

The Chronicle

Banking, Insurance & Finance.

ESTABLISHED JANUARY, 1881

PUBLISHED EVERY FRIDAY

Vol. XXXII. No. 50

MONTREAL, DECEMBER 13, 1912.

Single Copy 10c
Annual Subscription \$3.00

CANADA'S NAVAL POLICY. ALL over the world the action of the Canadian government in asking Parliament to build and place at the disposal of His Majesty for the defence of the Empire three of the biggest and best Dreadnoughts that can be built has aroused great interest and almost everywhere is evoking expressions of approval. In Great Britain it is the chief topic before the public and the proposed Canadian contribution is warmly appreciated by both Liberals and Unionists; in fact by everybody, except those cosmopolitan patriots who have a good word for every country but their own, and by the usual sprinkling of class cranks. In Ireland it is welcomed by the Home Rulers as an indication of the loyalty that springs from local self-government. Even in Germany the action is regarded as making for the peace of the world, as a proof of the unity and strength of the British Empire. One well-known German naval critic declares that Canada's policy is the outcome of Germany's naval policy. He says: "Borden is undoubtedly right in affirming that the participation of the dominions in British defensive equipment will tend to emphasize peaceable inclinations. Great Britain and the dominions unquestionably desire peace. They are far beyond the reach of European militarism and they will thus use their influence in the cause of peace and the reduction of armaments. It will be interesting," he concludes, "to see what attitude our navy enthusiasts take up towards the new situation. One must hope that our government will perceive that it pursued an entirely wrong policy when it permitted itself to be taken in hand by these circles."

Throughout the British Empire it is cordially recognised that Canada has set the pace for the overseas Dominions, as it was her duty to do. A few critics are agitated at the thought of a Canadian minister sitting on the Council of National Defence, on the assumption that this is equivalent to a seat in the Imperial Cabinet and a voice in Great Britain's foreign policy. The importance of the position will depend much on the man who occupies it. If the Canadian minister resident in London has tact and common sense he will be one of the most influential members of the Council of Defence and will exercise a potent though indirect influence in world politics. His Majesty's ministers will have the advantage of seeing things from a new and always friendly point of view. The position of the Canadian resident minister in London will be, in fact, what he makes it. One critic seems to be unduly anxious lest the Canadian contribution should lead to another insane era in battleship building. He need not worry; a United British Empire is the best possible guarantee for peace.

PANAMA CANAL TOLLS. THE London Morning Post fails to understand the delay of the British government in presenting its protest against the Panama Canal legislation of Congress. In our judgment the British Government showed good sense and a keen appreciation of American politics, by waiting until after the presidential election before sending its protest to Washington. United States politicians either have a tendency to underestimate the standard of honour and fair play among the people of their country or they think it more practical politics to play for the support of the Anglophobic and Spread Eagle elements during a presidential campaign. The manner in which the protest has been received in New York and Washington is in itself a justification of the delay. The conciliatory and fair tone of the protest has been most favorably commented upon and there is a decided disposition manifested in influential American circles to deal with the question fairly on its merits and with a sense of justice due to the honour of the nation.

The protest begins by maintaining that the Hay-Pauncefote Treaty does not stand alone. It was the corollary of the Clayton-Bulwer Treaty which it undoubtedly superseded but the general principle of which as embodied in Article 8 is maintained. The object of the Hay-Pauncefote Treaty as stated in the preamble was to facilitate "the construction of a ship canal to connect the Atlantic and Pacific Oceans by whatever route may be deemed expedient, and to that end to remove any objection which may arise from the Clayton-Bulwer treaty to construction of such canal under the auspices of the Government of the United States, without impairing the general principles of neutralization established in Article 8 of that convention." It was upon that footing, and upon that footing alone that the Clayton-Bulwer treaty was superseded.

The general principles of neutralization here spoken of must mean something. Article 8 provided for equal treatment of American and British ships and the joint protection of the Canal by the two powers. We do not imagine that the United States government will maintain that the word "neutralization" is intended to preserve the system of joint protection. To what then can it refer but the equality of treatment for American and British ships?

The protest points out that the Hay-Pauncefote Treaty guarantees that the tolls shall be just and equitable and it maintains that it is impossible for the United States to discriminate in favor of any particular class of shipping without increasing the burden of tolls on the other classes, if the tolls are to be based upon the cost of operating the canal.

Established 1817

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The Chronicle

Banking, Insurance and Finance

ESTABLISHED 1881. PUBLISHED EVERY FRIDAY.

R. WILSON-SMITH. ARTHUR H. ROWLAND.

Proprietor

Editor

Chief Office:

GUARDIAN BUILDING, 160 ST. JAMES STREET,
MONTREAL.

Annual Subscription, \$3.00. Single Copy, 10 cents

MONTREAL, FRIDAY, DECEMBER 13, 1912.

INDEX TO PRINCIPAL CONTENTS

	PAGE
Canada's Naval Policy.....	1793
Panama Canal Tolls.....	1793
General Financial Situation.....	1795
Merchants' Bank reports Highly Satisfactory Year	1797
Nova Scotia—New Brunswick Bank Merger Approved	1797
Bank of Toronto's Annual Statement.....	1799
New Director of the Molsons Bank.....	1799
Municipal Taxation of the Banks.....	1799
Fire Underwriters and Montreal Controllers.....	1801
Moving of the Grain Crops.....	1803
Good Faith in Life Insurance.....	1805
Against State System of Workmen's Compensation	1807
Royal Bank's Statement.....	1807
Repayment of Policy Loans.....	1809
Sacredness of Trusteeship in Investment of Life Insurance Funds.....	1809
Canada Interlake Line.....	1811
Insurance Briefs.....	1813
Personal Paragraphs.....	1815
Fires of the Week.....	1815
November Fire Losses.....	1815
Market and Financial Summary.....	1817
Stock Exchange Notes, Bank and Traffic Returns....	1817
Stock and Bond Lists.....	1821, 1823

THE GENERAL FINANCIAL SITUATION.

It is said that America did not bid for the \$4,000,000 African gold offered in London on Monday. Much secrecy was observed regarding the details. Germany took \$1,500,000; India \$500,000; and nothing was announced about the disposition of the remainder. Bank rate in London is 5 p.c. In the open market call money is 4 to 4 3/4 p.c.; short bills are 5; and three months' bills, 4 7/8 to 5.

At Paris the private rate is 3 3/4 and Bank rate 4 p.c.; and the private rate in Berlin is 6 p.c., the same as that of the Imperial Bank of Germany.

* * * *

The transatlantic money markets are still under the influence of the political uncertainties arising out of the Balkan upheaval. Negotiations now under way will dispose of a large area of Turkish territory, and some of the larger interested parties do not hesitate to talk war and to make ostentatious preparations for hostilities, with the object of improving their position in the diplomatic exchanges. This is

a dangerous game and it is no wonder that the financial markets are displaying some nervousness.

* * * *

Austria's change of ministers and her announcement of a loan of \$25,000,000 are taken as disturbing factors. Considerable surprise has been expressed in New York at the announcement of American participation in the Austrian loan. It is pointed out that already the financial situation in New York is sufficiently strained without any attempt on the part of the New York banks to lend money to other countries. But on the other hand the bankers explain that the funds put into the Austrian loan need not be paid by New York until January, and by that time the market would be in better shape to spare the money.

* * * *

Owing to the drastic liquidation which has taken place in the securities markets interest rates at the American metropolis show an appreciable reduction. Call loans are 4 3/4 p.c.; sixty day loans, 6 to 6 1/2 p.c.; ninety days, 6 to 6 3/4 p.c.; and six months, 5 1/2 to 6. Through calling loans energetically the clearing house institutions were able to wipe out their deficit of the previous week and report a surplus in its place. The Saturday statement showed their loans to have been reduced \$42,000,000. As the cash holdings remained practically intact, this large loan contraction served to improve the general position as regards reserve by \$8,073,000—in other words an excess cash reserve of \$3,015,000 was established. In the case of the banks alone the loan reduction amounted to \$22,760,000, but the cash gain was \$1,500,000. Increase of surplus amounted to \$6,827,000.

* * * *

In the Wall Street stock market a peculiar condition of affairs has apparently developed. Some time ago, when the Balkan outbreak took financial Europe by surprise, the capitalists and bankers in London and other European centres sold Americans heavily. Total sales were placed at anything from 400,000 to 600,000 shares. The outlook in America being excellent, the Wall Street market took the London sales without flinching, and there was comparatively little decline in prices. At that time the general opinion was that the American buyers would be able to sell stock back to London, when the war scare had finally subsided, at much higher prices—thus securing good profits.

Recent events in New York have spoiled these calculations entirely. The rise in European bank rates made European gold practically inaccessible to the New Yorkers, notwithstanding that they possessed large credits in London on account of American produce exported. Then, at the beginning of December came the Supreme Court's decision in the Union Pacific merger case—unsettling the mind of

the investment public. A powerful bear party in New York appears to have taken advantage of the tight money, calling of loans by banks, and the merger decision, to attack the market. Stocks were sold in overwhelming volume and the price list fell from 10 to 15 points. As soon as this decline was well under way London seized the opportunity to repurchase the Americans previously sold by it. On nearly all of the very weak days London bought heavily. The total purchases are said to have amounted to some 400,000 shares—bought at lower prices than those at which they were sold a short time ago. Now the question is how will the New York bears come out of their enterprise? Will they win out in the end or will London win?

* * * * *

Money market conditions in Canada are not changed. Call loans are still quoted at 6 p.c.; but it is said that some banks are charging 7 p.c. on new loans. There is little prospect of an improvement until after the turn of the year. The notice given by the Minister of Finance in the Commons of a resolution providing for payment of an auditor or auditors for reporting on banking institutions, is taken as an intimation that the new act will contain provision for compulsory audit of banks on behalf of the respective shareholding bodies. The banking fraternity is awaiting with much interest the introduction of the bill, so that they may learn the terms and conditions under which the audit is to take place. It is generally understood that the head office only will be examined by the auditors, their examination of the branches being based on the branch returns.

MERCHANTS' BANK REPORTS HIGHLY SATISFACTORY YEAR.

The profit and loss statement of the Merchants' Bank of Canada, issued in anticipation of the annual meeting, next Wednesday, December 18, is a document which shareholders will find highly satisfactory and one which must be distinctly gratifying to Mr. E. F. Hebden, the general manager. Profits of the year were \$1,338,845, or 20.6 per cent. upon the average paid-up capital, an increase of practically \$160,000 upon the profits of 1911, which were \$1,179,581 or 19.66 per cent. upon the paid-up capital. In 1910 profits were \$1,057,140 or 17.62 per cent. These figures afford convincing evidence both of great prosperity and of skilful management.

Of this year's profits, the ten per cent. dividend absorbs \$649,005; \$450,000 is transferred to reserve fund, \$100,000 is written off bank premises, \$50,000 is contributed to the officers' pension fund and the largely increased balance of \$148,718, in comparison with \$58,878 last year, is carried forward. The rest account has also been increased by the addition of \$560,760 premium on the new stock issue, and this, with the transfer of \$450,000 from the year's profits referred to above, makes this account \$6,410,760, an increase of just over \$1,000,000 from the total of \$5,400,000 at which this fund stood a year ago.

NOVA SCOTIA—NEW BRUNSWICK BANK MERGER APPROVED.

Meetings of the shareholders of the Bank of New Brunswick and Bank of Nova Scotia held this week approved of the agreement announced some weeks ago by which the Bank of Nova Scotia will take over the Bank of New Brunswick. At the Bank of Nova Scotia meeting held at Halifax, N.S., on Wednesday, in addition to the passing of the necessary resolutions regarding the amalgamation, approval was given to the proposal to increase the authorised capital of the Bank from \$5,000,000 to \$6,000,000.

The terms are that shareholders of the Bank of New Brunswick shall be given share for share, together with a bonus of \$10 per share. Provision is also made in the agreement for the retention of the employees of the Bank of New Brunswick and their enrolment on the pension list of the amalgamated institution.

The following are the leading figures of the two banks as at October 30:—

BANK OF NEW BRUNSWICK.	
Capital paid up	\$ 1,000,000
Reserve	1,790,000
Circulation	931,799
Total Deposits	8,471,118
Specie and Dominion Notes	1,002,643
Canadian Call Loans	1,043,082
Foreign Call Loans	400,000
Canadian Current Loans	8,317,858
Total Assets	12,607,646
BANK OF NOVA SCOTIA.	
Capital Paid up	\$ 4,527,280
Reserve	8,238,192
Circulation	4,128,829
Total Deposits	48,560,011
Specie and Dominion Notes	7,924,758
Canadian Call Loans	4,438,304
Foreign Call Loans	4,198,849
Canadian Current Loans	32,180,202
Foreign Current Loans	5,350,943
Total Assets	67,279,856

The result of the amalgamation will be to give the Bank of Nova Scotia assets of about \$80,000,000, placing it fifth or sixth among the Canadian banks in this respect.

REASONS FOR THE MERGER.

A St. John paper reports that Dr. W. W. White, vice-president of the Bank of New Brunswick, in moving the necessary resolutions at Monday's meeting of shareholders, referred briefly to the history of the amalgamating banks. The Bank of New Brunswick was organized in 1820; the Bank of Nova Scotia in 1832. They grew side by side, but in time came to the parting of the ways. The Bank of New Brunswick was ultra-conservative in its policy—a fact of which he had no criticism to offer; the Bank of Nova Scotia took a different view, and sought fresh fields for business. These causes led to conditions which had been reached. Later on, the Bank of New Brunswick appreciated the situation, and saw they could not stand still; they must either increase or decrease. It was felt, although late in the day, that the bank should increase its branches and its capital. Difficulty was met in increasing its capital. Opposition was met in every quarter. Thus it was that the present condition was reached. The bank was a victim of natural causes—the survival of the fittest. The bank has nothing to conceal. It has lost money, but it has not been ruined. It has become involved in litigation, the victim of dishonest practices which could not be guarded against.

THE BANK OF TORONTO

Incorporated 1855.
Head Office: TORONTO, Canada.

Capital - - - - - \$4,600,000
Reserve - - - - - 5,600,000

Directors:

DUNCAN COULSON	President
W. G. GOODERHAM	Vice-President
JOSEPH HENDERSON	2nd Vice-President
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Hon. C. S. Ryan,	Nicholas Bowll,
LI. Col. Frank S. Meighen,	William Stone,
	J. L. Englehart
THOMAS F. HOW	General Manager
T. A. BIRD	Inspector

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ONTARIO	QUEBEC	Rosburn
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Albion	Milton	Transcona
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Berlin	Norwood	St. Lambert
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Brantford	Oil Springs	Assinibola
Brockville	Omeme	Bredenburg
Burlford	Ottawa	Churchbridge
Cardinal	Perry Sound	Colonsay
Cobalt	Penetanguishene	Eldon
Cobourg	Peterboro	Glenayre
Colborne	Petrolia	Gravelbourg
Collingwood	Porcupine	Kennedy
Copper Cliff	Port Hope	Kipling
Crowmore	Presston	Lafleche
Dorchester	St. Catharines	Langanburg
Elmvale	Sarnia, 2 offices	Leunberg
Gait	Shelburne	Montmartre
Gananoque	Stayner	Mortlach
Hastings	Stratford	Olesca
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Keene	Thornbury	Prossville
Kingston	Wallaceburg	Springville
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Lynhurst	Welland	Summerberry
	Wyoming	Vibank
		Wolsley
		Yorkton

ALBERTA

B COLUMBIA

NAVITORY

BANKERS:
LONDON—The London City and Midland Bank, Limited
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Chicago—First National Bank

The Dominion Bank

SIR EDMUND B. OSLER, M.P., President
W. D. MATTHEWS, Vice-President
C. A. BOGERT, General Manager

Capital Paid Up : : : \$ 4,900,000
Reserve Fund : : : 5,900,000
Total Assets : : : 73,000,000

Collections A Specialty

The Dominion Bank has exceptional facilities for making collections—not only in Canada—but in all parts of the world.
Complete list of Branches and correspondents furnished on application.

Head Office, - - - Toronto.

The Metropolitan Bank

Capital Paid Up - - - - \$1,000,000.00
Reserve Fund - - - - 1,250,000.00
Undivided Profits - - - - 138,046.68

Head Office - - - TORONTO

S. J. MOORE, President
W. D. ROSS, General Manager

A GENERAL BANKING BUSINESS TRANSACTED

THE ROYAL BANK OF CANADA

INCORPORATED 1869
with which is united

THE TRADERS BANK OF CANADA

Capital Paid up \$11,500,000 Reserves \$12,500,000
Assets \$175,000,000

HEAD OFFICE - MONTREAL.

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Port of Spain and San Fernando, Trinidad.

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NEW YORK,
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In connection with all Branches. Accounts opened with deposits of ONE DOLLAR and upwards. Interest paid, or credited at highest current rates.

The Bank of Nova Scotia

INCORPORATED 1832.

CAPITAL - - - - - \$4,412,000
RESERVE FUND - - - - - 8,076,000

HEAD OFFICE: HALIFAX, N.S.

DIRECTORS

JOHN V. PAYZANT, President. CHARLES ARCHIBALD, Vice-President
G. S. Campbell, J. W. Allison, Hector McInnes
H. N. Curry, J. H. Plummer, R. E. Harris
General Manager's Office, TORONTO, ONT
H. A. Richardson, General Manager. D. Waters, Asst. Gen. Manager.
Geo. Sanderson, C. D. Schurman, E. Crockett, Inspectors.

110 - BRANCHES - 110

Branches in every Province of Canada, Newfoundland, Jamaica & Cuba
UNITED STATES: Boston, Chicago, New York
Correspondents in every part of the World. Drafts bought and sold.
Foreign and Domestic letters of credit issued. Collections on all points.

The Bank of Ottawa

Established in 1874

Paid Up Capital, Rest & Undivided Profits - \$ 7,618,167
Total Assets Over - - - - \$46,000,000

Money transmitted to any point in the world by

BANK DRAFT
TELEGRAPHIC TRANSFER
CABLE TRANSFER.

Geo. Burn,
General Manager.

Within the past year the directors have been more in touch with the affairs of the bank than previously. They found the earning capacity had gone down. Keen competition had been met with. The truth was driven home to the directors that the day of small banks had passed, like the wooden ship. The proposal of the Bank of Nova Scotia, if not generous, is advantageous.

BANK OF TORONTO'S ANNUAL STATEMENT.

The statement of the Bank of Toronto for the year ended November 30, issued in anticipation of the annual meeting on January 8, shows this Bank to have enjoyed a year's business of a distinctly gratifying character. The net profits, after making the usual deductions, reached the handsome total of \$835,787 or 16.96 per cent. upon the average paid-up capital. These profits compare with \$677,064 in 1911 and \$589,657 in 1910; so that there was last year an increase of \$158,000 in profits and within two years there has been an increase of approximately \$250,000. Of these profits, the eleven per cent. annual dividend together with a bonus of one per cent., making a total distribution for the year of 12 per cent., absorbs \$591,229; \$20,000 is transferred to the officers' pension fund, \$100,000 is written off bank premises, and the largely increased balance of \$176,578 against \$52,020 last year is carried forward. During the year the Bank's paid-up capital has been brought up to \$5,000,000 and the rest to \$6,000,000, the latter having been increased during the period by \$391,950 premiums on new stock. This is a showing upon which Mr. Thomas F. How, the General Manager, may be congratulated.

The following are the leading items of the bank's general statement in comparison with 1911:—

	1912.	1911.
Capital paid up	\$ 5,000,000	\$ 4,608,050
Rest	6,000,000	5,608,050
Circulation	5,474,917	4,862,432
Deposits (not bearing interest)	6,457,519	6,177,011
Deposits (not bearing interest)	6,457,519	6,177,011
Total Liabilities to Public	47,838,671	46,602,145
Specie and Legals	4,870,833	5,568,860
Call and Short Loans	1,905,841	3,711,278
Total of Quick Assets	12,189,218	15,509,665
Current loans and discounts	44,763,603	40,034,759
Total Assets	59,226,549	57,067,665

It will be seen from this statement that in response to the demands of commercial borrowers, the Bank has made a heavy increase of over \$4,700,000 in its current loans and discounts during the past year.

NEW DIRECTOR OF THE MOLSONS BANK.

Mr. W. A. Black has been elected a director of the Molsons Bank to fill the vacancy created by the resignation of Mr. C. B. Gordon.

Mr. Black, who is vice-president and managing-director of the Ogilvie Flour Mills Company, Limited, has had a long and extensive business experience. Beginning his career in the railway service, he joined the Ogilvie Company in 1884, and three years later became its secretary. In 1902, Mr. Black was appointed general manager of the Ogilvie's western division, and, following subsequent advances, in May, 1912, succeeded the late Mr. F. W. Thompson in his present position. Among his other activities, Mr. Black is the managing director of the Kamanistiquia

Power Company of Fort William, is president of the Manitoba Cold Storage Company of Winnipeg, a director of the Home Investment & Savings Association of Winnipeg, a director of the Investment Corporation of Canada, and vice-president of the Keystone Transportation Company of Montreal. With his expert knowledge of grain, combined with sound judgment and great business experience, Mr. Black's appointment makes an important addition to the Molsons Bank board.

MUNICIPAL TAXATION OF THE BANKS.

In various cities the municipal authorities lay a heavy hand upon the banking institutions. Needless to say these heavy charges have a notable effect in keeping up the charges levied by the banks on their customers in those cities; they also have an effect in preventing the establishment of new bank offices in the city limits. Thus between September, 1910, and January, 1912, the number of bank offices in Halifax increased from 10 to 12; in St. John, from 13 to 19; in Montreal, from 86 to 97; in Quebec, from 24 to 26; and in Toronto, from 126 to 145. Taking the population as given in the 1911 census, the number of inhabitants per bank figures out as follows for these five cities.

	Population.	Bank Offices.	Inhabitants per Bank Office.
Toronto	376,240	145	2,594
Montreal	466,197	97	4,806
Quebec	78,067	26	3,002
Halifax	46,601	12	3,882
St. John, N.B.	42,499	16	2,656

The comparison of Toronto and Montreal is particularly striking. In Toronto the banking representation is not far from double the representation in Montreal. With 60,000 less population the western city has 48 more banking offices, or half as many again as Montreal has.

It is quite likely that the heavy Montreal taxes have had something to do in bringing this result to pass. Banks do not establish branch offices for the fun of it or for the pleasure of paying large amounts into municipal treasuries. So, when a municipality is exceptionally severe on the banks in the way of levying taxes, its citizens do not get the banking facilities that would otherwise be supplied to them. And besides the banks keep the heavy imposts in mind perpetually and whenever it is possible to do so they are laid upon the customers in those cities, usually upon the borrowing customers not of the first class. In some form or other it is endeavored to have these exceptional taxes come out of the business, and it is, of course, most equitable to put them upon the locality where they are exacted.

However, as Montreal is the principal financial centre of the Dominion there is always especially strong competition among the banks, and the Canadian banks also come into competition with capital from abroad. So for that reason the people of Montreal escape some of the penalty for excessive taxation of banks.—H. M. P. Eckhardt, in *Journal of C. B. A.*

Mr. M. Morris, formerly assistant manager of the Imperial Bank at Winnipeg, who was recently appointed manager of the Brandon branch, has been presented by a number of Winnipeg business men with a travelling bag.

THE HOME BANK OF CANADA

ORIGINAL CHARTER 1854

Head Office **TORONTO** 8-10 King St. West
Seven Offices in Toronto.

Collections made to any point in Canada where there is a branch of a Chartered Bank.

British and Foreign Correspondents in all the principal cities of the world.

JAMES MASON, General Manager

Montreal Trust Company

Incorporated 1889

CAPITAL - - - \$500,000.00
RESERVE - - - \$200,000.00

Our Booklet on Wills contains interesting and valuable information. It will be sent on application

DIRECTORS

H. S. Holt, President	Hon. N. Curry	Hugh Paton
Robt. Archer, Vice-Pres.	Hon. R. Dandurand	E. L. Pease
Sir W. M. Aitken, M. P.	Geo. E. Drummond	James Redmond
J. E. Aldred	T. J. Drummond	F. W. Ross
A. J. Brown, K.C.	F. P. Jones	Hon. W. B. Ross, K.C.
Fayette Brown	Wm. Nelson Macpherson	A. Haig Sims
Geo. Caverhill	C. E. Neill	

V. J. HUGHES, MANAGER

142 Notre Dame Street, W.

Dominion Trust Company, Limited

Head Office - VANCOUVER, B.C.

BRANCHES:

Vancouver, B.C. Victoria, B.C. Nanaimo, B.C. New Westminster, B.C. Calgary, Alta. Regina, Sask. Montreal, Que. London, England Antwerp, Belgium

Subscribed Capital - - \$2,400,000
Paid-up Capital - - - \$1,800,000
Reserve & Undivided Profits \$ 750,000

Acts as executor, trustee, guardian, transfer agent, trustee for bond holders, agent for the investment of funds and all other trust capacities.

Loans money for clients on first mortgages on improved real estate in amounts not exceeding 50% of conservative valuations, netting the investor 6% to 7 1/2%.

Deals in Municipal and industrial debentures.

W. R. ARNOLD, Managing Director.

The LIFE AGENTS MANUAL, \$3.00
THE CHRONICLE - MONTREAL

The Royal Trust Co.

TRANSPORTATION BUILDING
CAPITAL FULLY PAID - \$1,000,000
RESERVE FUND - - - \$1,000,000

Board of Directors:

Right Hon. LORD STRATHCONA & MOUNT ROYAL, G.C.M.G.
PRESIDENT.

H. V. MERIDITH,
VICE-PRESIDENT.

SIR H. MONTAGU ALLAN, C. R. HORNER	A. MACNIDER
R. B. ANGUS	SIR W. C. MACDONALD, DAVID MORRICE
A. BAUGARTEN	HON. R. MACRAE
A. D. BRADFORD	SIR T. G. SHAUGHNESSY, K.C.V.O.
C. B. GORDON	SIR WILLIAM C. VAN HORNE, K.C.M.G.
E. B. GREENSHIELDS	

A. E. HOLT, Manager

SAFETY DEPOSIT VAULTS:
Bank of Montreal Bldg., 109 St. James St.,
MONTREAL.

The Standard Loan Co.

We offer for sale debentures bearing interest at FIVE per cent per annum, payable half-yearly. These debentures offer an absolutely safe and profitable investment, as the purchasers have for security the entire assets of the company.

Capital and Surplus Assets - - - \$1,400,000.00
Total Assets - - - \$2,800,000.00

President: J. A. KAMMERER.

Vice-Presidents: W. S. DINNICK, Toronto, HUGH S. BRENNEN, Hamilton.

Head Office: Cor. Adelaide and Victoria Sts., TORONTO

The Trust and Loan Co.

OF CANADA

Capital Subscribed, - - - \$14,600,000
Paid-up Capital, - - - 2,920,000
Reserve Fund, - - - 1,499,950
Special Reserve Fund - - - 473,600

MONEY TO LOAN ON REAL ESTATE AND SURRENDER VALUES OF LIFE POLICIES.

30 St. James St., 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.

by
Deposit Vault
Terms exceptionally moderate.
Correspondence invited.

B. HAL. BROWN, Vice-Pres. and Gen. Manager.

Union Assurance Society Limited

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

Canadian Branch:

Corner St. James and McGill Streets, Montreal
T. L. MORRISSEY, Resident Manager
Agencies throughout the Dominion

FIRE UNDERWRITERS AND MONTREAL CONTROLLERS.

Council to be Asked to Over-ride Controllers' Refusal to Institute Investigation into Water Department—Statement of Controllers.

As announced exclusively in THE CHRONICLE of November 22, the Montreal City Controllers have re-affirmed their previous decision not to recommend the expert investigation into the administration of the Montreal City Water-Works Department asked for by the Canadian Fire Underwriters' Association, the Montreal Board of Trade, and the Montreal branch of the Canadian Manufacturers' Association. We understand that the Underwriters have now appealed to the City Council direct, asking them to over-ride the decision of the Controllers and to sanction the enquiry asked for. It will be remembered that a month ago the Aldermen showed themselves to be in favor of the proposed enquiry, sending back the first recommendation of the Controllers against an enquiry with the advice that an enquiry should be recommended.

The Controllers seek to justify their action in again refusing the enquiry in a lengthy communication which has been sent to the Canadian Fire Underwriters' Association, the text of which we subjoin. The Controllers can hardly be surprised if those concerned find their explanation anything but a satisfying one. The document is largely concerned with the aqueduct extensions now being carried on, and to this extent "begs the question," for from the outset of the discussion of this matter, following the Point St. Charles fire on November 3, the Underwriters, the Board of Trade and the Montreal branch of the Canadian Manufacturers' Association have been concerned primarily with the general administration of the water-works department and not with the question of the aqueduct. What they have wanted and what they still want, is to get at the underlying causes of the recent water famine in Montreal, and of the extraordinary series of accidents to pumps and mains which have taken place this year; to find out, if it is possible to find out, who or what was responsible therefor, and to discover if there is any reasonable guarantee that these accidents will not recur with monotonous regularity for an indefinite period.

The Controllers demur to an investigation on the ground that it would "certainly bring about a considerable disturbance in the working of the department." Was there ever so feeble an excuse—it is apparently intended seriously—for not taking action?

The Controllers say that the engineers "always provided against the possible requirements." We note this statement with pleasure, but how is it that when one pump broke down, there was a water famine for several weeks? Doesn't constant provision

against possible requirements include a supply of reserve pumps in case of accidents?

The Controllers say "Is it not deemed sufficient only to inquire into the cause of the accident and *where need be, to place the responsibilities therefor? This is what has been done* by the Water Department." Where have the responsibilities been placed? Nowhere in particular? If not, the public would be interested to hear the details.

The Controllers say that two new pumps of 12,000,000 gallons each, for which tenders are now being called, shall be installed next summer. If they are so installed, the job will be accomplished much more quickly than similar jobs have been accomplished before. What guarantee have the citizens that the pumps will be installed in the time stated?

The Controllers' apparent opinion that "all is for the best in the best of all possible worlds" in connection with the City's water supply is, in fact, hopelessly at variance with the opinion on the subject of the majority of citizens. The citizens' profound dissatisfaction has been effectively voiced by three representative bodies and it is to be hoped that the Council will in this case over-ride the Controllers and start the investigation. If the administration of the water department is really admirable, well and good. The investigators will report their findings, and the public will be satisfied. But the public is not likely to be satisfied with anything less than an expert investigation.

TEXT OF THE STATEMENT.

The statement sent to the Canadian Fire Underwriters' Association is as follows:

"1. The demand of investigation contains no specific complaint, and therefore this would lead to an unlimited investigation, which would certainly bring about a considerable disturbance in the working of the department, which at the present time requires all the care and attention of its employees in carrying out their duties.

"2. The Board of Commissioners have a statement in hand, of which they can give copies to any interested parties. This statement or tableau shows in chronological order all the important demands made by the engineers in charge of the Water Works since 1904, and the results obtained from such demands.

"An examination of this statement or tableau will show clearly that, not only were the engineers not neglectful in providing for the wants of the department as they came up, but they also always provided against the possible requirements. The same statement or tableau shows, also, in the same manner, that proper provisions were made by the engineers for requisite requests as to pumps and boilers.

THE NEW AQUEDUCT.

"3. As concerns the aqueduct properly speaking, the same statement will also show the zeal and competency of the engineers, for, on the 5th January, 1904, the superintendent made his first report, calling attention to the necessity of studying the enlargement of the aqueduct, which had become insufficient.

"In March, 1905, the first appropriation of \$2,000 was voted by the council to engage the necessary technical assistants to help the department engineers in the study of the project, and the works for carrying out this programme were commenced in October, 1907, that being the date of beginning of the work of construction of the lateral conduit.

"No time was lost after the completion of this lateral conduit to begin the works of enlargement of the aqueduct, which were started in September, 1909."

Guardian Assurance Company

Limited, of London, England

Subscribed Capital, \$10,000,000 Paid-up Capital, \$5,000,000

Total Assets, over \$33,000,000

Deposited with Dominion Government, over \$600,000

Canadian Branch: Head Office, Guardian Building, MONTREAL.

CANADIAN TRUSTEE:

J. O. GRAVEL

H. M. LAMBERT, Manager

BERTRAM E. HARDS,

Assistant Manager.



CANADA BRANCH HEAD OFFICE, MONTREAL.

DIRECTORS:

Sir Alexandre Lacoste, M. Chevalier, Esq., William Molson Macpherson, Esq.,
T. J. Drummond, Esq.,
J. Gardner Thompson, Manager. J. W. Binnie, Deputy Manager.



Head Office: 112 St. James Street, Montreal

DIRECTORS:

J. Gardner Thompson, Vice-President and Managing Director.
Sir Alexandre Lacoste, M. Chevalier, Esq., Wm. Molson Macpherson, Esq.,
T. J. Drummond, Esq., A. G. Dent, Esq., J. A. Rimmer, Esq., John Emo, Esq.

J. W. Binnie, Secretary.



The Northern Assurance Co. Limited

"Strong as the Strongest"

Accumulated Funds, \$38,800,000

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

G. E. MOBERLY, Supt. of Agencies.

ROBERT W. TYRE, Manager.

ROYAL EXCHANGE ASSURANCE

Founded A. D. 1720

Losses Paid Exceed \$235,000,000

Head Office for Canada
Royal Exchange Building
MONTREAL

ARTHUR BARRY, Manager

Correspondence invited from
respectable gentlemen in all
represented districts re fire and
casualty agencies.



Head Office: Royal Exchange, London

THE London Assurance CORPORATION OF ENGLAND.

INCORPORATED BY ROYAL CHARTER A. D. 1720

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

Head Office for Canada, MONTREAL

W. KENNEDY, W. B. COLLEY, Joint Managers.

"In 1910, upon the order of the Board of Commissioners, the engineer superintendent of water works was requested to make a further study of the aqueduct enlargement to increase the dimensions of the projected aqueduct in order to obtain sufficient hydraulic power not only for the water works pumping but also for the lighting of the city. On the 21st November, 1910, the City Council approved the superintendent engineer's report.

"As the contractors for the works then being carried out had refused to take over the execution of the supplementary works required at their contract prices, there was no other resource but to await the expiration of their contract (October, 1912) in order to call for new tenders.

"The meantime, the Board of Commissioners have thought it opportune to propose the construction of boulevards on the banks of the aqueduct by utilizing the soil provided by the excavation therefrom and the chief engineer made a report in consequence on the 29th November, 1911, and the City Council pronounced itself on this question on the 11th November last.

"Since the date of this decision which had to be settled in order to definitely prepare plans and specifications, the water works engineers are at work on the readjustment of said plans and specifications, and the call for tenders for execution of the work shall be made shortly.

4. "No reproach can revert to the engineers of the water department for not providing in their original project for the widening of the aqueduct to the enlarged dimensions, and that project designed in 1904, under instructions by the then Water Committee, had only to conform to the wants of the water pumping, as the committee, or its engineers, had no power to take up the question of electric lighting.

"The question took on a different aspect in 1910, when the Board of Commissioners could act by confirming the opinion of the engineer superintendent of the water works relative to the production of more hydraulic power for lighting and electric power services.

5. "There is no reasonable cause to have the above mentioned projects further studied by experts, as these have been properly examined at the time and completely endorsed by most competent experts such as Messrs. Ernest Marceau, chief engineer of Canada for the Government, and John Kennedy, ex-chief engineer for the Harbor Works, both being past presidents of the Canadian Society of Civil Engineers.

"Messrs. Hering & Fuller, the celebrated water works engineers, of New York, have also made a detailed study of the project of enlarging of the aqueduct. They devote a special chapter to this subject in their report, pages 27 and 28, and in the conclusion of their report, page 69, they express themselves as follows:

"We approve of the project of enlarging the power canal of aqueduct, the cost of which for all present developments, together with water wheels, pumps and wheel house needed in the near future, is estimated to be in the neighborhood of \$2,250,000. This is a sound business proposition, based upon the fact that the interest of this investment is very much less than would be the cost of fuel to generate steam for an equivalent amount of power for pumping water, developing electricity or for other purposes, for which the city would no doubt find a ready market."

"Concerning No. 4. 12 million gallon pump, which met with a serious accident, and the cause of the recent trouble; it is of the make and constructed on plans by the Henry R. Worthington Company, celebrated pump makers, and its acceptance tests have been carried out by two engineers not in the direct service of the department.

"No plausible theory can be formed as to the causes of this accident.

BREAKING OF WATER MAINS.

7. "Concerning the breaking of the water pipes, for example, the 30-inch main on St. Antoine street, near Windsor street, the Board of Commissioners has information that these pipes, like all those in use in the Water Department, have been properly inspected and tested to 300 pounds per square inch by capable inspectors, either at the foundry or in the city shops. Furthermore, the St. Antoine street main, having shown signs of weakness when first laid, was subjected in place to a pressure of 500 pounds before being put into service; as the recent accident happened under a pressure of less than 60 pounds, it is difficult to advance a reasonable theory as to the cause of the accident.

"In any event, the engineers have taken every precaution, and though these accidents may be regrettable, there is nothing to lead one to impute criminal lack of com-

petence or want of prudence of the engineers of the department.

"One can compare the case of such accidents happening to similar ones which take place on railway lines; for instance, locomotive explosions, the breaking of rails, the derailments of trains, collisions, etc.

"Now, has it ever occurred in such cases to ask for a general investigation on the administration of these railway lines? Is it not deemed sufficient only to inquire into the cause of the accident, and where need be to place the responsibilities therefor? This is what has been done by the Water Department.

"As to the provision for water supply of the city, it is amply assured at present by a pumping capacity of 60,000,000 to take care of the consumption of 45,000,000. Tenders are being called for two new pumps of 12,000,000 gallons each, which shall be installed next summer, and will, putting aside an old pump of 7,000,000, bring the pumping capacity to 77,000,000, against a probable consumption of 50,000,000."

THE MOVING OF THE GRAIN CROPS.

C.P.R. Vice-President Tells of Work Done—Lack of Steamship Tonnage a Drawback—More Farmers' Granaries Wanted.

Mr. George J. Bury, western vice-president of the Canadian Pacific Railway, was in Montreal this week and spoke interestingly in regard to the crop movement.

"In the fall everyone in the West naturally is greatly concerned about the crop movement," said Mr. Bury. "Owing to the large sums of money which have been expended by our company on terminals, double tracking, etc., this year we were able to load the grain practically as fast as it could be marketed. That is, we were loading at stations on our line at the rate of a million bushels a day. This kept up until about the middle of November, when we had to slacken the loading down because the grain was going into Fort William faster than the boats were taking it out. The reason the boats did not take it out faster was because the shippers were unable to secure ocean tonnage to move to Europe.

"For years," he continued, "we have been trying to impress upon the farmers the fact that from the time the wheat is threshed until it is consumed, someone has to pay the interest on the money involved, and that this interest comes out of the farmer; also, that it would be to his benefit to build granaries on the farm, in which to store the grain, shipping it out by degrees instead of trying to market the greater portion of it in two and a half months. This year the grain was moved as fast as marketed, but it could not be taken away from the head of the lakes to its destination as fast as the western railways hauled it in, and now the people in the West are beginning to see that it is to their own interest to store the grain on the farms, spreading the marketing over a longer period, and some headway has been made in convincing them that their future is bound up in mixed farming. The crop graded well this year, the country generally is prosperous and even the most pessimistic cannot find any signs of an abatement of the prosperity and progress."

Asked for details of the grain movement Mr. Bury stated that from the first week in October up to December 4, 82,531,000 bushels had been marketed on the C. P. R. line, which is one-third more than last fall. Of this quantity 76 per cent. had been shipped, while last fall the shipment figures at the same date reached 69 per cent.

GOOD FAITH IN LIFE INSURANCE.

While good faith is an essential basis of all business operations, it may be said that in the business of insurance, it plays an even more important part than elsewhere. In every branch of insurance it is an important factor—in fire business as in life, in casualty as in compensation. Taking on this occasion the business of life insurance only, let us briefly see how this matter of good faith lies at the very root of it; that if this essential factor be absent on the part of the insured, a life policy which, if suitably chosen, should and will be a source of great benefit and satisfaction to both consenting parties, will become merely a cause of profound dissatisfaction and grievance.

The importance of good faith in life insurance begins at the very outset—in the filling up of an application for a policy of insurance. If bad faith be suspected in any one of the answers to the necessary questions in this application form, the suggestion is inevitably forced upon those who have to pass upon the application that the whole of the answers are unreliable. The suggestion may not be true, but the mere fact that one answer is given in bad faith must cast a slur upon all the others. It is true that in many points developed by the answers to the questions contained in an application for life insurance, the company through its representative agents (if they be as honest and faithful to its interests as they should be) is able to have some security of corroboration, and therefore in the absence of special advice from the agent upon such points, the answers of the applicant are reasonably assumed to be true and correct. But in many other cases, untrue answers may be given without detection by the agent, and in such cases, the company is thrown back upon the good faith and honest intention and integrity of purpose of the applicant himself. In such cases the validity of the contract depends upon the foundation upon which the contract rests; and if this be false, no lasting superstructure of truth and legal force can be built upon it. But if the foundation be laid in absolute truth and good faith, the contract based upon it assumes a strength and inherent binding force that nothing else can destroy or weaken, except a subsequent violation of the agreed and understood contract, terms and conditions.

It must be remembered that no quality of good faith is required from the applicant and subsequently from the policyholder that is not also required and legally exacted from the life insurance company. Assuming the good faith of the applicant, the company acts in strictly good faith towards him in its determination whether it will accept the risk tendered for acceptance or reject the application for a

policy of life insurance that is made to it. If the application be rejected, such action necessarily ends the matter definitely and finally. If the company accepts the proposal, and assumes that a good basis for a legally binding contract has been given to it, the company issues its policy in such good faith that it binds itself beyond the possibility of legal withdrawal, to assume a fixed financial responsibility on the occurrence of a fixed and stated event, in return for certain contract payments to be regularly and promptly made to it and upon certain reasonable conditions imposed upon the policyholder.

The regular life insurance companies of Canada and the United States contest exceedingly few claims in proportion to the hundreds of thousands that they pay under the obligations of fulfilled conditions of their policy contracts. And when they do contest a claim, it is always because of a violation of good faith by the other party to the contract. It is always, either because of the original bad faith of the applicant or because of his subsequent bad faith in violating the distinctly understood terms and conditions of the policy contract.

No reputable life insurance company, such as those authorized and licensed to transact business in Canada, will deliberately incur the odium that so frequently attaches to a refusal to pay even a manifestly unjust claim, unless it is clearly convinced that the insured acted so as to constitute a violation of the *bona fides* that it had a right to insist upon the observance of, in accordance with the stated terms and conditions under which the policy contract was to remain operative.

No man need hesitate for one moment, fearing possible future complications in regard to the company's liability. He can secure his family a protection that is absolute and infallible; and in order to do so, all that is necessary is to deal in good faith with the company when he makes the application and to preserve the same rule of good faith after the policy has been issued to him.

GRESHAM LIFE ASSURANCE SOCIETY.

We are informed that the Dominion-Gresham Building, 302 St. James Street, Montreal, has been purchased by the Gresham Life Assurance Society from the Dominion-Gresham Guarantee and Casualty Company. This building is now occupied entirely by the Gresham Life and the Dominion-Gresham companies, with the exception of one small office. Erected in 1906, it is an attractive and convenient office building of the modern type, and forms very suitable headquarters for the two companies' activities in Canada.

Mr. A. R. Howell, manager for Canada of the Gresham Life, and Mr. E. J. Stark, casualty manager of the Dominion-Gresham, have returned from a trip of inspection of their companies' agencies in the West, which took them as far as Victoria, B.C. Mr. Howell reports that conditions in the West are very favorable and that his company is obtaining its fair share of business in that field. Money is, however, very tight.

COMMERCIAL UNION

ASSURANCE COMPANY LIMITED
of LONDON, England

Capital Fully Subscribed . . .	\$14,750,000
Capital Paid Up	1,475,000
Life Fund, and Special Trust Funds.	66,136,780
Total Annual Income exceeds	37,500,000
Total Funds exceed	115,000,000
Total Fire Losses Paid	147,603,475
Deposit with Dominion Government	1,269,327

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—
Commercial Union Building,
MONTREAL

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

PALATINE

INSURANCE COMPANY LIMITED
of LONDON, England

Capital Fully Paid	\$500,000
Fire Premiums 1911, Net	\$2,264,769
Interest, Net	129,270
Total Income	\$2,394,039
Funds	<u>\$4,000,000</u>
Deposit with Dominion Gov't	\$105,666

In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Funds exceed \$115,000,000

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—
Commercial Union Building,
MONTREAL

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

SUN INSURANCE OFFICE

FOUNDED A.D. 1710.

Head Office:
Threadneedle Street - London, England
The Oldest Insurance Office in the World

Surplus over Capital and all Liabilities exceeds
\$10,000,000

Canadian Branch:
15 Wellington Street East, Toronto, Ont.
H. M. BLACKBURN, Manager

This Company commenced business in Canada by depositing **\$300,000** with the Dominion Government for security of Canadian Policy-holders.

ESTABLISHED 1809

Total Funds Exceed **\$85,805,000** Canadian Investments Over **\$8,280,742**

FIRE AND LIFE

North British and Mercantile
INSURANCE COMPANY

DIRECTORS
A. MACNIDER, Esq., Chairman CHAS. F. SISE, Esq.
G. N. MONCEL, Esq. WM. McMASTER, Esq.

Head Office for the Dominion:
78 St. Francois Xavier Street - MONTREAL.
Agents in all the principal Towns in Canada.
RANDALL DAVIDSON, Manager.

ANGLO-AMERICAN

FIRE INSURANCE COMPANY

Head Office, 61-65 Adelaide St. East, Toronto

E. E. A. DU VERNET, K.C., President
H. H. BECK, Manager

INSURANCE

Phoenix of Hartford

Company

Total Cash Assets : \$10,737,657.32
Total Losses Paid : 67,969,830.19

J. W. Tatley, Manager.
MONTREAL.

Applications for Agencies Invited.

The MONTREAL-CANADA

FIRE INSURANCE COMPANY

ESTABLISHED 1859.

Head Office: 59 St. James St., Montreal

AGAINST STATE SYSTEM OF WORKMEN'S COMPENSATION.

Mr. S. H. Wolfe Looks with some Favour on English System, but thinks that a Modification of that in Massachusetts will give Maximum Benefit in Ontario.

An argument against any system of State Workmen's Compensation was presented by Mr. S. H. Wolfe, the well-known American actuary, at the resumption of the Ontario Workmen's Compensation enquiry before Sir William Meredith at Toronto on Saturday. Mr. Wolfe brought with him an elaborate memorandum, and upon deductions drawn from the operation of the various systems of Workmen's Compensation based his opposition to a State scheme. He did not think the Government was equipped to undertake control at the present time. He admitted that if the province came to the "unwise" conclusion that it was equal to the task there was no reason for not going ahead with it.

Mr. Wolfe agreed that there was urgent need of some form of compensation to take the place of the common law liability of employers with its costly litigation. He was inclined to look with favor upon the English system, which had little State interference and a maximum of personal freedom. There was objection to the fact that the employer could force his workman to litigate his claim. Perhaps the most serious drawback of the British form of compensation was the fact that the workman injured had no guarantee that his employer would be solvent when the first payment was due or would continue solvent.

The Massachusetts system was favored by Mr. Wolfe as the best for Ontario. It provided for an employer bringing himself within the Act by giving his employes statutory notice. He must become either a policyholder in a stock company or a mutual association authorized to transact business in the State. Another alternative is provided, that of becoming a member of the Massachusetts Employers' Insurance Association. This Association divides its members into groups according to the hazard, charging premiums in advance. After setting aside the necessary reserve to provide for the ultimate payment of losses that have occurred during any one year, the Association is authorized to equitably apportion the unexpended balances among its subscribers.

GERMAN SYSTEM EXPENSIVE.

Regarding the German system, Mr. Wolfe said the country was prepared for Governmental supervision, because the Government was more executive than legislative. It was impossible, he said, to present a definite statement of the cost of insurance for industrial accidents in Germany because the accident department was closely interwoven with the administration of sickness funds, and the German mutual accident associations do not capitalize the future payments on accidents that occur in any one year. Mr. Wolfe pointed out that the benefits paid under the Massachusetts system were greater than those under the German method while the relative cost to the manufacturer in Germany was greater than in England or the United States.

"I am of the opinion," said Mr. Wolfe, "that the methods now being followed in Germany, Ohio and Washington are ill-adapted to the needs of Canada

or any of the United States. I am of the opinion that the maximum benefit can be derived from the adoption of a type similar to that in use in the Commonwealth of Massachusetts, with such modifications as will make it applicable to the particular community which it is intended to benefit."

Since Mr. Wolfe's views are opposed to those advanced by Mr. F. W. Wegenast on behalf of the Canadian Manufacturers' Association, which favors a Government board and system, it was arranged that Mr. Wolfe and Mr. Wegenast should meet to exchange views and submit the result to the Commissioner.

ROYAL BANK'S STATEMENT.

The Royal Bank's statement issued last night is for eleven months only, the Bank having changed the end of its financial year from December 31 to November 30. This and the enlarged standing of the Royal Bank consequent upon its absorption of the Traders Bank a few months ago make the ordinary year-to-year comparisons impossible. It is obvious, however, that the Bank has enjoyed a very successful year. Net profits for the eleven months were \$1,527,325 or at the rate of 19.19 per cent. upon the average paid-up capital. Last year the average rate of earnings was 18.58 per cent. After the payment of \$943,586 in the 12 per cent. dividend, placing \$75,000 to the officers' pension fund, and writing \$300,000 off bank premises, there is carried forward to the current year a balance of \$610,219. A sum of \$5,503,812 premiums on new capital stock is also brought into the profit and loss account and transferred to reserve fund.

The following leading figures of the general statement show effectively the enlarged status of the Royal Bank at November 30 last, in comparison with December 31, 1911:—

	Nov. 30, 1912.	Dec. 31, 1911.
	\$	\$
Capital paid up	11,560,000	6,251,080
Reserve	12,560,000	7,056,188
Total Deposits	137,891,668	88,294,808
Circulation	12,584,618	6,338,076
Liabilities to the public	154,137,719	96,358,342
Specie	5,204,964	4,801,012
Dominion Notes	14,443,785	10,094,472
Call Loans	23,978,642	13,322,851
Quick Assets	73,428,782	47,738,440
Current Loans	99,828,880	59,646,165
Total Assets	179,210,758	110,528,512

The proportion of liquid assets is 47.6 per cent. of the liabilities to the public. The annual meeting is fixed for January 9th.

THE OCEAN ACCIDENT & GUARANTEE CORPORATION, LIMITED.

A recent appointment of interest in the Accident field has been that of Mr. Arthur James as manager at Montreal for the Province of Quebec of the Ocean Accident & Guarantee Corporation, Limited. Mr. James has had, in the service of the Corporation, a long and valuable experience, which will well qualify him for his important work at Montreal. He was previously manager for the Ocean in Cape Colony, South Africa.

Mr. Charles H. Neely, general manager for Canada & Newfoundland, reports a satisfactory increase in volume of business for the year.

THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated : 1853.

HEAD OFFICE : TORONTO

Old Reliable Progressive
 Assets over - - - \$2,000,000.00
 Losses paid since organization
 over - - - \$35,000,000.00

DIRECTORS:


Hon. GEO. A. COX, President.	W. R. BRACK, Vice-President
ROBT. BICKERDIKE, M.P.	W. B. MEIRLE
E. W. COX	GEO. A. MOGROW
JOHN HOSKIN, K.C., LL.D.	AUGUSTUS MYERS
D. B. HANNA	FREDERIC NICHOLLS
ALEX. LAIRD	JAMES KERK OSBORNE
Z. A. LAMB, K.C., LL.D.	SIR HENRY M. PELLATT

E. R. WOOD

W. B. MEIRLE, General Manager

EVANS & JOHNSON, General Agents

26 St. Sacramento Street : : MONTREAL



**NORWICH UNION
 FIRE INSURANCE
 SOCIETY LIMITED**
Norwich, England

INSURANCE AGAINST:
FIRE ACCIDENT AND SICKNESS
EMPLOYERS' LIABILITY PLATE GLASS

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

JOHN MacEVEN, Superintendent

L'UNION FIRE INSURANCE COMPANY, Limited

Head Office : PARIS, France.
Established 1828

Capital fully subscribed . . . \$2,000,000.00
 Net Premiums in 1910 . . . 4,651,840.00
 Total Losses paid to 31st Dec., 1910

Canadian Branch:
94 NOTRE DAME ST. WEST, MONTREAL

Manager for Canada:
MAURICE FERRAND.

First British Insurance Company Established in Canada
A. D. 1804

Phoenix Assurance Co. Ltd.

OF LONDON, ENGLAND. (Founded 1782)

FIRE LIFE

TOTAL RESOURCES, over . . . \$78,500,000.00
 FIRE LOSSES PAID- . . . 425,000,000.00
 DEPOSITS with Federal Government and
 Investments in Canada, for security
 of Canadian policyholders only, exceed 2,500,000.00

AGENTS WANTED IN BOTH BRANCHES. Apply to
R. MacD. Paterson, Managers.
J. B. Paterson,

100 St. Francois Xavier St. - Montreal.

Established 1864.

New York Underwriters Agency.

Policies secured by Assets - \$24,363,655

PROVINCIAL AGENTS.

MURPHY, LOVE, HAMILTON & BASCOM, Toronto, Ont.	JNO. WM. MOLSON, Montreal, Que.
OSLER, HAMMOND & NANTON, Winnipeg, Man.	WHITE & CALKIN, St. John, N.B.
ALFRED J. BELL, Halifax, N. S.	HORACE HAZARD, Charlottetown, P.E.I.

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

"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.

LONDON MUTUAL FIRE INSURANCE CO.

HEAD OFFICE TORONTO
ESTABLISHED 1859

Assets on December 31st 1911 . . . \$926,906.76
 Liabilities on December 31st, 1911 . . . \$337,306.07
 SURPLUS on December 31st, 1911 \$589,600.69
 Security for Policy Holders . . . \$967,910.97

F. D. WILLIAMS,
Managing Director

THE RE-PAYMENT OF POLICY LOANS.

Apropos of recent discussion on the subject of the re-payment of policy loans, some interesting information is given regarding the practice of the Manhattan Life, of New York, in a letter by the vice-president of that company to our New York contemporary, the Insurance Press. The Manhattan Life has adopted a scheme whereby there is attached to every loan agreement sent out in response to policyholders' applications for loans, a notice calling attention to the fact that by making a loan, the insured is mortgaging the policy, etc. The notice reads as follows:—

NOTICE.—Your attention is called to the fact that in making a loan on your policy you are mortgaging it for that amount; and in case of your death, the loan would have to be deducted from the proceeds of the policy. You are thus depriving the beneficiaries of a part of the insurance protection to which they are entitled, and are increasing your yearly payments by the interest which you will be obliged to pay, in addition to the premium payments called for by the policy. If your circumstances are such that you are obliged to avail yourself of this loan, well and good, but you are urged to place the policy in its original condition by repaying the loan at the earliest possible moment. If you are unable to repay the entire amount of the loan at one time, partial payments will be accepted by the company.

Further, there is enclosed with every premium notice where the insured has a loan or lien on his policy, another notice calling his attention to the fact that there is a loan outstanding and suggesting re-payment. This second notice reads:—

TO THE HOLDERS OF POLICIES WITH LOANS OR LIENS OF OUTSTANDING.—Your attention is called to the fact that there is a loan (or lien) outstanding against your policy, and in case of your death while the policy is in force, the amount of the loan (or lien) will be deducted from the proceeds of the policy. The beneficiaries are thus deprived of a part of the insurance protection originally afforded by the policy.

While no demand is made by the company for the re-payment of the loan (or lien), you are earnestly urged to replace the policy in its original condition by repaying the loan (or lien) at the earliest possible moment. If you are unable to repay the entire amount at one time, partial payments will be accepted by the company.

"When we adopted this scheme," says the Vice-President of the Manhattan Life, "we did so mainly with the idea that it was in the nature of an experiment; and we thought that it would probably result in some policyholders hesitating in making a loan, or in their paying it off as soon as possible, and we furthermore had in mind that by calling the policyholder's attention to the loan outstanding, it might impress upon him the importance of not continuing the loan any longer than necessary. But the results that these little notices have accomplished have been something marvellous. No doubt you are well aware of the fact that it has generally been the case that a policy loan once effected is rarely paid off. This company had exactly this experience. But since we are sending out these notices, loan after loan has been repaid; and many of the policyholders, if unable to repay the entire loan, take advantage of the privilege of paying instalments. To say that we were more than surprised at the number of loans paid off, expresses it mildly. We were so well satisfied with our experiment that we are continuing the practice right along; and the good results that we are accomplishing in having loans paid off are most gratifying indeed."

THE SACREDNESS OF TRUSTEESHIP IN THE INVESTMENT OF LIFE INSURANCE FUNDS.

(George E. Ide, president Home Life of New York, before the Association of Life Insurance Presidents.)

(Continued from page 1773.)

COMPULSORY LOCAL INVESTMENT.

The idea has arisen of late in the minds of some that each State or locality can best promote its own growth and prosperity at the expense of some other State or locality, which idea is exemplified in the efforts made in certain commonwealths to pay their own expenses by heavily taxing foreign individuals and corporations who attempt to do business within their borders. Of late it has taken a new form. Compulsory local investment of life insurance funds has in one State been enacted into law.

When I hear the honest promoters of these laws advocate their adoption, I shudder for the future of life insurance investments. Never was a line of action proposed more inimical to the interests of the policyholder. The impropriety of segregating the reserves (upon which these compulsory investments are usually based) and breaking up the funds of a company into different groups is apparent to students of insurance, but the idea that to these trustees, with their responsibility and personal accountability, some town, or county or State shall say, "You must invest in our locality," seems past belief. When the law-maker steps in between the policyholder and the trustee, whom he, the policyholder, has chosen, and attempts to usurp the function of that trustee, what becomes of the trustee's responsibility, and who is going to satisfy the policyholder, if in the future under such mandatory laws good investments cannot be found and bad or indifferently good investments have to be made?

Possibly it may be thought that I object to this interference because it comes from distant quarters of the country and from State authority. Not at all. I believe the same objection should be made to any form of interference with the trustees in the exercise of their legitimate functions.

INSURANCE AND INVESTMENT DEPARTMENTS**DISTINCT.**

In the last few years there has been a wonderful growth of new companies in all parts of the country. Loyalty to home interests has in many instances been the motive underlying their inception. Many older companies have felt that to meet this new competition they must in the investment department enter new and untried fields. Nothing can be more dangerous. The insurance and the investment departments of any well-regulated and conservatively managed company must be kept absolutely distinct. The agent when he says "You must invest money in my territory to aid me in securing new insurance" is pursuing as reprehensible a course as the State which tries to advance its interests by similar mandatory methods.

What then should be the basis of choice in selecting investments? There can be no specific rule formulated. One company has for years been investing its funds in farm mortgages. Its trustees understand that business. Its record and experience give it a sound basis for future action. It is proper and natural that that company should prefer this

THE CANADA LIFE

in each of the past 4 years has earned **A Substantially Increased Interest Rate**, and 1912 bids fair to exceed 1911.

Interest is a most important element in the earning of surplus, and this doubtless accounts for the fact that **In Each of The Past 4 Years** the Canada Life has earned **A Larger Surplus** than ever before in its history.

N.B.—Favorable mortality and low expenses, the result of **Good Management**, have helped.

Canada Life Assurance Company,
Head Office : TORONTO.

BRITISH AND CANADIAN UNDERWRITERS of NORWICH, ENGLAND.

GUARANTEED BY THE
Norwich Union Fire Insurance Society,
Limited, of NORWICH, ENGLAND.

AGENTS WANTED AT ALL POINTS IN THE DOMINION.

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

JOHN MacEWEN, Superintendent.

Union Mutual Life Insurance Co. Of Portland Maine.

FRED. E. RICHARDS, President.

Accepted value of Canadian Securities held
by Federal Government for protection of policy-
holders, \$1,206,576.

All policies issued with Annual Dividends on
payment of second year's annual premium.

Exceptional opening for Agents, Province of
Quebec and Eastern Ontario.

WALTER I. JOSEPH, Manager,
151 St. James Street, Montreal.

SOLICITING INSURANCE FOR THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK IS ONE OF THE MOST LUCRATIVE OF CALLINGS.

Are you in the business to stay? Choose a Com-
pany good enough for you to stay WITH, and strong
enough to stay with YOU, during your whole career;

The oldest Company in America, which began busi-
ness seventy years ago, is bigger, better and strong-
er now than ever before, and will be still bigger,
better and stronger seventy years hence;

Not the Company which YOU must introduce, but
the Company which introduces YOU wherever you go.

The Company whose better selling policies earn most
for you in the way of commissions;

The Company which furnishes the insured the
largest protection for his money.

FOR TERMS TO PRODUCING AGENTS, ADDRESS:

George T. Dexter

2nd VICE PRESIDENT

34 Nassau Street

New York, N.Y.

GOVERNMENT, MUNICIPAL AND CORPORATION BONDS

Our list comprises carefully selected offerings of Canadian Municipal, Government
and some of the best class of corporation bond issues suitable for the investment
of the funds of banks, trust and insurance companies, estates and private invest-
ors. The securities we offer combine the two essentials of a satisfactory invest-
ment, namely, safety and good interest return.

WOOD, GUNDY & COMPANY.

LONDON, ENG.

TORONTO, CAN.

form of security. Another has made a specialty of large loans on city properties in all parts of the country. Another has placed its money in some few great centres. Others have made a specialty of municipal, State, railway or general corporation securities. Why this divergence? It is perfectly natural and it is sound. It is based upon the peculiar conditions surrounding each company, and upon the peculiar kind of knowledge and experience each company has. By this natural choice, based on knowledge and experience, we are now securing a greater variety of investments than could be secured in any other way. There is nothing mysterious about the movement of capital. If one wishes it to come his way, he must court it by offering ample security, a satisfactory interest return and friendly treatment. One of the most curious inconsistencies of our time is that many communities which are most insistent in their calls for foreign capital are most outspoken in their condemnation of that article which they so earnestly crave.

There is only one way by which trustees of life insurance companies can be properly induced to enter new fields of investment. Not by coercion—not by threats—not by attack, but by education. It must be proven to the trustees that the security offered is sound, and that the return is ample, and then capital will soon seek these new channels, following the simple and immutable laws of economic gravitation.

The assets of insurance companies have helped to build our cities, to construct our railways, to promote our industries, to develop our farms and to finance our municipal, our State and National governments. We can well afford to allow this divergence in investments to expand on natural lines. We must not try to force it in one direction or another by artificial stimulus which will inevitably be followed by discouraging reaction. We must remember always that the sole duty of life insurance trustees is a simple one; namely, to conserve as a sacred trust the enormous funds committed to their charge. They should not be persuaded by pressure from within nor mandates from without to invest in new fields until they have explored most thoroughly the unknown land.

A SACRED TRUST.

Life insurance is a national American institution. Here it has found its greatest and soundest growth. It is our duty to view the matter of life insurance investments on broad lines, if we are to handle safely and judiciously this aggregation of wealth. Petty individual interests must be forgotten. State jealousies and rivalries must be buried; sectional feeling must be eliminated. The trustees must be absolutely free in the administration of their trust to act on those lines which their own knowledge may dictate, free from carping criticism, free from outside pressure, free from legislative interference. This vast fund must be distributed without restriction except as it is properly and automatically restrained by the rules of common honesty and business intelligence, and by the unchangeable economic laws which govern the ebb and flow of capital. All attempts to check or alter these laws will surely bring distrust and disaster. In handling these vast and mighty funds in which millions of our people are so vitally interested, there is no place for theoretical experiment nor for the promotion of selfish interests.

CANADA INTERLAKE LINE, LIMITED.

Messrs. A. E. Ames & Company, of Toronto and Montreal, are now offering at par \$950,000 7 per cent. cumulative preference shares with 15 per cent. bonus of common shares in the Canada Interlake Line, Limited, of Toronto. This company has been formed to take over the well-established and prosperous business of the Canadian Interlake Line, Limited. The company is the largest purely lake freight transportation company in Canada, and has become thoroughly established in business, Mr. J. W. Norcross, the managing director, being generally recognized as perhaps the most efficient and conservative conductor of transportation on the lakes. All its fourteen vessels are modern and of steel construction.

The capitalization of the company is \$1,500,000 7 p.c. cumulative preference stock, redeemable at 110, and \$1,500,000 common stock. Of both these \$1,000,000 is issued. The preference shares, \$950,000 of which are now offered, are preferential both as to assets and cumulative dividends, and the preference shareholders have the right to elect two of the seven directors. The company's charter provides that a reserve fund, which may be used in the business of the company, shall be established out of the earnings at the rate of 3 per cent. per annum on the amount of the outstanding preference capital. This transfer to reserve is cumulative and is to be made before payment of any dividend upon the common stock. When the fund reaches 50 p.c. of the total outstanding preference stock, it is to be so maintained, and if drawn upon for the contingency against which it is provided to be restored and maintained. Actual earnings from operation of nine vessels for the season 1912, up to November 30th, were \$211,270 although two of the vessels were not available until July. The estimated earnings from the end of November to the close of navigation will bring the total earnings of the nine vessels to \$225,270 for 1912. The net earnings of the fourteen vessels of the fleet for 1913 have been estimated by Mr. Norcross, the managing director, at \$348,000. Deducting from this amount, interest and sinking fund on bonds, \$113,750, there is left a balance of \$234,250, which represents 23.4 p.c. on the preference capital, or over three times the dividend thereon. After providing the dividend on the preference capital and the special reserve of 3 p.c., there is a surplus of \$134,250 or over 13 p.c. on the common stock.

The first dividend on the preference shares is to be paid on April 1, 1913, and thereafter preference dividends will be paid quarterly. In view of the large earnings for the current season, and the valuable freight contracts held by the company, combined with the generally favorable business prospects, the directors propose to place the common stock on a dividend-paying basis from July 1st next, at the rate of five per cent. per annum, payable quarterly, the first payment to be on October 1st.

Payments for the preference shares are to be made as follows:—\$25 per share with subscription, \$25 per share on January 2nd, 1913, \$25 per share on February 1st, 1913, \$25 per share on March 1st, 1913. Subscription books are now open at Messrs. A. E. Ames & Company's offices, Toronto and Montreal, and will close not later than Saturday, December 21, at noon.



The Employers' Liability

Assurance Corporation Limited

:: :: OF LONDON, ENGLAND :: ::

TRANSACTS:

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

Most Liberal Policies Issued

Offices: MONTREAL, TORONTO

Managers for Canada, GRIFFIN & WOODLAND.

JOHN JENKINS, Fire Superintendent.

Canadian
Government
Deposit : : :

\$829,200.00

STANDS FIRST

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

THE CANADA ACCIDENT ASSURANCE COMPANY

HEAD OFFICE: Commercial Union Building, MONTREAL

CAPITAL \$500,000.00

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

Board of Directors:

Hon. S. C. WOOD. S. H. EWING. T. H. HUDSON.

T. H. HUDSON, Manager.

TORONTO :
Traders Bank Building

VANCOUVER

WINNIPEG

MONTREAL :
Merchants Bank Building

FOUNDED 1871

The OCEAN ACCIDENT & GUARANTEE CORPORATION, Limited

of LONDON, England

Accident, Health, Employers' Liability, Guarantee and Plate Glass Insurance

UNRIVALLED SECURITY

LIBERAL POLICIES

ASSETS EXCEED . . . \$11,250,000

CLAIMS PAID, over . . . \$45,000,000

Canadian Head Office

TORONTO, Ontario

CHARLES H. NEELY, General Manager for Canada and Newfoundland.

BUSINESS FOUNDED 1795

AMERICAN BANK NOTE COMPANY

Incorporated by Act of the Parliament of Canada

ENGRAVERS AND PRINTERS

OF

BANK NOTES, SECURITIES, MONETARY DOCUMENTS, ETC.
FOR GOVERNMENTS AND CORPORATIONS.

Head Office and Works: OTTAWA, 224 Wellington Street.

Branches:

MONTREAL, 171 St. James Street
TORONTO, 19 Melinda Street

HALIFAX, 177 Hollis Street

WINNIPEG, 525 Main Street

Insurance Briefs.

At Toronto the "Globe Casualty Company" is being organized and will seek Dominion incorporation next session to carry on a casualty and accident insurance business.

* * * *

"The Great-West Fire Insurance Company," of Regina, Sask., and "The North-West Guarantee & Accident Insurance Company," of Saskatoon, Sask., will seek Dominion incorporation.

* * * *

The John Forsythe Company, of Berlin, Ont., has applied to the Metropolitan Life for insurance on the lives of its employees on the group plan. The company will pay the premiums.

* * * *

The General of Paris announces the appointment of Mr. Joseph E. Laurin as general agent for the Province of Quebec, and Messrs. Reed, Shaw & McNaught for the Province of Ontario.

* * * *

In Vancouver, B.C., they are using the cat-o'-nine tails upon burglars. We submit that a burglary policy in a good company would prove even more of a promoter of hesitancy to this class of criminals.—Philadelphia Intelligencer.

* * * *

Mr. W. E. Baldwin, who has been connected with the Factories Insurance Company of Toronto, has resigned to become special agent of the Fidelity-Phenix of New York. Mr. Baldwin will cover Ontario and the Eastern Provinces.

* * * *

The Fireman's Fund has received its Dominion license in Canada. The Eastern department will have Toronto and the territory east, the central department at Chicago will have the section between Toronto and Alberta, and the Western provinces will report to the home office. In addition to fire insurance, this company has been licensed to transact inland transportation and automobile insurance.

* * * *

The Metropolitan Life announces to the field force that the foreign editions of "The Child" are now ready for distribution in German, French, Italian and Yiddish. The work covers every feature, point and detail of a child's existence, the aim being the health and happiness of child, mother and family, the key to such being care and cleanliness, fresh air, simple food and sound sleep.

* * * *

In these days, when the high cost of living so seriously confronts all the people, it is very satisfactory to us as insurance men, to know that life insurance is one of the few necessities which have really been reduced in price—with premiums practically unchanged for many years, but with policies more liberal and generous in every respect, and larger dividends and benefits to policyholders.—George I. Cochrane, president, Pacific Mutual Life.

The movement to substitute workmen's compensation systems for the employers' liability principle is particularly active throughout the country just at the present time and will undoubtedly result in legislation in several of the various States at the coming sessions of the legislatures. There are several State workmen's compensation commissions besides many industrial, civic and labor organizations whose activities are directed toward the establishment of monopolistic compulsory State insurance schemes for the compensation of industrial accidents. Some of these are extremely socialistic in their tendencies and will be difficult to rectify if they are once placed on the statute books.—N. Y. Journal of Commerce.

* * * *

A report prepared by Mr. H. R. Page, secretary-treasurer of the Vancouver Island Fire Underwriters' Association, on the water supply and fire-fighting appliances of the city of Victoria, expresses the opinion that a conflagration hazard exists in Victoria owing to the narrowness of the streets in some instances, and the congested condition of a number of the mercantile blocks, which are solidly built up and lack lanes or other modes of access to the rear of the buildings. The report indicates that the water consumption has outgrown the supply, and that unless some provision is immediately made for increasing the supply, a serious condition of affairs during the coming summer is possible. The fire department has kept pace with the growth of the city, but the city by-law re electric wiring is incomplete and elastic, and the system of inspection inefficient; the building inspector's department is apparently understaffed. During the last four years, insurance losses in the city have been slightly more than 60 per cent. of premiums received during the same period.

* * * *

STATISTICS ON BREWERY FIRES.

The National Fire Protection Association has tabulated its record of fires in breweries, covering 100 losses. Comparatively few are equipped with automatic sprinklers, as the average brewery is of superior construction. In the cases on record the sprinklers have worked satisfactorily. The record indicates that the prevailing type of construction and the nature of the hazard resulted in much lower losses than is usual in classes so largely unsprinklered. In 42 per cent. of the cases the loss was small and in 28 per cent. the loss was moderate. In only 14 per cent. was there large or total loss.

The hazards common to all risks were responsible for the larger number of fires, accounting for 39 per cent. of all, with lighting, cooking, locomotive sparks and careless workmen the principal causes. Special hazards of the line caused 28 per cent. of all fires, and of these barrel pitching, the chief hazard of the class, was responsible for 39 per cent., malt grinding for 29 per cent., and malt drying for 11 per cent. A tabulation of brewery fire losses for a ten year period shows that the average loss per fire has been 7 per cent. of the total value of the property involved.

Forty-eight per cent. of the fires occurred by day and 52 per cent. at night. Fifty-four per cent. occurred while the plant was in operation and 46 per cent. while it was not in operation. Fifty per cent. were discovered by an employee; 26 per cent. by a watchman and 21.8 by an outsider.

RAILWAY PASSENGERS
ASSURANCE CO.
 OF LONDON,
 ENGLAND
 Established 1849.

OLDEST ACCIDENT COMPANY IN THE WORLD

ACCIDENTS OF ALL KINDS
 AND ILLNESS
 INSURED AGAINST

Also
ALL KINDS of
EMPLOYERS' AND PUBLIC
LIABILITY
 (INCLUDING AUTOMOBILE.)
PLATE GLASS AND FIDELITY GUARANTEES.
 Head Office for Canada, Confederation Life Building, TORONTO.
 F. H. RUSSELL, Manager

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 General Accident
Assurance Company
 of CANADA
 Head Office, - - TORONTO, Ont.

Personal Accident
 Health, Liability and Industrial
 Insurance
J. J. DURANCE,
 Manager for Canada
 General Agents for PROVINCE of QUEBEC
ROLLAND, LYMAN & BURNETT, MONTREAL

The LIFE AGENTS' MANUAL, \$3.00
 THE CHRONICLE - MONTREAL.

Scottish Union and National
Insurance Co., of Edinburgh, Scotland
 ESTABLISHED 1824

Capital,	\$30,000,000
Total Assets,	55,955,389
Deposited with Dominion Gov't,	326,310
Invested Assets in Canada,	4,477,934

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

JAMES H. BREWSTER, Manager
 ESTINHART & EVANS, Resident Agents Montreal
 MEDLANDA SON, Toronto
 ALLAN, LANG & KILLAM, Winnipeg

The National Life Assurance
COMPANY OF CANADA.
 Head Office, National Life Chambers, TORONTO

ELIAS ROGERS, President.
 ALBERT J. RALSTON, Vice President & Managing Director
 F. SPARLING, Secretary.

Applications received for new assurances from the
 1st January, 1912 to 1st November, 1912 - \$6,000,000.00
 Insurance in force November 1st, 1912, - \$17,800,000.00

For Agencies apply direct to Head Office.

THE FEDERAL LIFE ASSURANCE COMPANY
 Home Office, HAMILTON, CANADA.

Capital and Assets	\$5,516,968.65
Surplus December 31, 1911	329,975.65
Insurance in Force	25,887,141.41

The Contracts of this Company are free from unnecessary conditions and restrictions.
C. L. SWEENEY, District Manager,
 Montreal District.

Personal Paragraphs.

Mr. L. Goldman, first vice-president and managing director of the North American Life Assurance Company, of Toronto, has been in Montreal this week visiting the important branch office of his company located in the metropolitan city. The North American Life is enjoying its fair share of the progress and prosperity throughout Canada at the present time.

* * * *

Mr. W. Hunter, formerly one of the Canada Life managers in Scotland, has taken a Toronto position with the Mutual of Canada.

* * * *

Mr. H. V. Meredith has been elected vice-president of the Royal Trust Company, in succession to the late Sir Edward Clouston, and Mr. A. D. Braitwaite has been elected a director.

* * * *

Mr. Henry S. Angus, underwriting manager for the Hudson Bay Fire Insurance Company, has been appointed manager of the British-Canadian Fire Insurance Company of Victoria, B.C.

* * * *

Mr. J. Miller, who has been manager for Western Pennsylvania during the past year for the Manufacturers Life, has been appointed superintendent of agents for the states of Michigan and Pennsylvania for the North American Life.

* * * *

Among the Canadians present at the annual meeting of the Association of Life Insurance Presidents held in New York City were the following:—Messrs. L. Goldman, first vice-president and managing director North American Life, Toronto; T. H. Purdon, president Northern Life, London, Ont.; John Milne, managing director Northern Life, London, Ont.; George A. Somerville, general manager Manufacturers Life, Toronto; Herbert C. Cox, president Imperial Life, Toronto; A. Hoaxer Vipond, Montreal, representing the Life Underwriters' Association of Canada. Mr. Goldman was appointed a member of the committee on resolutions; and Mr. Vipond was one of the speakers on the subject of "Fitting the policy to the policyholder."

The Canadian Fire Record.

DESERONTO, ONT.—W. Perry's house partly destroyed, September 9.

KENORA, ONT.—Residence of Charles J. Dooley at Norman destroyed, December 8. One death.

HAWKESBURY, ONT.—Frame residence of Alexander Leclair and his wife, destroyed, December 8. Both dead.

STURGEON FALLS, ONT.—New Ontario Hotel, a frame structure, destroyed, December 7. Loss, \$10,000, partly covered by insurance.

YARMOUTH, N.S.—Fire which started in Burrow's garage, December 10, destroyed this, Queen's Hotel, eight houses and office of the Yarmouth Light newspaper. Garage contained 15 autos. Loss placed at \$100,000.

WELLAND, ONT.—Residence of W. Minnis, Hellems Avenue, damaged, December 8. Origin, overheated chimney. Loss, small.

KINGSTON, ONT.—Office of J. Swift & Co., coal dealers, damaged, December 10. Loss about \$1,000, covered by insurance.

LONGUE POINTE, QUE.—Residence of H. Bretoire, 416 Dickson street, damaged, December 8. Supposed origin, defective chimney.

PETERBORO, ONT.—N. C. Cameron's clothing store destroyed, December 2. Loss, \$6,000. Insurance, \$3,000. Origin, unknown.

SOUTH PORCUPINE, ONT.—B. Dewar's White Rat saloon and boarding house destroyed with contents, December 9. Origin, defective stove pipe or lighted match. Loss, \$5,000; no insurance.

MEDICINE HAT, ALTA.—R. Mitchell's building destroyed, December 2. Occupied by Birnie Brothers, hardware, loss \$40,000; Barker and Patten, men's furnishings, loss \$50,000; the Acme Restaurant and Messrs. T. F. Dawson & Company, real estate offices.

WINNIPEG.—Fire of unknown origin said to have started on December 8, in the building occupied by E. R. Potter, wholesale furniture, 246 Princess street, completely gutted the building occupied by Mr. Potter and the third floor of that occupied by Mackenzie Bros., hardware specialties, and did serious damage to two other buildings occupied by Bromley and Hague, tent and awning manufacturers, and the Simpson Produce Company, which are on either side of them. The entire damage is estimated at \$68,000 fully covered by insurance. Details as follows:—Bromley block, \$10,000, fire and water; Bromley & Hague, \$5,000, water; Mackenzie Brothers, \$20,000, fire; E. R. Potter, \$25,000, fire; Simpson Produce Co., \$8,000, water.

THE NOVEMBER FIRE LOSS.

The fire loss of the United States and Canada for November, as compiled from the carefully kept records of the New York Journal of Commerce, shows a total of \$16,172,300. The following table gives a comparison by months of the fire losses for this year and the two preceding years:

	1910.	1911.	1912.
January	\$15,175,400	\$21,922,450	\$35,653,150
February	15,489,350	16,415,000	28,601,650
March	18,465,500	31,569,800	16,659,850
April	18,091,800	17,670,550	16,319,400
May	18,823,200	21,422,000	21,013,950
June	13,183,600	20,691,350	16,104,450
July	26,847,900	25,301,150	15,219,100
August	21,570,550	12,662,350	14,158,800
September	11,700,000	11,333,250	13,779,300
October	37,188,300	13,945,600	33,651,650
November	16,407,000	18,689,300	16,172,300
Total 11 months	\$212,942,600	\$211,614,400	\$207,353,600
December	21,528,000	22,722,500	.....

Total for year . . . \$234,470,600 \$234,337,250

There were no less than 273 fires during November this year, causing a property damage of \$10,000 or over in each instance. Barring some large fire before December closes, it seems likely, says the Journal of Commerce, that the 1912 fire loss will be lighter than the sums chargeable against 1910 and 1911. The December losses so far are quite moderate and underwriters do not expect the fires to become numerous and expensive until a cold snap commences.

GRESHAM

Life Assurance Society, Limited
Founded 1848

Funds : FIFTY MILLION DOLLARS.

Applications are wanted
for Agencies. Liberal
commissions would be
arranged for Agents and
Brokers.

ADDRESS :

ARCH. R. HOWELL,
Manager for Canada,
MONTREAL.

WANTED

INSPECTOR by leading Accident and
Guarantee Company for Province of Ontario.
Must be good business producer. Applications
treated confidentially. State age, experience
and salary expected, to

POST OFFICE BOX 430
MONTREAL, QUE.

WANTED

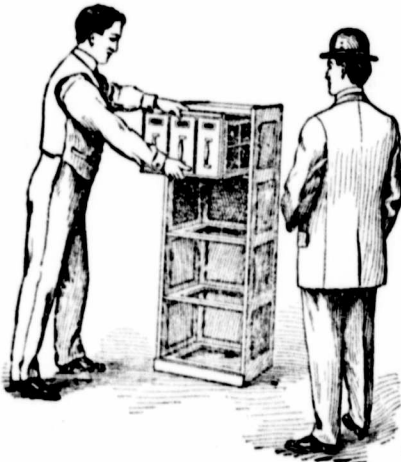
INSPECTOR.—Company transacting
Accident, Liability and other branches of Cas-
ualty business requires the services of an
Inspector to organise the Province of Quebec.

Apply stating age, experience and salary
expected, to

P.O. BOX 1030
MONTREAL, QUE.

At the quarterly meeting of the Montreal branch
of the Canadian Manufacturers' Association, to be
held in the Canada Club December 17, the speaker
of the evening will be Mr. Franklin Wentworth, sec-
retary of the National Fire Protection Association,
who will discuss "Fire Prevention."

PUTTING IN FIRST INTERIOR

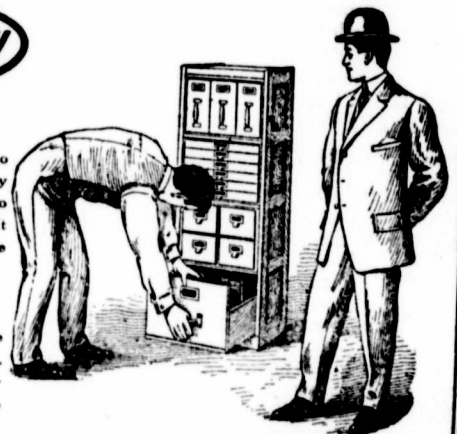


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Filing Cabinets
can be changed to
suit your ideas any
time you wish to
change them. It
only takes a minute
to do the trick.

With Others
you have to change
the entire cabinet.
"Macey" is the only
interchangeable
system.

PUTTING IN LAST INTERIOR



THE PICTURES TELL THE STORY

It does not require an expert to make any changes. Any clerk in the office can do it even the office boy. There is nothing to get out of order, nothing to bind, nothing to give trouble.

Write for "Catalogue
M." and
Get Wise to the Best

CANADA FURNITURE MANUFACTURERS
LIMITED

General Offices : : : : WOODSTOCK, ONT

We can put YOUR
Office
on a Modern Basis

Market and Financial Summary

Application is to be made from Edmonton, Alta., next session for the incorporation of the "Bank of Edmonton."

It is stated that both Lethbridge and Moose Jaw will shortly make new issues in the London market on a 5 per cent. basis.

A branch of the Canadian Bank of Commerce has been opened at Moncton, N.B., under the management of Mr. W. H. Lugsdin.

Twenty-two new branch banks were opened in Canada in November and five were closed, leaving a net gain of seventeen for the month.

According to the London correspondent of the New York Journal of Commerce, there is excellent basis in the statement that Canadian cities are in the London market in the aggregate for £10,000,000 sterling.

The future of the Banque Internationale is not yet clear. It is stated that the proposed deal with the Home Bank has practically fallen through, and that the Paris shares of the Internationale, 52,575 in number, have now been taken over by a syndicate headed by Sir Henry Pellatt. It is said that the business of the bank will be continued as usual until its future has been decided upon by the new control.

At the annual meeting of the Canadian Car & Foundry Company yesterday, the annual report, a summary of which appears in the adjoining column, was presented and adopted. The board of directors was re-elected as follows: Hon. N. Curry, president; W. W. Butler, M. E. Duncan, and V. G. Curry, vice-presidents; Sir Max Aitken, M.P.; I. Hamilton Benn, M.P.; H. S. Holt, T. J. Drummond, James Redmond, Geo. E. Drummond.

The following bank meetings have been fixed:—
 Ottawa, Ottawa, December 18.
 Merchants, Montreal, December 18.
 Hochelaga, Montreal, December 18.
 Toronto, Toronto, January 8.
 Royal, Montreal, January 9.
 Commerce, Toronto, January 14.
 New Brunswick, St. John, N.B., January 20.
 Provinciale, Montreal, January 22.
 Dominion, Toronto, January 29.

At the sitting of the Legislation Committee at Quebec yesterday, the Government bill respecting trust companies and their control was amended on several points. At the previous sitting of the committee, representatives of Montreal and Quebec companies strongly objected to a clause in the bill by which three-quarters of the shares issued by a new company should be held by persons domiciled in this province. As this was regarded as an unnecessary restriction upon the use of foreign capital, the clause was struck out. The clause in the bill referring to the receiving of deposits was accepted. It reads as

under. "No company shall borrow money by receiving deposits or by issuing bonds or debentures by whatever names such bonds or debentures may be described."

The monthly index number of the London Economist is 27.21, which is a decline of 1 point from the previous month. The largest reduction is in the index number for cereals and meat, which is 59.81½, against 607 for October. Other food products fell off 7½ to 301½; minerals declined 4 points to 533, and heavy goods were 6 points lower, while textiles moved up 20 points to 622½.

CANADIAN CAR'S ANNUAL STATEMENT.

Earnings of 15½ per cent. on the common stock, as compared with 16 per cent. in 1911, are shown in the third annual report of the Canadian Car & Foundry Company for the year ending September 30th, 1912, given out on Monday. But while the percentage of net earnings fell off slightly, the net profits after all deductions were \$32,795 greater than in 1911, the figures for the two years being \$1,030,932 and \$1,007,137 respectively. The difference in the percentage of increase is accounted for by the fact that the capital was slightly larger in 1912 than last year, having been increased by one thousand shares of common stock, while dividends on the preferred stock took \$423,500 in 1912 as compared with \$385,000 in 1911.

An analysis of the statement shows that this year the total capital assets have grown from \$11,607,734.91 to \$13,384,212.05. The current assets have increased from \$5,217,000.36 to \$7,334,492.82. The capital liabilities now amount to \$15,088,306.67 as against \$13,875,000 a year ago. Current liabilities have been increased \$1,784,710.90 to \$3,561,418.79. The balance carried forward is \$383,932 larger than in 1911.

The gross sales of the company for the year were \$16,500,000. At the close of the fiscal year, the unfilled orders on the company's books amounted in value to over \$15,000,000 and, at the date of this report, the value of unfilled orders is \$16,000,000. Although the capacity of the various plants has been considerably increased during the year, the volume of business now on hand, it is stated, practically ensures continuity in operation during the ensuing year. The statement is made that more capital will be required within a year or so to accommodate the growing business.

Comparative figures for 1912 and 1911 of the company's assets and liabilities are:—

	1912.	1911.
Property account	\$10,652,747.95	\$10,147,297.41
Investment account	2,621,299.39	1,460,437.50
Cash in hands of trustees for bond sinking fund	275.31	.....
Current assets	7,334,492.82	5,217,699.36
Deferred charges to opera- tions	188,396.25	199,918.01
LIABILITIES.		
Capital stock	\$10,975,000.00	\$9,975,000.00
Bonds	3,933,306.67	3,500,000.00
Platt & Letchworth Co.	780,000.00	.....
Purchase money notes	400,000.00	400,000.00
Canadian Steel Foundries Bonds	3,650,000.00	3,650,000.00
Current Liabilities	3,561,418.79	1,784,710.90
Reserve funds	707,219.47	309,307.14
Surplus	1,410,266.09	1,056,334.90

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Write us about an agency.

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Founded by JOHN F. DRYDEN, Pioneer of Industrial Insurance in America
FORREST F. DRYDEN, President. Home Office, NEWARK, N. J.
Incorporated as a Stock Company by the State of New Jersey.

An Ideal Life Assurance Company

is that which can pay satisfactory returns to its policy holders and at the same time build up its policy reserves on a strong basis. Such a policy ensures security for the carrying out of all contracts, and places the company in the best possible position to maintain its surplus earnings. In both these features

THE IMPERIAL LIFE ASSURANCE COMPANY

has an exceptional record.

Several Good Agency Openings for Producers.

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Head Office - TORONTO

The Excelsior Life Insurance Co.

Head Office Established 1889 TORONTO, Canada
ALL PREVIOUS RECORDS BROKEN during the first six months of 1912.

New Insurance applied for	\$1,836,000.00
New Insurance issued	1,719,048.50
Insurance in force	15,771,632.70
Cash Receipts, Premiums and Interest	310,640.55
Total Disbursements	\$44,638.38
Increase	153,814.85
Total Disbursements	Decrease 4,415.01

The Assets, reserve and Surplus Funds show corresponding increases

Where increases are desirable—There are increases.

Where decreases are desirable—There are decreases.

To be a successful agent, you must represent a successful company.

We have an opening for you, if you are a worker.

E. MARSHALL, General Manager. D. FASKEN, President.

MOUNT ROYAL ASSURANCE COMPANY

AUTHORIZED CAPITAL. . . . \$1,000,000
HEAD OFFICE: MONTREAL

President, Hon. H. B. Rainville. Vice President, J. M. Wilson

J. E. CLEMENT, Jr., General Manager

Responsible Agents wanted in Montreal and Province of Quebec

GROWING APAGE!

Abundant prosperity has attended the operations of the

Mutual Life of Canada

during the past year in every department of its business.

Death losses were very much below the "expected" and as usual the expenses of conducting the business were very moderate.

Policies in force January 1, 1912
\$71,024,770.88

A TORONTO AGENCY

WITH

Continuous Renewals for the RIGHT MAN

SEE

CONTINENTAL LIFE

CONTRACT.

T. B. PARKINSON: Superintendent of Agencies

Continental Life Building. TORONTO

The Equity Fire Insurance Co.

TORONTO, CAN.

WM. GREENWOOD BROWN, General Manager

GENERAL AGENTS:

A. B. Powell, Interim Branch Manager, Montreal
Brown Clarke Agency, Winnipeg
Young & Lowry, Sydney, B.C.
Faulkner & Co., Halifax, N.S.
W. S. Holland, Vancouver.
Geo. A. Lavis, Calgary
J. M. Queen, St. John, N.B.
McCallum, Hill & Co., Regina.

THE CHRONICLE

is filed regularly in leading offices throughout Canada; advertising in its columns has a permanent value.



THE CHIEF DIFFICULTY that confronts the new man entering the Life Insurance Field is the securing of GOOD PROSPECTS. This difficulty is eliminated when you write for an INDUSTRIAL COMPANY, the debts of which are an inexhaustible mine for both ordinary and industrial business.

THE UNION LIFE ASSURANCE COMPANY

HEAD OFFICE. . . . TORONTO, CANADA

More Policyholders than any other Canadian Company.



Stock Exchange Notes.

Thursday, December 12th, 1912.

Values have been gradually sagging throughout the week and yesterday, under unsettled conditions and heavy selling in New York, there was a sharp setback locally, and the heaviness continued to-day. Some sharp recoveries were scored, however, from the low point, notably in C. P. R. and Montreal Power which were two of the most active stocks. C. P. R. went down to 255 recovering to 259½ again and later sold at 258 this afternoon. Montreal Power which declined to 221½ recovered to 225. Dominion Steel Corporation was the most active stock and 3,545 shares changed hands, the price receding 2¼ points. Taken as a whole trading was dull and quiet and until the sharp break and forced selling of yesterday prices remained practically unchanged during the earlier trading. Losses, however, are general throughout the list as will be seen by the subjoined table of quotations and comparisons. Detroit Railway figured rather prominently and 1,873 shares were traded in, the stock selling down to 71. R. & O. was another active spot and over 1,900 shares changed hands, while Cement Common involved a business of 1,272 shares at a decline of 1 full point. Brazilian Tramway and Power in the unlisted department was one of the weak spots, while Montreal Tramways & Power also declined in price. Shawinigan, while not actively traded in was heavy, in sympathy with the rest of the market and is down over 2 points. There was only one transaction in Winnipeg Railway, 25 shares changing hands at 215 and on quotation this stock is one of the few exceptions closing nearly two points up with 214½ bid. The impossibility of getting new money for stock market purposes at present has of course added to the weakness, as under ordinary money conditions good buying would be attracted by the present level of prices. There seems no immediate prospect of any change in the money situation and should further liquidation be induced lower prices may be anticipated. Speculation is at present almost prohibited by the lack of funds and only investment buying can be looked for to absorb offerings.

The Bank of England rate remains unchanged.

SUMMARY OF WEEK'S SALES AND QUOTATIONS.

Security.	Sales.	Closing Bid Dec. 5, 1912	To-day, Dec. 12, 1912	Net change
Canadian Pacific.....	3,319	264½	259½	x.D - 5½
"Soo" Common.....	200	142	137	- 5
Detroit United.....	1,873	74	71¼	- 2½
Illinois Preferred.....	31	91	91	-
Quebec Ry.....	35½	16¼	13	- 3½
Toronto Railway.....	547	14¼	139	- 2½
110	104¼	102	- 2½	
Twin City.....	25	213	214½	+ 1½
Winnipeg Ry.....	1,918	113½	111½	- 2½
Richelieu & Ontario.....	250	81	81¼	+ ¼
Can. Car. Com.....	1,272	28	27	- 1
Can. Cement Pfd.....	333	92¼	92¼	-
Dom. Can. Com.....	270	67¼	67¼	-
Dom. Iron Pref.....	192	103	102	- 1
Dom. Steel Corp.....	3,545	59½	57¼	- 2½
Lake of the Woods Com.....	20	128½	128	- ½
Laurentide Com.....	35	220	218½	- 1½
Mexican Power.....	..	81¼	81	- ¼
Montreal Power.....	3,257	229	225	- 4
Nova Scotia Steel Com.....	480	87½	81	- 6½
Ogilvie Com.....	30	123	123	-
Ottawa Power.....	..	169	168	- 1
Shawinigan.....	436	136½	134	- 2½
Sherwin Williams Com.....	75	55	54	- 1
Spanish River Com.....	1,005	64¼	63	- 1½
Steel Co. of Can. Com.....	25	27½	27	- ½
R.C. Packers Com.....	..	142	140	- 2
Can. Converters.....	..	45	45	-
Dom. Textile Com.....	1,849	82¼	80¼	- 2
Dom. Textile Preferred.....	123	105	105	-
Penmans Com.....	185	55	54¼	- ½
Toke Bros. Com.....	..	45	45	-
Crown Reserve.....	3,075	3.52	x.D 3.59	x.D + 7

Traffic Returns.

CANADIAN PACIFIC RAILWAY.				
Year to date.	1910.	1911.	1912.	Increase
Nov. 30.....	\$90,036,000	\$97,797,000	\$119,316,000	\$21,519,000
Week ending	1910.	1911.	1912.	Increase
Dec. 7.....	1,973,000	2,478,000	2,771,000	293,000
GRAND TRUNK RAILWAY.				
Year to date.	1910.	1911.	1912.	Increase
Nov. 30.....	\$44,493,761	\$48,650,249	\$52,506,819	\$3,856,570
Week ending	1910.	1911.	1912.	Increase
Dec. 7.....	838,345	802,957	1,005,097	112,140
CANADIAN NORTHERN RAILWAY.				
Year to date.	1910.	1911.	1912.	Increase
Nov. 30.....	\$12,823,000	\$15,655,900	\$19,311,800	\$ 653,900
Week ending	1910.	1911.	1912.	Increase
Dec. 7.....	339,200	461,600	567,900	106,300
TWIN CITY RAPID TRASSIT COMPANY.				
Year to date.	1910.	1911.	1912.	Increase
Nov. 30.....	\$6,812,468	\$7,057,188	\$7,398,188	\$341,000
Week ending	1910.	1911.	1912.	Increase
Nov. 7.....	145,034	147,401	161,800	14,399
" 14.....	143,518	143,019	158,669	15,650
" 21.....	142,768	147,940	165,743	17,803
" 30.....	.....	189,909	207,611	17,732
HAVANA ELECTRIC RAILWAY CO.				
Week ending	1911.	1912.	Increase	
Dec. 1.....	44,692	47,608	2,916	
" 8.....	48,096	53,282	5, 86	
DETROIT UNITED RAILWAY.				
Week ending	1910.	1911.	1912.	Increase
Nov. 7.....	\$162,405	\$187,563	213,872	26,309
" 14.....	171,851	179,094	213,776	34,682
DULUTH SUPERIOR TRACTION CO.				
Nov. 7.....	1910.	1911.	1912.	Decrease*
" 14.....	20,795	21,468	20,455	1,031
" 21.....	20,627	20,855	20,247	608
" 21.....	20,995	21,937	21,195	742

* Due to Strike of Employees.

MONEY AND EXCHANGE RATES.

	To-day	Last week.	A Year Ago
Call money in Montreal...	6 %	6 %	5-54%
" " in Toronto....	6 %	6 %	5-54%
" " in New York....	4½	10-12%	4 %
" " in London....	4-4½	3½	3-4 %
Bank of England rate.....	5 %	5 %	4 %
Consols.....	7¼	75%	77½
Demand Sterling.....	9½	9¼	9½
Sixty days' sight Sterling..	8½	8½	8½

CANADIAN BANK CLEARINGS.

	Week ending Dec. 12, 1912	Week ending Dec. 5, 1912	Week ending Dec. 14, 1911	Week ending Dec. 15, 1910
Montreal.....	\$60,567,341	\$61,189,536	\$51,531,992	\$40,930,984
Toronto.....	48,394,272	48,229,114	41,394,268	33,860,525
Ottawa.....	3,578,863	4,451,910	5,145,264	3,060,773

BANK OF ENGLAND'S STATEMENT

Yesterday's weekly Bank of England Statement showed a proportion of reserve to liability of 48.07 p.c. This compares with 50.08 p.c. last week.

DOMINION CIRCULATION AND SPECIE.

October 31, 1912.....	\$115,748,414	April 30, 1912.....	\$113,169,722
Sept. 30.....	115,995,602	March 31.....	113,443,633
August 31.....	116,210,574	February 29.....	114,063,000
July 31.....	113,791,855	January 31.....	113,189,880
June 30.....	111,932,239	December 31, 1911..	115,149,749
May 31.....	113,114,914	November 30.....	115,786,280
Specie held by Receiver General and his assistants:			
Oct. 31, 1912.....	\$103,754,008	May 31, 1912.....	\$94,831,169
Sept. 30.....	103,041,850	April 30.....	94,570,930
August 31.....	103,114,276	March 31.....	98,892,495
July 31.....	100,400,658	February 29.....	99,587,787
June 30.....	98,141,536	January 31.....	99,693,907

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Stocks Bonds and Investments
22 St. John Street,
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Stocks and Bonds

9 St. Sacrament Street,
MONTREAL.

P. S. ROSS & SONS

Chartered Accountants and
Trustees, Etc.

142 Notre Dame St. West, Montreal
MONTREAL WINNIPEG ST. JOHN, N.B.

British American Bank Note Co., Ltd.

Head Office: WELLINGTON STREET, OTTAWA, CANADA

Most modern and complete appliances for the production and protection against counterfeiting of BANK NOTES, BONDS, CHECK CERTIFICATES, POSTAGE and REVENUE STAMPS and all Documents of a Monetary value.

The work executed by this Company is accepted by the LONDON, NEW YORK, BOSTON and other Stock Exchanges

Branch Offices:
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Traders' Bank Building, Toronto

BRITISH COLONIAL

FIRE INSURANCE COMPANY

Office: Royal Building, 2 Place d'Armes, Montreal

Special Agents Wanted

Telephone Main 2540

ROBERT MILLER & CO.

CHARTERED ACCOUNTANTS

Commercial and Municipal Audits and Investigations
Liquidations and Insolvencies.

ROBERT MILLER, C.A., F.C.A., (Can.) C.A. (Scot.)
Cable Address, Western Union Code, "Accuracy" Montreal

Quebec Bank Building MONTREAL

THE BENALLACK

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Co., Limited

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DOMINION BOND COMPANY, LIMITED

MONTREAL, TORONTO, OTTAWA and LONDON, ENGLAND.

Dealers in

Municipal, Corporation and
Industrial Bonds

MONTREAL OFFICE:

Dominion Express Building.

List of Leading Stocks and Bonds

CORRECTED TO THURSDAY, December 12th, 1912

BANK STOCKS.	Closing prices or Last sale.		Par value of one share.	Return percent on investment at present prices.	Rate of Annual Dividend	Capital subscribed	Capital paid up	Res. Fund	Per cent'ge of Res. to paid up Capital	When Dividend payable.
	Askd.	Bid.								
British North America			50	5.00	10-1	4,866,667	4,866,667	2,774,000	57.00	April, October.
Canadian Bank of Commerce	220	100	100	5.00	10-1	15,000,000	15,000,000	12,500,000	83.33	March, June, Sept., Dec.
Dominion			100	12-2	12-2	4,975,700	4,962,810	5,962,810	120.15	Jan., April, July, October
Hamilton			100		11	3,000,000	3,000,000	3,430,000	114.35	March, June, Sept., Dec.
Hochelaga			100		9	2,998,300	2,967,280	2,650,000	88.30	March, June, Sept., Dec.
Home Bank of Canada			100		7	1,370,000	1,291,885	450,000	34.83	March, June, Sept., Dec.
Imperial			100		7	6,637,830	6,556,161	6,556,161	100.00	Feb., May, August, Nov.
Internationale			100		13	10,000,000	1,359,833			
Merchants Bank of Canada	191	188	100	5.23	10	6,758,000	6,725,085	5,900,000	87.33	March, June, Sept., Dec.
Metropolitan Bank			100		10	1,000,000	1,000,000	1,200,000	125.00	Jan., April, July, October
Molson's	206	205 1/2	100	5.23	11	4,000,000	4,000,000	4,700,000	117.50	Jan., April, July, October
Montreal	246	240	100	4.87	10-12	16,000,000	16,000,000	16,000,000	100.00	March, June, Sept., Dec.
Nationale	142	140	100	4.92	7	2,000,000	2,000,000	1,400,000	70.00	Feb., May, August, Nov.
New Brunswick			100		13	1,000,000	1,000,000	1,700,000	170.00	Jan., April, July, October
Northern Crown Bank			100		6	2,832,400	2,666,982	2,500,000	9.34	January, July.
Nova Scotia	265	264 1/2	100	5.28	14	4,692,700	4,557,280	8,238,192	181.97	Jan., April, July, October
Ottawa			100		12	3,845,000	3,800,330	4,300,330	113.16	March, June, Sept., Dec.
Provincial Bank of Canada			100		6	1,000,000	1,000,000	500,000	60.00	Jan., April, July, October
Quebec			100		6	2,500,000	2,500,000	1,250,000	50.00	March, June, Sept., Dec.
Royal	228	224 1/2	100	5.38	12	11,420,100	11,408,330	12,393,163	108.63	Jan., April, July, October
Standard			50		13	2,400,100	2,330,250	2,500,250	125.75	Feb., May, Aug, November
Sterling			100		8	1,092,400	1,025,100	300,000	29.27	Feb., May, August, Nov.
Toronto	211	208	100	5.68	11-11	5,000,100	4,994,250	5,994,250	120.62	March, June, Sept., Dec.
Union Bank of Canada	150	148	100	5.33	8	5,000,000	5,000,000	3,104,640	62.09	March, June, Sept., Dec.
Vancouver			100			1,172,700	841,830			
Wayburn Security			100		5	620,000		310,000	4.84	
MISCELLANEOUS STOCKS.										
Bell Telephone	158		100	5.06	8	12,500,000	12,500,000			Jan., April, July, October
B. G. Packers Assn "A" pref.			100	4.86	7	675,000	675,000			Cumulative
do "B" Com			100		7	522,500	522,500			do
do "C" Com	144		100	4.16	6	1,511,400	1,511,400			March, June, Sept., Dec.
Canadian Pacific	250 1/2	250 1/2	100	3.85	7-13	198,000,000	196,808,621			April, October.
Canadian Car Com.	83	81 1/2	100	4.81	4	3,500,000	3,500,000			
do Pfd			100		7	5,000,000	5,000,000			Jan., April, July, October
Canadian General Electric			100		7	5,640,000	5,392,736			Jan., April, July, October
Can. Cement Com.	27 1/2	27	100		7	13,500,000	13,500,000			
do	92 1/2	92	100	7.34	7	10,500,000	10,500,000			
do Pfd			100	4.70	4	2,802,440	2,802,440			
Can. Con. Rubber Com.			100	7.60	7	1,972,800	1,972,800			Jan., April, July, October
do Pref			100	8.88	4	1,733,000	1,733,000			Jan., April, July, October
Canadian Converters			100		60	1,999,957	1,999,957			Monthly.
Crown Reserve	3.57	3.52	XD		5	12,500,000	12,500,000			
Detroit United Ry	71 1/2	71	100	7.00	7	3,000,000	3,000,000			February, August.
Dominion Coal Preferred			100		7					
Dominion Textile Co Com	80 1/2	80 1/2	100	6.19	5	5,000,000	5,000,000			Jan., April, July, October
do Pfd	105		100	6.66	7	1,850,000	1,850,000			Jan., April, July, October
Dom. Iron & Steel Pfd.	104		100	6.76	7	5,000,000	5,000,000			Jan., April, July, October
Dominion Steel Corp.	57 1/2	57 1/2	100	6.97	4	34,598,600	34,598,600			Jan., April, July, October
Duluth Superior Traction			XD		4	3,500,000	3,500,000			Jan., April, July, October
Halifax Tramway Co	161		100	4.96	8	1,400,000	1,400,000			Jan., April, July, October
Havana Electric Ry Com			100		4	7,463,703	7,463,703			Initial Div.
do do Preferred			100		6	5,000,000	5,000,000			Jan., April, July, October
Illinois Trac. Pfd.	92 1/2	91	100	6.49	6	6,504,000	6,504,000			Jan., April, July, October
Kamistiquia Power			100		2	2,000,000	2,000,000			Feb., May, August, Nov
Laurentide Com	219	218 1/2	100	2.73	5	2,705,000	2,705,000			February, August.
Lake of the Woods Mill. Co. Com	128 1/2	128	100	6.23	8	2,100,000	2,100,000			Jan., April, July, October
do do Pfd	119		100	5.88	7	1,500,000	1,500,000			March, June, Sept., Dec.
Mackay Companies Com			XD		5	41,380,400	41,380,400			Jan., April, July, October
do Pfd			XD		4	50,000,000	50,000,000			Jan., April, July, October
Mexican Light & Power Co	83	81	100	4.81	4	13,585,000	13,585,000			Jan., April, July, October
do do Pfd.			100		7	2,400,000	2,400,000			May, November
Minn. St. Paul & S. S. M. Com	139	137	100	5.03	7	20,832,000	16,800,000			April, October
do Pfd.			100		7	10,416,000	8,400,000			April, October
Montreal Cotton Co.			100		8	3,000,000	3,000,000			March, June, Sept., Dec.
Montreal Light, Ht. & Pwr. Co	225 1/2	225	100	3.90	9	17,000,000	17,000,000			Feb., May, August, Nov.
Montreal Street Railway			100		10	10,000,000	10,000,000			January, July.
Montreal Telegraph			40		8	2,000,000	2,000,000			Jan., April, July, October
Northern Ohio Traction Co.			XD		2	9,000,000	9,000,000			March, June, Sept., Dec.
N. Scotia Steel & Coal Co. Com	82 1/2	81	100	7.27	6	6,000,000	6,000,000			Jan., April, July, October
do Pfd.			100		1	1,000,000	1,000,000			March, September.
Ogilvie Flour Mills Com	123	123	100	6.40	8	2,500,000	2,500,000			Jan., April, July, October
do Pfd.			100		7	2,000,000	2,000,000			March, June, Sept., Dec.
Pennock's Ltd. Com	55	54 1/2	100	7.27	4	2,150,000	2,150,000			Feb., May, August, Nov.
do Pref			100		6	1,075,000	1,075,000			Feb., May, August, Nov.
Quebec Ry. L. & P.	15	15	100		9	9,500,000	9,500,000			
Richelle & Ont. Nav. Co.	111 1/2	111 1/2	100	7.16	8	3,132,000	3,132,000			March, June, Sept., Dec.
Rio de Janeiro			100		4	37,025,000	37,625,000			
Shawinigan Water & Power Co	134 1/2	134	100	4.44	6	8,500,000	8,500,000			Jan., April, July, October
Sao Paulo T. L. & P.			100	3.71	10	10,000,000	10,000,000			Jan., April, July, October
Toledo Ry. & Light Co			100		8	13,875,000	13,875,000			Jan., April, July, October
Toronto Street Railway	139 1/2	139	100	5.75	8	8,000,000	8,000,000			Jan., April, July, October
Tri-City Preference			100		6	2,825,000	2,825,000			Feb., May, August, Nov.
Twin City Rapid Transit Co.	103	102	100	5.82	6	20,100,000	20,100,000			Jan., April, July, October
West India Electric			100		10	800,000	800,000			May, November
Windsor Hotel			100		10	1,000,000	1,000,000			Jan., April, July
Winnipeg Electric Railway Co	215	214 1/2	100	4.65	10	6,000,000	6,000,000			

COMMERCIAL INSURANCE.

A desirable form of commercial insurance is to take a separate policy on the life of each partner or officer. Then, should the firm at a later date be dissolved, or should a partner withdraw from it, the value of the policy can be readily learned, and it can be taken over by the retiring partner and continued by him for the benefit of his heirs. Or it can be surrendered on termination of the partnership agreement for its then cash value.

The policy may be on the whole life, limited payment life or endowment plan. In the last-named case it forms a sinking fund, which, on termination of the partnership agreement, will pay off the retiring

member of the firm in whole or in part, while during the term of the partnership agreement giving protection for its face value against his premature death.

No matter which of these plans is chosen, the policies become more valuable each year, and may be carried in the books of the firm as an asset. The premiums, too, should be entered in the books precisely as the fire insurance premiums are. There is every justification for this, for there is less chance of the stock burning than there is of the death of a partner.

An important point about commercial insurance is that it protects the business by providing at once money to discharge the interest of a deceased partner, allowing the survivors to continue the business, and at the same time it ensures the comfort of the deceased partner's family by placing at their disposal in their time of greatest need funds which the business could not furnish without its being severely crippled.

A feature of great importance is the use as collateral which may be made of the policies, enabling a firm to obtain increased credit at the bank. Again, the guaranteed loan values written in the contract for each year enable a firm to obtain money quickly and privately in time of stress.

It is not always realized, but it is undoubtedly true, that there is greater danger of the death of a partner or department head than there is of the stock being consumed by fire.—*Life Echoes.*

We make a Speciality of

Insurance Wordings^s

Printed on Onion Skin in one or two colors.

We can supply you QUICKER and MORE MODERATELY than any OTHER FIRM in Canada

WITHOUT EXCEPTION

JOHN LOVELL & SON, LTD.,
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CANADIAN BANKING PRACTICE

THIRD EDITION. NOW READY.
(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).*

The hundreds of questions and answers on Canadian Banking Practice deal with nearly every possible point of practical interest likely to present itself during the daily routine of a bank. The replies relate to acceptances, cheques, endorsements, deposit receipts, letters of credit, circular notes, warehouse receipts, partnership accounts, bankers' lien on goods, forgery, alteration and loss of negotiable instruments, bills of exchange, promissory notes, principle and surety, etc., etc., etc. Mr. J. T. P. Knight, the compiler of "Canadian Banking Practice" has classified and indexed the Questions on Points of Practical Interest. The value of such a work must be apparent, and a copy of the book should be in the possession of every bank official and business man in the country who desires to be informed upon points likely to arise in the course of dealings between banks and their customers.

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ATLAS ASSURANCE COMPANY

LIMITED, of LONDON, ENGLAND

Established in the REIGN of GEORGE III

Income	\$ 6,916,365
Funds (excluding Uncalled Capital)	17,633,467

Including Uncalled but Fully Subscribed Capital, the resources of the Company exceed Twenty-seven million dollars.

Head Office for Canada - MONTREAL

MATTHEW C. HINSHAW, Branch Manager

Active and Influential Agents Wanted

STOCK AND BOND LIST, Continued

BONDS	Closing Quotations		Rate p.c. of Interest per annum	Amount outstanding.	When Interest due.	Where Interest payable	Date of Maturity.	REMARKS
	Asked	Bid						
Bell Telephone Co.....	100 1/2	..	5	\$3,649,000	1st Oct. 1st Apl.	Bk. of Montreal, Mtl.	April 1st, 1925	Red. at 110 aft. Nov. '19
Can. Car & Fdy.....	105	..	6	3,500,000	1st June 1st Dec.	.....	Dec. 1st, 1932	or in pt. aft. Nov '11
Can. Converters.....	..	..	6	474,000	1st June 1st Dec.	.....	Dec. 1st, 1926	Redeemable at 110
Can. Con. Rubber Co....	94 1/2	94 1/2	6 1/2	2,579,600	1st Apl. 1st Oct.	" "	Oct. 1st, 1946	after Oct. 1st, 1911
Can. Cement Co.....	100	..	6 1/2	5,000,000	1st Apl. 1st Oct.	" "	Oct. 21st, 1920	Redeemable at 110
Dominion Coal Co.....	..	98 1/2	5	6,300,000	1st May 1st Nov.	" "	April 1st, 1940	Red. at 105 and Int. after May 1st, 1910
Dom. Iron & Steel Co...	92 1/2	92 1/2	5 1/2	7,332,000	1st Jan. 1st July	Bk. of Montreal, Mtl	July 1st, 1929	5 Redeemable at 110 and Interest.
Dom. Tex. Sers. "A"....	..	98 1/2	6	758,500	1 March 1 Sept.	Royal Trust Co. Mtl.	March 1st, 192	and Interest.
" " "B".....	..	101	6	1,000,000	" "	" "	" "	Redeemable at par after 5 years
" " "C".....	98 1/2	98	6	1,000,000	" "	" "	" "	Red. at 105 and Interest
" " "D".....	..	..	..	450,000	" "	" "	" "	" "
Havana Electric Railway	..	..	5	7,824,731	1st Feb. 1st Aug.	52 Broadway, N.Y.	Feb. 1st, 1912	Redeemable at 105
Halifax Tram.....	..	..	5	600,000	1st Jan. 1st July	Bk. of Montreal, Mtl.	Jan. 1st, 1916	Redeemable at 110
Keewatin Mill Co.....	..	..	6	750,000	1st March 1 Sept.	Royal Trust Co., Mtl.	Sept. 1st, 1916	Redeemable at 110
Lake of the Woods Mill Co	..	..	6	1,000,000	1st June 1st Dec.	Merchants Bank of Canada, Montreal.	June 1st, 1932	
Laurentide Paper Co....	..	..	6	947,305	2 Jan. 2 July	Bk. of Montreal, Mtl.	Jan. 2nd, 1920	
Mexican Electric L. Co..	83	..	5	5,778,600	1st Jan. 1st July	" "	July 1st, 1935	
Mex. Lt & Power Co....	89 1/2	89	5	11,724,500	1st Feb. 1st Aug.	" "	Feb. 1st, 1933	
Montreal L. & Pow. Co..	100 1/2	99 1/2	4 1/2	6,787,000	1st Jan. 1st July	" "	Jan. 1st, 1932	Red. at 105 and Int. after 1912
Montreal Street Ry. Co..	100	..	4 1/2	1,500,000	1st May 1st Nov.	" "	May 1st, 1932	
Ogilvie Flour Mills Co...	..	106	6	1,750,000	1st June 1st Dec.	Bk. of Montreal, Mtl.	July 1st, 1932	Redeemable at 105 and Interest
Penmaes.....	..	..	5	2,000,000	1st May 1st Nov.	Bk. of M., Mtl. & Ln.	Nov. 1st, 1926	Redeemable at 110 after Nov. 1, 1911
Price Bros.....	..	..	6	833,000	1st June 1st Dec.	.....	June 1st, 1925	
Quebec Ry. L & P. Co..	60	56	5	4,866,666	1st June 1st Dec.	.....	June 1st, 1929	
Rio Janeiro.....	..	..	5	25,000,000	1 Jan. 1 July	.....	Jan. 1st, 1935	
Sao Paulo.....	..	..	5	6,000,000	1st June 1st Dec.	C. B. of C. London.	June 1st, 1929	
Toronto & York Radial..	..	..	5	1,620,000	1 July 1st Jan	Nat. Trust Co. Tor.	Feb. 1st, 1919	
Winnipeg Electric	104	..	5	1,000,000	1st Apl. 1st Oct	B. of M., Tor. & N.Y.	Jan. 1st, 1927	
West India Electric.....	..	..	5	4,000,000	2 Jan. 2nd July	Bk. of Montreal, Mtl.	Jan. 1st, 1935	
				600,000	1st Jan. 1st July	.....	1929	

Montreal Tramways Company
WINTER SERVICE TIME TABLE, 1912-1913

Lachine:
From Post Office: 20 mins. service from 5.40 a.m. to 12.00 midnight.
Lachine: 20 " " " " 5.10 a.m. to 12.45 midnight.

Sault au Recollet and St. Vincent de Paul:
From St. Denis Station:—
15 mins. service from 5.15 a.m. to 9.00 a.m.
30 " " " " 9.00 a.m. to 4.00 p.m.
15 " " " " 4.00 p.m. to 8.00 p.m.
30 " " " " 8.00 p.m. to 12.00 midnight.
From St. Vincent:—
15 mins. service from 5.45 a.m. to 9.30 a.m.
30 " " " " 9.30 a.m. to 4.30 p.m.
15 " " " " 4.30 p.m. to 8.30 p.m.
30 " " " " 8.30 p.m. to 12.00 midnight.
Cars from St. Denis, 12.00 and 12.40 midnight to Henderson only.

Mountain:
From Park Avenue and Mount Royal:—
20 mins. service from 5.40 a.m. to 12.20 midnight.
From Victoria Avenue:—
20 mins. service from 5.50 to 12.30 midnight.

Cartierville:
From Snowdon Junction:—
20 mins. service from 6.00 a.m. to 8.40 p.m.
40 " " " " 8.40 p.m. to 12.00 midnight.
From Cartierville:—
20 mins. service from 5.40 a.m. to 9.00 p.m.
40 " " " " 9.00 p.m. to 12.20 midnight.

Bout de l'Île:
30 mins. service from 5.00 a.m. to 9.00 a.m.
60 " " " " 9.00 a.m. to 1.00 p.m.
30 " " " " 1.00 p.m. to 8.00 p.m.
60 " " " " 8.00 p.m. to 12.00 midnight.

Tetrautville:
15 mins. service from 5.00 a.m. to 6.30 a.m.
30 " " " " 6.30 a.m. to 8.00 p.m.

(incorp)
German American
Insurance Company
New York

STATEMENT MAY, 1911

CAPITAL
\$2,000,000
RESERVE FOR ALL OTHER LIABILITIES
9,802,074
NET SURPLUS
8,447,668
ASSETS
20,249,742

AGENTS WANTED
Apply to THOS. C. MOORE, Supt. of Agencies
16 Wellington Street, East, Toronto, Ontario

AGENTS WANTED
Protector Underwriters
OF HARTFORD
ASSETS, JAN. 1ST, 1911, \$10,737,657.32
FIRE INSURANCE ONLY
CANADIAN DEPARTMENT, MONTREAL
J. W. TATLEY, MANAGER

WE OWN and OFFER

\$950,000 of 7 per cent CUMULATIVE PREFERENCE SHARES AT PAR
(Redeemable at 110) with 15 per cent Bonus of Common Shares of the

CANADA INTERLAKE LINE

LIMITED

Incorporated by Ontario Charter.

Head Office - TORONTO, CANADA

CAPITALIZATION

7 per cent Cumulative Preference Stock (Authorized \$1,500,000) Redeemable at 110. Issued **\$1,000,000**
Common Stock (Authorized \$1,500,000) Issued **1,000,000**
Par Value of Shares \$100 Each.

DIRECTORS:

- M. J. HANEY, C.E.,** President, Contractor, Toronto.
R. M. WOLVIN, Vice-President, President Standard Shipping, Limited, Winnipeg.
HENRY MUNDERLOH, Munderlof & Co., Montreal.
E. H. AMBROSE, Mewburn, Ambrose, Burbridge & Marshall, Hamilton.
J. F. M. STEWART, Treasurer, Toronto.
T. BRADSHAW, Member of firm, A. E. Ames & Co., Toronto.
J. W. NORCROSS, Managing Director, Toronto.
REGISTRAR AND TRANSFER AGENT—National Trust Co., Limited.
BANKERS—The Metropolitan Bank.

The Canada Interlake Line, Limited, has been formed to take over the well-established and prosperous business of the Canadian Interlake Line, Limited. To the line of vessels operated by that Company this year there are being added the following: Regina, Kenora, Tagona, Cadillac, Calgarian, Fordonian, Pioneer, and Mars, making fourteen in all.

It is now the largest company in Canada engaged entirely in freight lake transportation. All are modern steel vessels.

We offer for sale at par 9,500 fully-paid shares of the above-described Preference stock, carrying a bonus of 15 per cent. of the amount of the Preference shares in Common stock.

Payments to be made as follows:—

\$25 per share with subscription,	\$25 per share on February 1st, 1913,
\$25 " " on January 2nd, 1913.	\$25 " " on March 1st, 1913.

with the right to the subscriber to pay in full on allotment, or on January 2nd, 1913, or with accrued dividend, on February 1st, 1913, thereafter ranking for the full quarter's dividend, payable April 1st, 1913.

Subscription books are now open at our offices, and will close not later than Saturday, the 21st inst. at noon.

The right is reserved to allot only such subscriptions and for such amounts as may be approved, and to close the subscription books without notice. **Fractions of Common shares will be adjusted on allotment at \$70 per share.**

The first dividend on the Preference shares is to be paid on April 1st, 1913, for the quarter commencing January 2nd, 1913. Thereafter Preference share dividends will be paid quarterly. Interest on payments on account of subscriptions will be paid on the first dividend date, April 1st, 1913, at the rate of seven per cent. per annum from dates made.

In view of the large earnings for the current season, and the valuable freight contracts held by the Company, combined with the generally favorable business prospects, the Directors propose to place the Common stock on a dividend-paying basis from July 1st, next, at the rate of five per cent. per annum, payable quarterly, the first payment to be on October 1st for the quarter then ending.

The Company's Managing Director, Mr. J. W. Norcross, has had a wide and successful experience as master of some of the largest vessels on the great lakes, and, later, in the management of transportation companies. He is generally regarded as having a thorough knowledge of the business of water transportation, and his important traffic affiliations will be of great value to the Company in keeping the fleet employed. He will be supported by Directors several of whom have been actively associated with lake shipping for many years, and whose connections will be valuable in securing traffic.

Application will be made in due course to have the Preference and Common shares listed on the Toronto Stock Exchange.

Preference Shares are preferential, both as to assets and cumulative dividends, at the rate of 7 per cent. per annum, and are redeemable at 110. The Preference Shareholders have the right to elect two of the seven directors.

Validity of the issue of Preference and Common shares has been certified to by Messrs. Rowell, Reid, Wood & Wright, and Messrs. Thomson, Tilley & Johnston. The Company has filed a prospectus and an agreement between Canadian Interlake Line, Limited, and S. Casey Wood, the younger, as Trustee for the Canada Interlake Line, Limited, in the office of the Provincial Secretary, where they may be inspected during business hours.

The amount of underlying bonds is \$720,000, and there is mortgage indebtedness of \$66,432.

The Company's charter provides that a Reserve Fund, which may be used in the business of the Company, shall be established out of the earnings, at the rate of 3 per cent. per annum on the amount of the outstanding Preference capital. This transfer to Reserve is cumulative, and is to be made before payment of any dividend upon the Common stock. When the fund reaches 50 per cent. of the total outstanding Preference stock, the Charter provides that it is to be so maintained, and if at any time it is drawn upon it is to be in like manner restored and maintained. The advantage to the Preference Shareholders of this provision is manifest.

CANADA INTERLAKE LINE—Continued

Subscriptions may be forwarded by mail or by telegraph at our expense. They may be on regular forms, which may be had on request, or, where these are not available, letters simply stating that so many shares are subscribed for under the terms of the offering will be sufficient.

A memorandum is appended, giving features of the business furnished by Mr. J. W. Norcross, Managing Director, which includes figures as to earnings for the year 1912, certified by Messrs. Clarkson & Cross, Chartered Accountants.

Full particulars relating to the offering have been published in folder form, and may be seen at our office, or will be mailed on request.

We recommend the purchase of these shares from the standpoint of security, interest return and prospects of increase in their market value.

A. E. AMES & CO.

Union Bank Building, Toronto.

Royal Insurance Building, Montreal.

STATEMENTS FROM MANAGING DIRECTOR'S LETTER:

The fleet consists of 14 modern steel freighters, having a capacity, measured in bushels of wheat, of 1,662,500 bushels.

The names of the ships are as follows: Canadian, Acadian, Regina, Kenora, Tagona, Fordonian, Gordon, Hamiltonian, Calgarian, McKinstry, Renvoyle, Cadillac, Pioneer and Mars.

The "Fordonian" and "Calgarian" are new ships, almost completed, which will be ready for operation at the opening of navigation in 1913.

The first nine vessels constitute the finest, most modern and best equipped fleet of canal size package freighters operating on the Great Lakes. The "McKinstry," "Renvoyle," "Cadillac" and "Pioneer" are thoroughly modern steel bulk freighters, and are also of canal size. The "Mars" is engaged in freight traffic on the Lakes west from Buffalo and Port Colborne and on Georgian Bay.

Arrangements to acquire the 14 vessels were made when tonnage was comparatively cheap, and they could not be replaced to-day except at a considerable advance upon the purchase price.

The total insurance on the fleet is over \$1,800,000, which exceeds the total of the Preference stock and underlying Bonds.

The Company's fleet has been specially constructed for the purpose of handling package as well as bulk freight, with the result that advantage has been taken

of the largely increasing volume of package freight offering from eastern ports to the west. The considerable number of vessels in the fleet secures to shippers a regular and frequent service, and as a result, the line has formed important and valuable shipping connections at Montreal and intermediate points, and at Port Arthur, Fort William and Westfort, the lake ports of the three great Canadian railways.

Considerable of the Company's tonnage is protected by favorable contracts, having from three to seven years to run. Under these contracts 180,000 tons of westbound freight were handled this year. The Company has also a contract for each of the next three years for transportation of pulpwood for four boats for the four months of the season of navigation when tonnage is slackest.

The value of seven of the vessels, as fixed by the appraisal made by the Canadian Appraisal Company on April 15, 1912, and by the purchase prices of the additional vessels totals \$1,851,958, and is in excess of the total of the underlying Bonds and Preference stock.

The Company will be in a strong financial position, having ample working capital and three of its vessels free of bonded indebtedness. By 1925 the Sinking Fund will have retired the Bonds on four other vessels, and those now outstanding will then have been reduced to \$220,000, while in 1927 all the existing Bonds will have been paid off.

NET EARNINGS—1912.

The net earnings for the year 1912, up to November 30th of the Canadian, Acadian, Regina, Kenora, Tagona, McKinstry and Renvoyle, and of the Gordon from July 1st only (being date of purchase), and the Hamiltonian from July 10th only (being date of completion), were	\$211,270
Estimated for balance of season	14,000
	\$225,270

ESTIMATED NET EARNINGS—1913.

Canadian, Acadian, Regina, Kenora, Tagona, McKinstry, Renvoyle, Gordon and Hamiltonian the same as for 1912, notwithstanding that the Gordon and Hamiltonian were not in commission for the first three months of the navigation season	\$225,000
Fordonian, Calgarian (almost completed and will be in commission on April 1st, 1913, at opening of navigation season), Cadillac, Pioneer and Mars (just purchased)	123,000
Total net earnings from operation	\$348,000
Interest on Bonds and Mortgages	\$46,750
Sinking Fund for Bonds	67,000
	113,750
Net earnings on Capital Stock	\$234,250
Preference Dividend, 7 per cent.	\$70,000
Special Reserve on Preference, 3 per cent.	30,000
	100,000
Net earnings on Common Stock	\$134,250

It will, therefore, be seen that, after paying out of the earnings the heavy charge of \$67,000 for Sinking Fund, there would, in accordance with the above, remain an earning on the Preference Capital of 23.4 per cent., and after payment of the preferred dividend and making provision for the Reserve Fund there is a surplus equivalent to 13.4 per cent. on the Common Stock.

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