



The Chronicle

Banking, Insurance and Finance

ESTABLISHED JANUARY, 1881

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TRADE AND LOANS.

The effect of the submarine menace and the restriction of sea-going carrying capacity upon Canadian trade, is seen in the trade returns for the first four months of this year. In April, our imports (excluding gold) actually exceeded exports (excluding gold and foreign produce) by a substantial margin, the first occasion on which this phenomenon has been seen in a good many months. For the four months also, the balance of exports is considerably less than in the corresponding four months of 1916. For this period of the current year our exports were \$354,891,404, and imports \$329,497,238, the balance of exports being \$25,394,166. For the corresponding months of 1916, the figures were: exports, \$285,160,625 and imports, \$214,008,068, the surplus of exports accordingly being \$71,160,557. During years immediately preceding 1916, the first four months uniformly showed a balance of imports over exports, ranging from \$4,758,704 in 1915 to \$122,676,643 in 1913 and \$107,498,755 in 1912. The existing high prices of all commodities have, of course, a marked influence in swelling the present surplus of imports. It may be noted, however, that the April margin of imports over exports appears to be directly due to a temporary slump in exports, arising from shipping difficulties. April exports at \$65,145,449 compare with \$122,415,313 in March, with \$68,224,383 in February and \$99,106,259 in January. With the re-opening of St. Lawrence navigation and the gradual movement of western wheat to hungry Europe, presumably the pendulum will swing back, and an export balance be continued throughout the year. The April figures, however, show a movement in the wrong direction, and that at a time when high prices for our exports are being counted upon to fortify the country's financial standing.

Imports from the United States continue to form an increasingly important proportion of the whole of our imports. For the twelve months ended February, 1917, the imports of merchandise from the United States amounted to \$627,169,592, or 78 per cent. of the grand total of Canadian imports, as against \$350,832,881, or 72 per cent. of the total in the corresponding period of 1915-16, and \$302,336,831, or 64 per cent. in 1914-15. With the pre-occupation of the European countries in the war, the United States has become almost the sole source of import supply—the Dominion now procuring

practically four-fifths of her requirements there. The United Kingdom in the twelve months ending February, 1917, sent to Canada goods to the value of \$120,912,984, and apart from the British West Indies no other country appears in the list for as much as \$10,000,000. On the other hand, as regards exports, the military requirements of the Allies have naturally necessitated the shipments of an increasingly large proportion to British ports. In the twelve months to February, 1915, Canada's exports to the United Kingdom barely exceeded the exports to the United States, whereas in 1917 the shipments to Britain were almost three times as large as the shipments to the United States. Canada's exports for the twelve months ending February, 1915, to the United Kingdom were \$195,034,921, and to the United States, \$185,627,411. For the similar period ending with February, 1917, the figures are respectively \$736,638,478 and \$278,835,456. It is to be noted that in regard to exchange, Canada has not yet received the whole benefit of her large exports to the United Kingdom. The taking of British Treasury bills which have not yet matured has made negotiations of sterling exchange in New York impossible to that extent. With the United States market also now closed to our issues, the exchange problem assumes a complicated aspect. A considerable proportion of Canadian purchases in the United States is represented by materials, etc., used in Canadian munition activities. It is as important in the common cause of the Allies that Canadian industrial war activities should be maintained at their maximum as that food and munitions should continue to go forward to Europe. Advances by the United States to Canada would therefore be equally helpful from the point of view of the Allies as advances to Great Britain or any of the other belligerents, and made for the purpose of financing Canadian purchases in the States would be practically on the same basis as the United States Government's loans to Europe. Possibly when the most urgent of the financial requirements of the European Allies have been got safely out of the way, the question of the financing of Canadian purchases in the United States will be taken up. With a heavy trade balance against us, Canadian borrowings in the United States during the war period, have gone to the liquidation of that balance—the money has remained in the United States and has not come to Canada. That method of adjustment of exchange has now been closed, and eventually some other method of adjustment will need to be adopted.

BANK OF MONTREAL

ESTABLISHED 100 YEARS (1817-1917)

Capital Paid up, \$16,000,000 Rest, \$16,000,000 Undivided Profits, \$1,557,034
 Total Assets - - - \$386,806,887

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THE CANADIAN BANK OF COMMERCE

ESTABLISHED 1867. Head Office: TORONTO

Paid-up Capital - \$15,000,000

Rest - - - 13,500,000

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Incorporated by Act of Parliament 1855

Paid Up Capital - \$4,000,000

Reserve Fund - 4,800,000

HEAD OFFICE - MONTREAL

Branches in 98 of the leading Cities and Towns in Canada.

Agents and Correspondents in leading Cities of the United States and in Foreign Countries throughout the World.

EDWARD C. PRATT,
General Manager

The Chronicle

Banking, Insurance and Finance

ESTABLISHED 1881.

PUBLISHED EVERY FRIDAY.

F. WILSON-SMITH,
Proprietor.

ARTHUR H. ROWLAND,
Editor.

Office:

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MONTREAL, FRIDAY, JUNE 8, 1917

THE MERCHANTS BANK OF CANADA.

The address made by Mr. E. F. Hebden, managing director of the Merchants Bank of Canada, at Wednesday's annual meeting of shareholders, followed well-established precedent in its illuminative discussion, felicitously phrased, of some of the most prominent banking problems of the moment. The remarkable rise during recent months in the banks' commercial loans and discounts and the consequent general tendency to a relative decrease in their liquid reserves, following the great industrial activity and the extraordinary rise in values of all classes of commodities, suggested to Mr. Hebden the necessity for emphasis of the present duty of the banks to maintain themselves in a highly liquid position. This is a duty which they not only owe to themselves but by the neglect of which they would render a serious disservice to the Dominion, of whose industrial life, Mr. Hebden very truly and aptly remarked, the banks are the bulwark and stay. Mr. Hebden accordingly made a strong plea, and no serious student of the present banking and economic situation will question the importance of that plea, for a policy of moderation in regard to industrial development. He pointed out that under present circumstances, "unreasonable buying and storing of materials far ahead, and excessive contracting in advance on borrowed money, are not the best way of helping out a situation that bids fair to become strained, unless a policy of moderation be generally adopted and a spirit of sweet reasonableness prevail."

Wednesday's meeting was also marked by a number of congratulatory references to the Bank's staff. The re-organisation of executive duties recently, by which Mr. E. F. Hebden became managing director and Mr. D. C. Macarow, general manager, was referred to by several speakers as having worked out admirably. Mr. Macarow, in the course of his first address as general manager, paid a high tribute to the staff. Of a total of 874 male members of the staff of military age at the beginning of the war, 520 or 59 per cent. are now overseas. Of these 82 have made the supreme sacrifice, 60 have been wounded, and to many high honours have been awarded for valorous deeds performed in the field. Mr. Macarow also referred in complimentary vein to the loyal way in which the staff remaining at home had shouldered new duties and additional responsibilities throughout the war period.

THE BANK'S BALANCE SHEET.

Reference has already been made in these columns to the Bank's financial statement for the year ended April 30th. It is a matter for congratulation to Mr. Macarow, the general manager, that the first report bearing his signature should be so decidedly favorable a document. The following is a comparison of the leading items of the Bank's balance sheets for the last two years:—

	1917	1916
Paid-up Capital	\$ 7,000,000	\$ 7,000,000
Rest	7,000,000	7,000,000
Profit & Loss balance	421,293	250,984
Circulation	9,483,468	7,486,906
Deposits not bearing interest	27,101,588	17,181,959
Deposits bearing interest	65,000,484	54,995,070
Total liabilities to public	100,119,094	80,905,134
Specie	4,766,439	3,681,854
Dominion Notes	7,650,790	8,106,240
Deposit in Central Gold Reserve	3,500,000	1,000,000
Bank Balances Abroad	2,474,326	4,099,253
Securities held	19,089,955	12,786,874
Call loans in Canada	4,627,864	5,175,048
Call loans abroad	3,461,420	2,651,404
Total liquid Assets	52,041,625	40,960,487
Current loans	63,115,541	49,038,691
Total assets	121,130,559	96,361,363

The growth in deposits of nearly \$20,000,000 during the twelve months follows an expansion of \$10,000,000 in the preceding year, and was distributed pretty generally over the whole of the Bank's widely-extended branches. Circulation shows an increase of practically \$2,000,000 at \$9,483,468 compared with \$7,486,906 twelve months previously. On the other side of the account, specie holdings show an enlargement of over a million from \$3,681,854 to \$4,766,439, and the deposit in the Central Gold Reserve has been increased from \$1,000,000 to \$3,500,000. With Dominion note holdings of \$7,650,790 against \$8,106,240, actual cash holdings are in a proportion of 15 per cent. to the liabilities to the public—a decidedly satisfactory position. The 50 per cent. increase in security holdings during the twelve months is a direct reflection, of course, of the assistance given by the Bank, in Canadian and Imperial war financing. A particularly interesting development is the large growth in current loans and discounts of over \$14,000,000 from \$49,038,691 to \$63,115,541. This increase, with the expansion in security holdings, indicates that the Bank has in fact done a great deal in the twelve months past in assisting and facilitating industrial and agricultural enterprise, as well as in taking its full share in war financing. At the same time, the Bank's liquid position has been well maintained, the proportion of liquid assets to liabilities to the public now reported, 49.0 per cent., being about the same as a year ago. Total assets show the notable enlargement of nearly \$25,000,000 from \$96,361,363 to \$121,130,559.

Profits for the year were \$1,120,309 in comparison with \$950,713 for the preceding year, and equal to 8.00 per cent. upon the paid-up capital and rest combined, against 6.79 per cent. in 1916. A balance of \$250,984 brought forward makes the total available on this account \$1,371,293. The 10 per cent. dividend absorbs \$700,000; \$30,000 is allocated to patriotic objects; the war tax on note circulation takes \$70,000; \$100,000 is written off bank premises account; \$50,000 contributed to the officers' pension fund, the substantially enlarged balance of \$421,293 being carried forward. Lieut.-Col. J. R. Moodie of Hamilton, Ont., has been elected a director of the Bank.

The Bank of British North America

Established in 1836. Incorporated by Royal Charter in 1840

Paid-up Capital, \$4,866,666.67
Reserve Fund, - 3,017,333.34

Head Office in Canada:

140 ST. JAMES STREET, MONTREAL

H. B. MACKENZIE, General Manager.

Statement to the Dominion Government (Condensed) 30th April, 1917.

LIABILITIES TO THE PUBLIC.

Notes in Circulation	\$ 5,236,467
Deposits	54,763,089
Other Liabilities	947,119
	<hr/>
	\$60,946,675

ASSETS.

Cash on Hand and in Banks	\$10,540,110
Deposit with Government o/a Note Circulation	1,385,694
Government, Municipal and other Securities	13,004,476
Call and Short Loans	7,716,459
Current Loans and Discounts and other Assets	35,882,807
Bank Premises	2,309,564
	<hr/>
	\$70,839,110

Every Description of Banking Business Transacted.

Savings Department at Every Branch.

Highest Current Rates of Interest Allowed on Savings Accounts.

G. B. GERRARD, Manager,
 MONTREAL BRANCH

The Merchants Bank of Canada

Head Office - MONTREAL

Capital Paid-up - - -	\$7,000,000
Reserve and Undivided Profits	7,421,292
Total Deposits - - -	92,102,072
Total Assets - - - -	121,130,558

BOARD OF DIRECTORS:

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Head Office, - Toronto

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

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

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126 BRANCHES IN CANADA

BANK LOANS ON LIVE STOCK.

Legislation has been introduced by Sir Thomas White at Ottawa amending the provisions of the Bank Act in regard to banks' loans to farmers on the security of live stock. Legislation in this sense was passed a year ago, but the machinery thus provided has been found to operate unsatisfactorily and new methods are being introduced accordingly. Last year's legislation required farmers to give as security for cattle loans either bills of sale or chattel mortgages, registered according to the laws of the provinces in which they were given. It has been found in practise that many farmers object to giving chattel mortgages and moreover, the drawing and registration of such instruments involve a certain amount of expense. The new legislation permits the banks to make loans on live-stock and take assignments of such stock in simple form. Any province may make provision for the registration of these liens by having them filed with the officials who file mortgages or bills of sale. Where the provinces do not take action to this end, the liens will, of course, be in the nature of secret liens. The present legislation is supported by the United Farmers of Alberta. Sir Thomas White explained this week that he had hesitated to extend the principle of secret liens, but farmers were being asked to increase production and steps must be taken to help them.

AN IMPORTANT BANKING DECISION.

An important decision to bankers, arising out of the cashing of misappropriated cheques, has been given by Mr. Justice Weir in the Montreal courts in the case of the Swift Canadian Company, Ltd. vs. Thomas Ouimet, a claim for the recovery of \$910. The action centred about three cheques which Ouimet had issued in favor of the Swift Canadian Company, Limited, amounting to the sum claimed, but which J. T. Doucher, foreman for the Swift Company at their Coteau Station plant, had cashed and appropriated for his own use after endorsing the paper with the name of the Company.

The court held that the Provincial Bank of Canada, where Doucher cashed and deposited the cheques, should have seen that the latter had proper authorization to sign the name of the Swift Canadian Company. It did not do so, and therefore, it must reimburse the amount to the Bank of Hochelaga, which had acted as collector or agent; and in turn the Bank of Hochelaga must reimburse the amount to Ouimet. Judgment was accordingly given in favor of the Swift Canadian Company.

CANADA ACCIDENT ASSURANCE COMPANY.

It is officially announced that Mr. H. F. Roden has been appointed Canadian manager of the Casualty Department of the Canada Accident Assurance Company.

Mr. Roden is well known as representing the Ocean Accident for the Province of British Columbia at Vancouver for some time, under Mr. Charles H. Neely, general manager for Canada.

CANADIAN FIRE UNDERWRITERS ASSOCIATION.

The annual meeting of the C. F. U. A. will be held at the Chateau Frontenac, Quebec, on the 19th instant.

TWO BANKERS HONORED.

Whatever differences of opinion there may have been in regard to some recent distributions of honours to Canadians, there will be none in reference to the knighthoods bestowed upon the two members of the banking fraternity, whose names appear in the new King's Birthday list. In the case of Sir George Burn, the honour crowns an active career which was brought to a close a few months ago, after 36 years' general management of the Bank of Ottawa and a term of office as president of the Canadian Bankers' Association, which included the critical period at the outbreak of war. The services which Mr. Burn was then able to perform, thanks to his prolonged experience and matured judgment, were of the utmost value to the Dominion and gave additional lustre to a long and honourable banking career. Sir John Aird, general manager of the Canadian Bank of Commerce, who can almost be claimed as a Montrealer, since he was born at Longueuil, is happily still in active service, and his many friends, in extending to him their congratulations upon a well-merited honour, as a leading and representative Canadian banker, will express the hope that for many years the Canadian Bank of Commerce will have the advantage of his ripe experience as general manager and the Canadian banking fraternity of his wisdom in counsel.

Over 75 per cent. of the legal reserve or old line life insurance in the United States is carried in mutual Companies, and more than 87 per cent. of such insurance is written on the participating plan.

ESTABLISHED 1873.

The

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of CANADA

Head Office, TORONTO

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Our Savings Department gives you a guarantee of absolute security and interest at current rate.



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

THE ROYAL BANK OF CANADA

INCORPORATED 1869

Capital Paid up \$12,900,000 Reserves \$14,300,000

Assets \$276,000,000

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Head Office: TORONTO, Canada.

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INCORPORATED 1832.

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

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

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

Branches throughout every Province in Canada, and in Newfoundland, Jamaica and Cuba.

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THE BANK OF OTTAWA

ESTABLISHED 1874

Capital Paid-Up \$4,000,000

Rest \$4,750,000

95 BRANCHES
in
CANADA

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Original Charter 1854

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Head Office: Toronto.

THE LONDON & LANCASHIRE FIRE'S REPORT.

Distinguished during recent years by a brilliant forward policy, and directed with both skill and energy, the London & Lancashire Fire Insurance Company during 1916 made further notable progress. Its net premium income was increased by over \$1,400,000, and coincidentally with this expansion in operations, a favourable loss experience was obtained. An important advantage is possessed by the London & Lancashire Fire in the diversified nature of its operations. Transacting an enormous fire business, the Company also takes rank as one of the leading offices of the accident insurance world, and marine insurance operations are carried on upon a very large scale. The perennial prosperity of the Company is thus marked by an evenness of result, which could not reasonably be looked for under other circumstances. The energy with which the Company's affairs are conducted by the general manager (Mr. F. W. P. Rutter) and his staff, may be visualised when it is remembered that while it took the Company nearly forty years to reach annual premiums of \$5,000,000, the \$10,000,000 and \$15,000,000 milestones in this connection have been reached and passed in the short space of fifteen years, to the accompaniment of strikingly sustained success.

THE FIRE DEPARTMENT'S RECORD.

In the fire department the results achieved last year were particularly satisfactory. With premiums of \$9,516,203, an advance of over \$1,100,000 upon 1915, losses paid and outstanding absorbed \$4,651,740, an increase of under \$300,000 over the preceding year and giving the very favourable ratio of 48.9 per cent. to premiums, compared with 50.8 per cent. in the previous year. In view of the comparatively unfavourable experience in United States business, and to some extent also in Canadian business, and the aggravation of the fire hazard in Great Britain, through deterioration in the quality and experience of labour, this result can only be considered a highly gratifying one. Expenses, including taxes, totalled \$3,378,620, a somewhat reduced proportion to premiums compared with 1915, being 35.5 per cent., against 36.1 per cent.

After adjusting the unexpired risk reserve, now standing at \$3,807,500, \$500,000 of the underwriting surplus has been added to the additional reserve which is thereby raised to \$2,000,000. Besides the substantially enhanced fire funds of \$5,807,500, there is available also for the protection of fire policyholders the general reserve of \$5,000,000 and a profit balance of \$4,409,060, a total of \$15,216,560, giving the very fine proportion of funds of practically 160 per cent. of last year's net premium income, apart altogether from the paid-up and subscribed capital.

THE ACCIDENT DEPARTMENT.

A policy of consolidation in regard to certain sections of the field resulted in a slight falling-off in last year's premiums in the accident department. Their total of \$4,386,773, it may be noted, however, is nearly a million dollars in advance of the total reported for 1913. The year's claims absorbed \$2,745,960, a percentage of 62.6 per cent. of the premiums. Expenses show an appreciable reduction, their total of \$1,738,205 being an actual de-

crease of \$113,000 from their 1915 level, and are in a proportion of 39.6 per cent. to premiums compared with 40.7 per cent. in the previous twelve months. The departmental funds are maintained at \$2,570,000, accident policyholders having also, of course, the security afforded by the Company's very large general funds already alluded to.

THE COMPANY IN CANADA.

The London and Lancashire Fire has been transacting business in the Canadian field since 1880, its Dominion-wide organisation being reinforced by an enviable reputation for the fair and liberal treatment of its policyholders. During 1916, the London & Lancashire Fire received net cash for fire premiums in Canada, \$716,846, net losses incurred being \$437,531. The London & Lancashire Fire also operates in Canada the Quebec Fire Assurance Company, and the Mercantile Fire Insurance Company, whose policyholders have the protection, in addition to the funds of the companies, of the London & Lancashire Fire's guarantee. Both these companies transact an increasing fire business, the Quebec Fire last year receiving net cash for premiums in Canada of \$256,842, an increase of \$20,000 over the preceding year, and the Mercantile, net premiums of \$245,399, a growth of over \$21,000 in comparison with 1915.

Accident business in Canada is transacted through the London & Lancashire Guarantee & Accident Company, founded in 1908, and controlled by the London & Lancashire Fire. This subsidiary Company received in 1916 in the various departments of casualty insurance transacted in Canada, a premium income of \$186,319.

For many years Mr. Alfred Wright has been the London & Lancashire Fire's manager and chief agent in Canada, at its Toronto office, while Mr. Colin E. Sword occupies the important position of manager at Montreal of both fire and accident business.

STOPPING MISLEADING ADVERTISING.

The practise indulged in by some of the smaller fry of insurance companies of printing "authorised capital" in large type on their circulars, etc., while carefully concealing the amount paid-up is prohibited by a section inserted in the new Act which is to take the place of the Dominion Insurance Act of 1910. A proposed section 36 reads:—

"Any notice, statement, advertisement, or other publication of a company licensed under this Act, issued or distributed in Canada, which contains a statement of the amount of the subscribed capital of the company, shall contain also a statement of the amount paid thereon; and if the said notice, statement, advertisement or publication contains a statement of the amount of capital authorised, it shall also contain a statement of the amount of capital subscribed and of the amount paid thereon; and no such notice, statement, advertisement or publication shall be issued or distributed in Canada which includes in or with the surplus the subscribed or paid capital, unless the amount of such subscribed or paid capital be specifically stated and mentioned as included in the said surplus."

This legislation will put an end, so far as Dominion-licensed companies are concerned, to an undesirable practise the continuance of which has long been a scandal.

The Trust and Loan Co.

OF CANADA

Capital Subscribed. . . . \$14,600,000.00
 Paid-up Capital. . . . 2,920,000.00
 Reserve Funds. . . . 2,719,284.07

MONEY TO LOAN ON REAL ESTATE

30 St. James Street, Montreal.

PRUDENTIAL TRUST COMPANY LIMITED

HEAD OFFICE
 9 ST. JOHN STREET
 MONTREAL.

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

Safety Deposit Vault
 Terms exceptionally moderate.
 Correspondence invited.

B. HAL. BROWN, President and Gen. Manager

—Policies Providing— GUARANTEED ANNUITIES, PAYABLE MONTHLY

A policy that secures to the beneficiary a definite income payable in monthly installments throughout life is the ideal life assurance contract. Such an income is guaranteed for twenty years under Mutual-Life-of-Canada contracts issued on the Life, Limited Payment Life and Endowment Plans. The income will be increased by an interest dividend during the twenty years of guaranteed payments. Write for our booklet—"Policies Providing Guaranteed Annuities Payable Monthly." Full particulars of any desired plan may be secured by giving age of the prospective beneficiary as well as your own.

The Mutual Life Assurance Co. of Canada
 WATERLOO, ONTARIO.

Assurances \$109,645,581 : Assets \$29,361,963 : Surplus \$4,595,151

"THE OLDEST SCOTTISH FIRE OFFICE" THE CALEDONIAN INSURANCE CO. OF EDINBURGH.

Founded 1805.
 Head Office for Canada,
 DOMINION EXPRESS BUILDING
 Montreal

JOHN G. BORTHWICK,
 Canadian Manager

THE LIFE AGENTS' MANUAL
 Published by The Chronicle, Montreal

The Royal Trust Co.

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

EXECUTORS AND TRUSTEES

BOARD OF DIRECTORS:

Sir Vincent Meredith, Bart., President.
 Sir H. Montagu Allan, C.V.O., Vice-President.
 K.C.M.G.
 R. B. ANGUS
 A. BAUGARTEN
 E. W. BEATTY, K.C.
 A. D. BRAITHWAITE
 E. J. CRAMBERLIN
 H. R. DRUMMOND
 C. B. GORDON
 HON. SIR LOMER GOVIN,
 C. E. HOMER
 SIR WILLIAM MACDONALD
 MAJOR HERBERT MOLSON, M.C.
 LORD SHAUGHNESSY, K.C.V.O.
 SIR FREDERICK
 WILLIAMS-TAYLOR.

A. E. HOLT, Manager

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

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

WESTERN

Assurance Company

Incorporated in 1851

FIRE, EXPLOSION, OCEAN MARINE
 AND INLAND MARINE INSURANCE

ASSETS over \$5,000,000.00

LOSSES paid since organization of Com-
 pany . . . over \$66,000,000

DIRECTORS

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 D. B. HANNA BRIG.-GENERAL SIR HENRY
 E. HAY PELLATT, C.V.O.
 JOHN HOSKIN, K.C., LL.D. E. A. ROBERT
 E. R. WOOD

HEAD OFFICE TORONTO

ÆTNA INSURANCE COMPANY

Established in Canada, 1821

Ætna Fire Underwriters Agency
 OF ÆTNA INSURANCE CO., HARTFORD, CONN.

Applications for Agencies Invited

J. B. HUGHES, Special Agent, WATERLOO, Ont.
 J. R. STEWART, Special Agent, 15 Wellington St. East,
 TORONTO, Ont.
 R. LONG, Special Agent, P. O. Box 307, CALGARY, Alberta

**ATLAS ASSURANCE COMPANY,
LIMITED.**

In spite of the anxieties inseparable from existing conditions, the Atlas Assurance Company Limited, of London, England, reports that the year 1916 was again a favourable period. Dating from 1808, the Atlas has for generations enjoyed a magnificent reputation for safety and reliability, and its position was never stronger than at the present day. While no attempt is made to force the growth of the organisation, the result of liberal service to policyholders and efficiency in management is seen in the steady development of the Company's operations and the consistent increases in its funds. Under Mr. Samuel J. Pipkin, the general manager for many years, who is well known and held in high esteem among insurance officials on this side the Atlantic, the Atlas occupies a position that is proof against the adverse circumstances developing from any possible contingency.

THE FIRE DEPARTMENT'S YEAR.

The experience of the fire department during 1916 was of a particularly satisfactory character. Net premiums were enlarged to \$5,764,305, a gain of almost \$300,000 upon the net premium income for 1915 (\$5,467,970). In comparison with this large development of premium income, losses claimed only \$2,663,735, against \$2,596,440 in the preceding year, showing the very low ratio to premiums of 46.2 per cent., following an almost equally favorable ratio of 47.4 in 1915. Commission and expenses were also lighter proportionately than in any of the three previous years at 36.5 per cent., against 37.4 per cent. in 1915.

The fire funds of the Atlas give the policyholders a most ample security. A 40 per cent. reserve for unexpired risks of \$2,305,720 is maintained, together with an additional reserve of \$4,694,280, this latter fund having been increased by \$286,145 last year. These funds, together with the balance on profit and loss account of \$274,560, make total funds available for the protection of fire policyholders \$7,274,560, almost equal to 127 per cent. of last year's premiums. This is altogether apart from the large capital, of which \$1,320,000 is paid up. Such a position speaks for itself.

Elsewhere than in Canada, the Atlas carries on a considerable business in various branches of insurance other than fire. This will be seen from the following statement of its funds as at December 31, 1916:—

Fire fund	\$ 7,000,000
Life funds	11,828,425
Employers' Liability, Accident and General Insurance funds	403,830
Sinking fund and Capital Redemption fund	408,115
Contingency fund	109,730
Investment Reserve fund	482,225
Profit and Loss balance	274,560
	\$20,516,885

The Atlas now holds British Government securities of a value of \$2,299,235 and has loaned and sold in connection with the British Government's operations for the maintenance of exchange, other securities to a total of \$1,528,050.

THE ATLAS IN CANADA.

The Atlas has operated in the Canadian fire insurance field over 30 years, its affairs in the Dominion being under the management of Mr. Matthew C. Hinshaw, a veteran fire underwriter, much respected

by his confrères throughout the Dominion. Last year the Atlas received net fire premiums in Canada of \$495,108 and incurred net losses of \$328,884. Here as elsewhere in its world-wide field, the Atlas is held in high reputation by the insuring public.

HAIL INSURANCE RESERVES REQUIRED.

Dominion-licensed companies transacting hail insurance will in future be required to set aside specific reserves for that business, according to the terms of the new draft Insurance Act. The sections covering this matter are as follows:—

"Every Canadian company licensed to transact the business of hail insurance in Canada shall, in the year one thousand nine hundred and seventeen, set aside as a hail insurance surplus fund the total profit realized from such business during the said year, not exceeding, however, fifty per cent. of the total net premiums received in respect of such business during the year, and shall in each year thereafter, continue so to do, until or so that the said surplus fund shall in any year be not less than fifty per cent. of the said premiums received during the preceding calendar year.

"2. Every British and foreign company licensed under this Act to transact the business of hail insurance in Canada shall at all times maintain assets in Canada as defined by subsection 2 of section 20 of this Act, in excess of the amount required to be maintained in respect of its business other than that of hail insurance by an amount at least equal to fifty per cent. of the total net premiums received by it in respect of its business of hail insurance in Canada during the preceding calendar year."

STATE FIRE INSURANCE.

The city authorities at Victoria, B.C., alleging an unsatisfactory reduction in fire insurance rates, are sounding the provincial government on the question of establishing a State Fire Insurance scheme in the province. The Canadian provinces, and British Columbia among them, have been responsible for some extraordinary financial arrangements during recent years. But we cannot imagine even a provincial government looking with enthusiasm at the present time upon participation in such a gloriously wild gamble as the business of fire insurance. British Columbia, by the way, is the province which is lending to farmers, money that costs 9½ per cent. at 6½ per cent., which is very nice—for the favoured ones.

**TREASURY BOARD SANCTION FOR LIFE
INSURANCE AMALGAMATIONS.**

The new draft Insurance Act further tightens up control at Ottawa of life insurance company amalgamations. A new clause provides that "the permission of the Treasury Board shall be obtained before any company enters into a contract or agreement with another company" for amalgamation or re-insurance, either in whole or in part." This permission is additional to the subsequent sanction of the Treasury Board required in confirmation of action taken.

The Bank of Montreal has reopened a temporary branch at Petawawa Camp, Ontario, for the convenience of the troops, with Mr. N. G. Johnson in charge with title of acting sub-agent.

DISTRICT AGENT WANTED—To take charge of productive territory in East Ontario. Liberal contract will be made with the right party. Excellent opportunity to build an organization. All inquiries confidential. Apply R. T. Faircloth, Manager E.O. Branch, Canada Life Assurance Company, Toronto.

Why Not Reply to This Ad?

(or inquire about other territory)

What You Need:

FIRST, an old, tried company, with abundant evidence of success; experienced in the business, and consistent in its record. Paying large dividends to policy-holders, and safely and sanely planning the future. Issuing new and saleable policy plans.

SECOND, a company which treats its representatives as business men, free from red tape, sympathetic, and in harmony with the aims of the field force. Unhampered in its regulations, and liberal in its interpretation of contracts. A company which it is a pleasure to work for and with which you can build up a permanent connection.

CANADA LIFE ASSURANCE COMPANY

HEAD OFFICE, TORONTO

The Imperial Guarantee

AND ACCIDENT INSURANCE CO., OF CANADA

Head Office: 46 King Street W.,

TORONTO, Ont.

A Strong Canadian Company.

ACCIDENT AND SICKNESS INSURANCE
GUARANTEE BONDS

PLATE GLASS AND AUTOMOBILE INSURANCE

E. WILLANS,

FRANK W. COX,

General Manager.

Secretary.

The Manufacturers Life

A Splendid Canadian Old Line
Life Insurance Company

Good for Agents. Attractive for Policyholders.

Assets exceed \$23,000,000

Insurance in Force exceeds \$90,000,000

Head Office:

TORONTO - - - CANADA

THE CANADA NATIONAL FIRE INSURANCE COMPANY

HEAD OFFICE: WINNIPEG, MAN.

SURPLUS TO POLICYHOLDERS - \$1,976,156.08

A Canadian Company Investing Its Funds in Canada

APPLICATIONS FOR AGENCIES INVITED

Union Assurance Society Ltd.

OF LONDON, ENGLAND.

[Fire Insurance since A.D. 1714]

CANADA BRANCH, MONTREAL

T. L. MORRISEY, Resident Manager.

NORTH WEST BRANCH, WINNIPEG

THOS. BRUCE, Branch Manager.

Agencies throughout the Dominion

THE CONTINENTAL LIFE INSURANCE COMPANY

HEAD OFFICE - TORONTO

has several vacancies in Quebec and Ontario including the position as Inspector for Eastern Ontario.

"LIVE WIRES"—write to Head Office, Toronto or to

W. J. BROWN, Provincial Manager,

180 ST. JAMES STREET, MONTREAL.

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

AGENTS

INSURANCE

BROKERS

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

11 ST. SACRAMENT STREET
MONTREAL, P.Q.

ATLAS ASSURANCE COMPANY LIMITED

OF LONDON, ENGLAND

(ESTABLISHED 1808)

Extracts from the Report for the Year ending 31st December, 1916

FIRE DEPARTMENT

The NET PREMIUMS were \$5,764,305 and the LOSSES \$2,663,735, being 46.2 per cent. of the premiums. The underwriting surplus of the account is \$991,300 and after adding \$118,533 to the reserve for unexpired risks there remains a profit of \$872,765, which has been transferred to Profit and Loss Account. From this Account a sum of \$286,145 has been carried back to the Fire Insurance Fund, making it \$7,000,000.

FIRE INSURANCE ACCOUNT

Amount of Fire Insurance Fund at the beginning of the year:—	
Reserve for unexpired risks, being 40% of premium income for the year 1915.....	\$2,187,190
Additional reserve.....	4,408,130
	<hr/>
Premiums.....	\$6,595,320
Interest, dividends, and rents.....	5,764,305
Less income tax thereon.....	\$235,875
	30,900
	<hr/>
Transfer from Profit and Loss Account.....	204,975
	286,145
	<hr/>
	\$12,850,745

Claims under policies paid and outstanding.....	\$2,637,330
Contributions to Fire Brigades.....	26,405
	<hr/>
Commission.....	\$2,663,735
Expenses of management.....	1,134,950
State and Municipal Taxes (Foreign).....	866,745
Transfers to Profit and Loss Account, viz.:—	107,575
Profit.....	\$872,765
Interest.....	204,975
	<hr/>
	1,077,740
Amount of Fire Insurance at the end of the year:—	
Reserve for unexpired risks, being 40% of premium income for the year 1916.....	\$2,305,720
Additional reserve.....	4,694,280
	<hr/>
	7,000,000
	<hr/>
	\$12,850,745

BALANCE SHEET, 31st DECEMBER, 1916

LIABILITIES.	
CAPITAL SUBSCRIBED:—\$11,000,000 in 220,000 Shares of \$50 each, \$6 paid.....	
	\$1,320,000
"Essex & Suffolk" 4% Debenture Stock.....	484,020
Life Assurance and Annuity Funds.....	10,535,795
Investment Reserve Funds.....	1,784,855
Fire Insurance Fund.....	7,000,000
Employers' Liability, Accident and General Insurance Funds.....	403,830
Sinking Fund and Capital Redemption Insurance Fund.....	408,115
Contingency Fund.....	109,730
Provision for completion of Dividend for the year (1915) payable 30th April, 1916.....	213,125
Profit and Loss Balance.....	274,560
	<hr/>
	\$22,534,030
CLAIMS ADMITTED OR INTIMATED BUT NOT PAID:—	
Life Assurance.....	185,725
Fire Insurance.....	667,650
Due to other Offices for reinsurances.....	1,180,445
Sundry unclaimed Dividends and Debenture Stock Interest.....	6,005
Outstanding commission and other accounts.....	339,660
Bills payable.....	1,815

ASSETS.	
Mortgages on property within the U.K.....	\$1,614,865
Mortgages on property out of the U.K.....	152,500
Loans on parochial and other public rates.....	572,905
" " Life interests.....	323,750
" " Reversions.....	44,500
" " Co's policies within their surrender values.....	697,190
" " Policies in other Offices.....	8,125
INVESTMENTS:—	
Deposit with the High Court, viz.:—	
London County Council 3 per cent. stock.....	100,000
British Government securities.....	2,299,235
Municipal and county securities, U.K.....	149,580
Indian and Colonial Government securities.....	2,562,985
" " " provincial securities.....	463,140
" " " municipal securities.....	674,425
Foreign Government securities.....	2,197,185
" " provincial securities.....	598,080
" " municipal securities.....	1,077,300
Railway and other debenture and debenture stocks—Home and Foreign.....	4,073,585
Railway & other preference and guar. stocks.....	1,039,380
Railway ordinary stocks.....	465,170
Stocks and Shares (other than railway stocks).....	1,082,190
Copyhold ground rents.....	53,380
House and Landed property.....	1,294,195
Life interests.....	27,795
Reversions.....	10,600
	<hr/>
	\$21,581,760

(\$5 taken as equivalent of £1 stg.)

Branch and Agents' balances.....	1,895,495
Due by other Offices for reinsurances.....	176,255
Outstanding premiums.....	145,470
" " commissions and other accounts.....	67,950
" " interest, dividends, and rents.....	16,055
Interests, divs. and rents accrued but not payable.....	204,615
Bills receivable.....	10,210
CASH:—	
On deposit.....	455,550
In hand and on current account.....	361,970

\$24,915,330

\$24,915,330



THE LIVERPOOL AND LONDON AND GLOBE INSURANCE COMPANY LIMITED

CANADA BRANCH HEAD OFFICE, MONTREAL

DIRECTORS
M. Chevalier, Esq. Sir Alexandre Lacoste
William Molson Macpherson, Esq. Sir Frederick Williams-Taylor, LL.D.

J. Gardner Thompson, *Manager*, Lewis Laing, *Assistant Manager*.
J. D. Simpson, *Deputy Assistant Manager*.



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

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

J. D. Simpson, *Deputy Assistant Manager*.



CONTINENTAL INSURANCE CO.
NEW YORK

THE CONTINENTAL INSURANCE COMPANY
of New York
"THE BIG COMPANY"
ASSETS EXCEED \$34,000,000

HEAD OFFICE FOR CANADA AND NEWFOUNDLAND
MONTREAL

W. E. BALDWIN, *Manager*. J. ROWAT, *Asst. Manager*.



THE NORTHERN ASSURANCE COMPANY
OF LONDON
ESTABLISHED 1854

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

Accumulated Funds 1914, \$41,615,000

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

G. E. MOBERLY, *Manager*.



DOMINION GRESHAM
GUARANTEE & CASUALTY COMPANY

THE LAST WORD
IN
ACCIDENT AND SICKNESS INSURANCE
IS
THE DOMINION GRESHAM'S
NEW "GRESHAM MAXIMUM" POLICY

AGENTS WANTED EVERYWHERE

Applications in Ontario should be addressed to
L. D. JONES, Superintendent of Agents for Ontario,
412 JARVIS STREET, TORONTO.

GOVERNMENT FINANCE.

"I wonder," said the President of the Indomitable Life, "whether our friends in the United States have not perhaps made a mistake in fixing the interest on the 'Liberty Loan' at as low a rate as $3\frac{1}{2}\%$."

"Why not borrow as cheaply as you can?" I asked.

"True enough, in a way, but I have noticed in the course of a long life that one must 'meet the market.' In other words, it is hard to borrow for any purpose whatever if the interest payable is very much below current market rates. You smile that I should state such a platitude, and it is true, thank goodness, that the United States loan, as our loans have been, will be devoted to purposes so much nobler than usual Government issues, that the sentimental side of the transaction will appeal to many who would look coldly at ordinary Government bonds yielding a low rate of interest."

"In other words, you stand on the old law of 'supply and demand?'"

"Exactly; some things *look plausible*, but other things *are true*. I believe in keeping my feet on the solid ground. It isn't reasonable, to my way of thinking, that our Canadian issues should be so tremendously more advantageous to the investor than the United States bonds will be—and *vice versa*. Oh yes, the United States is a vast country, with only a small National Debt, and the National earnings are enormous. I grant all these factors, but don't forget that the present American loan will be, in all probability, only the first of other

kindred issues—which will be put out at a higher rate of interest, I doubt not. I believe that a 4% rate, which might not be exceeded in future issues, would have been better. There is so much, you know, in an overwhelming and immediate response to a call of this kind. It's natural too, isn't it, that the small investor, who probably depends more than you or I imagine, upon the returns from his investment, should hesitate about accepting a marked diminution in his income. He will be tempted to say 'let the other fellow do it.'"

"After all, it's their business isn't it, and the whole thing is settled anyway."

"I know that, but surely one may criticise a friend in a friendly way. Just now I'm thinking of the United States insurance companies that reserve at $3\frac{1}{2}\%$ interest. They will, we know, answer nobly to any call their Government may make, and at a heavy sacrifice to themselves. Our own companies may well be congratulated on the fact that their own investments in Government securities are not only patriotic but exceedingly remunerative."

J. J. K.

WAR INSURANCE TO BE PERMITTED.

An addition to the definitions contained in the new draft Insurance Act gives explosion insurance an additional meaning of insurance against damage "caused by bombardment, invasion, insurrection, riot, civil war or commotion or military or usurped power."



Penniless Old Men

You know many of them—men who in their prime made plenty of money, but who spent as freely as they earned. Old age finds them in a sorry plight.

You can escape their bitter experience if you will. A few dollars saved each year and invested in an Imperial Endowment will provide for your comfort in old age. Or it will take care of your family should death call you early.

Write for a free copy of our very interesting booklet entitled "Penniless Old Men." Address:

THE IMPERIAL LIFE
Assurance Company of Canada
HEAD OFFICE - TORONTO

CANADA PERMANENT MORTGAGE CORPORATION QUARTERLY DIVIDEND

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

TEN PER CENT PER ANNUM

on the paid-up capital Stock of the Corporation, has been declared, and that the same will be payable on and after TUESDAY, THE THIRD DAY OF JULY next, to Shareholders of record at the close of business on the Fifteenth day of June.

By order of the Board,

Toronto, May 30th, 1917.

GEO. H. SMITH, Secretary.

Representing

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

You will make money.

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

FOR TERMS TO PRODUCING AGENTS, ADDRESS:

George T. Dexter

2nd VICE PRESIDENT

34 Nassau Street New York, N.Y.

ATLAS ASSURANCE COMPANY LIMITED of LONDON, ENGLAND

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

At the Accession of	Income	Funds
KING GEORGE IV.	\$ 387,065	\$ 800,605
KING WILLIAM IV.	657,115	3,038,380
QUEEN VICTORIA	789,865	4,575,410
KING EDWARD VII.	3,500,670	11,185,405
KING GEORGE V.	6,846,895	15,186,090

and at 31st DECEMBER, 1916 7,980,685 20,730,010

In addition the Company has a Subscribed Capital of Eleven Million Dollars (of which \$1,320,000 is paid up).

Agents wanted in unrepresented districts.

Head Office for Canada:

260 St. James St., MONTREAL
MATTHEW C. HINSHAW, Branch Manager



Assets:
\$13,790,133.26

Surplus to
Policyholders:
\$6,950,190.55

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

CANADIAN BANKING PRACTICE THIRD EDITION.

(HANDSOMELY BOUND IN CLOTH, \$4 PER COPY)

QUESTIONS ON CUSTOM AND USAGE AND LAW. Published under the Auspices of the
Canadian Bankers' Association (Compiled by John T. P. Knight).

ON SALE AT THE CHRONICLE OFFICE,

10 ST. JOHN STREET, MONTREAL

CANADIAN FIRE RECORD.

HEAVY LOSS AT FORT WILLIAM.

By the fire which took place on the premises of the Copp Stove Company at Fort William, Ont., on May 25th, the following companies are interested:—Continental, \$15,000; New York Und., \$12,000; Norwich Union, \$10,000; Yorkshire, \$10,000; London, \$9,000; St. Paul, \$8,500; Home, \$7,500; Atlas, \$7,500; Liverpool-Manitoba, \$6,800; Western, \$5,000; Sun, \$5,000; Rochester Und., \$5,000; Fidelity-Phoenix, \$5,000; British America, \$5,000; Fidelity Und. of N. Y., \$5,000; North America, \$5,000; Law Union & Rock, \$5,000; Caledonian, \$5,000; Commercial Union, \$5,000; North Western National, \$5,000; Northern, \$4,000; Canada National, \$3,000; Royal, \$3,000; Occidental, \$2,500; Economical, \$2,500; Phoenix, \$2,500; Employers, \$2,500; London Und., \$2,500; Aetna, \$2,500; Queen, \$2,500; Guardian \$2,500; Hudson Bay, \$700. Total, \$172,000. Loss total.

BURROWS MILLS SPUR, ALTA.—Plant of the Phoenix Lumber Company destroyed. Insurance,

Royal, \$6,000; Phoenix of London, \$9,000. Total loss.

FRASERVILLE, QUE.—Plant of Fraserville Chair Company destroyed, June 1. Loss \$30,000, partly covered by insurance.

BELLEVILLE, ONT.—C. Vermilyea's residence at Thurlow destroyed with contents, May 31. Partial insurance.

CANADA WEATHER INSURANCE COMPANY.

Notice is given at Ottawa that the Dominion license of the Canada Weather Insurance Company, of Toronto, expired on April 30th and has not been renewed. The Canada Weather is a small Toronto concern, dating from 1908, which has been transacting hail and tornado insurance. Last year it received net cash for premiums, \$78,593 and incurred net losses of \$53,118. At December 31st, 1915, the Company had total assets of \$36,255, giving an excess of assets over liabilities of \$31,138. Capital stock paid in cash was then \$77,892, so that at that time nearly \$47,000 of the capital had gone.



London and Lancashire Fire Insurance Company

Limited

RESULTS OF 1916 BUSINESS:

	PREMIUMS	LOSSES AND EXPENSES	SURPLUS
FIRE -	\$9,516,203	\$8,030,361	\$1,485,842
ACCIDENT -	4,386,773	4,484,165	—97,392
MARINE -	2,445,665	1,629,796	815,869
	<u>\$16,348,641</u>	<u>\$14,144,322</u>	<u>\$2,204,319</u>
		Interest on Investments -	646,667

Total Surplus for the year \$2,850,986

FUNDS AND INVESTMENTS - \$21,375,593

UNCALLED CAPITAL - 11,885,625

Total Security - \$33,261,218

ALFRED WRIGHT, Branch Manager and Chief Agent for Canada.

A. E. BLOGG, Branch Secretary

8 RICHMOND STREET EAST, TORONTO.

MONTREAL

Colin E. Sword, Manager,
164 St. James Street.

VANCOUVER

William Thompson, Manager,
Winch Building.

WINNIPEG

A. W. Blake, District Secretary,
352 Donald Street.

THE MERCHANTS BANK OF CANADA

Proceedings at the Fifty-fourth Annual Meeting of Shareholders on June 6th, 1917.

The fifty-fourth Annual Meeting of the Shareholders of the Merchants Bank of Canada was held on June 6th, 1917, in the Board Room at the head offices of the Bank at Montreal. The meeting was called to order at twelve o'clock noon.

Among those in attendance were: Messrs. K. W. Blackwell, Thomas Long, Andrew A. Allan, A. J. Dawes, F. Howard Wilson, Farquhar Robertson, Geo. L. Cains, Alfred B. Evans, E. F. Hebden, Lt.-Col. James R. Moodie, D. C. Macarow, Arthur Browning, Vivian Harcourt, John Baillie, A. Piddington, Edward Fiske, T. E. Merrett, A. B. Patterson, R. S. White, A. D. Fraser, John Patterson, Dr. A. McDiarmid, Frederick Hague, C. E. Spragge, R. Shaw, D. Kinghorn, J. D. G. Kippen, W. J. Finucan, W. B. Harshaw, R. H. Arkell, J. G. Muir, H. B. Loucks, W. A. Mel drum, and J. M. Kilbourn.

On motion of Mr. John Patterson, the vice-president, Mr. K. W. Blackwell, in the absence of the President (Sir H. Montagu Allan), was asked to take the chair.

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

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

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

THE ANNUAL REPORT.

I have pleasure in submitting for your approval the Fifty-fourth Annual Statement of the Merchants Bank of Canada as at the close of business on the evening of April 30th, 1917, the last day of the Bank's fiscal year. I also beg to submit a statement of the Profits covering the same period.

You will observe that the profits on this occasion are larger by \$169,595.42. Our important expansion in deposits (about twenty millions) has enabled us to very substantially increase our commercial and industrial advances to the material improvement of our earning power, and, at the same time, to keep properly strong. A study of the Balance Sheet will, I am sure, satisfy you in the latter respect.

During the past year we have opened Branches at:—Almonte, Pembroke, New Toronto, Niagara Falls, Collingwood, Barry's Bay, Manitowaning, Ont.; Grand Mere, Notre Dame St., Lachine, Notre Dame de Grace, Que.; Sydney, C.B.; Forestburg, Nobleford, Monarch, Irma, Chipman, Alta.; Prussia, Prelate, Meacham, Sask., and sub offices at Mount Pleasant, Mimico, Breslau, Douglas, Ont.; Millicent, Penhold, Huxley, Galahad, Grainger, Alta.; Seneca, Sask.

We have closed the following offices, as unremunerative—Battleford, Sask., Lorraine (Sub), Alta.

All the various offices have been inspected during the past twelve months.

The usual Auditor's Certificate is appended.

All of which is respectfully submitted.

K. W. BLACKWELL,
Vice-President.

THE FINANCIAL STATEMENT.

Statement of the result of the business of the Bank for the year ended 30th April, 1917.

The Net Profits of the year, after payment of charges, rebate on discounts, interest on deposits, and making full provision for bad and doubtful debts, have amounted to	\$1,120,308.84
The balance brought forward from 29th April, 1916, was	250,984.12
Making a total of	<u>\$1,371,292.96</u>

This has been disposed of as follows:

Dividend No. 116, at the rate of 10% per annum	\$175,000.00	
Dividend No. 117, at the rate of 10% per annum	175,000.00	
Dividend No. 118, at the rate of 10% per annum	175,000.00	
Dividend No. 119, at the rate of 10% per annum	175,000.00	
Donations to Canadian Patriotic and Red Cross Funds		\$700,000.00
Government War Tax on Note Circulation		30,000.00
Written off Bank Premises account		70,000.00
Contribution to Officers' Pension Fund		100,000.00
Contribution to Officers' Pension Fund		50,000.00
Balance carried forward		421,292.96
		<u>\$1,371,292.96</u>

K. W. BLACKWELL,
Vice-President.

E. F. HEBDEN,
Managing Director.

D. C. MACAROW,
General Manager.

THE MERCHANTS BANK OF CANADA—Continued.

STATEMENT OF LIABILITIES AND ASSETS AS AT 29th APRIL, 1917.

LIABILITIES.

	1917.	1916.
I. TO THE SHAREHOLDERS.		
Capital Stock paid in	\$7,000,000.00	\$7,000,000.00
Reserve Fund	7,000,000.00	7,000,000.00
Dividends declared and unpaid	178,365.00	175,542.50
Balance of Profits as per Profit and Loss Account submitted herewith	421,292.96	250,984.12
	\$14,599,657.96	\$14,426,526.62
2. TO THE PUBLIC.		
Notes of the Bank in Circulation	\$ 9,483,468.00	\$ 7,486,906.00
Deposits not bearing interest	27,101,587.86	17,181,959.18
Deposits bearing interest (including interest accrued to date of statement)	65,000,484.42	54,995,069.97
Balances due to other Banks in Canada	628,863.08	363,799.39
Balances due to Banks and banking correspondents in the United Kingdom and foreign countries	3,904,690.72	877,399.91
Bills payable	411,806.78	1,029,702.00
Acceptances under letters of credit		
Liabilities not included in the foregoing		
	\$121,130,558.82	\$96,361,363.07

ASSETS.

Current Coin	\$ 4,766,438.82	\$3,681,854.13
Deposit in the Central Gold Reserves	3,500,000.00	1,000,000.00
Dominion Notes	7,650,790.50	8,106,240.25
Notes of other Banks	793,367.00	702,006.00
Cheques on other Banks	5,674,828.67	2,754,968.88
Balances due by other Banks in Canada	2,635.33	2,836.92
Balances due by Banks and banking correspondents in the United Kingdom	61,225.79	207,226.65
Balances due by Banks and banking correspondents elsewhere than in Canada and the United Kingdom	2,413,100.10	3,892,026.83
Dominion and Provincial Government securities, not exceeding market value	3,862,507.19	2,480,446.72
Railway and other Bonds, Debentures and Stocks, not exceeding market value	3,964,251.24	5,055,106.27
Canadian Municipal securities, and British, Foreign and Colonial public securities, other than Canadian	11,263,196.20	5,251,321.38
Call Loans in Canada on Bonds, Debentures and Stocks	4,627,863.57	5,175,048.49
Call Loans elsewhere than in Canada	3,461,420.47	2,651,404.32
	\$52,041,624.88	\$40,960,486.84
Current Loans and Discounts in Canada (less Rebate of Interest)	62,737,958.74	48,835,565.38
Current Loans and Discounts elsewhere than in Canada (less Rebate of Interest)	377,582.42	203,125.72
Liabilities of customers under letters of credit as per contra	411,806.78	1,029,702.00
Real Estate other than bank premises	294,197.07	177,186.29
Overdue debts, estimated loss provided for	149,039.68	164,363.18
Bank Premises, at not more than cost, less amounts written off	4,617,400.23	4,507,782.34
Deposit with the Minister for the purposes of the Circulation Fund	375,000.00	345,000.00
Other Assets not included in the foregoing	125,949.02	138,151.32
	\$121,130,558.82	\$96,361,363.07

K. W. BLACKWELL,
Vice-President.

E. F. HEBDEN,
Managing Director.

D. C. MACAROW,
General Manager.

REPORT OF THE AUDITOR TO THE SHAREHOLDERS OF THE MERCHANTS BANK OF CANADA.

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

I have examined the above Balance Sheet with the Books of Account and other records of the Bank at the Chief Office and with the signed returns from the Branches and Agencies.

I have checked the cash and verified the securities of the Bank at the Chief Office against the entries in regard thereto in the books of the Bank as on 30th April, 1917, and at a different time during the year and found them to agree with such entries. I have also attended at some of the Branches during the year and checked the cash and verified the securities held at the dates of my attendances and found them to agree with the entries in the books of the Bank with regard thereto.

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

VIVIAN HARCOURT,
(of Deloitte, Plender, Griffiths & Co.), Auditor.

Montreal, 21st May, 1917.

(Continued on page 587)

COMMERCIAL UNION

ASSURANCE COMPANY LIMITED
of LONDON, England

The largest general insurance company in the world
(As at 31st December 1916)

Capital Fully Subscribed	\$14,750,000
Capital Paid Up	1,475,000
Life Fund, and Special Trust Funds	76,591,535
Total Annual Income exceeds	51,000,000
Total Funds exceed	151,500,000
Total Fire Losses Paid	193,774,045
Deposit with Dominion Government	1,245,467

Applications for Agencies Solicited in Unrepresented Districts.

Head Office: CANADIAN BRANCH

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

J. McGREGOR, Manager. W. S. JOPLING, Assistant Manager.

PALATINE

INSURANCE COMPANY LIMITED
of LONDON, England

(As at 31st December 1916)

Capital Fully Paid	\$1,000,000
Fire Premiums 1916, Net	\$2,566,130
Interest, Net	144,290
Total Income	\$2,710,420
Funds	\$5,248,690
Deposit with Dominion Gov't	\$276,900

N.B.—In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Funds exceed \$151,500,000

COMMENCED BUSINESS 1901
RECEIVED DOMINION CHARTER 17th JUNE 1908

Capital Stock Subscribed	Capital Stock Paid up
\$500,000.00	\$174,762.70

The Occidental Fire

INSURANCE COMPANY
Under the control of the North British & Mercantile Insurance Company

RANDALL DAVIDSON, President
C. A. RICHARDSON, Vice-President and Secretary

DIRECTORS
S. E. RICHARDS W. A. T. SWATMAN N. T. HILLARY

Head Office - - - WINNIPEG, MAN.
Agents Required at Unrepresented Points

ESTABLISHED 1808

Total Funds Exceed	Canadian Investments Over
\$109,798,258.00	\$9,000,000.00

FIRE AND LIFE

North British and Mercantile

INSURANCE COMPANY

DIRECTORS
WM. McMASTRE ESQ., G. N. MONCEL, Esq.
E. L. PRASE, Esq.

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

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

SUN INSURANCE OFFICE

FOUNDED A.D. 1710

Head Office:
Threadneedle Street, LONDON, ENGLAND

THE OLDEST INSURANCE OFFICE IN THE WORLD.

Canadian Branch:
15 Wellington Street East, Toronto, Ont.

LYMAN ROOT,
Manager

.. THE ..

London Assurance CORPORATION

OF ENGLAND.

INCORPORATED BY ROYAL CHARTER A.D. 1720

CAPITAL PAID UP	\$2,241,375
TOTAL CASH ASSETS	22,457,415

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

The LONDON MUTUAL FIRE INSURANCE COMPANY

Established 1859

Assets	\$718,608.76
Surplus to Policyholders	380,895.44
Losses Paid, Over	8,000,000.00

PROVINCE OF QUEBEC BRANCH
W. J. CLEARY, Provincial Manager.
17 ST. JOHN STREET, - - MONTREAL

THE MERCHANTS BANK OF CANADA—Continued.

THE VICE-PRESIDENT'S ADDRESS.

In moving the adoption of the Report, the Chairman said:—
A year ago I told you that, in view of our stronger position and the gradual clearing of the financial horizon, that we were ready as Bankers to consider legitimate propositions for the support of industrial undertakings in need of funds.

We had then substantial increases in deposits over the previous year which in the ordinary and natural course sought and found profitable employment.

During the year, as you will observe from the statements, we have been able to keep pace with commercial developments and requirements, thereby assisting and accelerating the productive power of the country, while at the same time subscribing to substantial amounts of various Dominion Government War Loans, and furthermore, acting in concert with other Banks, have extended our share of support to the Imperial Government with munitions loans.

In view, however, of the strain now thrust upon Banking resources generally, due in a large measure to the soaring cost of labor and of commodities, our policy must henceforth be one of special care and conservation, serving in the meantime our clientele to the best of our ability consistent with mutual safety and keeping always in view the uncertainties which surround this trying period through which we are now passing.

Late in the Bank's year the Board lost a very valuable colleague and friend in the person of the late Mr. Alex. Barnett. In Mr. Barnett's death a very successful and honorable business career was closed and we shall always miss his friendly co-operation and valuable advice. In Mr. Barnett's place the Directors have elected Mr. Thos. Ahearn, of Ottawa, to be a Member of the Board of the Bank. Mr. Ahearn occupies a leading place in the business life of the Capital City, and we count ourselves fortunate in numbering him among the Bank's advisors. (Applause.)

We are asking today for your election of a very prominent Member of the industrial field in the Hamilton and Niagara District in the person of Lieut.-Col. Moodie, as a director. Colonel Moodie's advice and co-operation will be a substantial gain to us, and we shall be very glad to have him associated with us in the direction of the important affairs of the Bank.

Mr. Patterson expressed his satisfaction at the statement presented, which feeling he was sure would be shared by the stockholders generally. He also expressed satisfaction at seeing Mr. Macarow in the position he now occupies, and at having Mr. Hebden among the directors, expressing the hope that the Bank would be fortunate enough to have his advice and co-operation for many years to come. (Applause.)

In seconding the adoption of the report, Mr. Long said: "Mr. Chairman and Gentlemen:—It is a great pleasure to me personally to be with you today, and I am very much pleased, indeed, to see so many of the stockholders of the Bank present at this meeting. I think we have every reason to congratulate ourselves that we have had during the past year such good business as is shown by this very satisfactory financial statement laid before us. (Applause). Looking back for several years in the past, I think we all recollect that the statement from year to year has been improved as time went on. Possibly, we may have expected at the time the war broke out, that we would have rather a gloomy business time of it during the existence of the war, but fortunately, so far as the commerce of the country and the financial condition of Canada is concerned, we have not suffered as much as we might have expected we would. It is to be hoped that we have suffered as much as we are going to suffer. (Applause).

"I think, gentlemen, that, as stockholders, we have just reason to feel satisfied with the statement, and to feel that it is very creditable to the gentlemen, who have been largely the cause of enabling the whole staff of the Bank to produce such a statement. I am sure, gentlemen, we all regret the absence from amongst us today of the President of the Bank, Sir Montagu Allan. During his absence, I think the vice-president has filled the gap, and played his part as vice-president creditably to himself and profitably to the Bank. (Hear, hear).

"Now, we also notice certain changes in the staff. By promoting Mr. Hebden from the position of General Manager to the position of Managing Director—which is considered to be an advanced position from that of General Manager—

we have given a much-merited advancement. (Applause). I am sure we all have the highest respect for Mr. Hebden, and I hope that in the position as Managing Director, which he now fills so creditably, he will be at a good many annual meetings to come. I think, gentlemen, we are all satisfied with the change made in this way, and in the elevation of Mr. Macarow, to fill the position of General Manager thus left vacant by Mr. Hebden. (Applause). I think you will agree with me, gentlemen, that these are two desirable changes. I believe the stockholders will heartily approve of them. (Hear, hear).

"I think you all agree with me that the statement laid before us today is a very good one, and from what I can understand every weed and every undesirable thing which might have been brought into the statement have all been taken out before the statement came to us. Of course, this policy of keeping a clean sheet, and a clean inside condition of the bank from year to year, has, no doubt, its effect on our confidence in the Bank, and in the management of it. I take very much pleasure in seconding the statement and the remarks that were made by the Vice-President, Mr. Blackwell."

The annual report was then unanimously adopted.

THE MANAGING DIRECTOR'S ADDRESS.

Mr. Hebden: "First of all, may I thank Mr. Long for the kind references to myself. The Board was kind enough to make me a Director, and, in doing so, they satisfied the ambition of a life-time. I consider it a high honor, indeed, to be a Director of the Merchants Bank of Canada. (Applause).

"We have this year an unusually interesting and satisfactory statement to discuss reflecting a better tide in the affairs of the Bank.

"A year ago we had ten millions increase in deposits to record. Times, while then brightening, were such that no additional commercial business had been sought. On the contrary our policy was to keep liquid and the funds available went mainly into cash and high class bonds, Government and Municipal. During the Bank's fiscal year just closed a great change for the better, economically, came over the whole country, notwithstanding the war. Confidence returned, born of a great and rich increase in natural resources throughout Canada, associated with greatly increased prices for everything that we had to export and synchronizing with vast expenditures throughout the country on munitions account. Under the stimulus of this conjunction of favorable factors, money began to flow into the banks whose aggregate deposits have increased within the twelve months by the very large sum of \$200,000,000. The increase in deposits which has fallen to the share of the Bank represents double that of last year, namely, \$20,000,000. Month by month our deposits have grown, distributed pretty generally over the whole of our far-flung chain of branches enabling the Bank to extend its loaning and discounting business by many millions, automatically placing the earning power of the Bank upon a much improved plane. Within the twelve months past, we have done a great deal in the direction of assisting and facilitating industrial and agricultural enterprise, in addition to which, together with other banks, we have undertaken our full proportion of Dominion Government and Imperial Munition loans. We are now carrying over ten millions in Dominion and Imperial war obligations.

"The Merchants Bank of Canada has now moved well up into the plane of hundred million institutions, and when it is borne in mind that we have not amalgamated with any other bank, I think it will be admitted that your own has done fairly well.

"I am not going into statistics with you, seeing that the financial journals have been keeping the country so fully informed. I give you, however, a few figures showing the position of the Dominion of Canada in respect to imports and exports (domestic) just before the war and since, which I am sure you will agree with me, are surprising. The total imports—for consumption—for the fiscal year 1914 (end of March) were \$633,692,000 and in 1917 (just closed) \$845,331,000, or an increase of \$211,639,000. The exports (domestic) for 1914 were \$431,588,000 and in 1917 (just closed) they were \$1,151,376,000, or an increase of \$719,788,000. The net debt of Canada in 1914, just before the

(Continued on page 589)

THE MERCHANTS BANK OF CANADA—Continued.

war, was \$335,996,850, and on March 31st, 1917, the close of the fiscal year, it was approximately \$900,000,000, the great increase being, of course, mainly due to the war. Our total trade for the fiscal year, 1917, was over \$2,000,000,000.

"And here I should like to say that a great question of the hour is to retain a proper liquid position of the Bank. It is well understood that all raw materials are to be had only at greatly enhanced prices, and that wages are on a very much higher scale, and that of necessity banking credits have had to be very greatly expanded to meet the situation, and, under the circumstances, unreasonable buying and storing of raw materials far ahead, and excessive contracting in advance on borrowed money, are not the best way of helping out a situation that bids fair to become strained, unless a policy of moderation be generally adopted, and a spirit of sweet reasonableness prevail. The necessity for very unusual effort in the turning out of war orders is not overlooked, but even banks must be allowed a breathing spell, and an influence consciously or unconsciously exerted in the direction of impairing the liquid position of the Chartered Banks on Canada should surely be strongly discouraged. The Chartered Banks are the bulwark and stay of Canada's industrial life. Anything done that would cripple or materially lessen their usefulness in that field, including work for the war, would work Canada a serious disservice. That the banks will keep themselves properly liquid is a cardinal and primary duty they owe to themselves and to the country. It may be that we are departing not a little from our legitimate business when we Canadian bankers make advances in the millions on obligations that have more than a year to run. However, you have no doubt heard of the proverb, that needs must when the devil drives.

"I am now going to strike a personal note and venture a word about myself.

"For the last twenty of the forty-six years I have served the Merchants Bank I have been a fairly busy man, and, when a year ago the Board proposed a re-organization of the Chief Executive's duties, I welcomed it as affording better service to the bank and myself a much needed relief, for latterly I was conscious of being under a considerable strain. Well, the Board very considerably gave me the appointment of Managing Director, and the Montreal Manager was made General Manager. The advantage to the Bank was immediate, and to myself in the health way, important. The new General Manager has had a large and extensive and successful experience and, in his new capacity, can serve the institution as no other.

"Finally, let us hope that the coming year will see the close of the Great War and that Armageddon will cease pouring out rivers of blood on the flower-strewn fields of France and Flanders. It almost seemed at one time as if God had turned His back on the nations and Hell's drama was being staged with the Kaiser as prompter. We are in the way of better things now, we believe, and we all trust that before another Annual Meeting comes around, peace will have been signed in Berlin, and liberty will once more be enthroned throughout the whole world. A victor-crowned host will then return home to Canada, and among them over five hundred of the wearers of the bays will be men from the Merchants Bank of Canada. Those men in our service who have not gone forward we consider have well served their King and Country by making possible what would otherwise have been impossible, the reasonable working of this wide-reaching institution. All thanks and honor likewise to them." (Applause).

THE GENERAL MANAGER'S ADDRESS.

Mr. Macarow—"In the first place, I, too, would like to convey my acknowledgments for the expression of confidence of my friend, Mr. Long, and I only hope that I shall continue to merit it in full measure.

"After the concise yet comprehensive review of the Statement in your hands and of the situation generally by the Vice-President and Managing Director, any comments of my own would be quite superfluous.

"There is, however, one hidden yet dominant factor to which it is perhaps pertinent and proper I should make some special reference. I refer to that all-important portion of your assets, the Staff.

"It will be a matter of interest to you—and of pride, I have no doubt—to know that from a total of 874 male members of the Staff of military age at the beginning of the war, 520, or 59 per cent, have enlisted for Active Service and are now overseas. (Great applause). Of these, be it said, with feelings of the deepest and most reverent sorrow, 28, or one in every 19, will never return. Some 60 have been wounded, and by many high honors have been won for valorous deeds in the field. To these gallant young men, actuated by the highest of patriotic motives, every possible tribute of praise, admiration and gratitude is extended. But we must not forget their fellows, who, out of necessity, have remained behind, and who have been compelled, in the circumstances, to assume extra duties and heavier responsibilities. These additional burdens, I gratefully testify, have been cheerfully shouldered, and thus have they been doing, unostentatiously but effectively, their important share towards keeping the Home Fires burning against the great Tomorrow, when Canada will be rejoicing at the victorious return of her gallant sons from the Front. Let us hope the dawn of that momentous day may be in the not distant future." (Applause.)

Mr. Patterson expressed the appreciation of the stockholders for the efforts of the staff, and had no doubt recognition of a tangible nature was being given by the management.

On motion of Messrs. John Patterson and Alfred Piddington, Messrs. Vivian Harcourt and Gordon Tansley, of Deloitte, Plender, Griffiths and Co., were appointed auditors of the Bank, to hold office until the next annual general meeting.

On motion of Messrs. A. D. Fraser and John Baillie, Messrs. John Patterson and F. Hague were appointed scrutineers for the election of directors.

It was then moved by Mr. John Patterson, seconded by Dr. Alfred McDiarmid, that the scrutineers should cast one ballot in favor of the following persons as directors: Sir H. Montagu Allan, and Messrs. K. W. Blackwell, Thomas Long, F. Orr-Lewis, Andrew A. Allan, Lieut.-Col. C. C. Ballantyne, A. J. Dawes, F. Howard Wilson, Farquhar Robertson, Geo. L. Cains, Alfred B. Evans, E. F. Hebden, T. Ahearn and Lt.-Col. Jas. R. Moodie. This motion was carried unanimously, and the scrutineers declared these gentlemen to be elected as Directors.

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

NORTHERN ASSURANCE COMPANY, LIMITED.

Mr. George E. Moberly, manager for Canada of the Northern Assurance Company, has announced that his Company is now transacting the business of marine insurance in Canada and that the well-known firm of Dale & Company, of Montreal, have been appointed general agents for the Dominion and Newfoundland for that branch of the Company's business.

Cables state that the Royal Exchange Assurance is absorbing the Car & General Insurance Corporation, of London, England.

Mr. J. N. Neumann, of Montreal, is a new member of the Mutual Life of New York's \$200,000 Club, and Mr. C. N. McLeod, of the \$100,000 Club.

Mr. William Stone, president of Stone Limited, and a director of the Bank of Toronto, has been elected a director of the Manufacturers' Life Insurance Company.

Mr. W. J. Carrique, president of the Canadian Street Car Advertising Company, who died at Montreal last August, left property valued at \$476,611, of which \$101,650 was life insurance.

**THE BRITISH AMERICA
ASSURANCE COMPANY**

Incorporated 1833

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

HEAD OFFICE: TORONTO

Old Reliable Progressive

Assets over - - \$2,750,000.00

Losses paid since organization
over - - \$41,000,000.00

DIRECTORS:
W. R. BROCK, President.
W. B. MEIKLE, Vice-President

JOHN AIRD ROBT. BICKERDIKE, M.P. Montreal ALFRED COOPER, London, Eng. H. C. COX E. HAY JOHN HOSKIN, K.C., LL.D. D. B. HARRA	Z. A. LASH, K.C., LL.D. GEO. A. MORROW LT. COL. THE HON. FREDERIC NICHOLLS BRIG.-GEN. SIR HENRY PEL- LATT, C.V.O. E. A. ROBERT, Montreal E. R. WOOD.	
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W. B. MEIKLE, JOHN SIME E. F. GARROW
 Gen. Manager Asst. Gen. Manager Secretary

**THOMAS F. DOBBIN, Resident Manager
MONTREAL**

**NORWICH UNION
FIRE INSURANCE
SOCIETY, Limited**

INSURANCE AGAINST

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

Agents wanted for the Accident Branch.

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

JOHN MacEWEN, Superintendent for Quebec.

**L'UNION
FIRE INSURANCE COMPANY, Limited**

Head Office: PARIS, France.

Established 1828

Capital fully subscribed . \$ 2,000,000.00
 Net Premiums in 1915 . . 5,280,119.00
 Total Losses paid to 31st Dec., 1915 97,620,000.00

Canadian Branch:
 LEWIS BUILDING, 17 ST. JOHN STREET, MONTREAL

Manager for Canada:
MAURICE FERRAND

First British Insurance Office Established in Canada, 1804

INTENDING ASSURERS

Should read the "THREE MINUTES" Leaflet
of the

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

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

100 ST. FRANCOIS-XAVIER STREET, MONTREAL

The Company offers to the Public every advantage which

LIFE ASSURANCE

conducted under the most favourable conditions is capable of
affording:

At the BONUS DIVISION for the five years
ending 31st DECEMBER, 1915

A UNIFORM ADDITION of \$75 per
\$1,000 was declared on all classes of
Full-Bonus Policies, at the rate of \$15
per \$1,000 assured in respect of each
full annual premium paid since 1st
January, 1911. This bonus applies
to new as well as existing policies.

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

Agents Wanted

Established 1864.

**New York Underwriters
Agency.**

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

PROVINCIAL AGENTS.

MURPHY, LOVE, HAMILTON & BASCOM. Toronto, Ont. OSLER, HAMMOND & NANTON, Winnipeg, Man. ALFRED J. BELL & CO. Halifax, N.S.	JOHN WM. MOLSON & ROBERT Y. HUNTER Montreal, Que. WHITE & CALKIN St. John, N.B. AYR & SONS, LTD., St. John's, Nfld.
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T. D. RICHARDSON, Supt. for Canada, TORONTO

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

ESTABLISHED 1824

Capital,	\$30,000,000
Total Assets,	79,656,734
Deposited with Dominion Gov't,	391,883
Invested Assets in Canada,	7,695,338

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

JAMES H. BREWSTER, Manager

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

THE NEW CLAUSE IV.

Following is the text of the new clause 4 in the draft Insurance Act, which is to take the place of clause 4 in the Insurance Act of 1910, declared to be *ultra vires* by the Judicial Committee of the Privy Council last year. The new clause reads:—

"It shall be competent to the Minister (of Finance) to grant to any company which shall have complied with the requirements of this Act preliminary to the granting of a license, a license authorizing the company to carry on its business of insurance, or any specified part thereof, subject to the provisions of this Act and to the terms of the license,

(a) in the case of any Canadian company or any foreign company, throughout Canada, or in any part of Canada which may be specified in the license;

(b) in the case of any other company, throughout Canada or in any part of Canada comprising more than one province which may be specified in the license.

"2. Any company other than a Canadian company which may obtain from the Minister a license or a renewal of a license shall thereupon and thereby become and be and be deemed to be a company incorporated under the laws of Canada with power to carry on throughout Canada, or in such part or parts of Canada as may be specified in the license, the various branches or kinds of insurance which the license may authorize.

"3. It shall moreover be competent to the Minister, notwithstanding anything in this Act, to grant a license to any association of individuals formed upon the plan known as Lloyds whereby each associate underwriter becomes liable for a stated, limited or proportionate part of the whole amount insured by a policy, or formed for the purpose of exchanging reciprocal contracts of indemnity upon the plan known as inter-insurance, authorizing such association to transact insurance other than life insurance in Canada in like manner and upon the same terms and conditions as in the case of a company, and all the provisions and requirements of this Act regulating the business of licensed companies shall, so far as applicable, be deemed to be terms and conditions of any license so granted; Provided that the statements required by this Act to be filed in the Department may, in the case of such an association, be verified in such manner as the Superintendent shall direct and prescribe.

"4. The Minister may grant to a provincial company which has the faculty or capacity to carry on its business throughout Canada and to obtain the license hereinafter mentioned, and has complied

with the provisions of this Act in that behalf applicable to a Canadian company, a license authorizing the company to carry on its said business or any part thereof throughout Canada or in any part or parts of Canada comprising more than one province which may be specified in the license, and the company shall thereupon and thereby become and be and be deemed to be a company incorporated under the laws of Canada with power to carry on within the area specified in the license its said business or such part thereof as the license may authorize".

An addition to clause 7 says that "The validity of any license purporting to be issued by the Minister under this Act shall not be called in question on behalf or at the instance of any person other than the Minister."

A TAX ON LIFE COMPANIES, A TAX ON POLICY-HOLDERS.

Life insurance is essentially a co-operative enterprise, and the companies, whether stock or mutual, and whether transacting business upon the participating or non-participating plan, are merely the agencies through which the funds necessary to the undertaking are collected, accumulated and disbursed. A specific tax laid on life insurance is therefore incapable of further distribution, because the body of policyholders is in most cases actually and in every instance practically identical with the corporation from which the tax will be collected—Association of Life Insurance Presidents.

Montreal Tramways Company

SUBURBAN TIME TABLE, 1916-1917

Lachine :

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

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

Sault au Recollet and St. Vincent de Paul :

From St. Denis to St. Vincent de Paul—
15 min. service 5.15 a.m. to 8.00 a.m. 30 min. service 8.00 p.m. to 11.30 p.m.
20 " " 8.00 " 4.00 p.m. Car to Henderson only 12.00 mid.
15 " " 4.00 " 7.00 p.m. Car to St. Vincent at 12.40 a.m.
20 " " 7.00 " 8.00 p.m.

From St. Vincent de Paul to St. Denis—
15 min. service 5.45 a.m. to 8.30 a.m. 30 min. service 8.30 p.m. to 12.00 mid.
20 " " 8.30 " 4.30 p.m. Car from Henderson to St. Denis
15 " " 4.30 p.m. 7.30 p.m. 12.20 a.m.
20 " " 7.30 " 8.30 p.m. Car from St. Vincent to St. Denis 1.10 a.m.

Cartierville :

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

Mountain :

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

Bout de l'Île :

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

Tetraultville :

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

Pointe aux Trembles via Notre Dame :

From Notre Dame and 1st Ave. Malsonneuve.
15 min service from 5.15 a.m. to 8.50 p.m.
20 " " " 8.50 p.m. to 12.30 a.m.
Extra last car for Blvd. Bernard at 1.30 a.m.

THE MONTREAL CITY and DISTRICT SAVINGS BANK

NOTICE is hereby given that a Dividend of Two Dollars per share on the Capital Stock of this institution has been declared and will be payable at its Head Office, in this City, on and after Monday, the 2nd of July next, to Shareholders of record at the close of business on the 15th of June next, at 3 o'clock p.m.

By order of the Board,

A. P. LESPERANCE, Manager.

Montreal, 28th May, 1917.



The Employers' Liability

Assurance Corporation Limited

" " " OF LONDON, ENGLAND " " "

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Fidelity Guarantee and Fire Insurance.

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CHARLES W. I. WOODLAND,

General Manager for Canada and Newfoundland.

JOHN JENKINS, Fire Manager.

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CAPITAL \$500,000.00

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T. H. HUDSON, Manager.



Founded 1871

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Superintendent.

H. GORDON WARING,
Inspector, Automobile Department.

Canadian Head Office: Ocean Insurance Building, TORONTO.

CHARLES H. NEELY, General Manager.

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