

The Chronicle

Banking, Insurance and Finance

ESTABLISHED JANUARY, 1881

PUBLISHED EVERY FRIDAY



Vol. XXXV. No. 32

MONTREAL, AUGUST 6, 1915.

Single Copy 10c
Annual Subscription, \$5.00

THE OUTLOOK

The anniversary week of the opening of the war finds Canada in a better economic position than could perhaps have been hoped for a year ago. Thanks to the "sure shield" of the British Navy, no hostile force or ship has approached our shores, and we have been able to grapple with the multitude of problems that have arisen, problems of arms, of statesmanship, of finance, of commerce unhampered by the necessity of repelling actual invasion or even bombardment. The numerous problems besetting us have not all yet been settled permanently. But it can be said that the flux of time already shows that the measures which were promptly taken a year ago to safeguard our credit structure were wise and statesmanlike, and that from the record of the past twelve months it is possible to look to the future with confidence. The difficulties that have still to be overcome are undoubtedly great. But they can be approached with a feeling of confidence that in due course they also will be surmounted.

* * *

It was a fortunate thing for Canada that for two years previously to the outbreak of war, the credit situation had been kept well in hand. The outbreak of war cut off our supplies of capital from London, on which we had been relying to maintain a prosperity that was in some respects artificial, and threw the necessity upon us at once of meeting enormous obligations abroad out of our own resources. As it is, we have been able to eke out those resources by borrowings in the United States which in the aggregate reach a considerable amount, and our trade returns give satisfactory evidence that we are coping satisfactorily with the problem of paying our way abroad. For the first three months of the current fiscal year, to the end of June, our exports totalled \$118,271,486 against imports of \$98,565,808, giving a favorable balance of \$19,705,678. In comparison with recent years, such as 1913, when the surplus of our imports over exports was 300 millions, these figures are remarkable and an excellent omen of what our international financial position is likely to be when the grain movement has got well under way. Reports to hand continue to speak favorably of prospects in this connection. Mr. Bury, vice-president of the

C.P.R., places the new wheat crop at 250,000,000 bushels in comparison with a crop last year of 160,000,000 bushels. If this estimate is anywhere near realised the results which will accrue to the agricultural community at the current high prices will be very handsome indeed.

* * *

It is upon the sound and orderly development of our agricultural and other resources that we must mainly depend to carry Canada through the critical years that are still ahead. The supply of war materials and equipment has helped us to a certain extent and will continue to help us, but it must not be forgotten that the activity in these lines is merely transient and that sooner or later, plants now busy on these orders will have again to adjust themselves to changed conditions, and get back to a normal basis of peace production. Hence the still urgent necessity of greater production along normal lines and of steadfast economy in both public and private expenditure, if we are to continue to meet our obligations abroad at the close of the war, and to bear as easily as may be the burden of new taxation which it seems certain will have to be imposed.

* * *

As regards the longer future, there is the prospect that the end of the war will be followed by a large emigration movement to Canada, and that the British investor will be again disposed to lend us freely his funds. As to this the Journal of the Canadian Bankers' Association judiciously remarks: "There are those among us who are even now crying out for the time when we shall again be able to borrow freely in London. Very good, but for what are we to borrow? If the Canadian banks are to retain and increase the high position in British finance that they hold to-day, they must do their utmost to see that when we do begin to borrow once more in the London market, or for that matter in any market, our borrowings shall be for legitimate and useful purposes." It will certainly be incumbent upon the banks to fulfil this duty. If the close of the war is to be followed by another burst of stock-watering and land jobbing, we shall have failed to learn at least one lesson from present circumstances, that sobriety of progress is essential to permanence of prosperity.

Established 1817 **BANK OF MONTREAL** Incorporated by Act of Parliament
 Capital Paid Up, \$16,000,000.00 Rest, \$16,000,000.00 Undivided Profits, \$1,252,864.00

Head Office, MONTREAL

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In all the important Cities and Towns in the following Provinces:

PROVINCE OF ONTARIO. PROVINCE OF NOVA SCOTIA.
 PROVINCE OF QUEBEC. PROVINCE OF MANITOBA.
 PROVINCE OF NEW BRUNSWICK. PROVINCE OF SASKATCHEWAN
 PROVINCE OF PRINCE EDWARD ISLAND. PROVINCE OF ALBERTA
 PROVINCE OF BRITISH COLUMBIA.

BRANCHES OUTSIDE OF CANADA:

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 NEW YORK, N.Y., 54 Wall Street, R. Y. HEDDEN, W. A. BOG, J. T. MOLINEX, Agents.
 CHICAGO, Illinois, 108 South La Salle Street. SPOKANE, State of Washington.
 ST. JOHN'S, Newfoundland. CURLING, Newfoundland. GRAND FALLS, Newfoundland.
 MEXICO CITY, Mexico, D.F.

BANKERS IN GREAT BRITAIN

LONDON,
 The Bank of England,
 The Union of London and Smith's Bank, Limited,
 London County and Westminster Bank, Limited,
 The National Provincial Bank of England, Limited

LIVERPOOL, The Bank of Liverpool, Limited. SCOTLAND, The British Linen Bank and Branches

BANKERS IN THE UNITED STATES

NEW YORK, - The National City Bank
 National Bank of Commerce
 National Park Bank
 Fourth Street National Bank
 PHILADELPHIA - The Mechanics-American National Bank
 ST. LOUIS - The Merchants National Bank
 BOSTON - The First National Bank of Cleveland
 CLEVELAND - The Bank of Pittsburgh, N.A.
 PITTSBURG -
 DETROIT - The First and Old Detroit National Bank
 RUFFALO - The Manufacturers' and Traders' National Bank
 SAN FRANCISCO - First National Bank of San Francisco
 The Anglo and London-Paris National Bank
 MINNEAPOLIS - Northwestern National Bank
 SEATTLE - Seattle National Bank
 ST. PAUL - First National Bank of St. Paul.

Savings Department connected with each Canadian Branch, and interest allowed at current rates.
 Collections at all points of the world undertaken at most favourable rates.
 Travellers' Cheques, Limited Cheques and Travellers' Letters of Credit issued negotiable in all parts of the world.
 This bank, with its Branches at every important point in Canada offers exceptional facilities for the transaction of a general Banking business

THE CANADIAN BANK OF COMMERCE

ESTABLISHED 1867. Head Office: TORONTO

Paid-up Capital - \$15,000,000
 Rest - 13,500,000

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., President
 ALEXANDER LAIRD, General Manager
 JOHN AIRD, Assistant General Manager.

Branches of the Bank in Canada are distributed geographically as follows.

Alberta	- - - 52	Ontario	- - - 88
British Columbia	- 43	Prince Edward Island	5
Manitoba	- - 23	Quebec	- - - 82
New Brunswick	- - 4	Saskatchewan	- - 60
Nova Scotia	- - 13	Yukon Territory	- 2

Branches of the Bank outside Canada:

Newfoundland—St. John's.
 United States—New York, Portland, Ore., San Francisco, Cal., Seattle, Wash.
 Great Britain—London. Mexico—Mexico City.

Collections effected promptly and at Reasonable Rates.

The Molsons Bank

Incorporated 1855

Paid Up Capital - \$4,000,000
 Reserve Fund - 4,800,000

HEAD OFFICE - MONTREAL

Besides its 96 Branches in Canada, the Molsons Bank has agencies or representatives in almost all the large cities in the different countries of the world, offering its clients every facility for promptly transacting business in every quarter of the globe.

The Chronicle

Banking Insurance and Finance

ESTABLISHED 1881.

PUBLISHED EVERY FRIDAY.

F. WILSON-SMITH,
Proprietor.ARTHUR H. ROWLAND,
Editor.

Office:

406-408 LAKE OF THE WOODS BUILDING,
10 ST. JOHN STREET, MONTREAL.

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

MONTREAL, FRIDAY, AUGUST 6, 1915.

HELPING PAY FOR THE WAR.

Probably the terms of taxation are those by which the ordinary man can most easily and keenly appreciate the financial responsibilities involved in the present conflict. The totals of the loans raised and even the daily expenditures of the belligerents are almost incomprehensible in their vastness. But what taxation means, everyone who has to pay it can appreciate. In Great Britain just now there is the unwonted spectacle of an insistent demand for increased taxation, and sharp criticism of the Government for having postponed so long further increases. War taxation up to the present is estimated to produce about 68 millions sterling annually, which total only looks substantial until it is compared with the average daily expenditure of over three millions sterling, of which total at least $2\frac{1}{4}$ millions sterling is borrowed money. The lengths to which conservative and responsible authorities are prepared to go in taxation for the purpose of maintaining, as far as possible, the inherent soundness of British finance may be seen from the fact that the London Economist earnestly begs for a 20 to 25 per cent. surtax on all branches of revenue, with one or two exceptions; plus a 50 per cent. addition to motor and other license duties, and a 10 per cent. tax on all dividends without reference to the question whether the recipient's income comes up to the present minimum on which income tax is payable. A few days ago, an influential deputation of London bankers headed by Lord St. Aldwyn, a former Chancellor of the Exchequer, called on Mr. Asquith with the same object. Lord St. Aldwyn said the deputation "were there to ask for increased taxation on all classes, including themselves," especially by a better arrangement of the income tax and by lowering the present limit of total exemption. Other speakers demanded immediate taxation of all wage-earners and stiff taxes on imports—free trade principles notwithstanding—for the express purpose of reducing them. Mr. Asquith agreed with the deputation's views that the country had not yet gone nearly far enough

in the way of providing out of taxation additional resources for the war, and he intimated that the income tax ought certainly to begin at a lower stage in the scale of income—it begins now at \$800.

The Prime Minister's utterances on this occasion suggest that a further rise in the income tax—already from $7\frac{1}{2}$ to $12\frac{1}{2}$ per cent for people of quite moderate incomes—is a certainty. A general scale of war taxes on imports is perhaps more problematical, though likely enough heavy impositions of this character of imported luxuries are likely to be made. In any case it seems certain that the Budget which Mr. McKenna will introduce this fall will be of a type that will compel most people to be economical, whether they like it or not.

CONDITION OF THE CROPS.

The Census and Statistics office has issued a report on the condition of field crops throughout Canada at the close of July. The following is a summary of its principal points:—

Prince Edward Island—All farm crops give promise of a yield 10 per cent. above the average.

Nova Scotia—Hay yielding a bumper crop. Grain, hoed crops and pastures doing well.

New Brunswick—Hay, half-crop to under-average with local exceptions; pastures, good; grain crops looking well, though in some places grains other than wheat are short and late; roots good.

Quebec—Grain crops generally excellent; hay crop varying from good average to poor.

Ontario—Damage at various points through heavy rains; generally speaking otherwise good grain crops; hay in some places light, in Eastern Ontario better than expected; hoed crops generally good, except where damaged by rain.

Manitoba—Cool weather has made a rank growth and delayed maturity; cutting will begin about August 15—two weeks later than last year.

Saskatchewan—Crops have improved greatly during July except in places where damaged by hail; Kindersley reports prospects for bountiful harvest surpass all expectations; grain yields generally speaking about average; hay, good to negligible; roots generally good.

Alberta—Grain prospects generally good, except where hail and rain damage, but crops late; hay, good; root crops excellent.

British Columbia—Hay crop heavy; cereals good; roots, forage plants, fruits and vegetables in good condition.

Press notices and dispatches, as collated by the bonding department of the Fidelity & Casualty Company of New York indicate, for the months of May and June, 1915, the following defalcations:

	May, 1915.	June, 1915.
Banks and trust companies	\$223,318	\$ 59,526
Beneficial associations	30,565	65,568
Public service	6,300	131,174
General business	179,618	220,765
Insurance companies	61,507	1,775
Transportation companies		10,000
Court and trust companies	1,584	32,161
Miscellaneous	21,391	15,831
Total	\$624,283	\$536,800

The Bank of British North America

Established in 1836. Incorporated by Royal Charter in 1840

Paid-up Capital, \$4,866,666.66
Reserve Fund, - 3,017,333.33

Head Office:

GRACECHURCH STREET, LONDON, E.C.

J. DODDS, Secretary W. S. GOLDBY, Manager

COURT OF DIRECTORS

F. R. S. Balfour E. Geoffrey Hoare
 J. H. Brodie Frederic Lubbock
 J. H. Mayne Campbell C. W. Tomkinson
 E. A. Hoare G. D. Whatman

Head Office in Canada: **ST. JAMES ST., MONTREAL**

H. B. MACKENZIE, General Manager

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

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

Agents and Correspondents in every part of the world.

Collections Made at Lowest Rates.

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

Agents in Canada for Colonial Bank, London and West India.

G. B. GERRARD, Manager,
MONTREAL BRANCH

THE MERCHANTS' BANK OF CANADA

Head Office, MONTREAL.

Capital Paid up **\$7,000,000** Reserve Fund and Undivided Profits **\$7,245,140**

Pres. **SIR H. MONTAGU ALLAN.** Vice-Pres.: **K. W. BLACKWELL.**
 E. F. HERRNEN, General Manager.
 T. E. MERRITT, Superintendent of Branches and Chief Inspector
BRANCHES AND AGENCIES.

Ontario	Quebec		
Acton	Montreal (Head Office) St. James St.		
Alvinston	1255 St. Catherine St. East		
Athens	" 355 St. Catherine St. West		
Belleville	" 1330 St. Lawrence Blvd.		
Berlin	" 1866 St. Lawrence Blvd.		
Bothwell	" 272 Centre Street		
Brampton	6215 St. Denis Street		
Brantford	Beauharnois Quebec, St. Sauveur		
Brome	Bury Malsonneuve		
Chatham	Chateaugay Ormstown St. Jerome		
Chateworth	Ottawa Basin Quyon St. Jovite		
Chesley	Owen Sound Huntingdon Rigaud St. Johns		
Clarkson	Perth Lachne Shawville Vaudreuil		
Cresmore	Prescott Naperville Shebrooke Verdun		
Delta	Quebec Ste. Agathe		
Eganville			
Elgin	Manitoba		
Elora	Brandon Oak Lake		
Finch	Charberry Portage la Prairie		
Ford	Gladstone Russe		
Fort William	Hartney Souris		
Galt	Tara Macgregor Starbuck		
Gananoque	Thamesville Morris Winnipeg		
Georgetown	Thorold Napinka " Bannerman Av.		
Glencoe	Tilbury Neepawa		
Gore Bay	Toronto		
Granby	" Dundas St.		
Guelp	" Dupont and Acme		
Hamilton	" Christie Sts Brooks		
" East End	" Pari. St. Calgary		
Hanover	" Parkdale Camrose		
Hespeler	Walkerton Carstairs		
Ingersoll	Walkerville Castor		
Kincardine	Wallaceburg Chauvin		
Kington	Watford Coronation		
Lancaster	West Lorne Delburne		
Landowne	Westport Donalda		
Leamington	Wheatley Edgerton		
Little Current	Williamstown Edmonton		
London	" Windsor " Nanajoy Av.		
London, East	Yarker " Alberta Av.		
	" Athabasca Av. Trochu		
Saskatchewan	Edson Vegreville		
Antler	Limerick Hughenden Viking		
Arcola	Maple Creek Islay Wainwright		
Battleford	Melville Killam West Edmonton		
Carnduff	Moose Jaw Lacombe Wetaskiwin		
Prosser	Osbow Leduc		
Gainsborough	Regina		
Gull Lake	Saskatoon		
Humboldt	Shaunavon		
Klaby	Unity New Westminster		
	Whitewood Oak Bay, Victoria		
	British Columbia		
	Chilliwack Sidney		
	Nanaimo Vancouver		
	New Westminster Hastings St.		
	Oak Bay, Victoria		
	St. John, N.S. Halifax, N.S.		
SUB-AGENCIES—Ontario—Beachville, Calabogie, Frankville, London South, Mulrirk, Newington, Pelee Island. Manitoba—Austin, Griswold, Laurier, Sidney. Alberta—Botha, Czar, Lorraine.			
IN UNITED STATES—New York Agency, 63 Wall Street. BANKERS IN GREAT BRITAIN—The London Joint Stock Bank, Limited D. C. MACAROW - - - Local Manager, Montreal			
IMPERIAL BANK OF CANADA			
CAPITAL PAID UP - - - - - \$ 7,000,000.00			
RESERVE FUND - - - - - 7,000,000.00			
TOTAL ASSETS - - - - - 79,000,000.00			
DIRECTORS:			
PETER HOWLAND, President.			
ELIAS ROGERS, Vice-President.			
WILLIAM RAMSAY of Bowland, Stow, Scotland;			
J. KERR OSBORNE, CHATELAIN MULOCE, Hon. Richard T. BERNER, Quebec.			
WM. HAMILTON MERRITT, M.D., St. Catharines, V. J. GAGS.			
SIR J. A. M. AIRS, K.C., M.P., Winnipeg.			
HON. W. J. HANNA, Lieut.-Col. J. F. MICHIE, JOHN NORTHWAY.			
BRANCHES IN PROVINCE OF ONTARIO			
Amherstburg	London	Port Colborne	Sault Ste. Marie (3)
Aurora	Fonthill	Marshville	Preston
Belwood	Fort William	Nashville	St.
Bolton	Galt	New Liskeard	Ridgeway
Brantford	Hamilton	Niagara	South Forcu-
Caledon E.	Hartley	Falls (2)	Thompson
Cobalt	Humb'rstone	Niagara-on-the-Lake	Toronto (17)
Cochrane	Ingersoll	North Bay	Timmins
Cottam	Jordan	North Bay	Wells
Davisville	Vineland	Ottawa	Woodstock
Elk Lake	Kenora	Parkville	Windsor
		St. Catharines	
		Windsor	
BRANCHES IN PROVINCE OF QUEBEC.			
MONTREAL (3).			
BRANCHES IN PROVINCE OF MANITOBA.			
Brandon Portage la Prairie Winnipeg (3)			
BRANCHES IN PROVINCE OF SASKATCHEWAN.			
Balgonie, Broadview, Fort Qui Appelle, Hague, Kanabow, Moose Jaw, North Battleford, Prince Albert, Regina, Southern, Wilby, Wynward.			
BRANCHES IN PROVINCE OF ALBERTA.			
Athabasca Landing, Banff, Calgary, Edmonton, (4) Lethbridge, Mulet, Red Deer, Strathcona, Wetaskiwin.			
BRANCHES IN PROVINCE OF BRITISH COLUMBIA.			
Arrowhead, Chase, Cranbrook, Fernie, Golden, Invermere, Kamloops, Moyle, Natal, Nelson, Revelstoke, Vancouver (5), Victoria (3), Williams.			
Savings Bank Department			

THE WAR'S RESULTS ON BRITISH NATIONAL WEALTH.

A reassuring statement in regard to the effect of the war on British national wealth, which is of special interest to Canada in view of *post bellum* borrowings in the London market, is made by Mr. A. H. Gibson, a well-known English banking authority, writing in the London Bankers' Magazine.

The war, writes Mr. Gibson, is bound to affect the rate of increase in national wealth which, in the case of the United Kingdom, for some years past has been estimated by various authorities to amount to between three hundred millions and three hundred and fifty millions sterling per annum. But the present war expenditure is not likely to make any serious inroads into the total capital wealth of this country. It is impossible to estimate exactly the present total capital wealth of the United Kingdom, but calculations by different statisticians place the amount between seventeen thousand millions and twenty-three thousand millions sterling, according to the basis of calculation. Probably twenty thousand millions sterling is not far from the true amount.

NATIONAL SAVINGS NOT MATERIALLY REDUCED.

While fully recognizing that the present war must check, for the time being, any further considerable additions to the capital wealth of the United Kingdom, it is evident that the annual interest payments on loans necessitated by the war cannot materially reduce the rate of national savings after peace is declared.

When considering war expenditure it has always to be borne in mind that the total amount is not altogether lost to the nation. There is a readjustment of financial burdens, it is true, and often the heavier burden is felt by shoulders least able to bear it, as, for instance, salaried and professional classes with fixed incomes ranging from £120 to £500. Capital and labor usually suffer least in war times after the readjustment necessitated by the new conditions. A large number of manufacturers, importers and other people make considerably greater profits, some their fortunes, under war conditions, and the working classes, owing partly to the scarcity of labor, usually receive an increase in wages, which increase often more than compensates for the higher cost of living.

CAPITAL WEALTH PRACTICALLY UNTOUCHED.

Looking at war expenditure from a national standpoint, it may be said that part of it goes in the form of profit to the manufacturers and others engaged on war materials, and is not therefore altogether lost to the nation; part of it is represented by ammunition and other Government stores, which the community has produced by working more strenuously and by overtime at the factories and mills, but by energy which would not have been expended in peace times; and part of it is represented by ammunition and other Government stores, the energy to produce which has been diverted from productive industries. It is for this latter diverted energy, owing to war conditions, that the nation has really to pay the bill. Taking the present gross war expenditure of the United Kingdom at £2,250,000 sterling a day, say £800,000,000 sterling per annum, the net national expenditure is probably about £400,000,000 sterling per annum. If this estimate be approximately correct, and if the

annual national savings in peace time be from three hundred millions to three hundred and fifty millions sterling, the capital wealth of the nation will be practically left untouched by the war, except for the element of temporary depreciation.

BUCKING UP THE MUNICIPALITIES.

Mr. Vere C. Brown, of the Canadian Bank of Commerce, in addressing recently the Union of Saskatchewan Municipalities, said that for a market for Canadian government and municipal debentures it seems altogether probable that during the next few years we will have to look largely to the United States, and as municipal investment houses there are disposed to be more critical of the financial statements of municipalities than some British and Canadian houses have hitherto been, it is necessary that our western municipalities should set about putting their houses in order with the least delay, if they are not to be hampered later on in borrowing money for necessary works.

It is generally admitted, said Mr. Brown, that western urban municipalities have been spending money on improvements of various kinds greatly in anticipation of further development. The result in most cases is a debenture indebtedness per capita much heavier than it ought to be. As far as the principal cities are concerned, financial authorities are not disposed to take the view that extravagance in capital expenditures has been carried far enough to endanger solvency, particularly having regard to the further development which must take place with the settlement of the land. Liberality of expenditure has been sufficiently marked to materially lower the prices at which further debenture issues will be marketable, and their saleability even at the lower levels will be dependent on the ability to convince investors, in the first place, that municipalities have not already got beyond their depth, and, in the second place, that as to the future they are going to profit fully by past experience.

BRITISH DOMINIONS GENERAL INSURANCE COMPANY, LIMITED.

It is announced that a provisional agreement has been made for the sale and transfer of the business of the United Dominions Insurance Co., Limited, to the British Dominions General Insurance Company, Limited, of London, England. The basis of the arrangement is an exchange of shares.

After a confirmatory meeting has been held and the sanction of the court obtained, steps will be taken for the voluntary winding up of the United Dominions.

As already announced, the British Dominions General Insurance Company now holds a Dominion license which supersedes the various Provincial licenses under which the Company has been operating in Canada for the past three years. The Company has made the necessary deposit and otherwise complied with the requirements of the Insurance Act.

The British Dominions is well known in Canada under the management of Dale & Co., Montreal. Its capital authorized amounts to \$3,000,000, of which amount \$2,900,000 is subscribed and \$1,725,000 paid up. Additionally it has reserves of \$2,475,955. Its annual income exceeds \$3,000,000.

THE ROYAL BANK OF CANADA

INCORPORATED 1869

Capital Paid up \$11,560,000 Reserves \$13,174,062
Assets \$179,404,054

HEAD OFFICE - MONTREAL.

340 BRANCHES THROUGHOUT CANADA
28 Branches in Cuba, Porto Rico and Dominican Republic
Kingston, Jamaica. Bridgetown, Barbados.
Nassau, Bahamas. St. George's, Grenada.
Port of Spain and San Fernando, Trinidad.
Georgetown and New Amsterdam, British Guiana.
Belize, British Honduras.

LONDON, Eng.
Princes St. E. C.

NEW YORK,
Cor. William & Cedar Sts.

SAVINGS
DEPARTMENT

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

The Dominion Bank

SIR EDMUND B. OSLER, M.P., President

W. D. MATTHEWS, Vice-President

C. A. BOGERT, General Manager

TRUST FUNDS SHOULD BE DEPOSITED

in a Savings Account in The Dominion Bank. Such funds are safely protected, and earn interest at highest current rates.

When payments are made, particulars of each transaction may be noted on the cheque issued which in turn becomes a receipt or voucher when cancelled by the bank.

Head Office, Toronto

THE BANK OF TORONTO

DIVIDEND No. 136

NOTICE is hereby given that a **DIVIDEND of Two and Three-quarters per cent.** for the current quarter, being at the rate of **Eleven per cent. per annum**, upon the paid-up capital stock of the Bank, has this day been declared, and that the same will be payable at the Bank and its Branches on and after the 1st day of September next, to Shareholders of record at the close of Business on the 14th day of August next.

By Order of the Board,

THOS. F. HOW,
General Manager.

THE BANK OF TORONTO, TORONTO,
July 28th, 1915.

THE BANK OF NOVA SCOTIA

INCORPORATED 1832.

CAPITAL	\$6,500,000.00
RESERVE FUND	12,000,000.00
TOTAL ASSETS over	90,000,000.00

Head Office - - - HALIFAX, N.S.
JOHN Y. PAYZANT, President.

Gen'l Manager's Office, TORONTO, ONT
H. A. RICHARDSON, General Manager.

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

BOSTON CHICAGO NEW YORK

HOME BANK OF CANADA

ORIGINAL CHARTER
1854

Head Office. TORONTO

JAMES MASON - General Manager

Branches and Connections throughout Canada.

SIX OFFICES IN MONTREAL

Main Office, Transportation Building, St. James St.
Bonaventure Branch, 523 St. James St.
Hochelaga Branch, Cor. Cuvillier and Ontario Sts.
Mount Royal Branch, Cor. Mount Royal & Papineau Av.
Papineau Branch, Papineau Square.
St. Denis Branch, 478 St. Denis St.

The Bank of Ottawa

DIVIDEND No. 96

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 Wednesday, the First day of September, 1915, to shareholders of record at the close of business on the 18th of August next.

By Order of the Board,

GEORGE BURN,
General Manager.

OTTAWA, Ont., July 19th, 1915

VALUE OF INSURANCE TO BUSINESS WORLD.

That the insurance of property from loss by fire or from the casualties of the sea is one of the chief factors in shaping and conserving commerce throughout the world is a recognized fact among men who observe and think. Like the indispensable every-day gifts of nature, however, the very commonness of insurance tends to obscure our view of its importance. It is only when the exceptional happens, like the great San Francisco fire, or lesser conflagrations such as those of Hull, Toronto or St. John's that men open their eyes to the commercial value of insurance. Then they see that a hundred or a thousand or ten thousand business men are saved by insurance capital from utter ruin, which in its turn would mean ruin wholly or in part to as many more who are connecting links in the great commercial chain. Insurance capital replaces the broken links, and the machinery of business goes on. A second San Francisco better than the first rises upon the ashes, and we do not need to alter our maps. A big ship and its cargo is swallowed up by the sea, but another speedily takes its place, thanks to insurance capital. Insurance to-day is at the basis of credit, without which business would stagnate at the centres and be paralyzed at the circumference of our commercial system: it promotes manufacture, encourages art, protects the home, and is a potent factor in all material development, scarcely second in importance to our monetary system.

EQUALISING LOSS BURDENS.

The independence of the individual exists only in Utopia, and necessarily gives place in practice to that inter-dependence which is a universal condition of society. Insurance stands as the exponent of this interdependence, for in its essential features it is an equaliser of the loss burdens of the community. It is a collecting and distributing agency by which each contributor is protected from severe loss through the systematic contribution of all. In order to wield this agency with safety and equity, careful training and wide experience are necessary. Insurance requires not only a thorough knowledge of the principles to be applied, but a knowledge of the actual hazard belonging to various kinds of property, in order that premium contribution may be fitted equitably to the promised indemnity. This involves system and permanence, such as organisation backed by capital alone can secure. The experience of a single year in a given locality is conclusive of nothing as to premium rate or loss probability. Neither is the experience of a single year over a wide field sufficient for equitable and safe treatment of the problem of loss. The gathered experience of many years and over an extended field must be made the basis of all real insurance, which makes certain indemnity possible because it finds its transactions on the law of average. A loss in one locality swallowing up all the premiums received therefrom in twenty or fifty or a hundred years is offset by other localities where the premiums are in excess of the loss.

THE SELF-INSURANCE FALLACY.

It is passing strange that now and then business men are found who try to ignore the commercial value of insurance as a system almost universal, and who seem entirely ignorant of the fundamental principles which have made the system what it is. Every now and then the citizens of a town bring toward some scheme for local insurance by the civic authorities, and propose to declare their independence of the insurance companies and the rest of the world, oblivious of the fact that a man cannot swallow his own head. That feat would be quite as easy as for a town to make its own property pay for itself after it is burned up. A given town may escape any great fire loss for a dozen years, as many have, before a large conflagration, but the next day or the next week after adopting self-insurance it may face a tremendous loss.

It ought to be sufficient for any business man to remember what a record for loss paying insurance has made when the greatest fires have occurred, and that experience has shown that its great ability has been and is because it covers a continent and gathers from the many the means to indemnify the few. In Canada last year fire risks were assumed by the companies amounting to over three billion dollars and the companies actually paid out to take the place of consumed values a sum of no less than \$15,347,288. If these funds had not been available the results to commerce and industry can be imagined. Yet there are still legislators a-plenty who treat insurance as a public enemy, to be constantly harassed and harmed by fool legislation.

ESTABLISHED 1873

The

Standard Bank

of CANADA

Head Office, TORONTO

124 BRANCHES THROUGHOUT THE DOMINION



SENDING
Money to
any point in
Canada, the
United States
or Europe is
safe, economical
and expeditious
when this
Bank's drafts
and money
orders are used.



Montreal Branch: 136 ST. JAMES STREET
E. C. GREEN, Manager.

National Trust Co.,

LIMITED

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

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

MONTREAL DIRECTORS

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H. J. FULLER,	T. B. MACAULAY
W. M. BIRKS	

MONTREAL OFFICE:
153 St. James Street
PERCIVAL MOLSON, Manager.

The Royal Trust Co.

Capital Fully Paid	-	\$1,000,000
Reserve Fund	-	1,000,000

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BOARD OF DIRECTORS:
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Sir William C. Van Horne, K.C.M.G., Vice-President.

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BRANCHES: Calgary, Edmonton, Ottawa, Quebec, Regina, St. John, N.B., St. John's Nfld., Toronto, Vancouver, Victoria, Winnipeg.

WESTERN

Assurance Company

Incorporated in 1851

FIRE AND MARINE

ASSETS	over	\$3,700,000.00
--------	------	----------------

LOSSES paid since organization of Company . . . over \$61,000,000

DIRECTORS
W. R. BROCK, President.

W. B. MEIKLE, Vice-President and General Manager.

ROBT. BICKERDIKE, M.P.	JAMES KERR OSBORNE
M. C. COX	Z. A. LASH, K.C., LL.D.
D. B. HANNA	GEO. A. MORROW
JOHN HOSKIN, K.C., LL.D.	LT. COL. FREDERIC NICHOLLS
ALEX. LAIRD	COL. SIR HENRY PELLATT C.V.O.
AUGUSTUS MYERS	E. R. WOOD

HEAD OFFICE . TORONTO

The Trust and Loan Co.

OF CANADA

Capital Subscribed,	-	\$14,600,000.00
Paid-up Capital,	-	2,920,000.00
Reserve Funds,	-	2,627,192.15

MONEY TO LOAN ON REAL ESTATE

30 St. James St., Montreal

PRUDENTIAL TRUST COMPANY

LIMITED

HEAD OFFICE 9 ST. JOHN STREET MONTREAL.

Trustee for Bondholders Transfer Agent & Registrar	Receiver Guardian Custodian	Safety Deposit Vault Terms exceptionally moderate. Correspondence invited.
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B. HAL. BROWN, President and Gen. Manager

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

LLOYDS BANK LIMITED,

HEAD OFFICE:—
71, LOMBARD ST., LONDON, E.C.

Subscribed Capital	-	\$156,521,000
Capital Paid up	-	25,043,360
Reserve Fund	-	18,000,000
Deposit & Current Accounts	-	590,869,295

Cash in hand, &c.	-	\$173,534,130
Bills of Exchange	-	67,100,965
Investments	-	80,667,610
Advances, &c.	-	297,198,235

THIS BANK HAS OVER 880 OFFICES IN ENGLAND AND WALES.
Colonial and Foreign Department: 17, Cornhill, London, E.C.
London Agency of the IMPERIAL BANK OF CANADA.

Paris Auxilliary: LLOYDS BANK (FRANCE) LIMITED, 26, Avenue de l'Opéra.
AN ENGLISH BANK CONDUCTED ON ENGLISH LINES. Branches at BORDEAUX, BIARRITZ and HAVRE.

FIRE INSURANCE INDEMNITY ONLY.

One of the things which the average property owner, especially in the small towns and rural districts, is very slow to understand is, that a policy of fire insurance is not a wager that in the event of a loss by fire the company will pay the full amount named therein. In many minds the idea seems fixed that the possession of a policy for a thousand dollars, for example, entitles the holder to that amount from the company in case of fire, whether the destruction of value is equal to that amount or not. Experienced adjusters fully understand the difficulty of making clear to a large class of the insured that the fundamental idea of insurance is to replace that which has been lost—simply to furnish indemnity. Indemnity, as we pointed out a fortnight ago, is the essence of a contract of insurance. The company names in its policy the maximum amount which it undertakes to guarantee in case the loss should reach that amount, the actual payment below that maximum being always equal to the actual loss sustained. Thus the actual loss, whatever it may be, within the policy limit, is the maximum of liability of the company. This practice proceeds upon the equitable principle that, for a stipulated consideration, the insurance company, in case of loss, puts itself exactly in the place of the insured. To pay less than the actual loss would be robbery of the insured; to pay more would be robbery of the insuring company.

DEFINITIONS OF INSURANCE.

This fundamental principle of indemnity, as applying to the insurance of property, has been recognized in all lands by the highest legal authorities, and everywhere by the best writers and lexicographers and insurance has been regarded as the synonym of indemnity. The general definition of fire insurance is succinctly stated in Wharton's Law Dictionary as follows:—"Insurance against fire is a contract of indemnity." A standard authority, viz., Parke on Insurance, says:—"Insurance is a contract by which the insurer undertakes, in consideration of a premium equivalent to the hazard run, to indemnify the person against certain perils or losses, or against some particular event." Alauzet, the well-known French writer on insurance, well states the principle generally recognized as underlying property insurance when he says:—"A general principle which controls all matters of insurance is, that the contract can never be made a source of gain to the insured; for him insurance is only a means of indemnity. The only province of the contract is to assure him an equivalent for the subjects at risk, should they happen to perish or suffer damage. One cannot insure that on which he runs no risk of loss. Insurance ought never to be a source of profit to the insured; this principle should be maintained with the utmost strictness."

THE RESULT OF IGNORANCE.

Although it is a recognized principle by all the courts that insurance "ought never to be a source of profit to the insured," and though the attempt to thus profit is in violation of the laws of ethics, yet a good many people who would not cheat a neighbour or knowingly defraud a creditor, and who are fairly regarded as generally honest, seem to see no breach of good faith or moral delinquency in getting a thousand dollar payment if they can from an insurance company for an eight hundred dollar loss. We do not now refer to all that class of people who deliberately design, by over-insurance and sharp—not to say criminal—practices, to swindle the insurance companies, but to the still larger class, who harbour the mistaken notion that the face of the policy represents the sum to which they are entitled, because a premium on that sum has been paid. Fortunately, the number of such is constantly diminishing, as the educating process incident to almost universal insurance of property goes on, and the press and ruling of courts emphasize the underlying principle that simple indemnity is in all cases the equitable measure of loss.

A GUESS AT FUTURE DOMINION BORROWINGS.

The chances are that the Canadian finance minister has in mind the retiring of the present issue of notes in New York or at least the portion maturing next year, by means of an issue of long-term bonds to be marketed around May or June, 1916, writes a Toronto correspondent. By May 1, 1916, it will be determined how much of the \$25,000,000 maturing notes are to be converted by the holders and an issue of bonds might be made to take up the remainder and perhaps to provide fresh funds. Such a loan in 1916, if placed, could not well bear interest at less than 5 per cent. If it bore more than 5 per cent. the holders of the maturing notes would not exercise the conversion right.

Sometime in 1916 it is quite likely that Canada will appear again as a borrower in New York, market conditions there being favorable. She may be compelled to make more than one appearance as applicant for funds. While the Ottawa authorities perhaps expect to be able to get what they need at 5 per cent., still if Great Britain is obliged to raise its borrowing rate next year above the recently established 4½ per cent. rate, Canada may also have to go beyond the 5 per cent. level.

The Aetna Life of Hartford, with its affiliated companies, has received a grand prize awarded at the Panama-Pacific Exposition at San Francisco for its accident prevention exhibit.

Southern underwriters are lifting up their voices in complaint that non-association companies enjoy without paying, the benefits derived from the activities of the association companies in fire protection work and special services. We seem to have heard something of the same kind before—and not a hundred miles from Montreal.

CANADA PERMANENT MORTGAGE CORPORATION

Established 1855.

Toronto Street, Toronto

President, W. G. GOODERHAM.

First Vice-President, W. D. MATTHEWS; Second Vice-President, G. W. MONK;

Joint General Managers, R. S. HUDSON, JOHN MASSEY Superintendent of Branches and Secretary, GEORGE H. SMITH.

PAID-UP CAPITAL, \$6,000,000.00 RESERVE FUND (earned) \$4,500,000.00 INVESTMENTS, \$32,496,750.55

DEBENTURES

For sums of one hundred dollars and upwards, we issue Debentures bearing a special rate of interest, for which coupons payable half-yearly are attached. They may be made payable in one or more years, as desired. They are a LEGAL INVESTMENT FOR TRUST FUNDS.

Representing

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

You will make money.

The great strength, big dividends and incomparable benefits of the "oldest company in America" mean certain success for you.

FOR TERMS TO PRODUCING AGENTS, ADDRESS:

George T. Dexter

2nd VICE PRESIDENT

34 Nassau Street

New York, N.Y.

Atlas Assurance Co., Limited of LONDON, ENGLAND

The Company commenced business in the REIGN OF GEORGE III and the following figures show its record—

	At the Accession of	Income	Funds
KING GEORGE IV.	\$ 387,065	\$ 800,605	
KING WILLIAM IV.	657,115	3,038,380	
QUEEN VICTORIA	789,865	4,575,410	
KING EDWARD VII.	3,500,670	11,185,405	
KING GEORGE V.	6,846,895	15,186,090	
and at 31st DECEMBER, 1914	7,489,145	19,064,425	

In addition the Company has a Subscribed Capital of Eleven Million Dollars (of which \$1,320,000 is paid up).

Agents wanted in unrepresented districts.

Head Office for Canada:

179 St. James St., MONTREAL

MATTHEW C. HINSHAW, Branch Manager



Assets:

\$8,966,071.46

Surplus to
Policyholders:

\$4,019,694.66

Canadian Head Office:

MONTREAL.

J. W. BINNIE, Manager

A STRONG TARIFF OFFICE, NOW ENTERING CANADA

FOUNDED A.D. 1819

THE PHENIX FIRE INSURANCE COMPANY OF PARIS, FRANCE

EDMUND FOSTER, Supt. of Agencies.

THOMAS F. DOBBIN, Manager for Canada.

LEWIS BUILDING,

ST. JOHN STREET, MONTREAL.

Applications for agencies invited

THE SCOPE OF INSURANCE COMPANIES' ACTIVITIES.

Only the insider can appreciate the wide character of the activities now carried on by the insurance companies of this continent. They have long since ceased to be merely financial institutions. From that they have developed into complicated organisations carrying on, as an integral part of their business, laboratory, engineering and social work of the widest possible character and of the utmost value to the community at large.

Not content with their primary object—the protection of the family in the event of the breadwinner's death—large life companies are carrying on an extensive welfare work among their policy-holders. The technical activities of the fire companies in laboratory and engineering work, and in their constant endeavors after the improvement of fire protection, are well known, while more than any other body of business men the fire underwriters have steadily forwarded the fire prevention movement. Similarly, casualty and miscellaneous underwriters in their various departments of activity maintain engineering activities at high pressure; besides this they have been and remain the strongest backers of the "safety first" movement and have done more for the extension of workmen's compensation on modern lines than they are ever given credit for.

Nobody pretends that in forwarding these activities underwriters are animated purely by philanthropic motives, and they do a poor service to insurance who endeavor to portray it as purely an eleemosynary institution.

On the other hand, anyone who is at all intimately acquainted with the business is aware that for many of their activities underwriters do not obtain financial returns commensurate with the energy and thought expended upon them, and they can and should freely be given credit for a corporate public spirit in the conduct of their operations that is not surpassed by any other department of financial or commercial activity.

A clearer understanding of the facts of the case in this connection would necessarily lead to a greater appreciation by the public of the value of the services rendered by the underwriters. It is desirable that every means should be adopted to make this appreciation possible in order at length to reach the understanding of wooden-headed legislators, whose main object in life, in a large number of instances, it appears is merely to hamper and harass insurance underwriters in every conceivable fashion. The value in practical results of the constructive work which underwriters on this continent are at present carrying on without the blowing of trumpets or clashing of cymbals exceeds immeasurably that of a considerable proportion of the much talked of social legislation of the day.

PERSONALS.

Mr. Harold Hampson, of the firm of Robt. Hampson & Son, is leaving to-night for New York on a business trip.

* * *

Mr R. McD. Paterson, joint manager Phoenix of London, is at present visiting the Lower Provinces on a business trip.

* * *

Mr. J. H. Labelle, assistant manager of the Royal Insurance Company is spending a well-earned holiday in the Laurentians.

* * *

Mr. J. H. Pickett, formerly general manager of the Imperial Life, has been appointed Winnipeg manager of the Union Trust Company.

* * *

Mr. D. R. Clarke, acting superintendent of the Bank of Montreal in British Columbia, will represent the Canadian Bankers' Association at the September conference of the American Bankers' Association at Seattle.

* * *

Mr. R. J. Dale, of Dale & Co., Montreal, has returned from an extended visit to England where he has been in connection with the business of his firm. Mr. Dale informs us that the people of England are preparing for a long war.

* * *

A recent visitor to Canada has been Mr. G. H. Turton, manager of the Royal Insurance Company of Liverpool for Australia and New Zealand. Mr. Turton, who crossed the Dominion on his way home following a visit to head office, was among those saved when the *Lusitania* was sunk.

* * *

Mr. Ernest Frank Williamson, Manager of the Midland Branch of the Norwich Union Fire Insurance Society since 1910, has been appointed by the Directors to the position of Home Fire Superintendent at the Head Office, Norwich, England.

* * *

DEATH OF MR. H. H. TRUDEAU.

We regret to record the death of Mr. H. H. Trudeau, Inspector of the Royal Insurance Co. for the past eight years. The sad event was caused by drowning in the Richelieu River at St. Johns, P.Q., on Sunday.

At the time of the accident the deceased was bathing with a number of companions; he was a good swimmer, and it is thought that heart failure caused the accident.

Mr. Trudeau's death is deeply regretted by the Management of the Royal and each member of the staff throughout Canada by whom he was esteemed and respected. He was one of the brightest officials of the Company in Canada, and a general favourite with everyone connected with him in business or socially. Mr. Trudeau was 29 years of age and unmarried.

One evidence of pro-German activity in the United States lately was the receipt by a number of American fire and life companies of a circular opposing any subscriptions by Americans to the British war loan.



CANADA BRANCH HEAD OFFICE, MONTREAL.

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



Head Office: Cor. Dorchester Street West and Union Avenue.
MONTREAL

DIRECTORS

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 Lewis Laing, *Vice-President and Secretary.*
 M. Chevalier, Esq. A. G. Dent, Esq. T. J. Drummond, Esq.
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The Northern Assurance Co. Limited

"Strong as the Strongest"

Accumulated Funds 1914, \$41,615,000
HEAD OFFICE FOR CANADA, 88 NOTRE DAME STREET WEST, MONTREAL.

G. E. MOBERLY, *Supt. of Agencies.*

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"THE OLDEST SCOTTISH FIRE OFFICE"
THE CALEDONIAN
 INSURANCE CO. OF EDINBURGH.

Founded 1805.

Head Office for Canada,
 DOMINION EXPRESS BUILDING
Montreal

JOHN G. BORTHWICK
Canadian Manager

.. 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**
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ESTABLISHED 1809
 Total Funds Exceed **\$109,798,258.00** Canadian Investments Over **\$9,000,000.00**
FIRE AND LIFE

North British and Mercantile
 INSURANCE COMPANY

DIRECTORS
 W. M. McMASTER Esq. G. N. MONCEL, Esq.
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80 St. Francois Xavier Street - MONTREAL.
 Agents in all the principal Towns in Canada.
RANDALL DAVIDSON, Manager.

LOVELL'S MONTREAL DIRECTORY FOR 1915-16

Copies will be ready at the office of publication, 23 St. Nicholas Street.

At Noon on Thursday, August 5th, 1915, and following days for subscribers who may desire an early copy.

PRICE TO SUBSCRIBERS, \$7.50

Copies will not be sold to others until after delivery has been made to the subscribers, when the

PRICE TO NON-SUBSCRIBERS WILL BE \$9.00
 The regular delivery will commence when a sufficiently large number of copies have been received from the bindery.

JOHN LOVELL & SON, Limited
 Montreal, August 3rd, 1915.

INSURANCE COMPANIES AND MUNICIPAL DEBENTURES.

The paper by Mr. T. Bradshaw, F.I.A., read recently before the Insurance Institute of Toronto under the heading of "Some Notes on Municipal Debentures" comprises an exhaustive treatment of that subject, which no future student of it can afford to neglect. Mr. Bradshaw pointed out that the insurance companies in Canada have a keen appreciation of the merits of municipal securities. Of their total investments no less than \$80,000,000 have been placed in municipal debentures. In going over the record of these institutions it has been found impossible to trace any loss of principal in this class of security.

The wise municipal laws enacted by the several provinces, combined with the generally careful manner in which they have been administered by the various local bodies, have undoubtedly impressed the investor in their favor. So true is this, that in many instances purchases are made without investigating the financial record and standing of the municipality. This, however, said Mr. Bradshaw, is a dangerous tendency. A purchase should only be made after the investor is convinced that certain essential features relating to the municipality are satisfactory. This can easily be done. With a little experience, the investor will be able to apply such tests as will enable him to make a wise discrimination in the choice of the many issues which are offered to him from time to time.

COURSE OF PRICES.

Mr. Bradshaw pointed out that municipal securities are invariably bought by investors on the basis of the rate of interest which they will yield, irrespective of the rate which they carry. Tracing the fluctuations in price in terms of the interest yield rate during the past few years, Mr. Bradshaw pointed out that in the case of Ontario debentures, from 1896 to 1908 prices gradually declined, with the result that the interest yields steadily improved. During 1909 and 1910 prices improved slightly, resulting in somewhat lower yields. Since 1910 there has been a noted decline in prices, and interest yields have, consequently, been high. During a period when money begins to accumulate, i.e., when business is quiet and industry is at a low ebb, interest yield rates drop and prices of prime investment securities appreciate. When there is a strong demand for capital, which generally indicates industrial activity and general commercial prosperity, higher rates of interest usually follow, accompanied by a decline in price.

The rise in the interest yields, Mr. Bradshaw continued, has resulted in lower prices being paid for bonds. The insurance companies have not been slow to take advantage of this condition, with the result that they have during the past two years been important purchasers at attractive prices. But this very condition which so greatly favored the making of new investments has had a rather disastrous effect upon the book value of investments which were made when money was cheap and bond prices relatively high, also upon those values which had been adjusted at a period when similar conditions prevailed. At the close of 1913 a very general readjustment of the values of their securities took place, with the result that the deductions made, either voluntarily or to comply with the terms of the Insurance Act, from "book

values" to bring them in accord with "market values" approximated \$2,400,000, or about 3% of their holdings.

METHOD OF VALUATION.

The existing system of valuing the terminable securities of insurance offices has been for some time open to question, Mr. Bradshaw said, and it is not unlikely that an improvement will be instituted which will be more rational and satisfactory. It does appear only reasonable that where a debenture carrying a fixed rate of interest and payable at par at its known maturity date has been purchased for permanent investment, that is, to be held until maturity, and to yield a specific rate of interest until it matures, the value should be determined year by year in accordance with the original yield basis at time of purchase, rather than in accordance with the ups and downs of the money market from year end to year end. There are, of course, two or three conditions which must be considered in this connection. If a company makes a practice of selling or trading in its municipals then it is only right and proper that its holdings should be valued at a regular stock-taking period, and it should be prepared to accept the result, whatever that may be. Then again, there is the case of an insurance office which is not financially strong—one which may possibly have to reinsure its business or reorganize its affairs. Its assets may have to be taken over or realized upon promptly. In such a case market values should be considered, and it would appear as though such a company should be required to value them on that basis. To do otherwise would only add to its further embarrassment. Another case, where the original cost value or book value might require to be modified for the market value, is that of a security which is not likely to be paid when it matures at its full face value. Some unfavorable condition may have arisen in the financial affairs of the company or municipality, whose debenture or bond is held, which clearly indicates that a loss is inevitable.

To determine the merits of a municipal debenture, Mr. Bradshaw recommended the use of the following tests:—(1) Financial status of the issuing municipality; (2) Validity; (3) Municipality's credit or good faith.

RAILWAY PASSENGERS ASSURANCE COMPANY OF LONDON, ENGLAND.

Mr. Frank H. Russell, general manager for Canada of the Railway Passengers' Assurance Company of London, England, was in Montreal recently, and appointed Mr. A. D. Shibley, Branch Manager at Montreal for the Province of Quebec. Mr. Shibley, who is well and favourably known in Montreal will, no doubt, render a good account of himself, in his new position. The Railway Passengers, enjoys a high prestige and is most popular in Canada transacting the business of Employers' Liability, Automobile, Plate Glass, Fidelity Bonds and Accident and Health Insurance. Its policies are broad and liberal.

It is stated that British bankers' subscriptions to the War Loan would have been even larger than they were if the Chancellor had required more money, their applications having been made after consultation with him.

COMMERCIAL UNION

ASSURANCE COMPANY LIMITED
of LONDON, England

The largest general insurance Company in the world
(As at 31st December 1914)

Capital Fully Subscribed . . .	\$14,750,000
Capital Paid Up	1,475,000
Life Fund, and Special Trust Funds,	72,629,385
Total Annual Income exceeds	45,000,000
Total Funds exceed	133,500,000
Total Fire Losses Paid	174,226,575
Deposit with Dominion Government	1,208,433

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 1914)

Capital Fully Paid	\$1,000,000
Fire Premiums 1914, Net	\$2,605,775
Interest, Net	136,735
Total Income	\$2,742,510
Funds	\$5,525,540
Deposit with Dominion Gov't	\$238,400

In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Funds exceed \$133,500,000

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.**

Canadian Branch:
15 Wellington Street East, Toronto, Ont.

H. M. BLACKBURN,
Manager.

LYMAN ROOT,
Assistant Manager.

OPPORTUNITIES

in Life Insurance are many.

FOR AN AGENCY, ADDRESS

GRESHAM LIFE ASSURANCE SOCIETY, LTD.

Established 1848. Funds \$50,000,000
GRESHAM BUILDING - - - MONTREAL.

THE CANADA NATIONAL FIRE INSURANCE COMPANY

HEAD OFFICE: WINNIPEG, MAN.

A Canadian Company Investing Its Funds in Canada

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T. R. BROWNLEE,
102 Bank Street Chambers,
Ottawa, Ont.

GEO. B. WOODS, President. CHARLES H. FULLER, Secretary.
H. A. KENTY, Superintendent of Agencies.

PROVINCIAL TAXATION OF INSURANCE COMPANIES.

Below is published a record, gathered from official sources of the taxes and fees imposed upon the insurance companies holding Dominion licenses and by the various provincial authorities and also by a number of the municipalities. A similar record was published twelve months ago, but it has now been brought up to date. In regard to municipalities, the record is in some cases incomplete. But it is sufficiently complete to show the gross character of the impositions made upon the companies.

ALBERTA.

By the Province—

(a) *Registration and filing of documents.*—Filing of documents preliminary to issue of license, \$10. Registration and renewal thereof: life insurance, \$300; fire, storm, cyclone, tornado, inland marine, inland transportation and sprinkler leakage insurance, \$300; hail insurance, \$200; accident, sickness and guarantee insurance, \$200; plate glass, \$50; storm, cyclone and tornado, \$50; inland marine and inland transportation, \$50; sprinkler leakage, \$50; one or more of all other classes of insurance, \$100.

(b) *Income Tax.*—The premium income of all insurance companies is taxed to the extent of 1 per cent. thereof. If a company lends money on security in the province and has more than \$50,000 invested in the province, the gross income received from its total investments in the province is taxed to the extent of ¼ per cent. thereof.

By Municipalities—

No taxes or fees permitted.

BRITISH COLUMBIA.

By the Province—

(a) *Registration and filing of documents.*—For filing of documents and application for license, \$5; charge for publication of notice of license, \$5. Initial license fee for all insurance companies, \$250. For filing of documents on renewal of license: fire companies, \$1 per document; other companies, \$5.

(b) *Income Tax.*—A tax of 1 per cent. of income (all sources) is required from all insurance companies other than fire insurance companies. In the case of fire insurance companies the tax on premium income is 2 per cent. thereof, and on income from other sources 1 per cent. thereof.

By Municipalities—

No special taxes or fees are charged by municipalities.

MANITOBA.

By Provinces—

(a) *Registration and filing of documents, etc.*—Filing of documents prior to issue of license, \$5. Service of Insurance Inspector acting as attorney for service of process, \$5 annually. Registration—Fire or life companies, \$200; accident guarantee or surety, \$25. Underwriters' Permit, \$100.

(b) *Income Tax.*—(1) On the gross premium income of all companies:—

Premium income less than \$50,000.....	1%	thereof
" \$50,000, but less than \$100,000.....	1¼%	"
" \$100,000, but less than \$150,000.....	1½%	"
" \$150,000, but less than \$200,000.....	1¾%	"
" \$200,000 or more.....	2%	"

(The above premium income taxes are reduced by amounts paid under the provisions of the Manitoba Insurance Act.)

(2) On the income of life insurance companies from investments within the province:—If the amount loaned on policies or loaned or invested on mortgages, stocks or bonds exceeds \$25,000 the gross income therefrom is taxed ¼% thereof.

By Municipalities—

No special taxes are charged by municipalities.

NEW BRUNSWICK.

By the Province—

The taxes imposed by the Province may be conveniently classed according to the nature of the business transacted and are as follows:—

(a) *Fire Insurance Companies.*—A tax on premium income of 1 per cent. thereof together with an additional sum of \$100.

(b) *Life Insurance Companies.*—An annual tax of \$250.

(c) *Accident and Guarantee Companies.*—A tax on premium income of ½ per cent. thereof together with an additional sum of \$25.

By Municipalities—

Information wanting.

NOVA SCOTIA.

By the Province—

No fees are charged for registration or for filing of documents.

Income Tax.—The gross premium income of life insurance companies is taxed to the extent of 1¼% thereof; other insurance companies, 1% thereof. There is no tax on income from other sources.

By Municipalities—

No special taxes are imposed by municipalities.

City Taxes.—The city of Halifax imposes a tax of \$200 annually on each company doing life, fire, marine, accident or guarantee insurance. Information in regard to other cities wanting.

ONTARIO.

By the Province—

(a) *Registration and filing of documents.*—Application fee, \$5; filing power of attorney, \$5; registration, \$150.

(b) *Income Tax.*—Annual tax under the Corporations Tax Act, 1914.—Every insurance company shall pay a tax of \$30,000 subject to reduction in the discretion of the Provincial Treasurer. If any country or state imposes taxes or fees which have the effect of discriminating against any insurance companies organized under the laws of Canada or Ontario, having their principal office in Ontario, then any company organized under the laws of any such country or state may be required to pay additional taxes and fees in Ontario but not exceeding the taxes and fees required by such country or state from insurance companies organized under the laws of Canada or Ontario.

By Municipalities—

These taxes vary with the amount of assessment required by the municipality.

PRINCE EDWARD ISLAND.

By the Province—

The only requirement imposed on extra provincial insurance companies by the province is the annual payment of a flat-rate tax depending on the class of business as follows namely: Life insur-



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FIRE Every description of property insured. Large Limits.

LIVE STOCK The Yorkshire is the FIRST COMPANY, licensed by the FEDERAL GOVERNMENT, to transact Live Stock Insurance in Canada.

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APPLICATIONS FOR AGENCIES are invited from responsible persons.

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Lessee paid exceed \$235,000,000

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ARTHUR BARRY, Manager



Head Office: Royal Exchange, London

Correspondence invited from responsible gentlemen in unrepresented districts to fire and casualty agencies

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

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INSURANCE CO. LIMITED, LONDON. **Founded in 1806**
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THE LIFE AGENTS' MANUAL - \$3.00

Published by The Chronicle, Montreal

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AGENTS — INSURANCE — BROKERS

ETNA INSURANCE CO. OF HARTFORD
 ST. PAUL FIRE & MARINE INS. CO.

11 ST. SACRAMENT STREET
 MONTREAL, P.Q.

ance, \$225; fire insurance, \$150; accident, \$50; guarantee, \$50; and accident and guarantee, \$100.
By Cities and Towns—

The city of Charlottetown imposes an annual tax as follows: Life, \$100; fire, \$75; guarantee and accident, \$25; and plate glass, \$10.

The town of Summerside imposes an annual tax as follows: Life insurance companies, \$25; fire insurance companies, \$10; accident, \$10; plate glass, \$10.

Information in regard to other towns wanting.

QUEBEC.

By the Province—

(a) *Registration and filing of documents.*—Application for registry, \$5; filing of charter, \$1; filing of power of attorney, \$5; certificate of registry, \$150 annually.

(b) *Income Tax.*—The premium income of life insurance companies, 1 3/4 per cent. thereof but not less than \$400; all other companies, 1 per cent. but not less than \$250.

Income other than premium income is not taxed.

By Municipalities—

Municipalities have the power in their charters to impose taxes on insurance companies, but there is no statute establishing uniformity of such taxation.

SASKATCHEWAN.

By the Province—

The registration fee is the same for all insurance companies and depends on the amount of nominal capital as follows, namely:—

For a nominal capital of \$20,000 or less	.....	\$ 40
For every \$5,000 or part thereof in excess of the first \$20,000 up to \$100,000	.....	5
For every \$10,000 or part thereof after the first \$100,000 up to \$500,000	.....	3
For every \$100,000 or part thereof after the first \$500,000 up to \$1,000,000	.....	20
For registry of power of attorney	.....	5
For filing annual statement a fee of \$5 is charged if the capital stock does not exceed \$50,000; otherwise the fee is \$10.		

Income Taxes.—Every insurance company is required to pay a tax of 1 per cent. on premium income. If a company has more than \$50,000 invested in the province an additional tax of forty cents per \$1,000 so invested is required. Money lent upon municipal or school bonds or debentures or upon the bonds or debentures of any local or public authority in Saskatchewan is not, for the purpose of taxation, deemed to be money invested in Saskatchewan.

WESTERN CONDITIONS SATISFACTORY.

Mr. E. M. Saunders, treasurer of the Canada Life Assurance Company, has just returned from a western trip and speaks re-assuringly of the situation throughout the western provinces. In regard to the mortgage situation, Mr. Saunders feels that conditions are satisfactory. Collections on account of interest up to the end of June were better than a year ago, and few mortgagors are seriously in arrears.

The farmers generally are thoroughly optimistic and generally speaking are not worrying in regard to the supply of harvest labour. Practically all the towns will have men to spare to help in the harvest, and a supply from the border States is also anticipated.

METROPOLITAN LIFE'S WELFARE WORK.

Vice-President Frankel of the Metropolitan Life has issued a report of the welfare work carried on by the Metropolitan Life among its industrial policyholders. The Company provides without cost to policyholders a visiting nurse service in times of sickness, education in care of the health and also pleasure picnics in the summer. The number of patients under the care of nurses last year was 192,335, the nurses paying these patients 1,060,288 visits. The nursing service cost \$576,591 while the remainder of the welfare service absorbed \$74,229, a total of \$650,820. Regarding the details of this welfare work, the report states that in addition to attention given to sick policyholders in their homes and at hospitals, physicians are co-operated with extensively and also health officers of cities and towns, the latter particularly in connection with clean-up campaigns. Other activities which come within the scope of the service include the nursing of infants insured under the new infantile policy, education in personal hygiene by publications distributed free and by personal appeal, lessons in the public schools on the care of the teeth, first aid in the home, milk, drinking cups and kindred subjects. Besides all this work the Company conducted public exhibits at fairs in 127 cities throughout the United States and Canada, and also arranged for exhibits on a very large scale at the Panama-Pacific Exposition. Additionally there are many other details of this work, but the outlines given are sufficient to show its extent and the valuable services which are being performed.

INSURANCE COMPANIES' WAR TIME ECONOMIES.

An amusing and instructive dissertation on war-time economies in the London Post Magazine takes correspondence as a matter on which most insurance companies can save at the present time. Briefly the writer's advice is summed up in the sentence "when in doubt whether to write at all, don't." The largest proportion of saving, the writer thinks, can be made in letters with other offices, branches, officials, etc. As a beginning, he says, let it be understood that as between Offices, and as regards the Branches, etc., mentioned above:

1. No letters whatever be acknowledged unless and until they can be replied to definitely and finally. (Correspondents must take it as understood that all matters will have immediate and appropriate attention.)

2. All letters be (a) in memorandum form (excepting only the august letters of the All-Highest), (b) to the point without being curt, and (c) no more formal than written communications between two departments in the same Head Office. (As between Offices, except to cloud the issue in some such matter as amounts at risk in an Assessor's apportionment requiring a little re-arrangement, what need is there for the perfectly developed literary sentence and masterly handling of elusive synonyms? And, as regards Branch letters and the like, the essence of most of these is an instruction. This is all Branch executives require, and, however long a letter they may receive, is all they extract from it. As a rule, there is no need for anything in the nature of explanation of reasons for a decision. These reasons concern the Head Office alone: to state them is to invite criticism of the decision already given.)

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Old Reliable Progressive
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Losses paid since organization
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FIRE INSURANCE COMPANY, Limited

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Net Premiums in 1913 . . 5,561,441.00
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Manager for Canada:

MAURICE FERRAND

BRITISH COLONIAL FIRE INSURANCE COMPANY

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

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Director and Secretary: THEODORE MEUNIER

Manager: H. W. THOMSON

INSPECTORS.

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ARTHUR PATTON, Brandon, Man.

B. A. CHARLEBOIS, P. O. Box 208, Montreal, Que.

A METHOD OF RATING DWELLINGS.

A committee of prominent American fire underwriters has recently completed its work in evolving a system for grading the relative fire hazard of all dwellings, private boarding-houses, flats, tenements and apartment houses, including private barns, garages, sheds and other outbuildings, with rates for use in towns of various grades of fire protection. The schedule has been copyrighted to ensure that criticism will come back to the committee and it is the feeling of the committee that the schedule should be given a fair trial in its present form, and such changes as may be shown desirable by actual field tests to be made, be passed on by the committee before adoption. In further editions, the committee expects to submit for consideration a schedule covering the large estate dwelling, the fireproof dwelling and other groups to which the present edition does not apply.

The committee says of the question of schedule rating dwelling properties:—

The system of schedule rating as now developed is apparently able to handle what we may call business properties. It is able in fact to do more than this, and to handle properties which may be considered as not strictly of a business type, but more especially habitational, such as apartment houses, clubs, institutions, and similar properties. The dwelling itself, however, has grown to be a problem, and apparently the old method of rating by means of a flat rate throughout a given territory, if not subject to abandonment, is at least subject to a careful reconsideration.

NEW FEATURES.

The system takes into account area, height, construction, exposures, water works and fire department protection, width and condition of streets, building laws, electric ordinances, inspection etc. A new feature is an attempt to obviate the necessity for the specific rating of all risks by the adoption of a block system plan which is explained as follows:

Dwellings more closely approach uniformity of hazard in construction, occupancy and exposure than any other class. Therefore, the necessity of a detailed analysis of these hazards is correspondingly reduced. There are, on the other hand, variations in hazards of exposure, occupancy and construction between different localities sufficiently wide to warrant an average differentiation in the rates.

The specific rating of all dwellings is both unnecessary and undesirable because the expense involved in surveying and rating so large a number of risks would doubtless offset all benefits derived, and an equitable adjustment of rates may be reached through other means.

The exigencies of the case, therefore, have been met by adopting a system based upon block units known as districts. This method offers a sufficient differentiation in exposure and general condition of occupancy, construction and premises without unnecessary detail, and retains a graded scale of basis rates which permits an adjustment of rates at the proper level.

The block-district plan covers the mutual exposure of dwellings under the non-congested and congested dwelling districts and penalizes for probable exposure from manufacturing and mercantile areas under the Mercantile District. Inferior,

poorly maintained or tenement districts are treated under the fourth division.

The plan involves the districting of cities and towns and promulgation of rates for all dwellings located within the designated area. It requires specific rating in exceptional cases only. The plan is a satisfactory means between the extremes of complete analysis in detail and existing flat rates.

NON-CONGESTED DISTRICTS.

No. 1—Non-congested dwellings district comprises all blocks where more than 50 per cent. of the dwellings, private boarding-houses, flats, tenements and apartment houses are detached 10 feet or more on all sides in grades of municipal protection 1, 2, 3, 4, and 5, and 20 feet or more in grades 6 and 7, and which contain less than six buildings used for mercantile, manufacturing or other business purposes with grades 1, 2, 3, 4, and 5, and less than three such buildings in grades 6 and 7.

Note 1: When a block has been classed as District No. 1, the classification should not be changed on account of the erection of less than four additional dwellings.

No. 2—Congested dwelling district comprises all blocks where 50 per cent. or more of the dwellings, private boarding-houses, flats, tenements and apartment houses are not detached 10 feet or more on all sides in grades of municipal protection, 1, 2, 3, and 4 and not detached 20 feet or more in grades 6 and 7, and which contain less than six buildings used for mercantile, manufacturing or other business purpose, in grades 1, 2, 3, 4, and 5 and less than three such buildings in grades 6 and 7.

Note 1: Brick, stone or concrete buildings two stories or more in height occupied above grade floor exclusively for dwelling purposes should be classed as dwellings in determining districts.

Note 2: Fireproof buildings and buildings fully equipped with approved automatic sprinkler systems should not be considered in determining the district.

Note 3: In determining the percentage of dwellings detached the rater should use his judgment in establishing the district, and in case a block does not appear badly congested, two or three dwellings over the limit should be allowed.

No. 4: When dwellings, or buildings described under Note 1 above adjoin with fire wall between without openings and extending through roof, such wall may be treated as equivalent to 10 feet of clear space between buildings in grades 1, 2, 3, 4 and 5, and 20 feet in grades 6 and 7.

CONGESTED DWELLING BLOCKS.

Note 5: Congested dwelling blocks may be considered as non-congested when the total number of dwellings detached less than 10 feet on all sides, in grades 1, 2, 3, 4 and 5, and less than 20 feet in grades 6 and 7, does not exceed ten (see Note 4 above). Where sections of a block including one or more dwellings are separated from the congested or mercantile sections of a block by well defined clear spaces they may be placed in a different district from the rest of the block.

No. 3—Mercantile district comprises all blocks which contain the following number of buildings used for mercantile, manufacturing or other business purposes; except as noted under Notes 1 and 2 of District No. 2:

1st, 2nd, 3rd, 4th and 5th grades of municipal protection, 6 and over. 6th and 7th grades of municipal protection, 3 and over.



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LIBERAL POLICIES

ASSETS EXCEED - - - \$16,400,000
CLAIMS PAID, over - - - \$50,000,000

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WHY NOT HAVE THE BEST?

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Policies issued by this Company are the most liberal and up-to-date issued in Canada, free from unnecessary restrictions and conditions.

All policies guaranteed by the Liverpool & London & Globe Insurance Co., Ltd.,; assets over Sixty-Five Million Dollars (\$65,000,000.00.)

Note 1 : When mercantile districts contain Carelessly Maintained Dwellings or Tenements, or where there is evidence of a general untidiness or carelessness about the premises, etc., see District No 4.

Note 2 : Where a block contains a risk of large area equal in area to six ordinary mercantile risks, in grades 1, 2, 3, 4 and 5, and to three ordinary mercantile risks in grades 6 and 7, it should be classed as a Mercantile District.

No. 4.—Inferior Constructed or Carelessly-maintained dwelling or tenement district comprises all blocks or districts where a majority of the buildings are of inferior construction, and where there is evidence of a general untidiness or carelessness about the premises, including any general objectionable feature of occupancy or condition of buildings, streets, alleys or premises.

Note : When the general condition and care in and about the premises are good, inferior construction alone may not be sufficient cause for classing as District No. 4.

THE ROLL OF HONOUR.

ROYAL INSURANCE COMPANY.

Six members of the staff of the Manchester Branch of the Royal Insurance Company were engaged in the operations at the Dardanelles in which the East Lancashire Division took so brilliant a part. Of the six, three (Messrs. B. C. Cory, J. K. Senior and J. F. Hickson, all of the 6th Manchester) have been reported killed, one (Captain Malcolm G. Bird, of the 8th Lancashire Fusiliers) appears in the casualty lists amongst the "wounded" and one (Mr. S. McMillan), also of the 6th Manchester, is in the list of "missing." The news of the death of Messrs. Cory, Senior and Hickson has been received with much regret by their comrades in the office, by whom they were all greatly liked and respected.

BRITISH CROWN.

Second Lieutenant Ralph L. Breckell (second son of Mr. and Mrs. E. J. B. Breckell, of Waterloo, Liverpool), Local Secretary to the British Crown Assurance Corporation at Liverpool, is reported to have been killed in action on the 9th July. Lieut. Breckell was greatly esteemed by the Directors and Management, and his career has been a promising one. He enlisted in August and was gazetted in February to the Third South Lancashire Regiment. Two of his brothers are serving in the Army.

NORTHERN ASSURANCE COMPANY.

The list of casualties among the officials of the Northern Assurance Company engaged with the forces includes the following names :

Killed.—London Head Office—C. L. Whitehurst, died of dysentery, Westminster Dragoons; J. R. Wagstaff, killed in action, L. R. B. Manchester Branch; E. S. Humphrey, killed in action, Lancashire Fusiliers.

Missing.—Liverpool Branch—F. E. Barlow, Loyal North Lancashire Regiment.

Wounded.—London Head Office—E. C. Baker, London Rifle Brigade; H. A. Salter, R. A. M. C.; H. W. Newman, Civil Service Rifles. Liverpool Branch—W. Porteous, King's Liverpool Regt.; J. H. Thompson, King's Liverpool Regt.

COMMERCIAL UNION.

The death of Second Lieutenant Harry Yorston Dixon, who was killed in action on the Gallipoli Peninsula on the 13th July, robs Leeds insurance circles of one of its most popular and rising officials. Formerly occupying the position of Inspector of Agents with the Royal and Sun Offices. Lieut. Dixon became Local Manager of the Liverpool Victoria Insurance Corporation, and, on its coming under control of the Commercial Union a little more than a year ago, entered the service of the latter Company.

On the outbreak of the war Lieut. Dixon joined the ranks of the Leeds Pals Battalion. After a few months he was gazetted to the York and Lancaster Regiment and he was selected from a number of Officers to go to the Dardanelles. He was in Alexandria for a time and has apparently met his fate almost immediately after landing on the Peninsula.—Post Magazine.

MR. WEGENAST IN THE WEST.

Mr. George Wegenast, managing director of the Mutual Life of Canada, has just completed his annual trip through the prairie provinces, where the investments of the Mutual Life exceed ten million dollars.

Interviewed in Winnipeg, Mr. Wegenast stated that during the past year the Mutual Life has bought largely good municipal bonds in Western Canada. The company is still buying western bonds and will continue to buy them if they are of a satisfactory character.

Mr. Wegenast was asked for his opinion regarding legislation which has been passed in Western Canada to protect certain borrowers, and in reply he said that much of this legislation would in the long run injure those whom it was the intention of the government to help. It would tend to prevent lenders from sending money into the country and would tend also to raise the rate of such money as was sent.

Speaking of general business conditions, Mr. Wegenast said that while the larger cities had suffered, the rural districts were quite prosperous. Although all the towns of the west were quiet, the intrinsic value of western securities was unimpaired, and loans made on good prairie farms were as safe and sound as any investments in the world.

MR. M. CHEVALIER ELECTED DIRECTOR OF PROVINCIAL BANK.

Mr. Martial Chevalier, the well-known general manager of the Credit Foncier Franco-Canadien has been elected a director of the Provincial Bank of Canada, in succession to the late Hon. Louis Beaubien.

Mr. Chevalier has previously been associated with the Provincial Bank for some years as a member of the board of control of the Savings Department. He is succeeded in that capacity by Hon. Narcisse Perodeau, minister without portfolio in the provincial government.

The London (England) County Council has decided that insurance companies which have not declared a dividend during their last financial year shall be ineligible for the insurance of any of the Council's property, unless some exceptional reason satisfactory to the Council can be shown.



RAILWAY PASSENGERS ASSURANCE COMPANY

OF LONDON, ENGLAND

All kinds of **Personal Accident and Sickness Insurance**
Employers and Public Liability
Burglary, Plate Glass and Fidelity Guarantee

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TORONTO, ONTARIO

F. H. RUSSELL, *General Manager.*

Oldest Accident Office

MONTREAL BRANCH

201 LAKE OF THE WOODS BUILDING, 10 St. John Street



Transacts:

PERSONAL ACCIDENT SICKNESS LIABILITY (all kinds) AUTOMOBILE
FIDELITY GUARANTEE BURGLARY and LOSS OF MERCHANDISE and PACKAGES THROUGH THE MAIL INSURANCE

Applications for direct Agencies invited.

ELECTRICAL BANK and STORE PROTECTION
SPRINKLER SUPERVISORY SERVICE
NIGHT WATCHMEN'S SIGNAL and FIRE ALARM SYSTEMS

Head Office, GRESHAM BUILDING 302 ST. JAMES STREET **MONTREAL**
F. J. J. STARK, General Manager.

INCREASING PROTECTION.

During the fifteen or twenty years of a man's development from youth to prime, he finds it necessary to periodically increase his Insurance.

Under standard policies, this necessitates repeated Medical Examinations, and increased premium rates.

By securing one of our "SPECIAL FAMILY POLICIES" he can provide for all ordinary requirements at once, and the policy AUTOMATICALLY PROVIDES THE INCREASE.

Write for particulars, stating age and occupation.

THE NATIONAL LIFE ASSURANCE COMPANY OF CANADA

AN EXCLUSIVE PROPOSITION AND A LIBERAL CONTRACT FOR CAPABLE AGENTS.
 For terms apply to Head Office, 25 TORONTO STREET, TORONTO, ONTARIO.

ALBERT J. RALSTON, First Vice-President and Managing Director.

MOUNT ROYAL ASSURANCE COMPANY

The NATIONALE FIRE INSURANCE COMPANY OF PARIS, FRANCE.

PAID UP CAPITAL	\$250,000.00
TOTAL FUNDS	729,957.36
NET SURPLUS	202,041.02

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

AGENTS WANTED IN UNREPRESENTED DISTRICTS.

HEAD OFFICE FOR CANADA

MONTREAL.

J. E. CLEMENT, General Manager.

H. H. YORK, Inspector for Ontario.

L. C. VALLE, Inspector for Quebec

HOW THEY TRANSACT FIRE INSURANCE IN GERMANY.

However capable the present-day German mind when a quick reversion to savagery is required, its aptitude for the business of fire insurance does not appear particularly striking. A good deal of the business is transacted by public monopoly institutions, that of the city of Berlin being one of the largest. This institution has an absolute monopoly of the insurance of all immovable property in Greater Berlin, its outstanding insurances being considerably over \$1,250,000,000. Its infantile methods are described by a Vienna journal, translated by the Market World and Chronicle of New York as follows:

"Monopolisation leads to ossification and to the rejection of every kind of progress. The Berlin Fire Association affords a primary school exemplification of this truth. Called into being two hundred years ago, the Association even to-day knows no better method of procedure than to assess one and the same rate for all the insurances it carries, without the slightest regard to the character of the risk. Whether it be a dwelling or a factory that is insured, whether the building have all the provisions for fire prevention or be primitive in all respects, the Association makes no difference at all in its premium rate, which at the present time is 6¼ pfennigs per 100 marks of insurance (equivalent to a rate of 13.875 cents. per \$100)

"Fire insurance is to-day a branch of business in which the judgment of risks is scientifically conducted, and the private fire insurance companies maintain statistical bureaus for the purpose of investigating the fire hazard of every industrial structure. The Berlin Association has no need of all this; it plants itself firmly on the fire insurance science of the year 1718. All applicants for fire insurance in Berlin must come to the Association in any case; and, furthermore, modern innovations are just a botheration for the mind.

"The real property owners of Berlin have now come to the conclusion that the time is ripe to join battle with this anachronism. They have begun by addressing petitions to the Mayor of Berlin and to the city fathers, in which they demand the introduction of the classification of risks on the part of the Berlin Association."

WHAT CONSTITUTES PROOF OF DEATH.

A humorous interpretation of what does and does not constitute proof of death comes from the Shoreditch County Court in the east end of London. A claim was made against an English life company by the son of a lady who had died in Russia. Proof of death could not be obtained owing to the war. Eventually the signature of "two Christian ladies" was obtained, who said they knew "a lady had died." "That is not sufficient legal evidence of death," said Judge Cluer. Mr. Roch (for the plaintiff): This is the sworn document of two Christian ladies. Judge Cluer: Yes, but Russia is a civilised country, and proper evidence must be obtained. If this had been Patagonia, say, and two Christian ladies had sworn that they had seen this lady killed and eaten that would have been reasonable proof of death. There must be a non-suit with costs.

AIRCRAFT INSURANCE.

The new British Government scheme providing aircraft and bombardment insurance follows the recommendations of the committee, the members of which included Mr. E. Roger Owen (Commercial Union Assurance Company) and Sir Gerald Ryan (Phoenix Assurance Company), appointed to deal with the matter. The Committee found that the best practical method of coping with the problem was to invoke the assistance of the fire insurance companies. A number of these have agreed to act as agents for the Government in issuing policies, and the collection of premiums and in the initial proceedings in connection with loss assessments. A special State Insurance Office is also established to supplement the work of the fire offices.

The principle of the arrangement is that persons insured against fire in an approved company can take out through the same company a policy against aircraft and bombardment. A remuneration of 10 per cent. on the gross premiums would be paid to the companies to cover all expenses connected with the issue of the policies, the collection of premiums, and the expenses of the initial proceedings in connection with the adjustment of claims, with the exception of the assessor's fees, which would be paid by the State Insurance Office within thirty days of the adjustment of the claim. Any company which elects to act as agents for the Government may not accept risks on its own account.

THE STATE INSURANCE OFFICE.

The State Office will insure property which is insured against fire elsewhere than with the approved companies acting as agents for the Government, and it will also insure property which is not insured against fire at all, and also the property of the persons who elect to deal direct with the State Insurance Office. Brokers can go direct to the State Office, receiving a commission of 5 per cent.


The Office will be under the administration of a committee of experts, including representatives of Lloyd's, the fire insurance offices, and the Government. In addition to issuing policies of insurance, the State Office will receive the monthly accounts from the approved insurance companies, and will finally settle and pay all claims. The State Office will not accept re-insurance.

Flat rates of premium for the whole of England have been put in force. They range from 2s. aircraft only, and 3s. against aircraft and bombardment in the case of dwelling-houses, to 7s. 6d. and 10s. respectively in the case of merchandise at docks and in course of transit, etc., timber in the open and mineral oil tanks. The scheme does not make private insurance impossible, and it is still possible for Lloyd's underwriters to write this business at competitive rates.

INSPECTOR WANTED.

QUALIFIED FRENCH INSPECTOR required for the Fire Department of a British Insurance Company. Applications will be held in strict confidence. Apply Inspector, c/o The Chronicle Office, Montreal.

THE MUTUALIZATION



of The Prudential marks one of the greatest forward steps ever taken in the history of life insurance for the protection of the insured's interests.

THE PRUDENTIAL INSURANCE CO. OF AMERICA
 FORREST F. DRYDEN, President. Home Office, NEWARK, N. J.
 Incorporated under the laws of the State of New Jersey

YES, Opinions Differ—

Some claim that life insurance "without profits" is preferable to life insurance "with profits."
 Some hold that life insurance issued by stock companies is just as good as life insurance issued by mutual companies.
 Others maintain that old line companies issue policies that protect while fraternal societies issue certificates that only SEEM to protect.
 We have our opinions too but on one point all of us are agreed, namely, that **NO CANADIAN HOME IS SAFE WHOSE OWNER IS NOT INSURED.**
 And on another point all are agreed—that one cannot make a mistake in placing his insurance with "The Good Old Mutual."

The Mutual Life Assurance Co.
 Of Canada,
 WATERLOO - - - ONTARIO
 ESTABLISHED 1869

GENERAL

ACCIDENT **FIRE** AND LIFE
ASSURANCE CORPORATION, LTD.
 OF PERTH, SCOTLAND.

Total Security to Policyholders over \$8,600,000

PELEG HOWLAND,
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ANGLO-AMERICAN
 FIRE INSURANCE COMPANY
MONTREAL-CANADA
 FIRE INSURANCE COMPANY

Established 1859

J. W. RUTHERFORD, General Manager. **A. B. DUFRESNE,** Provincial Agent.
 ROOM 21, DULUTH BUILDING,
 Head Office Cor. Notre Dame and St. Sulpice S ts

The London Mutual Fire
 INSURANCE COMPANY
 Established 1859

Head Office - - - TORONTO

Assets - - - - -	\$863,554.52
Surplus to Policyholders - - - - -	433,061.40
Losses Paid - - - over	\$8,000,000.00

PROVINCE OF QUEBEC BRANCH

W. J. CLEARY, Provincial Manager. **R. de GRANDPRE,** Inspector
 17 St. John Street, MONTREAL

Union Assurance Society Ltd.
 OF LONDON, ENGLAND.
 [Fire Insurance since A.D. 1714]

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T. L. MORRISSEY, Resident Manager.

NORTH WEST BRANCH, WINNIPEG
THOS. BRUCE, Branch Manager.

Agencies throughout the Dominion

The Imperial Guarantee
 AND ACCIDENT INSURANCE CO., OF CANADA


Head Office: 46 King Street W.,
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A Strong Canadian Company.

ACCIDENT AND SICKNESS INSURANCE
 GUARANTEE BONDS

PLATE GLASS AND AUTOMOBILE INSURANCE

E. WILLANS, General Manager. **FRANK W. COX,** Secretary.



A dessert spoon full in a glass of water is the popular dose of

Abbey's Effervescent Salt

It improves the appetite, steadies the nerves and brings about a good healthy condition.

TWO SIZES **25c & 60c**
 ALL DRUGGISTS

CANADIAN FIRE RECORD

Specially compiled by The Chronicle.

LAIRD, SASK.—Hotel destroyed August 2. Loss over \$22,000. Origin, unknown.

COPPER CLIFF, ONT.—Stable on Morrison farm destroyed August 3. One life lost.

GRAVENHURST, ONT.—Factory of Ditchburn Boat Company destroyed with contents, August 1.

WOODSTOCK, N.B.—John Baird's house destroyed July 29. Insurance \$1,000. Origin, suspected incendiary.

SUSSEX, N.B.—Oddfellows' Hall destroyed, and Medley Memorial Hall and Central Hotel damaged August 1.

Three-storey wooden building burned July 31. Machinery of Massey-Harris Company, refrigerators of Sussex Manufacturing Company, pool room and shooting gallery, with household effects of Wm. Hewson and Jos. Landry were destroyed. Building insured with Queen Insurance Co.

MONTREAL, QUE.—Rear rooms, sheds and galleries of six flats from 160 to 168 Selby street damaged August 1.

Small fire in home of Mrs. Goodchild, 551 Durocher street, Outremont. Origin, current of electric flatiron was not turned off.

FAIRBANK, ONT.—Frame building owned by E. A. Lewis and used as grocery store, damaged to extent of \$1,000, July 28.

SASKATOON, SASK.—Stable destroyed and twelve horses burnt to death, August 1. Loss on stable \$1,500 and on horses \$4,000.

WELLAND, ONT.—Lambert's rink destroyed with three adjoining buildings owned by Welland County Agricultural Society, July 30. Loss, 5,600. Insurance \$5,500.

ALEXANDRIA, ONT.—Notre Dame de Tours parish church at Glen Robertson totally destroyed August 1. Suspected origin, incendiary.

London bank and insurance clerks only are raising at least one company of 250 men to join the 11th Royal West Kent Regiment—one of Kitchen-er's new battalions. The proud boast of the Royal West Kents is that in the present war they have never lost a trench.

* * *

Messrs. Wood, Gundy & Company, of Toronto, have issued a new edition of their useful handbook of Canadian Municipal Statistics. The value of the publication has been now enhanced by a summary prepared by Mr. Alexander Bruce, K.C. of the law relating to municipal borrowing in five of the provinces.

* * *

According to English exchanges, the new war loan tempted a good deal of hoarded funds out of old stockings and the like. Gold coin was freely paid in for it, while in one case an allottee paid up in Bank of England notes, the signature on which demonstrated that they had been hoarded fully twenty years.

* * *

A light July fire loss in the United States is reported. In Chicago, fire losses paid during the first half of 1915 are lower than for several years, partly owing to favorable climatic conditions and partly to the vigorous prosecution of firebugs. The half year's losses in 1915 are \$2,207,785 against \$3,195,945 in the previous half year.

* * *

Fire underwriters whose companies write hail insurance in the Western States are complaining of an exceptionally bad experience, the loss ratio in this class of business being so high that it has seriously affected the total experience of the companies on all classes of business for the month. Some underwriters report a loss ratio of 200 per cent. in hail business with a month and a half yet to hear from.



She's Daddy's Girl-

The very sunshine of his life. He's planning great things for her--if he lives.

And if he dies--well, he's proud of the fact that she will then receive--regularly--each month--as long as she lives--a cheque from The Imperial Life to provide for her every need.

You can provide in this way for *your* little girl. Our free booklet tells all about it. Write for a copy. Address--

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Assurance Company of Canada
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