

The Chronicle

Banking, Insurance & Finance.

ESTABLISHED JANUARY, 1881

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WASTE IN CANADIAN LIFE INSURANCE.

It can be said of the lapse and "not taken" waste in Canadian life insurance that it is by no means so bad as it was. Even within the last two years, there has been a very distinct improvement in this connection. A table on another page shows the proportion of lapses and "not taken" policies to new policies issued last year and in 1911, and if comparison of last year's figures be also made with those of 1910, the change which appears as having been made in that period is very satisfactory. In regard to Canadian companies' industrial business, it is true that last year's figures are much worse than those of the two previous years, but these are due to the fact that the Union Life lapsed almost as much industrial business last year as it wrote. Apart from this the percentage of waste last year was on the whole considerably reduced. The ordinary business of Canadian companies shows a marked improvement in this respect, the lapses and "not taken" policies being in a proportion of 30.48 to new policies issued in 1912, against 32.67 in 1911 and 32.90 in 1910. The British companies transacting a life business in Canada have been even more successful proportionately in lowering the waste ratio. In 1910, their ratio was 41.44, but in 1911 this was lowered to 30.21 and last year it was still further reduced to 26.58. The American companies' ordinary business shows a ratio for 1912 a little higher than in 1911, 30.10 against 29.58, but in 1910 it was 37.25, so that there is a good improvement in the two years. The Canadian industrial business of the American companies also shows a change for the better, the 1912 figure of 64.11 comparing with 64.64 in 1911 and 66.09 in 1910.

These figures are satisfactory as far as they go, but there is ample room for further improvement. In regard to industrial insurance, it is, of course, the universal experience that the business cannot be conducted except at the expense of a very high loss ratio, and the difficulty is accentuated in Canada, where labour is nomadic to a greater extent than is common in countries of an older settlement. In the case of ordinary policies, it

is less easy to blame the lapse waste upon social circumstances; the companies themselves by the methods which they follow are largely to blame for it.

The remuneration of business on a brokerage basis, *i.e.*, a flat commission and a large one on the first year's premium is one of the methods which make for hot-house production and in consequence a high lapse ratio. From the agent's point of view, such an arrangement is good enough; from the point of view of the best interests of the Company, it is a distinct drawback to have such an arrangement. If companies were not blinded by the passion for big figures of new business, they could easily see this. It cannot be said, in our view, that any agency system is on a sound basis which does not make for permanency of relationship. A helpful suggestion to this end was made a short time ago by Mr. J. W. Mills, of the North American Life, who pointed out that it is during the second and third years of the policy's life that the greatest number of lapses occur. At the same time, the commission allowed for collection of premiums during this period, with few exceptions, is the same as that paid when a policy has been in force many years. Mr. Mills expressed the opinion that the payment of a higher commission in the earlier years would have the effect of inducing the agent to keep the business from lapsing.

It does not seem probable also that sufficient energy is being devoted by the companies to the business of systematically following up lapses with a view to the re-instatement of the policies. A certain number of the companies have departments engaged in this work, apparently with beneficial results. But while last year lapses in Canada totalled over 85 millions, old policies revived were less than ten millions, more than one-half of these being industrial revivals. These figures suggest that there is considerable scope for a thorough policy of following up lapses with a view to re-instatement.

While there is life insurance there will always be lapses. But we decline to believe that in Canadian life insurance the irreducible minimum has yet been reached. Until that irreducible minimum is reached the waste which goes on through lapsation proclaims the inefficiency of the life insurance machine.

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The Chronicle

Banking, Insurance and Finance

ESTABLISHED 1881. PUBLISHED EVERY FRIDAY.

R. WILSON-SMITH, *Proprietor.* ARTHUR H. ROWLAND, *Editor.*

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MONTREAL, FRIDAY, AUGUST 22, 1913.

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LITTLE CHANGE IN MONEY

In Canadian money market affairs the fourth payment on the C.P.R.'s stock issue on Monday was the dominating event of the week. Some \$15,000,000 or \$16,000,000 would be paid into the Bank of Montreal, London, for account of the big Canadian railway company. And, as the funds would not be wanted for bond redemption, as was the case with the proceeds of the third instalment, it is but reasonable to expect that a goodly portion would be transferred to Canada—thus having a beneficial influence through helping to correct the peculiar exchange situation that has been bothering the banks recently.

LIQUIDATION IN SPECULATIVE ISSUES.

The Montreal and Toronto markets were affected to some extent by events transpiring outside the Dominion. A reactionary tendency was seen at the great international centres, partly on account of fears that the Mexican question would prove impossible of peaceful solution. Thus some liquidation ensued in Canadian speculative issues—the position of some holders having been weakened by the decline in

Crown Reserve and other mining stocks. However, the liquidation was not of such importance as to excite apprehension; it served, nevertheless, in a small way, to improve the standing of the banks as they enter the crop-moving season. Already some of the grain belonging to the 1913 crop has been seen in the market, but it will be a couple of weeks yet before deliveries are general. In some places the Western crop will be delayed a little by the showery weather experienced this week. If no general frosts are encountered for ten days or a fortnight, it is said that a large part of the crop will be assured of being harvested in good condition.

LITTLE CHANGE IN THE MONEY MARKET.

Very little change has taken place in money market conditions. A few scattered instances of debenture issues by municipalities are reported, but in nearly all cases interest rates are high. Some calling of loans by banks in Toronto has been reported; but in general the pressure from the banks for repayment of brokers' loans is not excessive. Call loans are quoted 6 to 6½ per cent. and commercial lines of credits range from 6 to 7.

EUROPEAN POSITION.

The money market in London is slightly harder. Call money is quoted 3 13-16 p.c.; short bills are 3¾ p.c.; and three months' bills 3¾ to 4 p.c. The rising tendency may be a reflection of the approaching harvest operations. Bank rate in London is held at 4½ p.c. Across the channel at Paris, bank rate is 4 p.c. and market rate 3¾; and at Berlin bank rate is 6, market rate, 5 p.c. European financial centres appeared to be more affected by the Mexican situation than were the American markets. Cables received early in the week stated that at London, Paris, and Berlin, there was considerable surprise at the equanimity with which New York had taken the matter. Although Europe has vast investments in Mexico, the overseas nations are not so much interested in the question of peace or war as is the United States. Perhaps one reason why the New York market has been so comparatively indifferent may be found in the fact that the people of the United States have very strong confidence that President Wilson will find a peaceful solution.

NEW YORK DEVELOPMENTS.

The New York money market has been rather dull in the past week. Call loans range from 2 to 2¼ per cent., most of the business being at the higher level. Rates for time money were as follows: Sixty days, 3½ to 4 p.c.; ninety days, 4¾ to 5 p.c.; and six months, 5½ to 5¾. The Saturday statement revealed a small decrease of reserve strength as reported by the New York clearing house institutions. In the case of all members the loan expansion was \$401,000, the cash loss, \$1,600,000, and the decrease in the surplus about \$1,000,000. The banks alone

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reported loan expansion of \$1,875,000; cash loss of \$1,400,000; and decrease of \$1,053,000 in surplus—reducing it to \$24,177,500.

EFFECT OF GOVERNMENT DEPOSITS.

It is expected that the Government deposits—the first instalment of \$25,000,000 having been already handed over to the banks—will have some tendency to strengthen the exchange market at New York. Rates of interest on call loans in New York are well below the rates prevailing at the European centres. If the New York banks had been left to move the crops with their own resources, it is quite probable that with the coming of the harvest season, the currency shipments from New York to the interior would have driven the call rate to a figure higher than the rates quoted in Europe—thus there would have been some tendency to transfer funds to the American centre. It is as yet impossible to say whether the New York call loan rate will actually rise above the London and Paris rates. Well-informed bankers are of the opinion that the New York rates will remain low as a result of the use of Government funds. If this view is correct, the demand for exchange may increase as a result of the desire of owners of liquid capital to transfer it to the markets where the best rates are to be had.

STRONG DEMAND FOR EXCHANGE LIKELY.

Presumably also there will be a strong demand for exchange in two or three months to settle for the huge mass of imported merchandise now lying in bonded warehouses at New York. Considerable relief was felt in the American markets on receipt of news of rains in Kansas and the other corn-growing states. Much of the crop had, of course, been entirely destroyed, but the rains came in time to save some from destruction. It is remembered too that the States suffering especially heavy loss in corn were favored with exceptionally good yields in case of winter wheat.

An English company is now insuring against loss on bonds purchased at above par and liable to yearly drawings at par.

* * * * *

The Grand Trunk Railway has placed with a London syndicate a further £500,000 5-year 5 p.c. secured notes at 98½. The former issue of \$1,500,000 was made at 98.

* * * * *

The Bank of Montreal's branch in the new C.P.R. station at Windsor Street, Montreal, is now open under the management of Mr. E. S. A. Oliver. It is understood that the Bank of Montreal will also have a branch office in the new Place Viger Hotel.

* * * * *

Mr. H. B. F. Bingham, of Montreal, life superintendent of the Phoenix Assurance Company, Limited, of London, England, was married in London, on August 12th, to Miss Birkett, daughter of Mrs. W. H. Birkett. Mr. Bingham is expected to return with his bride from the old country about September 6.

THE TWO VOICES.

Mr. J. H. Haslam, the chairman of the Royal Commission appointed by the Saskatchewan Government to investigate the subject of agricultural credits, has two voices. To the *Financial Post* last week, Mr. Haslam gave an interview discreet to the verge of dullness, and devoting so much attention to the French system of agricultural credits as to suggest that the Commission have in mind some idea of making a recommendation for action by the Saskatchewan Government somewhat on the lines followed in France. To the *Toronto Globe*, Mr. Haslam gave an interview in quite a different tone of voice. He announced that the farmer is getting a "raw deal" and that "he has unconsciously become the victim of a money system which is making a number extremely wealthy, while he is restrained in all his farming operations and Canadian agriculture is severely crippled."

Mr. Haslam is evidently intent on following the Apostolic injunction of being all things to all men, and accordingly suiting his voice to his audience. Unfortunately for his "raw deal" arguments, it happens that a report is available of the sittings of Mr. Haslam's commission at Moose Jaw, where among the questions taken up to which special importance was attached was that of whether it was easier for a farmer or a business man to obtain a loan. "The general consensus of opinion among the farmers present, who had any experience with conditions business men had to meet," says the report, "was that the agriculturalist had decidedly the best of it when it came to borrowing from the banks." Again at Weyburn, the newspaper report of the Commission's setting says "the general tone of the meeting seemed to indicate a lack of enthusiasm on the part of Weyburn farmers," and the report naively adds, "no doubt due to the splendid crop prospects and to the fact that most of those present were all in fair circumstances."

That the Western farmer does labor in some respects under serious disadvantages, no one who is at all acquainted with his position is likely to deny, and if the Commission of which Mr. Haslam is chairman, is able to put forward constructive proposals making for the removal of those disadvantages and the material improvement of the farmer, they will have performed every valuable service not only to the Western farmer but to the whole of Canada. But, as was admirably pointed out by the *Financial Post* last week, their cause is not likely to be furthered by the reckless flinging of accusations of unworthy motives against those who have hitherto been the means of directing millions of capital into the West. A good many other things besides cheap money are responsible for the intensive cultivation of Europe. Cheap money will have to be supplemented by better business and agricultural methods before the West gets into the same street.

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INCORPORATED 1869

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Reserve Fund : : : 7,100,000
Total Assets : : : 79,000,000

Collections, at Home and Abroad

Manufacturers, Wholesalers and others, are assured of careful attention and prompt remittances when they place drafts and notes in the Dominion Bank for collection. Branches in all parts of the Dominion and in London England—with correspondents throughout the commercial world.

Head Office, 9th FLOOR, C.P.R. BUILDING, Toronto.

117 BRANCHES
in
ONTARIO, QUEBEC
and
THE WEST

THE BANK OF TORONTO

Incorporated 1855.

Head Office : TORONTO, Canada.

Paid-up Capital, \$5,000,000 . . . Reserved Funds, \$6,176,578

MONEY ORDERS AND DRAFTS. When remitting money in large or small amounts, do so by means of the Drafts or Money orders issued by the Bank of Toronto. It takes only a few minutes to purchase them, and they are a protection to both sender and recipient.

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

THE BANK OF NOVA SCOTIA

INCORPORATED 1832.

CAPITAL \$5,962,470
RESERVE FUND 10,837,468
TOTAL ASSETS 80,000,000

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H. A. Richardson, General Manager, D. Waters, Asst. Gen. Manager
Supts. of Branches, J. A. McLeod, Geo. Sanderson, E. Crockett,
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110 BRANCHES 110

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

The Metropolitan Bank

Capital Paid Up \$1,000,000.00
Reserve Fund 1,250,000.00
Undivided Profits 181,888.26

Head Office TORONTO

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

A GENERAL BANKING BUSINESS TRANSACTED

The Bank of Ottawa

DIVIDEND No. 88.

NOTICE is hereby given that a dividend of Three per cent. being at the rate of Twelve per cent. per annum upon the paid-up capital stock of this Bank, has this day been declared for the current three months, and that the said dividend will be payable at the Bank and its branches on and after Tuesday, the Second day of September, 1913, to shareholders of record at the close of business on the 18th August next.

By Order of the Board,

GEORGE BURN,
General Manager.

Ottawa, Ont., July 21st, 1913.

A FREE MARKET FOR MUNICIPAL SECURITIES.

In the address of Mr. Sanford Evans, ex-Mayor of Winnipeg, before the recent convention of the League of American Municipalities, stress was laid upon the advantages which a municipality secures by issuing in London a form of security which has a free market. The *penchant* of English private investors for a security of large volume which is listed on the London Stock Exchange, and is regularly and freely dealt in, is well known to everyone acquainted with English investment conditions, and the point is well worth making at the present time because several of the Canadian municipalities have acted foolishly in failing to consider the idiosyncracies of the English investor in this connection. Even in some cases where the aggregate of their borrowings has been very large, they have followed the practice of issuing securities in different classes of comparatively small amounts. In consequence there has been but a narrow and restricted market for each of these classes of security and the price of them has suffered. It would have been just as easy to create a standard form of security and issue from time to time new instalments of it, and there can be no doubt that the benefits of following the best practise on this point would have been felt in enhanced credit.

The point is only of importance, of course, where a public appeal is made by a municipality whose borrowings over a term of years are large. To the institutional investors—insurance companies and others—who absorb the great bulk of the securities issued by the smaller municipalities, a free market is not such a recommendation. But in the case of the larger municipalities who make a wide appeal, Mr. Sanford Evans' point is well worth keeping in mind.

CANADA'S BALANCE OF TRADE.

**An Important Contribution by Professor Adam Shortt
—How Recent Tendencies have Increased Imports
—Probabilities of the Future—No Serious Dis-
turbance of Exchanges Likely.**

An important contribution on the subject of Canada's balance of trade has been published by Professor Adam Shortt, who points out that for over a decade past Canadian imports have increasingly exceeded Canadian exports until for the 12 months ended April 30, 1913, the returns show imports exceeding exports by \$287,130,040. At the same time during this period of expanding imports, the balance of exchange in gold has not been against Canada, but on the whole in her favour.

BORROWINGS OF OUTSIDE CAPITAL THE EXPLANATION.

The explanation of what appears to be at first sight an anomalous condition of international trade is simple, says Dr. Shortt, though the secondary consequences may be somewhat complex and remote. The great proportionate excess of Canadian imports over exports has at once resulted from, and is offset

by the borrowing of outside capital by Canadian Governments, corporations and individuals and by the direct investment of outside capitalists in Canadian real estate, mines, timber and various enterprises. The chief channels through which these investments affect the imports and exports of the country may be summarised as follows. The largest investments of borrowed capital, representing hundreds of millions, have been made by the various public authorities,—the Dominion and Provincial Governments and the Municipal Corporations. The three great railway systems of Canada also account for scores of millions, while many other corporations of a semi-public or purely commercial nature, real estate and other investments aggregate a vast total. It is not necessary for our present purpose to consider to what extent the investments made by these various bodies have been necessary, or unnecessary, or whether they are likely to prove profitable or unprofitable. It is an essential fact that the majority of the investments, which have absorbed so many hundreds of millions of borrowed capital, have been of such a nature that while the capital was expended within a few years, many of the returns from them, however beneficial in their effects, will not take an economic form or figure in future exports, as in the case of hundreds of expensive public buildings, civic expenditures of various kinds, churches, clubs, etc. In other cases the returns cannot possibly be immediate, but must extend over many decades, or even centuries, as in the case of railway systems, canals, harbours, city improvements, etc. In many cases also the product must represent educational and social services, which however beneficial to the public or ultimately contributory to the general progress of the country, will not for some time at least affect the production of articles for export or materially diminish imports.

CONDITIONS CURTAILING EXPORTS AND INCREASING IMPORTS.

Looking at some of our recent investments of borrowed capital a little more closely, we find that in consequence of the disproportionate investment of capital in permanent but for the time unproductive enterprises of great cost, such as the new railway lines, thousands of immigrants and native Canadians, with all the merchants, manufacturers and middle men more or less dependent upon them, have been employed in building and equipping these railway systems. In their various capacities these people require at once for their means of sustenance, and for the materials, instruments and equipment for their work, a vast amount of domestic products in the way of food, housing, clothing and general supplies. Similarly they require great quantities and a wide range of imported goods. Now the amount of domestic products purchased by these people, who are supported by borrowed capital, diminishes the amount of such articles normally available for export, while the amount of foreign supplies furnished to them greatly increases the imports from abroad. Thus the same conditions curtail the exports on the one hand and increase the imports on the other. Such a situation is made possible only where supported by borrowed capital.

EXPANSION OF THE CITIES.

Again, one finds that scores of new towns and villages have sprung up throughout western Canada

National Trust Co.,

LIMITED
CAPITAL - - - - - \$1,500,000
RESERVE - - - - - 1,400,000

Acts as executor and trustee under will.
 Administers real estate.
 Allows interest on savings deposits.

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PERCIVAL MOLSON, Manager.

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TRANSPORTATION BUILDING, - MONTREAL
Capital Fully Paid - - - - - \$1,000,000
Reserve Fund - - - - - 1,000,000

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 St. John, N.B., St. John's, Nfld., Toronto, Vancouver,
 Victoria, Winnipeg.

Montreal Trust Company

Incorporated 1889

CAPITAL - - - - - \$500,000.00
RESERVE - - - - - \$300,000.00

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

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Subscribed Capital - - - \$2,500,000
 Paid-up Capital - - - \$2,000,000
 Reserve - - - \$ 800,000

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

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

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 Insurance of every kind placed at lowest possible rates.

Safety Deposit Vault
 Terms exceptionally moderate.
Correspondence Invited.

B. HAL. BROWN, President and Gen. Manager.

The Trust and Loan Co.

OF CANADA

Capital Subscribed, \$14,600,000
 Paid-up Capital, 2,920,000
 Reserve Fund, 1,489,950
 Special Reserve Fund 413,600

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

30 St. James St., Montreal

in the past fifteen years, and a number of comparatively small towns have in this time grown into cities, while some of the older cities, such as Montreal, Toronto, Ottawa, Hamilton, Winnipeg and Vancouver have enormously expanded during the same period. This civic expansion has absorbed many millions of borrowed capital, most of it expended in labour, building materials, and the expensive equipments required for the construction and furnishing of modern cities. Upon these operations again depend many professional men, merchants and middle men generally, and transportation equipment. The effect of all this upon the distribution of population and the direction of domestic capital and business enterprises has naturally been very marked. During the past decade a very large number of native Canadians, as well as immigrants, have been concentrated in the rapidly-growing towns and cities, employed chiefly, either directly or indirectly, in the simple construction of the cities, or in supplying those engaged in this construction.

CAPITAL TAKEN IN GOODS.

The rapid expansion of so many civic centres has naturally led to a great increase in the values of real estate. These legitimate increases have been greatly expanded by speculative dealers in prospective values. The profits made in land speculation, construction contracts, and in wholesale and retail trade, have encouraged a spirit of extravagance which has been responsible for the importation of many expensive articles of luxury, and which has naturally aided in developing an adverse balance of trade. All these conditions have given a trend to the investment of domestic as well as foreign capital to the disadvantage of agricultural and productive industries, whose products except in the building trades have not kept pace with the construction of public works, the growth of cities and the expansion of commercial and financial investments. This very natural but nevertheless abnormal advancement of the country has not hitherto resulted in any inconvenience, because its lack of balance has been entirely met by the constant stream of foreign capital borrowed on Canadian account. A comparatively small proportion of this capital however has come to the country in the shape of money; almost the whole of it has been taken in the shape of goods. Thus the gap between exports and imports has been steadily widening and will continue to do so until the construction of railways and other public works and the building of cities fall off. Then will result the inevitable consequence that a large proportion of people—employers and employed—must return to the production of articles for more immediate consumption and export. When this return movement begins the gap between exports and imports will gradually close. Finally, when the principal and interest of the hundreds of millions recently borrowed come to be paid exports will exceed imports with as little disturbance to the exchanges as we have found in the past. Both sides of the movement have been amply illustrated in the trade returns of the United States at various periods during the past century.

Insurance is, perhaps, the greatest sign that a young man or a young woman can give of forethought and thrift, and thrift in early life, which abundantly repays them.—*Lord Rosebery.*

SIR EDMUND WALKER HOPEFUL.

But Caution in Borrowing is Necessary—Good Ventures for Moderate Amounts can be Supplied.

On his return from England, Sir Edmund Walker, president of the Canadian Bank of Commerce, expresses himself very hopefully on the money situation, and when interviewed in Montreal stated that there was no need of anxiety among reputable Canadian business men engaged in ordinary business ventures of a sound nature.

"There is nothing wrong with Canada," said Sir Edmund. "The whole trouble is with the world supply of money. The production of gold has increased, but not sufficiently to keep up with the world-wide prosperity of the last few years, and the tightness in the money market is due mainly to this cause, though, of course, the war in the Balkans has also helped by diverting money from commercial channels. The only reason why Canada has been singled out for criticism," continued Sir Edmund, "is that she is the most prominent borrower, and therefore attracts most of the attention when capitalists begin to discriminate in making their loans. Canadian credit is not in the least injured, and interest in Canadian investments has not flagged, but investors in England are obliged to discriminate more carefully and to charge a higher rate."

GOOD VENTURES CAN BE SUPPLIED.

Sir Edmund was glad to see that the check had been applied to wild-cat speculation and to other forms of injudicious flotation. It was important to preserve the credit of the nation and care should be exercised in putting Canadian issues on the market. Things, so far as he could see, had been changing very much for the better, and it now looked as if all good ventures for moderate amounts could be supplied.

While expressing a hopeful view on the present situation, Sir Edmund was careful to emphasize strongly the necessity for caution in Canadian borrowing.

"There is nothing more foolish," he said, "than for the Canadian people to believe that no further restrictions are necessary, for it is only by restriction and careful regulation that the matter can be permanently righted. No railroad, manufacturer, municipality or government should go into operations demanding money unless they first know how and where they can get it, for this is the only manner of keeping indiscriminate borrowing within bounds. Of course, Canada must continue to borrow and to borrow largely, developing as she is at present, but there can never be any excuse for careless flotations. Canada must bear in mind that the United States were faced with the same difficulty at one time in their financial history, and that as the most prominent borrowers they also had to take the criticism that is levelled at Canada who has to-day taken the position of leading borrower in Europe."

\$100 BONDS**A Safe Investment for People of Small Means.**

To enable the small investor to invest his money without risk, this Corporation's Bonds are issued in sums as low as one hundred dollars. They furnish absolute security and are a LEGAL INVESTMENT FOR TRUST FUNDS.

Write for Copy of Annual Report and all Particulars

CANADA PERMANENT MORTGAGE CORPORATION

Established 1855

Toronto Street, TORONTO.

THE **HOME BANK OF CANADA** 1854

Notice of Quarterly Dividend

Notice is hereby given that a Dividend at the rate of Seven per cent (7%) per annum upon the paid up Capital Stock of this Bank has been declared for the three months ending the 31st August, 1913, and that the same will be payable at its Head Office and Branches on and after Monday, September 1st, 1913. The Transfer Books will be closed from the 17th to the 31st August, 1913, both days inclusive.

By order of the Board,

JAMES MASON,

Toronto, July 16th, 1913

General Manager

CABLE ADDRESS "RYKERT"

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22 St. John Street,
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is filed regularly in leading offices
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its columns has a permanent
value.

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

WOOD, GUNDY & COMPANY.

LONDON, ENG.

TORONTO, CAN.

BANKS' LOANS IN BRITISH COLUMBIA EXCEED DEPOSITS BY OVER \$20,000,000.

"Banks in the East are loaning money to the extent of considerably more than \$20,000,000, or to be more exact, are investing funds in British Columbia," commented Mr. Ewing Buchan, manager of the Bank of Hamilton, president of the Vancouver Clearing House in an interview.

"This is not a new condition by any means," he continued, "but it gives an idea of the assistance that the banks are giving at this time of financial stress. It shows the unbounded confidence which is being tangibly evidenced by the parent institutions when they advance such large sums, and is an indication of the unusual development which is now proceeding throughout this province."

MUNICIPAL BORROWINGS.

"Is the money market showing any signs of becoming easier in your opinion?" he was asked.

"The tightness is aggravated, I believe, by municipalities for a long time refusing to accept the market price for their bonds," Mr. Buchan replied. "The bonds have in many cases been carried by the banks as short term loans. But the banks are disinclined to protract loans of that kind. The municipalities' action in holding back for high prices on their bonds has had a far-reaching effect on every phase of business life. Public works have been curtailed, and the contractor, the mechanic, the laborer and the community generally have felt the pinch. The local situation has been helped recently by the decision of the city of Vancouver to accept a lower price for its bonds than usual.

"For the past twelve months very little money has been coming in from abroad, but the commercial interests, so far as I know, have not suffered in consequence, or are not likely to. This new condition has to be recognized: The European investor wants more for his investment than he was formerly content to have. He demands it and the persons and corporations who wish to attract capital from Great Britain and other parts of Europe will have to meet the new condition."

Mr. Buchan said that after the present stringency was over conditions would be more stable than heretofore.

LIFE UNDERWRITERS AT OTTAWA.

The annual convention of the Life Underwriters' Association of Canada was held at Ottawa this week. About two hundred delegates were present and were welcomed by Premier Borden, Sir Wilfrid Laurier, and Mayor Ellis. President John A. Tory, in his address, advocated the licensing of life insurance agents by the Federal Government, urged that support should be given the companies in their fight against the taxation of life insurance premiums, maintained that rebating should be made a crime by statute, and condemned twisting.

Officers were elected as follows:—Hon. President, J. A. Tory, of Toronto; President, J. B. Morissette, Quebec; vice-presidents, J. A. Johnston, Calgary, A. J. Meiklejohn, Ottawa, and the president of the National Life Underwriters of the United States.

The executive includes: Brantford, J. Burbanks; British Columbia, W. J. Twiss; Brandon, E. Daw; Brockville, H. B. White; Central Ontario, Gordon Hall; Calgary, P. A. Wintermute; Cape Breton, A.

R. McIsaac; Edmonton, Dunlop; Eastern Townships, G. J. Alexander; Grey and Bruce, R. W. McGregor; Guelph, F. B. Hilliard; Hamilton, W. H. Seymour; Huron, Thomas Jolliffe; Kingston, J. B. Cooke; London, V. Reeve; Montreal, G. E. Williams and H. H. Kay; Winnipeg, J. A. Wilson and R. S. Rowland; Moose Jaw, Houston; Niagara Falls, McEvoy; Nova Scotia, S. D. Freeman; New Glasgow, P. McFarlane; Ottawa, W. H. Stevens and W. Lyle Reid; Prince Edward Island, J. O. Hyndman; Port Arthur, G. J. Sedley; Prince Albert, T. C. Sinclair; Quebec, J. F. Belleau; Quinte, S. Burrows; Regina, J. H. H. Young; St. John, F. S. Farris; Sault Ste. Marie, B. H. Carney; Toronto, Fred. Chance and W. E. Eugert; Victoria, A. B. Fraser; Windsor, A. G. Roberts; Waterloo, W. M. Lockhead.

The next convention will be held in Halifax.

Winnipeg association won the cup donated by John R. Reid, of Ottawa, to the association bringing in the largest percentage of new members during the year. The cup for the association holding the best six meetings since last convention, given by Mr. A. Homer Vipond, of Montreal, was won by the Quebec Association.

A cup was presented to Mr. Clarence Armstrong, of Toronto, for the best essay on Insurance as a Factor in Social Economics.

INVESTMENTS OF BRITISH INSURANCE COMPANIES IN CANADA AND ELSEWHERE.

Important Judgment by the House of Lords—Companies Chargeable with British Income Tax on Interest from Foreign Investments, although not Received in Great Britain.

The House of Lords has given an important judgment affecting the British insurance companies who hold investments in Canada and elsewhere. The question at issue was this: Is an insurance company chargeable with the British income tax on dividends and interest arising from funds invested abroad, though not received in Great Britain? And the answer of the House of Lords was yes, if such investments be made in the way of the company's business. The case in question was carried to the House of Lords by the Liverpool and London and Globe Insurance Company from the Court of Appeal.

The case arose out of the investments of the Company in Canada, the United States and Australia, the British Inland Revenue authorities seeking to tax the dividends and interest arising from them. The investments in question fall into three classes characterised as follows:—

(1) Investments made in Canada and certain of the States of the Union consequent upon the legal requirement that foreign insurance companies deposit certain minimum amounts with the Government or with trustees as a further security for policyholders.

(2) Investments made in the United States in order to comply with the State of New York's law regarding "surplus" and investments and deposits of the same character made in Canada in accordance with the laws of Canada.

(3) Large sums invested in Canada, the United States and Australia (not under compulsion of law), such sums being accumulated profits of past years which had not been distributed among the shareholders. Generally it had not been necessary for the

Guardian Assurance Company

Limited, of London, England

Subscribed Capital, \$10,000,000 Paid-up Capital, \$5,000,000
Total Assets, over \$33,000,000
Deposited with Dominion Government, over \$600,000
Canadian Branch: Head Office, Guardian Building, MONTREAL.

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BERTRAM E. HARDS,
Assistant Manager.



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



Head Office: 112 St. James Street, Montreal

DIRECTORS:
 J. Gardner Thompson, *President and Managing Director.*
 J. W. Binnie, *Vice-President and Secretary.*
 Sr Alexandre Lacoste, M. Chevalier, Esq., Wm. Molson Macpherson, Esq.,
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"THE OLDEST SCOTTISH FIRE OFFICE"
THE CALEDONIAN
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Founded 1805.
Head Office for Canada,
DOMINION EXPRESS BUILDING
Montreal

JOHN G. BORTHWICK
Canadian Manager

.. THE ..
London Assurance
CORPORATION
OF ENGLAND.

INCORPORATED BY ROYAL CHARTER A.D. 1720
CAPITAL PAID UP \$2,241,375
TOTAL CASH ASSETS 22,457,415

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

Company to expend any part of these moneys, but they were available for the purposes of their business like any other part of their property.

By the lower courts it was held that all these investments were made in the way of the Company's business and that the interest and dividends arising therefrom were profits and gains arising from such business and assessable to income tax. The contention of the Company that such part thereof, if any, as might be actually received in Great Britain only was taxable was negatived. The Court of Appeal took the line that in the case of the first two classes of investments, they were required for the purposes of the business of the Company because without them that business could not be carried on at all. In regard to the third class, the investments were made in order to secure the credit of the Company and enable it to discharge its obligations in Canada, the United States and Australia.

The decision of the House of Lords against the Company confirming the judgments of the lower courts was, it is said by English insurance journals, not entirely unexpected in view of other judgments given of late in somewhat similar cases. "But," remarks the *Insurance Observer*, "the offices were certainly justified in resisting the demands of the Inland Revenue authorities, and they might have won their cause had judges of an older type been sitting."

INSURANCE EDUCATION.

The axiom laid down by Commissioner Preus of Minnesota that "the greatest wrong in the name of insurance is done through ignorance" will awaken a responsive chord among insurance men. For years they have been fighting ignorance in high places which has turned out quantities of fatuous insurance legislation and tried to turn out quantities more; for years they have been trying to enlighten the great, big public in regard to the true position in the world of insurance whether life, or fire, or casualty, and to try to instil into the public's head why life insurance is an essential to the average man, how everyone can help reduce the fire loss and so reduce fire insurance rates and the like. Perhaps to an extent unrivalled by any other business, insurance stands to gain by the dispelling of ignorance regarding it and a general

understanding regarding its fundamental principles.

Commissioner Preus has large ideas on the subject of insurance education. He wants it taught in the public schools. "Instruction in our public schools in fire insurance," he says, "will go hand in hand with instruction in fire prevention, and will bring about a more general understanding of the science of underwriting, rating and salesmanship. A general knowledge of fire insurance will raise the efficiency of the companies' personnel, and will convince the insuring public of the wisdom of carrying fire insurance. Instruction in health and accident insurance in our public schools will result in the elimination of questionable practices, the enforced honesty and discretion of the agent, and the appreciation of the economical necessity of bread and butter insurance. Instruction in life insurance in our public schools will but add to the efficiency of those employed in the home offices of companies, in a realization of the agents of the opportunities of their profession, in the understanding of the moral obligation and necessity of selection on the part of the public. Instruction in insurance in our public schools will result in wiser legislation than that which tends to place legitimate private institutions in the hands of the state."

What educational authorities will think of these additions to an already crowded curriculum we don't know. But it would seem that the ideas of Commissioner Preus, however, it might be necessary to adapt them in practice, go to the root of the matter and are worthy of serious consideration. It is certain that much more good can be done by teaching the individual a few fundamentals at the impressionable age than by the expenditure of enormous energy later in the attempt to impart to him the same truths. In the case of the grown-up, we rather fancy that to bring home, for instance, the real facts about carelessness in regard to fires and the like, the energetic exercise of the state's police power will have considerably more results than any educational campaign ever invented. Ideally, the two things should go together—with a little additional emphasis on the police power.

LAPSE AND "NOT TAKEN" WASTE IN CANADIAN LIFE INSURANCE.
(Compiled by The Chronicle.)

	1912					1911				
	1	2	3	4	5	1	2	3	4	5
	New Policies Insured	Lapses	Not Taken	Total of Lapses and Not Taken	Proportion of Col. 4 to Col. 1	New Policies Issued	Lapses	Not Taken	Total of Lapses and Not Taken	Proportion of Col. 4 to Col. 1
	\$	\$	\$	\$		\$	\$	\$	\$	
Canadian Companies, Ordinary.....	135,764,202	29,255,657	12,127,435	41,383,092	30.48	102,711,022	24,122,932	9,429,900	33,552,842	32.67
Canadian Companies, Industrial.....	26,264,118	25,208,650	None	25,208,650	96.00	22,017,340	15,349,078	None	15,349,078	69.71
British Companies, Ordinary.....	8,265,268	1,444,292	752,237	2,196,529	26.58	7,173,888	1,670,530	516,986	2,167,516	30.21
American Companies, Ordinary.....	42,699,713	9,580,767	3,870,236	13,451,003	30.10	36,372,759	7,627,772	3,129,980	10,757,762	29.58
American Companies, Industrial.....	30,772,142	19,728,107	None	19,728,107	64.11	26,701,499	17,200,298	None	17,200,298	64.64



ONTARIO AND NORTH WEST BRANCH
 8 Richmond Street, East, TORONTO
PROVINCE OF QUEBEC BRANCH
 164 St. James St., Cor. St. John St., MONTREAL



HEAD OFFICE - - - TORONTO
MONTREAL BRANCH: Thomas F. Dobbin, Resident Secretary, 164 St. James St.
QUEBEC BRANCH: C. E. Sword, Resident Secretary, 81 St. Peter St.
WINNIPEG BRANCH: A. W. Blake, District Secretary, Canada Building, Donald Street.

The Yorkshire Insurance Co., Limited

of YORK ENGLAND.
 ASSETS, \$13,000,000

Established 1824.

FIRE INSURANCE granted on every description of property at Tariff rates.
LIVE STOCK INSURANCE. This Company has a large Live Stock business in England and elsewhere, and is the FIRST COMPANY, licensed by the FEDERAL GOVERNMENT, to transact Live Stock Insurance in the Dominion.
APPLICATIONS FOR AGENCIES are invited from responsible persons.
ACCIDENT DEPARTMENT.—Personal Accident, Sickness, Employers' Liability, Elevator Liability, Teams Liability, Public Liability, Plate Glass.
CANADIAN DIRECTORS.—Hon. C. J. Doherty Alphonse Racine, Esq. G. M. Bosworth, Esq. Alex. L. MacLaurin, Esq.
Canadian Manager, P. M. WICKHAM, Montreal.

The WESTERN

Assurance Company

Incorporated in 1851.

ASSETS over \$3,000,000.00

LOSSES paid since organization of Com-
 pany . . over \$56,000,000

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- | | |
|----------------------------------|------------------------------|
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| W. B. MEIKLE, Managing Director. | |
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| ALEX. LAIRD | FREDERIC NICHOLLS (C.V.O.) |
| AUGUSTUS MYERS | COL. SIR HENRY M. PELLATT, |
| JAMES KERR OSBORNE | E. R. WOOD |

HEAD OFFICE . TORONTO

FOUNDED 1792.
INSURANCE COMPANY OF NORTH AMERICA

PHILADELPHIA, PA.

CAPITAL,	\$4,000,000.00
SURPLUS TO POLICY HOLDERS	8,844,871.95
ASSETS	17,816,188.57
LOSSES PAID EXCEED	159,000,000.00

ROBERT HAMPSON & SON, LIMITED
 GENERAL AGENTS FOR CANADA. MONTREAL

LONDON MUTUAL FIRE INSURANCE CO.

HEAD OFFICE TORONTO
 ESTABLISHED 1859

Assets on December 31st, 1912 . . \$1,012,673.58
 Liabilities on December 31st, 1912 . . \$368,334.81
SURPLUS on December 31st, 1912 \$644,338.77
 Security for Policy Holders . . \$1,031,161.17
F. D. WILLIAMS,
 Managing Director

Fire Insurance Expiration Books 50c. & \$2.00
THE CHRONICLE, - MONTREAL.

N. Y. INSURANCE DEPARTMENT CONDEMNS EXTRAVAGANT COMMISSIONS.

Report on Workmen's Compensation Service Bureau suggests Authority to Superintendent of Insurance to Approve Rates and Limit Expenses—Uniform Rates not Maintained.

The New York Insurance Department has issued a report on the examination of the Workmen's Compensation Service Bureau. Its work is approved, but there is strong condemnation of the competition between the companies leading to rate-cutting and the payment of excessive commissions. The report speaks of the tacit agreement that manual rates might be departed from by the companies, especially when in competition with non-bureau companies, and also speaks of the practice of special rating as used in competition. At first only factories with more than a certain limit of payroll could secure special ratings, which resulted in discrimination against the small employer, and this limit was later removed. The report mentions Massachusetts as the only State where commission rates are effectively regulated, and this it attributes to the law and the efficient administration of it. It says that the payment of commissions equaling 20 or 25 per cent. of gross premiums on workmen's compensation business is a scandal; that the entire business getting cost should not exceed, under an elective workmen's compensation law, 15 per cent., and under a compulsory law 10 or 12½ per cent., and this can be accomplished only by conferring proper authority upon the Superintendent of Insurance to approve premium rates and to limit the expenses of administration. The following are the conclusions of the examiners:

STRENUOUS EFFORTS UNSUCCESSFUL.

The practice of liability insurance in this country covers a period of twenty-five years. During the first ten years the companies were groping in the dark and were destroying each other through reckless competition. Then followed a decade of co-operation, accompanied by efforts, well meaning if ineffectual, to discover and apply correct principles for standard rates. The inability of the companies to bring all their competitors into the Liability Conference and the free competition that followed resulted in the practical dissolution of the conference as a rate making body. This bureau, like its predecessors, has made strenuous efforts to unite the companies and apply in the practice of liability insurance certain mathematical principles of rate making. From an impartial study of its activities it is evident that it has not succeeded in uniting all the companies into a compact organization for the purpose of maintaining uniform rates. This is partly due to constantly changing conditions in its field of employers' liability, to the rivalry between its members and to the competition from non-bureau companies. This is believed by some to have been of benefit to the public in preventing the establishment of a monopoly in liability insurance. On the other hand, the absence of definite principles in rate making and the practice of special rating has resulted in discriminating practices which favor large concerns and operate against small employers.

INTRODUCING A NEW PRINCIPLE.

The entire scheme of employers' liability is

now to be subject to a radical transformation by the introduction of a new principle. From the insurance standpoint workmen's compensation is far preferable to the old doctrine of the liability of employers for negligence. After the accumulation of a certain amount of experience as to accident frequency it will be possible for the companies to ascertain net cost or pure premium rates with reasonable accuracy. This will entail a change in the practice of underwriting. It will be necessary for the companies to establish pure premium rates upon sound statistical experience and apply such in practice without any unfair discrimination. There is a movement in some States to eliminate stock companies from the writing of compensation insurance. If they are to be permitted to write liability and compensation insurance the practice of special rating, unless based upon physical and moral hazard, will have to be discontinued. Similarly, excessive commissions to agents and brokers and other extravagant expenses of administration will not be tolerated by the employers who pay the premium or by the employees, for whose benefit they are paid. A study of the problem of rate making leads to the irresistible conclusion that to maintain the solvency of companies net premium rates for liability and compensation insurance should be placed beyond the reach of competitive influences and the margin for expenses should be subjected to reasonable limitation. It is evident that the companies through combination are not able to enforce equitable rates nor to prescribe reasonable limits for expenses. There is an insistent public demand that compensation premiums shall be treated as trust funds for workers and their dependents and administered accordingly. The future usefulness of the bureau depends largely upon the degree of efficiency and faithful service it will render in carrying out the proposed programme to gather statistics concerning the number, causes and cost of industrial accidents; to provide facilities for the proper inspection of industrial risks, and to establish a merit rating system of rating based upon statistical experience and the physical and moral hazard of each individual risk.

PUBLICITY CAMPAIGN ABANDONED.

The idea of a great publicity campaign for life insurance which was taken up by the National Association of Life Underwriters of the United States has been temporarily abandoned. Though the project has been in the hands of a committee of the leading life underwriters, one of whom at least—Edward A. Woods—has long occupied a prominent place as an advertiser of life insurance, the progress has fallen far short of expectations. The plan embraced the securing of a \$100,000 fund to be expended in advertising, whether in magazines, daily newspapers, lectures in schools, colleges, etc., the great benefits of life insurance; the idea being to pave the way, as it were, for the salesman. In order to raise this sum, it was proposed that companies should subscribe an amount based upon their premium income. A stipulation was made whereby it was agreed that no assessment should be levied until sufficient of the leading companies had pledged support to guarantee the full \$100,000 of available funds. Notwithstanding a thorough canvass has been made of the various companies, and that this canvass has in

COMMERCIAL UNION

ASSURANCE COMPANY LIMITED
of LONDON, England

(As at 31st December 1912)

Capital Fully Subscribed	\$14,750,000
Capital Paid Up	1,475,000
Life Fund, and Special Trust Funds,	68,056,830
Total Annual Income exceeds	39,500,000
Total Funds exceed	118,000,000
Total Fire Losses Paid	155,780,550
Deposit with Dominion Government	1,284,327

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—

**Commercial Union Building,
MONTREAL**

J. MCGREGOR,
Manager

W. S. JOPLING,
Assistant Manager

PALATINE

INSURANCE COMPANY LIMITED
of LONDON, England

(As at 31st December 1912)

Capital Fully Paid	\$500,000
Fire Premiums 1912, Net	\$2,421,745
Interest, Net	127,350
Total Income	\$2,549,095
Funds	\$4,000,000
Deposit with Dominion Gov't	\$105,666

In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Funds exceed \$118,000,000

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—

**Commercial Union Building,
MONTREAL**

J. MCGREGOR,
Manager

W. S. JOPLING,
Assistant Manager

SUN INSURANCE OFFICE

FOUNDED A.D. 1710.

Head Office:

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

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

Canadian Branch:

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

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

ESTABLISHED 1809

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

FIRE AND LIFE

North British and Mercantile

INSURANCE COMPANY

DIRECTORS

A. MACNIDER, ESQ., Chairman CHAS. F. SISE, ESQ.
G. N. MONCEL, ESQ. WM. MCMASTER ESQ.

Head Office for the Dominion:

80 St. Francois Xavier Street - MONTREAL.
Agents in all the principal Towns in Canada.
RANDALL DAVIDSON, Manager.

ANGLO-AMERICAN FIRE INSURANCE COMPANY

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

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

INSURANCE

Phoenix of Hartford Company

Total Cash Assets : \$11,404,634.19
Total Losses Paid : 70,700,545.46

J. W. Tatley, Manager.
MONTREAL.

Applications for Agencies Invited.

The MONTREAL-CANADA FIRE INSURANCE COMPANY

ESTABLISHED 1859.

L. A. LAVALLEE, President. F. PAGE, Provincial Manager.
Head Office: ROOM 21, DULUTH BUILDING,
Cor. Notre Dame & St. Sulpice Sts.
MONTREAL.

many instances been supplemented by appeals from general agents in the field, a very small portion of the desired \$100,000 has thus far been obtained.

THE WHY OF THE FAILURE.

As to the cause of the failure, the following is given by the *New York Commercial*:—

"The trouble with the plan in the eyes of the officers of the companies appears to be that the total amount allowed under the law is now being spent in various forms of advertising. Each company appears to have a separate plan of publicity. The larger companies which spend an appreciable amount in advertising believe in not only spreading the gospel of life insurance but in presenting their own claims as well. Other companies appropriate varying amounts for the use of their agents locally and still others make their agents pay for all or part of the advertising. A scheme of general publicity applying to all the life companies might have the effect of arousing bigoted legislators, and also would be as likely to benefit companies whose agents are not represented in the National Association and which might be selling un-sound insurance. Other life men point to the fact that there has been a more or less successful effort to sell life insurance by mail on the part of a company which has been vigorous in its attacks on the whole agency system. General advertising which would attract prospects might be likely to supplement the direct advertising of this company and thus divert business which would otherwise go to the agents. Summed up, the attitude of a number of the company officers appears to be that the institution of life insurance has received much publicity since 1905 and that the public is pretty well grounded in the elemental principles and essential solidity of the business."

FACTORS OF SAFETY IN ENGINEERING AND INSURANCE.

(*William H. Boehm, Fidelity & Casualty Co., N.Y.*)

Factors of safety in engineering is the ratio of breaking strength to safe load. Correspondingly, factors of safety in insurance is the ratio of underwriting profit to premium income. A successful engineering structure must have a fair factor of safety, and likewise a successful line of insurance must produce a fair underwriting profit.

In engineering a hazardous structure demands a high factor of safety, and likewise in insurance a hazardous line demands a high margin of profit.

The underlying reason is the same in both instances. In engineering the factor of safety takes care of variations in the supposed strength of the material, variations in workmanship, and conditions unforeseen at the time the structure was designed.

In insurance the margin of profit takes care of variations from the general average for that particular hazard, incomplete or misleading information given to the underwriter, and conditions unforeseen at the time of rating the risk.

An assured factor of safety in engineering is composed of two parts, a real factor of safety, and a pure factor of ignorance. An assumed factor of safety in insurance is likewise composed of these two parts.

INSURANCE FACTORS OF SAFETY.

The insurance factors of safety in liability risks, in Workmen's Compensation risks, in Steam Boiler risks, and in Fly-Wheel risks are largely dependent

upon the engineering factors of safety. For if a roof falls, or a boiler explodes, or a fly-wheel disrupts, the engineering factor of safety is wiped out and likewise the resultant property loss and personal injury damages may be sufficient to wipe out the insurance factor of safety. The insurance factor of safety is also largely dependent upon the number of risks in force, because the premium income from a small number of risks might not contribute enough in the lifetime of a company to pay for a single disastrous loss. I need not add that the factor of safety in insurance also depends upon many other things, most important of which is a well devised system of accident prevention, and not the least important of which is efficiency of management. All of these several factors must be taken carefully into account by the underwriter if we are to provide our policyholders with stable rather than speculative insurance protection.

BOILER AND FLY-WHEEL INSURANCE FACTORS OF SAFETY.

Let us see to what extent my remarks are applicable to these two lines of insurance. Compared with other lines the volume of boiler insurance written is small, the annual income of all companies combined being only \$2,568,000—and the engineering factor of safety is high. Correspondingly then the insurance factor of safety should be high. It is, however, now so low that it is exceedingly difficult for even the larger volume companies to show an underwriting profit. That smallness of volume seriously affects its factor of safety is shown by the interesting experience of a company that has a volume of boiler insurance approximating only \$20,000 annually. During one year it had a loss ratio of only one per cent., and during another year it had a loss ratio of nearly one hundred and forty per cent. That is to say it paid out for losses alone forty per cent. more than it received in premiums.

The total volume of fly-wheel insurance written annually is even less than the total volume of boiler insurance written annually; and the engineering factor of safety for fly-wheels is greater than the engineering factor of safety for boilers. Correspondingly then the factor of safety for fly-wheel insurance should be higher. This is confirmed by the fact that the combined loss ratio of all companies on fly-wheel insurance is higher than their combined loss ratio on boiler insurance. That smallness of volume seriously affects its factor of safety is shown by the experience of a company that has a volume of fly-wheel insurance approximating only \$4,000 annually. During one year it had a loss ratio of nothing, while during another year it had a loss ratio of over three hundred per cent. That is to say it paid out for losses alone three times as much as it received in premiums.

Another company having an annual income of only \$1,000 from fly-wheel insurance, during one year had a loss ratio of nothing, and during another year had a loss ratio of nearly one thousand per cent. That is to say, it paid out for losses alone nearly ten times as much as it received in premiums. It is interesting to note in passing that even the larger volume companies are sometimes hard hit. For during the first three weeks of this year a company that writes a very large volume of boiler insurance sustained losses from three boiler explosions that aggregated nearly \$200,000. It is readily seen from this how easy it would be for a single disastrous explosion



The Employers' Liability

Assurance Corporation Limited

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

TRANSACTS:

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

Most Liberal Policies Issued

Offices: MONTREAL, TORONTO

Managers for Canada, GRIFFIN & WOODLAND.

JOHN JENKINS, Fire Superintendent.

Canadian
Government
Deposit :: :

\$1,021,187

STANDS FIRST

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

THE CANADA ACCIDENT ASSURANCE COMPANY

HEAD OFFICE: Commercial Union Building, MONTREAL

CAPITAL \$500,000.00

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

Board of Directors:

Hon. S. C. WOOD S. H. EWING Hon. N. CURRY J. S. N. DOUGALL JAMES MCGREGOR T. H. HUDSON
T. H. HUDSON, Manager.

TORONTO:
Traders Bank Building

VANCOUVER

WINNIPEG

MONTREAL
Merchants Bank Building

FOUNDED 1871

The OCEAN ACCIDENT & GUARANTEE CORPORATION, Limited of LONDON, England

Accident, Health, Employers' Liability, Guarantee and Plate Glass Insurance
UNRIVALLED SECURITY LIBERAL POLICIES

ASSETS EXCEED - - - \$11,250,000
CLAIMS PAID, over - - - \$45,000,000

Canadian Head Office - - - TORONTO, Ontario
CHARLES H. NEELY, General Manager for Canada and Newfoundland.

The CANADIAN RAILWAY ACCIDENT INSURANCE COMPANY,

112 ST. JAMES STREET, MONTREAL, CANADA

All classes of Personal Accident and Health Insurance, Employers' Liability, Elevator Liability, Teams Liability and Automobile Insurance.

LOWEST RATES CONSISTENT WITH SAFETY.

All Policies guaranteed by The Liverpool and London and Globe Insurance Co., Limited.

ASSETS OVER FIFTY-SIX MILLION DOLLARS.

to more than wipe out for a number of years an estimated underwriting profit of five to ten per cent.

Who will say, therefore, that an estimated underwriting profit of even twenty per cent. will prove a sufficient factor of safety for hazardous lines like these?

FACTORS OF SAFETY FOR CASUALTY LINES IN GENERAL.

But are the companies employing a sufficient factor of safety to take care of the unforeseen conditions that so seriously menace the future? Extracts from the financial statements for 1912 of companies transacting various casualty and liability lines and tabulated in the May 15th issue of *The Spectator* indicate they are not. Of the sixty-nine companies transacting these lines, thirty-six sustained an underwriting loss; and the combined results of the entire sixty-nine companies showed a net underwriting loss of 0.6 per cent. Great variations are observed in the percentages of underwriting profits and losses, ranging from a profit of 41.8 per cent. to a loss of 158.4 per cent. of the premium income. Grouped under the head of each line written, Casualty Companies show an underwriting loss of 1.5 per cent., Surety Companies a profit of 1.8 per cent., Plate Glass Companies a profit of 6.9 per cent., and remaining a loss of 0.5 per cent.

During the past ten years the combined underwriting profits of these sixty-nine companies steadily decreased. The vanishing point was reached in 1911, when there was a substantial underwriting loss. The loss in 1912 was even greater than in 1911, from which it is apparent that something must be accomplished to better the factor of safety, if stockholders are to receive a fair dividend on their investment and policyholders are to have proper guarantees for the payment of future losses.

STEAM-BOILER AND FLY-WHEEL INSURANCE.

The steam-boiler and fly-wheel business has been in more or less of a demoralized state ever since the competitive writing of these lines began. There has been no co-operation as to insurance requirements for the proper construction and safe operation of boilers and fly-wheels; and there has been no interchange of experience or statistics, or opinions as to the rates for which steam-boiler and fly-wheel insurance could be written with safety. Company after company has entered the field, depressed rates, demoralized the business generally and then retired. The cost of boiler and fly-wheel inspection has steadily increased on account of the increase in the hotel and traveling expenses of inspectors, and the increasing mass of data required to be placed on file by state authorities. The loss ratio has increased on account of the greater amounts that must now be paid for personal injury losses under the new liability and workmen's compensation laws, and for other reasons. Rates have steadily decreased until they are now too near the danger line either for safety of the companies, or their policyholders.

BETTERING THE FACTOR OF SAFETY.

The remedy for this condition, not only as respects steam-boiler and fly-wheel insurance but as respects other lines of the casualty and surety business, lies in co-operation. It is essential for the mutual interests of all the companies that they work together in entire harmony, and that a bureau be maintained

for each line of insurance transacted, in order that the combined experience of all the companies be compiled, and equitable rates based upon this combined experience be formulated and strictly adhered to. Printed manuals containing such rates may be used by the companies jointly, not necessarily because of any agreement among themselves to do so, but solely because they believe them to be right rates.

Such bureaus are essential for the protection of the policyholder as well as for the protection of the company. The buyer of insurance, and the buyer of an ordinary commodity each acquires entirely different relations with respects to the seller. The buyer of hardware takes his purchase away with him, and is not concerned whether the seller continues solvent or goes into bankruptcy within the hour. But when the buyer of insurance takes his policy away with him, it is of vital importance to him that the company continues solvent throughout the term of the policy. He has not bought something that he can use when and as he pleases. He has bought a promise of the company to pay a sum of money (usually a very large sum) in case a loss occurs, and the value of that promise depends solely upon the continued solvency of the company. An important improvement in the present conditions of transacting steam-boiler and fly-wheel business is about to take place. The American Society of Mechanical Engineers has appointed a Commission to prepare a Standard Code for the Construction and Safe Operation of Steam Boilers. And there has been formed by company members of the National Association of Casualty and Surety Underwriters a Steam Boiler and Fly-Wheel Service and Information Bureau. The organization of this Bureau is now nearly complete, and it is expected to be in full sway before the first of next September.

THE FRATERNAL INSURANCE SYSTEM OF TO-DAY.

(Edwin S. Philpot, Chicago, in the *Insurance World*.)

The writer was for many years an enthusiastic, loyal worker in the Fraternal Insurance field, enthusiastic perhaps to the extent of fanaticism, and while his enthusiasm may have somewhat waned, his loyalty to the system, as represented by the many good friends he is proud to number among fraternalists, has in no degree lessened, and it is not his purpose in this article to in any sense attack Fraternal Insurance, but rather to endeavor to briefly analyse present day conditions, from the standpoint of a friend, who has had an opportunity to study the system from the inside, as well as the outside.

UNREST, DOUBT, DISSATISFACTION.

That the past few years have witnessed striking developments in the Fraternal Insurance System no one will deny. In the years 1908-1913 rates of assessment in sixty-five societies were changed seventy-one times, affecting the payments of over 3,000,000 members. A growing feeling of unrest, doubt, dissatisfaction appears to have spread among the membership with the result that for the year 1912, while 120 societies showed an increase of 260,381, 64 societies show a decrease of 359,712, or a net loss for the year of 99,331 members in 184 societies. It may be said by our fraternal friends, and in fact has been, that this total decrease can be readily explained by the ex-

THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated : 1833.

HEAD OFFICE : TORONTO

Old Reliable Progressive
Assets over - - \$2,000,000.00
Losses paid since organization
over - - \$36,000,000.00

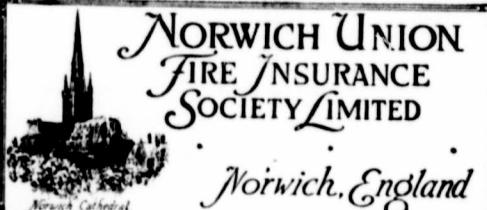
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W. B. MEIKLE, General Manager
E. F. GARROW, Secretary

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26 St. Sacrament Street : : MONTREAL



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

INSURANCE AGAINST :
FIRE ACCIDENT AND SICKNESS
EMPLOYERS' LIABILITY PLATE GLASS
Head Office for Canada TORONTO
Head Office for Province of Quebec, MONTREAL
Agents wanted for the Accident Branch.
JOHN MacEWEN, Superintendent for Quebec.

Fire Insurance Expiration Books, 50c. & \$2.00
THE CHRONICLE - MONTREAL

BRITISH COLONIAL FIRE INSURANCE COMPANY

Office : ROYAL BUILDING, 2 Place d'Armes, - Montreal.

Full Deposit with Dominion Government.
Licensed to transact in Canada the business of Fire Insurance.
SECURITY TO POLICYHOLDERS \$507,359.01.
AGENTS WANTED IN UNREPRESENTED DISTRICTS.
President : HON. C. E. DUBORD, Director and Secretary, THEODORE NEUNIER
Manager : H. W. THOMSON.
INSPECTORS.
GAVIN BROWNE, JR., 51 Yonge Street, Toronto, Ontario. R. T. BROWN, P. O. Box 840, Regina, Sask.
B. A. CHARLEBOIS, P. O. Box 208, Montreal, Que.
STRONG AS THE STRONGEST
Agents Wanted in Unrepresented Districts in Canada.

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

Phoenix Assurance Co. Ltd.

OF LONDON, ENGLAND. (Founded 1782)

FIRE LIFE

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

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L'UNION FIRE INSURANCE COMPANY, Limited

Head Office : PARIS, France.

Established 1828

Capital fully subscribed . . . \$ 2,000,000.00
Net Premiums in 1912 5,303,255.00
Total Losses paid to 31st Dec., 1912 86,000,000.00

Canadian Branch :

94 NOTRE DAME ST. WEST, MONTREAL

Manager for Canada :

MAURICE FERRAND

perience of one society, but it should be borne in mind that this "one society" is the largest and most widely known Fraternal Insurance Society in existence, embracing practically one-seventh of the entire membership of the system and in the minds of the insuring public stands as the great exemplar of Fraternal Insurance and it is from that insuring public the future members of the fraternal must be obtained.

INHERENT CAUSES.

Have these developments been the result of outside influences or are they due to causes inherent in the system? We believe the latter to be true.

Formerly the Fraternal Insurance lodge was a popular medium for social enjoyment and this led to large attendance at the lodge meetings which in turn resulted in enthusiastic co-operation of the members in adding to the membership, a very considerable part of the growth having been thus secured and without expenses to the societies. With changing conditions and the many conflicting social attractions, the attendance has diminished until to-day we believe that in Fraternal Insurance lodges the average attendance is considerably less than ten per cent. of the membership. This, of course, has operated to lessen enthusiasm until at this time the co-operation of members in securing growth is practically nil and new members are now being obtained through paid organizers at a heavy expense to the societies. The lessened enthusiasm has also added to the burdens of the management of the societies by greatly increasing lapses and making necessary the supervision of many details of local lodge operation, from which they were formerly free.

The efforts made in recent years by many societies to apply scientific insurance principles to their operation have only served to demonstrate the fundamental weaknesses of the system. To correct erroneous methods of operation by the application of scientific principles and at the same time give full heed to the sentimental fraternal principles which they advocate is a problem which appears to be unsolvable.

A BUNGLING RE-ADJUSTMENT.

The plan of re-adjustment of rates recently adopted by the largest of the Fraternal Societies and subsequently enjoined by the courts, furnishes a striking illustration of an attempt to combine scientific insurance principles with fraternal sentiment. At the time of the readjustment there were 150,000 members of the society 54 years of age and older, running up to 86 years of age, and although the new rate was based on a mortality table which was claimed by the readjustment committee to the "lowest standard of mortality heretofore deduced from the experience of any society," yet the committee recommended "in the name of fraternal and brotherly co-operation" that the 150,000 members 54 years old and older be given the level rate for age 54. This resulted in creating a deficiency, the present value of which was \$22,500,000—which amount the committee felt might be "justly borne by the younger members in the form of a fraternal tax or loading." We submit that this effort to combine scientific insurance principles with fraternal sentiment resulted in neither the one nor the other.

One of the vital principles of the system is the so-called representative form of government, which means that a majority of the law-making and governing bodies of the societies must be elected from the

membership. This is a plan beautiful in theory, but in practice it results in inexperienced men, wholly ignorant of insurance matters, being placed in positions to make the laws for and to govern societies organized for the serious purpose of providing protection for the families of their members.

Under the theory of Fraternal Insurance the members are not only the insured, but the insurers, and as the insurers the members loudly demand their right to have a large part in managing the affairs and shaping the policies of the societies, and again we cite as an illustration the very recent action of the largest fraternal society in submitting to its membership for a referendum vote eight different plans of action on the rate question. We venture the opinion that it will be admitted by the management that at least four of the proposed plans are wholly inadequate to meet the conditions in the society.

OPPOSITION TO THE "MOBILE BILL."

It is only fair to say that in recent years valiant efforts have been made by many societies to remedy conditions and place the system on an adequate basis by procuring the enactment in the several states of the "Mobile Bill," which is intended to secure adequate rates by requiring that the true conditions of the societies shall be made known to their members. Unfortunately, there has been strong opposition by many of the societies. The following is quoted from an address by a prominent official of one of the larger societies as tending to show the attitude of a society opposing the enactment of the "Mobile Bill":—

"We may be insolvent. We may have our problems confronting us that we have not yet been able to solve, but where is the man and where is the woman who will dig out the family skeleton and expose it to the world, if it is possible to retain it in the dark recesses of the closet? I want to say to you that during the last year or two it has not been the old line companies that have destroyed the confidence of the people, but it has been our societies themselves. We have had published throughout the length and breadth of the land that we are unable to stand valuation, and know it, but why should we give that to the men whom we are begging to join our institutions, claiming the families need the protection, and yet admitting with the same breath that it is doubtful if we can give it to them?"

It might be added that an item published in a *Fraternal Journal* not long ago stated that an examination of this society by one of the state insurance departments showed a deficiency of \$126,000,000, and yet this same society now sets forth conspicuously in its advertisements "Monthly rates consistently low. No readjustment contemplated."

MONTHLY PREMIUMS.

May we not conclude from the foregoing that here is a broad field for legal reserve life insurance? Not to be gained by an attack on the system, but rather by placing ourselves in a position where we can offer to the more than 7,000,000 members of Fraternal Insurance Societies liberal legal reserve policies with the premiums payable monthly, thus bringing the payment within the reach of a very large class who have heretofore felt themselves unable to buy legal reserve insurance. And might we not with profit adopt in some measure the Fraternal method of keeping in much more closely in touch with policyholders, at other times and in other ways than by merely notifying them when a renewal premium is due?

BRITISH AND CANADIAN UNDERWRITERS

of NORWICH, ENGLAND,

ISSUING POLICIES OF THE

Norwich Union Fire Insurance Society
Limited, of NORWICH, ENGLAND.

AGENTS WANTED AT ALL POINTS IN THE DOMINION.

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Head Office for Province of Quebec, MONTREAL

JOHN MacEWEN, Superintendent for Quebec

MOUNT ROYAL ASSURANCE COMPANY

AUTHORIZED CAPITAL. . . . \$1,000,000

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All policies issued with Annual Dividends on
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Exceptional opening for Agents. Province of
Quebec and Eastern Ontario.

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As a representative of the "Oldest Life Insurance
Company in America" will prove your best
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Incomparable Dividends

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Agents wanted in unrepresented towns in Canada.

W. D. AIKEN, Superintendent.

Accident Dept.

J. E. E. DICKSON
Canadian Manager

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GUARANTEE BONDS

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THE CHRONICLE - MONTREAL

The LIFE AGENTS' MANUAL

PRICE, \$3.00

Published by The Chronicle, Montreal

AN INSURANCE ACT.

Of course, I had always known that a medical examination was a necessary preliminary to insurance, but in my own case I had expected the thing to be the merest formality . . .

The doctor began quietly enough. He asked, as I had anticipated, after the health of my relations. I said that they were very fit, and, not to be outdone in politeness, expressed the hope that his people, too, were keeping well in this trying weather. He wondered if I drank much. I said, "Oh, well, perhaps I *will*," with an apologetic smile, and looked round for the sideboard. Unfortunately he did not pursue the matter . . .

"And now," he said, after the hundredth question, "I should like to look at your chest."

I had seen it coming for some time. In vain I had tried to turn the conversation—to lead him back to the subject of drinks or my relations. It was no good. He was evidently determined to see my chest. Nothing could move him from his resolve.

Trembling, I prepared for the encounter. What terrible disease was he going to discover?

He began by tapping me briskly all over in a series of double-knocks. For the most part one double-knock at any point appeared to satisfy him, but occasionally there would be no answer, and he would knock again. At one spot he knocked four times before he could make himself heard . . .

"Um," he said, when he had called everywhere, "um."

"I wonder what I've done," I thought to myself. "I don't believe he likes my chest."

Without a word he got out his stethoscope, and began to listen to me. As luck would have it, he struck something interesting almost at once, and for what seemed hours he stood there listening, and listening to it. But it was boring for me, because I really had very little to do. I could have bitten him in the neck with some ease . . . or I might have licked his ear. Beyond that, nothing seemed to offer. I moistened my lips and spoke.

"Am I dying?" I asked, in a broken voice.

"Don't talk," he said. "Just breathe naturally."

"I am dying," I thought, "and he is hiding it from me." It was a terrible reflection.

"Um," he said, and moved on.

By and by he went and listened behind my back. It is very bad form to listen behind a person's back. I did not tell him so, however. I wanted him to like me.

"Yes," he said. "Now cough."

"I haven't a cough," I pointed out.

"Make the noise of coughing," he said severely.

Extremely nervous, I did my celebrated imitation of a man with an irritating cough. . . .

"Um," he said gravely, "um." He put his stethoscope away, and looked earnestly at me.

"Tell me the worst," I begged. "I'm not bothering about this stupid insurance business now. That's off, of course. But—how long have I? I must put my affairs in order. Can you promise me a week?"

He said nothing. He took my wrists in his hands and pressed them. It was evident that grief overmastered him, and that he was taking a silent farewell of me. I bowed my head. Then, determined to bear my death-sentence like a man, I said firmly, "So be it," and drew myself away from him.

However, he wouldn't let me go.

"Come, come," I said to him, "you must not give way," and I made an effort to release my hand, meaning to pat him encouragingly on the shoulder. He resisted . . .

I realised suddenly that I had mistaken his meaning, and that he was simply feeling my pulses.

"Um," he said, "um," and continued to finger my wrists.

Clenching my teeth, and with the veins starting out on my forehead, I worked my pulses as hard as I could.

"Ah," he said, as I finished tying my tie; and he got up from the desk where he had been making notes of my disastrous case, and came over to me. "There is just one thing more. Sit down."

I sat down.

"Now cross your knees."

I crossed my knees. He bent over me, and gave me a sharp tap below the knee with the side of his hand.

My chest may have disappointed him. . . . He may have disliked my back. . . . Possibly I was a complete failure with my pulses. But I knew the knee-trick.

This time he should not be disappointed.

I was taking no risks. Almost before his hand reached my knee, my foot shot out and took him fairly under the chin. His face suddenly disappeared.

"I haven't got *that* disease," I said cheerily.

—Punch.

CANADIAN FIRE RECORD

(Specially compiled by The Chronicle)

MALONE BAY, N.S.—Villages of Martin River and Malone in danger from forest fires.

SARNIA, ONT.—Box car containing inflammables destroyed, August 14.

BRANTFORD, ONT.—G. H. Biggar's residence burned, August 5. Origin, explosion of oil stove.

BELLEVILLE, ONT.—Bush fires in second concession of Sydney township have done much damage to crops.

AMHERST, N.S.—Mrs. Allan's millinery parlors, Victoria Street, burned, August 11. Loss, \$2,500, partly insured.

COBourg, ONT.—E. Anderson's house destroyed with contents and barn, August 15. Originated from stove.

MARYSVILLE, ONT.—Barns of J. Toppings, sen., at Tyendenaga, destroyed with contents, August 17. Origin, sparks from engine.

HAMILTON, ONT.—Storage warehouse of Metropolitan Furniture Company, King Street, damaged, August 14. Loss, \$6,000.

AMHERST, N.S.—Ettor & Low's livery stable burned with 23 horses and other contents, August 14. Origin, unknown.

BOWANVILLE, ONT.—S. J. Heney's farm buildings destroyed with contents, August 17. Loss, \$5,000 with \$1,000 insurance. Origin, lightning.

BRANDON, MAN.—Mrs. Maroneski's frame house destroyed with contents, August 12. Loss, \$2,000, partly covered by insurance.

Shed containing hay, property of J. Bradley, destroyed, August 14. Loss, \$1,500.

(Continued on p. 1190.)

Traffic Returns.

CANADIAN PACIFIC RAILWAY.

Year to date.	1911.	1912.	1913.	Increase
July 31.....	\$56,378,000	\$70,983,000	\$75,878,000	\$4,895,000
Week ending	1911.	1912.	1913.	Increase
Aug. 7.....	2,272,000	2,706,000	2,581,000	Dec. 125,000
14.....	2,205,000	2,677,000	2,630,000	47,000

GRAND TRUNK RAILWAY

Year to date.	1911.	1912.	1913.	Increase
July 31.....	\$26,758,405	\$28,527,279	\$32,180,296	\$3,653,017
Week ending	1911.	1912.	1913.	Increase
Aug. 7.....	1,617,982	1,109,632	1,149,584	39,902

CANADIAN NORTHERN RAILWAY.

Year to date.	1911.	1912.	1913.	Increase
July 31.....	\$8,628,550	\$11,933,600	\$12,668,700	\$1,635,100
Week ending	1911.	1912.	1913.	Increase
Aug. 7.....	\$332,500	407,300	418,700	11,400
14.....	319,700	401,800	436,900	35,100

TWIN CITY RAPID TRANSIT COMPANY.

Year to date.	1911.	1912.	1913.	Increase
July 31.....	\$4,435,025	\$4,582,178	\$4,955,137	\$372,959
Week ending	1911.	1912.	1913.	Increase
July 7.....	183,360	166,467	179,735	13,268
" 14.....	153,600	152,560	166,435	13,875
" 21.....	151,223	158,085	175,026	16,941
" 31.....	213,319	230,062	245,050	14,998

HAVANA ELECTRIC RAILWAY CO.

Week ending	1912.	1913.	Increase
Aug. 3.....	\$51,358	\$55,588	\$4,230
" 10.....	52,856	56,067	3,211
" 17.....	51,421	56,108	4,687

DULUTH SUPERIOR TRACTION CO.

Year to date.	1911.	1912.	1913.	Increase
July 7.....	\$25,898	\$24,988	\$29,163	\$4,175
" 14.....	23,046	22,025	25,407	3,382
" 21.....	25,103	24,522	26,484	1,962
" 31.....	33,655	23,888	26,195	2,307

DETROIT UNITED RAILWAY.

Week ending	1911.	1912.	1913.	Increase
July 7.....	\$210,601	\$236,116	\$268,214	\$32,098
" 14.....	193,236	220,405	253,879	33,474
" 21.....	.....	233,652	263,184	29,532

CANADIAN BANK CLEARINGS.

	Week ending Aug. 21, 1913	Week ending Aug. 14, 1913	Week ending Aug. 22, 1912	Week ending Aug. 24, 1911
Montreal.....	\$60,184,975	\$50,884,403	\$52,795,277	\$41,874,263
Toronto.....	87,419,823	35,792,615	6,742,949	30,463,565
OTTAWA.....	4,141,875	3,976,421	4,087,998	4,400,733

MONEY RATES.

	To-day	Last Week	A Year Ago
Call money in Montreal...	6-6 1/2 %	6-6 1/2 %	5 %
" " in Toronto....	6-6 1/2 %	6-6 1/2 %	5 1/2 %
" " in New York..	2 1/2 %	2 1/2 %	2 1/2 %
" " in London....	3 %	2 1/2 %	1 1/2 %
Bank of England rate.....	2 1/2 - 1 1/2 %	4 1/2 %	3 %

DOMINION CIRCULATION AND SPECIE.

June 30, 1913....	\$116,363,538	December 31, 1912	\$115,836,488
May 31.....	113,746,734	Nov. 30.....	118,958,620
April 30.....	114,296,017	October 31.....	115,748,414
March 31.....	112,101,886	Sept. 30.....	115,995,602
February 28.....	110,484,879	August 31.....	116,210,579
January 31.....	113,602,030	July 31.....	113,794,845

Specie held by Receiver-General and his assistants:-

June 30, 1913....	\$100,437,594	December 31, 1912	\$104,076,547
May 31.....	100,481,562	Nov. 30.....	106,698,599
April 30.....	100,706,287	Oct. 31.....	103,054,008
March 31.....	98,507,113	Sept. 30.....	103,041,850
February 28.....	98,720,004	August 31.....	103,014,276
January 31.....	101,893,969	July 31.....	100,400,688

In the Morning

Abbey's Effervescent Salt

Keeps the blood cool, sends the busy man to the office with an active brain and the mental and physical power to grasp every problem.

Two Sizes **25c.** and **60c.** All Drugists

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

For Sale at The Chronicle Office, 160 St. James Street, Montreal.

List of Leading Stocks and Bonds

CORRECTED TO THURSDAY, AUGUST 21st, 1913

BANK STOCKS.	Closing price of Last sale.	Par value of one share.	Return per cent. on investment at present prices.	Rate of Annual Dividend	Capital subscribed	Capital paid up	Res. Fund	Per cent'ge of Res. to paid up Capital	When Dividend payable
	Asked. Bid.	\$	Per Cent.	Per cent	\$	\$	\$		
British North America	148	50	5 40	8	4,866,867	4,866,667	2,920,000	60.00	April, October.
Canadian Bank of Commerce	XD 202 1/2	100	5 50	10+1	15,000,000	15,000,000	12,500,000	83.33	March, June, Sept., Dec.
Dominion	XR 100	100	12+2	12+2	5,465,700	5,375,757	6,375,757	118.60	Jan., April, July, Oct.
Hamilton	100	100	11	11	3,000,000	3,000,000	3,500,000	116.66	March, June, Sept., Dec.
Hoheblaga	100	100	7	7	3,904,000	2,591,660	3,000,000	83.34	March, June, Sept., Dec.
Home Bank of Canada	100	100	7	7	2,000,000	1,938,700	650,000	33.54	March, June, Sept., Dec.
Imperial	100	100	12	12	7,000,000	6,908,042	7,000,000	101.32	Feb., May, August, Nov.
Merchants Bank of Canada	100	100	10	10	6,764,700	6,764,700	6,419,175	94.90	March, June, Sept., Dec.
Metropolitan Bank	100	100	10	10	1,000,000	1,000,000	1,250,000	125.00	Jan., April, July, Oct.
Molson	194 183	100	5 67	11	4,000,000	4,000,000	4,700,000	117.50	Jan., April, July, Oct.
Montreal	XD 230 227	100	5 21	10+2	16,000,000	16,000,000	16,000,000	100.00	March, June, Sept., Dec.
Nationale	100	100	7	7	2,000,000	2,000,000	1,650,000	77.50	Feb., May, August, Nov.
Northern Crown Bank	100	100	6	6	2,862,400	2,772,960	300,000	10.82	January, July.
Nova Scotia	225 222	100	5 49	14	6,000,000	5,967,610	10,844,624	181.73	Jan., April, July, Oct.
Ottawa	XD 292 197	100	5 94	12	3,952,400	3,940,180	4,440,180	112.69	March, June, Sept., Dec.
Provincial Bank of Canada	100	100	6	6	1,000,000	1,000,000	575,000	57.50	Jan., April, July, Oct.
Quebec	XD 120	100	5 83	7	2,721,200	2,584,395	1,250,000	46.57	March, June, Sept., Dec.
Royal	XD 215 214	100	5 58	12	11,560,000	11,560,000	12,560,000	108.65	Jan., April, July, Oct.
Standard	XR 50	100	13	13	2,428,200	2,492,795	3,192,795	128.08	Feb., May, Aug, Nov.
Sterling	100	100	5	5	1,219,800	1,129,657	6,000,000	129.00	March, June, Sept., Dec.
Toronto	XD 1141	100	11+1	11+1	5,000,000	5,000,000	5,000,000	100.00	Jan., April, July, Oct.
Union Bank of Canada	XD 100	100	8	8	5,000,000	5,000,000	3,300,000	66.00	March, June, Sept., Dec.
Vancouver	100	100	5	5	1,174,700	883,200	40,000	4.65	Jan., April, July, Oct.
Wayburn Security	100	100	5	5	682,200	316,100	65,000	20.56	Feb., May, Aug, Nov.
MISCELLANEOUS STOCKS.									
Bell Telephone	151	100	5 29	8	15,000,000	15,000,000	15,000,000	100.00	Jan., April, July, Oct.
Brazilian Traction	XD 92 1/2 92 1/2	100	6 45	6	104,500,000	104,500,000	104,500,000	100.00	Feb., May, Aug, Nov.
H. O. Packers Assn., pref	100	100	7	7	633,000	633,000	633,000	100.00	May, Nov.
do Com	137 136	100	4 37	6	1,511,400	1,511,100	1,511,100	100.00	Jan., April, July, Oct.
Canadian Pacific	219 218 1/2	100	4 56	7+3	260,000,000	198,000,000	198,000,000	76.15	Jan., April, July, Oct.
Canadian Car Com.	70 70	100	5 71	4	3,500,000	3,500,000	3,500,000	100.00	Jan., April, July, Oct.
do Pfd.	108 104	100	6 42	7	6,100,000	6,100,000	6,100,000	100.00	Jan., April, July, Oct.
Can. Cement Com.	32 31 1/2	100	7 60	7	13,500,000	13,500,000	13,500,000	100.00	Jan., April, July, Oct.
do Pfd.	92 91	100	4 70	4	10,560,000	10,560,000	10,560,000	100.00	Jan., April, July, Oct.
Can. Con. Rubber Com.	85 83	100	4 70	4	2,805,500	2,801,500	2,801,500	99.90	Jan., April, July, Oct.
do Prof.	96	100	7 29	7	1,980,000	1,980,000	1,980,000	100.00	Jan., April, July, Oct.
Canadian Converters	100	100	10	10	1,738,500	1,738,500	1,738,500	100.00	Feb., May, Aug, Nov.
Canadian General Electric	100	100	7 11	7+1	5,440,000	5,440,000	5,440,000	100.00	Jan., April, July, Oct.
Canadian Cottons	36 1/2 36 1/2	100	7 77	6	2,715,000	2,715,000	3,063,500	112.83	Jan., April, July, Oct.
do do Pfd.	77 76 1/2	100	7 77	6	3,641,500	3,641,500	3,641,500	100.00	Jan., April, July, Oct.
Canada Locomotive	100	100	7	7	2,000,000	2,000,000	2,000,000	100.00	Jan., April, July, Oct.
do do Pfd.	100	100	24	24	1,500,000	1,500,000	1,500,000	100.00	Jan., April, July, Oct.
Crown Insurers	XR 1 53 1 53	100	8 57	6	1,999,367	1,999,367	1,999,367	100.00	Monthly.
Detroit United Ry	XD 69 69	100	8 57	6	12,600,000	12,600,000	12,600,000	100.00	March, June, Sept., Dec.
Dominion Cannery	68 68	100	8 69	6	2,148,000	2,148,000	2,148,000	100.00	Jan., April, July, Oct.
Dominion Coal Preferred	103 1/2	100	6 76	7	3,000,000	3,000,000	3,000,000	100.00	January, August.
Dominion Textile Co Com	100	100	6	6	5,000,000	5,000,000	5,000,000	100.00	Jan., April, July, Oct.
do Pfd.	100 99 1/2	100	7 00	7	1,859,030	1,859,030	1,859,030	100.00	Jan., April, July, Oct.
Dom. Iron & Steel Pfd.	101 98	100	6 94	7	5,000,000	5,000,000	5,000,000	100.00	April, October.
Dominion Steel Corp.	50 50 1/2	100	8 00	4	35,656,800	35,656,800	35,656,800	100.00	Jan., April, July, Oct.
Duluth Superior Traction	100	100	5	5	3,500,000	3,500,000	3,500,000	100.00	Jan., April, July, Oct.
Haltimex Tramway Co	160	100	5 00	8	1,400,000	1,400,000	1,400,000	100.00	Jan., April, July, Oct.
Havana Electric Ry Com	100	100	6	6	7,463,703	7,463,703	7,463,703	100.00	Jan., April, July, Oct.
do Preferred	100	100	6	6	5,000,000	5,000,000	5,000,000	100.00	Jan., April, July, Oct.
Illinois Trac. Pfd.	93	100	6 66	6	5,301,000	5,301,000	5,301,000	100.00	Jan., April, July, Oct.
Kaminstiquia Power	122 1/2	100	4 08	5	2,000,000	2,000,000	2,000,000	100.00	Feb., May, August, Nov.
Laurentide Com	XR 157 156 1/2	100	5 09	8	7,300,000	7,300,000	7,300,000	100.00	February, August.
Lake of the Woods Mill. Co Com	100	100	8	8	2,100,000	2,100,000	2,100,000	100.00	Mar., June, Sept., Dec.
do do Pfd.	120 100	100	5 83	7	1,500,000	1,500,000	1,500,000	100.00	Jan., April, July, Oct.
Mackay Companies Com.	84 82	100	5 95	5	41,390,400	41,358,900	41,358,900	99.92	Jan., April, July, Oct.
do Pfd.	70 69 1/2	100	5 71	4	80,000,000	80,000,000	80,000,000	100.00	Jan., April, July, Oct.
Mexican Light & Power Co	67 63	100	5 97	4	13,500,000	13,500,000	13,500,000	100.00	Jan., April, July, Oct.
do do Pfd.	100	100	5 97	4	2,400,000	2,400,000	2,400,000	100.00	Jan., April, July, Oct.
Minn. St. Paul & S.S.M. Co	133 1/2	100	5 28	7	20,832,000	20,832,000	20,832,000	100.00	May, November.
do Pfd.	100	100	7 14	4	10,416,000	10,416,000	10,416,000	100.00	April, October.
Montreal Cottons	56 53	100	7 14	4	3,000,000	3,000,000	3,000,000	100.00	March, June, Sept., Dec.
Montreal Light, Ht. & Pwr. Co	210 1/2 210 1/2	100	4 76	10	17,000,000	17,000,000	17,000,000	100.00	Feb., May, August, Nov.
Montreal Telegraph	139 135 1/2	100	5 76	8	2,000,000	2,000,000	2,000,000	100.00	Jan., April, July, Oct.
Northern Ohio Traction Co.	100	100	5	5	9,000,000	9,000,000	9,000,000	100.00	March, June, Sept., Dec.
N. Scotia Steel & Coal Co. Com.	76 1/2 76 1/2	100	7 77	6	6,000,000	6,000,000	6,000,000	100.00	Jan., April, July, Oct.
do Pfd.	100	100	8	8	1,040,000	1,040,000	1,040,000	100.00	Jan., April, July, Oct.
Ogilvie Flour Mills Com	116 1/2 116 1/2	100	6 89	8	2,500,000	2,500,000	2,500,000	100.00	Jan., April, July, Oct.
do Pfd.	100	100	7	7	2,000,000	2,000,000	2,000,000	100.00	March, June, Sept., Dec.
Penman's Ltd. Com	53 51	100	7 54	4	2,150,000	2,150,000	2,150,000	100.00	Feb., May, August, Nov.
do Prof.	100	100	6	6	1,075,000	1,075,000	1,075,000	100.00	Feb., May, August, Nov.
Quebec Ry. L. & P.	12 11	100	7 20	8	9,909,500	9,909,500	9,909,500	100.00	March, June, Sept., Dec.
Richelieu & Ont. Nav. Co.	110 1/2 110 1/2	100	7 20	8	3,143,000	3,143,000	3,143,000	100.00	Jan., April, July, Oct.
Shawinigan Water & Power Co.	100	100	6	6	10,000,000	10,000,000	10,000,000	100.00	Jan., April, July, Oct.
Toledo Ry. & Light Co.	100	100	5	5	13,875,000	13,875,000	13,875,000	100.00	Jan., April, July, Oct.
Toronto Street Railway	139 138 1/2	100	5 76	8	10,965,352	10,965,352	10,965,352	100.00	Jan., April, July, Oct.
Tri-City Preferred	100	100	5 66	6	2,824,200	2,824,200	2,824,200	100.00	Jan., April, July, Oct.
Twin City Rapid Transit Co.	106	100	5 66	6	20,100,000	20,100,000	20,100,000	100.00	Jan., April, July, Oct.
Twin City Rapid Transit, Pfd.	100	100	7	7	3,000,000	3,000,000	3,000,000	100.00	Jan., April, July, Oct.
West India Electric	94	100	5 31	5	800,000	800,000	800,000	100.00	Nov. & December.
Windsor Hotel	100	100	5	5	3,000,000	3,000,000	3,000,000	100.00	Jan., April, July, Oct.
Winnipeg Electric Railway Co	211	100	5 08	12	6,000,000	6,000,000	6,000,000	100.00	Jan., April, July, Oct.

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it has a still greater future! There are unlimited opportunities for capable men.

Write us about an Agency. Good Contract.

THE PRUDENTIAL INSURANCE CO. OF AMERICA
 FORREST F. DRYDEN, President. Home Office: NEWARK, N.J.
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 [Fire Insurance since A.D. 1714]

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

The Excelsior Life Insurance Co.

Head Office Established 1899 **TORONTO, Canada**
 ALL PREVIOUS RECORDS BROKEN during the first six months of 1912.

New Insurance applied for	\$1,836,000.00
New Insurance issued	1,719,048.50
Insurance in force	15,771,632.70
Cash Receipts, Premiums and Interest	310,640.55
Total Disbursements	44,638.38
Increase	153,614.85

The Assets reserve and Surplus Funds show corresponding increase

Where Increases are desirable—There are Increases.
 Where Decreases are desirable—There are Decreases.
 To be a successful agent, you must represent a successful company.

We have an opening for you, if you are a worker.
E. MARSHALL, General Manager **D. FASKEN, President.**

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

ATLAS ASSURANCE COMPANY

LIMITED, of LONDON, ENGLAND

Established in the REIGN of GEORGE III
 Income exceeds **\$7,250,000**
 Funds exceed **17,900,000**

Including the Fully Subscribed Capital, the resources of the Company exceed \$28,900,000.

Head Office for Canada - MONTREAL
MATTHEW C. HINSHAW, Branch Manager **Active and Influential Agents Wanted**

CANADIAN FIRE RECORD.

(Continued from page 1187.)

PETERBORO, ONT.—Extensive forest fires have been raging in the vicinity of Pigeon and Bald Lakes, caused by careless tourists who left a camp fire unquenched. Peterbore Lumber Company's limits, Cavendish township, also damaged.

MONTREAL.—F. Tremblay & Company's lumber mill, etc. corner of William and Ottawa Streets, damaged, August 15. Loss, \$30,000.

Stable of Crook & Corry, in rear of St. Antoine Street, damaged, August 18.

Wooden dwellings of H. Lavigne, 173 Jacques Hertel Street, J. Legros, 100 Jacques Hertel Street, and O. Montpetit, 150 De Biencourt Avenue destroyed, August 19. Adjoining houses slightly damaged.

Building lately occupied by Kyle, Cheesebrough & Co., 93 St. Peter Street, damaged, August 19. Stock of George H. Hess Son & Co., Ltd., who were moving in, and of J. B. Caverhill, at 91 St. Peter Street, damaged. One death.

Insurance concerned in the fire at 93 St. Peter Street, on August 19, as follows:—

93 ST. PETER STREET—Liverpool & London & Globe, building, \$17,500, rentals, \$2,500; North Am-

erica, \$3,500; Royal, \$15,000. Loss on building, \$12,000.

91 ST. PETER STREET—Liverpool & London & Globe, \$17,000; London Assurance, \$1,500; Phoenix of London, \$15,000; Royal, \$2,500. Total, \$36,000. Loss, \$3,000.

Fire at St. Anne Cotton Mill, Notre Dame Street East, August 20, damaged 400 bales of cotton.

Fire starting in sheds in rear of old Diamond building, 695 St. Paul Street, August 20, resulted in loss to building, J. Diamond's rag-picking establishment, and Ricard sales stable (damaged by water) \$10,000.

Fire which started in shed in rear of 176 Ann Street, resulted in half a dozen sheds, used by tenants living on Ann Street from No. 170 to 184, being either totally destroyed or more or less damaged. A large shed, in the rear of Nos. 180 to 184 Shannon Street, leased as a storehouse by the West End Furnishing Company, whose main office is at 580 Notre Dame Street West, was also destroyed. The owner of the sheds burned in the rear of the Ann Street houses is Mr. Edward Kennedy. Loss, \$6,000.

DONALD, ONT.—Chemical Company has lost thousands of cords of wood through forest fires, which are also sweeping unchecked through many Ontario districts.

STOCK AND BOND LIST, Continued

BONDS	Closing Quotations		Rate of Interest per annum	Amount outstanding.	When Interest due.	Where Interest payable	Date of Maturity.	REMARKS
	Ask	Bid						
Bell Telephone Co.....	99	97	5	\$3,649,000	1st Oct. 1st Apl.	Bk. of Montreal, Mtl.	April 1st, 1925 Dec. 1st, 1939	Red. at 110 aft. Nov. '19 or in pt. aft. Nov '11
Can. Car & Fdy.....	105 1/2	104 1/2	6	3,500,000	1st June 1st Dec.	.....	.....	.....
Can. Converters.....	..	..	6	474,000	1st June 1st Dec.	.....	.....	.....
Can. Cement Co.....	98	..	6 1/2	5,000,000	1st Apl. 1st Oct.	" "	Oct. 21st, 1929 April 1st, 1940	Redeemable at 110 Red. at 105 and Int. after May 1st, 1910
Dominion Coal Co.....	98	..	5	6,300,000	1st May 1st Nov.	.....	.....	.....
Dom. Iron & Steel Co...	..	..	5 1/2	7,332,000	1st Jan. 1st July	Bk. of Montreal, Mtl	July 1st, 1929	5 Redeemable at 110 and Interest.
Dom. Tex. Sers. "A".....	..	..	6	758,600	1 March 1 Sept.	Royal Trust Co. Mtl.	March 1st, 1925	Redeemable at par after 5 years Red. at 105 and Interest
" " "B".....	..	..	6	1,000,000	"	" "	"	"
" " "C".....	99 1/2	..	6	1,000,000	"	" "	"	"
" " "D".....	100 1/2	..	.....	450,000	"	" "	"	Redeemable at 105
Havana Electric Railway	..	..	5	7,824,731	1st Feb. 1st Aug.	52 Broadway, N.Y.	Feb. 1st, 1912	Redeemable at 110
Halifax Tram.....	..	..	5	600,000	1st Jan. 1st July	Bk. of Montreal, Mtl.	Jan. 1st, 1916	.....
Keewatin Mill Co.....	..	100	6	750,000	1st March 1 Sept.	Royal Trust Co., Mtl.	Sept. 1st, 1916	.....
Lake of the Woods Mill Co	..	100	6	1,000,000	1st. June 1st Dec.	Merchants Bank of Canada, Montreal.	June 1st, 1932	.....
Laurentide Paper Co....	..	104	6	947,305	2 Jan. 2 July	Bk. of Montreal, Mtl.	Jan. 2nd, 1920	.....
Mexican Electric L. Co.	78	..	5	5,778,600	1st Jan. 1st July	" "	July 1st, 1935	.....
Mex. L't & Power Co.	83	..	5	11,724,500	1st Feb. 1st Aug.	" "	Feb. 1st, 1933	.....
Montreal L. & Pow. Co.	96 1/2	..	4 1/2	6,787,000	1st Jan. 1st. July	" "	Jan. 1st, 1932	Red. at 105 and Int. after 1-12
Montreal Street Ry. Co.	..	100	4 1/2	1,500,000	1st May 1st Nov.	Bk. of Montreal, Mtl.	May .. 1932 July 1st, 1932	Redeemable at 105 and Interest
Ogilvie Flour Mills Co....	..	..	6	1,750,000	1st June 1st Dec.	.....	.....	Redeemable at 110 after Nov. 1, 1911
Penmaes.....	90	88	5	2,000,000	1st May 1st Nov.	Bk. of M., Mtl. & Ln.	Nov. 1st, 1926	.....
Price Bros.....	85	83	6	833,000	1st June 1st Dec.	.....	June 1st, 1925 June 1st, 1929	.....
Quebec Ry. L. & P. Co....	46	..	5	4,866,666	1st June 1st Dec.	.....	Jan. 1st, 1935	.....
Rio Janeiro.....	..	..	5	25,000,000	1 Jan. 1 July	C. B. of C. London.	.....	.....
Sao Paulo.....	..	..	5	6,000,000	1st June 1st Dec.	Nat. Trust Co. Tor	June 1st, 1929	.....
Toronto & York Radial..	..	..	5	1,620,000	1 July 1st Jan	B. of M., Tor. & N.Y.	Feb. 1st, 1919	.....
Winnipeg Electric.....	100	..	5	1,000,000	1st Apl. 1st Oct	Bk. of Montreal, Mtl.	Jan. 1st, 1927	.....
West India Electric.....	..	..	5	4,000,000	2 Jan. 2nd July	" "	Jan. 1st, 1935	.....
				600,000	1st Jan. 1st July	.....	.....	.....

**Montreal Tramways Company
SUBURBAN SUMMER TIME TABLE**

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

From Lachine—
20 min. service 5.30 a.m. to 5.50 a.m. 10 min. service 12.00 noon to 8.00 p.m.
10 " " 5.50 " 9.00 " 20 " " 8.00 p.m. to 12.10 a.m.
20 " " 9.00 " 12.00 noon Extra last car at 12.50 a.m.

Sault aux Recollets and St. Vincent de Paul:
From St. Denis to St. Vincent—
20 min. service 5.20 a.m. to 6.00 a.m. 30 min. service 8.00 p.m. to 11.00 p.m.
10 " " 6.00 " 8.00 " Car to St. Vincent 11.30 p.m.
20 " " 8.00 " 4.00 p.m. Car to Hendersons only 12.00 mid.
10 " " 4.00 p.m. to 7.00 " Car to Hendersons 12.20 a.m.
20 " " 7.00 " 8.00 " Car to St. Vincent 12.40 midnight

From St. Vincent to St. Denis—
20 min. service 5.50 a.m. to 6.30 a.m. 30 min. service 8.30 p.m. to 11.30 p.m.
10 " " 6.30 " 8.30 " Car from St. Vincent 11.30 p.m.
20 " " 8.30 " 4.30 p.m. Car from Hendersons 12.20 a.m.
10 " " 4.30 p.m. to 7.30 " Car from St. Vincent 1.10 a.m.
20 " " 7.30 " 8.30 p.m. Car from St. Vincent 1.10 a.m.

Cartierville:
From Snowdon's Junction— 20 min. service 5.20 a.m. to 11.20 p.m.
40 " " 11.20 p.m. to 12.00 mid.
From Cartierville— 20 min. service 5.40 a.m. to 11.40 p.m.
40 " " 11.40 p.m. to 12.20 mid.

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

Bout de l'Île:
30 min. service 5.00 a.m. to 9.00 p.m.
60 " " 9.00 p.m. to 12.00 midnight

Tetrautville:
15 min. service 5.00 a.m. to 6.30 a.m.
30 " " 6.30 " 8.30 p.m.

**\$1,164,706.40
CITY OF OTTAWA, ONTARIO
DEBENTURES FOR SALE**

Tenders addressed to "The Chairman, Board of Control," and marked "TENDERS FOR DEBENTURES," will be received by the City of Ottawa until 3 p.m., on Thursday the 28th August, 1913, for the purchase of \$51,000.00 40 year debentures, \$596,500.00 30 year debentures and \$517,206.40, 20 years.

They are all a liability of the City at large, and bear 4 1/2 per cent. interest, payable 1st January and 1st July.

Two separate tenders will be received, one for \$236,000.00 30 year debentures, and the other for the remainder of the debentures \$928,706.40.

All tenders must be on the official form. The tender for the \$236,000.00 debentures must be accompanied with an accepted cheque for \$1,000.00 and the tender for the \$928,706.40 debentures with an accepted cheque for \$5,000.00.

Accrued interest from 1st July, 1913, must be paid in addition to the price tendered.

The \$236,000.00 debentures are in \$1,000.00 denominations principal and interest payable at Ottawa.

The remainder of the debentures will be made payable in Ottawa, New York or London, at the option of the purchaser, and in denominations to suit.

Delivery of the \$236,000.00 debentures can be made at once if required, and of the remainder of the debentures within one month if required.

The highest or any tender not necessarily accepted.

Full particulars, together with further conditions, and official forms of tenders, can be obtained on application to the City Treasurer, Ottawa.

Ottawa, 4th July, 1913. (Signed) J. A. ELLIS, Mayor.

RAILWAY PASSENGERS ASSURANCE CO.

OF LONDON,
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Established 1849.

OLDEST ACCIDENT COMPANY IN THE WORLD
ACCIDENTS OF ALL KINDS
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ALL KINDS OF
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(INCLUDING AUTOMOBILE.)

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A Strong Canadian Company.

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GUARANTEE BONDS

PLATE GLASS AND AUTOMOBILE INSURANCE

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General Manager.

FRANK W. COX,
Secretary.

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ROYAL EXCHANGE ASSURANCE

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Losses paid exceed \$235,000,000

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responsible gentlemen in un-
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and casualty agencies



Head Office: Royal Exchange, London

The Equity Fire Insurance Co. TORONTO, CAN.

WM. GREENWOOD BROWN, General Manager

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Brown Clarke Agency, Winnipeg
Young & Lorway, Sydney, B.C.

Faulkner & Co., Halifax,
W. S. Holland, Vancouver
Geo. A. Lavis, Calgary
J. M. Queen, St. John, N.B.
McCallum, Hill & Co., Regina.

THE FEDERAL LIFE ASSURANCE COMPANY

Home Office, HAMILTON, CANADA.

The year 1912 shows the largest gains in the Company's history—Substantial increases made in all departments.
Assets increased \$440,648.30; The Cash income by \$130,808.60; Surplus earned during the year
amounted to \$107,050.90; Assurances at risk now amount to \$25,555,267.00

Several attractive openings for live agents in the Province of Quebec. Apply to

C. L. SWEENEY, Provincial Manager,
Montreal, Quebec