loans, the securities so as to give a reliable report upon their value and their validity! He would also have to test the accuracy of every ledger balance, a task involving very prolonged labour. To inspect a bank that has all its business under one roof is one thing, but it is a very different undertaking to inspect a bank which has a large number of branches, like the Bank of Montreal, the Canadian Bank of Commerce and others, spread over the Dominion from Gaspe to Victoria, B.C.

Each Canadian Bank publishes every month a detailed schedule of its assets and liabilities which afford material for inspection of its affairs by all other bankers, and by the public at large.

It is held by bankers to be impracticable to have our banks under Government inspection so as to

give any beneficial results. The system in vogue of inspecting every office by the banks' own inspector and his assistants has been proved to be sufficient by the remarkably few failures of Canadian banks and their entire freedom from any form of reproach.

CROWN LIFE INSURANCE COMPANY.

The annual meeting of the shareholders of the Crown Life Insurance Company was held at Toronto on 6th inst.

The report states, that policies covering \$1,264,200 were issued during 1904. At the close of the year the company had 1783 policies in force for \$2,985,200 of life insurance. The average amount of these policies is \$1,674.

The cash income for the year from premiums was \$100,917, and \$34,033 was due for deferred and outstanding premiums. The total death claims in 1904 amounted to \$7,000 under six policies, which is stated to have been very much below what was anticipated and provided for. So far as this was the case it indicates commendable care in the selection of risks.

Attention was called by the President, Colonel the Hon. David Tisdale, P.C., K.C., M.P., to the decrease in management expenses in proportion to amount of business transacted, also to the special report made by Mr. Standen, consulting actuary, New York, in which he refers to the company's high average of reserve values of policies. The lapse rate last year is reported to have been only about 10 per cent. of the amount of business in force, which is a good feature.

The liability to policy-holders is represented by a reserve fund of \$151,627 on the basis of the present Government standard of valuation, viz., Hm. 3½ per cent. At the meeting of the Board of Directors after the annual meeting the president, the Hon. Col. Tisdale, P.C., K.C., M.P., the vice-president, Mr. John Charlton, and Mr. G. H. Roberts, managing director were re-elected. The Crown Life is represented in this city by Mr. Stanley Henderson, general manager for Province of Quebec.

THE FEDERAL SUPERVISION OF INSURANCE BILL.

POLICIES OF INSURANCE TO BE ARTICLES OF COMMERCE.

The Bill introduced in the United States Senate provides for the appointment of a superintendent of insurance as one of the officials of the Federal Government. His work is to be subject to the supervision of the secretary of commerce and labor.

Section 16 reads:

"That policies of insurance are hereby deemed to be articles of commerce and instrumentalities thereof and the transmission by an insurance company from the home office to the insured in other states, territories, or foreign nations than that of the locality of

any sums of money which from time to time shall become due to the insured on said contracts of insurance, are hereby declared and deemed to be transactions in interstate or foreign commerce, as the case may be.

Section 18 reads:

That every corporation transacting interstate or foreign commerce insurance shall within 60 days after the passage of this act and every company hereafter formed shall before engaging in interstate or foreign commerce insurance comply with its provisions.

Section after section sets forth in detail the rules to be observed by insurance companies who in every clause are spoken of as "transacting interstate or foreign commerce insurance."

This act will, if passed, be appealed to in the future to decide the question, whether insurance is, or is not a form of trade?

MUTUAL LIFE ASSURANCE COMPANY OF CANADA.

The Mutual Life of Canada reports the business of 1904 to have been most gratifying in all respects as large gains were made in income, assets and surplus.

The income from premiums was \$1,373,374, and from interest and rents, \$351,944, the total income being \$1,725,308, which exceeds that of 1903 by \$164,238. The volume of new business written exceeds any previous year being 3,452 policies for \$5,048,168, all of which, except \$30,000, was written in the Dominion. The total assurance now in force is \$40,476,970, under 27,742 policies, the net addition for the past year being \$2,889,419.

The payments to policy-holders amounted to \$524,615, consisting of death claims \$220,304, endowments \$160,053, policies purchased \$52,394, annuities \$8,679, surplus \$83,183. The expenses, taxes, etc., amounted to \$300,807, this sum added to amount of \$524,615 paid to policy-holders makes a total of \$825,422, which being deducted from the total income of \$1,725,308 leaves a balance of \$899,886 as excess of income over disbursements in 1904.

The company's assets amount to \$8,220,530. The liabilities consist of \$7,355,172, reserve, 4, 3½ and 3 per cent., \$1,967 reserve on lapsed policies liable to revive or surrender, death claims unadjusted \$28,066, present value of death claims payable in instalments, \$31,123, other items \$32,129. These items make a total of \$7,448,458, which being deducted from the total assets of \$8,220,530, leaves \$772,072 as "net surplus over all liabilities on the company's valuation standard." The net surplus over all liabilities on the Government standard of valuation is \$1,049,400.

The liabilities were again computed on the Combined Experience Table with 4 per cent. interest for all business up to January 1, 1900. From that date to January 1, 1903, the computation was on the In-

stitute of Actuaries' Table with 3½ per cent., and thereafter on the same table with 3 per cent.

It is a notable feature in the statement of the Mutual Life of Canada that the income from interest and rents exceeded the death claims paid and unadjusted by \$103,574.

The rate of interest earned last year on the securities was 5.09 per cent. which is an advance upon the rates realized in same past years. Mr. George Wegenast, manager, is building up the Mutual Life on solid lines regarding as the first consideration the future stability of the company and the welfare of policy-holders.

THE FIRE LOSS IN FEBRUARY.

The fire loss of the United States and Canada for the month of February, as compiled from the carefully kept records of the New York "Journal of Commerce and Commercial Bulletin," shows a total of \$25,591,000. The following table gives a comparison of the fire losses of the first two months of the present year with those of the preceding two years :

	1905.	1904.	1903.
January	\$16,378,100	\$21,790,200	\$13,166,350
February.....	25,591,000	90,051,000	16,090,800
Total 12 months..	\$41,969,100	\$111,841,200	\$29,257,150
March.....		11,212,150	9,907,650
April.....		23,623,000	13,549,000
May.....		15,221,400	16,366,800
June.....		10,646,700	14,684,350
July.....		11,923,200	12,838,000
August.....		9,715,200	8,428,350
September.....		14,387,650	9,939,450
October.....		12,866,200	10,409,800
November.....		11,515,000	13,589,550
December.....		19,422,350	17,224,700
Total 12 months..		\$252,364,000	\$156,195,600

The fire loss in February has always been exceptionally large, but in the last two years the amount has been enormously in excess of the average. The months' record from 1894, onward to 1905, is as follows :

Year.	February fire loss, \$	Year.	February fire loss, \$
1905.....	25,591,000	1899.....	18,469,000
1904.....	90,051,000	1898.....	12,629,300
1903.....	16,090,800	1897.....	8,676,750
1902.....	21,010,500	1896.....	9,730,100
1901.....	13,992,000	1895.....	12,360,200
1900.....	15,427,000	1894.....	11,297,600

The important fires during the month under review were these :

Morristown, N.J., dwelling.....	\$ 230,000
Birmingham, Ala., several stores.....	240,000
Chicago, Ill., several manufacturing concerns.....	305,000
Seattle, Wash., hardware store.....	400,000
Mobile, Ala., hotel and stores.....	400,000
Hoboken, N.J., two steam yachts.....	550,000
Denver, Col., department store and other.....	300,000
Indianapolis, Ind., several business blocks.....	1,070,000
Boston, Mass., wharfs and steamers.....	1,250,000
Hot Springs, Ark., general conflagration.....	1,500,000
New Orleans, La., railroad terminal property.....	3,209,000
East Liverpool, Ohio, hardware house and other....	480,000

It will be noticed that the losses for February, 1905, exceed the losses of February, 1904, if the Baltimore conflagration is deducted by over \$5,500,000. It has been apparent since the third week of the month just closed that it would present an aggregate of discouraging size, and managers of fire underwriting institutions have been complaining vigorously of the severe losses they have recently incurred.

THE NATIONAL LIFE ASSURANCE COMPANY OF CANADA.

The 6th annual report of the National Life of Canada is one that is gratifying and encouraging to the management.

During the past year there were 973 applications accepted for \$1,475,000, for which policies were issued. There were 69 applications declined, or held over for further enquiries.

The net income from assurance and annuity premiums, with interest, etc., amounted in 1904 to \$164,180. The disbursements under policies, payments to annuitants, and expenses were \$103,588, which left a balance over the receipts of \$60,622. The total assets amount to \$362,853. The liabilities are, policy and annuity reserves on basis of Hm. table of mortality of Institute of Actuaries and 3½ per cent. interest, \$323,771, other liabilities, \$4,103, these items make a total of \$327,875, which, deducted from the total assets of \$362,853 leaves a surplus on policy-holder's account of \$34,977.

The above surplus of \$34,977, the reserves of \$323,771, and the uncalled amount of capital stock make a total of \$767,859. The amount of assurance in force is \$4,509,754.

During the year the company suffered the loss of one of their directors in the death of Mr. A. G. Irving, and his place was filled by the election of the Chief Medical Officer, of the company, Dr. Albert A. Macdonald, to the directorate as medical director. All the retiring directors were re-elected unanimously. The following Executive Officers were elected by the Board of Directors, president, Mr. Elias Rogers; vice-presidents, Hon. J. J. Foy, K.C., M.P.P., Minister of Crown Lands, and Mr. William Stone, president, The Toronto Lithographing Company; Mr. R. H. Matson, managing director; Mr. F. Sparling, secretary-treasurer; Dr. Albert A. Macdonald, medical director.

That Mr. R. H. Matson does not let the grass grow under his feet is manifest from the progress made by the National Life.

NORWICH UNION ASSURANCE SOCIETY.

Mr. John MacEwan, who for the past four years has been in charge of the Western field for the Norwich Union, with headquarters in Winnipeg, has been appointed by that company, superintendent for the Province of Quebec, to succeed Mr. Geo. Lyman, Mr. MacEwan has been connected with the Norwich Union for past ten years.

VISIT OF MR. A. J. RELTON.

Mr. A. J. Relton, of London, Eng., fire manager of the Guardian Assurance Co., arrived in Montreal on the 9th. inst., having reached Victoria by the "Empress of India" a week earlier. He left for New York on Monday evening last, whence he sails for home by the "Oceanic." Mr. Relton left London a little over five months ago, and has during that period visited the Branches of the Guardian in the far East, including India, China and Japan, where the Company transacts a large business. It will be remembered by the readers of THE CHRONICLE that over a year ago he visited South Africa, Australia, and New Zealand in the interests of his Company. There are very few parts of the globe that he has not visited. Probably his next trip will be to South America.

The Guardian under the management of Mr. H. M. Lambert is transacting a large and growing business in the Dominion. It has within the last few years erected one of the handsomest buildings in the City of Montreal, and one which is a credit to the Company and the City. The building ranks amongst the most convenient and best equipped in the City, and we believe there are not more than one or two offices unoccupied at the present moment.

CANADIAN BANKERS' ASSOCIATION.

A meeting of the Executive Council of the Canadian Bankers' Association was held at the Bank of Montreal, on the 14th inst. Amongst those in attendance were: E. S. Clouston, Bank of Montreal; B. E. Walker, Bank of Commerce; H. Stikeman, Bank of British North American; Thomas Fyshe, Merchants Bank; Thos. Elliot, Molsons Bank; D. Coulson, Bank of Toronto; George Burn, Bank of Ottawa; T. G. Brough, Dominion Bank; Jas. Mackinnon, Eastern Townships Bank; H. S. Strathy, Traders' Bank; W. B. Torrance (proxy), Royal Bank; J. A. Richardson (proxy), Imperial Bank; L. DeGuise (proxy), Banque Nationale. We understand that among the subjects discussed was the collection and export of American silver, a matter to which the Minister of Finance is giving attention. The affairs of the Bank of Yarmouth were reported to be on a deplorable state, and as the association is empowered to deal therewith the results of their work will be watched with much interest.

SOVEREIGN FIRE ASSURANCE COMPANY.

The above company has been granted incorporation, with an authorized capital of \$2,000,000, to carry on the business of fire assurance with head office in Toronto. Among those mentioned as interested in the company are Messrs. William Dineen and Robert E. Menzie, both of Toronto.

The subscribed capital is to be paid up in full in three years.

QUERIES' COLUMN.

In order to furnish our readers with information we propose to devote this column to replies to correspondents. Letters should be addressed to "THE CHRONICLE, Enquiry Department, Montreal."

Answers will only be given to such communications as bear the writer's name, not for publication, but as evidence of good faith, and only to questions referring to matters of general interest in regard to which the Editor of Queries' Column will exercise his own discretion.

1424.—H. B. J., Toronto.—The Trinidad Electric Company year ends on 31st December. The last statement shows earnings for the year of \$201,842.27 from which after deducting bond interest and operating expenses, there is shown net earnings of \$82,722.63. The dividend on the common stock at 5 p.c. per annum absorbed \$53,250. Directors' fees \$3,000, and \$26,472.63 was carried to surplus account which now amounts to \$82,394.49.

1425.—O. B. W., Halifax.—The statement of the Toleda Railway & Light Company for the year ending 31st December, 1904, shows gross earnings of \$1,753,833.67 and nett earnings of \$829,624.88, the amount applicable to common stock shows 2.75 p.c. on the \$12,000,000 capital, as compared with 2.66 p.c. earned in 1903.

CANADIAN FIRE UNDERWRITERS' ASSOCIATION.

The usual monthly meeting of the C. F. U. A. was held in Montreal, on the 15th and 16th instant. Mr. Alfred Wright, president of the association, in the chair. Good progress was reported in the completion of special schedules regulating manufacturing risks, and it is expected they will be completed in the course of a month.

The following Western members were in attendance: Alfred Wright (president), J. J. Kenny, P. H. Sims, H. M. Blackburn, J. B. Laidlaw, T. D. Richardson and A. K. Pringle.

MONTREAL INSURANCE INSTITUTE.

A largely attended meeting was held last night at the Montreal Insurance Institute, when a most interesting paper was read by Mr. J. B. Laidlaw, entitled "Lessons from Conflagrations." Mr. Laidlaw reviewed the history of great fires, as far back as the great conflagration in 1666, which wrought such havoc in London, England. Other great conflagrations were also referred to. Mr. Laidlaw stated that these disasters had been of periodic occurrence, and that conditions must be changed to prevent repetition of past history.

We shall refer to the meeting at greater length in our next issue.

UNDERWRITERS' INSURANCE BUREAU.

A branch of the above bureau has been opened in Montreal, in charge of Mr. Lander. The majority of the C. F. U. A. members are members of the bureau.

PROMINENT TOPICS.

IS IT TO BE WAR OR PEACE?—The situation respecting the future action of Russia is just now of profound interest and importance. Upon the Czar and his councillors rests the terrible responsibility of deciding whether war is to be prolonged "to the bitter end," which is a very indefinite expression, or negotiations entered upon preparatory to peace being established. Japan is not in a position to dictate peace at present, though there are not lacking signs that such a commanding position may be achieved in the near future as will compel Russia to desist from further operations in Manchuria. That a serious change has taken place in the credit of Russia was evidenced a few days ago when the securities of Japan, her 4 per cent. bonds, rose to the same price as those of Russia, although they are not specially secured by a lien on the imperial revenue. How great a change has taken place is known by Japan's bonds, 4 per cents in June, 1904, having stood at 75 and those of Russia, 4 per cents., at 90, whereas, on 13th inst., the bonds of both powers were about on a level. On news that the Russian Government had refused to consider proposals for peace, there was a decline of half a point in Japan's securities, but, so trifling a decline seems to indicate that the Czar's obstinacy is regarded as not inflexible. The next few days will be a highly critical time for the combatants and for the money market.

* * * *

SCHOOL CHILDREN IN REVOLT.—A striking illustration of what THE CHRONICLE recently said as to the irreconcilable Poles was given a few days ago by the school children in Warsaw, refusing to attend school as a demonstration against the Russian rulers in that city. There have also been demonstrations intended to warn the authorities that a revolt would follow any attempt to draw contingents for war service from Poland. When news was taken to Louis XVI., of the disturbance in Paris, he said, "*This is a Revolt,*" to which was answered, "No, Sire, it is *Revolution!*" as it proved to be. The Czar of Russia is in danger of the disturbances under his rule also developing into revolution. Were peace proclaimed this cloud would probably disperse, if war is continued the home cloud may presage a disastrous political convulsion.

* * * *

THE EQUITABLE LIFE ASSURANCE SOCIETY.—The Board of Directors of the Equitable Life have published the text of their Resolution regarding the proposed change in the organization. It reads as follows:

"Resolved, that in the opinion of the board of policy-

holders should be given the right to vote for directors, and, that steps be taken for carrying this principle into effect at the earliest possible moment, and that, Valentine P. Snyder, Jas. W. Alexander, James H. Hyde, Gage E. Tarbell, Cornelius N. Bliss, T. De Witt Cuyler and Chauncey M. Depew, be a committee to arrange the details for carrying the step into execution, and in connection therewith the settlement of the allied question of indemnification of stockholders, and report to the board at a meeting called for the purpose, not later than 12th April, 1905."

The committee has unanimously resolved to recommend that the Charter of the Society be at once amended so as to confer upon the policy-holders the right to elect a majority of the Board of Directors, namely, 28 out of 45. The amended charter, as prepared by counsel, will be submitted to the Board of Directors on 21st inst.

* * * *

THE EQUITABLE'S PROGRESS.—Owing to the prominence given in the Press to reports respecting alleged troubles amongst the directors of the Equitable Life, and the publication of bitter personal attacks on one of them, it has been generally thought that the business would suffer as a result of these disquieting articles and rumours. This has not been the case. On 11th inst., Vice-President Tarbell sent the following telegram to all the managers: "Business first ten days of March, largest for same period in history of society. Congratulations and appreciation." The February business was also greater than in any corresponding period. So far then the attacks made upon this great institution have only served as free advertisements.

* * * *

ALLEGED EMPLOYMENT OF ALIENS ON G. T. P. R.—The Commissioner appointed by the Government of Canada to enquire into the complaints made that aliens, not being *bona fide* residents of Canada, have been and are employed on the works of the proposed "National Transcontinental Railway," known as the Grand Trunk Pacific, has made his report. The evidence adduced is very voluminous. His verdict reads:

"I am of opinion that there was no earnest endeavour made to obtain Canadian engineers for the location of the Grand Trunk Pacific Railway, by those having authority to employ such and that had such effort been made there would have been no difficulty in obtaining a sufficient number of engineers, etc., capable of not only locating, but constructing the whole work. There was, however, a very earnest desire to obtain American engineers for the work and in some cases applications were made to the heads of other railway companies to relieve men for the purpose of having them brought to Canada to be employed on this road. That discrimination has been made against Canadian engineers, in my opinion, there is no doubt."

The Government is much to be commended for having promptly appointed a very capable Commissioner,

Mr. Winchester, who has had long experience in dealing with witnesses, to investigate the complaints made respecting the neglect of Canadian engineers and the employment of Americans on the survey of the Grand Trunk Pacific Railway. Had this been passed over it would have been a serious reflection upon and discouragement to Canadian engineers who were proven by this enquiry to have as high a professional standing and abilities quite equal to those who reside in the United States.

* * * *

THE STREET RAILWAY FRANCHISE.—The proposal to extend the franchise of the Montreal Street Railway was discussed by the Council of the Board of Trade, on the 15th inst., when the following resolution was passed:

"That the Council of the Montreal Board of Trade most strenuously objects to the adoption of the proposed civic by-law providing for the extension, for a period of fifty years from the present date, of the contract between the City of Montreal and the Montreal Street Railway Company, and the council urges the City Council to decline to consider any proposals for the renewal of said contract until within a few years of the time of its expiration, in 1922."

* * * *

ALTERING THE NAMES OF STREETS.—The proposal to re-name the streets of this city is again agitating the City Fathers. It is suggested that the streets running parallel to the river be named Avenues, and those intersecting them be known by numbers. Whether it would be wise to adopt this plan is open to question. It would create great and more or less general confusion, as regards the descriptions in deeds of properties, leases, fire insurance policies, etc. The historic records of the city would be difficult to understand were historic names of streets obliterated. On the other hand it would be desirable for those streets to have one name which run in a continuous line.

* * * *

DISGRACEFUL EXHIBITION.—It seems almost incredible that within a few miles of this city a few nights ago a large number of, presumably, men met to witness a "cocking-main" in which several birds were killed. A more disgusting sport is not known, it is a relic of savagery, it is a sport that is practiced by an eastern tribe who are about the lowest type of humanity, which relative position is that of those persons who were present at the Bout-de-l'Isle cocking-main. The most vigorous efforts should be made to bring these offenders to justice and so far clear the district from scandal.

* * * *

THE MOUNTAIN LOOK-OUT.—No time should be lost by the City Council in deciding upon and giving out contracts for the erection of a suitable pavilion at the location known as the "Look-Out" on Mount Royal. The value of this attraction to the city is very great as may be seen any day in the season when many

thousands of visitors enjoy this unique sight, for the view of such a panorama is not to be had in any other city in the world. The building should be substantial, yet in harmony with its surroundings.

* * * *

TAXATION OF CANADIAN PACIFIC IN NORTHWEST.—The Supreme Court of Canada on 27th February last, gave a judgment in favour of the Canadian Pacific Railway of considerable importance to the company and to all interested in the line. The Canadian Pacific charter reads:

"The Canadian Pacific Railway and all stations and station grounds, workshops, buildings, yards and other property, rolling stock and appurtenances required and used for the construction and working thereof, and the capital stock of the said company, shall be forever free from taxation by the Dominion or by any province hereafter to be established or by any municipal corporation therein, and the lands of the company in the Northwest Territories, until they are either sold or occupied, shall also be free from such taxation for twenty years after the grant thereof from the Crown."

The question was, when did the exemption begin to run? The settlers contended that the exemption dated from 1882, when the charter was granted, or from the completion of the line in 1886. The company contended that the exemption began at the date when each lot of land was patented to them by the Crown. As a large portion of the C. P. R. lands, which originally amounted to 25 millions of acres, are not yet patented, and the remaining sections were not patented for many years after the date of the charter, were the settler's contention upheld it would involve the company in a very large outlay for back and future taxes.

From a large part of this impost, amounting to several millions of dollars, the Canadian Pacific is now free, it will dispose of the lands before the time for paying taxes on them commences, as it has done with those already sold.

* * * *

MR. GEORGE HAGUE.—After prolonged prostration of a very painful nature, Mr. George Hague is now so far convalescent as to have taken a trip to Lakewood, where, we trust, the milder climate and sea air will restore him to perfect health.

ACKNOWLEDGMENTS.

INSURANCE ENGINEERING. February, 1905.—This number contains a striking article on "Baltimore's Negligence," which speaks of there being "wicked carelessness in rebuilding" and alleges that, "another Baltimore Conflagration may be looked for," as the fire department has not been improved, the water supply not increased, and the situation is most unsatisfactory from a fire protection standpoint. It is even hinted that in repairing certain buildings less than the insurance money received for damages has been expended. Several interesting illustrations are

given of the Knoxville fire and explosion. "Concrete Steel Floors," "Tricks of Hose Makers," "Frozen Hydrants," "Tests of Materials and Apparatus," with a large number of minor articles make the February number of "Insurance Engineering" most interesting and valuable.

STOVEL'S POCKET MAP OF MANITOBA.—This is one of a series of "Vest Pocket" maps issued by Stovel & Co., Winnipeg, which city is acquiring quite a reputation for excellent lithography and illustrative work. This map is exceptionally well executed. It shows the location of 670 towns, railway stations and settlements. An alphabetical index is attached by which the position of any place can be quickly found. The map is a remarkable exhibit of Northwest growth as not a score of the 670 places indicated existed 30 years ago.

WISCONSIN INSURANCE COMMISSIONER'S REPORT on the Northwestern Mutual Life Insurance Co., from which extracts are given in this issue.

STATE OF MAINE.—The preliminary report of the Insurance Commissioner for 1904.

STATE OF NEW HAMPSHIRE.—The preliminary report of the Insurance Commissioner for 1904.

TRIAL PLOTS OF GRAIN, FIELD ROOTS, ETC.—This pamphlet gives the results obtained in 1904, from trial plots of grain, fodder, corn, field roots and potatoes at the Central Experimental Farm, Ottawa. The results throw light upon the relative productiveness of the different crops, and their earliness in ripening. Mr. William Saunders, LL.D., is director of the Experimental Farm, and Mr. Chas. E. Saunders, Ph.D., is experimentalist, who are joint authors of above report.

PERSONALS.

MR. GEORGE LYMAN for past ten years Superintendent for the Province of Quebec of the Norwich Union Assurance Society, has resigned his position to take a special agency of the Society for Montreal.

Mr. Lyman has the advantage of twenty years' experience in the business of fire insurance which, together with his popularity and connections, should assist materially in making his new undertaking a success.

Notes and Items.

At Home and Abroad.

MONTREAL CLEARING HOUSE.—Total for week ending March 16 1,905—Clearings, \$25,789,565; corresponding week 1904, \$15,967,514; 1903, \$23,109,831.

OTTAWA CLEARING HOUSE.—Total for week ending March 9, 1905—Clearings, \$2,003,796; corresponding week last year, \$1,819,654.

PROGRESS IN AGRICULTURE.—Dr. William Saunders gave some very valuable evidence before the Parliamentary Committee on Agriculture and Colonization, relative to the conditions of agriculture in Canada, which evidence is published in full. Even to those who are not directly engaged in farming, but take an interest in the country, the evidence of Dr. Saunders is highly interesting and instructive.

MORALLY AN INCENDIARY.—Moral responsibility for numerous fires rests upon those who neglect such precautions against fire as they well know to be required to ensure safety. To avoid expense, or a short spell of disagreeable work, many a man goes on day after day ignoring the existence of what he well knows to be dangerous. A case in point is that of a merchant of high reputation whose premises a fire broke out, beginning by night in his cellar, that destroyed his stock and building, and which, it seemed, could be from no cause except incendiarism. He admitted being in the place late on the night of the fire, as to which he could give no explanation. The property being well insured, caused the suspicion that he had burned it to defraud the insurance companies. The circumstances that seemed to show his guilt were widely published. At the end of two days, the debris in the cellar had cooled so that one of my assistants, reports Mr. Davis, Ohio Fire Marshal, was able to investigate it. He found that the opening at the base of the chimney was boarded up and a hole had been burned through one of the planks. After removal, the planks showed a charred spot the size of the opening on their inner surface. It was then clear that the burning of soot at the bottom of the chute had burned through a plank and ignited rubbish in the cellar in which empty boxes were stored. This saved the merchant loss of reputation, liberty, and the fortune represented by his insurance policies.

HAZARDS FROM FLUES.—It is no news that numerous fires arise from defective flues. Any observer of buildings in course of erection, who has his eyes and brains in good working order, often sees flues being constructed, that are almost certain to create a fire some day. Many of the fires in country houses originate in the flue. The mansion recently burnt in England, inflicting a loss of \$500,000, was the victim of a defective flue. The matter is thus discussed by the Fire Marshal, of Ohio:

"The setting of its foundation or the disintegration of poor mortar or soft brick may produce a crack in a chimney through which sparks can pass to the dry wood-work surrounding it. The use of the chimney for the support of joists or beams is a not infrequent cause of fire. A very large number of fires originate from sparks or burning soot passing out through an imperfect connection between the pipe and chimney or between misfit joints or an open seam in the pipe.

The common practice of starting a brick chimney from joists is bad, because of the liability of the chimney to crack from the springing of the timbers. The running of a pipe perpendicularly into one of these chimneys adds to one's insurance premium. A stovepipe should not pass through an area which is not open to observation, as through a lath and plaster partition, or through an attic or unused room, because openings in it may occur from rust or the parting of a seam or joint. And, too, in such a situation the pipe becomes covered with a fluff of dust which is liable to ignite; neither should a pipe pass through roof, window, or siding—even of a summer kitchen. Although the pipe be properly isolated from the surrounding wood, by a double sleeve and six inches of zinc, it is still a source of danger, because sparks from it may ignite the fluff on the shingles covering the house, or rubbish or birds' nests at the eaves or cornices. Several fires have come from papering over an unplugged stovepipe hole.

The flue in a chimney should be as much as 8 x 12 inches for a stovepipe, or have one-tenth the area of the fire-

place it serves. Chimneys should always be built from the cellar and with a well-fitted iron door at the bottom. But negligence may make the cellar chute a source of danger, as was recently shown in an Ohio city.

EPIGRAMS BY J. L. CUNNINGHAM.—It may be a mistake to go into the insurance business too young, but it is not likely to be often repeated by the same individual.

The closer money is, the more difficult it is to get it.

Sins of commission do not always show in agents' accounts.

Report your new risks to your companies, not to your competitors.

Talk is cheap when you use the next-door telephone.

Time is money, for money can be borrowed on time— with other collateral.

Some are good because it pays, and some are good for nothing.

THE AGENCY FORCE AN ASSET.—In an address before Life Underwriters' Association of Massachusetts, the President, Mr. J. H. Holcombe, dwelt upon the agency force of a life company being one of its assets. The point is sound enough, just as it is correct to estimate the healthy constitution of a man amongst "his" assets. The trouble is that assets of this class are inconvertible into cash or anything of cash value. Mr. Holcombe said, as reported in *The "Standard":* "A company to perform its best service, must have a corps of agents who shall go about, and having educated the public as to the functions of life insurance, explain to them not only what the institution can do for them, but what his own particular company can perform. The agent's work is one of education, and is one in which while he is earning his own living, he is doing a service to his fellow men, and he is not only doing this, but he is also benefiting the policyholders of his own company by adding to their number, broadening the basis of their business, and aiding in that growth which will bring better returns to all concerned. The best results are produced by a corps of agents who are not only harmonious among themselves, but between whom and the home office there exists the most cordial feelings of confidence and friendship. A corps of this kind is necessarily a matter of growth. It takes years and the expenditure of much money to establish a thoroughly efficient and harmonious body of agents, but when this is done, the results will justify the time, labour and expense.

"My belief, therefore, is that to the ordinary assets of a life insurance company, there may be added the value of its agency force, and that so far as the efficiency of the company is concerned, and the results which it can give to its policy-holders, this is as truly an asset as any other item which is set forth in the printed statements."

Correspondence.

We do not hold ourselves responsible for views expressed by correspondents.

LONDON LETTER.

London, Eng., March 2, 1905.

FINANCE.

More and more sensational becomes the advance in Hudson's Bays on the London Stock Exchange. At the time of writing \$370 has been bid for the \$50 shares. Most remarkable stories are in circulation. I have seen a private

cable from Canada which has been handed round a few people in the market, where it is alleged that upon the basis of a proper valuation of the company's assets the shares are worth \$2,500 each. Some exaggeration must be allowed for here, but a valuation of \$500 is certainly not out of the way. A setback from the present bound is of course likely, but that the shares will soon resume their upward course is easily reasonable.

It is long since I began to tell of the future before these shares in these columns, when they were very little more than a third of the present price, and the great advance is as gratifying to the prophet as it is to the strong believer in the great future wealth of Canada generally.

At many of the half-yearly meetings of bank shareholders which have been held here recently, complaints have been made about the new policy inaugurated by many municipalities of inviting savings deposits to be used for municipal purposes, better terms being offered to depositors than are given by the local banking establishments. The question has reached a critical stage in Edinburgh. There, by way of an endeavour to choke off the competition the Scotch banks, a fortnight ago, raised the rate for loans to public bodies which competed with them for ordinary deposit money.

So far from curing the evil, this course of action has only precipitated the appearance of a crisis. The Edinburgh Town Council promptly convened a special meeting to consider the new position of affairs. The first retaliatory step decided upon was that the town's business should no longer be given to the local banks in a prescribed rotation, but that the Town Treasurer should be free to go where he could get the best terms.

This was only one thing decided. Another was a recommendation that Parliament should be asked to grant powers for the issue of an additional \$2,500,000 of promissory notes, the plain meaning of this being that the competition complained of was going to be carried on more vigorously than ever.

But the end cannot be far away. The municipalities cannot borrow money at a higher rate of interest than a bank can and still keep a sufficient sum in hand to supply depositors who make a legitimate demand for their money. The municipalities rely upon getting spare cash from a neighbouring bank in case of need. The suffering banker therefore very kindly keeps part of his own deposit locked up in order that the competing municipality shall be freed from the necessity of locking up part of the deposits it has received from the public. Being able to use profitably therefore the whole of the money deposited with them, the municipalities can naturally pay a higher rate of interest to citizen lenders. It will surely not take our bankers long to see how foolishly they make a competitor possible.

INSURANCE.

The persistent search for new areas of business is leading many British companies to make a special effort to interest women in life assurance. One company has recently joined in the endeavour with a scheme of what is pleasantly called retiring allowances for women workers, professional and otherwise. A small annual premium of, for young women, about eleven dollars is charged, and in return \$100 is paid should she die before reaching the age of 55. Should she live, however, until that age, as she reasonably may, she receives a "retiring allowance" of \$500. By paying a small extra premium she obtains the right, in the event of incapacity or marriage intervening, to have returned three-quarters of all the premiums paid.

The essence of the scheme seems to reside very largely in the excellent way it is drafted and printed. Folded like a British bankers pass-book, it is just the charming production to catch a woman's eye.

The writing down of Consols to 85 and 87 1-2 this time

last year which many insurance companies indulged in is now regarded by many of the chairmen at this year's meetings as having been rather precipitate. The premier security has now recovered to beyond 91, and shows no signs of any likely renewal of weakness. It is therefore possible that in many offices last year's process will be reversed and some writing up indulged in to the very great benefit of the various accounts.

At the opening of Parliament the King's speech gave a distinct intimation of an early opportunity to introduce a Bill to amend and extend the Workmen's Compensation Act, so that there is now, provided only that the session lasts long enough, a reasonable prospect of that egregious and litigious enactment being classified and broadened. This will be beneficial to societies like the Law Accident, which have only just navigated very troubled waters in connection with this class of business.

STOCK EXCHANGE NOTES.

Wednesday p. m. March 15, 1905.

Canadian securities were again largely dealt in this week and were buoyant and strong with a tendency to advance. C. P. R. was a decided feature and reached a new high level. Montreal Power showed the largest volume of business, over 10,000 shares having been traded in during the week. The stock seems likely to go over 90 on this move, and par is confidently predicted before the end of the year. The securities of the Dominion Iron & Steel Company were actively dealt in, and the Common made a new high record on this move. Nova Scotia Steel Common continues weak. It is generally admitted that the dividend for this half-year will be passed. Until the annual statement appears it is difficult to estimate the position of the Company, but it is believed by many that the floating liabilities are not all discharged and that financing for completing the plant will still be necessary. A great deal of profit taking was evident in this week's market and was a test of the inherent strength of the situation. All liquidation offering was readily absorbed, and as soon as the pressure was relieved, prices advanced. This tendency has been equally evident in the New York market. The public have at no time been largely interested in the market during its advance, and for the most part have been satisfied with moderate profits.

Money continues easy and although rates have stiffened slightly in New York, call money was readily obtainable there to-day at 2 3/4 per cent. Locally rates are unchanged for bank money on call at 4 1/2 per cent. with supplies more than adequate to the demand. The rate for call money in London to-day was quoted at 3 per cent. while the Bank of England rate continues at 2 1/2 per cent.

The quotations for money at continental points are as follows:—

	Market.	Bank.
Paris.....	1 1/4	3
Berlin.....	2 1/4	3
Amsterdam.....	2	3
Vienna.....	3	3 1/2
Brussels.....	2 1/4	3

The highest for C. P. R. this week locally was 149 1/4, while the stock touched 149 5/8 in New York. The closing quotation was 148 bid, a net gain of 5 1/4 points for the week on transactions involving 9,838 shares. The New Stock was also in good demand and closed with 147 bid, a gain of 5 1/2 points on sales of 1,191 shares for the week. The earnings for the first week of March show an increase of \$160,000.

The trading in Soo Common was very limited this week and only 60 shares changed hands in the local market. The closing bid was 116 1/4, a decline of 1 1/4 points from last week's closing quotation.

* * * *

The Grand Trunk Railway Company's earnings for the first week of March show an increase of \$145,002. The stock quotations as compared with a week ago are as follows:—

	A week ago.	To-day.
First Preference.....	112	113 1/4
Second Preference.....	101 1/2	10 1/2
Third Preference.....	47 1/2	50 1/2

* * * *

Montreal Street Railway was active and advanced in price, but has reacted from the highest of 224, closing with 223 1/2 bid, a net advance of 5 1/2 points and 9,652 shares were involved in the week's business. The transactions in the New Stock brought out 50 shares. The earnings for the week ending 11th inst. show an increase of \$4,956.39 as follows:—

		Increase.
Sunday.....	\$3,470.18	\$ 387.28
Monday.....	7,345.76	1,513.36
Tuesday.....	7,183.97	1,125.63
Wednesday.....	6,243.05	126.98
Thursday.....	6,688.92	420.00
Friday.....	6,730.34	662.94
Saturday.....	7,192.34	720.25

* * * *

Toronto Railway closed with 107 1/4 bid, a gain of 1/2 point over last week's close. A fair business was done and 2,242 shares figured in the trading. The earnings for the week ending 11th inst. show an increase of \$4,998.20 as follows:—

		Increase.
Sunday.....	\$3,222.81	\$396.37
Monday.....	7,379.49	1,146.98
Tuesday.....	7,077.08	575.95
Wednesday.....	6,913.75	603.19
Thursday.....	7,004.47	875.87
Friday.....	6,652.72	455.12
Saturday.....	8,188.74	945.72

* * * *

Twin City closed with 100 bid, a recovery of 5/8 of a point from the closing bid last week. The trading was not as active, but 1,083 shares changed hands. The earnings for the first week of March show an increase of \$5,218.00.

* * * *

Detroit Railway had a further advance to 82 1/4, reacting to 81 1/4 bid at the close, a net gain of 1 1/4 points for the week. An active business was done in the security and 4,479 shares were involved in the trading. The earnings for the first week of March show an increase of \$11,340.

* * * *

There were no sales in Halifax Tram this week and the stock closed with 105 bid, a nominal decline of 1/2 point on quotation for the week.

* * * *

Toledo Railway came into prominence during the last few days and sold up to 30 1/4, closing with 29 5/8 bid, a net advance of 4 1/2 points over last week. The stock was more active than for some months past and 3,580 shares changed hands during the week.

* * * *

Mackay Common has a decline, but has recovered from the lowest and closed with 41 1/4 bid on transactions of 550 shares. This is a fractional gain of 1/4 point from last week's close. The Preferred Stock was in good demand and sold up to 76 1/2 closing with 76 bid, a net

gain of 1¼ points. An active business was done and 1,680 shares were brought out during the week.

* * * *

Ogilvie Preferred continues strong on transactions involving 500 shares. The last sales were made at 139, and the closing quotation was 137 bid.

* * * *

R. & O. after advancing to 70 reacted and closed with 69 bid, a gain of 2 full points for the week and some 1,590 shares were traded in.

* * * *

Montreal Power was a feature of the local market and on transactions of 10,998 shares advanced to 89½. The closing was at a slight reaction to 89¼ bid, a net gain of 1½ points for the week. 95 is confidently spoken of for the stock within the next couple of months.

* * * *

Rumours of good news in connection with the Dominion Iron securities continue rife, and the Common stock was buoyant and active this week, the sales involving 6,314 shares, the closing quotation being 24¼ bid, a net gain of 1¼ points for the week. The Preferred, stocks closed with 72½ bid, a fractional gain from last week's close and 1,132 shares changed hands. The Bonds were actively dealt in and \$349,000 came out during the week. The closing was 85½ bid, a gain of ½ of a point over last week's closing quotation.

* * * *

Nova Scotia Steel Common sold down to 60½, recovered to 63 and closed with 62½ bid, a net decline of ¾ of a point for the week, but a recovery of 1½ points from the lowest. During the week 2,334 shares were dealt in. There were no transactions in the Preferred Stock nor in the Bonds.

* * * *

Dominion Coal Common, one of the non-dividend payers, has continued to advance and sold up to 76½, closing with 76½ bid. This is a gain of 4¾ points for the week on sales of 2,815 shares. There were no sales in the Bonds. In the Preferred stock 42 shares changed hands, the last transactions being made at 116¼.

	Per cent.
Call money in Montreal.....	4½
Call money in New York.....	2½
Call money in London.....	3
Bank of England rate.....	2½
Consols.....	91½
Demand Sterling.....	9½
60 days Sight Sterling.....	9½

* * * *

Thursday, p. m., March 16, 1905.

The market had a reaction to-day but prices were recovering at the close although slightly below yesterday's level. Pacific opened at 148 and sold down to 147, the last sales being made at 147¾. Street Railway sold between 223 and 222½, some broken lots changing hands at 222. The New Stock sold at 222. Toronto Railway sold at 107¼ in the morning and at 107 in the afternoon. Sao Paulo was firm at 128½. Dominion Iron Common sold between 24½ and 24. There were no sales in the Preferred which closed with 72¼ bid. The Bonds were traded in at 84¼. Montreal Switch Preferred sold between 112 and 113, the last sales being made at 112½. The Common stock sold at 100. Montreal Power was active and after opening at 89½ reacted to 88½, and the last sales were made at 88¾. Toledo Railway sold at 30 and 29½, and Trinidad Electric between 86 and 87, while West India Electric sold at 50 for 135 shares and 75 shares at 49¾. 75 shares of Halifax Tram changed hands at 105. Laurentide Preferred was a strong feature and after opening at 104, advanced to 106. Ogilvie Preferred was strong and steady at 138. Dominion

Coal opened at 76½ and advanced to 76¾, and the last sales were made at 76¾. The lowest of the day was 76¼. Detroit Railway after opening at 82 reacted to 81 and closed with 80¾ bid. Mackay Preferred opened at 76 and declined to 75½. Nova Scotia Steel Common sold at 62¼ and 62, closing offered at 62 with 61¾ bid. Lake of the Woods Bonds sold at 100½ and Laurentide Bonds at 110, while Winnipeg Electric Bonds sold at 108 and 107½. 100 North West Land sold at 304¾, 41 Bank of Montreal at 256¼, 3 British North America at 135, 1 Eastern Townships at 100¼, 1 Merchants at 172¼ and 70 Commerce at 165. This completed the day's business.

* * * *

MONTREAL STOCK EXCHANGE SALES

THURSDAY, MARCH 16, 1905.

MORNING BOARD.

No. of Shares.	Price	No. of Shares.	Price
25 C.P.R.....	148	250 Detroit Ry.....	81½
30 ".....	147	25 ".....	81
25 ".....	147¼	125 W. I. Electric.....	50
25 ".....	147½	75 ".....	49¼
25 ".....	147½	25 Ogilvie Pfd.....	138
10 " P.S.....	146	10 Dom. Coal.....	75
100 ".....	147	3 ".....	75
1 New C.P.R.....	145	55 ".....	76¾
336 Mont. Street.....	223	25 ".....	76¾
25 ".....	222¾	25 ".....	76¾
100 ".....	222½	100 ".....	76¾
100 New Street.....	222	180 ".....	76¾
200 Sao Paulo.....	128½	100 Laurentide Pfd.....	104
50 Toronto Ry.....	107¼	50 ".....	104¼
10 ".....	107½	75 ".....	104¾
25 Toledo Ry.....	30	150 ".....	105
25 ".....	29¾	10 ".....	104½
75 Halifax Tram.....	105	50 ".....	105¼
200 Trinidad.....	86	50 ".....	106
300 ".....	87	30 Mackay, Pfd.....	76
5 Iron Com.....	75	53 ".....	75¾
200 ".....	24½	25 ".....	75¾
225 ".....	24¾	79 Bank of Commerce.....	165
45 ".....	24¾	1 East. Tps. Bk.....	160¼
450 ".....	24	3 Bk. B. N. A.....	135
25 Power.....	89½	41 Bank of Montreal.....	256¼
25 ".....	89¼	100 N. W. Land.....	304¾
30 ".....	87	9 Switch Com.....	100
100 ".....	88½	\$3,000 Lake Woods Bds.....	109½
25 ".....	88½	200 Laurentide Bds.....	110
25 Detroit Ry.....	82	1,000 Iron Bonds.....	84½

AFTERNOON BOARD.

25 C.P.R.,	147½	75 Scotia.....	62¼
50 ".....	147¾	25 ".....	62
5 ".....	146	125 Laurentide, Pfd.....	106
10 West India.....	50	10 Power.....	88¾
500 Trinidad.....	87	42 ".....	88¾
60 Iron Com.....	24	75 ".....	88¾
13 Street.....	222	\$1,000 Iron Bonds.....	84¼
7 New Street.....	222	4,000 ".....	84¼
75 Toronto Ry.....	107	5000 Winnipeg Bonds.....	108
100 Mackay, Pfd.....	75¾	3,000 ".....	107¾
10 ".....	75¾	1 Merchants Bank.....	172¼
60 Dom. Coal.....	76¼	5 Ogilvie Pfd.....	138
75 ".....	76½	25 ".....	138
25 ".....	76¼		

FIRE INSURANCE.

Chief Clerk—Wanted by a leading British Fire Office. Address Box 578, Montreal, stating age and experience.

Applications will be regarded as strictly confidential.

The gross traffic earnings of the Grand Trunk Canadian Pacific, Canadian Northern, Duluth South Shore & Atlantic railways, and the Montreal, Toronto, Halifax, Twin City, Detroit United and Havana street railways, up to the most recent date obtainable, compared with the corresponding period for 1903 and 1904, were as follows:

GRAND TRUNK RAILWAY.

Year to date.	1903.	1904.	1905.	Increase
Feb. 28	\$5,066,861	\$3,902,903	\$4,720,023	\$817,120
Week ending.	1903.	1904.	1905.	Increase
Mch. 7.....	654,582	469,540	614,632	145,092

CANADIAN PACIFIC RAILWAY.

Year to date.	1903.	1904.	1905.	Increase
Feb. 28.....	\$5,942,000	\$5,401,000	\$6,268,000	\$867,000

GROSS TRAFFIC EARNINGS

Week ending	1903.	1904.	1905.	Increase
Mch. 7.....	\$772,000	727,000	887,000	160,000

NET TRAFFIC EARNINGS.

Month.	1903.	1904.	1905.	Inc.
January.....	\$916,771	\$357,652	\$422,668	\$65,016
February.....	742,741	82,541		
March.....	1,258,564	850,854		
April.....	1,493,173	412,533		
May.....	1,383,357	1,391,565		
June.....	1,246,055	1,449,911		
July.....	1,318,527	1,449,652		
August.....	1,434,102	1,527,930		
September.....	1,202,266	1,268,808		
October.....	1,654,027	1,566,114		
November.....	1,477,981	1,669,575		
December.....	1,581,145	1,662,669		

Total 15,708,709 13,689,804

CANADIAN NORTHERN RAILWAY.

GROSS TRAFFIC EARNINGS.

July 1st, 1902 to	July 1st, 1903 to	Increase	
June 30, 1903	June 30, 1904	\$820,350	
\$2,304,450	\$3,124,800		
Week ending.	1904.	1905.	Increase
Mch. 7.....	43,500	51,900	8,400

DULUTH, SOUTH SHORE & ATLANTIC

Week ending.	1903.	1904.	1905.	Increase
Feb. 7.....	41,146	36,575	43,566	6,991
14.....	48,950	35,719	41,297	5,578
21.....	46,042	38,649	43,924	5,275
28.....		54,837	54,926	92

MONTRÉAL STREET RAILWAY.

Month	1903.	1904.	1905	Increase
January..	\$ 168,883	\$ 182,386	\$ 201,096	18,710
February..	139,065	167,023	184,132	17,109
March...	168,987	183,689		
April....	170,050	184,905		
May.....	170,773*	217,341		
June.....	205,454	229,565		
July....	212,337	223,137		
August...	208,586	226,764		
September.	212,156	216,295		
October...	204,452	219,633		
November.	187,930	201,147		
December	187,780	208,428		
Week ending.	1903.	1904.	1905.	Increase
Mch. 7.....	39,327	40,040	47,836	7,796

TORONTO STREET RAILWAY.

Month.	1903.	1904.	1905.	Increase:
January..	\$ 161,938	\$ 179,360	\$ 196,970	\$17,610
February..	146,539	168,904	185,377	16,473
March...	159,943	83,643		

*Strike. † Spanish Silver. 29 days

TORONTO STREET RAILWAY.

Month	1903.	1904.	1905	Increase
April.....	162,276	183,763		
May.....	174,519	198,337		
June....	177,593	207,482		
July....	192,629	211,356		
August...	185,822	217,887		
September.	237,010	246,862		
October...	183,810	202,344		
November.	174,039	198,150		
December.	199,115	213,662		
Week ending.	1903.	1904.	1905.	Inc.
Mch. 7.....	36,831	38,517	47,163	8,646

TWIN CITY RAPID TRANSIT COMPANY.

Month.	1903.	1904.	1905.	Inc.
January..	\$310,084	\$329,354	\$349,469	20,115
February..	280,947	310,180	319,811	9,631
March.....	317,839	338,580		
April.....	315,465	332,615		
May.....	337,699	358,344		
June.....	346,018	365,897		
July.....	362,702	381,224		
August...	363,579	386,629		
September.	370,349	371,476		
October...	346,673	365,938		
November.	333,424	352,433		
December.	357,452	374,738		
Week ending.	1903.	1904.	1905.	Inc.
Feb. 7.....	69,444	73,729	78,328	4,599
14.....	61,763	74,233	78,264	4,031
21.....	69,439	75,560	81,060	5,500
28.....	72,300	186,637	82,160	Dec. 4,497
Mch. 7.....	70,458	75,853	81,072	Inc. 5,219

HALIFAX ELECTRIC TRAMWAY CO., LTD.

Railway Receipts.

Month.	1903.	1904.	1905.	Inc.
January..	\$10,867	10,677	\$10,256	Dec. 421
February.	9,322	9,894	7,186	" 2,705
March...	10,195	11,152		
April....	10,533	11,145		
May.....	10,768	12,074		
June....	11,844	14,051		
July....	15,942	15,928		
August...	16,786	17,402		
September	18,494	17,862		
October...	12,055	12,434		
November	11,220	11,085		
December	12,160	12,163		
Week ending.	1903.	1904.	1905.	Inc.
Mch. 7.....	2,365	2,466	1,854	Dec. 612

Lighting Receipts.

	1903	1904	1905	Inc
January..	\$13,863	\$ 16,317	\$ 15,667	Dec. 65
February.	11,924	14,227	14,180	" 47
March....	10,523	12,718		
April....	10,156	12,116		
May.....	9,020	9,756		
June....	8,368	8,998		
July....	8,351	8,952		
August...	8,826	9,596		
September	10,781	11,720		
October..	13,186	14,209		
November	14,200	16,273		
December	16,611	17,684		

DETROIT UNITED RAILWAY.

Week ending	1904	1905	Increase.
Mch. 7.....	\$ 69,733	\$ 81,073	\$ 11,340

HAVANA ELECTRIC RAILWAY CO.

Week ending	1904	1905.	Increase
Mch. 6....	\$133,390	\$136,557	\$13,167

THE CROWN LIFE INSURANCE COMPANY.

ANNUAL MEETING OF SHAREHOLDERS

The annual meeting of the Shareholder of the Crown Life Insurance Company was held at the Head Office of the Company, in the City of Toronto, on Monday, March 6, 1905. One hundred and seventy shareholders were present or represented by proxy.

DIRECTORS' REPORT FOR YEAR ENDING DECEMBER 31st, 1904.

Your Directors respectfully submit for the consideration of the shareholders their report of the Company's operations for the year ending 31st December, 1904. We are glad to be able to state that owing to the continuance of the great care in the selection of risks, and the conservative methods employed in securing them, the same high grade business has been maintained during the year that has been such a marked feature of previous years. The volume of new business, moreover, exceeds that for any previous year.

New applications for insurance amounting to \$1,485,210 were received by the Company during the year for consideration. Of this amount, policies for \$1,204,200 were issued and "taken," the balance, \$221,010, being the amount declined, deferred, and not "taken." There were in force at the end of the year a total of 1,783 policies for \$2,985,200 of insurance, and representing a premium income of \$120,910.39. These figures show that the average amount of each policy is upwards of \$1,600, and the average premium rate per thousand of insurance is over \$40.00.

The cash income for the year from premiums amounted to \$109,917.87, in addition to which the deferred and outstanding premiums at the end of the year amounted to \$34,033.02.

The Company has again been fortunate in sustaining a very small death loss during the year, the total claims amounting to only \$7,000 under six policies.

As is shown by the financial statement, our liability to policy-holders is represented by a reserve fund of \$151,627, on the basis of the present Government standard of valuation (Hm. 3 1-2 per cent.). The total security to policy-holders from all sources as against this liability amounts to \$550,333.52, as set forth in detail in the financial statement, which has been duly audited in accordance with the by-laws of the Company, and which is submitted herewith.

The Directors report with sincere regret the loss during the past year by death of two of the most highly esteemed members of the Board, Mr. John Foy, of Toronto, and Mr. Benjamin Hertz, of Prince Edward Island.

The Directors desire to express their appreciation of the faithful and efficient services rendered by the Head Office Staff and by the Company's managers and agents.

D. TISDALE,
President.

ARTHUR J. HUGHES,
Secretary.

ELECTION OF DIRECTORS.

The following Directors were elected for the ensuing year: Col. the Hon. David Tisdale, P.C., K.C., M.P.; John Charlton; Herbert M. Mowat, K.C.; R. L. Borden, K.C., M.P.; Samuel Barker, M.P.; Arthur R. Boswell, K.C.; Rodolphe Forget, M.P.; Geo. H. Hees; Frank E. Hodgins, K.C.; Randolph Macdonald; C. S. Wilcox; W. B. McMurrich, K.C.; Geo. H. Roberts; Henry T. Machell, M.D., L.R.C.P.; J. Douglas Hazen, K.C., M.P.P.

ELECTION OF OFFICERS.

At a subsequent meeting of the new Board of Directors, Col. the Hon. David Tisdale, P.C., K.C., M.P., was re-elected President, Mr. John Charlton, Vice-President, and Mr. Geo. H. Roberts, Managing Director.

PARTNERSHIP INSURANCE.

There are numerous business firms whose prosperity, in many cases indeed whose very existence, depends to a large extent upon the life of one partner. So far is this the case that some banks have protected themselves from risk of loss by the withdrawal, or death of the leading partner in a firm to whom credit has been extended, by insuring the life of such partner as collateral security during the term of the partnership. The arrangement is one needing special care so as to avoid legal complications and disputes.

A form of partnership insurance is intended to safeguard a firm from collapse owing to the withdrawal of the capital of a deceased partner for its distribution amongst his heirs.

Many a strong firm has been crippled by its capital being drawn upon by this cause, which depletion may be wholly, or to a large extent, prevented by life insurance.

The older plan of effecting insurance upon the joint lives of the partners in a business firm, the amount being payable to the survivors, something akin to the tontine plan, is open to such serious objections that it is not popular. To equitably adjust the payments on such policies to the various conditions of different partners, as to the extent of their interest in the business; their expectancy of life, their value to the firm,

etc., is a problem too intricate to be understood by ordinary business men, who, as such, naturally dislike to enter into arrangements which they do not thoroughly understand.

In a notice of a new publication on Partnership Assurance "The Policy-Holder" remarks that, "Infinitely superior to the ordinary joint-lives policies are separate policies on the single lives. The cost of such latter will, of course, exceed that of the former policy if each life be separately assured for the like sum as the amount of the so-called partnership policy. To reduce such cost the adoption of Enlargeable Term Policies is suggested whereunder the rates of premiums payable are extremely low compared with ordinary whole-life premiums, while the assured, if accepted at the ordinary rate is given the option at any time, not less than 5 years before the expiration of the term, of converting the assurance, without renewed medical examination into a whole life assurance at the then current rate of premium applicable to his then age. It would seem that, for the purpose in view, these enlargement term policies are remarkably suitable. If the partnership is dissolved by the effluxion of time the desired assurance cover has been obtained at a very low cost, and the separate policies may then be handed over to the respective lives assured, to be continued or discontinued as the holders may elect!

STOCK LIST

Reported for THE CHRONICLE by R. Wilson-Smith & Co., 160 St. James Street, Montreal.
Corrected to March 15th, 1905, P.M.

BANKS.	Capital subscribed	Capital paid up.	Reserve Fund.	Per centage of Ret to paid up Capital.	value of one share.	Market value of one share.	Dividend for last half year	Revenue per cent. on investment at present prices.	Closing prices for cent. on par.	When Dividend payable.
	\$	\$	\$	%	\$	\$	Per Cent.	Per Cent.	Asked. Bid.	
British North America.....	4,866,666	4,866,666	1,946,666	40.60	243	315 90	3	4 61	130	April
Canadian Bank of Commerce.....	9,065,500	8,767,500	3,627,036	40.23	50	82 25	3 1/2	4 26	104 1/2	June
Crown Bank of Canada.....	761,100	661,916	.....	.....	100	.....	.....	.....	.....	.....
Dominion.....	3,000,000	3,000,000	2,600,000	119.66	59	.....	2 1/2	.....	.....	Jan. Apr. July Oct.
Eastern Townships.....	3,000,000	2,499,190	1,500,000	60.00	150	170 00	4	4 70	170 160	January July
Hamilton.....	2,237,400	2,235,280	2,100,085	94.00	100	.....	5	.....	.....	June
Hochelaga.....	2,000,000	2,000,000	1,200,000	60.00	100	134 00	3 1/2	5 22	154 1 3/8	Per. Rec. Nov.
Imperial.....	3,000,000	3,000,000	3,000,000	100.00	100	210 00	5	4 16	240	June
La Banque Nationale.....	1,500,000	1,500,000	450,000	30.00	30	.....	3	.....	.....	May
Merchants Bank of P. E. I.....	844,073	844,073	296,000	86.02	32.44	.....	4	.....	.....	.....
Merchants Bank of Canada.....	6,000,000	6,000,000	3,267,120	53.33	100	170 00	3 1/2	4 11	.....	July Dec.
Metropolitan Bank.....	1,000,000	1,000,000	1,000,000	100.00	100	.....	.....	.....	.....	.....
Molson.....	3,000,000	3,000,000	3,000,000	100.00	50	112 50	4 1/2	4 00	225	April
Montreal.....	14,000,000	14,000,000	10,000,000	71.42	100	257 00	5	3 89	257 255	June
New Brunswick.....	500,000	500,000	800,000	167.00	100	.....	6	.....	.....	January July
Nova Scotia.....	2,384,400	2,185,700	3,267,120	160.00	100	265 00	5	3 77	265 260	February Aug.
Ontario.....	1,500,000	1,500,000	600,000	40.00	100	141 00	3	4 25	141	June
Ottawa.....	2,500,000	2,500,000	2,500,000	100.00	100	115 00	4 1/2	4 18	215	Dec.
People's Bank of Halifax.....	1,000,000	1,000,000	440,000	44.00	20	.....	4	.....	.....	March
People's Bank of N. B.....	180,000	180,000	175,000	97.22	150	.....	4	.....	.....	January
Provincial Bank of Canada.....	846,537	823,309	.....	.....	100	.....	3 1/2	.....	.....	.....
Quebec.....	2,500,000	2,500,000	1,500,000	40.00	100	.....	3 1/2	5 42	.....	June
Royal.....	3,000,000	3,000,000	3,000,000	100.00	100	225 00	4	3 55	225 210	February Aug.
Sovereign Bank.....	1,300,000	1,300,000	350,000	26.92	100	.....	1 1/2	.....	.....	Feb. May Aug. Nov.
Standard.....	1,000,000	1,000,000	1,000,000	100.00	50	.....	5	.....	.....	June
St. Stephens.....	300,000	300,000	45,000	22.50	100	.....	2 1/2	.....	.....	April
St. Hyacinthe.....	504,600	329,515	75,000	22.76	100	.....	3	.....	.....	February Aug.
St. Johns.....	800,200	274,320	10,000	3.60	100	.....	3	.....	.....	.....
Toronto.....	5,000,000	3,000,000	3,300,000	110.00	100	234 00	5 & 1 1/2	4 70	234	June
Traders.....	2,746,000	2,734,011	700,000	25.49	100	.....	3 1/2	.....	.....	June
Union Bank of Halifax.....	1,336,150	1,336,150	970,000	74.17	50	.....	.....	.....	.....	Dec.
Union Bank of Canada.....	2,500,000	2,500,000	1,000,000	40.00	100	.....	3 1/2	5 00	.....	Feb. Aug.
Western.....	500,000	500,000	217,500	43.50	100	.....	3 1/2	.....	.....	February Aug.
Yarmouth.....	800,000	800,000	35,000	11.66	75	.....	2 1/2	.....	.....	Feb.
MISCELLANEOUS STOCKS.										
Bell Telephone.....	7,975,100	7,916,950	135,607	25.53	100	.....	2*	.....	.....	Jan. Apr. Jul. Oct.
Can. Colored Cotton Mills Co.....	2,700,000	2,700,000	.....	.....	100	.....	.....	.....	.....	.....
Canada General Electric.....	1,475,000	1,475,000	388,000	.....	100	.....	5	.....	.....	January July
Canadian Pacific..... N.D.....	101,400,000	87,880,000	.....	.....	100	149 25	3	4 65	149 148	April
Commercial Cable.....	15,000,000	15,000,000	4,923,122	34.75	100	.....	1 1/2 & 1	.....	.....	Jan. Apr. Jul. Oct.
Detroit Electric St.....	12,500,000	12,500,000	.....	.....	100	83 60	1*	4 81	83 81 1/2	May June Sep. Dec.
Dominion Coal Preferred.....	3,000,000	3,000,000	.....	.....	100	.....	4	.....	.....	Jan. July
do Common.....	15,000,000	15,000,000	.....	.....	100	76 87	.....	.....	76 1/2 76 1/2	Jan. July
Dominion Cotton Mills.....	3,053,600	3,053,600	.....	.....	100	.....	.....	.....	.....	.....
Dom. Iron & Steel Com.....	20,000,000	20,000,000	.....	.....	100	24 62	.....	.....	24 1/2 24 1/2	.....
do Pfd.....	5,000,000	5,000,000	.....	.....	100	73 00	.....	.....	73 72 1/2	.....
Duluth S. & Atlantic.....	12,000,000	12,000,000	.....	.....	100	.....	.....	.....	.....	.....
do Pfd.....	10,000,000	10,000,000	.....	.....	100	.....	.....	.....	.....	.....
Halifax Tramway Co.....	1,250,000	1,250,000	.....	.....	100	.....	1 1/2	4 62	108 105	Jan. Apr. July Oct.
Hamilton Electric St. Com.....	1,700,000	1,700,000	.....	.....	100	.....	2 1/2	.....	.....	January July
do Pfd.....	2,278,000	2,278,000	.....	.....	100	.....	.....	.....	.....	.....
Intercolonial Coal Co.....	500,000	500,000	.....	.....	100	.....	.....	.....	.....	.....
do Preferred.....	219,700	219,700	90,474	12.06	100	.....	7 1/2	.....	.....	Jan.
Laurentide Paper Co.....	1,300,000	1,300,000	.....	.....	100	105 00	3 1/2	6 66	105 101 1/2	Feb. Jan. Aug.
Laurentide Paper, Pfd.....	1,200,000	1,200,000	.....	.....	100	.....	1 1/2*	.....	.....	January July
Lake of the Woods Mill. Co., Pfd.....	1,500,000	1,500,000	.....	.....	100	.....	3	.....	.....	Feb. May, August
Marconi Wireless Telegraph Co.....	5,000,000	.....	.....	.....	100	.....	5	.....	.....	.....
Mackay Companies Cem.....	50,000,000	41,380,000	.....	.....	100	41 75	.....	.....	41 1/2 41 1/2	Jan. Apr. Jul. Oct.
Merchants Cotton Co.....	80,000,000	35,968,700	.....	.....	100	76 25	1*	5 26	76 1/2 76	Jan. Apr. Jul. Oct.
Min. St. Paul & S.S.M.....	1,500,000	1,500,000	800,000	.....	100	.....	.....	.....	.....	.....
do Pfd.....	4,097,000	14,000,000	.....	.....	100	.....	.....	.....	117 116 1/2	.....
Montmorency Cotton.....	7,000,000	7,000,000	.....	.....	100	.....	3 1/2	.....	.....	.....
do Pfd.....	1,000,000	1,000,000	.....	.....	100	.....	.....	.....	.....	.....
Montreal Cotton Co.....	3,000,000	3,000,000	.....	.....	100	.....	1 1/2	.....	.....	Mar. Jun Sep. Dec.
Montreal Light, Ht. & Pwr. Co.....	17,000,000	17,000,000	.....	.....	100	89 62	1 1/2	4 44	89 89	Feb. May Aug. Nov.
Montreal Street Railway.....	6,000,000	6,000,000	.....	.....	50	111 81	2 1/2*	4 46	222 223 1/2	Feb. May Aug. Nov.
do New.....	1,000,000	1,000,000	.....	.....	50	.....	2 1/2*	.....	.....	.....
Montreal Telegraph.....	2,000,000	2,000,000	.....	.....	40	.....	2*	.....	.....	Jan. Apr. Jul. Oct.
National Salt Com.....	7,000,000	7,000,000	.....	.....	100	.....	1 1/2	.....	.....	.....
do Pfd.....	5,000,000	5,000,000	.....	.....	100	.....	.....	.....	.....	June December
North-West Land, Com.....	1,467,681	1,467,681	.....	.....	25	76 25	.....	.....	.....	.....
do Pfd.....	3,050,625	3,050,625	.....	.....	.....	.....	.....	.....	.....	.....
N. Scotia Steel & Coal Co, Com.....	4,130,000	5,000,000	750,000	15.00	100	62 25	3	9 67	.....	Mar. Apr. October
do Pfd.....	1,030,000	1,030,000	.....	.....	100	.....	2*	.....	.....	Jan. Apr. Jul. Oct.
Ogilvie Flour Mills Co.....	1,250,000	1,250,000	.....	.....	100	.....	.....	.....	.....	Mar. Jun. Sep. Dec.
do Pfd.....	2,000,000	2,000,000	.....	.....	100	139 00	3 1/2	5 03	139 137	do do
Richelieu & Ont. Nav. Co.....	3,132,000	3,132,000	.....	.....	100	69 25	.....	.....	69 1/2 69	May Nov.
St. John Street Railway.....	707,869	707,869	23,101	7.98	100	.....	3	.....	.....	Mar. Jun. Sep. Dec.
Toledo Ry & Light Co.....	12,000,000	12,000,000	.....	.....	100	29 75	.....	.....	.....	.....
Toronto Street Railway.....	6,900,000	6,900,000	1,464,136	8.10	100	107 50	1 1/2*	4 67	107 107 1/2	Jan. Apr. Jul. Oct.
Trinidad Electric Ry.....	1,200,000	1,032,000	.....	.....	4.80	.....	1 1/2*	.....	.....	Jan. Apr. Jul. Oct.
Irvine City Rapid Transit Co.....	16,511,000	16,511,000	2,163,807	14.41	100	109 37	1 1/2*	4 58	108 109	Jan. May Aug. Nov.
do Preferred.....	3,000,000	3,000,000	.....	.....	100	.....	1 1/2*	.....	.....	Dec. Mar. Jun. Sep.
Windsor Hotel.....	600,000	600,000	.....	.....	100	.....	.....	.....	.....	May Nov.
Winnipeg Elec. St. Railway Co.....	4,000,000	4,000,000	.....	.....	100	.....	1 1/2*	.....	.....	Jan. Apr. Jul. Oct.

Quarterly. * Bonus of 1 per cent Monthly. † Price per Share ‡ Annual. § These figures are corrected from last Govt. Bank Statement J.A.N. 31st. 1905

Federal Life Assurance Co.

OF CANADA.

23rd Annual Report and Financial Statement.

FOR THE YEAR ENDING DECEMBER 31st, 1904.

The twenty-third annual meeting of the shareholders of this company was held at the head office of the Company in Hamilton, on Tuesday, March 7, 1905, the president, Mr. David Dexter, in the chair. The following reports and financial statement were submitted:

DIRECTORS' REPORT.

Your directors have the honour to present the Report and Financial Statement of the Company for the year which closed on the 31st December, 1904, duly vouched for by the auditors.

The new business of the year consisted of two thousand two hundred and fifty applications for insurance, aggregating \$3,146,500, of which two thousand one hundred and seventy-seven applications for \$3,010,499.50 were accepted.

As in previous years, the income of the Company shows a gratifying increase, and the assets of the Company have been increased by \$285,979.52, and have now reached \$2,148,773.37, exclusive of guarantee capital.

The security for policy-holders, including guarantee capital, amounted at the close of the year to \$3,018,773.37, and the liabilities for reserves and all outstanding claims, \$1,062,935.56, showing a surplus of \$1,055,837.81. Exclusive of uncalled guarantee capital, the surplus to policy-holders was \$185,837.81.

Policies on eighty-two lives became claims through death, to the amount of \$157,040.00, of which \$12,585 was reinsured in other companies.

Including Cash Dividends and Dividends applied to the reduction of premiums, with annuities, the total payment to Policy-holders amounted to \$108,911.34.

Careful attention has been given to the investment of the Company's funds, in first-class bonds, mortgage securities, and loans on the Company's policies amply secured by reserves. Our investments have yielded a very satisfactory rate of interest.

Expenses have been confined to a reasonable limit, consistent with due efforts for new business.

The results of the year indicate a most gratifying progress. Compared with the preceding year, the figures submitted by the Directors for your approval show an advance

of thirteen and a half per cent. in assets.

The assurances carried by the Company now amount to \$16,047,806.23, upon which the Company holds reserves to the full amount required by law, and, in addition thereto, a considerable surplus.

The field officers and agents of the Company are intelligent and loyal, and are entitled to much credit for their able representation of the Company's interests. The members of the office staff have also proved faithful to the company's service.

Your Directors are pleased to be able to state that the business of the Company for the past two months of the current year has been better than in the corresponding months of last year, and that the outlook for the future is very bright.

DAVID DEXTER,
President and Managing Director.

AUDITOR'S REPORT.

To the President and Directors of the Federal Life Assurance Company:

GENTLEMEN,—We have carefully audited the books and records of your Company for the year ending 31st December last, and have certified to their accuracy.

The Cash and Journal Vouchers have been closely examined and agree with the entries recorded.

The Debentures, Bonds, etc., in the possession of the Company have been inspected, whilst those deposited with the Government or Banks have been verified by certificate, the total agreeing with the amount as shown in the Statement of Assets.

The accompanying Statements, viz. Revenue and Assets and Liabilities, show the result of the year's operations, and, also the financial position of the Company.

Respectfully submitted,
H. S. STEPHENS,
CHARLES STIFF,

Auditors.

Hamilton, 1st March, 1905.

FINANCIAL STATEMENT FOR 1904.
RECEIPTS.

Premium and Annuity Income	\$ 542,388 83
Interest, Rents and Profit on Sales of Securities	86,329 51

\$628,718 34

DISBURSEMENTS.

Paid to Policy-holders	\$ 198,911 34
All other payments	191,620 70
Balance	238,186 30

\$628,718 34

ASSETS, DECEMBER 31, 1904.

Debentures and Bonds	\$ 685,383 82
Mortgages	704,168 83
Loans on Policies, Bonds, Stocks, etc.	410,615 33
All other Assets	348,605 39

\$2,148,773 37

LIABILITIES.

Reserve Fund	\$1,887,724 81
Death Losses awaiting Proofs	51,140 00
Other Liabilities	24,070 75
Surplus on Policy-holders' Account	185,837 81

\$2,148,773 37

Assets	\$2,148,773 37
Guarantee Capital	870,000 00

Total Security **\$3,018,773 37**

Policies were issued Assuring	\$3,010,499 50
Total Insurance in Force	\$16,047,806 23

The foregoing reports and statements were received and adopted on the motion of the President, David Dexter, seconded by Vice-President Lieut.-Colonel Kerns.

The retiring Directors were re-elected, and at a subsequent meeting of the Directors the following officers were re-elected: Mr. David Dexter, President and Managing Director; Lieut.-Col. Kerns and Rev. Dr. Potts, Vice-Presidents.

STOCK LIST—Continued.

BONDS.	Rate of Interest per annum	Amount outstanding.	When Interest due	Where Interest payable.	Date of Redemption.	Latest quotations.	REMARKS
Commercial Cable Coupon.....	4	\$18,000,000	1 Jan. 1 Apl.	{ New York or London.....	{ 1 Jan., 1907.	96	
Registered.....	4		1 July 1 Oct.				96
Can. Colored Cotton Co.....	6	2,000,000	2 Apl. 2 Oct.	Bank of Montreal, Montreal.....	2 Apl., 1902..	98	
Canada Paper Co.....	5	200,000	1 May 1 Nov.	Merchants Bank of Can., Montreal	1 May, 1917..		
Bell Telephone Co.....	5	2,000,000	1 Apl. 1 Oct.	Bank of Montreal, Montreal.....	1 Apl., 1925..		
Dominion Coal Co.....	6	2,433,000	1 Mch. 1 Sep.	Bank of Montreal, Montreal.....	1 Mch., 1913..	106½	Redeemable at 110
Dominion Cotton Co.....	4½	\$ 808,200	1 Jan 1 July	.....	1 Jan., 1916..		Redeemable at 110
Dominion Iron & Steel Co.....	5	\$ 7,876,000	1 Jan. 1 July	Bank of Montreal, Montreal....	1 July, 1920..	85½	Redeemable at 110 & accrued interest
Halifax Tramway Co.....	5	\$ 600,000	1 Jan. 1 July	Bk. of N. Scotia, Hal. or Montreal	1 Jan., 1916..		Redeemable at 106
Intercolonial Coal Co.....	5	344,000	1 Apl. 1 Oct.	.....	1 Apl., 1918..	106½	
Laurentide Pulp.....	6	1,113,000	.....	.....	.....	100	
Montmorency Cotton.....	5	1,000,000	.....	.....	.....
Montreal Gas Co.....	4½	880,074	.....	.....	.....
Montreal Light, Heat and Power	4½	7,500,000	1 Jan. 1 July	Company's Office, Montreal.....	1 July, 1921..		
Montreal Street Ry. Co.....	5	292,000	1 Mch. 1 Sep.	Bank of Montreal, Montreal.....	1 July, 1903..	101½	Redeemable at 105
" ".....	4½	851,333	1 Feb. 1 Aug.	{ Bank of Montreal, London, Eng.	1 Mch., 1908..		after Jan. 1st, 1912
" ".....	4½	1,500,000	1 May 1 Nov.	" " Montreal....	1 Aug., 1922..	103	
Nova Scotia Steel & Coal Co.....	6	2,500,000	1 Jan. 1 July	Union Bank, Halifax, or Bank	1 July, 1931..	107	
Oglivie Flour Mill Co.....	6	1,000,000	1 June 1 Dec.	{ of Nova Scotia, Mont'l or Trinto	1 June, 1902..	116	Redeemable at 112
Richelieu & Ont. Nav. Co.....	5	471,580	1 Mch. 1 Sep.	Bank of Montreal, Montreal.....	.....		after June 1912.
Royal Electric Co.....	4½	\$ 130,950	1 Apl. 1 Oct.	Bk. of Montreal, Mont'l or London	1 Mch., 1915..	103	Redeemable at 11½
St. John Railway.....	5	\$ 875,000	1 May 1 Nov.	Bank of Montreal, St. John, N.B..	Oct., 1914..		Redeemable at 112
Toronto Railway.....	4½	800,000	1 Jan. 1 July	.....	1 May, 1925..		5 p.c. redeemable
" ".....	4½	2,509,953	28 Feb. 31 Aug.	Bank of Scotland, London.....	1 July, 1914..	103	yearly after 1912
Windsor Hotel.....	4½	340,000	1 Jan. 1 July	Windsor Hotel, Montreal.....	31 Aug., 1921..		
Winnipeg Elec. Street Railway.....	5	3,200,000	1 Jan. 1 July	Bank of Montreal, Montreal.....	2 July, 1912..		
Toledo Ry. & Light Co.....	5	700,000	1 Jan. 1 July	.....	1 Jan., 1927..	104½	
" ".....	5	5,185,000	1 Jan. 1 July	.....	1 July, 1912..		
" ".....	5	4,000,000	1 Jan. 1 July	.....	1 July, 1909..		

[FIRE]
German American
 Insurance Company
 New York

CAPITAL
\$1,500,000
 NET SURPLUS
5,841,907
 ASSETS
12,980,705

AGENCIES THROUGHOUT CANADA.

THE MUTUAL LIFE Assurance Co. of Canada.

35th Annual Report for the Year 1904.

INCOME.		DISBURSEMENTS.	
Premiums	\$1,373,374 69	Death Claims	\$ 220,304 50
Interest and rents	351,944 21	Matured Endowments	160,053 00
		Purchased Policies	52,394 54
		Surplus	83,183 40
		Annuities	8,679 90
		Expenses, Taxes, etc.	300,807 00
		Balance	899,886 56
	\$1,725,308 90		\$1,725,308 90
ASSETS.		LIABILITIES.	
Mortgages	\$3,700,617 53	Reserve 4, 3 1-2 and 3 per cent.	\$7,355,172 24
Debentures and Bonds	2,897,490 42	Reserve on lapsed Policies liable to revive or surrender	1,067 10
Loans on Policies	888,492 41	Death Claims unadjusted	28,066 00
Loans on Stock	7,000 00	Present value of Death Claims payable in instalments	31,122 82
Liens on Policies	31,161 25	Premiums paid in advance	15,023 90
Real Estate	68,285 53	Amount due for medical fees	5,847 56
Cash in Banks	136,728 03	Credit Ledger Balances	11,257 96
Cash at Head Office	4,317 18	Net surplus over all Liabilities on Company's Valuation Standard	772,072 87
Due and Deferred Premiums (net)	266,713 94		
Interest due and Accrued	159,718 10		
	\$8,220,530 45		\$8,220,530 45
Net Surplus Over all Liabilities on Government Standard of Valuation		\$1,049,400 71	

AUDITED AND FOUND CORRECT.

J. M. SCULLY, F. C. A., Auditor.

GEO. WEGENAST, Manager.

DIRECTORS' REPORT.

Your Directors have pleasure in submitting their 35th Annual Report, showing the transactions for the year, and the Financial standing of the Company as at December 31, 1904. The business of 1904 was most gratifying in all respects, large gains having been made in Income, Assets and Surplus.

INSURANCE ACCOUNT.—The volume of new business exceeds that of any former year, being 3,452 Policies for \$5,048,168, all of which, except \$30,000, was written within the Dominion. The total assurance now in force is \$40,476,970.58 under 27,742 policies, the net addition for the year being \$2,889,419. While many of our native Companies are seeking business abroad, some of them in distant parts of the world, it is thought by your Directors that good Canadian business is preferable to foreign business, which is secured with less certainty as to its quality, and at excessive cost.

INCOME.—The total income was \$1,725,308.90, being \$1,373,364.69 for premiums, and \$351,944.21 for interest. The gain over 1903 was \$164,238.87.

DISBURSEMENTS.—The payments to Policy-holders amounted to \$524,615.34, and consisted of Death Claims, \$220,304.50; Endowments, \$160,053; Purchased Policies, \$52,394.54; Surplus, \$83,183.40, and Annuities, \$8,679.90. The claims by death were exceptionally light, being \$51,404 less than last year, and only 41 per cent. of the amount expected.

THE EXPENSES AND TAXES were \$300,807, being 17.4 per cent. of the total income, or about 1 per cent. less than in 1903.

ASSETS.—The cash assets are \$7,794,098.35, and the total assets \$8,220,530.45, showing gains of \$905,450.05, and \$937,372.05 respectively. The funds are being invested in the same classes of securities as heretofore, principally in Mortgage loans on farm and city properties, Bonds and Municipal Debentures. The latter are taken into account at their book value or cost, which is considerably below their market value. The demand for money was active during the year, at better rates than for some years past, resulting in a slight advance in the rate of interest earned, viz., 5.09 per cent. Payments on mortgages for interest and instalments of principal were well met, though in the case of our Manitoba loans they were not quite as satisfactory as in former years, due to the partial failure of the wheat crop. The interest and rents overdue at the close of the year were but a small portion of the receipts, being only \$13,740.19, most of which has since been paid.

LIABILITIES.—The liabilities were again computed on the Combined Experience Table with 4 per cent. interest for all business up to January 1, 1900. From that date to January 1, 1903, on the Institute of Actuaries' Table with 3 1-2 per cent., and thereafter on the same Table with 3 per cent.

SURPLUS.—After making provision for all liabilities the surplus on our own standard is \$772,072.87, being an increase of \$170,920.20 over 1903, and this after distributing amongst Policy-holders \$83,183.40. On the Government standard of reserves, namely, 4 1-2 per cent. for business to January 1, 1900, and 3 1-2 per cent. thereafter, our Surplus is \$1,049,400.71. The earnings for the year were \$254,100.60.

On behalf of the Board.

The various reports having been adopted, the retiring directors, Right Hon. Sir Wilfrid Laurier, A. Hoskin, Esq., K.C.; Hon. Mr. Justice Garrow, and E. P. Clement, Esq., K.C., were unanimously re-elected. After a number of able and thoughtful addresses had been made by members of the Board, prominent Policy-holders, the Manager, the Agents and others, the meeting adjourned.

The Directors met subsequently and re-elected Mr. Robert Melvin, President; Mr. Alfred Hoskins, K.C., First Vice-President; and the Hon. Mr. Justice Britton, Second Vice-President of the Company for the ensuing year.

(Booklets containing full report, comprising lists of death and endowment claims paid, of securities held, and other interesting and instructive particulars are being issued and will in due course be distributed among policy-holders and intending insurers.)

Waterloo, March 2, 1905.

ROBERT MELVIN, President.

WILFRID LAURIER, A. HOSKIN, Esq., K.C.,

HON. MR. JUSTICE GARROW, and E. P. CLEMENT, Esq., K.C.,

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Waterloo, March 2, 1905.

W. H. RIDDELL, Secretary.

W. L. LEE, GENERAL AGENT, GUARDIAN BUILDING, MONTREAL.

SIXTH ANNUAL REPORT
 . . . OF THE . . .
NATIONAL LIFE ASSURANCE CO.
 OF CANADA.
Financial Statement, December 31st, 1904.

BALANCE SHEET.

LIABILITIES.	ASSETS.
To Policy and Annuity Reserves on basis of Hm. Table of Mortality of Institute of Actuaries and 3 1-2 per cent. Interest \$323,771 61	By Real Estate and Government and Municipal Bonds and Debentures owned by the Company \$279,292 88
To all other Liabilities 4,103 86	By Cash in Banks 14,019 21
To Surplus on Policy-holders' Account 34,977 75	By Net Quarterly and Semi-Annual Premiums, not yet due, and premiums in course of Collection. (Full Reserve thereon included in Liabilities) 36,991 60
	By Loans on Policies 15,381 48
	By all other Assets 17,168 05
\$362,853 22	\$362,853 22

RECEIPTS AND DISBURSEMENTS.

RECEIPTS.	DISBURSEMENTS.
To Net Assurance and Annuity Premiums, Interest, Dividends, etc. \$164,180 84 (After deduction of Reinsurance Premiums).	By Claims under Policies, Payments to Annuity-tants and Expenses \$103,558 51
\$164,180 84	By Balance 60,622 33
	\$164,180 84

SECURITY FOR POLICY-HOLDERS.

Surplus as above	\$ 34,977 75
Reserves. Hm., 3 1-2 per cent.	323,771 61
Capital stock subscribed (uncalled)	409,110 30
Total security for policy-holders	\$767,859 66

INSURANCE RECORD.

Dec. 31, 1899, in force \$ 604,000	Annual Premium \$ 22,954 60
Dec. 31, 1904, in force 4,509,754	Annual Premium 166,384 20

OFFICERS.

ELIAS ROGERS, Esq., President.	WILLIAM STONE, Esq., Vice-Presidents.
HON. J. J. FOY, K.C., M.P.P.	F. SPARLING, Secretary.
R. H. MATSON, Managing Director.	

DIRECTORS.

Elias Rogers, Esq.; Hon. J. J. Foy, K.C., M.P.P.; William Stone, Esq.; Peleg Howland, Esq.; Hon. Robert Beaven; T. C. Irving, Esq.; G. A. Hetherington, Esq., M.D.; J. D. Chipman, Esq.; J. N. Greenshields, Esq., K.C.; H. McC. Hart, Esq.; J. L. Spink, Esq.; G. W. Beardmore, Esq.; W. R. Hobbs, Esq.; J. N. Shenstone, Esq.; H. Laporte, Esq.; C. E. Doolittle, Esq.; R. H. Matson, Esq.; Albert A. Macdonald, Esq., M.D.; G. S. Milne, Esq., M.D.