

# The Chronicle

Banking, Insurance and Finance

ESTABLISHED JANUARY, 1881

PUBLISHED EVERY FRIDAY

Vol. XXXX. No. 16

MONTREAL, APRIL 23rd, 1920

Single Copy 10c  
Annual Subscription \$3.00

## THE GENERAL FINANCIAL SITUATION

The rise in the Bank of England's official rate of discount to 7 per cent. (a figure which has not been reached before, except in times of actual panic, since the middle of last century), and the preceding movement in the discount rate of the Bank of France to 6 per cent. are events of considerable interest to Canadians in relation to the general financial outlook. Alterations in the discount rate of the Bank of France are, like the proverbial angels' visits, few and far between. Internal financial conditions in that country, as is shown by the depreciation of the franc in foreign markets, are extremely bad, and the present move is no doubt associated with a desire of the Paris bankers to set about the enormous task of mending French credit and putting the country's finances in order—a task which is likely to occupy many years, in spite of the amazing capacity for thrift and economy possessed by the great majority of the French people.

The rise in the Bank of England's rate, on the other hand, would appear to constitute part of the campaign for restricting the supplies of funds for speculative purposes, which the British bankers have lately taken in hand. In Great Britain, as in Canada, there has been since the conclusion of hostilities a great wave of stock exchange speculation, stimulated to some extent by the excessive taxation which has made a great number of people, who formerly were not very keen on this particular form of indulgence, eager to take a chance of adding to their income. There has been, moreover, a vast output of new securities by both high-grade borrowers and by industrial concerns whose offerings were of a more speculative character. Some month or two ago, high British financial authorities were reported as seriously concerned regarding the results of a movement that merely continued inflation and habits of free spending, and it is well known that the British banks have lately been shutting down on extensions of credit, to an extent that the output of new securities has been checked. The present rise in the Bank of England's rate is an evident continuation of this campaign.

Thus it is seen that the pinch of tight money which is being felt in Canada, particularly for

speculative purposes, is by no means confined to the Dominion but is being experienced elsewhere. Even in the United States, whose present conditions are referred to below, competent observers are looking for a severe "money-squeeze" in the fall. We are inclined to think that there will be little change regarding tight money, as far as Canada is concerned, until the price of commodities comes down—a process which possibly may be eventually hastened by a money panic originating in the States—though of that there is in fact no present sign. While some local Stock Exchange opinion is inclined to look hopefully to the opening of navigation as making an end to the present stringency, we are of the opinion that any relief in this respect will be at best temporary and probably of little effect, and that no really marked change in present conditions is to be expected for some time, until either the banks' current loans are reduced by a decline in commodity prices or their loaning resources amply increased through the growth of deposits. As things are, inventories and corresponding bank loans which are being carried by many of the smaller commercial and mercantile concerns are at figures which a few years ago would have appeared unbelievable.

In connection with this subject, attention is drawn to the abnormally high levels of interest which are beginning to prevail in the United States.

It is pointed out that the United States Treasury's bid of 5 to 5½ per cent. for temporary bank loans made last week is higher than any such bids since the reconstruction period after the Civil War and that 4¾ per cent. United States Government bonds maturing in 1923 are down to a point to yield 6¼ per cent. to the present purchaser—a return which has not been obtainable since the early months of 1863. Moreover, strong railway and industrial corporations are offering new securities on a 7 to a 7½ per cent. basis—even the Pennsylvania Railway is offering 7 per cent. bonds. "This abnormal rise in the cost of capital," writes one observer, "reflects three distinct facts in the situation,—the prodigious waste of accumulated capital in the war, leaving the actual stock of capital much reduced on the return of peace; the doubling of prices during the war, making it necessary to use

# BANK OF MONTREAL

Established Over 100 Years

Capital Paid Up, \$20,000,000

Res. 20,000,000

Undivided Profits, 1,812,854

Total Assets

\$545,304,809

## BOARD OF DIRECTORS:

SIR VINCENT MEREDITH, Bart., *President.*

SIR CHARLES GORDON, G.B.E., *Vice-President.*

R. B. Angus, Esq.  
Lord Shaughnessy, K.C.V.O.  
C. R. Hosmer, Esq.  
H. R. Drummond, Esq.  
D. Forbes Angus, Esq.  
Wm. McMaster, Esq.

Lieut.-Col. Molson, C.M.G., M.C.  
Harold Kennedy, Esq.  
H. W. Beauclerk, Esq.  
G. B. Fraser, Esq.  
Colonel Henry Cockshutt  
J. H. Ashdown, Esq.

E. W. Beatty, Esq. K.C.

## HEAD OFFICE: MONTREAL

Sir Frederick Williams Taylor, *General Manager.*

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

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

### PRINCIPAL BRANCHES OUTSIDE OF CANADA:

LONDON, Eng.: 47 Threadneedle St., E.C.

G. C. CASSELLS, *Manager.*

Sub-Agency: 9 Waterloo Place  
Pall Mall, S.W.

In the United States.

NEW YORK. CHICAGO. SPOKANE.  
SAN FRANCISCO—British American Bank  
(owned and controlled by Bank of Montreal)  
and at MEXICO CITY

PARIS, FRANCE—Bank of Montreal—(France 17 Place Vendome,

NEWFOUNDLAND: St. John's, Carbonear, Curling, Ferryland, Gaultois, Grand Falls, Greenspond, and St. George's.

## Trade With the Orient

With correspondents of the highest standing in China, Japan, India and other countries of the Orient, and branches in all the principal ports on the Pacific coast of North America, namely:—

Prince Rupert	Portland, Ore.
Victoria	Seattle
Vancouver	San Francisco

this Bank is excellently equipped to serve the interest of Canada's growing trade with the Orient.

## The Canadian Bank of Commerce

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

# THE MOLSONS BANK

Incorporated in 1855

CAPITAL AND RESERVE \$9,000,000

Over 120 Branches

Every business man needs a banking service that is rapid and efficient and affords him reasonable credit for ordinary requirements or special commitments.

Our Managers invite confidential interviews.

HEAD OFFICE: - MONTREAL

E. C. PRATT *General Manager*

# The Chronicle

## Banking, Insurance and Finance

Established 1881. Published Every Friday

F. WILSON-SMITH, Proprietor and Managing Editor  
OFFICE:

406-408 Lake of the Woods Building,  
10 St. John Street, Montreal.

Annual Subscription \$3.00 Single Copy, 10 cents

MONTREAL, FRIDAY, APRIL 23rd, 1920

### THE GENERAL FINANCIAL SITUATION

(Continued from front Page)

twice as much capital or credit to conduct the same volume of business as before; and the world-wide use of credit in purely speculative operations, which presses heavily on the already much depleted bank resources. However desirable, on general principles, a great and immediate increase of trade and industry may be, it must accommodate itself to the actual facilities for capital and credit, or else take the very serious consequences. There is a Canadian significance in the last remark, in view of the tight rein which the banks have lately been keeping even upon commercial and industrial borrowers.

The "outlaw strike" in the United States seems to be petering out at the time of writing. It has succeeded in putting a certain amount of sand in the machinery of industry, and the tying up of freight and supplies has not improved the situation generally. This, however, although of some consequence, is not believed to constitute the most important aspect of the strike, the real significance of which apparently lies in its revelation of cleavage between the more law-abiding and conservative elements in the labor unions and the radicals, cleavage which may possibly eventually result in disruption. While the conservatives, on this occasion, have not been able to restrain the radicals from action, the fact that the latter stock is failing is an encouraging sign that sooner or later a beginning may be made with the breaking of the vicious circle of inflated wages, and correspondingly inflated prices a process which would be aided by the failure of supplies of capital and credit to keep pace with necessary demands, as described above.

In view of the wide distribution of the stock of the Consolidated Mining and Smelting Company, among small investors, to whom the high yield has been a great attraction, the statements made at the annual meeting regarding the future of the Company are of considerable interest. In the last year or two, the Company has admittedly had a very hard time of it, irreconcilable labour not being

the least of their trouble, and the 10 per cent. dividend has not been earned. For the fifteen months covered by the latest financial statement earnings fell short of dividend requirements by some \$490,000. However, the corner appears to have been turned, products of the company are in good demand at satisfactory prices, and in its newly developed property, the Sullivan Copper Mines, the company has an asset of apparently remarkable possibilities, ore lodes in sight being calculated to produce values of \$200,000,000 to \$250,000,000. "Smelters" as it is popularly known, has some exceedingly powerful connection, the C. P. R. being important shareholders, and it would seem that the general body of small shareholders, who purchased their stock around present prices have good reason to view the future with equanimity. "Smelters" has in fact now progressed to the stage of being an industrial as well as a mining enterprise, being equipped to take care of all operations from the mining of the ore to the finished product.

### Increasing Cost of Living

Selfishness is a familiar quality in human nature, and in communities of thousands, not to say millions, of people, it is not easy to get it suppressed or even limited in any perceptible degree.

Preaching or appealing may have more effect than compulsion by any public authority. The agencies for enforcing rules to keep prices down are apt to cost more than they save. While supply cannot be increased materially, demand cannot be so limited as to keep prices down, for those who have things to sell like to get as much as they can for them, and if they charge high prices to those ready to pay them it does not diminish the supply or increase the demand outside of the quantity so disposed of. What is really needed for relief is as rapid increase in producing supplies as possible for cutting down demands is no easy matter.

### TRAFFIC RETURNS

#### Canadian Pacific Railway

Year to date	1918	1919	1920	Increase
Mar. 31 . . . . .	\$32,154,000	\$35,770,000	\$42,366,000	\$6,596,000
Week ending	1918	1919	1920	Increase
April 7 . . . . .	2,984,000	2,921,000	3,617,000	696,000
April 14 . . . . .	2,935,000	2,668,000	3,655,000	767,000

#### Grand Trunk Railway

Year to date	1918	1919	1920	Increase
Mar. 31 . . . . .	\$12,884,022	\$14,003,850	\$15,471,237	\$1,467,387
Week ending	1918	1919	1920	Increase
April 7 . . . . .	1,339,291	1,274,553	1,469,333	194,780

#### Canadian National Railways

Year to date	1918	1919	1920	Increase
Mar. 31 . . . . .	\$20,213,115	\$21,554,947	\$21,554,947	\$ 1,341,832
Week ending	1918	1919	1920	Increase
April 7 . . . . .	1,457,144	1,834,118	1,834,118	376,974
April 14 . . . . .	1,590,159	1,818,934	1,818,934	228,775



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

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



**THE LIVERPOOL - MANITOBA  
ASSURANCE COMPANY**

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

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

FIRE INSURANCE



**The Globe Indemnity Company  
of Canada**

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

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

== FIRE INSURANCE ==

John Ems, Secretary and General Manager  
 John Pinkerton, Assistant Manager  
 Lewis Laing, Fire Manager  
 J.D. Simpson, Assistant Fire Manager

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

**INSURANCE COMPANY OF NORTH AMERICA**

CAPITAL - - - \$5,000,000  
 ASSETS IN EXCESS OF \$36,000,000

Issues specially desirable forms of Use and Occupancy, Rental and Leasehold Insurance  
 Agents in all the principal Cities of Canada and the United States

**ROBERT HAMPSON & SON, LIMITED**

General Agents for Canada - - - 1 ST. JOHN STREET, MONTREAL

**THE BRITISH GENERAL INSURANCE CO. LIMITED**

OF LONDON, ENGLAND

Will commence operations (Fire Insurance) in Canada with the New Year 1920  
 Head Office for Canada - Lewis Building, Montreal

THOMAS F. DOBBIN, Manager for Canada

EDMUND FOSTER, Assistant Manager

**JOHNSON-JENNINGS, INC.**

AGENTS - - - INSURANCE - - - BROKERS

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

21 ST. SACRAMENT STREET  
 MONTREAL, P.Q.

### Mr. J. Gardner Thompson Says Western Provinces are Prosperous

Mr. J. Gardner Thompson, manager for Canada Liverpool & London & Globe Insurance Company, has returned from a trip to the Western Provinces visiting some of the important agencies of his Company, Mr. Thompson does not appear to have noticed any great change in the physical features in the West as there has been little or no new construction, on this account, there are virtually no vacant buildings, and rents especially for houses and apartments have greatly increased. Mr. Thompson states that business is prosperous, and there is little or no unemployment. So long as present price of grain is maintained, the North West will continue prosperous, as even a moderate crop at present prices, yields large returns. British Columbia is also prosperous, the mining and forest industries being particularly active. Vancouver is probably in a healthier condition than it has ever been, and it is hoped that the people of the West will profit by experience and avoid real estate booms, which usually bring such disaster in their train. Individuals in the West especially farmers, Mr. Thompson states, are gradually reducing or paying off their mortgages, but there still remains heavy Provincial and Municipal debts, which will continue to be a burden for some time, with hard work, and economy this however, should not bar progress, and the situation will be relieved by the tide of immigration, which it is expected will steadily blow into that rich country, which only requires its natural resources to be developed.

Insurance results in the West have been satisfactory during the past few years, but there is always the menace of a great conflagration, owing to frame buildings, and the use of wooden shingles. Mr. Thompson states that in his opinion the use of wooden shingles, should be prohibited by the law in any community where there is an aggregation of values.

### POWER OF PUBLIC UTILITY COMMISSION TO ALTER CONTRACTS

In these days when public utilities of all sorts and conditions are regulated by public commissions of some description, the case of City of Edmonton vs. Northern Gas Company decided by the Supreme Court of Alberta, is one of considerable interest.

In this case it appeared that the Alberta Public Utilities Act came into force in October 1917 and the Board of Public Utilities Commissioners was constituted under the Act a few weeks later. Previous to this date the city and the Northern Gas Company had been negotiating in reference to the gas supply of the City, and in November, 1915, an agreement was arrived at which was confirmed by an Act of the Alberta Legislature.

The agreement between the Company and the city provided that the company should not charge more than a certain price for gas during the term of the franchise granted by the agreement but in 1919 the City and the Company came to an understanding and presented a joint petition to the Board of Public Utilities asking that the rates fixed by the agreement be increased by an order of the Board. The City and the Company being of one mind on the matter there was, apparently, no chance for opposition, but the Attorney General of Alberta intervened, and questioned the jurisdiction of the Board to make an order increasing the rates on the ground that the agreement between the company and the City validated as it had been, became an Act of the law, and that to alter its terms would be a legislative act and beyond the jurisdiction of the Board.

The decision of the Supreme Court of Alberta was that the contention of the Attorney General was right and that in this case the Board had no jurisdiction to make an order increasing the rates. The following quotations from the judgment of the Court show that there is a limit even to the power of public utilities boards when it comes to interfering with binding and lawful contracts and, although some of the other Judges took a different view of this particular point, as a general statement of the law it is sound and will repay a careful perusal.

"I presume, though I have not the material before me to verify," said the Chief Justice of Alberta, "that the Canadian Public Utilities Acts finds their prototypes in acts of legislature of states of the American Union, and every one familiar with the constitution of the United States knows by its terms every legislature is prohibited from passing any law 'impairing the obligations of contract.' Our legislatures have no such limitations, but unless the power is expressly given to disregard contracts or effect can be given to the legislation only by implying that power a Court would be unwilling to construe an act as having such an intention. There is plenty of scope for the operations of the Board without holding that a contract has no sanctity."

### PERSONALS

Mr. W. B. Meikle, President and Managing Director of the Western Assurance Co., who left Canada some days ago has arrived in England, where he is visiting the Agencies of his Company. The Western has earned a high reputation on the other side of the water, where it has a good organization, and valuable connections. We understand the Company's business in that section of the Empire for 1919 was highly satisfactory

# Commercial Union Assurance Company Limited

of London, England

THE LARGEST GENERAL INSURANCE COMPANY IN THE WORLD  
as at 31st Dec., 1918.

Capital Fully Subscribed . . . . .	\$14,750,000	Total Annual Income exceeds . . . . .	\$64,000,000
Capital Paid Up . . . . .	4,425,000	Total Fire Losses Paid . . . . .	215,897,380
Life Fund, Etc. . . . .	75,578,630	Deposit with Dominion Gov't . . . . .	1,401,333
Total Funds exceed . . . . .	174,000,000		

# Palatine Insurance Company Limited

of London, England

as at 31st Dec., 1918.

Capital Fully Paid . . . . .	\$1,000,000	Total Income . . . . .	\$3,462,515
Fire Premiums 1918 . . . . .	3,305,020	Funds . . . . .	6,062,500
Interest Net . . . . .	157,495	Deposit with Dominion Gov't . . . . .	358,266

N.B.—In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Funds exceed \$174,000,000.

Applications for Agencies Solicited in Unrepresented Districts

Head Office: CANADIAN BRANCH

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

W. S. JOPLING, Manager

# THE CANADA

ACCIDENT & FIRE ASSURANCE COMPANY

Head Office, - - - MONTREAL

T. H. HUDSON, Manager, Fire Department.

H. F. RODEN, Manager, Casualty Department

Policies Guaranteed by  
Commercial Union Assurance  
Company Limited

Local General Agents, (Fire)

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

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

SECURITY OVER

\$80,000,000

FIRE

AUTOMOBILE

THE

# BRITISH CROWN



ASSURANCE CORPORATION LIMITED

OF GLASGOW, SCOTLAND

J. H. RIDDEL,

Manager

HEAD OFFICE FOR CANADA - - TORONTO

E. C. G. JOHNSON,

Asst. Manager

JOSEPH ROWAT - GENERAL AGENT - MONTREAL

THE

# FIRE INSURANCE COMPANY OF CANADA

MONTREAL

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

GENERAL FIRE INSURANCE BUSINESS TRANSACTED

President: Hon. R. DANDURAND

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

## FIRE PREMIUMS AND LOSSES IN CANADA, 1919

The business of fire companies operating in Canada in 1919 with a comparative table for 1918 are published detail in this issue, together with their Canadian loss experience since 1913.

The volume of business transacted by the fire Companies in 1918 was the largest in the history of Canada up to and including that year. It will be seen, however, by the following figures showing in brief form the results recorded from official figures by the Dominion licensed Companies, that another record has been established (by results) in volume of business for 1919:—

	1918	1919
Net premiums . . . .	\$35,954,405	\$39,912,398
Losses incurred . . . .	18,204,160	16,766,371
Percentages losses to premiums . . . .	50.63	42.01

As will be noted the year 1919 was preeminently an unusually favourable year to the fire business in Canada, and was one of the most profitable of the whole fifty years over which the government figures extend. This to some extent will offset, the adverse experience of many previous years. The substantial increase of approximately \$4,000,000 in net premiums while partly due to natural growth, is also largely the result of increase in values.

The Canadian Companies report an income of \$6,398,098 in net premiums, compared with \$5,370,095, an increase of \$828,003, while the British Companies increased their incomes from \$18,658,710 to \$20,383,117, an increase of \$1,724,407. The American and French Companies advanced from \$11,725,600 to \$13,131,183, an increase of \$1,405,583. The substantial increase in volume of business which is reported year by year as being transacted by British Companies, continues, notwithstanding the ever increasing competition for business, and in view of the large and increasing number of other Companies which have entered the Canadian field. Last year fifty-four American and French Companies are included in the table of results published in this issue, compared with thirty-seven British Companies and thirty-three Canadian Companies.

### *The Loss Ratio.*

The loss ratio of 1919 is over nine points lower than that recorded for 1918. In 1918 the British Companies had a loss ratio of 50.03 per cent. The year 1919 might be recorded as the most favourable in the history of British Companies in Canada when the loss ratio was reduced to 42.34 per cent. The British Companies net losses incurred in the Canadian field in 1919 amounted to \$8,639,376, as

compared with \$9,334,298 in 1918. The net result for both years combined will have more satisfactory scope for the payment of the ever increasing taxes and expenses, and provision for the necessary increase in reserves.

The American and French Companies incurred net losses of \$5,485,974, compared with \$6,314,940 in 1918, the loss ratio being the lowest on record for these institutions at 41.78 per cent., comparing with 53.86 in 1918. The Canadian Companies with a loss ratio of 41.28 per cent., compares with 45.87 per cent. in 1918, their net losses incurred for 1919 were \$2,641,021, as compared with \$2,554,922 in 1918.

In 1918 eight Companies had Canadian premium incomes in excess of a million dollars, compared with seven in 1917 and four in 1916. Last year, however, the number under this heading has been advanced to nine by the addition of the Northern Assurance Co. Limited with a net income of \$1,050,101. The other Companies in order of income being the Royal \$1,764,826, Guardian, \$1,433,698, Home, \$1,401,820, Liverpool & London & Globe, \$1,373,487, Commercial Union, \$1,188,574, Hartford, \$1,178,181, Phoenix of London, \$1,145,616, and the North British & Mercantile, \$1,079,632.

The additional table summarizing the loss record of the whole of the Companies for the past twenty-two years, shows briefly, the course of the fire insurance business during that period, only in four of the twenty-two years has the loss ratio of the Companies fallen below 50 per cent.

Climatic conditions, in Canada are an important factor in fire losses which cannot be removed. It is hoped, however, that the efforts being made in Fire Prevention by the Government and others will assist in the removal of many causes of fires. Although judging by the large numbers of serious fires which have been reported lately during 1920, the results of such efforts are decidedly discouraging.

## DEATH OF MR. ELIAS ROGERS PRESIDENT NATIONAL LIFE

The death of Mr. Elias Rogers on the 11th inst., President of the National Life Assurance Company since its inception, removed from the business life of Toronto a prominent figure. His business interests were wide and varied, he was a director of the National Trust Co., Vice-President of the Imperial Bank, director of the Imperial Guarantee, the Dominion Iron and Steel Company, President of the M. F. and M. Railway, President of the Electric Light and Power Company, B. C., and connected with various other enterprises. The deceased gentleman was greatly esteemed in the community by a large circle of friends.



**INSURANCE ON MORTGAGED PERSONALITY**

The laws of all the Provinces provide that when a bill of sale or chattel mortgage is given there shall be an affidavit of the proper execution of the document, and that, if such affidavit is lacking, the bill of sale shall be void as against the creditors.

Suppose now, that A gives B a bill of sale on personal property with the usual insurance clause providing that A shall insure the mortgaged goods with the loss, if any, payable to B, and the bill of sale is registered or filed without the affidavit required by law. In such a case of course the bill of sale is void as against A's creditors, but what is the effect of the insurance clause contained in the invalid bill of sale?

This point was considered by the Appellate Division of the Ontario Supreme Court in the case of *Petinato vs. Swift*, where it appeared that one Petinato owned a small grocery business which he sold to one Musilano for \$3,000 cash, and Musilano executed a bill of sale or chattel mortgage in the usual form to secure the balance, with the usual insurance clause. Musilano insured the property sent the receipt to Petinato, and, after the goods had been destroyed by fire, Musilano assigned the insurance money coming to him, to Petinato.

There was no affidavit of the execution of the chattel mortgage as required by law,—the Swift Company got a judgment against Musilano, and the question was, who was entitled to the insurance money.

It was admitted, of course, that Petinato's claim to the mortgaged goods was void under the Ontario Law on account of the defect in his bill of sale, and it was argued on behalf of the Swift Company, that that being so, his claim to the insurance money could stand on no better footing, but the court held that while the chattel mortgage was void as against the creditors, it was valid to the extent that it created an assignment of the insurance money and that Petinato was entitled to the proceeds of the policy as against the claim of the Swift Company.

"When an act makes one thing void we must see that we do not destroy independent obligations merely because they are contained on the same piece of paper, or because they hang together," said the court. "It is quite possible to assign the insurance without assigning the chattels and an assignment of the insurance might be made to cover any debt, however, disconnected with the chattels; and an assignment of insurance neither gives nor requires for validity any interest in the goods by the assignee. The trial judge cannot see that Petinato should have any more advantage of the insurance obtained on account of the destruction of the goods than he would from the goods themselves intact. That difficulty, I venture to

say, is met by supposing that he had no chattel mortgage at all, but only an assignment of the insurance policy, then so long as there was no fire he would have no direct advantage of the goods; but, on the occurrence of a fire, he would receive the insurance money. I think that as regards other creditors that is the precise position of Petinato in this suit."

**NORTH BRITISH & MERCANTILE**

Mr. J. M. Lowe, Inspector of the North British & Mercantile Insurance for the Maritime Provinces, has removed with his family to Moncton, N.B., where he will reside permanently, making that City his head quarters, instead of Montreal. Mr. Lowe has been connected with the North British & Mer. for many years, and is a most popular official. He is well known throughout the Lower Provinces, where the business of the Company is growing and necessitating more personal supervision.

**DIOCESAN MUTUAL COMPANY  
INCORPORATED AT QUEBEC**

According to an official notice published in the Quebec Official Gazette of the 17th instant, the Church of England in Quebec Province, for the purpose of protection against fires that may occur in churches, parsonages, parish rooms, halls, buildings, schools furniture, etc., has incorporated the Quebec Diocesan Mutual Fire Insurance Company, with main office in Quebec City. Heretofore losses occurring in the above institutions were mostly paid by stock companies, the premiums charged being very moderate compared with the security behind the policies.

**"GENERAL ACCIDENT" APPOINTMENTS**

Mr. A. G. T. MacLean, has been appointed Manager of the Burglary Department of The General Accident Assurance Company of Canada, Toronto. Before enlisting in 1915 for overseas service with the C.E.F. Mr. MacLean was in charge of the Metropolitan section of the Workmen's Compensation and Liability Department of the Royal Indemnity in New York, previous to which he was in the Edinburgh offices, first of the "General of Perth" and then for several years the "Guardian Assurance."

Mr. A. R. Lyle, has been appointed Manager of the Automobile Departments of "The General Accident of Canada" and the "General of Perth" at their Toronto Head Office to succeed Mr. H. C. Strachan who has resigned. For the past ten years Mr. Lyle has been employed in the Toronto office of the Norwich Union Fire Insurance Society Limited of whose Canadian Automobile Department he was latterly in charge.

**FIRE INSURANCE BUSINESS IN CANADA FOR THE YEAR 1919**  
**With Comparative Results from 1913 to 1918**  
*(Compiled by The Chronicle)*

COMPANIES	Per cent. of Losses incurred to Premiums					Business of 1918.			Business of 1919		
	1913	1914	1915	1916	1917	Net Cash received for Premiums	Net Losses Incurred	P.C. Losses incurred to Premiums	Premiums received for Net Cash	Incurred Losses Net	P.C. Losses to Premium rec.
<b>CANADIAN—</b>											
Acadia	57.74	65.32	77.13	68.05	83.82	201,155	66,589	33.10	224,010	113,248	50.56
Anglo-American	70.09	63.92	74.54						1,988	780	39.23
Antigonish Farmers		2.51	8.21	30.26	21.11	36,695	5,183	14.13	35,172	7,294	20.74
Beaver	52.86	63.55	52.87	54.01	49.57	676,106	293,596	43.42	795,194	324,685	40.83
British America	34.74	18.38	114.71	92.86	73.81	134,873	69,686	51.67	187,362	95,679	51.07
British Colonial	41.05	80.96	50.99	56.78	37.30	82,748	53,578	64.75	89,089	35,986	40.40
British Northwestern				139.08	48.00	50,052	31,616	63.17	76,376	25,949	33.98
Canada Accident	37.12	42.74	46.16	69.08	49.23	189,094	83,210	44.00	187,809	61,884	32.95
Canada National									27,943	1,486	5.32
Canada Security	42.71	46.73	37.09	36.49	40.08	306,843	129,062	42.05	345,098	107,756	31.22
Canadian									87,222	23,680	27.15
Canadian Indemnity						660	None		1,349		
Canadian Lumbermans										5	
Central Canada Manf.	110.49								1,349		
Cumberland Farmers									382,067	146,194	38.26
Dominion	69.40	81.10	60.76	50.94	60.82	318,003	149,089	46.88			
Dom. of Can. Guar. & Ac. Equity	68.78		4.01	29.44	59.40	30,234	9,385	31.04			
Factories	83.28	49.40	90.60	72.70							
Fire Ins. of Can.						None	1,930		128,524	19,057	14.83
General Acc. of Can.									8,751	5,136	58.69
Globe Indemnity					43.75	103,327	49,421	47.83	138,356	55,219	39.91
Guardian Ins. Co.									6,212	4,883	78.60
Hamilton				51.08					21,262	11,464	53.67
Halifax									208,231	107,420	52.85
Hudson Bay	86.89	53.45	71.90	67.13	62.67	175,032	99,248	56.70	106,750	53,371	50.00
Imperial Under	30.20	51.32	60.42	67.72	21.01	107,654	38,347	35.62	16,138	1,817	11.26
Kings Mutual									270,501	108,580	40.14
Liverpool, Man.	54.60	59.68	50.03	61.15	37.51	268,708	111,443	41.47	503,782	228,461	44.95
London Mutual	62.63	70.33	60.06	71.10	56.54	402,128	254,245	63.22	140,740	121,596	41.14
Mercantile	44.68	79.04	51.55	60.22	46.11	272,490	140,740	51.66			
Montreal, Canada	69.68	73.16	100.25						588,018	234,319	39.85
Monot Royal	52.84	40.24	38.00	55.69	49.72	492,129	256,189	52.06	15,190	4,864	32.02
Mutual Fire									113,088	50,765	44.89
North Empire	50.71	74.29	51.81	115.91	59.02	106,366	68,119	64.07	145,079	67,860	46.77
Northwest	43.32	54.52	63.95	78.15	70.37	140,577	58,028	41.28	215,077	100,442	46.70
Occidental	52.86	67.57	54.61	47.99	53.29	206,076	90,256	43.80			
Ontario	94.00								112,187	32,333	28.82
Pacific Coast	32.30	55.01	33.92	34.06	57.25	98,944	43,880	44.35	3,371	1,051	31.18
Pieton County Farmers									302,573	117,467	38.82
Quebec	56.35	47.95	35.92	63.05	55.61	302,368	107,145	35.43			
Rimonski	110.00								710,373	356,119	50.13
Western	41.91	79.61	38.34	38.06	60.83	869,213	344,937	39.68			
<b>Totals and Averages</b>	<b>61.31</b>	<b>61.10</b>	<b>53.18</b>	<b>56.34</b>	<b>53.75</b>	<b>5,570,095</b>	<b>2,554,922</b>	<b>45.87</b>	<b>6,398,006</b>	<b>2,641,021</b>	<b>41.28</b>
<b>BRITISH—</b>											
Alliance	39.13	63.53	42.97	50.04	45.50	357,526	218,866	61.22	354,981	109,270	30.78
Atlas	54.01	65.40	58.24	66.43	60.00	560,056	295,760	52.81	606,679	293,831	48.43
British Crown					92.94	316,749	165,138	52.14	424,067	176,746	41.68
British Dom. & Genl.			65.96	99.50							
British Traders						90,528	17,755	19.61	154,600	58,485	37.83
Caledonian	56.59	62.09	52.61	66.41	55.87	467,411	228,913	49.19	434,478	158,605	36.50
Car. and General									71,862	30,342	42.22
Century					77.75	141,372	80,015	56.60	190,456	64,580	32.87
China									1,723		
Commercial Union	46.66	45.56	50.42	67.65	50.13	1,089,938	634,832	58.25	1,188,574	438,449	36.88
Eagle Star & Brit. Dom.					52.79	188,408	86,067	45.68	293,217	108,927	35.44
Employers' Liability	45.13	59.49	47.18	47.28	54.34	628,724	289,906	46.11	683,124	284,149	41.60
General	63.83	59.33	47.86	70.37	61.24	393,903	211,640	53.58	412,609	178,383	42.01
Guardian	52.49	59.28	59.44	55.08	72.63	1,330,806	692,297	51.67	1,433,696	651,497	45.44
Law Union & Rock						277,441	156,196	56.30	281,242	72,140	25.65
Liverpool & Lon. & Globe	56.75	67.94	48.42	60.20	41.99	1,405,866	685,456	41.67	1,373,457	665,454	48.45
London & Lancashire	45.88	58.34	47.91	61.03	44.62	899,558	427,451	45.72	921,644	391,894	42.52
London Assurance	47.08	45.97	42.66	42.67	51.89	382,194	167,287	43.77	452,299	124,800	27.59
London Guar. & Acc.				38.63	63.81	500,785	239,389	47.79	637,131	338,913	53.19
National Benefit						382	4,300	112.56	9,555	2,216	23.19
North British & Mer.	59.23	67.03	50.62	56.33	46.42	1,076,982	527,665	49.92	1,079,632	487,912	45.19
Northern	51.34	68.04	52.31	70.77	60.35	984,108	638,465	64.88	1,050,101	442,458	42.13
Nerwich Union	57.05	64.45	53.72	61.54	57.54	857,166	450,707	52.58	985,959	441,078	44.74
Ocean Acc. & Guar.			21.79	51.95	51.33	311,473	211,525	67.91	318,223	134,765	42.35

FIRE INSURANCE BUSINESS IN CANADA FOR THE YEAR 1919—Continued

COMPANIES.	Per cent. of Losses incurred to Premiums					Business of 1918.			Business of 1919		
	1913	1914	1915	1916	1917	Net Cash received for Premiums	Net Losses Incurred	P.C. Losses incurred to Premiums	Premiums received for Net Cash	Incurred Losses Net	P.C. Losses to Premium rec.
<b>BRITISH—Continued</b>											
Palatine	48.52	62.58	46.04	76.28	58.06	340,267	167,894	49.34	381,632	133,047	34.86
Phoenix	55.01	55.55	41.75	48.63	49.77	1,090,478	466,777	42.81	1,145,616	494,438	43.16
Provincial	75.42	111.41	21.19	119.27	98.48	67,763	36,889	54.44	75,969	25,065	32.99
Queensland						57,131	13,169	23.05	196,586	78,767	40.07
Royal Exchange	39.36	38.05	45.30	50.69	61.91	614,421	266,684	42.43	686,336	265,739	38.72
Royal	59.44	51.00	49.17	52.97	55.06	1,682,583	817,339	48.58	1,764,826	827,764	46.90
Scottish Metropolitan									2,626	479	18.24
Scottish Union & National	50.64	45.92	40.74	57.11	64.22	416,672	212,815	51.08	435,215	147,751	33.95
Sun	59.60	55.27	58.14	54.84	62.58	717,858	313,765	43.71	741,903	361,460	48.72
Union	52.29	56.79	55.06	67.76	51.75	661,995	277,797	41.96	699,220	327,640	46.84
Union of Canton						4.93			401,963	135,246	33.64
Yangtze						289,329	117,263	40.53	669		
Yorkshire	70.09	65.20	57.38	56.35	72.46	449,825	219,880	48.88	487,131	197,077	40.45
<b>Totals and Averages</b>	54.78	58.15	49.54	60.05	55.17	18,658,710	9,334,298	50.03	20,383,117	8,639,376	42.94
<b>AMERICAN and FRENCH—</b>											
Aetna	53.60	55.49	58.94	47.86	52.76	402,403	220,105	54.70	460,381	200,881	43.63
Agricultural						11.48	11,790	24.81	16,397	6,212	37.88
Alliance of Phil.						121,257	71,888	47.41	135,457	44,454	32.82
American Alliance									5,838	1,672	28.64
American Central	46.33	73.36	26.80	60.97	37.83	94,377	50,359	53.36	107,881	42,836	39.71
American Insurance	47.47	52.44	28.63	10.59	34.86	72,982	56,212	77.02	70,036	26,282	37.53
American Lloyds	85.82	3.52	8.83	364.38	102.56	23,630	14,439	61.11	21,502	3,501	16.28
Boston						60,586	36,474	60.20	95,456	43,765	45.85
California	23.81	56.30	36.25	56.64	28.43	61,758	29,139	47.20	65,773	16,724	25.43
Citizens of Missouri						17,904	2,936	17.07	32,609	3,858	11.83
Commercial Union of N. Y.						6.82	7,654	25.27	8,319	553	6.65
Connecticut	57.05	42.03	46.39	54.14	64.51	170,310	67,214	39.47	192,191	74,825	38.90
Continental	69.99	64.12	48.35	52.28	88.27	412,917	163,785	39.67	462,310	186,637	40.37
Equitable F. & M.	30.63	69.82	44.35	52.09	55.09	55,503	36,602	65.95	53,873	28,868	44.30
Fidelity Phenix	73.40	48.72	47.64	59.66	69.40	411,981	179,342	43.53	438,717	172,258	39.26
Fire Association of Phil.						58,519	34,231	58.50	23,882	5,556	23.26
Firemen's Fund	24.25	63.75	43.26	46.11	61.38	195,116	152,039	77.93	206,950	125,006	60.47
Firemen's Insurance	39.67	34.65	44.42	62.85	53.30	86,855	37,091	42.70	108,809	20,355	18.71
General of Paris	56.47	76.79	90.85	83.89	62.88	118,701	50,069	42.18	136,652	47,815	34.99
Great American	61.23	64.78	57.23	63.16	69.19	492,162	344,285	70.00	479,433	267,582	55.82
Germany	113.44	63.98	143.51			201,747	84,556	41.91	191,848	4,741	44.17
Glens Falls		38.60	59.58	63.23	51.07	663,571	415,295	62.58	723,096	329,837	45.61
Globe & Rutgers		29.90	45.23	60.07	57.37				5,808	2,669	45.95
Girard						1,131,407	623,169	55.08	1,178,181	493,116	41.85
Hartford	51.94	51.18	53.23	51.03	47.05	1,207,793	651,795	53.97	1,401,820	654,225	39.64
Homo	36.51	53.09	51.12	53.00	53.43	643,429	338,607	52.63	748,787	326,793	43.64
Ins. Co. of N. A.	66.45	50.27	56.12	49.13	71.88	173,190	119,529	69.00	182,551	70,096	38.40
Ins. Co. State of Pa.	48.94	84.86	36.62	69.50	74.32	105,210	13,386	12.72	152,089	38,970	25.62
Lumbermen's	82.68	76.56				128,114	8,544	6.70	141,698	163,638	115.48
Manfg Lumbermen's						25,019	16,493	65.92	19,181	16,844	87.82
Mechanics & Traders						14,883	3,447	23.16	50,954	8,298	16.29
Merchants			26.94	51.71	96.46	40,642	28,934	71.24	44,500	28,529	64.02
Millers National		22.46	69.99	45.41	58.85	99,467	51,333	51.61	137,194	43,483	31.69
National Ben Franklin	69.78	57.77	67.18	49.52	52.97	593,987	298,689	50.29	612,393	184,211	30.08
National of Hartford		9.90	50.43	63.21	58.09	389,161	150,721	38.73	503,467	205,547	40.83
Nationale of Paris	79.63	54.99	57.93	68.73	67.30	181,518	147,946	81.56	191,078	81,750	42.78
National Union						10,676	5,728	53.65	48,102	12,603	26.20
Newark						44,087	18,790	42.62	67,451	24,993	37.05
New Hampshire						35,610	20,809	58.43	35,444	2,333	6.58
New Jersey						197,404	119,706	60.13	295,972	107,719	36.40
Niagara	28.83	46.65	47.08	69.69	60.05	11,877	2,251	19.00	27,228	100	
Northwestern Mutual						245,794	114,393	46.54	253,519	74,328	29.32
Northwestern National	67.51	51.22	52.46	63.39	54.72	140,530	61,818	43.99	153,387	58,514	38.15
Phoenix of Paris						396,995	233,468	58.81	420,631	182,696	43.43
Phoenix of Hartford	49.91	62.36	46.65	53.18	55.87	221,319	141,849	64.06	231,224	122,411	52.94
Providencia Washington	59.75	70.96	67.62	66.54	62.29	682,427	307,465	45.05	708,406	328,295	46.34
Queen	66.88	58.59	51.40	57.68	61.08	355,308	185,902	52.32	414,759	193,364	46.62
Springfield	62.49	58.44	60.44	63.68	68.80	352,206	248,100	70.44	407,682	174,519	42.81
St. Paul	50.14	44.77	52.92	62.23	69.79	64,452	59,671	92.58	66,476	24,725	37.19
Stuyvesant						233,088	138,904	59.50	259,546	102,635	39.54
L'Union of Paris	66.25	60.86	60.13	64.80	63.60				16,945	200	1.18
United States						43,730	14,680	33.57	44,341	10,603	23.91
Vulcan						215,254	152,437	70.82	272,899	118,147	43.29
Westchester	49.33	67.99	66.51	45.99	55.60						
<b>Totals and Averages</b>	56.96	55.19	54.02	57.78	60.73	11,725,900	6,314,940	53.86	13,131,183	5,485,974	41.78



**Security - - \$42,000,000**  
**ONTARIO AND NORTH WEST BRANCH**  
 14 Richmond Street, East, TORONTO  
**PROVINCE OF QUEBEO BRANCH**  
 104 St. James St., Cor. St. John St., MONTREAL.



**PERSONAL ACCIDENT**      **FLAME GLASS**  
**THEFTS**                      **AUTOMOBILES**  
**VEHICLE GUARANTEE**      **GENERAL LIABILITY**  
*Head Office, TORONTO*  
 Montreal, 104 St. James Street.      Quebec, 61 St. Peter Street.

# Mount Royal Assurance Company

**SURPLUS and RESERVES, \$1,416,740.57      TOTAL FUNDS, \$1,708,120.67**  
**TOTAL LOSSES PAID, \$3,180,308.63**

Application for Agencies Invited  
**Head Office - - - MONTREAL**

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

Established in Canada in 1821

1819 **AETNA (FIRE)** 1920

HARTFORD, CONN., U. S. A.

**Losses Paid over \$183,000,000**

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

## Union Assurance Society, Ltd.

OF LONDON, ENGLAND  
(Fire Insurance since A.D. 1716)

CANADA BRANCH, MONTREAL  
 J. L. BOURGEOIS, Branch Manager.  
 NORTH WEST BRANCH, WINDSOR  
 THOMAS BRIDGE, Branch Manager.

**Agencies throughout the Dominion**

## EXCELSIOR

INSURANCE LIFE COMPANY

**A Strong Canadian Company**  
 FOR PROTECTION OR INVESTMENT  
 BUY EXCELSIOR POLICIES  
**J. J. Robichaud, Prov. Man., Montreal**

## The Law Union & Rock

INSURANCE CO. LIMITED, LONDON.      Founded in 1866

Assets Exceed - - - \$50,000,000  
 Over \$10,000,000 invested in Canada  
**FIRE and ACCIDENT RISKS accepted.**  
 Canadian Head Office: 277 Beaver Hall Hill.  
**MONTREAL**  
 Agents wanted in unrepresented towns in Canada.  
 W. D. AIKEN, Superintendent,      COLIN E. SWORD  
 Accident Dept.                      Canadian Manager.

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

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

## THE CONTINENTAL LIFE INSURANCE CO.

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

**Twenty-two Years' Premiums Received and Losses Incurred  
by Fire Companies with Dominion Licenses**  
(Compiled by The Chronicle)

Years	Received Premiums	Losses Incurred.	% Losses to Premiums	Years	Premiums Received.	Losses Incurred.	% Losses to Premiums
1898	\$ 7,360,131	\$ 5,395,898	74.37	1909	17,049,464	8,604,477	50.47
1899	7,910,492	4,552,161	57.75	1910	18,725,531	10,931,918	58.38
1900	8,381,948	8,078,931	97.00	1911	20,575,255	10,810,929	52.54
1901	9,650,348	6,783,617	70.29	1912	23,194,518	11,855,704	51.11
1902	10,577,084	4,288,562	40.51	1913	25,745,947	14,601,148	56.71
1903	11,384,762	5,799,279	50.94	1914	27,499,158	15,899,218	57.82
1904	13,169,882	14,191,847	107.76	1915	26,474,833	13,654,463	51.57
1905	14,285,671	6,185,612	43.30	1916	27,783,852	16,308,270	58.69
1906	14,687,963	8,963,829	61.10	1917	31,246,530	17,734,444	56.76
1907	16,122,922	8,742,994	54.23	1918	35,954,405	18,204,160	50.63
1908	17,572,113	10,347,567	58.88	1919	39,912,398	16,766,371	42.01

**WHO BENEFITS BY CO-INSURANCE?**

One of the most discussed questions of the present day, insurance-wise, is coinsurance and who really benefits under its provisions—the insurer or the insured. The Pacific Underwriter quite frankly states that it does not know.

Many risks, and this applies specially to mercantile stocks, buildings and manufacturing plants, which were formerly protected by policies carrying the coinsurance feature are now being committed under policies in which it is intentionally omitted. This is taken to be largely the result of the rapid increase in prices of labor and materials and consequent uncertainty as to values, and the realization that this instability in values will continue just as long as the economic condition of the country remains in its present chaotic state.

The banks are giving the matter careful consideration and in many instances are refusing loans on mortgages covered by coinsurance, for the reason that recent experience has demonstrated most forcibly that while the insurance carried may be sufficient to cover the mortgage, it is entirely inadequate on account of increased values to cover an 80 or 90 per cent. coinsurance.

Of two or more companies binding the same risk, some under coinsurance and others without, there remains today but little choice for the company writing the straight policy but to incorporate the coinsurance clause or cancel its contracts.

While the insurer on the one hand may, under the provisions of the coinsurance clause, obtain a greater amount of insurance than he otherwise could, at a correspondingly decreasing rate, on the other hand the company assumes a greater liability without a proportionate income return.

Every effort is being made by the companies to educate their clients in regard to the liabilities assumed by both parties under the coinsurance contract, but sad to relate it is too often true that the insurer fails to take a sufficient interest to even make a cursory study of the subject and can

see no further than the greater amount of dollars on the face of his policy. Some of the companies have even gone so far as to prepare a thorough discussion of the subject for distribution among their policyholders, for in justice be it said, that the aim of the companies is, and always has been, fair and just treatment and a strict compliance with their policy agreements.

The greater protection offered by coinsurance at the lower rate makes a strong appeal, but when the risk becomes a loss and the insurer finds himself forced to submit to the fulfillment of his coinsurance contract, he does so most ungraciously and, in general, feels that in some way he has been subjected to a grave injustice.

It is a strange paradox that a loss claimant protected under a policy without the coinsurance clause, is naturally interested in increasing the estimate of his values to the greatest possible extent, while the claimant whose policy carries the clause, seeks to minimize them in the same proportion.

Had values remained at their level of a few years ago, the discussion would very probably never have arisen, but with the mounting prices of labor and materials, what affords adequate protection today may be entirely inadequate tomorrow. A striking illustration of this is the loss on one of New York's city churches which occurred during the latter part of 1919. On adjustment of the loss, it was found that the sound value was \$204,000 while the loss amounted to \$52,512. The insurance carried by the church was \$90,000, whereas under the 80 per cent. coinsurance clause it should have been \$163,000. As the result the companies paid \$28,962.13 and the church contributed \$23,549.87.

**GENERAL ACCIDENT OF PERTH  
INCREASES CAPITAL**

The General Accident Insurance Co. of Perth is increasing its capital from \$2,500,000 to \$8,750,000 in \$25 shares with \$6.25 paid.

## "The Oldest Life Company in America"

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

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

34 Nassau Street, New York City

## GENERAL FIRE AND LIFE

**ASSURANCE CORPORATION LIMITED**  
*OF PERTH, SCOTLAND.*

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

**FELEG HOWLAND** Esq.  
Chairman Advisory Board  
**T. H. HALL** **JUDSON G. LEE**  
Manager for Canada. General Agent Montreal.

## THE London Assurance CORPORATION OF ENGLAND.

INCORPORATED BY ROYAL CHARTER A. D. 1720

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

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

## Employers' Liability

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

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

### The Provident Assurance Company

189 St. James Street, Montreal. Tel. Main 1626-7.  
J. C. Gagné, Managing Director.

## ATLAS ASSURANCE COMPANY LIMITED

Founded in the Reign of George III

**Subscribed Capital** - - - - \$ 11,000,000  
**Capital Paid Up** - - - - - 1,230,000  
**Additional Funds** - - - - - 25,105,205

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

Head Office for Canada:

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

Established 1826

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

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

Agents Wanted in Unrepresented Districts.

Managers for Canada:

**Montreal Agencies Limited, Montreal**



Assets:  
**\$33,687,274.25**

Surplus:  
**\$10,846,031.00**

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

## L'UNION

**FIRE INSURANCE COMPANY, Limited**  
Established 1828 Head Office: PARIS, France.  
**Capital fully subscribed** . . . \$2,000,000.00  
25 p.c. paid-up

**Fire and General Reserve Funds 6,792,000.00**  
**Available Balance from Profit and Loss Account** . . . . . 118,405.00  
**Net Premiums in 1918** . . . . . 7,105,053.00  
**Total Losses paid to 31 Dec., 1918** . . . . . 108,718,000.00

Canadian Branch:

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

## LANCASHIRE & CHESHIRE INSURANCE CO.

The Lancashire & Cheshire Insurance Co. of London, Eng., is entering the United States for fire business.

### CANADIAN FIRE RECORD

*Fire at Sydney, N.S.*—On March 30th, a fire in the dwelling apartment directly over the jewelry store of E. Feder, No. 576. The fire ran up the partitions and brooke out again in the third storey of the corner building. The following Companies are interested on building, Nos. 572-576 and 177, Atlantic Und., \$3,000; Eagle Star, \$3,000; Fidelity Phenix, \$2,000; National Union, \$1,000. Total \$9,000. Loss \$8,248. On corner building, Nos. 578-582 and 299, Home Und., \$2,500; Imperial Und., \$2,000; Fidelity Und., \$1,500; St. Lawrence Und., \$1,000. Total \$7,000. Loss total. On Quirk Stock, London Guarantee, \$3,500; Britannic Und., \$3,000; British Empire Und., \$3,000; Continental, \$2,300; Canadian Fire \$2,000; Law Union \$2,000; Queen, \$2,000; Guardian, \$2,000; British Northwestern, \$1,700; Fidelity Und., \$1,000; Dominion Fire, \$500. Total \$23,000. Loss total. On Quirk Fitting and Fixtures, Continental, \$1,000; London Guarantee, \$500; British Northwestern, \$300; British Empire, \$1,000. Total \$1,900. Loss total. On contents bowling alley. Atlantic Und., \$700; loss total. On E. Feder Stock, National of Hartford, \$2,000; Union of Canton, \$1,500. On I. B. Perlin furniture, Connecticut \$600. Loss total. On Barber Shop, British Crown, \$500.

*Fire at Grand Prairie, Alta.*—On the 14th inst., a fire destroyed the Spencer, McDonald, Patterson

and Morrison Building and did damage to adjoining buildings, entailing a loss of about \$40,000.

*Fire at Moncton, N.B.*—On the 19th instant, a fire destroyed the livery stable owned by D. A. McBeath and occupied by F. Wilbur. Loss about \$4,000. Insured for \$2,000.

*Fire at Sydney, N. S.*—On the 17th inst., a fire brooke out in Harshmans Drug Store. Loss about \$20,000, partially insured.

*Fire at St. John, N.B.*—On the 17th inst., the grocery store of Mr. H. Lacey, 311 St. Germain St. was destroyed. Her son while demented scattered the contents of oil tank in the store.

*Fire near Windsor, Ont.*—On the 15th inst, the handsome summer residence of F. Bridges was destroyed by fire, the house was situated on the river front, just above Ford. Loss about \$9,000 with little insurance.

*Fire at Sydney, N.S.*—On the 20th instant, a fire destroyed the plant of the Sydney Milling Co. Loss about \$35,000.

*Fire at Prince Rupert, B.C.*—On the 11th inst., a fire destroyed the Inverness Cannery Plant. Loss about \$120,000.

*Fire at Montreal.*—On the 20th instant, a fire broke out in the Baillargeon Erpress Co. garage, 329 Ontario Street East, destroying six large automobile moving vans, two piano trucks and two pianos. Loss estimated at about \$25,000.

## BARNEY OLDFIELD

Speed demon and tire manufacturer would make a fine automobile insurance agent, wouldn't he? He'd have a ready-made list of prospects and connections.

We realize that all our representatives can't be Oldfields, so we roll up our sleeves and help them to get business. We open to them new avenues of advancement and profits through the intensive methods of our agency development, promotion and publicity departments. In turn we receive their loyal adherence backed by their sound conviction that

IT PAYS TO REPRESENT THE

# Fidelity (Fire) Underwriters

OF NEW YORK.

HENRY EVANS, President.

Policies assumed half by the Continental Insurance Co. and half by the Fidelity-Phenix Fire Insurance Co. of New York.

**FIRE TORNADO AUTOMOBILE HAIL PROFITS**  
CANADIAN HEAD OFFICE: 17 ST. JOHN ST., MONTREAL. W. E. BALDWIN, Manager



# THE EMPLOYER'S

Liability Assurance Corporation, Limited  
of London England

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

OFFICES:  
**Temple Building, Toronto. Lewis Building Montreal**

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

**John Jenkins,**  
 Fire Manager

Applications for Agencies Invited

Canadian  
 Government  
 Deposit  
**\$1,622,000.00**

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



**TRANSACTS:**

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

**382 St. James Street, MONTREAL**

**ROBERT WELCH, General Manager**

\* Applications for direct Agencies Invited.

## The Ocean Accident & Guarantee Corporation Limited

**AUTOMOBILE INSURANCE**

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

The "OCEAN" can meet these requirements under one contract

Branch Office:

**MERCHANTS BANK BLDG,  
 MONTREAL**

**JOHN W. WETHORE,**  
 Superintendent.

**W. T. FERRY,**  
 Manager for Canada

Canadian Head Office: Ocean Insurance Building, TORONTO

## The Dominion of Canada Guarantee & Accident Ins. Co.

**The Oldest and  
 Strongest Canadian  
 Casualty Company**

**ACCIDENT  
 BURGLARY  
 GUARANTEE BONDS**

**TRANSACTS:**

**SICKNESS                      PLATE GLASS  
 AUTOMOBILE INSURANCE  
 FIRE INSURANCE**

**E. ROBERTS, Manager**  
 101, LEWIS BUILDING, MONTREAL

**G. A. WITHERS, General Manager**  
 TORONTO

Branches: WINNIPEG      CALGARY      VANCOUVER

## ROYAL INDEMNITY CO.

The Royal Indemnity Company, a casualty adjunct of the Royal Insurance Company, is now operating in Canada, and has appointed Mr. R. J. Bond as superintendent for Canada, Mr. Bond has been with the Company for some years in New York, and is a well qualified Casualty man. The Royal Indemnity has a Dominion license, but will confine its operations for the present to Ontario and Quebec. The Company operates in all classes of Casualty Fidelity and Surety Insurance. Head Office for Canada, Royal Insurance Building, Montreal.

## UNION ASSURANCE SOCIETY

Mr. L. C. Alexander, Toronto, for the past eight years Inspector for the London & Lancashire Fire Insurance Co. in Ontario, has recently been appointed Inspector for the Union Assurance Society of London for the Province of Ontario, Mr. Alexander has an intimate knowledge of the insurance field, and his appointment will no doubt be in the interest of all concerned. The Union is one of the oldest and strongest fire companies in the world.

## HALIFAX FIRE INSURANCE CO. TO INCREASE CAPITAL

A bill is before the Nova Scotia Legislature, to increase the authorized capital of the Halifax Fire to \$1,000,000, and to permit it to engage in other lines of insurance. F. B. McCurdy & Co. purchased control of the stock some time ago, and we understand an aggressive policy will be inaugurated, with the object of developing the company.

## AN UNDEVELOPED LINE

The daily papers these days contain accounts of daring automobile thefts and they fail to chronicle thousands of other steals of cars, that the insurance companies must pay for. A new classification of cars in connection for fire rates is expected. Experience has shown that there is a vast difference in fire hazard among the different makes of machines. For instance, the Ford, while an extraordinary theft hazard has a very low fire hazard, fewer Fords being burned, in proportion to the risks, than any other make of car. Again, there are one or two other types of machines that carry a very big fire hazard. It is certain that 1920 will provide the greatest opportunities ever for automo-

bile insurance agents and brokers. There was a big under-production of cars last year and the manufacturers, from present indications, will be unable to meet this year's demand. Cars are being turned out by the hundreds of thousands, but still the demand cannot be satisfied. Practically all automobiles are insurable, and the agents should take full advantage of this field to increase their income.

## NATIONAL BOARD OF FIRE UNDER- WRITERS FIRE LOSS STATISTICS 1918.

A year's work on the part of seventy-seven employees of the National Board of Fire Underwriters, assisted by the most modern mechanical devices, has been necessary in order to classify the fire loss statistics for the year 1918. The tabulation of these results shows approximately the proportions in which varying causes led to the destruction of property valued at \$350,000,000. Not only was this huge sum wasted through the absolute annihilation of property, but fifteen thousand human lives were also sacrificed. The tabulation made by the National Board divides the losses into twenty-two groups of causes in each of the States, these falling into two general divisions of strictly preventable causes and partly preventable causes. The largest loss for a single strictly preventable cause is that ascribed to matches and smoking, \$16,453,562, other major preventable causes being heating apparatus and defective chimneys and flues. Although the fire loss of the country continues to reach tremendous proportion yearly, the National Board is optimistic and answers the question, "Does fire prevention prevent?" by saying that "preventive measures are of unquestionable value and serve to hold the figures below those which would otherwise be shown, but that modern conditions of life, and particularly those characteristic of wartime, tend to increase the hazard to life and property. Thus, there is the urgent need of redoubling efforts at conservation." This is the proper spirit in which to look at the matter. Had there been no efforts at fire prevention and conservation, it is obviously impossible to guess to what volume the fire loss might have reached, but it is safe to say that it would have been hundreds of millions of dollars larger yearly. Those who have been working for the reduction of the fire loss must not lose heart, for while it is not possible to demonstrate what loss of life and property has been prevented through their efforts, it is undoubtedly true that the savings have been very great.

*Spectator*, New York.

## THE MOTOR UNION INSURANCE COMPANY LIMITED

(INCORPORATED IN ENGLAND)



### THE BEST IN AUTOMOBILE INSURANCE

□ □ □

**BECAUSE** attractive premiums are quoted for first class risks.

The protection against "Claims by the Public" is up to \$20,000.

Bonuses are allowed for no claims.

Policies are simple and straightforward.

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

WRITE TO

CHIEF OFFICE FOR CANADA

59 Yonge Street - - Toronto

Assets exceed \$10,000,000

Premium income exceeds \$8,500,000

## Royal Indemnity Company

The undersigned hereby gives notice that the "Royal Indemnity Company" has made the necessary deposit with the Receiver-General of the Dominion of Canada and has been duly licensed and authorized to transact the business of Accident, Automobile, Burglary, Guarantee, Sickness and Steam Boiler insurance in Canada. License No. 854.

J. H. LABELLE,

Resident Manager.

Montreal, 23rd March, 1920.

## SCOTTISH UNION AND NATIONAL

INSURANCE COMPANY, OF EDINBURGH, SCOTLAND  
ESTABLISHED 1824

Capital, - - - - -	\$30,000,000
Total Assets, - - - - -	70,000,734
Deposited with Dominion Gov't, - - -	301,803
Invested Assets in Canada, - - - - -	7,000,338
NORTH AMERICAN DEPT., HARTFORD, CONN., U.S.A.	
JAMES H. BREWSTER, Manager	
ESINHART & EVANS, Resident Agents.....	Montreal
MEDLAND & SON.....	Toronto
ALLAN, KILLAM & MCKAY, LTD.....	Winnipeg

## NOTICE

NOTICE is hereby given that the Palatine Insurance Company, Limited of London, England, has been granted a License by the Government of the Dominion of Canada, to transact the business of Automobile Insurance in Canada, under License No. 855, dated 26th, March, 1920.

W. S. JOPLING,  
Manager.

## NOTICE

The Alliance Insurance Company of Philadelphia has received Dominion of Canada License No. 865, under the Insurance Act of 1917, for the transaction of Inland Transportation.

ROBERT HAMPSON & SON,  
Chief Agents for Canada.  
Montreal.

## NOTICE

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

J. H. BIDDEL,  
Manager for Canada.

"THE OLDEST SCOTTISH FIRE OFFICE"

## Caledonian Insurance Company

OF EDINBURGH

FOUNDED 1805

## Caledonian-American Insurance Company

OF NEW YORK

Head Offices for Canada: - DOMINION EXPRESS BUILDING, - MONTREAL

JOHN G. BORTHWICK, Canadian Manager

## INVESTIGATE BRITISH HEALTH INSURANCE.

Dr. Frederick L. Hoffman, vice-president and statistician of the Prudential Insurance Company, Newark, N.J., has completed a five months' study of the workings of the British National Insurance act in England, Scotland and Ireland. In a summary of his conclusions that are far from complimentary to the system of compulsory health insurance as found there, he states in part:

"After seven years of experience with the act the view-point of leading manufacturers and other employers of labor throughout Great Britain is that national health insurance has no direct relation whatever to labor efficiency except that a larger amount of malingering tends persistently toward a diminution of normal output.

"The act is condemned by insurance authorities as an unsound insurance measure; by medical authorities as an unsound method of medical relief; by pharmaceutical authorities as an unsatisfactory method of drug administration; by labor leaders as contrary to the best interest of the labor element, by large employers of labor as a menace to productive industry; by the organized medical profession as opposed to the best interests alike of panel practitioners and those who limit themselves to private practice; by public health authorities as of no value in the furtherance of public health measures; by authorities in charity, philanthropy and those who administer poor relief as not rendering satisfactory aid and assistance to those whose needs are most urgent."

Among Dr. Hoffman's explanatory statements were the following:

When the National Health Insurance act of Great Britain went into effect, the social condition of British wage earners had made enormous progress during half a century. Wages had increased and hours of labor had been diminished. The evil of child labor had been measurably decreased and conditions affecting the employment of women in industry had been improved. Industrial accidents were less common and the general health of the population had shown great improvement. No other country showed a corresponding reduction in the death rate from infectious, transmissible or other preventable diseases. The Public Health Administration of England had become a model for the civilized world.

"British health insurance has not raised the standard of sanitary progress. The lowering of the English death rate during the previous thirty years, challenging favorable comparison with all other countries, had been achieved without compulsory health insurance of any kind.

"The fundamental error of the act was to understate the voluntary form and to establish a subsidiz-

ed system of relief. National health insurance does not promote public health or the prevention of disease.

"The administrative machinery necessary to carry the law into effect is of truly colossal proportions. It is probably safe to assume that certainly not less than 50,000 persons directly or indirectly, in paid or unpaid capacities, are required to meet the basic administrative necessities of the act.

"The ill-defined provisions regarding medicines and appliances are disastrous failures. There has come into existence a complicated system of drug pricing and checking involving the handling and rehandling of not far from 30,000,000 prescription accounts a year.

"The main objections on the part of organized labor are that the benefits under the act are inadequate and insufficient. The act has had the effect of diminishing the sense of self-reliance, independence and thrift. Malingering in its most subtle forms has become a matter of common occurrence. The proportion of cases investigated found fully able to work is barely less than 4 per cent. and often exceeds 50 per cent. With respect to the insurance the labor element is demoralized and thoroughly discontented with the benefits which invariably fall short of expectations. A doubling in value of the benefits is practically unanimously demanded as an imperative duty on the part of the State."

---

### WANTED

Competent Fire Insurance Bookkeeper desires evening work. Terms by arrangement. Address,  
A. B. C.,  
Care The Chronicle Montreal.

---

### WANTED

A competent Stenographer for Casualty and Surety Insurance Office. Address,  
Stenographer,  
Care The Chronicle, Montreal.

---

### WANTED

By British Fire Office, Clerk for Cancellations and Endowments, one with some experience preferred, good prospects. Address,  
Clerk,  
Care The Chronicle, Montreal.

---

### WANTED

Automobile Insurance Company have a vacancy for a thoroughly competent and experienced man to take entire charge. State experience and salary expected to.

Confidential,  
Care The Chronicle, Montreal.

