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THE GENERAL FINANCIAL SITUATION

The plans which have been announced this week regarding the new British Empire Steel Corporation indicate a scheme which is remarkably ambitious, and has exceedingly far reaching possibilities. With its authorized capital of \$500,000,000, of which \$297,000,000 is to be paid-up at the outset, the Corporation will take rank as the second largest industrial organization in the world, its only superior being the United States Steel Corporation. It will control vast resources of iron, ore and coal, it will have complete transportation facilities, and it will be equipped not only for the making of steel, but for shipbuilding on a large scale, and the manufacture of a variety of steel products. Moreover, there will be associated with it, a powerful group of English steel interests—a feature which is of very considerable importance both from the financing and the marketing point of view.

Whether such an enormous consolidation can be justified by the results remains to be seen. There is always the possibility, in connection with affairs of this size, that the organization will prove unwieldy, and that profits made in one branch of the business will be offset by losses in others. The history of the United States Steel Corporation indicates a possibly checkered career for the new comer, and it does not follow that the remarkable profits which have been made by steel, steamship and shipbuilding concerns during recent years will be continued, as production and transportation facilities, get more into line with demand than at present. A 5 per cent. dividend upon the common stock of the new undertaking before the year is out is spoken of. It will very naturally be the desire of the promoters to declare a dividend as soon as possible, in order to make a good market for the stock. An early dividend, and the patriotic talk in which the promoters are now indulging are merely parts of the machinery for a successful promotion.

So far as the shareholders of the component companies in the new organization are concerned—the general body of investors outside the circle, which is swinging the deal through their control of the companies concerned, there is not, so far as we can see at present, very much in the deal for them.

Apparently, the holders of preference stocks will merely get an exchange into the 7 per cent. preference stock of the new Corporation, on terms which are possibly fair, but contain no "plums." The common stocks of the various component undertakings are to receive specified proportions of 7 per cent., "non-cumulative preferred," with a bonus of common stock. This "non-cumulative preferred" appears to be in fact, common stock in everything but name. In front of it are not only bond and debenture issues, and the 7 per cent. cumulative preferred stock of which \$25,000,000 is to be issued, out of an authorized amount of \$100,000,000, which is to be sold to provide capital for improvements and extensions—a method of financing that does not strike the outside observer as particularly economical. There is at least the possibility that in a period of acute depression in trade, it might be necessary not only to pass the dividend on the Corporation's common stock, but in whole or in part, that on the non-cumulative preferred. It may be said, however, that those who are swinging the deal have not only hitherto shown great ambition but also great capacity, and while there are possibilities of a checkered career in front of new consolidation, it is probable that from the point of view of control and administration, the Corporation will be in as efficient hands as could be secured for it in Canada. Should this undertaking be successfully developed, it will certainly have a remarkable influence in encouraging the employment of British capital in Canada, an influence equivalent to that exercised by the Canadian Pacific Railway years ago. On the other hand, should it prove a comparative failure, the influence will be very much the reverse, and it is accordingly to be strongly desired from a national standpoint, that the consolidation should prove a success.

While there are no signs of an amelioration of the money situation, so far as the local Stock Exchanges are concerned, the calling of funds by the banks has apparently come to an end for the time being, and there are still hopes in some quarters, though these we believe, are not likely to have an ample fulfillment of a large supply of funds during the summer months following the seasonal decline in the banks commercial loans and discounts. Several of the banks are reported to have raised the

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Banking, Insurance and Finance

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MONTREAL, FRIDAY, MAY 7th, 1920

THE GENERAL FINANCIAL SITUATION

(Continued from front Page)

interest rate on broker's loans to $6\frac{1}{2}$ per cent. as from the 1st May, with the consequence that the rate on broker's loans to clients is automatically raised to $7\frac{1}{2}$ per cent. The 7 per cent. rate has been so long in force that the raising of it by even a moderate percentage has come as something of a shock to traders, accustomed to the stability of the former rate, but the rise is only in line with the general increase in the earning power of loanable funds, which has taken place during the last few months, practically all over the world.

Bullish sentiment on the Stock Exchange regarding the affairs of the Spanish River Pulp and Paper Company seems to have run ahead of the fair, as is not uncommon. At all events, the Company's proposal to liquidate the arrears of preference stock dividends amounting to 42 per cent., wholly by a new issue of preferred stock, and to take no present action on the common comes far short of optimistic expectations lately indulged in, and it is not surprising that both stocks have had a sharp reaction from recent high levels. Doubtless the dividend on the common stock is merely a matter of time, as the plant is running at its capacity of 575 tons of paper daily, and the output is sold for some months ahead, but meantime the carrying of the common stock at the high prices prevailing during the recent months is a fairly expensive business for market followers.

The latest monthly statement of the Canadian Pacific Railway indicates no easing of the pressure upon corporations whose rates are fixed by statutory regulation or control, of the rise in working expenses. The showing, in fact, for the current year, is very much worse than that of a year ago. Taking the aggregate of the first three months of the calendar year, gross earnings record an increase of \$6,720,932 from \$36,466,677 to \$43,187,609. The rise in working expenses, however, must have more than absorbed the increase, the total rising from \$32,393,005 to \$39,930,030, or by \$7,537,025. Net earnings for the first three months of this year thus decreased in comparison with last year by \$816,092.

To put the matter in another way, the C. P. R. during the quarter did nearly seven million dollars of additional business, which not only gave it no remuneration, but on the contrary a loss of over \$800,000. The ratio of working expenses to gross earnings in the first three months of this year was no less than 92.46 per cent. compared with 88.83 per cent. in 1919. Obviously, there are limits to this kind of thing, and it would seem that these limits are being very closely approached.

The banks and insurance companies had no particularly kind feelings for the former Ontario Government on matters of taxation, but it now seems that they did not know when they were well off. The Drury government proposes to double the taxation of the banks and to increase that upon insurance companies. Judging by their utterances, some of the Ontario politicians, even those who are not members of the farmers party, appear to labour under the impression that these taxes can be imposed without their being passed on to the consumer; the consumer in these cases being the borrowers at the banks, and the policy-holders of the insurance companies. The tax on the life insurance companies, takes the particularly objectionable and indefensible form of a levy on gross premiums. Doubtless the prosperous Ontario farmers carry a very fair amount of life insurance in the aggregate. If the life companies would undertake a systematic campaign designed to show these prosperous farmers and policy-holders that the imposition of these taxes merely has the effect of curtailing profits on participating policies by so much, some politicians might soon begin to see problems of taxation in a new light.

TRAFFIC RETURNS

Canadian Pacific Railway

Year to date	1918	1919	1920	Increase
Mar. 31	\$32,154,000	\$ 5,770,000	\$42,396,000	\$1,596,000
Week ending	1918	1919	1920	Increase
April 7	\$2,984,000	\$2,921,000	\$3,617,000	\$696,000
April 14	2,935,000	2,878,000	3,655,000	767,000
April 21	3,016,000	3,037,000	3,624,000	587,000
April 30		3,954,000	4,710,000	756,000

Grand Trunk Railway

Year to date	1918	1919	1920	Increase
Mar. 31	\$12,884,022	\$14,003,850	\$15,471,237	\$1,467,387
Week ending	1918	1919	1920	Increase
April 7	\$1,359,291	\$1,274,353	\$1,469,333	\$ 194,780
April 14	1,414,538	1,263,483	1,459,792	Dec. 142,691
April 21	1,358,972	1,248,310	1,305,645	Dec. 42,665
April 30		1,571,191	1,682,319	111,128

Canadian National Railways

Year to date	1918	1919	1920	Increase
Mar. 31	\$20,213,115	\$21,554,947	\$1,331,832	
Week ending	1918	1919	1920	Increase
April 7	\$1,457,144	\$1,834,118	\$356,974	
April 14	1,590,159	1,818,974	228,775	
April 21	1,568,977	1,806,787	237,718	
April 30		2,321,065	2,478,641	157,576



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RESTORATION OF GOLD STANDARD WILL READJUST UNIQUE MONETARY SITUATION

The United States and South American and Oriental nations, which as a consequence of the war have an abnormal proportion of the world's stock of gold, may reasonably expect a persistent drain on their holdings of the metal until an approximate world equilibrium has again been restored, the National Bank of Commerce in New York, says, in the May number of its magazine, *Commerce Monthly*. This will compel the nations so situated to readjust their credit structures within themselves. At present, the bank declares, the world monetary situation is unique as a result of the war which overturned the currency systems of Europe.

A return to the gold standard throughout the commercial world seems to be the most practicable solution of the current monetary problems, according to the bank. To bring about this return, it says, the prevention of additional inflation, the more or less gradual reduction of the volume of outstanding currency and credit and the increase of production are necessary. A prediction that gold will be employed for money uses more effectively in the future than it has been in the past also is made.

It is shown in the article that between 1913 and 1918 the money stocks of gold in France decreased from \$1,200,000,000 to \$354,000,000; in Great Britain, from \$850,000,000 to \$596,000,000; in Russia, from \$1,012,000,000 to \$412,000,000, and in Germany from \$916,000,000 to \$720,000,000. Meanwhile in the United States the gold money stock had increased from \$1,905,000,000 to \$3,165,000,000. Using the year 1913 as a 100 per cent. basis, currency in the larger countries had by 1919 increased as follows: United Kingdom, 244 per cent.; France, 375 per cent.; Italy, 435 per cent.; and Germany, 875 per cent. During the same period the currency expansion in the United States reached only 171 per cent.

In countries which have developed the use of credit to a high degree, the war occasioned a similar expansion in the volume of credit, it is pointed out. In England, according to a recent estimate, the volume of bank deposits, exclusive of those in the Bank of England, approximated £1,070,000,000 prior to the war and at the end of 1919 totalled £2,300,000,000, an increase of 115 per cent. In the United States deposits subject to check increased from \$8,520,000,000 in June 1913 to \$21,064,000,000 in June 1919, an advance of 147 per cent.

"The war played havoc with the world's money, and its restoration to soundness is one of the major problems now to be solved," the bank says. "Good money is necessary to the working of our existing

industrial order. The restoration of money standards that will be reasonably uniform throughout the commercial world and reasonably stable over periods of time, clearly is desirable. A return to the gold standard, which constituted a workable system before the war, seems the most practicable way out of present difficulties.

NEW BRITISH BOND ISSUE

So far the prospectus of Mr. Chamberlain's new Treasury bonds has failed to cause any enthusiasm, being launched as it is at a time of acute stock exchange depression. The bonds, however, are assured of some measure of success, as the banks and other large holders of Treasury bills will buy a certain proportion of bonds as their bills mature. The sole purpose of this issue, which will be on tap until further notice, is to repay the floating debt consisting of Treasury bills and temporary advances from the banks.

The new bonds will receive 7 per cent. interest when the Treasury bill rate averages $6\frac{1}{2}$ per cent. and 6 per cent. when the bill's rate averages $5\frac{1}{2}$ per cent. This arrangement will hold until 1925, when the minimum 5 per cent rate commences, but the holders can then demand repayment at par at a year's notice. These bonds are obviously experimental, but if they are unsuccessful the Government may be expected to adopt some sort of capital levy to reduce the unfunded debt, which is regarded as the one basic cause of the present inflation.

Meanwhile the stock markets are depressed and despondent owing to liquidation due to further loan curtailment. Evidently the total volume of loans for speculative purposes was enormously larger than was generally believed.

START CANADIAN BRANCH

The council in London, England, of the Chartered Institute of Secretaries of Joint Stock Companies has inaugurated a Canadian branch of the Institute at Montreal.

At a meeting of chartered secretaries resident in Montreal, the following officers were elected in this connection Chairman, Wm. MacInnes, of the Norwich Union Fire Insurance Society, Ltd.; vice-chairman, E. R. Whitrod, of the Star Publishing Co., Ltd.; honorary treasurer, H. J. Williams, of Harrisons and Crosfield, Ltd.; honorary secretary, J. W. Benson, of the Canadian Import Co.

The examinations for the professional membership of the Institute are held at McGill University, and embrace Mercantile Law, Company Law, Economics, Secretarial Practice, Accounting and certain optional subjects relating more particularly to the special phase of secretarial activity to which a candidate is engaged.

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Life Fund, Etc.	75,578,630	Deposit with Dominion Gov't.	1,401,333
Total Funds exceed	174,000,000		

Palatine Insurance Company Limited

of London, England

as at 31st Dec., 1918.

Capital Fully Paid	\$1,000,000	Total Income	\$3,462,515
Fire Premiums 1918	3,305,020	Funds	6,062,500
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Automobile Rating Reduced to Accurate Scientific Basis

(By R. H. Goodwin)

The following article on the specific Rating of Automobile hazards will no doubt be of interest to many of our readers. Mr. Goodwin the writer of this article, published in the Insurance Field, is probably more familiar with the system of rating automobiles than any other man in America.

There was a day when the automobile underwriter guessed at a rate, struck the premium down into his pocket and prayed for a balance on the right side of the ledger. That day has passed and with it went gambling as to adequate, equitable automobile rates.

Adoption of the merit system of rating by the National Automobile Underwriters' Conference marked the dawn of a new era in automobile rate making. Tempered with a little common sense and the wisdom that comes of experience, the new plan contemplates scientific analysis of the hazard assumed with credit where credit is due and penalties where necessary. The range of hazards which must be taken into consideration is long; the new schedules may not be perfect in every detail. But a great forward step toward the goal desired has been taken and application of the merit rating system will bring to the surface for correction any defects which may exist.

There are reasons why the new plan should be welcomed by the agent, the automobile owner, the manufacturer and the underwriter. These are the persons primarily interested in rate changes, both as to purposes and effects. It is they who want to know just what is contemplated in the new system whereby automobile insurance rates are predicated upon the principle of merit.

The old method of grouping automobiles according to the selling price and assigning a rate class to all machines selling at the same price took no cognizance of the different features of construction and design found in various makes and models. These physical features of course have an appreciable effect upon the hazard and a rating plan which analytically measures this variation in hazard is not only sound but easily defensible. In that the new rates measure the inherent physical hazard of an automobile they directly reflect to what extent the manufacturer employs recognized standards of construction at his factory.

Responsibility for the new automobile fire rates, for instance, rests squarely upon the manufacturer. It is self evident, of course, that the fire hazard of a motor vehicle is just as great in South Dakota as in Jacksonville and that the likelihood of fire is just the same, whether a dimpled debutante or a cross eyed Chinaman is at the steering wheel. What

the fire hazard does depend upon is the manner in which the machine's fuel is stored, upon the fuel feed system, upon the fuel line and its fittings, the carburetion, the electrical equipment, the exhaust system, the mud pan and the general workmanship of the machine as indicated by its price. It is these things upon which the new fire rates are predicated.

Of course there are various features to be considered in connection with the factors contributing to the fire hazard. Electrical equipment is the chief consideration with a great deal depending upon the system of wiring and the materials employed. The storage of gasoline also is an important factor, with the capacity of the tank and its location counting a great deal. A range of credits is given that varies from the maximum number of points when the tank is located at the back of the automobile to a minimum credit where the tank is under the hood and must be filled by raising the hood. In case the tank is under the front seat or is filled from the dashboard, the rating credit varies.

In the analytic system all features of a machine are good; some features are "better" and still other are "best." In other words, the most hazardous equipment is taken as the standard rather than the least hazardous. This viewpoint was agreed to in order to satisfy certain automobile manufacturers who feared to have the various features of equipment rated as "good, bad and impossible." Three fuel feed systems, for instance, are found in various makes of automobiles—the vacuum feed, the air pressure feed and the direct gravity feed. In the new rates the direct gravity system is allowed so many credits, the air pressure system is allowed still more credits and the vacuum system gets the maximum number of credit points.

Automobile manufacturers of course have been supplied with the analytical schedule with which underwriters now are measuring inherent hazards and it is to be expected that automobile makers will hereafter exert every effort to build safer machines. It is to the manufacturer's interest to get for his make the highest possible rating and changes in design hereafter will be made with a view to reducing the physical hazard. Automobile fire rates will be reduced just as rapidly as physical hazards are, or increased if increases are warranted.

New System is Elastic.

The new rating system is very elastic in this respect. Suppose that the product of some manufacturer has been a high grade class of automobile for a number of years, preferentially rated, and that at some later period the output of his factory represents an inferior grade; the reprint pages or supplemental addenda to the classification manual

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will announce that such-and-such a make, such-and-such a model, carrying serial numbers beyond such-and-such a number thereafter will be rated in symbol class "E," thus making it plain to the company or agent that some of the output of this manufacturer is rated in one class and that some takes a differ-ent rate. Adversely the system will show if and when the manufacturer of the lower grade auto-improves his product and thereby qualifies for a lower rate.

In the matter of theft rates the merit rating system in like manner contemplates the measurement of certain important physical factors, with due consideration for territorial hazards. There is the question of accessibility of controls; how easily is access to the driver's seat gained? How easily is the motor started and in what manner? What normal locking system has the machine? Is it equipped with an approved theft prevention device and, if so, what kind? Was the lock integrally installed or was it added to the automobile as an accessory?

Quantity of Production Factor.

Then there is the question of the number of machines produced of the kind upon which insurance is desired. The question of production is closely akin to popularity, granting that production is the measure of an automobile's popularity. The more popular a machine is with automobile owners the more popular it is with thieves, not only because more persons are familiar with its mechanical operation but also because such machines can be disposed of more easily.

These various factors must be considered in determining adequate theft rates and attention also must be given to the factory installed identification marks upon a machine. The more the marks and the more accessible they are the more easily can the automobile be traced if stolen. Some machines, for instance, have three serial numbers while others have but two. Engine and frame numbers are to be found too in different locations and consideration must be given in this connection.

Geography and Collision Rates.

Of course geography is the chief consideration in determining collision rates but there also are important physical risks to be reckoned with, as for instance equipments which would tend to prevent accidents and resulting collision damage. The effectiveness of the braking system can be measured accurately and is a big factor; the steering system counts; visibility from the driver's seat is involved and a great deal depends upon the lighting equipment and the manner in which warnings can be given, whether with a hand horn or with an electric klaxon. The collision is also measured

to some degree by the machine's road clearance; that is, the height of the axles above the road level.

There are factors, too, which go to minimize the amount of damage when the automobile happens to be a party to a collision. The construction of the fenders, whether or not the machine has bumpers, the character of radiator protection, the frame cross braces of the chassis—all these things are to be considered in determining the adequateness of collision rates.

It has been reported that agents feared the new rating system on the ground that it would prove to be "too complicated." It is true that the making of the analytic schedules was a somewhat involved procedure but the actual operation of the system, insofar as agents are concerned, is simplicity itself. The new rates, in fact, do not materially change the procedure which the agent always has followed.

JAMES E. FRAAS, LIMITED, OTTAWA

The announcement is made that the business of St. Germain & Fraas Limited, has been acquired by James E. Fraas Limited who will continue a general insurance and real estate business in the same office, No. 69 Bank St., Ottawa, under the firm name of James E. Fraas, Limited. The president of the new Company, Mr. James E. Fraas, is a well known fire insurance man, who previous to going to Ottawa, was connected with the Guardian Insurance Company for 15 years, and for many years its inspector. The new firm is now one of the leading offices in Ottawa, and represents the following Companies, Guardian, Commercial Union, London & Lancashire, Continental, National of Hartford and General of Perth.

Fire Premium Income of British Companies in United States

The net fire premiums written by British Companies in the United States (during 1919) as reported to the New York Insurance Department given in order of premium income, are as follows:—Foyal, \$13,584,708, Liverpool & London & Globe, \$12,857,014, Commercial Union, \$10,394,696, North British & Mer. \$7,375,260, Northern, \$5,323,118, Scottish Union & National, \$4,580,327, Sun, \$4,519,165, London Assurance, \$4,435,708, Phoenix of London, \$3,921,849, London & Lancashire, \$3,864,684, Norwich Union, \$3,800,754, Foyal Exchange, \$3,675,537, Atlas, \$3,448,258, Palatine, \$2,958,988, Western (Toronto), \$2,817,380, Eagle Star, \$2,159,412, Caledonian, \$2,134,987, British America, \$1,468,058, Yorkshire, \$1,450,276, Union, \$1,398,731.



**LONDON &
LANCASHIRE
FIRE**
INSURANCE COMPANY
LIMITED

Security - - \$42,000,000

ONTARIO AND NORTH WEST BRANCH
14 Richmond Street, East, TORONTO

PROVINCE OF QUEBEC BRANCH
164 St. James St., Cor. St. John St., MONTREAL



**LONDON &
LANCASHIRE
GUARANTEE &
ACCIDENT**

**PERSONAL ACCIDENT
SICKNESS
FIDELITY GUARANTEE**

**PLATE GLASS
AUTOMOBILE
GENERAL LIABILITY**

Head Office, **TORONTO**
Montreal, 164 St. James St. Quebec, 81 St. Peter St.

Mount Royal Assurance Company

SURPLUS and RESERVES, \$1,416,740.57 TOTAL FUNDS, \$1,708,120.67

TOTAL LOSSES PAID, \$3,180,308.63

Application for Agencies Invited

Head Office - - - MONTREAL

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

Established in Canada in 1821

1819 **AETNA (FIRE)** 1920

HARTFORD, CONN., U. S. A.

Losses Paid over \$183,000,000

J. B. HUGHES, Special Agent, WATERLOO, ONTARIO
J. R. STEWART, Special Agent, 36 Toronto Street, TORONTO, ONTARIO
R. LONG, Special Agent, 515 Yorkshire Building, VANCOUVER, B. C.

Union Assurance Society, Ltd.

OF LONDON, ENGLAND
(The Insurance Act A. R. 1910)

CANADA BRANCH, MONTREAL
T. L. MORSENFORD, District Manager.

NORTH WEST BRANCH, WINNIPEG
W. C. BRUCE, Branch Manager.

Agencies throughout the Dominion

EXCELSIOR
INSURANCE LIFE COMPANY

A Strong Canadian Company
FOR PROTECTION OR INVESTMENT
BUY EXCELSIOR POLICIES

J. J. Robichaud, Prov. Man., Montreal

The Law Union & Rock
INSURANCE CO. LIMITED, LONDON. Founded in 1896

Assets Exceed - - - \$50,000,000
Over \$10,000,000 invested in Canada.

FIRE and ACCIDENT RISKS accepted.
Canadian Head Office: 277 Beaver Hall Hill.
MONTREAL

Agents wanted in unrepresented towns in Canada.
W. D. AIKEN, Superintendent, COLIN E. SWORD
Accident Dept. Canadian Manager.

SUCCESS IN SELLING LIFE INSURANCE Depends chiefly upon how hard Salesmen work, and the excellence of their service to clients. The more you put into it the more you will get out of it. Let "Greater Service to Policyholders" be your motto for 1920, and if you want a good position with a progressive Company, apply stating experience and references, to

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

THE CONTINENTAL LIFE INSURANCE CO.
GEORGE B. WOODS, President TORONTO, Ont. CHAS. H. FULLER, Secretary

ABSTRACT OF EMPLOYERS' LIABILITY INSURANCE IN CANADA FOR THE YEAR, 1919.
(From the Preliminary Report of the Superintendent of Insurance.)

Companies.	Premiums for the Year	Amount of Policies New and Renewed	Net Amount in force at date	Losses incurred during the Year
	\$	\$	\$	\$
Alliance Assurance	29,491	2,345,000	2,244,000	16,637
Canada Accident	200,892	2,945,000	2,055,000	122,781
Car and General	1,114	90,000	90,000	60
Continental Casualty	19,434			None.
Dominion Gresham	23,183			10,334
Employers' Liability	532,839	12,501,000	11,531,000	382,618
Fidelity and Casualty	5,625	2,717,500	2,752,500	1,329
General Accident of Canada	81,339	6,860,300	5,752,900	37,709
Globe Indemnity	240,321	5,189,000	2,709,000	132,922
Guardian Insurance Co. of Canada	52,200			40,712
Imperial Guarantee and Accident	2,000	250,000	415,000	65
Law Union and Rock	30,543			-7,430
London Guarantee and Accident	192,119	6,710,000	5,885,000	99,950
London and Lancashire Guarantee and Accident	24,439			9,038
Maryland Casualty	111,269	2,183,745	2,001,745	46,202
Merchants' and Employers'	96,491			65,558
North American Accident	234,182	2,488,000	2,713,000	188,934
Norwich Union Fire	30,364	4,739,166	4,134,166	14,414
Ocean Accident and Guarantee	148,495	6,209,500	5,912,300	74,505
Railway Passengers	92,168			37,292
Royal Exchange	9,722	1,145,000	1,005,000	10,538
Scottish Metropolitan	54,746			33,550
Security Mutual Casualty	10,269			5,623
Travelers' Insurance of Hartford	139,376			57,524
United States Fidelity and Guaranty	91,372	2,843,625	2,737,125	32,564
Yorkshire	77,987	4,911,000	2,451,000	37,743
Totals	2,552,033			1,451,182

ABSTRACT OF ACCIDENT INSURANCE IN CANADA FOR THE YEAR 1919.

Alliance Assurance	23,613	5,003,949	4,512,850	6,254
Canada Accident	37,687	23,325,114	14,022,605	27,863
Car and General	732	346,730	264,451	34
Continental Casualty	37,975			19,254
Dominion Gresham	34,404	15,986,000	9,477,700	17,741
Dominion of Canada Guarantee and Accident	253,043	49,609,278	40,316,503	73,730
Employers' Liability	129,790	89,250,984	82,822,224	52,022
Fidelity and Casualty	85,632	35,673,520	30,468,720	25,206
General Accident of Canada	48,381	12,727,957	7,973,149	18,052
Globe Indemnity	190,496	59,172,250	49,820,150	79,447
Guardian Insurance Company of Canada	37,654			12,225
Imperial Guarantee and Accident	150,945	25,403,820	19,183,940	78,214
Law Union and Rock	27,650	5,202,686	6,191,226	11,360
London Guarantee and Accident	113,643	23,061,332	18,883,500	74,310
London and Lancashire Guarantee and Accident	102,477	26,592,196	21,199,646	41,319
Maryland Assurance	68,792	18,545,921	15,439,701	23,522
Maryland Casualty	225			315
Merchants' and Employers'	3,284	1,790,984	1,140,450	754
Motor Union	26	20,000	12,500	None.
North American Accident	47,363	15,594,667	9,104,703	20,976
Northern Assurance	42			None.
Norwich Union Fire	56,554	17,501,198	11,175,904	21,531
Ocean Accident and Guarantee	175,512	36,501,981	27,119,897	73,940
Preferred Accident	5,476	2,379,750	1,661,000	1,094
Railway Passengers	53,303	11,594,075	7,733,375	13,059
Royal Exchange	11,462	2,952,465	1,588,965	5,705
Scottish Metropolitan	3,995	1,977,730	1,464,034	445
Travelers' Indemnity	40,233	9,835,229	8,678,769	10,318
Travelers' Insurance	203,658	96,592,324	50,075,032	36,219
United Commercial Travellers	22,640	3,975,000	11,215,000	7,084
United States Fidelity and Guaranty	20,171	9,071,850	8,177,830	1,930
Western Casualty	14,343			1,400
Yorkshire	23,349	4,774,369	4,221,129	10,614
Totals	2,044,190			765,934

ABSTRACT OF COMBINED PERSONAL ACCIDENT AND-SICKNESS INSURANCE IN CANADA FOR THE YEAR 1919.

General Accident of Canada	78,165	1,687,700	375,600	36,486
Loyal Protective	136,413			80,413
Merchants Casualty	458,274	8,563,050	14,782,500	172,658
Merchants and Employers'	45,583	1,225,300	1,105,740	21,283
Protective Association	182,905		7,357,500	106,711
Ridgely Protective	65,082			35,128
Totals	966,422			492,679

"The Oldest Life Company in America"

"Mutual Life"—known in every household. Unexcelled policies and service, notable financial strength, co-operation with agencies. Life Insurance at its best!—the Agent's desire and ideal.

For terms to producing Agents address
The Mutual Life Insurance Company
OF NEW YORK

24 Nassau Street, New York City

GENERAL

ACCIDENT FIRE AND LIFE
ASSURANCE CORPORATION LIMITED
OF PERTH, SCOTLAND.

Total security to Policyholders now exceed - \$12,500,000.

PELEG HOWLAND Esq.
 Chairman Advisory Board

T. H. HALL **JUDSON G. LEE**
 Manager for Canada. General Agent Montreal.

THE London Assurance CORPORATION OF ENGLAND.

INCORPORATED BY ROYAL CHARTER A. D. 1700

CAPITAL PAID UP - - - - - \$ 2,741,275
TOTAL ASSETS EXCEED - - - - - 42,500,000

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

Automobile Insurance

FIRE-TRANSPORTATION-THEFT:

The Provident Assurance Company insures your Automobile against loss or damage resulting from Fire, from whatever cause arising, including Explosions, Spontaneous Combustion or Lightning; from accidents happening to the Railway Car or Steamboat used in the transportation of your car; from Burglary or Theft committed by any person not an employee of the assured.

For further particulars and rates apply to

The Provident Assurance Company
 169 St. James Street, Montreal. Tel. Main 1626-7.
 J. C. Gagne, Managing Director.

ATLAS ASSURANCE COMPANY LIMITED

Founded in the Reign of George III

Subscribed Capital - - - - \$ 11,000,000
Capital Paid Up - - - - - 1,320,000
Additional Funds - - - - - 25,196,265

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

Head Office for Canada:

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

Established 1806

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

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

Agents Wanted in Unrepresented Districts.

Managers for Canada:

Montreal Agencies Limited, Montreal



Assets:
\$33,687,274.25

Surplus:
\$10,846,031.00

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

L'UNION

FIRE INSURANCE COMPANY, Limited
 Established 1828 Head Office: PARIS, France.

Capital fully subscribed . . . \$2,000,000.00
 25 p.c. paid-up

Fire and General Reserve Funds 6,792,000.00
Available Balance from Profit

and Loss Account 118,405.00
Net Premiums in 1918 7,105,053.00

Total Losses paid to 31 Dec., 1918 108,718,000.00

Canadian Branch:

LEWIS BUILDING, 17 St. John St., Montreal
Manager for Canada: MAURIOE FERRAND

PERSONALS

Mr. F. Williams, manager for Canada of the Motor Union Insurance Co., was in Montreal this week. Mr. Williams informed us that the Company has heretofore confined its operations in Canada to Ontario, but is now extending its operations to Quebec and British Columbia.

It is well known that the Motor Union specializes in Automobile insurance, and works on independent lines.

DEATH OF ROBERT JUNKIN

The death occurred on the 4th instant of Mr. Robert Junkin, at his residence, Toronto. Mr. Junkin was one of the most popular and best known life insurance men in Canada, more particularly by field men. For the past twenty years Mr. Junkin was connected with the Manufacturers Life and since 1918 was one of its directors. In February last while in Florida, he suffered a stroke from which he never recovered.

PLATE GLASS INSURANCE

Plate Glass has increased over 300 per cent. in price while the production has fallen off about 40 per cent. during the past two years, and a huge amount of such glass is now taken by automobile manufacturers. The present situation has become a serious matter to the plate-glass insurance companies. The Spectator, New York, says:—

In addition, the cost of setting the glass has gone up materially, so that this combination of circumstances has rendered it necessary for the plate-glass insurance companies to require higher premiums. A store front which was worth, say, \$300, a few years ago, now costs from \$1000 to \$1500. Property owners are not likely to realize this condition until they have a window broken, and attempt to have it replaced. Then the uninsured owner of the window will quickly ascertain that it would have been good policy for him to have carried plate-glass insurance, even at a higher rate than he would have paid a few years since. The high prevailing prices of glass and labor make this branch of protection more necessary than ever before, and agents should avail of every opportunity to impress this fact upon their customers.

NORTHERN ASSURANCE COMPANY LIMITED

We learn that the report for 1919 of the above Company, which will be issued during the month, again shows profits from trading and interest of £1,000,000, and that it is expected that an increased final dividend for the year 1919 will be recommended to the shareholders.

MONTREAL WATERWORKS MEN RECEIVE INCREASES

Although funds were voted some time ago for increasing the wages of aqueduct employees, it appears that some of the men, including eleven stationary engineers and a number of foremen, did not get their increases until last week, and, as their names were inscribed in the estimates for 1920, a special resolution was required to order this to be done. The Administrative Commission has accordingly given the necessary authority that the men receive the advance to date from February 1. In other words the men get their increases and three months' back pay.

While the wages paid these engineers by the city varied somewhat, according to the 1920 estimates the average would be about \$1,440 a year. They are now all placed on the same basis at \$1,620 a year. By the same resolution the wages of five foremen of the same department are also fixed at \$1,620 a year and that of two assistant foremen at \$1,320 a year.

Lectures on Compensation and Casualty Insurance

The Casualty Insurance business is growing so rapidly that it is very difficult for the officials of the Companies writing this class of business to secure competent assistants to keep pace with the increase. In the United States some of the larger Universities are forming classes for the study of Compensation, and Casualty insurance.

Columbia University and the University of Pennsylvania both are arranging special courses open to men and women who are engaged or intending to engage in the casualty insurance business.

An excellent feature of these courses is that the classes are held in the evening, thus enabling those employed during the day to attend.

The course at the University of Pennsylvania is designed to present by means of lectures, outlines for study and assignments, the functions of accident and health, automobile, liability and workmen's compensation forms of insurance; the legal and economic bases for their existence; an analysis of the important features of the policy contracts; the factors affecting premiums and the adjustment of losses.

This certainly is a step in the right direction, for casualty insurance as compared with other forms of insurance is yet in its infancy and many excellent opportunities are open to the student.

The necessity (from an educational standpoint) of similar opportunities being afforded casualty employees in Canada, is quite apparent.



THE EMPLOYER'S

Liability Assurance Corporation, Limited
of London England

Transacts
AUTOMOBILE INSURANCE, covering ACCIDENT, PROPERTY DAMAGE, COLLISION,
 FIRE, THEFT and TRANSPORTATION
 Personal Accident, Sickness, Passenger and Freight Elevator,
 Burglary, Mail, Boiler, Plate Glass, Explosion and Fire
 Insurance, Fidelity Guarantee and Contract Bonds..

OFFICES:
 Temple Building, Toronto. Lewis Building Montreal

Charles W. I. Woodland,
 General Manager for Canada and Newfoundland

John Jenkins,
 Fire Manager

Applications for Agencies Invited

Canadian
 Government
 Deposit
\$1,622,000.00

Stands First
 in the
 liberality of its
 Policy contracts,
 in financial strength
 and in the
 liberality of its loss
 settlement.



TRANSACTS:

Personal Accident Automobile
 Sickness Burglary
 Liability (All Risks) Postal
 Fidelity Guarantees. Plate Glass.

302 St. James Street, MONTREAL

ROBERT WELCH, General Manager

* Applications for direct Agencies Invited.

The Ocean Accident & Guarantee Corporation Limited

AUTOMOBILE INSURANCE

A Comprehensive Policy covering **ACCIDENT, PROPERTY DAMAGE, COLLISION,
 FIRE, THEFT and TRANSPORTATION** is what the
 public demands.

The "OCEAN" can meet these requirements under one contract

Branch Office:

MERCHANTS BANK BLDG,
 MONTREAL

J. W. WITHERS,
 Superintendent.

W. T. PERRY,
 Manager for Canada

Canadian Head Office: Ocean Insurance Building, TORONTO

The Dominion of Canada Guarantee & Accident Ins. Co.

**The Oldest and
 Strongest Canadian
 Casualty Company**

**ACCIDENT
 BURGLARY
 GUARANTEE BONDS**

TRANSACTS:

**SICKNESS PLATE GLASS
 AUTOMOBILE INSURANCE
 FIRE INSURANCE**

E. ROBERTS, Manager
 101, LEWIS BUILDING, MONTREAL

G. A. WITHERS, General Manager
 TORONTO

Branches: WINNIPEG CALGARY VANCOUVER

LIFE INSURANCE BUSINESS IN 1920

Many Companies report a larger volume of business in the first quarter of present year than in the similar period in 1919. So that should the present rapid rate of writing life business continue throughout the year, the total volume written for 1920 is likely to far exceed any previous record. It might be well, however, to bear in mind, that some day the present favourable conditions for writing life insurance will subside, when people will pay more and closer attention to the scrutiny of expenditures. When this occurs, the lapsing of policies is likely to be intensified, and conservative underwriters, are no doubt considering this eventuality. In the meantime the building up and strengthening of reserves is an important feature that should be borne in mind, more especially by the younger Companies.

CANADIAN FIRE RECORD

Fire at Windsor, Ont.—On April 28th, a fire destroyed the International Hotel. The stock of several stores on the first floor were destroyed. Loss about \$75,000.

Fire at Toronto.—On the 2nd instant a fire broke out in the dry goods store of Jos. Lidman, 112 Dundas St. West.. Loss about \$3,500, insurance on stock \$2,800.

Fire near Shannonville, Ont.—On the 1st instant a fire destroyed the farm house and barn of Mr.

Brown. Loss about \$10,000, partly covered. The property was situated in the 2nd concession of Thurlow.

Fire near Cornwall, Ont.—On the 3rd instant a fire destroyed five out buildings on the farm of W. J. Kennedy at Tenkiss Crossing. Loss about \$5,000, insurance \$1,800 in London Mutual.

Fire at Carmangay, Alta.—On April 30th a fire destroyed eight business places. Loss about \$40,000.

Fire at Montreal.—By the fire which occurred on the 3rd instant in the building of the Imperial Tobacco Co. at the rear of the main building, 900 St. Antoine St., the following Companies are interested: On building, Queen, \$8,000. Loss about \$5,000. On stock Globe & Rutgers, \$5,000; North Brit. & Mer., \$3,000; Hartford, \$2,500; National of Paris, \$2,500; Springfield, \$2,000. Total \$15,000. Loss about 60 per cent.

Fire at Sydney, N.S.—On April 30th a fire destroyed the Thompson-Christie block on Commercial St. The following tenants suffered loss, M. Steckler, furniture; Rudderham's drug, etc.; Lovett's book store; E. Lacroix; D. A. Smith, insurance; H. E. McEachern, merchant. Loss about \$50,000.

Fire at Union-on-the-Lake, Ont.—The tuberculosis sanatorium was destroyed by fire on April 29th. Loss about \$75,000 partially covered.

PHENIX FABLES**No. 3. THE AGENT'S FIND****NEXT FABLE: THE AGENT AND THE BOOMERANG**

An insurance agent struggling against the mighty forces of COMPETITION found for an ally the great FIDELITY-PHENIX. Immediately the tide of battle turned in his favour. The FIDELITY-PHENIX sent against the enemy its departments of Advertising, of Service, of Agency Business Development. COMPETITION retired in disorder. The insurance agent captured many risks.

**IT WILL PAY YOU TO REPRESENT THE
FIDELITY PHENIX FIRE INSURANCE COMPANY
OF NEW YORK.**

HENRY EVANS, President.

FIRE - TORNADO - AUTOMOBILE - HAIL - PROFITS

CANADIAN HEAD OFFICE: 17 ST. JOHN STREET, MONTREAL.

W. E. BALDWIN, Manager

THE MOTOR UNION
INSURANCE COMPANY LIMITED
(INCORPORATED IN ENGLAND)



THE BEST IN
AUTOMOBILE INSURANCE

□ □ □

BECAUSE attractive premiums are quoted for first class risks.
 The protection against "Claims by the Public" is up to \$20,000.
 Bonuses are allowed for no claims. Policies are simple and straight-forward.

AGENTS will like our concise "at a glance" rating system.

—
WRITE TO
CHIEF OFFICE FOR CANADA
 59 Yonge Street - - - Toronto

—
 Assets exceed \$10,000,000
 Premium income exceeds \$8,500,000

VULCAN
Fire Insurance Company
 of Oakland, California

ASSETS OVER \$1,500,000.00

Canadian Head Office :
VANCOUVER, B. C.

G. U. PRICE & CO., LIMITED
 General Agents for Quebec
 Bank of Toronto Building, **MONTREAL**

LONDON & SCOTTISH ASSURANCE CORPORATION
LIMITED, OF LONDON, ENGLAND
 Formerly LONDON & LANCASHIRE LIFE & GENERAL ASSURANCE ASSOCIATION, LIMITED
 ESTABLISHED IN CANADA 1863

Directors for Canada :
 A. J. Dawes, Esq. E. C. Pratt, Esq.
 H. B. Mackenzie, Esq. D. C. Macarow, Esq.

ALL ASSES OF LIFE ASSURANCE TRANSACTED

SCOTTISH METROPOLITAN ASSURANCE COMPANY
LIMITED

FIRE and MARINE ACCIDENT and SICKNESS GUARANTEE BONDS ELEVATOR and GENERAL LIABILITY

AUTOMOBILE LIABILITY and FIRE Individual or Combined Policies EMPLOYERS LIABILITY PUBLIC and TEAMS LIABILITY

Head Offices for Canada: LONDON & SCOTTISH BUILDING, MONTREAL
Total Funds and Assets Exceed \$25,500,000
 Fire Manager, C. E. CORBOLD. Casualty Manager, J. UPTON FLETCHER Secretary and Actuary, W. H. R. EMMERSON.
 Manager for Canada, **ALEXANDER BISSETT**
APPLICATIONS FOR AGENCIES INVITED

Taking Care to Avoid Moral Hazard

Careful fire underwriters are watching general business conditions and individual risks much more closely than they did a few months ago. During the war it was believed that virtually no moral hazard existed. Now there is a belief that, if some have not already developed, it is likely to do so soon, and that underwriters should be on the lookout for it. An up-State special agent said the other day that in inspecting mercantile risks he looks the stock over carefully to see whether any considerable part of it looks as if it were getting out of date. One home office underwriter states that he is declining mercantile risks of certain classes whose owners have not a commercial rating of a certain standard, and on others he is getting special reports.

National Board of Fire Underwriters Agree to Arbitration of Complicated Losses

The *Spectator*, New York, says:—

"Most important and creditable action has been taken by the National Board of Fire Underwriters, with the endorsement of at least seventy-five per cent. of the membership, by which the apportionment of complicated losses will, in cases of dispute, in the future be submitted to arbitration instead of being taken to court. The plan provides for the payment, in cases submitted to arbitration, of the full amount of possible liability to the committee on adjustment. This enables the committee to pay to the insured the total amount acknowledged as being due from the companies whose relative shares are the subject of arbitration. Subsequently, when the arbitration committee has decided the amounts payable by the respective companies, any overpayments by some companies will be returned to them, and any underpayments by others will be supplemented by further payments made to the committee. This is an excellent plan from the viewpoints of both company and insured, for it enables the latter to recover his losses promptly, while the companies are assisted in avoiding long drawn out and expensive litigation. This is another instance of the constructive work done by the National Board of Fire Underwriters."

AUTO ACCIDENTAL DEATHS

The Metropolitan Life keeps accurate statistics of the deaths among its 13,000,000 policyholders. In 1919 there were 1,332 fatalities due to automobile accidents as compared with 170 in 1911. This gives a death ratio per 100,000 persons of 10.6 per cent. in 1919 as against 2.3 per cent. in 1911. The death ratio for automobile accidents is nearly 50 per cent. heavier than for typhoid fever.

Insurance and the Chambers of Commerce of the United States

Insurance now has a department of the Chamber of Commerce of the United States devoted to its interests. This new division held its first session last week as part of the general meeting of the Chamber. It is not yet fully organized. In fact, it does not appear that most insurance men have very definite ideas as to its aims and purposes. They expect it to benefit insurance by bringing it into closer relationships with general business, but how it is to do this remains a question in the minds of many of them.

The insurance interests cannot do better at this time than to keep in mind the truth that those get most out of an organization who put most into it. Aside from the performance of its regular functions as a distributor of loss, insurance has made splendid contributions to the welfare of the country and of general business in its Americanization movement, its conservation campaigns and its opposition to the entrance of government into the field of business. The men who conceived and directed these movements have shown a breadth of vision which, if applied to the problems of business in general, will aid greatly in their solution. If the biggest, broadest men in insurance will lend their services to the Chamber of Commerce there is little question that the interests of insurance will receive the consideration to which they are entitled.

One of the chief dangers to which insurance is exposed in its relations to the Chamber of Commerce arises from the petty seeking of advantage by individual classes and systems of insurance. This should cease, and an effort should be made to bring forward for service in the Chamber of Commerce the most representative men regardless of whether they are connected with stock or mutual companies: fire, marine, casualty, surety life insurance or the executive or agency branch of the business.

Furthermore, insurance, having brought to the attention of the Chamber big questions of public interest, cannot afford to ask its consideration of any that are not clearly in the interest of the public. The new insurance department might well make it one of its functions to consider all measures for which the support of the Chamber of Commerce is desired by any individual insurance interest and pass along to the main body only those which are so meritorious that it cannot refuse to endorse them.

Journal of Commerce.

TOKIO MARINE AND FIRE INSURANCE CO.

Having made the necessary deposit at Ottawa, the Tokio Marine & Fire Insurance Company, are now licensed to operate in Canada.

HALIFAX EXPLOSION, 1917 DECISION OF PRIVY COUNCIL

The appeal to the Judicial Committee of the Privy Council in the case of the Ship *Imo* vs. the *Mont Blanc*, was heard by Viscount Haldane, Lord Dunsedin, Lord Atkinson, and the Lord Justice Clerk, with Admiral Sir Nelson *Ommanney*, K.B.E., and Commander W. F. Caborne, C.B., as Nautical Assessors.

Their Lordships dismissed these cross-appeals from a judgment of the Supreme Court of Canada of May 19 last in a suit relating to the collision of the two vessels in Halifax Harbor in 1917. The *Times* Law Report is as follows:

The action arose out of a collision between the two vessels in the harbor of Halifax, Nova Scotia, on December 6, 1917, shortly before 9 a.m. The *Mont Blanc* was loaded with a cargo of high explosives. The impact of the two ships ignited that cargo, which exploded and devastated a large part of the city of Halifax and the town of Dartmouth, causing many hundreds of deaths and destroying property worth several millions. The owners of the *Mont Blanc* claimed \$2,000,000 as damages, and the owners of the *Imo* counter-claimed for a similar amount.

Mr. Justice Drysdale, assisted by nautical assessors, tried the case at Halifax. The trial occupied 13 days. The judge pronounced the *Mont Blanc* solely to blame. The owners appealed to the Supreme Court of Canada, and the appeal was heard by five judges, two of whom found the *Mont Blanc* wholly to blame, two found the *Imo* solely at fault, and the fifth judge was of opinion that both were equally responsible. In the result the Supreme Court allowed the appeal and held both ships equally liable. From that decision both sides appealed.

At the time of the disaster the *Imo*, belonging to the port of Christiania, was going in ballast to sea on a voyage to New York under a charter, made between her owners and the Belgian Relief Commission. The *Mont Blanc* was the property of La Compagnie Generale Transatlantique, and was going from New York to Halifax with a full cargo of picric acid, T.N.T., benzol and gun-cotton, belonging to the French Government. Each was in charge of a qualified pilot. The collision took place in about mid-channel while the *Imo* was steering down channel from the Narrows to sea, and the *Mont Blanc* was going up channel intending pass through the Narrows. There was, it was admitted, no wind and very little tide, and for all practical purposes there was sufficient visibility.

The *Imo* alleged against the *Mont Blanc* that she was travelling at excessive speed, and that she starboarded her helm and attempted to cross the

bows of the *Imo*, that she waited to reverse engines until the instant of or only a few seconds before the collision, that she crossed to the Halifax side of the channel instead of keeping to the starboard side of mid-channel, and that she did not give the proper whistle signals or navigate in accordance with the whistle signals. Stress was also laid on the fact that she had no interpreter on the bridge through whom the Canadian pilot could give orders to the French officers.

The *Mont Blanc* submitted that the negligent navigation of the *Imo* was the sole cause of the collision. It was alleged that while the *Mont Blanc* was keeping to her right side of the channel and giving appropriate signals, the *Imo* adhered to her wrong side, thus putting the *Mont Blanc* into a position of difficulty when it was necessary to take immediate action. The putting of her helm hard a-starboard was, it was submitted, the best course to have adopted to avoid a disaster.

Lord Atkinson, whose judgment was read by the Lord Justice Clerk, went in great detail into the cases, and the evidence on both sides, and, in conclusion, said: Their lordships have, upon the whole, come to the following conclusions: First, that the *Mont Blanc* from the time when she passed the *Highflyer* till she starboarded her helm in the agony of the collision, never left her own water though she may no doubt before she was actually struck have forged ahead so as to cross the middle line of the channel. Second, as she steamed up through her own waters her speed was not immoderate. Third, the *Imo*, in order to inflict the injury to the *Mont Blanc* which it is proved she did inflict, must have struck that ship with more force and at a higher rate of speed than her witnesses admit. Fourth, the *Mont Blanc* must at the time of the collision have had little, if any way on her, else the stern of the *Imo* would have been twisted to some extent, which it was not. Fifth, the inclination of their lordships opinion is that the *Imo* could, when she first reversed her engines, have crossed into and remained in her own water, as she was bound to do, but never did. It is not necessary, however, absolutely to decide the last point, because on the case of both ships it is clear that their navigators allowed them to approach within 400 feet of each other on practically opposite courses, thus incurring risk of collision, and indeed, practically bringing about the collision, instead of reversing their engines and going astern as our assessors advise us they, as a matter of good seamanship, could and should have done, long before the ships came so close together. This actually led to the collision. The manoeuvre of the *Mont Blanc* in the agony of the collision may not have been the best manoeuvre to adopt, and yet be in the

circumstances excusable. But their lordships are clearly of opinion that both ships are to blame for their reciprocal neglect to have reversed and gone astern earlier than they did. They are therefore of opinion that the appeal and cross-appeal both fail, that the judgment appealed from should be affirmed, and there will be no order as to the costs of the appeal and cross-appeal.

LORD SHAUGHNESSY REVIEWS OUTLOOK

"Increase production and waste less," is the advice tendered by Lord Shaughnessy in a review of the present day outlook published this week in the Wall Street Journal.

"It should be our prayer," says Lord Shaughnessy, "that contraction be not swift and that price correction be orderly and spread over a long period."

"History will repeat itself, as it did after the American revolution, after the Civil War, and after the great European wars of olden times," continues the statement. "There can be no real liquidation of wages until commodity prices are lowered. It was true a year ago and remains true now. We must increase production and decrease wasteful consumption. In other words, we must reverse the industrial processes necessitated in both Canada and the United States by the war. The war consumed more men, more food, more clothing and more raw and wrought material than all the wars since 1760, though it left mankind richer than ever before I believe in the royal but yet unwoven fabric of goodwill."

Canadian-U. S. Burden

"On the broad, strong, and I hope willing back of these two countries rests the chief task of producing more and wasting less. The United States through its reserve system, and Canada through its branch banks can hasten this process through judicious conservation of new credit. But a broad concerted programme of contraction in either country would still be a congestive stricture. We have no such programme or formula here. It is the task of the farmer, merchant and manufacturer, and finally of the consumer, to co-operate with the bank to produce natural deflation."

After the warning against the dangers of too rapid contraction the statement proceeds:

"For the past fiscal year Canada has a favorable trade balance of \$221,000,000. Our current commercial debit to the States is the one drawback. Perhaps American immigration more than compensates for that disparity. In time it will be overcome. Both countries have thrived on adverse as well as favorable trade balances. I believe ours has come to stay. We have enough land to provide for all

the immigrants we receive. Over 100,000 men, women and children have come in the last twelve months, half British and half American. We are getting the best class of settlers on the earth.

"With mounting surplus of products and goods for sale, Canadian merchants, exporters and bankers will hold their own in every market."

"We have labor troubles up here. The constant succession of new labor demands is our daily food. They are the natural outcome of the war. It is history repeating itself. The workman must be fed and clothed after a war as well as before it. War-stricken Europe itself is not innocent of the same fantastic craze to spend, which sends automobiles, jewellery, art works and artists over all the seas in all directions. Misery spends to forget it has so little, and prosperity wastes perhaps merely because it has too much and seeks a new sensation."

Bonus Question.

"The American soldier's demand for a \$2,000 bonus has its counterpart in the Canadians' claim for \$2,500. Canada has provided for her soldiers, their widows and children. She has fitted them for occupations, and has supplied the occupations. They have been given honorable precedence in all positions, private as well as public. Our farm lands with funds to finance them, are theirs for the asking. We hesitate to comply with a demand which would dim a record as illustrious as the classic glory of ancient Greece, and would entail a greater final loss on them than any possible benefit. For ourselves we feel no man who has lived long enough to remember the expanding corrupting pensions system built up out of the Civil War would care to see the experiment tried here."

We all have our present cares and troubles. Aside from the singular fact, we are doubtless much better off with than without them, every thinking man should have foreseen them. They are the phenomena of bygone reconstruction eras again passing in review. Those summer clouds will soon disappear. But we must be brave enough and save enough meanwhile to impose some further moratorium on our individual interests. That lesson of the great war we need practice a little longer."

Manitoba Has 3,000,000 Acres for Wheat

About 3,000,000 acres are available for wheat cultivation in Manitoba this year. The average yield of wheat for the last ten years is seventeen bushels per acre. The wheat crop area on this computation would turn out a 51,000,000-bushels yield. In 1919 the total wheat production was 40,975,300, average fifteen bushels to the acre.

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Experienced Book-Keeper, must be well recommended. Apply in writing to,

Union Fire Ins. Co. of Paris,
17 St. John Street, Montreal.

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Care The Chronicle, Montreal.

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By a leading Fire Insurance office in Ottawa, young man about 24 or 25, with Head Office training, and with two or three years field experience preferred. French and English necessary. A splendid opportunity for young ambitious insurance man. Address,

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NIAGARA FIRE INSURANCE COMPANY

HEAD OFFICE, NEW YORK

INCORPORATED 1850

Cash Capital

\$1,000,000.00

Net Surplus 31st Dec., 1919

\$3,393,907.58

CANADIAN DEPARTMENT - - 22 ST. JOHN STREET, MONTREAL

W. E. FINDLAY, MANAGER

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**ACCIDENT, HEALTH, EMPLOYERS' AND PUBLIC
LIABILITY, MOTOR CAR, ELEVATOR, TEAMS, PLATE
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Head Office for Canada and Newfoundland . . . TORONTO

F. H. RUSSELL, General Manager

Great American Insurance Company New York

INCORPORATED - 1872

PAID FOR LOSSES

\$105,437,708.58

STATEMENT JANUARY 1, 1919
CAPITAL

AUTHORIZED, SUBSCRIBED AND PAID-UP

\$5,000,000.00

RESERVE FOR ALL OTHER LIABILITIES

15,231,512.92

NET SURPLUS

10,619,509.09

ASSETS

30,851,022.01

*Includes \$134,574.96 Excess Deposit in Canada

THE SECURITIES OF THE COMPANY ARE BASED
UPON ACTUAL VALUES ON DECEMBER 31st, 1918

United States Government Liberty Loan bonds owned
by the Company exceed its entire capital stock of
\$5,000,000—a striking indication of true patriotism

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ESINHART & KVANS, Agents
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MURPHY, LOVE, HAMILTON
& MANCOM, Agents
Dominion Bank Building
Toronto, Ontario
WILLIAM ROBINS, Superintendent of Agencies
Dominion Bank Building, Toronto, Ontario

WANTED

Insurance Position, 10 years experience Home
Office leading Co.; London, England, as Foreign
Accountant. Entire Charge Branch, Agency, Re-
Insurance, Guarantee, Treaty Accounts. Also an-
nual Statistics, Experience. Moderate salary to
commence.

B. E. SLOMAN,

437 Gilmour St.,

Ottawa, Ont.

NOTICE

NOTICE is hereby given that L'Abeille
Société D'Assurance Contre la Grêle (The
Bee Hail Insurance Company), has been
granted License No. 868, by the Government
of the Dominion of Canada, to transact the
business of Hail Insurance.

J. E. CLEMENT,

Manager.

NOTICE

The Alliance Insurance Company of Phila-
delphia has received Dominion of Canada
License No. 865, under the Insurance Act of
1917, for the transaction of Inland Transporta-
tion.

ROBERT HAMPSON & SON,

Chief Agents for Canada.

Montreal.

NOTICE

NOTICE is hereby given, the deposit having
been made, license No. 867 has been issued
to the British Crown Assurance Corporation
Limited, authorizing it to transact in Canada
the business of fire insurance, hail insurance
and automobile insurance, (excluding the in-
surance against loss by reason of bodily injury
to the person).

J. H. RIDDEL,

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WANTED

General Agency for City of Toronto and vicinity
for strong Company writing Accident, Liability
and Automobile Insurance. Splendid opportunity
awaits first class Company. Apply in first instance
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