

The Chronicle

Banking, Insurance and Finance

ESTABLISHED JANUARY, 1881

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MONTREAL, DECEMBER 10th, 1920

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THE GENERAL FINANCIAL SITUATION

Trade conditions generally show little change from those prevailing in recent weeks. Retailers are getting the advantage of holiday trade, which is now beginning in real earnest, and are doubtless doing their level best in this season to move stocks, which otherwise it may be exceedingly difficult to turn into cash, even at heavy sacrifices. Apart from the holiday trade, however, there are no indications of a change in the public's attitude, which continues to be one of waiting in the expectation of a generally lower level of prices. Trade reports indicate that dullness in business is general in both eastern and western Canada, and that collections require pressure, although by all accounts, conditions in this respect in the province of Quebec are better than elsewhere.

With the approach of the close of the year, many manufacturing and commercial concerns are faced with the problem of inventories. This matter of inventories is undoubtedly an extremely serious one at the present time. Not only are the inventories of many concerns anywhere from 50 to 100 per cent. larger than at this time last year, as a result of the falling off in trade during recent months, but the market value of those inventories is very considerably less in many instances than cost, owing to the decline in commodity prices, and exceedingly heavy inventory losses will have to be taken. Obviously, under present circumstances, where the practice in the past has been to take inventories at cost, to follow that practice this year, without regard to the decline in prices which has taken place, would give a totally false impression of the year's profits. At present, the correct course in the matter of inventories would appear to be cost or market, whichever is the lower, although we have heard the objection raised to this course that in the case of smaller firms who have been badly hit, the adoption of it might result in their being wiped out and that some temporising measure is necessary. Doubtless the banks will be giving very careful attention to this matter of inventories in the year end statements of their

customers presented to them. Those are fortunate who were far seeing and wise enough to make some provision by way of reserves whether inventory reserves or otherwise, for such events as have now taken place. In the case of the large and well established corporations, this has no doubt been generally done, and their inventory losses, although possibly serious will not be fatal. But in the case of the smaller fry of business concerns, it appears quite possible that the early months of 1921 may see a very considerable mortality.

In view of the removal of the control of Victory Bonds, and their restoration to a condition where their price is subject to the normal operation of the law of supply and demand, it may be useful to summarize some of the factors governing their future. As regards the immediate future, there are the following considerations to be borne in mind. It will probably take some time for the market to "settle down," and there are some probabilities that selling by "distressed" holders, which appears to have been a considerable factor in the decision to decontrol, has not come to an end. While the attractive prices at which the bonds are now ruling will, no doubt, ensure a heavy investment demand, the purchasing power of wealthy individual investors, who otherwise might be expected to be free buyers, particularly of the longer tax free maturities, is likely to be considerably hampered in the next four months both by reason of losses lately sustained and commitments which it is necessary to nurse along, and also by reason of the necessity of meeting two Income Tax payments—no small burden—in the course of the next four months. There are also two unknown factors which have some bearing on the immediate future of the market for these bonds. The first is the effect which the cessation of the arrangement for prohibiting the import of overseas securities is likely to have. If, on the removal of these restrictions, a considerable volume of high class Canadian securities begins to return from overseas, quite an important effect upon the Victory Bond market may be shown. The second

BANK OF MONTREAL

Established Over 100 Years

CAPITAL PAID UP, \$22,000,000

REST, \$22,000,000

UNDIVIDED PROFITS, \$1,251,810

TOTAL ASSETS

\$560,150,812

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(owned and controlled by Bank of Montreal)
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IF your home demand is slackening are you investigating markets abroad?

Our Foreign Department has detailed information on export trade possibilities which we shall be glad to place at your disposal.

The Canadian Bank of Commerce

Capital Paid Up \$15,000,000 Reserve Fund \$15,000,000

Incorporated 1855
CAPITAL AND RESERVE \$9,000,000
Over 130 Branches

THE MOLSONS BANK

Canada Needs Exports
Because
Exports Mean Prosperity

The Molsons Bank is prepared to advise and assist exporters in their financial problems.

Efficient service in Canada and abroad.

HEAD OFFICE: - MONTREAL
EDWARD C. PRATT, General Manager

The Chronicle

Banking, Insurance and Finance

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MONTREAL, FRIDAY, DECEMBER 10th, 1920

(Continued from front Page)

unknown factor arises from the fact, which is generally believed, although naturally no precise information is available, that the Government, as a result of the special Committee's operations, controls a very considerable amount of bonds. What will be done with these bonds is not yet known. In the case of the shorter maturities, they might be obviously held for retirement. However, whatever the facts may be in this connection, it may be taken for granted that these controlled bonds will be handled very carefully and to the best possible advantage from the Government's point of view.

With regard to the longer future of the bonds, it is not likely that the tax exempt feature of the bonds will be fully continued in any refunding operations which take place between now and 1924, although the possibility might be considered, in the event of the refunding operations being very extensive, of issuing two classes of bonds, taxable and non taxable, the latter bearing a lower rate of interest than the former. This procedure was followed by the British Government in regard to several of the war loans. However, that may be, it is clear enough that with Income Tax at a fairly heavy rate continuing as a permanent part of the Canadian fiscal machinery, that the longer term tax free bonds, the 1933 and 1937 issues will offer very great attractions to wealthy individual investors, and that there is likely to develop such a demand for these bonds and also the 1931 and 1937 5 per cents., as will possibly raise their price out of line with the other issues. This is a possibility which the smaller fry of investors would do well to bear in mind, when making their choice, particularly in the immediate future of Victory Bonds for their savings.

The cables in the last few days have carried interesting news of commercial developments in Great Britain, where the process of liquidation is becoming somewhat severe. The decline of prices during the month of November was quite

sharp, amounting, according to the calculations of the London Economist, to 7.9 per cent., following a decline of 6.2 per cent. in October. This decline, following the gradual recession in prices which has been taking place in Great Britain since April, brings the general level of prices about 20 per cent. below their record high level last March. This is a much more severe recession than has so far taken place in Canada, and it has been accompanied by several extremely large failures of commercial firms. One interesting fact in regard to the present British situation is that last week the Bank of England's reserve ratio dropped to 7 7/8 per cent., the lowest since the panic of 1866. This development, however, is it appears, not the result of liquidation and business difficulties, but is a consequence of Government borrowing to meet interest obligations and requirements in connection with maturing loans. There are, however, some grounds for fearing renewed inflation in Great Britain, particularly as a result of relief measures for unemployment which is now becoming extremely serious.

Some shareholders are lamb-like specimens. Those of Atlantic Sugar met last Saturday and un-animously voted what the directors requested them to vote, without even one solitary shareholder enquiring apparently what the real position of affairs is. Possibly the shock of seeing their stock drop something over a hundred points has been too much for them, and they have no stomach for the harrowing details. But the fact is extraordinary, nevertheless.

TRAFFIC RETURNS

Canadian Pacific Railway

Year to date	1918	1919	1920	Increase
Oct. 31	\$123,652,000	\$109,299,000	\$168,810,000	\$29,511,000
Week ending	1918	1919	1920	Increase
Nov. 7	\$3,437,000	\$3,821,000	\$5,723,000	\$1,902,000
Nov. 14	3,375,000	4,083,000	5,677,000	1,594,000
Nov. 21	3,582,000	4,111,000	5,200,000	1,119,000
Nov. 30	4,502,000	5,086,000	6,894,000	1,808,000

Grand Trunk Railway

Year to date	1918	1919	1920	Increase
Oct. 31	\$47,102,767	\$59,925,018	\$70,480,837	\$10,555,819
Week ending	1918	1919	1920	Increase
Nov. 7	1,342,941	1,931,520	2,385,604	452,084
Nov. 14	1,471,654	2,003,207	2,623,463	620,176
Nov. 21	1,357,756	1,916,414	2,406,546	490,136
Nov. 30	1,800,000	2,352,615	3,085,777	734,162

Canadian National Railways

Year to date	1918	1919	1920	Increase
Oct. 31	\$63,973,321	\$76,184,956	\$86,558,335	\$10,373,379
Week ending	1918	1919	1920	Increase
Nov. 7	\$1,717,273	\$1,987,622	\$2,770,758	\$783,136
Nov. 14	1,719,006	2,000,035	2,880,563	880,568
Nov. 21	1,884,198	2,147,197	2,940,136	792,939
Nov. 30	2,515,883	2,814,729	3,835,347	1,020,618



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

DIRECTORS:

James Carruthers, Esq. Sir Alexandre Lacoste
M. Chevalier, Esq. Sir Frederick Williams-Taylor, LL.D.
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**THE LIVERPOOL-MANITOBA
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John Ems, Esq. W. Molson Macpherson, Esq.
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**The Globe Indemnity Company
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CASUALTY Insurance including Accident, Sickness, Guarantee, Burglary
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INSURANCE COMPANY OF NORTH AMERICA

CAPITAL - - - \$5,000,000

ASSETS IN EXCESS OF \$36,000,000

Issues specially desirable forms of Use and Occupancy, Rental and Leasehold Insurance
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MONTREAL, P.Q.

BANK OF MONTREAL

The annual statement of the Bank of Montreal which has already been reviewed in these columns indicates that the Bank has been able to take care of an unusually large proportion of the increased requirements of the merchants and manufacturers of the country.

Owing to the marked expansion of the business of the country, the Bank arranged during the year to increase its capital from \$20,000,000 to \$22,000,000. A corresponding increase was also made in the Rest account which now stands at the same figure as the capital. Savings deposits were increased by approximately \$10,000,000 to \$322,578,613. As a result of these increases the total Assets were substantially increased, and now stand at \$560,150,812.

The President of the Bank Sir Vincent Meredith surveyed a wide field in his address. Always has Canada's foreign trade been dependent on conditions abroad, but never before to the same extent as now when European countries are swamped with debt by reason of depreciated currency unable to copiously enter the importing market. Canada's export trade has been remarkably well maintained in the circumstances, and if no hamper comes the country will fare well. It is rather in the excess of imports the vulnerable point is found. We import too many goods; and if the retort is made that we cannot sell without buying, then it may be stressed that we buy too many goods from the United States. A premium of 14 per cent.—it may be much higher in the early future—on New York funds betokens lopsided trade. For every dollar of imports from the United States, Canada pays 50 cents in commodities and to square the balance is compelled to pay the Americans a high premium on the debt due.

Sir Frederick Williams-Taylor, the General Manager, in his address to the shareholders dealt principally with the operations and results of the banking year. It has been a year of prosperity for all banks, especially for those who carry a large ready reserve in New York, where high rates of interest have prevailed for call funds. The Bank of Montreal has participated in this profitable source, as well as from the trade activity in Canada, reaping an unexampled large earning for its proprietors. A salient point is that the larger profits were not due to higher rates of interest, and no better tribute can be paid the banks of Canada than that during all the years of expanding business and increased credits, the cost of money to the borrower has remained practically unchanged. The General Manager deals in some detail with this subject, citing figures indicative of the aid extended by the bank to its customers in the period

of rising prices, and the consideration given them when the trend turned. It is trite to say that the commercial and industrial stability of Canada rests upon a sound banking system, and in evidence of how prudently the banks are managed, one needs only to turn to the address of Sir Frederick Williams-Taylor. In that address will be found wise admonition for the early future, a concise summary of world-wide monetary conditions, and a hopeful note of the fundamental things that contribute to the welfare of the Canadian people.

THE PUBLIC AND PRICES

Professor Giddings used to tell his classes that every dog in a pack would run faster and harder because he saw the others running. Whether or not that is true of dogs—and I am willing to take the Professor's word for it—it is certainly true of the public. A year ago they were running after high prices, with their tongues fairly hanging out of their mouths and dripping in expectation of the big profits they were going to make. Today they are hounding every scared commodity price down the hill to its last stand, zero.

Three-quarters of a century ago, when Mrs. Brown whispered to Mrs. Jones that she had heard somebody say that the village bank was short of money, everybody in town knew within an hour or two that the bank was about to fail—and the result was that all the good townspeople were at the bank door clamoring for their money. Ensued "the run on the bank"—true and tried old property of the Victorian melodramatist.

The grocer reads in the mornings paper that Mr. Stonehead Conspieler, of the Department of Theoretical Asininity at Washington, says a sugar famine is imminent. One hundred thousand other grocers read the same thing, and they all try to buy sugar at once. Also, the public all try to lay in sugar to last a year. Result, 25 cents a pound. Next result, sugar comes here from Patagonia, New Zealand, New Hebrides, Iceland, the Caspian Sea, the Sargasso Sea, and other places, if any, where they don't believe all they read in the papers.

And when the 100,000 have bought what they want, and the public has bought all it wants, they all find there is plenty of sugar, so they all try to sell at once. Result: 10 cents for sugar. Next result, everybody uses more; restaurants wake up and remember there is such a thing as sugar, and serve it; all the women start to canning fruit because sugar is cheap; everybody begins to eat candy; even Europe plucks up courage enough to buy a little sugar. Meantime, grocers won't buy much—they have had sugar experience enough for a while. And I suppose by-and-by we shall wake

Prudential Trust Company

LIMITED

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

B. HAL. BROWN, President and Gen. Manager

The Standard Life Assurance Co.

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

1870 - Our Golden Jubilee - 1920

TWO HUNDRED MILLION DOLLARS

This year The Mutual Life Assurance Company of Canada celebrates its Golden Jubilee by reaching the two hundred million dollar mark. This point in the expansion of the Mutual Life has been reached more quickly than any of its most ardent friends would have believed possible five years ago. But the reason is not "far to seek." During the great war and the fatal epidemic which followed in its train the Mutual Life paid out in relief of the families bereaved no less than two million three hundred thousand dollars in addition to ordinary claims. The benefits of life insurance were thus so clearly demonstrated that an immense demand resulted and the business of the Mutual has developed as much during the last five years as during the preceding forty five years. The Canadian people suddenly realized the absolute necessity for life insurance and naturally turned to a company well-known, well-established and financially impregnable.

THE MUTUAL LIFE ASSURANCE CO.
OF CANADA
 WATERLOO, - - ONTARIO

The Travellers Life Assurance

Company of Canada

HEAD OFFICE: MONTREAL

Hon. GED. P. GRAMAM, President

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

First British Insurance Company Established in Canada

A.D. 1804

Phoenix Assurance Co. Limited

OF LONDON, ENGLAND (Founded 1782)

FIRE LIFE MARINE

TOTAL RESOURCES, over \$98,000,000.00

CLAIMS PAID EXCEED. 500,000,000.00

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

AGENTS WANTED IN BOTH BRANCHES. Apply to

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

100 Francois Xavier Street - MONTREAL

WESTERN

Assurance Company

Incorporated in 1851

HEAD OFFICE, - TORONTO, Ont.

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

ASSETS - over - \$8,000,000.00

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

DIRECTORS:

W. B. MEIKLE, President

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

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

A. R. PRINGLE, Canadian Fire Manager

ROBERT BICKERDIKE & SON
 Branch Managers for Province of Quebec
 MONTREAL

A BRITISH COMPANY

Union Insurance Society of Canton, Limited

Head Office: HONGKONG

ESTABLISHED 1835

Assets over \$24,000,000

A combination of AGE, MAGNITUDE and EXPERIENCE

FIRE, MARINE AND AUTOMOBILE

Head Office for Canada, 36 Toronto Street, TORONTO

General Agent Montreal, JOSEPH ROWAT

Manager for Canada, C. R. DRAYTON

up to the fact that we are out of sugar again, and shall again fall over each other to bull the price.

To a very large extent the recent sharp decline in prices is a big short-selling campaign carried on by the general public to "bear" the markets. Their way of short selling is to postpone purchases. Prices are falling—what's the use of buying now. If we wait a while, we can buy at pre-war prices. The war is dead—long live peace prices. We are going back to the dear old days of 1913—when we were even more dissatisfied than we are now.

Once the public is convinced that prices have stopped going down, normal buying will begin again—rather more than normal, in fact, for there will be some "back-up" demand.—*The Magazine of Wall Street.*

MANUFACTURING AND COMMERCE

In the motor, leather and clothing trades particularly, dulness still prevails, and in others it has been necessary to reduce the working staff. As a whole, however, the output of factories and mines is being maintained on a scale that compares favourably with that of pre-war years. Labour displaced by changes in urban centres is required for mining, lumber and agriculture. Pulp and paper plants are being enlarged and new ones are in course of construction; responsible mining corporations are taking practical steps to develop coal beds and oil areas; the growing and manufacturing of flax fibre is being extended, and in the chemical industry there is a notable expansion.

The first boat to call at Buenos Aires direct from a Canadian port, according to a Brazilian correspondent of this Bank, reached that port on 16th September last. This is an event worth noting in the expansion of our foreign trade and mercantile marine, and it is hoped that it will lead to a further development of commercial intercourse between Canada and Brazil. Under an arrangement with the Canadian Government Merchant Marine for a direct service to India and the Far East, the first sailing on this route took place from North Sydney, C.B., in November, and calls will be made at the chief ports on the way. During the winter season nine vessels of the Canadian Merchant Marine will sail from St. John and twenty-four from Halifax. In all there will be twelve distinct services, the principal of which are the London, Liverpool and West Indian.

—*Can. Bank of Commerce Monthly Letter.*

IMPROVING BRITISH TRADE BALANCE

The decreasing excess of imports in British foreign trade over total exports is perhaps the most encouraging post-armistice development in the English situation. Beginning in January, 1919, with an excess of imports amounting to about

£83,000,000, although there have been some fluctuations, this so-called unfavorable balance has shown a very satisfactory downward trend; until in October, 1920, it stands at about £21,000,000. According to the London "Economist," the invisible exports of England are now running about £50,000,000 per month or more. If this estimate is approximately accurate it would seem for some months past England's position with respect to foreign countries has been improving in a material way.

SUMMARY OF THE TRADE OF CANADA

IMPORTS FOR CONSUMPTION	Twelve months ending October		
	1918	1919	1920
	\$	\$	\$
Dutiable goods	512,060,303	565,279,016	887,486,088
Free goods	384,037,148	337,080,422	452,153,966
Total imports			
<i>adse.</i>	896,097,451	902,359,438	1,339,639,454
Duty collected	154,225,829	161,317,422	210,236,680
EXPORTS			
Canadian	1,325,971,220	1,197,342,807	1,228,820,581
Foreign	45,413,193	54,709,151	31,963,952
Total exports,			
<i>adse.</i>	1,371,386,423	1,252,051,958	1,263,784,533

CANADA'S PUBLIC DEBT

Canada's outstanding obligations, including not only the war loans and Victory loans issued in Canada, but also the various loans issued in the United States and London, are \$2,523,062,178. The following table indicates in detail the respective dates at which the Government's indebtedness reaches final maturity.

1921	\$ 40,000,000	1937	\$ 345,473,000
1922	194,867,100	1938	52,327,296
1923	194,881,800	1945	65,207,351
1924	105,289,550	1947	4,888,185
1925	43,310,600		
1926	25,000,000		\$2,244,276,132
1927	65,936,450	Serial	
1928	2,000,000	1920-25	\$ 24,333,333
1929	60,000,000	1909-34	23,467,206
1931	79,398,700	1930-50	137,058,841
1933	483,081,250	1940-60	93,926,666
1934	481,741,850		
1935	873,000		\$2,523,062,178

It will be seen that an appreciable part of Canada's indebtedness falls due at a relatively early period. Within five years, \$578,349,000 matures, \$429,748,900 of which comes due before the end of three years, for in 1922 and 1923 the five year bonds of our 1917 and 1918 Victory loans have to be paid off. As this may prove to be too heavy a burden on current revenue, it seems probable that further financing will be necessary.

—*Royal Bank Monthly Letter*

Commercial Union Assurance Company Limited

of London, England

as at 31st Dec., 1919.

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

Palatine Insurance Company Limited

of London, England

as at 31st Dec., 1919.

Capital Fully Paid	\$1,000,000	Total Income	\$4,145,585
Fire Premiums 1919.	3,957,650	Funds.	6,826,795
Interest Net	187,935	Deposit with Dominion Gov't.	365,567

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

Applications for Agencies Solicited in Unrepresented Districts

Head Office: CANADIAN BRANCH

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

H. J. KERR, Assistant Manager.

W. S. JOPLING, Manager.

THE CANADA

ACCIDENT & FIRE ASSURANCE COMPANY

Head Office, - - MONTREAL

T. H. HUDSON, Manager, Fire Department.

H. F. RODEN, Manager, Casualty Department

Policies Guaranteed by
Commercial Union Assurance
Company Limited

Local General Agents, (Fire)

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

GUARANTEED BY EAGLE STAR AND BRITISH DOMINIONS INSURANCE COMPANY LIMITED, OF LONDON, ENGLAND

SECURITY OVER

\$93,000,000

THE

BRITISH



CROWN

FIRE
AUTOMOBILE

ASSURANCE CORPORATION LIMITED

OF GLASGOW, SCOTLAND

J. H. RIDDEL,

Manager

HEAD OFFICE FOR CANADA . . . TORONTO

E. C. G. JOHNSON,

Asst. Manager

JOSEPH ROWAT - GENERAL AGENT - MONTREAL

THE FIRE INSURANCE COMPANY OF CANADA

MONTREAL

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

GENERAL FIRE INSURANCE BUSINESS TRANSACTED

President: Hon. R. DANDURAND

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

BANK OF MONTREAL

ANNUAL GENERAL MEETING, Held 6th December, 1920

The 103rd Annual General Meeting of the Shareholders of the Bank of Montreal was held on Monday, December 6th, at the Bank's Headquarters. The President, Sir Vincent Meredith, Bart., occupied the chair, and presented the annual report of the Directors.

Before moving the adoption of the report, Sir Vincent Meredith gave a comprehensive review of the economic situation. During the year, he said, an overwhelming demand for credit had taxed resources to the utmost. It had been difficult to make men who had grown accustomed to high prices recognize the fact that economic conditions, which no artificial means can alter, alone are the cause of price decline. "The demand for intervention through Government control is still insistent in some quarters," he said. "Canada alone cannot control world-wide conditions and it is idle to turn to the Government for relief from falling prices. This applies to wheat as well as to other commodities."

Summing up, he said: "The situation in Canada at present, as I view it, is that while there does not appear to be any cause for apprehension, there is every reason for the exercise of the utmost measure of caution. Canada cannot disassociate herself from world conditions, and world conditions are not satisfactory. On this continent the two years supervening upon the Armistice have been marked by unexampled trade activity and prosperity, a circumstance common to the conclusion of all great wars, but the reaction has set in and may not yet be in full play. Happily, Canada is well buttressed on many sides, and the exercise of prudence and sagacity should enable her to meet the shock of falling prices, restricted credits and deflated currency, without serious impairment of her commercial and financial vitality."

Expansion of Business in Canada.

The General Manager, Sir Frederick Williams-Taylor, in reviewing the operations of the Bank during the year, said the payment of a bonus of 2% to the shareholders was not the outcome of higher rates of interest on current loans in Canada but a reflection of the increase in current loans and of high interest rates on call loans in New York, the volume of which was governed by the Bank's requirements in liquid reserves. One anomaly which attracted attention was that with credit restriction as acute here as it was across the line, the price of money was materially lower in the Dominion. This condition, he said, was regarded as a tribute to Canada's good banking system.

Dealing with the growth of the Bank's operations, he said: "It is noteworthy that the greatest expansion of the Bank during the past few years has been in our own country. This is revealed in our greatly increased loans and deposits in Canada and in the number of branches opened during the period.

	Loans in Canada	Deposits in Canada	Branches in Canada
1914	\$123,147,000	\$168,557,000	173
1920	240,725,000	358,878,000	302

The annual report was unanimously adopted and the retiring directors were re-elected. The shareholders gave approval to the motion by Lord Shaughnessy to increase the number of directors from 16 to 18 and to the two new positions on the Board were elected Sir Lomer Gouin and General Sir Arthur Currie.

At a subsequent meeting of Directors, Sir Vincent Meredith, Bart., was re-elected president, and Sir Charles Gordon, G.B.E., was re-elected vice-president.

COMMISSION RULES IN ONTARIO

Fire companies have, in the past, overcome many serious problems in the operation of their business in Canada, and the problem of a revision of the commission rules in Ontario is now having the serious consideration of the various companies, and is likely to be brought to a definite and satisfactory conclusion in the near future in the interests of all concerned.

While commission rules are matters that can be controlled by a unanimous understanding between the companies, the heavy fire losses in Ontario,

on the other hand, does not appear to be so easily controlled by either the Government or the Companies. This latter fact demands at least as much serious consideration on the part of both parties, as they are at present giving the commission rules. Qualified agents, who conscientiously perform their duties, render valuable service to both the community in which they operate and the companies they represent. In contemplating any radical change in present commission rules, no doubt this fact will receive consideration. The Agent is the first protection which a company has against the acceptance of poor risks.



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AUTOMOBILE INSURANCE, covering ACCIDENT, PROPERTY DAMAGE, COLLISION,
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ROBERT WELCH, General manager

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FIRE, THEFT and TRANSPORTATION is what
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Canadian Head Office : Ocean Insurance Bldg., TORONTO

The Dominion of Canada Guarantee & Accident Ins. Co.

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706, Lewis Building, MONTREAL

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TORONTO

Branches: WINNIPEG CALGARY VANCOUVER

PERSONALS

Mr. J. E. Clement, managing director of the Fire Insurance Co. of Canada has returned from a two months visit to the old Country. Mr. Clement spent some time in both London and Paris. He found that the fire Underwriters in England were not very optimistic as to the future, owing to the re-adjustments which must naturally follow preceding conditions and which must be expected to affect the fire losses of the country.

He found a wonderful activity in France, and the nation is trying very hard under enormous difficulties to regain their pre-war standard. Mr. Clement states that the people are paying the exorbitant price of 600 francs per ton for coal, (equal to about \$120 per ton) in France at the present time. Nevertheless they are producing and harnessing their water power in different parts of the country. The country is suffering very largely from political complications, and the unwillingness of the Germans to pay indemnities of the war, of which France is sorely in need of. Mr. Clement states that the new Loan has met with considerable success, and the one great ambition of the people is to bring back their currency to its normal value.

Mr. Frederick Williams, manager for Canada of the Motor Union Insurance Co. sailed to-day from St. John, N.B. per S.S. Melita for England. Mr. Williams will combine business with pleasure and visit his head office, and spend Christmas with his family, returning to Canada in the course of six weeks.

SAILING UNDER FALSE COLORS

A valued contemporary says:—

An association calling itself the "Guild of Insurance Officials" has been formed in London. This appears to be a labor union of insurance employees and not a guild of insurance "officials" as its name would imply. Insurance "officials" are the officers of insurance companies such as presidents, general managers, secretaries, etc., therefore this so-called "guild of insurance officials" is nothing of the sort but, on the contrary, it is a common or garden union of employees of the same stamp as these other "unions" that have been playing the fool to the tune called by a few scheming leaders during the past few years. Insurance is the last business in the world in which such organizations should be tolerated. There is no necessity for them as insurance employees who are diligent, reliable and willing to work, are always sure of advancement, fair and just compensation and good treatment. There is no doubt about this, hence a labor union among such em-

ployees should be looked upon with suspicion and discouraged by everyone connected with the insurance business. The London concern start off under false pretenses. It calls itself a "guild of officials" when it is nothing of the kind. Every British insurance company should jump on it with both feet and stamp it out of existence before its Bolsheviki tactics can be developed among insurance workers.

Liverpool & London & Globe Insurance Company Opens Branch Office for Ontario

It is announced that the "Liverpool & London & Globe Insurance Company Limited" with their affiliated Companies the "Liverpool-Manitoba Assurance Company" and the "Globe Indemnity Company of Canada," will on the 1st of January next open a branch with Head Quarters in the Excelsior Life Building, Toronto, to which all the Agents in Ontario, west of the line of the Kingston & Pembroke Railway will report their business. This branch will be in charge of Mr. J. D. Simpson, Local Manager. The reason for this departure is to afford Western Ontario Agents quicker service and generally to facilitate the extensive operations of these three Companies. We have no doubt this move will result to the benefit of all concerned.

Mr. J. D. Simpson is deputy assistant manager at the Head Office for Canada, Montreal, which position he has filled for the past five years. Before coming to Canada Mr. Simpson was connected with the Liverpool & London & Globe at the Head Office in Liverpool and various branches throughout the United Kingdom. He is recognized as being a thoroughly qualified fire insurance official, having had special training in inspection and rating of large manufacturing plants including sprinklered risks. Readers of The Chronicle will remember Mr. Simpson's address on "Wordings and Warranties" before the Fire Insurance Association at Montreal some months ago from which it would appear that his knowledge of this subject will be of great value to agents, in the important position he is about to undertake.

Agents Commissions in Ontario to be Discussed

To discuss suggestions by the Ontario Superintendent of Insurance Mr. Evan Gray, having reference to commissions paid to fire insurance agents in Ontario, a conference with representatives of fire companies has been called by the Superintendent of Insurance and will be held on the 16th instant at the Parliament Building, Toronto.

American Eagle Continental and Fidelity-Phenix Fire Insurance Companies

Mr. W. E. Baldwin, Canadian Manager of the Continental and Fidelity-Phenix Fire Insurance Companies was present at a conference of Executives of the above Companies, held in New York, on Thursday and Friday of last week.

The various phases of the business of the Companies were discussed. After which some discussion took place on the important question of who shall be elected presidents of the individual companies in the group in succession to Mr. Evans, who has announced that he will retire from the presidency and become chairman of the board on January 1st, 1921. The selection of the future presidents, which is in the hands of committees of the directors of the companies will probably be announced some time next week.

Wadena Profits by Experience

As a result of the recent disastrous fire, involving a loss of \$160,000 the Wadena council has named certain limits within which only the erection of fire proof or semi-fire proof buildings will be permitted. In addition, the council has issued an edict that fire walls must be built between buildings. This means that where two stores or houses adjoin, the central wall is ordered to be built higher than the height of the two buildings in order to prevent the spread of a blaze should a fire break out. As this order cannot be obeyed in the buildings being constructed to handle the winter trade of the town and district, the council has intimated that temporary buildings may be constructed. The demolition of these, and the substitution of buildings which will meet the requirements of the fire laws is ordered for next spring.

London Guarantee and Accident Company Ltd. Announce the Purchase of the United Firemens Insurance Company of Philadelphia

The London Guarantee & Accident Company has completed the purchase of the United Firemens Insurance Company of Philadelphia, and the final transfer of the stock was made on the 9th instant.

The United Firemens Insurance Company was incorporated in 1860. At December 31st, 1919 its total assets amounted to \$1,743,775 which included a paid up capital of \$400,000 and a net surplus of \$155,666. Its total net premiums for 1919 are given as \$542,304. The London Guarantee has it

is understood, for some time, been seeking control of an American Company for the purpose of giving its agents in the United States better facilities. This would appear to be following its policy in Canada, where it purchased a controlling interest in the North Empire Fire Insurance Co.

Royal Indemnity Company

Mr. Charles H. Holland, president of the Royal Indemnity Company, New York, announces the appointment of Mr. Stewart Leitch as Agency Superintendent at the Company's head office in New York. Mr. Leitch is well known in insurance circles in Toronto, where he was connected for some years with the Canadian head office of the Ocean Accident & Guarantee Corporation.

NEW BOOKS

"Life Insurance Contracts in Canada" is the title of a book published by Mr. H. J. Sims, Kitchener, Ont. The work is published under the auspices of the Mutual Life Assurance Co. of Canada, for which institution Mr. Sims has been legal advisor for the past 24 years, and is considered, an authority on the subject of Life Insurance. The book is neatly bound in a most convenient pocket size.

Mr. Sims has accomplished his object, by putting in a short, clear and concise way those general principles of life insurance law, which everyone interested in the subject should be familiar with, and most particularly life insurance agents.

He has reviewed all the Canadian legislation to date, and has also referred to the leading cases decided in our Courts bearing on the subject of life insurance.

An Agent's and Broker's Company, writing all Lines of Casualty Insurance and Guarantee

ROYAL INDEMNITY COMPANY

CHARLES H. HOLLAND, President

CANADIAN OFFICES:

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

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

Monthly payments, lifelong, conditioned on permanence of disability.

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

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

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

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CAPITAL PAID UP - \$ 3,741,375

TOTAL ASSETS EXCEED 42,500,000

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

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

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Capital Paid Up 1,320,000
Additional Funds 25,198,205

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

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

Agents Wanted in Unrepresented Districts

Managers for Canada:

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Assets:

\$33,687,274.25

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Established 1828 Head Office: PARIS, France.

Capital fully subscribed . . . \$2,000,000.00

50 per cent. paid-up.

Fire and General Reserve Funds 8,270,000.00

Available Balance from Profit

and Loss Account. 55,891.00

Net Premiums in 1919. 8,648,669.00

Total Losses paid to 31 Dec.,

1919. 104,500,000.00

Canadian Branch:

LEWIS BUILDING, 17 St. John St. Montreal

Manager for Canada: MAURICE FERRAND

CANADIAN FIRE RECORD*Specially Compiled by The Chronicle.*

Fire at Sydney, N.S.—By the fire which occurred on the premises of J. F. Merchant & Sons, Department Stores, the following companies are interested *on Stock*:—Palatine, \$13,000; National Benefit, \$7,000; Nova Scotia, \$9,000; Aetna, \$5,000; British Traders, \$5,000; Firemens Fund, \$5,000; Hartford, \$5,000; Home, \$5,000; London Guarantee, \$5,000; National Union, \$5,000; Commercial Union, \$5,000; Sun, \$4,000; Great American, \$3,000; Phenix of Hartford, \$3,000; Rochester Und., \$3,000; Acadia, \$2,000; Fidelity Phenix, \$4,000; Royal Exchange, \$4,000; Imperial Und., \$2,000; Guardian of Can., \$2,000; Law Union, \$2,000; Royal, \$2,000; Union, \$2,000; Ocean, \$1,000. Total \$103,000. Loss \$80,340.

On Building:—Nova Scotia, \$20,000; Imperial Und., \$5,000; St. Lawrence Und., \$10,000; Phoenix of London, \$5,000; Queensland, \$5,000; Fidelity Und., \$5,000. Total \$50,000. Loss \$13,500.

Fire at Montreal.—By the fire which occurred on Nov. 25th on the premises of the Merchants Awning Co., the following companies are interested *on Stock*:—Union of London, \$6,000; Mercantile, \$5,000; London & Lan., \$2,500; London Mutual, \$2,500; British Und., \$4,000; North West Fire, \$2,000; British Colonial, \$3,000; Imperial Und., \$3,000; London Guarantee, \$2,000. Total \$32,000. Loss about \$10,000. *On Building*: Great American, \$4,500; Scottish Union, \$3,500; London & Lancashire, \$2,500; Caledonian, \$2,500; British Colonial, \$5,000. Total \$18,000. Loss about \$7,000.

Fire at Montreal.—By the fire which occurred on the 4th instant on the premises of Joseph Ward & Co., 32 Youville Place, the following companies are interested:—Royal, \$18,500; Queen, \$10,000; Firemens Fund, \$2,500; General of Perth, \$6,500; Guardian, \$5,000; North America, \$4,500; London Assurance, \$4,000; London Mutual, \$9,000; North West National, \$5,000; Commercial Union \$5,000. Total \$70,000. Loss about \$20,000.

Fire at Orillia, Ont.—On the 4th instant the buildings, plant and equipment of the Electro Foundries Limited were destroyed by fire. Loss about \$30,000. The plant was insured.

Fire near Saskatchewan, Sask.—On the 2nd inst. a fire destroyed the Scottish Co-Operative Elevator north of Biggar. Loss about \$60,000.

Fire at Montreal.—On the 3rd a fire damaged six flats at the Corner Delorimier Ave. and Gauthier street. Loss about \$7,500.

Fire at Moncton, N.B.—On the 5th instant a small building owned and occupied by Miss L. Tracey, as a grocery store was destroyed by fire. Loss about \$1,500.

Fire at East St. Elmo, Ont.—On the 4th inst. a fire destroyed the large barns of Finlay McRae together with 27 cows and 5 horses. Loss about \$8,000, insured for \$2,000.

Fire at Limoilou, P.Q.—On the 5th instant a fire destroyed the Mill of the Canada Box and Lumber Co. entailing a loss of about \$50,000.

Fire at Montreal.—On the 4th instant a fire broke out on the premises of W. P. Downey & Co., 88 Grey Nun St., destroying a large quantity of oil stock. The following companies are interested:—Royal, \$20,200; Queen, \$4,500; North America, \$4,500; Firemens Fund, \$3,500; Prov. Washington, \$2,000; Imperial Und., \$3,800; Union of Paris, \$3,000; Springfield, \$4,000. Total \$45,500. Loss estimated 80 per cent.

Fire at Vancouver, B.C.—On the 8th instant a fire destroyed the Parks Rooming House. There were 72 men sleeping in the building when fire broke out, and three lost their lives. The building was valued at about \$80,000, and is covered to the extent of about \$40,000.

Fire at Montreal.—On the 6th instant a fire broke out in the rear of Taxi Auto Transportation Ltd., 732 Dorchester St. West, six automobiles were destroyed and considerable damage was done in garage. Loss about \$6,000.

Fire at Montreal.—On Nov. 29th, a fire damaged Louis Laplume's dry goods store, 736 La-fontaine Park. Insurance, Guardian, \$2,500. Loss total.

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Security - - \$46,500.00
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 14 Richmond Street, East, TORONTO
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SURPLUS and RESERVES, \$1,413,740.57 TOTAL FUNDS, \$1,708,120.67
TOTAL LOSSES PAID, \$3,180,308.63

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P. J. PERRIN - - - - - Manager

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THE CONTINENTAL LIFE INSURANCE CO.

GEORGE B. WOODS, President TORONTO, Ont. CHAS. H. FULLER, Secretary

Dangerous Work Legally Defined

Pariseau Bros. Ltd. versus Travelers Insurance Co.

The Court of Appeal, Montreal in a majority judgment, has rejected a strenuously submitted argument that amongst workmen who are engaged in the operation of an edged-tool machine, only those who come into direct action with the actual tool can be classed as engaged on "dangerous work" within the meaning of the Quebec Factory Act; and that the work of other employees on other parts of the machine is not "dangerous."

The case in appeal was that of Pariseau Brothers, Limited, and the Travelers' Insurance Company. The appellants, Pariseau Brothers, were engaged in the manufacture of wooden boxes at 60 Ducharme street, Outremont, and held a policy from the company respondent under which it pretended the insurance company agreed to indemnify it against loss by reason of liability imposed by law for damages on account of accident to any of its employees.

Ernest Jolicœur, a boy in the employ of the appellant, lost the thumb and two fingers of his left hand in an accident while engaged with a circular saw. This involved the employer in a liability of \$2,756.45 towards the father of the injured boy, and appellant submitted that the respondent insurance company was bound to indemnify it in that sum under the conditions of the policy of insurance.

The claim was contested on the ground that the employment of a boy under sixteen years of age at a trade which was "dangerous," according to the provisions of the Quebec Industrial Establishments Act, was illegal. In this circumstances, respondent, under the exceptions provided for in the policy, was not liable to indemnify the appellant.

The case was submitted under three points: Was the part of the factory where the boy was working properly within the operation of the Factory Act; was the respondent, in the circumstances, exempted from indemnity; and, even so, did an attempt which respondent made to adjust the claim with

the boy's father constitute a waiver to the extent of depriving it of the benefit of the exception created in its favor?

The Court's Finding.

Mr. Justice Howard pronounced the court's judgment. He said in part:

"It is contended on behalf of the appellants that the only authority which the Lieutenant-Governor has to classify industrial establishments as dangerous, unhealthy or incommodious, is that conferred upon him by Article 3865 (2) R.S.Q., and as that refers only to establishments which he considers to be dangerous to the health of the operatives, he has no power to classify as dangerous an industrial establishment where the danger is not to the health but rather to the personal safety or security of the workmen. That cannot be accepted, for general authority is conferred upon the Lieutenant-Governor-in-Council by Article 3832, while Article 3865 is supplementary and not limitative in character. Article 3865 (2) is inserted to cover a special case or to make clear in the particular case the general provision of 3832. The Lieutenant-Governor-in-Council would have power to make such a regulation as that now under consideration if 3865 were omitted altogether.

"This brings us to a consideration of the meaning of the expression "woodworking" (on edged-tool machines) as found in this regulation. It may with great reason be urged that it covers that part of parts of the establishment in which are employed machines having edged tools and operated by mechanical power. Such appears to be the intention and tenor of the regulation and of the act under authority of which it has been enacted. It is a fundamental purpose of the act as far as possible to protect particularly young boys and girls from the dangers incident to the industry in which they are employed, and that purpose, from the evidence in this case, can be accomplished only by preventing them from coming in direct contact with machines which present inherent dangers, as do those in the department of appellants' factory

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

British Northwestern Fire Insurance Company

HON. EDWARD BROWN
President.

J. H. RIDDEL
Managing Director.

E. C. G. JOHNSON
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GENERAL AGENTS. PROVINCE OF QUEBEC.

THE BRITISH AMERICA ASSURANCE COMPANY

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**Fire, Marine, Hail and
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HEAD OFFICE - - TORONTO

Old Reliable Progressive
ASSETS over \$1,300,000.00
 Losses paid since organization
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**THOMAS F. DOBBIN, Resident Manager
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NORWICH UNION FIRE INSURANCE SOCIETY, LIMITED

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THE NORTH EMPIRE FIRE INSURANCE COMPANY

Policies guaranteed by the London Guarantee
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HEAD OFFICE, PARIS BLDG., WINNIPEG

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FIRE ANDREW HAMILTON FIRE
 Branch Manager

now in question. But be that as it may, the expression certainly includes everyone operating or assisting in the operation of a machine containing an edged-tool. The appellants would have us limit it to the operation, not of the machine but of the edged-tool itself—in this case, the circular saw. That contention is certainly wrong. It is not what either the act or the regulation says.

“Working on an edge tool machine,” therefore, does not mean merely making use of the edge tool—the saw—putting it in operation and so on, but comprises working upon any part of the machine, helping in any part of the operation. All parts of the prohibition is extended to working on the machine in any capacity whatsoever.

For these reasons, I consider that the trial judge was right in finding that young Jolicoeur was em- the operation may not be dangerous, but the machine as a whole presents dangers and is, therefore, properly classified as dangerous. The reason for the rule that a boy under sixteen years of age shall not work on such a machine is that doing so would bring him into close proximity to danger, and so played by the appellants in violation of law as to age, and that he was, therefore, not one of the persons covered by the policy.

Question of Waiver.

The appellants' second ground of appeal is that the course of conduct of the respondents in relation to this matter constitutes acquiescence, or waiver, or estoppel, or whatever may be the proper term to describe admission of liability on their part for damages arising out of the accident in question. Acquiescence or waiver, however, could be brought

about only by an express agreement between the parties made with the same formalities as the contract itself. The respondents were represented in 2—Dangegeous Work.

these negotiations throughout by Mr. Brown, their claims adjuster, and he had no authority, express or implied, to waive any of respondents' rights under the policy nor to bind them to liability beyond that expressed in the policy. Moreover, the acts and conduct of Brown relied upon by the appellants were not such as to support the appellants' contention, even if he had authority to bind respondents.

For these reasons, I am of the opinion that the judgment a quo is well founded on this point also and that it should be confirmed.

Judgment accordingly, Mr. Justice Allard dissenting.

Dessaulles & Co. appeared for the appellants, with P. St. Germain, K.C., as counsel, and J. T. Hackett, K.C., with J. A. Mann, K.C., as counsel for the insurance company.

Canadian Fire Underwriters Association

The semi-annual meeting of the C. F. U. A. was held in Ottawa on Tuesday and Wednesday this week. There was a large attendance of members, who had a busy session discussing important matters incident to the business. The meeting was followed by the annual meeting of the Western Canada Fire Underwriters Association.

COLUMBIA
INSURANCE COMPANY OF NEW JERSEY

Annual Statement as of December 31st, 1919

ASSETS	
Government and Municipal Bonds . . .	\$ 790,488.00
Railroad and Miscellaneous Bonds . . .	563,890.00
Cash in Banks	175,145.60
Premiums in course of Collection and other Assets	267,431.48
	<hr/>
	\$1,796,955.08

LIABILITIES	
Cash Capital	\$ 400,000.00
Unearned Premium Reserve	390,134.38
Losses in process of adjustment	105,426.82
All other claims	88,000.00
	<hr/>
	\$33,561.20
Surplus over all Liabilities	813,393.88
	<hr/>
	\$1,796,955.08

**Head Office for Canada
Montreal**

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

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


THE

**OCCIDENTAL FIRE INSURANCE
 COMPANY**

HEAD OFFICE

909-911 Paris Building. WINNIPEG

President, Randall Davidson

Vice-President & Secretary, C. A. Richardson

DIRECTORS

S. E. Richards

W. A. T. Sweatman

Robt. Campbell

	Dec. 31st, 1914	Dec. 31st, 1919
Capital Subscribed - -	\$500,000.00	\$500,000.00
" Paid Up - - -	\$174,762.70	\$174,762.70
Surplus on Policy-holders Account - - - -	\$250,856.35	\$423,803.07
TOTAL ASSETS - -	\$359,025.09	\$705,199.67

All Investments are in Canadian Securities

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Care The Chronicle, Montreal.

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By a General Agency in Calgary, a Company to write Hail Insurance throughout Alberta; well established; guaranteed income. Address

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Care The Chronicle, Montreal.

Insurance Under Returned Soldiers Insurance Act

Under the "Returned Soldiers Insurance Act" some 1015 applications for life insurance have been received at Ottawa up to December 1st, for \$3,282,000 insurance. All applications have been received since Sept. 1st.

Policies are issued for a minimum of \$500 and for multiples thereof, not exceeding \$5,000. That a large number are taking full advantage of the insurance offered is evident, when it is stated that an average unit of the policies held would be \$3,600. Practically all the officers and many privates take full advantage of the opportunities offered by the act. The scale of premiums is below that offered by the insurance companies and slightly higher than that offered to civil servants. The most popular forms of policies are the "all life" and the "20-year pay life" policies.

Premiums are payable monthly, quarterly, half-yearly or yearly. As no advantage is given for

the longer period payments, the great majority of the policyholders have chosen the monthly payment plan. No woman has yet taken advantage of the plan although the widow of a soldier who died after his discharge or a widowed mother are entitled to avail themselves of it. So far few soldiers who only served in Canada have taken insurance under the act, the name of the act, "The Returned Soldiers' Insurance Act," having probably made them think mistakenly that they could not qualify. No applications have been received from any Frenchman, Italian or American who was resident in Canada before the war and who served in one of the allied armies, although such veterans, too, are eligible. Nurses are eligible, and W. A. A. C's, but V. A. C's, not having been subject to military discipline, would not be eligible. Insurance men have co-operated in the work, advising many men who could not qualify for their companies of the federal plan.

Ontario has furnished the largest proportion of the policyholders. Up to two weeks ago, the policyholders were distributed among the provinces as follows: Prince Edward Island, none; Nova Scotia, twenty risks for \$61,000 insurance; New Brunswick, sixteen risks for \$63,000; Quebec, 103 risks for \$361,500; Ontario, 429 risks for \$1,375,500; Manitoba, 84 risks for \$254,000; Alberta, 60 risks for \$196,000; Saskatchewan, 68 risks for \$242,500; British Columbia, 94 risks for \$321,500; and the Yukon, one risk for \$5,000. No claims have been paid as yet.

Before the opening of parliament next month the government will consider the adding of unemployment insurance to the business it has already established in returned soldiers' insurance, and in civil service insurance. As considerable unemployment is expected through the winter, the minister of labor may urge that unemployment insurance, operated as complementary to the federal system of labor bureaus, would be practical politics.

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WHOSE ASSETS EXCEED \$98,000,000

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GENERAL AGENTS

MONTREAL TRUST BUILDING, MONTREAL

JAS. D. CHERRY, Manager

**Fourteenth Annual Convention of the
Association of Life Insurance
Presidents**

The fourteenth annual convention of the Association of Life Insurance Presidents was held at the Hotel Astor, New York, on the 9th and 10th instant. Mr. T. B. Macaulay, President Sun Life of Canada gave a very interesting address on "Canadian Life Insurance."

THE MORAL HAZARD

With all the fire prevention work which is being done, the perfection of water supply and fire department equipment, the education in the schools of a fire prevention nature and the increase of better building construction, the fire losses continue to mount and the moral hazard, a reflection of business conditions, may rightly shoulder a considerable part of the blame.

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