

The Chronicle

Banking, Insurance and Finance

ESTABLISHED JANUARY, 1881

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MONTREAL, OCTOBER 18, 1918

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THE GENERAL FINANCIAL SITUATION

The large-scale German retirement in France and Belgium, and the continuation of war developments favourable to the Allies, have again absorbed much of the attention of financiers here, in the United States and in Britain and France. Needless to say, these events are also engaging the public attention in Germany and Austria—the effects produced in those countries being in sharp contrast to those in evidence in the various Allied countries. The new German war loan is understood to be a bad failure; and the news of Bulgaria's surrender, along with that of the Allied successes in France, was followed by panicky conditions on the Berlin bourse. There is no doubt that the German people at present are keyed up with hopes that peace will follow the recent announcement of their new Chancellor. In their eyes his statement that Germany would accept the peace terms laid down by President Wilson left nothing in the way of the return of peace. The people of the Allied countries who know the worth of official German words, do not, however, believe that the German Government has as yet any intention of accepting in full all the terms contained in President Wilson's recital. Most of them believe, too, that the Kaiser and his war lords will never accede to those terms until the German armies are scattered or destroyed. This last eventuality may conceivably be not far distant; and in all probability this, rather than Prince Max's message to Mr. Wilson, is what the Wall Street securities market has had in mind in its recent markings up of values. Should Wall Street a little later decide that the Allies can so dispose of the German armies as to ensure peace within the next three months, we may expect to see further important demonstrations in that market, which, not unlikely, would react upon the market position here.

The course of the international exchanges latterly has been such as to leave no doubt as to the general consensus of neutral opinion regarding the approaching termination of the war. Exchange between Holland and New York and between the Scandinavian countries and New York has been moving steadily in favour of the American centre; and Russian roubles have been moving steadily upward. The improvement in the position of Russian bonds is said to be due to buying based on the theory that the break-up of the German hold on France and Belgium will be followed necessarily by a loosening of the Teutonic grip on Russian territory. Some of the internal Russian bonds are now quoted in New York at more than double the prices prevailing last spring. It should be mentioned that the surrender of Bulgaria, with its suggestion of a Turkish surrender to follow, also helped the market position of Russian bonds. When the Allies have free communi-

cation with the Ukraine, through Bulgaria or through the Dardanelles and the Bosphorus, interesting developments may be expected in that part of Russia and in Rumania.

Canadian industrial companies continue to come forward with statements of extraordinary profits. Even those who expected an excellent showing by the Ogilvie Flour Mills Co. were surprised by the figures given in the report. It was thought at the time that the \$1,519,000 of net profits earned in 1915 would stand as the high record for a number of years; but the \$1,955,000 shown on the present occasion overtops the 1915 record by a considerable margin. It is understood that the large profits from sources other than flour milling were largely due to the rise in prices of coarse grains. These great profits have sufficed to create enormous reserves against emergencies after providing for the large bonuses and increased regular dividends. While the shareholders benefit greatly from the generous distributions, it may be said that the Dominion Treasury will also have a handsome participation, as a result of the application of the excess profits tax.

The premium on New York funds at last is showing signs of weakening, as the grain movement in Western Canada attains momentum. During the whole month of September the receipts of wheat at Winnipeg did not amount to more than 10,000,000 or 12,000,000 bushels, an average of say 400,000 bushels per day. Since the commencement of October the daily average of receipts has been three times as much, and this increase would naturally have some effect on the market for New York funds as soon as the grain shipments could be converted into export bills negotiable in New York.

A side-light on the ups and downs of the munition industry is given by the Russell Motors Co.'s annual report. The report states that at the beginning of the fiscal year, the company was working at capacity with orders in time fuses, graze fuses, and 9.2 shells. In August came instructions to cease work in all these departments, "so that practically the whole of the company's organization was thrown out of employment and its equipment left idle." Almost at once, orders were, however, received for 6-inch shells to take up the capacity previously engaged upon 9.2 shells, and later orders for parts of fuses were received from the United States Government. Then, the contract for 6-inch shells having been completed, the plant was again reconstructed for the manufacture of shells for the United States Government. Now the munition makers have to take more closely into their calculations the uncertainty as regards termination of the war.

Money rates in New York are firmly held. Call loans are quoted at 6 per cent., and when the col-

(Continued on page 1077.)

BANK OF MONTREAL

ESTABLISHED 100 YEARS (1817-1917)

Capital Paid up, \$16,000,000

Rest, \$16,000,000

Undivided Profits, \$1,784,979

Total Assets - - \$426,322,096

BOARD OF DIRECTORS:

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BRANCHES OF THE BANK LOCATED IN ALL IMPORTANT CITIES AND TOWNS IN THE DOMINION.

Savings Department connected with each Canadian Branch and Interest allowed at current rates.

Collections at all points throughout the world undertaken at favorable rates.

Travellers' Cheques, Limited Cheques and Travellers' Letters of Credit issued, negotiable in all parts of the world.

This Bank, with its Branches at every important point in Canada, offers exceptional facilities for the transaction of general banking business.

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LONDON, Eng.: 47 Threadneedle St., E.C.
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 Sub-Agency: 9 Waterloo Place
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NEW YORK, CHICAGO, and SPOKANE
 in the UNITED STATES and
 MEXICO CITY

NEWFOUNDLAND: St. John's, Curling and Grand Falls.

THE CANADIAN BANK OF COMMERCE

Established 1867 Head Office: TORONTO

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

Rest - - - - 13,500,000

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L.
 President

SIR JOHN AIRD, General Manager.

H. V. F. JONES, Assistant General Manager.

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Great Britain—London. Mexico—Mexico City.

United States—New York; Portland, Ore.; San
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Newfoundland—St. John's.

Agents and Correspondents throughout the World

The Molsons Bank

Incorporated by Act of Parliament 1855

Paid-up Capital - \$4,000,000

Reserve Fund - 4,800,000

HEAD OFFICE - - MONTREAL

Collections made through this Bank in all parts of the Dominion, and in every part of the civilized world through our Agents and Correspondents, and returns promptly remitted at lowest rates of exchange.

Commercial Letters of Credit and Travellers' Circula: Letters issued, available in all parts of the world.

EDWARD C. PRATT

General Manager

THE BANK OF BRITISH NORTH AMERICA

Established in 1836 Incorporated by Royal Charter in 1840

Paid-up Capital - \$4,866,666
Reserve Fund, - 3,017,333

Head Office:

33 GRACECHURCH STREET, LONDON, E.C.

Capt. JACKSON DODDS W. S. GOLDBY
Secretary Manager

Court of Directors

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J. H. Brodie J. H. Mayne Campbell E. A. Hoare
Lieut. E. Geoffrey Hoare, R.N.V.R.
Frederic Lubbock Major C. W. Tomkinson
G. D. Whatman Hon. A. R. Mills, M.P.

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H. B. MACKENZIE, General Manager

J. ANDERSON, Superintendent of Branches.
O. R. ROWLEY, Superintendent of Eastern Branches, Montreal.
J. McEACHERN, Superintendent of Central Branches, Winnipeg.
A. S. HALL, Inspector of Branch Returns.
J. H. GILLARD and N. V. R. HUUS, Inspectors, Montreal.

This Bank has Branches in all the principal Cities of Canada, including Dawson (Y.T.), and Agencies at New York and San Francisco in the United States.

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Drafts, Money Orders, Circular Letters of Credit and Travellers' Cheques issued, Negotiable anywhere.

Agents in Canada for Colonial Bank, London and West Indies

G. B. GERRARD, Manager, Montreal Branch

The MERCHANTS BANK OF CANADA

HEAD OFFICE - MONTREAL

Capital Paid-up - - - \$7,000,000
Reserve and Undivided Profits 7,437,973
Total Deposits (Aug., 1918) 120,000,000
Total Assets (Aug., 1918) - 153,000,000

BOARD OF DIRECTORS:

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E. F. HEBDEN, Managing Director
D. C. MACAROW, General Manager
T. E. MERRETT, Supt. of Branches and Chief Inspector



Merchants and Manufacturers

are cordially invited to discuss all matters of finance with us. The Merchants Bank is more than a mere depository—it is an institution that stands ever ready to advise and assist its customers in regard to money matters, investments and business generally.

236 BRANCHES IN CANADA

Extending from the Atlantic to the Pacific

New York Agency: 63 & 65 Wall Street

ESTABLISHED - 1875

IMPERIAL BANK OF CANADA

DIVIDEND No. 113

NOTICE is hereby given that a dividend at the rate of TWELVE PER CENT. (12 p.c.) per annum upon the paid-up capital Stock of this institution has been declared for the three months ending 31st October, 1918, and that the same will be payable at the Head Office and Branches on and after Wednesday the 1st day of November next.

The transfer books will be closed from the 17th to the 31st October, 1918, both days inclusive.

By order of the Board,

E. HAY,
General Manager.

Toronto, 18th September, 1918.

THE ROYAL BANK OF CANADA

Incorporated 1869

Capital Paid Up, \$14,000,000

Reserves, \$15,000,000 Assets, \$360,000,000

Head Office, Montreal

520 BRANCHES IN CANADA

Newfoundland, Cuba, Porto Rico, Dominican Republic, Costa Rica, Venezuela

BRITISH WEST INDIES

In Antigua, Bahamas, Barbados, Dominica, Grenada, Jamaica, Montserrat, Nevis, St. Kitts, Tobago, Trinidad, British Guiana and British Honduras
Spain, Barcelona, Plaza de Catalina 6

London, Eng.
Princes Street, E.C.

New York
Cor. William & Cedar Sts.

SAVINGS DEPARTMENT

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

THE DOMINION BANK

Head Office, TORONTO.
London, Eng., Branch

Established 1871
73 Cornhill, E. C.

Capital Paid Up \$6,000,000
Reserve Fund \$7,000,000

BOARD OF DIRECTORS:

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W. D. MATTHEWS, Vice-President

A. W. AUSTIN JAS. CARBUTHERS SIR JOHN G. EATON
W. R. BROCK R. J. CHRISTIE E. W. HAMBER
W. W. NEAR A. T. REID H. W. HUTCHINSON
A. M. NANTON

C. A. BOGERT, General Manager

Montreal Branch:

160 St. James Street, MONTREAL

M. S. BOGERT, Manager.

THE BANK OF TORONTO

Incorporated 1855.

Head Office: TORONTO, Canada

Paid-up Capital, \$5,000,000. Reserved Funds, \$6,555,306

Business men are offered in this Bank the satisfactory banking service provided by our complete facilities and extensive connections.

Bankers—NEW YORK—National Bank of Commerce.
CHICAGO—First National Bank.
LONDON, ENG.—London City and Midland Bank, Limited.

DIRECTORS.

W. G. GOODERHAM, President
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WILLIAM STONE,
JOHN MACDONALD
LT.-COL. A. E. GOODERHAM,
BRIG.-GEN. F. S. MURPHY,
J. L. ENGLISHART,
WM. I. GEAR,
PAUL J. MYLER,
A. H. CAMPBELL,
THOS. F. HOW, Gen. Manager.
JOHN R. LAMB, Assistant Gen. Manager.
D. C. GRANT, Chief Inspector.

THE BANK OF NOVA SCOTIA

INCORPORATED 1832

Capital - - - \$6,500,000.00
Reserve Fund - - - 12,000,000.00
Total Assets over - - 130,000,000.00

Head Office - - HALIFAX, N.S.
CHARLES ARCHIBALD, President

Genl. Manager's Office, TORONTO, Ont.
H. A. RICHARDSON, General Manager

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

BOSTON CHICAGO NEW YORK

THE BANK OF OTTAWA

ESTABLISHED 1874

Capital Paid-Up \$4,000,000
Rest \$4,750,000

94 Branches in Canada

Items accepted for
Collection

on any point in Canada,
United States or
Elsewhere.

The Chronicle

Banking, Insurance and Finance

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10 ST. JOHN STREET, MONTREAL.

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MONTREAL, FRIDAY, OCTOBER 18, 1918

THE GENERAL FINANCIAL SITUATION.

(Continued from Front Page).

lateral is all industrial the rate is 6½. Time, money and mercantile paper also rule at 6 p.c. In their Saturday statement the New York clearing house banks reported a loan decrease of \$29,600,000, and a deposit increase of \$16,000,000. The excess reserve increased \$14,800,000—the total rising to \$51,500,000. Government deposits, against which no reserve is required, decreased \$70,000,000.

WHAT VICTORY LOANS MEAN TO CANADA.

By E. R. Wood.

One year has elapsed since we prepared to subscribe the first Victory Loan (our fourth loan) issued in November, 1917. We then realized clearly, and for the first time, that Great Britain had reached the point at which she was compelled to borrow funds in the countries in which she is making her war purchases. This was, and is, an extremely important consideration for Canada, because our activities, prosperity and assistance in the war, depend almost entirely on our ability to market our factory and farm products in the United Kingdom.

When we were asked to subscribe to the Victory Loan we were enjoying what we may term the prosperity of war, due to the vast volume of orders placed in Canada by the United Kingdom. These war orders were, and are, the backbone of our general position.

The great business activity resulting from the issues, created additional funds for investment. In due course, it afforded sufficient surplus funds in our own country to finance, not only the requirements of war, but also credits for the United Kingdom and loans to our provincial governments and municipalities. During the first eight months of 1918, Canadian investors having taken the large Victory Loan of last fall, have also been able to finance our provinces and municipalities to the extent of \$60,000,000, as mentioned above. In addition \$50,000,000 of the 1917 Victory Bonds have changed ownership, being bought by bona fide investors from holders who found it necessary or desirable to lessen their holdings. This wide and continued interest in the Victory Bonds is no doubt due to some extent to the fact that the Canadian people have been educated by the Victory Loan campaign to invest their savings in Dominion Government Bonds.

It ought to be clearly understood that in approaching our next Victory Loan, we are faced with an equally serious situation. Only by the complete success of our 1918 Victory Loan can we continue to finance our requirements and carry on generally in the way we have during the past seven months.

Our prosperity during the past year was a direct result of the response to the loan issued last fall.

The continuance of our prosperity during the coming year will depend upon the degree of success achieved by the Victory Loan of 1918. Unless we do even better than a year ago, we will jeopardize the prevailing prosperous conditions and activities which, in turn, allow us to participate freely in the conduct of the war.

There is not a legitimate reason why on this occasion we cannot better the results of the previous Loan. We have done well in the past, both in the aggregate and per capita. At the same time, we realize that our position in Canada is a fortunate one, compared with that in European countries which are in the immediate zone of war. No one can reasonably contend that we have yet achieved the best possible results in regard to the raising of War Loans. The evidence of better latent efforts are apparent on every hand. It remains only to organize and give effect to them. For example, while the total bank deposits in Canada on 30th November 1917 were \$1,547,000, they had decreased to only \$1,541,083,788, on 31st July, 1918, a comparatively trifling decline of under \$6,000,000, while the deposits in Canada at 31st July, 1918 are \$160,000,000, greater than 31st July, 1917. This excellent record was achieved despite the subscription of the 1917 Victory Loan of \$416,000,000, despite the absorption of \$50,000,000, of those bonds sold by holders during this year, who desired to realize, and despite the purchase by our investors of \$60,000,000, provincial and municipal bonds. These are substantial indications of Canada's ability to subscribe another large Victory Loan, because the national activities allowing the nation to make such a record as outlined above, have continued in a marked degree, making it possible to repeat and better the 1917 Victory Loan and general record of the country.

FARMERS IN SASKATCHEWAN AND THEIR CREDITORS

In sections of Saskatchewan, where the crops this year have been exceedingly poor, Hon. Mr. Motherwell, Minister of Agriculture for the Province, has announced the willingness of his department to assist in every way possible as intermediary between farmers and their creditors.

Many such farmers find themselves actually unable to discharge their liabilities. The situation is complicated in a further degree by the Board of Grain Supervisor's order prohibiting farmers on a number of railway lines from shipping what grain they have out of the province, and by the fact that the banks, mortgages companies and others who have been crediting the farmers are anxious to get their assets in good shape because of the coming Victory Loan, with its great demand upon the cash assets and the credit of the whole country.

Mr. Motherwell's idea is not at all that the Department of Agriculture shall propose to deny creditors the right to collect; the idea is that the department will simply act as intermediary in negotiations between farmers who are not in a position to clear off their indebtedness and their creditors, and possibly to allay harsh measures that might be taken. It is vitally necessary that the creditors of farmers in the drought area should not force them too rigorously and so prevent their operating on an equal or greater scale next year.

The service which Mr. Motherwell announces, that his department stand ready to furnish to the best of their power, is one which is in the national interest.

TRAFFIC RETURNS.

Canadian Pacific Railway.					
Year to date	1916	1917	1918	Increase	
Sept. 30 ...	\$97,773,000	\$106,475,000	\$108,138,000	\$1,663,000	
Week ending	1916	1917	1918	Increase	
Oct. 7	2,965,000	2,842,000	3,451,000	616,000	
Grand Trunk Railway.					
Year to date	1916	1917	1918	Increase	
Sept. 30 ...	\$43,976,451	\$45,544,759	\$52,060,000	\$6,516,170	
Week ending	1916	1917	1918	Increase	
Oct. 7 ...	1,319,090	1,014,812	1,460,738	445,920	
Canadian Northern Railway.					
Year to date	1916	1917	1918	Increase	
Sept. 30 ...	\$26,780,400	\$30,213,000	\$32,315,400	\$2,102,400	
Week ending	1916	1917	1918	Increase	
Oct. 7 ...	857,400	758,500	1,072,900	314,400	

The Home Bank of Canada

Original Charter 1854

**Branches and Connections
throughout Canada**

MONTREAL OFFICES:
Transportation Bldg., St. James Street

Hochelaga Branch:
Cor. Davidson and Ontario Streets

Verdun Branch:
1318 Wellington Street



BANK OF HAMILTON

ESTABLISHED 1872

Capital (Authorized).....	\$ 5,000,000
Capital (Paid Up).....	3,000,000
Reserve and Undivided Profits	3,500,000
Total Assets Over.....	64,000,000

Sir John Hendrie, K.C.M.G., C.V.O.,
President

J. P. Bell,
Gen. Manager

Established in the confidence of the Canadian public, as a result of 46 years of efficient service to the business communities in which it has had branches, the citizens of Montreal are now invited to avail themselves of its progressive policy and sound methods.

227 McGill Street,
Montreal

R. L. Ellis,
Manager

ESTABLISHED 1873

THE Standard Bank

of CANADA

QUARTERLY DIVIDEND NOTICE

No. 112

NOTICE is hereby given that a Dividend at the rate of THIRTEEN PER CENT. PER ANNUM upon the Capital Stock of this Bank has this day been declared for the quarter ending October 31st, 1918, and that the same will be payable at the Head Office in this City, and at its branches on and after Friday, the 1st day of November, 1918, to Shareholders of record, the 19th October, 1918.

By Order of the Board,
C. H. EASSON,
General Manager.

Toronto, September 21st, 1918.

AUSTRALIA and NEW ZEALAND BANK OF NEW SOUTH WALES

(ESTABLISHED 1817)

Paid-up Capital	- - - - -	\$19,524,300.00
Reserve Fund	- - - - -	14,750,000.00
Reserve Liability of Proprietors	- - - - -	19,524,300.00
		\$53,978,600.00
Aggregate Assets 31st March, 1918	- - - - -	\$305,984,997.00

J. RUSSELL FRENCH, General Manager.

335 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London
The Bank transacts every description of Australian Banking Business. Wool and other Produce Credits arranged

Head Office:
GEORGE STREET, SYDNEY.



Agents: Bank of Montreal
Royal Bank of Canada
Bank of British North America

London Office:
29, THREADNEEDLE STREET, E.C.

OGILVIE FLOUR MILLS COMPANY.

The annual statement for the year ended Aug. 31st last of the Ogilvie Flour Mills Co. Limited, published on another page shows net profits of \$1,955,414, after payment of interest, taxes, etc., as compared with \$1,358,847 for 1917. The profits are the largest in the history of the Company by a substantial margin. The turnover for the year was \$56,657,117, of which \$40,412,848 was on the sale of the products of the Company's flour mills, the profits from the operation of which netted \$832,910, a very moderate ratio of 2.06 p.c. on the turnover. Profits from other sources and investments jumped from \$637,808 in 1917 to \$1,122,504 for the year under review.

Surplus after all charges and dividends for the year amounted to \$1,140,414. This with the previous surplus of \$190,177 makes a total of \$1,330,592.

Following is the profit and loss statement in comparison with the two years preceding:

	1918	1917	1916
Mill. profits.....	\$ 832,910	\$ 721,038	.....
Other profits.....	1,122,504	637,808	.....
Net profits.....	\$1,955,414	\$1,358,847	*\$774,270
Preferred dividend.....	140,000	146,000	140,000
Balance.....	\$1,815,414	\$1,218,847	\$634,270
Com. dividend.....	675,000	625,000	303,000
Surplus.....	\$1,140,414	\$593,847	\$334,270
Prev. surp.....	190,177	846,330	512,080
Total surplus.....	\$1,330,592	\$1,440,177	\$846,330
Conting. account.....	.....	1,250,000	.....
Total P. & L.....	\$1,330,592	\$190,177	\$846,330

*After payment of war tax for two years to August 31, 1916.

The strong cash position, presented in the balance sheet is in a large measure due to liquidation of inventories, resulting in the present Government policy of control over stocks of wheat and flour. Inventories at \$1,462,916 are a little more than a half the total of a year ago. Bills and accounts receivable are down nearly \$800,000. But cash has increased from \$259,071 to \$1,078,472, and investments have jumped from \$1,148,083 to \$6,575,149, the latter including no less than \$4,896,900 Canada war loans, and treasury bills.

The company's contribution to income and business profits taxes, again exceed the dividends paid to holders of the common stock. The company has a very extensive system of elevators in the West.

A leading feature of the balance sheet is the transfer from the old contingent account to a new rest account of the sum of \$2,500,000, and the creation of a new special contingent account of \$1,596,407, apparently provided for before striking off the year's profits. The total assets have increased from \$12,363,865 to \$16,484,510.

Mr. W. A. Black, the vice-president, informed the shareholders that the outlook for this year is hardly as promising as last. Firstly for the reason that the Government has felt it necessary to adopt the use of the same quantity of substitutes for flour as is used by our Allies, which means a reduction in the use of wheat flour in Canada by some 20 p.c. Secondly, the export outlook is not considered as bright. However, the shareholders of this well managed institution are likely to have satisfactory returns continued.

PERSONALS.

Mr. Harold Hampson of Robert Hampson & Son, Montreal, General Agents for Canada, Insurance Company of North America, has returned from a business trip to the coast, where he visited Victoria, Vancouver, Winnipeg, Calgary, Edmonton, and other centres where important agencies of his company are located. Mr. Hampson informs us that the West was favoured with a month's splendid harvest weather in September. He states that the grain crops in Northern Saskatchewan and Manitoba are mostly threshed. Referring to the coal mining industries in the two big coal centres, Alberta and British Columbia, Mr. Hampson heard a great many bitter complaints about the high wages being paid coal miners, sixty per cent. of whom are aliens, earning about \$8 per day. With such high wages, Mr. Hampson learned that these aliens are actually in some cases buying up the farms of Canadians who have gone to risk their lives at \$1.10 a day. The opinion is expressed that as a result of the wages being paid these alien miners, who are members of the labour union, the price of coal is unduly heightened.

Mr. Hampson also visited Chicago, where he learned that the companies had a very efficient printing bureau in operation, in addition to other work, some of the companies utilizing the bureau for the printing of policies, this was found to result in considerable convenience to agents, and economy to the companies. This report should be encouraging to companies in Montreal, who are in favour of having their own printing bureau in this city.

Mr. A. K. L. Ellis, who has for the past five years been connected with the Liverpool & London & Globe Insurance Company, Limited, Head Office, Montreal, acting in the capacity of Superintendent of their Automobile Fire Insurance Department, has severed his connection with that company, and is associating himself with R. W. Marshall, Limited, Brokers and General Agents of the Globe Indemnity Company of Canada, and Maryland Casualty Company Plate Glass Department, and hopes to take up his new duties in the course of the next few days.

CAR AND GENERAL INSURANCE CORPORATION LIMITED

Rumours have been prevalent for some time, in connection with the Car and General Insurance Corporation of London, England, entering the Canadian field for the transaction of Fire and Automobile business. The title adopted by the Car and General in the year of its formation (1903) shows at once the *raison d'être* of the concern, for it was the pioneer in the business of insuring that essentially modern production—the Motor Car. In addition to this special class of business, however, it issues fire, accident and employers liability insurance policies, so its programme is a comprehensive one. As is generally known the Corporation is under the control of the Royal Exchange Assurance of which latter institution Mr. Arthur Barry is the Canadian manager.



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

DIRECTORS:
 M. Chevalier, Esq. Sir Alexandre Lacoste
 William Molson Macpherson, Esq. Sir Frederick Williams-Taylor, LL.D.
 J. Gardner Thompson, Manager. Lewis Laing, Assistant Manager
 J. D. Simpson, Deputy Assistant Manager.



THE LIVERPOOL - MANITOBA ASSURANCE COMPANY

Liability Guaranteed by THE LIVERPOOL and LONDON and GLOBE Insurance Company Limited
 Head Office: Cor. Dorchester St. West and Union Ave., MONTREAL

DIRECTORS:
 J. Gardner Thompson, President and Managing Director. Lewis Laing, Vice-President and Secretary.
 J. D. Simpson, Assistant Secretary.
 Jas. Carruthers, Esq. M. Chevalier, Esq. Sir Alexandre Lacoste A. G. Dent, Esq. John Emu, Esq.
 J. C. Zimmer, Esq. Wm. Molson Macpherson, Esq. Sir Frederick Williams-Taylor, LL.D.

FIRE INSURANCE



The Globe Indemnity Company of Canada

Liability Guaranteed by THE LIVERPOOL and LONDON and GLOBE Insurance Company Limited
 Head Office: 343 Dorchester Street W., MONTREAL

CASUALTY Insurance including Accident, Sickness, Guarantee, Furlough
 Employers' Liability and Automobile

— FIRE INSURANCE —

John Emu Secretary and General Manager
 Robt. Welch Assistant Manager
 Lewis Laing Fire Manager
 J. D. Simpson Assistant Fire Manager

DIRECTORS
 J. Gardner Thompson, President. Lewis Laing, Vice-President.
 M. Chevalier Wm. Molson Macpherson A. G. Dent J. D. Simpson
 Sir Frederick Williams-Taylor, LL.D. Sir Alexandre Lacoste

410 TONS OF GOLD HAVE BEEN PAID TO POLICYHOLDERS BY Insurance Company of North America

THE OLDEST AMERICAN STOCK FIRE INSURANCE COMPANY

WE MAINTAIN A DEPARTMENT TO ASSIST AGENTS IN SECURING LOCAL RISKS CONTROLLED OUTSIDE. IF THERE ARE ANY SUCH RISKS IN YOUR FIELD, WRITE US ABOUT THEM. WE MAY BE ABLE TO HELP YOU. IT IS WORTH TRYING.

ROBERT HAMPSON & SON, LIMITED GENERAL AGENTS FOR CANADA MONTREAL

LONDON & LANCASHIRE LIFE

AND GENERAL ASSURANCE ASSOCIATION
LIMITED

of LONDON, ENGLAND

ESTABLISHED IN CANADA, 1863

ASSETS EXCEED \$24,500,000

DIRECTORS FOR CANADA:
 A. J. DAWK, Esq. H. B. MACKENZIE, Esq.
 E. F. HENSON, Esq. E. C. PRATT, Esq.
 Manager for Canada: ALEX. BISSETT

BRANCHES THROUGHOUT THE DOMINION

HEAD OFFICE FOR CANADA:

LONDON AND LANCASHIRE LIFE BUILDING
 164 St. James Street, Montreal, P.Q.

Take Your Choice

We have several good openings for General Agents, both in urban and rural districts. Keen, energetic men, looking for advancement, will find it to their interest to connect themselves with a progressive Company like The Manufacturers Life which stands foursquare on the principles of sound Life Insurance.

THE MANUFACTURERS LIFE
INSURANCE COMPANY

TORONTO

CANADA

MR. H. B. F. BINGHAM

Mr. H. B. F. Bingham, well and favourably known throughout Canada for some years as Superintendent of the life department of the Phoenix of London, became general manager of the British Oak Insurance Company, London, England, on October 1st. This institution has a paid up capital of \$1,250,000 and authorized capital \$5,000,000. Mr. Bingham's many friends in Canada will wish him success in his new and important position. He will likely visit Canada in the near future.

MORAL HAZARD

In a recent article on this subject The Spectator one of our ablest insurance journals, has this to say: "Another precaution which is taken by many fire underwriters is to investigate the character of the other tenants in a building in which they are offered a risk upon property of a party who is personally acceptable. There is always the chance that some party with an unsatisfactory fire record may be a close neighbor of the acceptable concern, and this fact might lead to the declination of the otherwise good risk.

"From the foregoing it will be seen that there are many definitions of the generic term 'moral hazard,' and there are many others which have not been touched upon in this article. In brief, it might be said that 'moral hazard' embraces every fact or condition, aside from a mere physical fire danger inherent in a property, which would have any influence upon the desirability of insuring the property, from the underwriter's viewpoint."

A man should not only keep his record clear, but look after his neighbor's, for in the insurance business also a man may be "judged by the company he keeps."

LOADING UP ACCIDENT POLICIES WITH FRILLS.

Our esteemed contemporary The Bulletin in its issue of October, 1918, is to be congratulated for timeously sounding a word of warning against the practice of loading up accident insurance contracts with frills and extraneous special benefits.

It is pointed out in this journal that one or two companies ready to sacrifice everything to get volume of premiums have added these extraneous features instead of developing the policy along the lines of giving more real coverage. On reading further it is apparent that the purpose of the article is not to imply that more real coverage should be given in place of these frills, because it states later on that the addition of so many extraneous features has left no margin of safety in the premium.

It has been quite apparent for a number of years that the Personal Accident loss ratio has shown a distinct tendency to climb upwards and it is well known to underwriters that the accident ratio is greatest in places where work is performed at increased speed; in other words the accident ratio is directly related to speed of construction production or transportation. Whenever production changes for greater speed the accident ratio appears to have kept pace. In the matter of transportation the replacing of the horse by automobile has had a profound effect on the accident ratio.

The frills attached to the accident policy are for the most part old. They have played an important part right through the development of the business, commencing with the Limited Disease Clauses and double benefits for travel accidents.

It would be scarcely possible to blame one Company more than another for the introduction of these clauses. All Companies have been willing to add them to their policies. It has lately been apparent however, as the "Bulletin" aptly points out, that the safety margin in the matter of claims ratio has now been reached, and probably passed.

Whilst it was considered in the past that a very remote liability existed under these clauses and that it was worth assuming this for the advantage derived as "talking points", it is now found that an excessive claims ratio has been reached on the policy as a whole, and there is no longer a margin left to support the frills. Even at that some of the frills have been found not to be so profitable as they were believed.

In the earlier days the large American Companies led in the matter of frills, and to-day it might be said the reverse is the case. Those Companies with large volumes of premiums have been able to appraise the approximate value of each clause.

Many of the British and Canadian Companies operating in the Dominion maintain frills which the American Companies are discouraging. In the meantime certain American Companies believe they are well able to sell a policy excluding many of the usual features at a reduced premium and in some cases they are willing to add certain new indemnities, (particularly to the sickness form, by the addition of special benefits or by removing the limit of the period of disability) but for these new benefits an extra premium is obtained. As far as the American Companies are concerned it is interesting to note that the Beneficiary and Accumulation clauses are being less advertised than ever before, and in fact we do not believe the prospect would ever hear about them unless he brought the matter up himself.

It is particularly worthy of note that whilst the originators of certain frills appear to have drawn them up in such a way that there was little liability attached, these appear to have been copied and re-copied into other contracts in such a way that they do represent a very heavy liability; for example, while some companies interpret Sunstroke, Freezing, Blood-poisoning, etc. as an accident, other policies are much more restricted in their wording and interpret them merely as bodily injuries. This, no doubt, arises from a tendency to meet apparent competition when no very real competition exists; that is to say by altering the form of wording (intentional or otherwise) a frill carries with it considerably more liability than applied to that of the original competitor.

However, the practice of giving more or less imaginary benefits is as bad as giving real benefits for nothing, and neither should find any place in accident business. The solution of the difficulty would be in the adoption of standard benefits, and it is impossible to understand what objection there can be on the part of any Company to such standardization.

Commercial Union

ASSURANCE COMPANY LIMITED
of LONDON, England

The largest general Insurance Company in the world
(As at 31st December, 1917)

Capital Fully Subscribed	\$14,750,000
Capital Paid Up	1,475,000
Life Fund, and Special Trust Funds	73,045,450
Total Annual Income exceeds	57,000,000
Total Funds exceed	159,000,000
Total Fire Losses Paid	204,667,570
Deposit with Dominion Govern- ment	1,323,333

Palatine

INSURANCE COMPANY LIMITED
of LONDON, England

(As at 31st December, 1917)

Capital Fully Paid	\$1,000,000
Fire Premiums 1917, Net	\$2,896,395
Interest, Net	142,130
Total Income	\$3,038,525
Funds	\$5,476,985
Deposit with Dominion Gov't	\$318,267

N.B.—In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Funds exceed \$169,000,000.

Applications for Agencies Solicited in Unrepresented Districts

Head Office: CANADIAN BRANCH

COMMERCIAL UNION BUILDING, - 232-236 St. James Street, - MONTREAL

J. McGREGOR, Manager

W. S. JOPLING, Assistant Manager



THE Continental Insurance Company

OF NEW YORK

HENRY EVANS, - - - President
"THE BIG COMPANY"

TORNADO FIRE MARINE
ASSETS EXCEED \$35,866,635

W. E. BALDWIN
Manager

Head Office for Canada and Newfoundland:
17 ST. JOHN ST., MONTREAL.

F. K. RIDGE
Agency Supt.

A Fire Insurance Policy does not cover

Loss or Damage resulting from Explosion, War, Invasion, Insurrection, Riot, Civil War, Civil Commotion, Military or Usurped Power. Protection against these hazards is provided by a special policy issued by

NOVA-SCOTIA-FIRE
UNDERWRITERS AGENCY

PREMIUM RATES MAY BE HAD FROM

McBEAN & HILL, GENERAL AGENTS, Lewis
Building, 17 St. John Street, Montreal, Que.

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

AGENTS

INSURANCE

BROKERS

AETNA INSURANCE CO. OF HARTFORD
ST. PAUL FIRE & MARINE INSURANCE CO.
BRITISH TRADERS INSURANCE CO., LIMITED

11 ST. SACRAMENT STREET
MONTREAL, P.Q.

Help Others to Help the Nation

How necessary it is that the Victory Loan 1918 should be a splendid success needs no demonstration to men in touch with the business and financial situation in Canada.

Upon the success of Canada's Victory Loan 1918 depends the continuation of Canada's splendid war effort and the business prosperity which is so essential to that effort.

Every business man can help to make the Loan a success by constituting himself a committee of one to influence others to buy Victory Bonds.

A suggestion here, a word there, a little explanation, a little help to those who do not understand—in a score of ways, each business man can make himself a centre of Victory Bond influence in his own community.

It is not only a privilege but a patriotic duty for every business man to do this.

Buy and Help Others to Buy Victory Bonds

THE LONGER FUTURE OF VICTORY BONDS

The rapidly-moving events of the last few weeks bring into prominence a consideration regarding the longer future of Victory Bonds, which is of very considerable importance, but naturally tended to be overlooked, while there were no distinct signs of the approaching end of the world conflict. Whatever may be the course of financial events in the period immediately following the war, there can be no question that sooner or later, Canada will necessarily resume its former position as an extensively borrowing country. Enormous amounts of capital from abroad will be essential for the exploitation of our natural resources, the development of our industries, the improvement of our transportation facilities, and the provision of the thousand and one necessities for the health and comfort of expanding urban and rural communities. To what extent and through what agencies, that necessary capital will be procured remains to be seen. But it may be said in this connection that Canada, after the close of the war, will probably occupy a favoured position among the younger undeveloped borrowing nations.

However that may be, it is clear that through their large holdings of Government War Loans, Canadians are providing themselves with a means of securing capital from abroad after the war that is likely to be extremely useful. When the Government's series of domestic War Loans finally closes, probably about 1,500 million dollars, or slightly more, of those bonds will have been issued, 90 per cent., or an even larger proportion being actually held in Canada. These bonds will make the finest possible collateral for loans, they will be readily marketable among purchasers of high-grade securities abroad, and their market price will tend to move upwards as they become thoroughly "digested," and money rates begin to move downwards. It may therefore, be fairly anticipated that during the years following the war, these bonds will prove a most valuable aid to securing supplies of new capital from abroad for our industrial and commercial development, either through their use as collateral, or their sale outright at a price giving the Canadian holders a reasonable profit. Such use of these bonds is certainly likely in the case of corporations, which at present have a certain amount of funds available for investment in these bonds, but for one reason or another are precluded from undertaking extensions to their plant or organisation until after the war's close, and it may be expected that individual Canadians will not be less enterprising and aggressive. So that, in fact, the economic duty of subscription to Victory Loans has a two-fold aspect. It means not only a continuance of industrial and commercial activity while the war lasts, through Government purchases and the granting of credits to our Allies for purchases here, but it means also, the building-up of an invaluable reserve fund against the day when it will be possible, provided that the necessary capital is forthcoming, to resume the activities of peace, even more energetically, and perhaps more wisely, than in the days prior to 1914.

A CRIMINAL OFFENCE

Life insurance agents in the west appear divided in their opinion as to the wisdom of the decision of the Superintendents of insurance for Ontario, Manitoba, Saskatchewan and Alberta, to make it a criminal offence for a life insurance agent to induce a policy-holder in one company to switch to another.

They are unanimous, however, in declaring against the practice. It has long been forbidden by the best insurance companies, and, as pointed out by Harry Ellis, vice-president of the Calgary underwriters, it is manifestly unfair to the person taking out the policy, as it means a loss to him of the money paid on the policy already in existence. Doubt is expressed as to the ability to enforce the law in this respect, and, in general, regret is expressed that it should be necessary to make it a criminal offence in order to stop the practice.

CANADIAN FIRE RECORD.

Fire at Halifax.—By the fire which occurred on the 4th instant on the premises of F. Riordan & Co. (Paints, etc.) the following companies are interested. On stock loss total.

Northern.....	\$2,000	Phoenix, London.....	\$1,000
Continental.....	2,500	Canadian.....	800
Union of Canton..	2,500	Phoenix, Hartford	2,000
Royal Exchange..	3,200	Fid. Underwriters	1,000
Acadia.....	2,000	Com. Union.....	2,000
L'Union.....	1,000	Norwich.....	5,000
Canadian.....	2,000	L. & L. & Globe..	3,000
t. Royal.....	2,000	Nth. Pittsburg....	3,000
B. Can. Und.....	2,000	Union, Paris.....	4,000

On building owned by Hoaple (loss 90 p.c.), \$30,000 in Union of London, Great American and Globe & Rutgers.

Fire at Woodstock, N.B.—On the 13th instant a fire occurred on the premises of F. Jones' barber shop, Woodstock, N.B., spreading to adjoining property. Insurance, North America, loss \$3,150.

CANADIAN LOSSES HEAVIEST IN THE WORLD.

Why is it that Canada, in this so-called enlightened age, produces the heaviest losses in the world? The answer can be found in the well chosen remarks of the Hon. Robert Stone, a member of the Kansas Legislature:

"We are a nation of money-makers, Europe is a people of money savers; we are a people of waste, they are a people of thrift. We figure that the most important thing is to make a dollar, and they that it is of equal importance to save one. This is evidenced in our hurried construction of inflammable buildings, and in their slow and solid masonry; in our willingness to pay a high rate of fire insurance with the attendant risk, and their insistence on a low rate and unceasing care; in our elaborate fixtures for the putting out of fires, and their precaution in preventing fires. We regard fire as a misfortune and sympathize with the man who has had one; they regard fire as a crime and investigate and punish the man who is guilty. Our temperament is also shown by the different view we take of an insurance policy. Here, if our property is insured and we have a fire, we do not count it as a loss—simply that we have transferred the loss to other and distant shoulders. There, the insurance is regarded as a tax, which is ultimately borne by the whole community. Here, we figure that the insurance company restores the loss; they, that it really indemnifies the owner for a loss that can never be restored. Here, we figure that a fire is an exchange of property for the ready money; there, they figure that fire is an absolute loss of toil and natural resources. We figure a fire is a misfortune, they figure a fire is a crime. We endeavour to extinguish the fire; they labour to prevent it."

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA IS
THE COMPANY FOR YOU.

For terms to producing agents address

THE MUTUAL LIFE
INSURANCE COMPANY
OF NEW YORK

34 Nassau Street . . . New York City

THE London Assurance CORPORATION OF ENGLAND.

INCORPORATED BY ROYAL CHARTER A. D. 1720

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

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

THE PROVIDENT ASSURANCE COMPANY

All lines of
*Accidents, Sickness,
Liability, Guarantee and
Automobile Insurance*

* Head Office

189 St. James St. - - Montreal
REPRESENTATIVES WANTED FOR ONTARIO AND
MARITIME PROVINCES

ATLAS ASSURANCE COMPANY LIMITED

Founded in the Reign of George III

Subscribed Capital - - - \$ 11,000,000
Capital Paid Up - - - - - 1,320,000
Additional Funds - - - - - 22,141,355

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 1886

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

Capital Paid Up \$1,250,000 Assets \$3,185,605

Agents Wanted in Unrepresented Districts.

Managers for Canada:

Montreal Agencies Limited, Montreal



Assets:
\$22,022,227.19

Surplus:
\$7,426,114.26

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

L'UNION

FIRE INSURANCE COMPANY, Limited
Established 1838 Head Office: PARIS, France.

Capital fully subscribed \$2,000,000.00
25 p. c. paid-up
Fire and General Reserve Funds 5,949,000.00
Available Balance from Profit
and Loss Account 113,266.84
Net Premiums in 1917 6,136,055.28
Total Losses paid to 31 Dec.,
1917 104,117,000.00

Canadian Branch:

LEWIS BUILDING, 17 St. John St, MONTREAL
Manager for Canada: MAURICE FERRAND.

WANTED

OFFICIAL FOR ACCIDENT BUSINESS.

A British Company of long standing, doing a composite business, is about to enter Canada and seeks the services of a gentleman competent to organize and superintend the Accident branch of the business. Applications in confidence, stating experience, qualifications and remuneration expected to be made in writing to:

L., c/o The Chronicle.

WANTED

Experienced Clerk by a Fire Insurance Company. Apply, giving full particulars and salary required, to

EXPERIENCE,
c/o The Chronicle,
Montreal.

WANTED

FIRE INSURANCE AGENCY

Any Fire Insurance Company who would like a representative in Newfoundland, is asked to correspond with

THE TERRA NOVA CO.,
The Insurance People,
P.O. Box 158, 268 Water St.,
St. Johns, Newfoundland.

Reference, The Royal Bank of Canada.

The WATERLOO Mutual Fire Insurance Co.

ESTABLISHED IN 1863

Head Office - Waterloo, Ont.

TOTAL ASSETS 31st DEC., 1916, \$916,121.76
Policies in Force in Western Ontario Over 30,000

GEO. DIEBEL, President
ALLAN BOWMAN, Vice-President
L. W. SHUH, Manager

EQUITABLE

Q Mutual in Principal and Practice **Q**
U Impregnable in Strength **U**
U Enterprising, Conservative Management **U**
I Comprehensive, Adaptable Policies **I**
I Low Mortality Rate **I**
T Prompt Payment of Death Claims **T**
T Efficient Service to Policyholders **T**
A Training and Education for Agents **A**
A A satisfied constituency gained by Fifty-eight years of public service. **A**

B These are some of the advantages enjoyed by representatives of **B**

THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES

For agency openings address:

W. E. Taylor, Second Vice-President

EQUITABLE

Great American Insurance Company New York

INCORPORATED - 1872

PAID FOR LOSSES

\$96,971,238.06

STATEMENT, JANUARY 1st, 1918

CAPITAL

AUTHORIZED, SUBSCRIBED AND PAID-UP

\$2,000,000.00

RESERVE FOR ALL OTHER LIABILITIES

12,927,269.91

NET SURPLUS

8,527,719.31

ASSETS

23,454,989.22

THE SECURITIES OF THE COMPANY ARE BASED UPON ACTUAL VALUES ON DECEMBER 31st, 1917

HAD THE SECURITIES BEEN TAKEN AT THE VALUES AUTHORIZED BY THE NATIONAL CONVENTION OF STATE INSURANCE COMMISSIONERS THE ASSETS AND SURPLUS WOULD EACH BE INCREASED BY \$2,321,032.00

Home Office, One Liberty Street New York City

Agencies Throughout the United States and Canada
ESINHART & EVANS, Agents
39 Sacramento Street
Montreal, Quebec
MURPHY, LOVE, HAMILTON & BASCOM, Agents
Dominion Bank Building
Toronto, Ontario

WILLIAM ROBINS, Supt. of Agencies
Dominion Bank Building
Toronto, Ontario

THE OGILVIE FLOUR MILLS CO., LIMITED

REPORTS and BALANCE SHEET

For year ended August 31st, 1918, presented to the Shareholders at the Seventeenth Annual Meeting, held at Montreal, Que., October 10th, 1918.

DIRECTORS' REPORT

A Balance Sheet showing the Assets and Liabilities of the Company, also Profits for the year, is submitted.

The Company's accounts have been audited by Messrs. Creak, Cushing & Hodgson, Chartered Accountants, whose report is presented herewith.

The Company's Pension Fund now amounts to \$253,644.91.

You will note that the amount of last year's Contingent Account has been transferred to Rest Account, and a Special Contingent Account established.

Provision has been made for the maintenance of the Company's various properties at the highest possible state of efficiency.

The usual quarterly dividends were paid during the year on the Preferred Stock, and four quarterly dividends of 3% were paid on the Common Stock, together with a bonus of 15%, which was paid on the 1st instant.

All of which is respectfully submitted.

CHAS. R. HOSMER, President.

VICE-PRESIDENT AND MANAGING DIRECTOR'S ADDRESS.

Addressing the shareholders, Mr. W. A. Black, the Vice-President and Managing Director, said:

It is with much pleasure that we present to our shareholders another very satisfactory statement.

On account of our inability to secure sufficient wheat, the output of our flour mills during the past year was somewhat less than the previous year, the supply of wheat for all Canadian mills being under the control of the Food Board, which allotted to the mills a proportionate share of wheat that was available for the mills to grind.

The capacity of our cereal mills was increased during the year, the output being materially increased, and finding ready sale at satisfactory prices.

Our trading in grains and other commodities was large and profitable, and these profits, together with income from investments, give us nearly sixty per cent. of our total profits.

The turnover for the year was \$56,657,117, of which

\$40,412,848 was on the sale of the products of our flour mills, the profits from the operation of which netted us \$832,910.50, or only a shade over 2% (2.06%, to be exact), on the turnover, a figure which is, indeed, very low, and only possible of returning a reasonable profit on account of the very large amount involved. I have particularly drawn this matter to your attention because the impression seems to prevail with some that the flour profits are unduly large, which these figures clearly demonstrate is not the case.

Realizing that our business is much more subject to market changes than is generally the case, it has been the policy of your Directors to carry the large supplies required by our mills and the product of same, as also its investment at a most safe and conservative figure, but owing to Government requirements, and feeling the advisability of our shareholders realizing that proper provision has been made to take care of a sudden change in values, you will note that a Contingent Reserve Account has been established to provide against such a contingency. With flour and wheat from two to three times normal values, it is only natural that there should be some anxiety in the minds of our shareholders in this respect. This reserve, however, must be regarded as likely to be required for the purpose named. We profited by the advance to the present high prices, and as it is hardly possible for us to avoid some loss when normal values again prevail, and having in mind the different matters referred to in this connection, it is well that proper provision be made and shown.

We continue to contribute largely to the Income and Business Profit Taxes, our contribution this year again exceeding the dividends paid to the shareholders of our ordinary stock. There has been practically no change in the holdings of our shareholders during the year, the average holdings being 34 shares.

The outlook for this year is hardly as promising as last. Firstly, for the reason that the Government has felt it necessary to adopt the use of the same quantity of substitutes for flour as is used by our Allies, which means a reduction in the use of wheat flour in Canada by some 20%. Secondly, the export outlook is not as bright as it was a year ago, but your Management feel confident of the maintenance of a satisfactory return to the shareholders.

BALANCE STATEMENT, 31st AUGUST, 1918

ASSETS	
Cash	\$1,078,472.19
Accounts and Bills Receivable, after making provision for bad and doubtful Debts	1,501,826.31
Stocks on hand of Wheat, Flour, Oatmeal, Coarse Grains, Bags and Barrels	1,462,916.02
Investments (including \$4,896,900.00 Dominion of Canada War Loans and Treasury Bills)	6,575,149.82
Total Active Assets	10,618,364.34
Investments for Pension Fund	173,252.25
Real Estate, Water Powers and Mill Plants in Montreal, Fort William, Winnipeg and Medicine Hat; Elevators in Manitoba, Saskatchewan and Alberta; Property in St. John, N.B., and Ottawa; Stable Plant and Office Equipment	5,692,892.41
Goodwill, Trade Marks, Patent Rights, etc.	1.00
	\$16,484,510.90

LIABILITIES	
Accounts Payable (including Provision for War Tax for two years, 1917 and 1918)	\$3,433,615.03
Provision for Bond Interest and Dividends to date	520,250.00
Total Current Liabilities	3,953,865.03
Officers' Pension Fund	253,644.91
First Mortgage Bonds	2,350,000.00
Capital Stock—Preferred	2,500,000.00
Common	2,500,000.00
Rest Account	1,596,407.45
Special Contingent Account	
Profit and Loss Account:	
Amount at Credit 31st August, 1917	\$190,177.77
Profits for the year after payment of Bond Interest and making provision for War Tax:	
Flour Milling Profits	\$832,910.50
Profits from other Sources and Investment Income	1,122,504.34
	1,955,414.84
Less—Dividends on Preferred and Common Stocks	815,000.00
	1,140,414.84
	1,330,592.61
	\$16,484,510.90

We have audited the books of the Company at Montreal, Fort William, Winnipeg and Medicine Hat for the year ending 31st August, 1918, and have obtained all the information and explanations we have required; and we certify that, in our opinion, the above Balance Sheet is properly drawn up, so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us and as shown by the books of the Company.

CREAK, CUSHING & HODGSON, Chartered Accountants.

THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated 1833

Fire, Marine, Hail and Automobile Insurance

HEAD OFFICE: TORONTO

Old	Reliable	Progressive
Assets over	- - -	\$3,500,000.00
Losses paid since organization over	- - -	\$43,000,000.00

DIRECTORS:
W. B. MEIKLE, President

Sir JOHN AIRD
ROBT. BICKERDIKE, Montreal
LT.-COL. HENRY BROCK
ALFRED COOPER, London, Eng.
H. C. COX
JOHN H. FULTON, New York
E. HAY
JOHN HOBKIN, K.C., LL.D.

D. B. HANNA
Z. A. LARR, K.C., LL.D.
Geo. A. MORROW, O.B.E.
LT.-COL. THE HON. FREDERIC
NICHOLLS
BRIG.-GEN. SIR HENRY PELLATT,
C.V.O.
E. R. WOOD

W. B. MEIKLE JOHN SIME E. F. GARROW
Pres. and Gen. Man. Asst. Gen. Man. Secretary

THOMAS F. DOBBIN, Resident Manager
MONTREAL

NORWICH UNION FIRE INSURANCE SOCIETY, Limited

INSURANCE AGAINST
Fire, Accident and Sickness
Employers' Liability
Automobile, Plate Glass
AGENTS WANTED FOR THE ACCIDENT BRANCH.

Head Office for Canada, - - - TORONTO
Head Office for Province of Quebec, MONTREAL
P. A. TASKER, Branch Manager.

FOUNDED A. D. 1819

THE GENERAL FIRE INSURANCE COMPANY OF PARIS, FRANCE

SURPLUS TO POLICYHOLDERS, \$5,828,800

THOMAS F. DOBBIN, Manager for Canada.
EDMUND FOSTER, Superintendent of Agencies.

Lewis Building, St. John Street, - MONTREAL
Applications for Agencies invited.

THE NATIONALE FIRE INSURANCE COMPANY OF PARIS, FRANCE

SUBSCRIBED CAPITAL	.....	\$2,000,000
TOTAL FUNDS	.....	7,491,390
NET SURPLUS	.....	1,857,150

J. E. Clement, General Manager
J. A. Blondeau, Asst. Manager L. C. Velle, Inspector

First British Insurance Office Established in Canada, 1804

INTENDING ASSURERS

Should read the "THREE MINUTES" Leaflet

of the
PHOENIX ASSURANCE COMPANY, Limited
OF LONDON, ENGLAND (Founded 1782)

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

100 St. Francois-Xavier Street, Montreal

The Company offers to the Public every advantage which

LIFE ASSURANCE

conducted under the most favourable conditions is capable of affording:

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

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

R. MacD. PATERSON, } Joint
J. B. PATERSON, } Managers
Agents Wanted

ESTABLISHED 1864.

New York Underwriters Agency

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REGISTERED

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MURPHY, LOVE, HAMILTON & BARCOM, Toronto, Ont.
OSLER, HAMMOND & NANTON, Winnipeg, Man.
ALFRED J. BELL & CO. Halifax, N.S.

JOHN WM. MOLSON & ROBERT Y. HUNTER, Montreal, Que.
WHITE & CALSIN, St. John, N.B.
ATHE & SONS, LTD., St. John's, Nfld.

T. D. RICHARDSON, Supt. for Canada
TORONTO

Founded A. D. 1719

SUN INSURANCE OFFICE

Head Office: Threadneedle St., London, Eng'

THE OLDEST INSURANCE OFFICE IN THE WORLD

Canadian Branch:
15 Wellington St. East
TORONTO, Ont.

LYMAN ROOT
Manager

BLUE GOOSE ELECTS OFFICERS.

The annual meeting of the Grand Nest of the Blue Goose was held in Chicago, Oct. 1, and the following officers were chosen for the coming year

Most Loyal Grand Gander, W. J. Sonnen, Chicago; Grand Supervisor of the Flock, John A. Hanson, St. Paul; Grand Custodian of the Goslings, E. D. Marr, Kansas City; Grand Guardian of the Nest, A. R. Monroe, Chicago; Grand Keeper of the Golden Goose Egg, M. E. Hawxhurst, Ann Arbor, Mich.; Grand Wielder of the Goose Quill, Paul E. Rudd, Milwaukee.

The new officers were installed by Past Most Loyal Grand Gander Benallack.

The annual report shows a membership of 2,130, a net increase of 98 during the year. It also showed that 152 members are in the service. Steps were taken to look after the business interests of the absent members. Each member entering the service is to designate two or three associates, who are to look especially after his business affairs, in accordance with the principles of the order, while a similar general obligation rests upon all the members.

ONE CLASS OF FUEL NOT SCARCE

While the State Fuel Administration is warning of probable fuel shortage during the coming winter, there is one class of fuel that will be plentiful beyond a shadow of a doubt. That consists of the houses in which we live and the buildings in which we transact our business and store our chattels. The pity of it is that this waste could be stopped by a "stitch in time." This journal is doing everything practicable to awaken the public to its opportunity for self-preservation and patriotic conservation of resources by preventing the careless fire. It's the little commonplace danger that needs attention. Think it over.

LIFE INSURANCE DIVIDENDS

A few, not many, life insurance companies now openly favour lower dividends to policyholders (one Iowa company even advocates omitting such dividends for 1919) to recompense the companies for lower security values, lesser rates of interest and the War's effect on death rates. It seems to be the opinion of most life insurance companies, however, that no reduction in policyholder's dividends is necessary for the present.



BRITISH COLONIAL

FIRE INSURANCE COMPANY

MONTREAL

Authorized Capital, \$2,000,000.00

Subscribed Capital, \$1,000,000.00

Paid-up Capital, \$247,015.79

General Fire Insurance Business Transacted

THEODORE MEUNIER
Manager

REGINALD B. GAUDIN
Assistant Manager

EAGLE, STAR AND BRITISH DOMINIONS INSURANCE CO.

LIMITED

Assets over \$61,000,000 Premium Income over \$14,000,000

FIRE and MARINE

Canadian Managers, DALE & COMPANY, LIMITED, Coristine Bldg., Montreal

Branches at HALIFAX, TORONTO, WINNIPEG and VANCOUVER

THE YORKSHIRE INSURANCE COMPANY, LIMITED

ESTAB. 1824

YORK, ENGLAND

ASSETS EXCEED \$23,000,000

FIRE Every description of property insured. Large Limits.
LIVE STOCK .. The Yorkshire is the FIRST COMPANY, licensed by the FEDERAL GOVERNMENT, to transact Live Stock Insurance in Canada.
ACCIDENT ... Personal Accident, Employers', Automobile, Teams, General Liability, and Plate Glass.

CANADIAN DIRECTORS { Hon. C. J. Doherty
G. M. Bosworth, Esq.

Hon. Alphonse Racine
Alex. L. MacLaurin, Esq.

Canadian Manager,
P. M. WICKHAM, Montreal

APPLICATIONS FOR AGENCIES are invited from responsible persons.



THE EMPLOYERS'

Liability Assurance Corporation, Limited

of LONDON, England

Transacts

AUTOMOBILE INSURANCE
covering ACCIDENT, PROPERTY, DAMAGE, COLLISION, FIRE, THEFT
and TRANSPORTATION

PERSONAL ACCIDENT, HEALTH, LIABILITY, PASSENGER and FREIGHT
ELEVATOR, FIDELITY GUARANTEE, CONTRACT BONDS
and FIRE INSURANCE

Offices: { Temple Building : TORONTO, ONT.
Lewis Building : MONTREAL, QUE.

CHARLES W. I. WOODLAND,
General Manager for Canada and Newfoundland.
JOHN JENKINS, Fire Manager.


APPLICATIONS FOR AGENCIES INVITED

Canadian
Government
Deposit

\$1,342,455.00

Stands First

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



TRANSACTS:

Personal Accident Automobile

Sickness Burglary

Liability [All Kinds] Postal

Fidelity Guarantee

HEAD OFFICE: 302 St. James Street, MONTREAL

F. J. J. STARK, General Manager

C. H. McFadyen & Co., Limited, General Agents
Paris Building, Winnipeg, Man.



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 BUILDING, MONTREAL

ARTHUR JAMES, Superintendent. H. GORDON WARING, Inspector, Automobile Department.

Canadian Head Office: Ocean Insurance Building, TORONTO

The Dominion of Canada Guarantee & Accident Ins. Co.

**The Oldest and
Strongest Canadian
Casualty Company**

E. ROBERTS, Manager
701, LEWIS BUILDING, MONTREAL

TRANSACTS:

ACCIDENT SICKNESS PLATE GLASS

BURGLARY AUTOMOBILE INSURANCE

GUARANTEE BONDS FIRE INSURANCE

C. A. WITHERS, General Manager
TORONTO

Branches: WINNIPEG CALGARY VANCOUVER