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THE GENERAL FINANCIAL SITUATION

There is a good deal of humour about the demands of the Western farmers for the re-establishment of the Government wheat control. Theoretically, the most stalwart of free traders, they are howling for high protection for themselves, and apparently have not the remotest notion of any incognuity in their position. Consistency, is doubtless a virtue, but a consistency that touches the pocket is not an easy virtue to live up to, and in spite of all the high faluting pretensions that some of their leaders are wont to indulge in, there is plenty of evidence that the farmers' organizations, like the wicked industrialists and financiers of Eastern Canada, constantly keep a very fair eye on the main chance for themselves.

Apart from this aspect of the question, which occurs inevitably to everyone outside the farmers' ranks, there is no doubt that the matter thus raised by the farmers is one that is of considerably more than sectional or local importance. Wheat constitutes a main prop of Canada's export trade; the brisk sale of it at a high price means prosperity not only to the growers, but also in turn to all other industrial and commercial interests. That fact has always been self-evident enough, and it has again been forcibly shown by recent developments, although the demands of Europe during the war period for other of our exports besides wheat, possibly to some extent disguised it for the time being. It follows that any slump in the price of wheat, such as that which has taken place during the last few weeks, means a corresponding loss not only to the wheat growers but also to the whole of Canada in lessened exports and lessened proceeds of production.

With the peak of war time necessities well passed, the European nations are now very naturally going warily about their purchases of wheat; they

are endeavouring, as any ordinary business man would endeavour, to buy as cheaply as possible, and in order to accomplish this purpose, they are holding off their purchases as much as possible. They have two factors in their favour; there is no doubt that the European harvests this year are somewhat more adequate to local needs than in recent preceding years, and outside of Europe, they can buy where they like, from India, the Argentine, Australia, the United States or Canada to name only the principal wheat producing countries. They require Canadian wheat—it has some qualities which other wheat does not possess—but they are not in the position which they were during the war years, of having to have it no matter what the price. That is the primary fact which the farmers overlook. If the Wheat Control Board were re-established, and a minimum price guaranteed of \$2.00 or \$2.50 or \$3.00, it does not follow that the European purchasers would be willing to pay the minimum or any more anxious to buy than at present. If they were not willing, what then? The wheat might have to be sold at a loss, and the deficit made up out of taxation; in other words, the general body of Canadian taxpayers would be called upon to pay a subsidy to the Western farmers running into millions of dollars. Of what benefit, this would be to anyone in Canada, outside the farmers, it is not easy for anyone else than a farmer to see.

The farmers, like the manufacturers and commercial interests generally, have had several very fat years, and like everyone else, they have got to make up their minds that in the course of a worldwide re-action from circumstances utterly abnormal, they may have several less fat. They cannot be blamed for trying to keep up prices for themselves—in so doing they are merely following the example of everybody else at the present time. But in endeavouring to keep up prices for themselves

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MONTREAL, FRIDAY, OCTOBER 15th, 1920

(Continued from front Page)

they may as well face basic facts instead of calmly ignoring them, and be guided accordingly. What the policy of the Government will be in this connection remains to be seen. There is one aspect of the matter which deserves attention in view of the immense importance of the export of wheat to the prosperity of the whole Dominion. In circumstances like the present, where markets have got started on a decline, there is always the danger of conscienceless speculators knocking the market to pieces and causing heavy losses to those legitimately engaged in business, losses beyond what might have to be taken were the law of supply and demand functioning normally. It is of a good deal of importance to Canada that this kind of thing should not happen in the wheat market, and it is a danger for the guarding against which by Government action; there is good precedent. Whether, however, such action is possible, in view of the fact that quotations at Liverpool and not quotations at Winnipeg, govern the price of the cereal is another matter. The farmers have at least one remedy in their own hands; if they are dissatisfied at existing prices; they can hold their wheat and can decrease next year's production. It may be noted that the latter measure has been most discussed in the United States, but it appears that there are yet no obvious indications in the extent of the purchases of ploughing instruments, etc. that the American farmers have decided to go out of business extensively.

There are some fears that with the advent of a period of declining prices, other interests, besides the farmers, will turn to the Government for aid in difficulties. This extraordinary development is doubtless a result of the habit of looking to the Government in all kinds of circumstances—a habit which has developed very largely since 1914. The simple fact which those engaged in all lines of business have to recognize at the present time is that the prosperity of the last few years has been quite abnormal and that, painful as present losses may be in particular circumstances, they are merely

the trimming down of those abnormal profits to the normal average. Conservative business men have recognized the abnormality of recent circumstances all along, and have fortified their position so that losses in the immediate future will not be fatal. Everyone faced with a declining market under present circumstances is entitled to make the best terms he can to realise his goods to the best advantage possible—but those who have bought or speculated imprudently must stand the consequences of their imprudence.

The latest returns of Government revenue indicate that the new sales tax and luxury tax are bringing in very handsome revenue collections, which include these taxes, totalling for seven months of the fiscal year \$29,500,000 against \$7,000,000 for the corresponding period of the last year. With these new taxes producing on this scale it seems possible enough that the expectation widely held in business circles that the Business Profits War Tax will be dropped in 1921, may be realized. Obviously in any case, this tax is not likely to be so lucrative for 1920 and for 1921, if it were continued, as it has been in some recent years, and the reduction in the graded scale of taxation under the cut inaugurated by the last Budget has been generally considered as the beginning of the end of what was admittedly a temporary measure of taxation. Income Tax receipts for the seven months also show a considerable improvement over last year, their total of \$6,585,418 comparing with \$1,673,628. In this connection it is to be remembered that the really heavy incomings on this account will only begin in November when the assessments for 1919 begin to go out.

Comparing the total revenue and expenditures this year's seven months' total of Government income is \$219,905,911 against \$159,085,559 in 1919, while total ordinary expenditure, increased, of course, by interest on the last War Loan issue compared with last year, is \$152,624,397 against \$122,722,617. Thus increased income is keeping well ahead of increased expenditures—which makes at least a beginning in the process of the recovery of the national figures.

The local Stock Exchanges continue in a moribund condition and there are probabilities of little general activity until money becomes easier. Prospects of this consummation are now no brighter than they were a month ago, and there is at least a possibility that the circumstances in this respect will not change for some time pending liquidation of the banks' present loans, and the release of private funds, of which a good deal at present are apparently finding employment elsewhere than at the Stock Exchange.



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Northern Assurance Company of London Issues "Staff Magazine"

The Northern Assurance Company of London, England, and its allied companies have launched a new venture in the form of a "Staff Magazine." Through the courtesy of the Canadian Management we have been afforded the opportunity of seeing the first copy, which was published in London. The magazine will no doubt be much appreciated by representatives of the company and others who receive it, as being of much practical value. It is attractively illustrated, and in addition to containing several articles on subjects of interest to members of the staff, it also contains an interesting review of the business lives of the chief executives of the company, as well as a history of the company itself. Its correspondents embrace representatives of the Northern both in Great Britain, and various parts of the Globe.

LAKE OF THE WOODS MILLING COMPANY, LIMITED

The annual statement of the Lake of the Woods Milling Company for the year ended 31st August, 1920, according to the financial statement published on another page, indicates that profits from milling operations, (due largely to the restrictions placed on the industry, and which were only recently lifted) fell below the level of the preceding year. The decrease in this respect, however, was partially offset by a gain in revenue from "other sources" which lifted the years results almost up to the 1919 figures.

The total profits for the year were \$732,232 as compared with \$756,616 in the preceding year, and \$857,914 in 1918, which have been appropriated as follows: Interests on Bonds \$54,000. Dividends, preferred and common stock, \$399,000, written off property and goodwill accounts \$100,000, leaving a balance of \$179,232 which has been carried into the accounts of the current year, bringing the balance remaining at the credit of surplus account up to \$1,161,647.

The balance sheet portion of the statement discloses a further enhanced position as to working capital, current assets exceeding liabilities of a similar character by almost \$3,500,000 compared with approximately \$2,225,000 last year, and well under \$2,000,000 at the end of the 1918 period.

Investments are higher by some \$300,000 than a year ago, and include the Company's substantial participation in the last Victory Loan. Among the liabilities, the outstanding change, is the increase of \$700,000 in common stock. Accounts payable show an increase. Nothing was added during the year to the bond redemption account which stands at \$600,000, against a total issue of \$900,000 outstanding.

The profit and loss accounts for the past three years are compared in the following table:

	1920.	1919.	1918.
Profits:			
Milling	\$410,521	\$547,152	\$601,520
Other.	321,711	209,463	256,394
Total profits. . . .	\$732,232	\$756,616	\$857,914
Bond int.	54,000	54,000	54,000
Balance	\$678,232	\$702,616	\$803,914
Pfd. divs.	105,000	105,000	105,000
Balance	\$573,232	\$597,616	\$698,914
Common divs	294,000	294,000	252,000
Balance	\$279,232	\$303,616	\$446,914
Written off.	100,000	100,000	100,000
Year's surp.	\$179,232	\$203,616	\$346,914
Prev. bal.	982,414	978,797	831,883
Surplus	\$1,161,646	\$1,182,414	\$1,178,797
Bd. redemp.		200,000	200,000
Tot. surp.	\$1,161,646	\$982,414	\$978,797

The total assets of the Lake of the Woods Milling Company have been increased from \$7,375,944 to \$8,139,187 for the year under review.

Statement of Working Capital

	1920.	1919.	1918.
Current Assets . . .	\$4,658,629	\$3,530,385	\$2,618,645
Current Liab.	1,177,540	1,293,530	921,938
	\$3,481,089	\$2,236,855	\$1,696,707

TRAFFIC RETURNS

Canadian Pacific Railway

Year to date	1918	1919	1920	Increase
August 31	\$94,846,000	\$103,968,000	\$124,500,000	\$20,532,000
Week ending	1918	1919	1920	Increase
Sept. 7	\$3,653,000	\$3,599,000	\$3,991,000	\$392,000
Sept. 14	2,915,000	3,763,000	4,238,000	495,000
Sept. 21	3,114,000	3,993,000	4,695,000	712,000
Sept. 30	4,210,000	5,963,000	6,849,000	886,000
Oct. 7	3,458,000	3,965,000	3,356,000	1,391,000

Grand Trunk Railway

Year to date	1918	1919	1920	Increase
August 31	\$34,408,555	\$50,384,474	\$58,814,039	\$8,429,565
Week ending	1918	1919	1920	Increase
Sept. 7	\$1,346,596	\$1,949,914	\$2,473,279	\$523,356
Sept. 14	1,415,000	2,178,855	2,680,720	501,865
Sept. 21	1,456,812	2,163,619	2,483,400	320,841

Canadian National Railways

Year to date	1918	1919	1920	Increase
August 31	\$49,434,472	\$57,808,499	\$91,251,487	\$6,452,983
Week ending	1918	1919	1920	Increase
Sept. 7	\$1,564,892	\$1,789,169	\$1,998,011	\$208,842
Sept. 14	1,593,343	2,009,675	2,372,006	303,231
Sept. 21	1,607,019	2,085,089	2,293,007	307,518
Sept. 30	2,353,187	2,890,196	3,291,757	401,561
Oct. 7	1,789,180	2,149,414	2,657,913	517,499

Balance Sheets of Limited Companies

A Plea for Greater Detail

By F. M. HAWNT, F.C.I.S.

Those of us who read the Financial Press will have noticed during the last few years that a good deal of criticism has been directed to the balance sheets of limited companies, whose sole desire seems to be to give to their shareholders and creditors as little information as possible. That there is cause for this complaint I think none of us will deny, because, if we closely examine the balance sheets which are issued to shareholders, we must confess that it is impossible for a banker or business man to form a clear idea as to whether it is wise for him to invest in the company whose balance sheets are submitted to him.

It was pointed out in *The Times Financial and Commercial Supplement* of some years ago "That to the average investor the balance sheet of a limited company in which he is financially interested generally appears to be a miracle of diabolical ingenuity specially designed to bewilder the inquirer, and to obstruct any desire that he may entertain to arrive at a correct conclusion concerning the position of the property which it ostensibly purports to make clear. The first stumbling block is the position of the capital amongst the liabilities on the debit side, for, as the puzzled observer is apt to ask, if the company does not possess its own capital, what does it possess? And if the capital is a possession, it is obviously an asset, and ought to be on the other side of the account."

If it is necessary for *The Times* to call attention to this matter, there is no doubt a general feeling that balance sheets of limited companies should contain more information and greater detail than some of them do.

Sec. 26 of the Companies (Consolidation) Act sets out that the annual list and summary must be filed once at least in every year, and Subsec. (3) states that—

"The summary must also (except where the company is a private company) include a statement made up to such date as may be specified in the statement, in the form of a balance sheet, audited by the company's auditors, and contain a summary of its share capital, its liabilities, and its assets, giving such particulars as will disclose the general nature of those liabilities and assets, and how the value of the fixed assets have been arrived at; the balance sheet need not include a statement of profit and loss."

Now, from this, it is clear that it was intended by the framers of the Act that—

"the summary of its share capital, its liabilities and its assets, giving such particulars as will disclose the general nature of those liabilities

and assets, and how the value of the fixed assets have been arrived at,"

should set out clearly, in a summarized form, what the liabilities and assets consisted of, and that it should be such a summary as would enable the shareholder to understand what his property was composed of, and the values of the various kinds of assets. Do all the balance sheets which have recently been issued fulfil the obligation laid down in this section; and has the shareholder creditor, or prospective investor, any cause to complain?

In my opinion, a large number of balance sheets now issued do give this information, but there are many which do not. The questions which bewilder the investor on the contemplation of a balance sheet are based on sound common sense, but it is difficult to answer the arguments laid down in the extract read from *The Times*, because it must be borne in mind that every shareholder or investor is not an accountant or expert bookkeeper, consequently he does not understand why certain items appear in the balance sheet. To the uninitiated it would appear that the contention that assets, such as preliminary expenses, advertising, goodwill, and loss on trading, have no right to appear as such, and that the company should be debited with the amount of its capital and profits earned is misleading. Now, this depends to some extent on the point of view from which the balance sheet is considered. Balance sheets of commercial concerns are not statements which show in simple form the actual assets and liabilities of the concern. The expression "balance sheet" has a technical meaning quite apart from the popular notion that it is simply a statement of assets and liabilities, although they are frequently almost identical. The general misapprehension with regard to balance sheets is due to the fact that it was formerly frequently the practice to place the words "Liabilities" and "Assets" at the head of every balance sheet issued, in place of the ordinary abbreviations "Debtor" and "Creditor," a mischievous practice which has not even at the present time altogether disappeared. A balance sheet is, strictly speaking, a sheet of balances grouped together in debit and credit form, and not necessarily a list of liabilities and assets.

The balance sheet is, or should be, an exposition of its affairs drawn up from the point of view of the company. The company has received the capital from the shareholders, and owes it to them, and has to account for it to them at any time, and return it to them if it can. It is, no doubt, confusing to any one who is not a trained accountant to understand why the items: preliminary expenses, goodwill, advertising, and loss on trading, should be brought in as assets; but I am of opinion that matters would be made clearer if the headings

"Liabilities" and "Assets," which are generally seen at the head of a balance sheet, were omitted altogether, and for the words "Debtor" and "Creditor" were substituted the less cryptical symbols "Sums received," and "Sums spent and in hand." We should then arrive at a clearer conception of the meaning of a balance sheet; and many of the bewilderments which puzzle the investor will have vanished; and since, if the company is carried on at a profit, it will follow that the sums spent and in hand will exceed the sums received, the debtor side will be naturally less than the creditor, and the gap will be filled in by the profit, or the balance from the profit and loss account, awaiting division or disposal. The balance sheet will then show the actual state of the company as a going concern, and if proper reserves are set aside, and a liberal allowance for depreciation has been made, the statement will show, as near as possible, the position of the company at a given date. At this point, however, an important reservation must be made. The sums spent must not only have been spent, but be capable of realisation if the balance sheet is to be anything more than a record of what has been done, without any reference to the actual solvency of the company. It is quite possible for a limited company which is working a novelty or a wasting asset to show year by year a statement which might lead the uninitiated to imagine that its capital was intact, because it merely gave a simple story of amounts received and sums spent and in hand, as suggested above, treating the question of the realisation of the assets as a negligible one. When anyone is examining a balance sheet, he must consider it from all points of view, and ask himself the question: "Is the business carried on likely to be a permanent one?" "Is it likely to continue as a going concern?" "Is it working a wasting asset?" Or, "Is it working a novelty whose popularity is likely to wane?" Bankers and investors will, therefore, be well advised in studying balance sheets to give special attention to the items of their assets, which depend for their value on the difference between the "going concern" valuation and of the scrap-heap price. Stock-in-trade, plant and machinery, freehold and leasehold buildings, goodwill, patent rights, and interest in associated companies, are all items which should be carefully watched, and if a comparison of balance sheets for a number of years shows that the first three items tend to increase more rapidly than the rate of net profit, and the last three items remain at the same figures, great care should be exercised.

Mr. J. Grove Smith Addresses Fire Insurance Brokers Association of Montreal

At a luncheon held at Freemans on the 7th inst., by the Montreal Fire Insurance Brokers Association an address was delivered by Mr. J. Grove Smith, Dominion Fire Conservation Commissioner, on Fire Prevention. Mr. R. J. Wickman presided, and there was a large attendance.

Mr. Smith was emphatic in declaring that the inauguration of Fire Prevention work by his department was in a large measure productive of good results. After quoting figures showing the enormous annual loss by fire in Canada, Mr. Smith referred to the three main ways of dealing with the problem. This year the pamphlets to be distributed to 30,000 schools in Canada will contain positive teaching for the children, a second means of improvement said the speaker was in the insurance business itself. He believed that the theory of paying agents according to the profits resulting from their work should be accepted, the agents being paid, as it were, a premium for reducing fire hazard. He also suggested the removal of unqualified agents from the business, and would like to see the insurance companies having the moral force to refuse business from any agents but those legitimately in the business.

In addressing a body, such as this association, who are experts in their own line, it is necessary for the speaker to have a thorough practical knowledge of his subject. The impression left by Mr. Grove Smith suggested that his knowledge was largely theoretical.

While Fire Prevention propaganda is a most laudable object, on the other hand the Fire Prevention measures which have been adopted are very general in character, and it would scarcely be admitted by anyone having a practical knowledge of the fire insurance business, that such measures affect in any practical way the loss ratio, inasmuch as they have been confined entirely to efforts to educate the public on broad lines, which have been largely without direct results. The fire insurance companies, through their associations, have for many years endeavoured to instil in the minds of every property owner the importance of improving risks, and it may be assumed that business men realize the necessity of protecting their property from losses, by carrying out the improvements suggested from time to time by the underwriters and their agents.

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Company of Canada

HEAD OFFICE: MONTREAL

Hon. GEO. P. GRAHAM, President

TO AGENTS. Write to the Home Office for particulars of direct renewal contract. Valuable territory available in Quebec and Eastern Ontario.

A BRITISH COMPANY

Union Insurance Society of Canton, Limited

ESTABLISHED 1835

Head Office: HONGKONG Assets over \$24,000,000

A combination of AGE, MAGNITUDE and EXPERIENCE

FIRE, MARINE AND AUTOMOBILE

Head Office for Canada, 36 Toronto Street, TORONTO

General Agent Montreal, JOSEPH ROWAT Manager for Canada, C. R. DRAYTON

Life Insurance Protection for the Workingman

As there is a great increase, at present, of well paid wage earners, life insurance men should meet with successful salesmanship with reference to employees in shops and factories, and the members of the great labor unions, and the high priced and skilled labor which is being paid in excess of salaried employees in other lines. Apart from the smaller communities, it is doubtful, if this great field of prospects is thoroughly worked except by the industrial agent. The ordinary agent likes to solicit the business man, to make appointment with him and discuss the benefits of monthly income and business insurance, &c. The great body of citizens who constitute the real producers and workers should have adequate life insurance protection. Since the close of the war men and women who do the actual manual labor of society receive greater compensation than ever before.

It may be said that Industrial life insurance occupies the same place with reference to regular insurance as does fraternal insurance. It educates the people up to the need of a fair amount of legal reserve insurance. Industrial insurance is rather expensive for those who can afford to pay their premiums half-yearly or annually. Moreover, numbers of those holding industrial policies at the present time are fast reaching a stage of prosperity, where they can afford to pay their premiums far enough in advance to do away with the expense of collection weekly or monthly. On the other hand Group insurance serves a very good purpose but it will be chiefly used by these firms who wish to strengthen the bond between their employees and themselves. Of course, the expense will be borne by the employers and not by the employees.

All the agents now in the business of the regular life insurance companies should develop special canvasses for the man who draws his pay envelope each week. If he is successful in selling farmers, he puts himself in the farmer's place and talks from his sphere of life. He has a special canvass for doctors and lawyers. The same should also be true as regards carpenters, machinists, painters, engineers, railroad brakemen and firemen. Agents should take the union scale of pay for carpenters, &c., and have a budget worked out showing how much they can afford to pay for life insurance. On the other hand there is the great difficulty in securing interviews. Still the Industrial agent accomplishes this, and his method could be adopted by ordinary agents to advantage. The usual plan for the agent who solicits for Group insurance is to secure the consent of the employer, and addresses all the employees on the subject of life insurance at the noon hour.

The facts of life insurance should be, by some

plan, brought home to the great army of employees who cannot be seen during the regular business hours. Men who, are prominent in labor circles or labor union organizers would make good agents.

It may be said that many life insurance prospects are solicited altogether too much; and the great majority altogether too little. The energy of the forces of life insurance should be so directed that its influence is felt throughout every part of the body politic, to the end that it may become a truly universal and national institution.

PERSONALS

Mr. George W. Reynolds, general manager of the Guardian Assurance Company Limited who has been visiting Canada for the past three weeks spent a few days in Montreal this week. This is Mr. Reynolds second trip to the Dominion, where the Guardian has been operating since 1869, and are now transacting one of the largest volumes of fire insurance business in Canada. He proposes to sail for England on the 23rd instant.

The Right Hon. Sir Ailwyn E. Fellows of Norfolk, Eng., a Director of the Norwich Union Fire Insurance Society, arrived in Montreal on the 8th instant from New York. He spent a few days in the City, and proposes to sail tomorrow en route to England. Sir Ailwyn while in this country for the past two months, spent a considerable time in Western Canada, and expressed himself as being most favourably impressed by the wonderful possibilities which exist in British Columbia and other western provinces. He was particularly attracted by Vancouver. In addition to being a Director of the Norwich Union, Sir Ailwyn is chairman of the Great Eastern Railway in England, chairman of the Norfolk County Council, and Ex-Minister of the Crown.

Mr. F. R. Corbett, manager of the Ryan Agency Ltd., Winnipeg, spent a few days in Montreal last week, visiting some of his Head Offices.

Mr. James Hamilton, General Manager of the Yorkshire Insurance Company, arrived in Montreal on the 6th instant, and spent a few days at the Head Office for Canada. While in the City he attended a meeting of the Montreal Board of Directors, on which occasion the Right Hon. C. J. Doherty, P.C. Minister of Justice presided. Mr. Hamilton left Montreal on the 12th instant for New York, Chicago and San Francisco. He expects to sail from Vancouver, B.C. on November 11th en route to New Zealand and Australia. On his return journey Mr. Hamilton proposes to visit Colombo, Ceylon, passing through the Red Sea and the Mediterranean to Marseilles.

Commercial Union Assurance Company Limited

of London, England

as at 31st Dec., 1919.

Capital Fully Subscribed.	\$14,750,000	Total Annual Income exceeds.	\$75,000,000
Capital Paid Up.	7,375,000	Life Fund, Etc.	99,147,565
Deposit with Dominion Gov't.	1,416,333	Total Funds exceed.	209,000,000

Palatine Insurance Company Limited

of London, England

as at 31st Dec., 1919.

Capital Fully Paid	\$1,000,000	Total Income	\$4,145,585
Fire Premiums 1919.	3,957,650	Funds.	6,826,795
Interest Net	187,935	Deposit with Dominion Gov't.	365,567

N.B.--In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Funds exceed \$209,000,000.

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.
Policies Guaranteed by
Commercial Union Assurance
Company Limited

H. F. RODEN, Manager, Casualty Department
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
\$93,000,000

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

LEGISLATION AS TO SOLVENCY OF FRATERNAL BENEFIT SOCIETIES

Extracts from Address Given at Winnipeg, October 5th, Before the Conference of Provincial Superintendents of Insurance.

BY FRANK SANDERSON, M.A., LL.D.,
Consulting Actuary.

(Continued from last issue)

There is still a field for the worthy friendly society, but the faithful and intelligent fraternal leader must have his hands upheld by sane and effective legislation which will make it easier for the sound and solvent society to succeed and more difficult for the unsound and unrepentant society to trade upon the credulity of the public. May our Provincial Superintendents be endowed with a high sense of official duty and a fine sense of appreciation of the needs of the fraternal society.

Until the year 1919 no provisions appeared in the Dominion Insurance Act as to actuarial valuation and solvency requirements for fraternal societies, notwithstanding urgent representations of the Insurance Department on the subject. An interesting history of the rise and departure of the non-fraternal "assessment associations" could be told, but I must turn at once to the recent Dominion legislation of 1919 when the old "Assessment Life Insurance" portion of the Act was at last wiped off the statutes of Canada, and a more worthy portion known as "Part II A Fraternal Benefit Insurance" took its place. This is the most advanced and worthy piece of legislation dealing with fraternal societies that has yet appeared on this side of the Atlantic, even though it bears evidence of compromise to meet awkward circumstances. It is a straight-forward and honest attempt to deal with a perplexing subject in a way that reasonably satisfies public needs and at the same time carries the judgment and tacit approval of the most reliable fraternal leaders. It avoids the marked weaknesses and the "put-off-till-tomorrow" policy so manifest in the American Mobile Bill and New York Conference Bill, which, it now appears, already need amending.

Touching the Dominion Act let me quote the opinion of an outstanding leader of American fraternalists, himself the head of a large American Society doing business in Canada, which has not yet attained to full actuarial solvency: Addressing the Canadian Fraternal Association a few months ago, this prominent and honored fraternalist, Mr. D. P. Markey of Detroit, ex-president of the National Fraternal Congress, said:

"The provisions of the (Dominion) Act referred to are not only timely and wholesome, but in our judgment should be earnestly welcomed by all Fraternal Benefit Societies doing business in Canada.

It is to be regretted that such action was not taken twenty years ago or more, not only in Canada but in the United States as well."

There is one practical consideration that should commend itself to Provincial legislators and Superintendents of Insurance. This is that the main principles and requirements of the Dominion Act have been the subject of much interchange of view between the Dominion officials and fraternal officials. The debatable ground has been gone over and a workable legislative programme agreed upon. This is saying a great deal. As evidence I have already quoted the head of a leading foreign society. I add an extract from the annual report a year ago of the Counsellor of the Canadian Fraternal Association.

"An agreement was arrived at as a compromise between the views of the Committee (of the societies) and those of the Superintendent. Representatives of the Societies interested in the Bill attended before the Banking and Commerce committee, when all of this amending Bill was adopted by said committee without opposition."

What then are the broad principles and requirements of the recent Dominion Act?

The following is a digest and analysis of the principle provisions of the Dominion Act, especially those dealing with solvency:—

1. Fraternal societies not required to comply with the same actuarial test, nor to make the same amount of deposit as regular insurance companies.
2. A large degree of responsibility and liberty is left to the Society's own selected but qualified Actuary.
3. A government deposit of \$10,000 is required.
4. Before receiving Dominion license a fraternal society shall file among other statements, an actuarial valuation by a qualified actuary

An Agent's and Broker's Company, writing all
Lines of Casualty Insurance and Guarantee

ROYAL INDEMNITY COMPANY

CHARLES H. HOLLAND, President
CANADIAN OFFICES:

MONTREAL
Royal Insurance Bldg.
RICHARD J. BOND,
Supt. for Canada

TORONTO
Royal Insurance Bldg.
JULIAN H. FERGUSON
Supt. for Ontario

LAKE OF THE WOODS MILLING COMPANY LIMITED

Balance Sheet, August 31st, 1920

LIABILITIES

CAPITAL STOCK.			
Common—Authorized	.....	\$4,000,000.00	
Less—Unissued	.....	1,200,000.00	
Issued	.....	\$2,800,000.00	
Preferred 7%	.....	1,500,000.00	
			\$4,300,000.00
BONDS.			
Six per cent., maturing 1923	.....	\$1,600,000.00	
Less, redeemed in 1912	.....	100,000.00	
			900,000.00
BOND REDEMPTION ACCOUNT	.....		600,000.00
ACCRUED INTEREST ON BONDS, three months	.....	13,500.00	
ACCOUNTS PAYABLE	.....	466,521.59	
CONTINGENT RESERVE, including provision for War Tax, 1920	.....	697,519.05	
			1,177,549.64
SURPLUS ACCOUNT.			
Balance at 31st August, 1919	.....	\$982,414.30	
ADD			
Profits from Milling after deducting all expenses of operation and providing Reserves for Doubtful Accounts, War Taxes and Contingencies	.....	\$410,521.49	
Profits from other sources, less War Tax	.....	321,711.36	
		\$732,232.85	
LESS			
Interest on Bonds for year	.....	\$54,000.00	
Dividend Preferred Shares	.....	105,000.00	
Dividend 12% on Common Stock for year	.....	294,000.00	
Written off Property & Goodwill Accounts	.....	100,000.00	
		553,000.00	
			179,232.85
			1,161,647.15
			\$8,139,187.79
INDIRECT LIABILITY.			
On Customers' Paper under Discount	.....	130,942.68	

ASSETS

PROPERTY.			
Real Estate, Buildings and Machinery, as at 31st August, 1920	.....	\$3,130,558.60	
LESS			
Written off—Depreciation	.....	50,000.00	
			\$3,080,558.60
Goodwill, Trade Marks, etc.	.....	\$450,000.00	
Less, Written off	.....	50,000.00	
			400,000.00
Victory Loan Bonds and Other Investments	.....	\$1,101,027.50	
Stable & Warehouse Equipment, Office Furniture & Spare Machinery	.....	75,979.40	
Wheat, Flour, Bags, Barrels, Mill Supplies, as per Inventories, less Reserve	.....	1,662,567.19	
Open Accounts Receivable, after providing for Bad and Doubtful Debts	.....	1,696,778.54	
Cash on Hand and in Banks	.....	732,276.37	
			4,558,629.10
			\$8,139,187.79

Montreal, 23rd September, 1920.

We have examined and audited the Books and Accounts of the Lake of the Woods Milling Company, Limited, at Winnipeg, Portage-la-Prairie, Keewatin and Montreal, for the year ending 31st August, 1920. The Inventories of the various Stocks and Equipment have been certified by Officials of the Company.

We certify that we have obtained all the information and explanations we have required and that, in our opinion, the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us, and as shown by the Books of the Company.

RIDDELL, STEAD, GRAHAM & HUTCHISON, C. A.,

Auditors.

On behalf of the Board.

ROBT. W. REFORD,

R. M. BALLANTYNE,

Directors.

- appointed by the Society, who shall certify as to the solvency of the society.
5. A foreign fraternal society hitherto transacting business in Canada, and at present unable to furnish an actuary's certificate of 100% solvency, may, if its premium rates for *new members* be considered adequate, and it is otherwise eligible, receive a provisional license annually until 1st March, 1925, after which the society must comply with section (4) above (i.e. be 100% solvent) in order to renew its license.
 6. A Provincially incorporated fraternal society desiring a Dominion license and unable to furnish an actuary's certificate of 100% solvency on an officially approved basis, may, subject to the other provisions of the Act obtain a license either by depositing with the Government adequate reserves on new certificates after date of license; or, by placing new members on adequate rates, and in a separate class with their funds held exclusively for such class. Such license may be renewed annually until 1st March, 1925, after which the Society must comply with section (4) above (i.e. be 100% solvent) in order to renew license.
 7. Special provision is made for dealing with a Society falling below 100% solvency. On request (preceded by full investigation) the society must make good the ascertained deficiency within four years, otherwise its license may be withdrawn.
 8. Every licensed society shall annually mail to each certificate holder in Canada a copy of the valuation balance sheet on the basis used in the filed annual statement and an explanation of the facts concerning the society's condition thereby disclosed.
(The basis of valuing mortuary benefits is the National Fraternal Congress Table and interest at 4%, subject to certain permissible variations.)
 9. Copies of policy forms must be filed with the Superintendent and shall contain certain standard provisions.
- Requirements in new Legislation:*
1. An annual certified valuation of certificates upon an approved basis.
 2. Preparation of a valuation balance sheet, and provision for bringing same to notice of each member. Separate valuation balance sheets where there is segregation of Reserves, as a means of education.
 3. Adequate rates for new members and maintenance of proper reserves therefor, where inadequate rates not readjusted.

4. Separation and segregation of funds of adequate-rate members, where inadequate-rate members not readjusted.
5. Provision for complete readjustment of inadequate-rate members within a reasonable period, with suitable action where the society does not carry out same in the time specified. Also provision for elimination of a future deficiency.
6. Reasonable liberty and responsibility to be left to the Society's own selected actuarial adviser, who must be qualified.

CANADIAN FIRE RECORD

Fire at Lisgar, Ont.—On the 4th instant a fire destroyed A. T. Switzers dwelling. Loss about \$4,000. Insurance \$1,200.

Fire at Birdsall's Landing, Ont.—On the 6th instant Barnett's Mill was destroyed. Several customers are said to have lost heavily, one losing 15,000 shingles. Loss about \$12,000.

Fire at Owen Sound, Ont.—On the 5th instant D. Stewart's barns at Balaclava were destroyed by fire together with the seasons crop, implements. Loss about \$8,000, insurance stated to be \$2,000.

Fire near Streetsville, Ont.—On the 4th instant the residence of Albert Switzer was destroyed by fire together with contents, including 2,000 pounds of honey. Loss about \$5,000.

Fire at Stewiacke, N.S.—On the 11th instant a fire destroyed Dickie's lumber mill, together with about 3,000,000 feet of lumber piled and ready for the market. The mill was insured for about \$25,000, and a part of the lumber was also insured. Loss estimated at about \$100,000.

Fire near St. Thomas, Ont.—During an electrical storm the two large barns of D. Coughlin (about two miles from St. Thomas) were struck by lightning and burned. The crops including 1,200 bushels of oats and several tons of hay stored in the barns were also destroyed. Loss about \$6,000.

Fire at Orangecille, Ont.—On the 10th inst. the carding mill of Irvine Stephenson was destroyed by fire. The mill was one of the old landmarks of the town, being built in 1852. No insurance.

Fire at St. Lambert, P.Q.—On the 10th instant a fire destroyed the home of Omer Lecuyer, 244 St. Louis St. The house was built of wood.



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, Hail, 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 Kinds) Postal
 Fidelity Guarantees Plate Glass

302 St. James Street, MONTREAL

ROBERT WELCH, General manager

APPLICATIONS FOR DIRECT AGENCIES INVITED.

The Ocean Accident & Guarantee Corporation Limited

AUTOMOBILE INSURANCE

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

The "OCEAN" can meet these requirements under one contract

Branch Office:
 MERCHANTS BANK BLDG.,
 MONTREAL

JOHN W. WETMORE,
 Superintendent.

W. T. PERRY,
 Manager for Canada

Canadian Head Office: Ocean Insurance Bldg., TORONTO

The Dominion of Canada Guarantee & Accident Ins. Co.

**The Oldest and
 Strongest Canadian
 Casualty Company**

TRANSACTS:

ACCIDENT SICKNESS PLATE GLASS
 BURGLARY AUTOMOBILE INSURANCE
 GUARANTEE BONDS FIRE INSURANCE

E. ROBERTS, Manager
 706, Lewis Building, MONTREAL

C. A. WITHERS, General Manager
 TORONTO

Branches: WINNIPEG CALGARY VANCOUVER

Mutual Life Insurance Company of Canada

Mr. Charles Ruby, general manager of the Mutual Life of Canada spent a few days in Montreal this week visiting the Company's important branch under the vigorous management of Mr. Jones.

Mr. Ruby who recently made a tour of the Western Provinces, and a careful survey of business conditions on behalf of his company, reports general evidences of both thrift and prosperity. Extravagance has been checked.

Splendid crops were seen in nearly every section of the prairie provinces. The people are hard at work, and showing a decided tendency towards moderation in their expenditures on dress and amusements.

Mr. Ruby estimates that Alberta alone will be enriched to the extent of \$200,000,000 while Saskatchewan and Manitoba's proportion will be almost as much.

"The value of the harvests of Western Canada this year are without parallel in the history of the country, and many large investors in western lands are making immense profits from this year's farming operations," said Mr. Ruby. "First-class business methods are being applied in numerous cases to the cultivation of the prairies, and in such instances the houses as well as the barns and other out-buildings, including garages, which are seen on the larger properties, are in a perfect state of efficiency, the hired help being particularly well housed and cared for. With an overflowing harvest, and a sober, thrifty population, Western Canada will be immensely strengthened financially, this year."

Province of Saskatchewan Wants \$3,500,000 For Farmers

Hon. C. A. Dunning, provincial treasurer, announces a campaign for the sale of three million, five hundred thousand dollars' worth of Saskatchewan Farm Loan Debentures, will start on Tuesday, October 26th and continue for six weeks.

"There is no way by which the government can secure sufficient funds at a reasonable rate of interest to meet the demand from farmers who wish to borrow from the Farm Loan Board except by guaranteeing the home investor a safe and profitable investment," said Mr. Dunning. "The Saskatchewan Farm Loan Board has loaned over \$5,250,000 to 2,700 farmers since the first loan was made on September 10th, 1917, but the board has received over 8,000 applications for loans during that period.

"In a new province like ours the lack of capital has proved a heavy handicap to thousands of our best farmers. The need of adequate capital to finance our farm development was never greater than today, and financially conditions throughout the world have never been more unsettled than at the present time. I am quite confident we can secure from the citizens of the province the money so urgently required for establishing our farming industry on a permanently profitable basis.

"Saskatchewan Farm Loan Debentures are an obligation of the whole province of Saskatchewan and therefore provide an absolutely secure as well as a patriotic investment for our citizens. As these bonds are redeemable at par at any time by giving the provincial treasurer three months' notice in writing, the bonds can never depreciate in value and are always worth 100 cents on the dollar."

COLUMBIA
INSURANCE COMPANY OF NEW JERSEY

Annual Statement as of December 31st, 1920

ASSETS		LIABILITIES	
Government and Municipal Bonds . . .	\$ 790,488.00	Cash Capital	\$ 400,000.00
Railroad and Miscellaneous Bonds . . .	563,890.00	Unearned Premium Reserve	390,134.38
Cash in Banks	175,145.60	Losses in process of adjustment	105,426.82
Premiums in course of Collection and other Assets	267,431.48	All other claims	88,000.00
			983,561.20
		Surplus over all Liabilities	813,393.88
	\$1,796,955.08		\$1,796,955.08

Head Office for Canada
Montreal

R. MacD. Paterson }
J. B. Paterson } Joint Managers

A. McBEAN & CO.
GENERAL AGENTS FOR MONTREAL
LEWIS BUILDING, MONTREAL

Improved Disability Provision

Claim may be made as soon as disability occurs—no probationary period.
 Payments begin immediately on approval of claim—no probationary period.

Monthly payments, lifelong, conditioned on permanence of disability.

Immediate waiver of future premiums—no waiting until next anniversary.

Full amount of insurance paid when insured dies, without deduction for disability payments or for premiums waived.

This new disability provision brings the service of America's oldest legal reserve life insurance company still closer to the needs of the insuring public.

For terms to producing Agents address

The Mutual Life Insurance Company
 OF NEW YORK
 34 NASSAU STREET, NEW YORK

GENERAL

ACCIDENT FIRE AND LIFE
ASSURANCE CORPORATION LIMITED
 OF PERTH, SCOTLAND

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

PELEG HOWLAND, Esq.

Chairman Advisory Board

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

THE
London Assurance
CORPORATION
 OF ENGLAND

INCORPORATED BY ROYAL CHARTER A.D. 1720

CAPITAL PAID UP \$ 3,741,375
TOTAL ASSETS EXCEED 12,500,000

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
 159 St. James Street, Montreal. Tel. Main 1626-7.
 J. C. Gagne, Managing Director

ATLAS
ASSURANCE COMPANY LIMITED

Founded in the Reign of George III

Subscribed Capital \$11,000,000
 Capital Paid Up 1,320,000
 Additional Funds 25,198,205

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 Street, MONTREAL

R. R. MARTIN Manager

Established 1884

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. BINNIE, Manager

L'UNION

FIRE INSURANCE COMPANY, Limited

Established 1828 Head Office: PARIS, France.
 Capital fully subscribed . . . \$2,000,000.00

50 per cent. paid-up.
 Fire and General Reserve Funds 8,270,000.00

Available Balance from Profit
 and Loss Account. 55,891.00

Net Premiums in 1919. 8,648,669.00

Total Losses paid to 31 Dec.,
 1919. 104,500,000.00

Canadian Branch:

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

Chartered Institute of Secretaries Holds First Meeting

At the first open meeting of the Canadian (Montreal) branch of the Chartered Institute of Secretaries of Joint Stock Companies and other Public Bodies, held Monday evening, in the hall of the Medico Chirurgical Society, 112 Mansfield street, an address on "The Aims and Objects of the Chartered Institute of Secretaries" was delivered by Mr. William Watkins, J.P., F.C.I.S., of London, England, past president of the institute.

Mr. Watkins was introduced to the audience by Mr. William MacInnes, A.C.I.I., A.C.I.S., chairman of the newly-formed Montreal branch, who stated that Sir Arthur Currie had been pleased to accept the presidency of the branch and that Dr. J. A. Nicholson, B.A., registrar of McGill, and Mr. Watkins, the lecturer, had been elected vice-presidents.

Mr. Watkins, after giving an account of the inception and progress of the institute in England and its branches in the British Isles, said that the great increase in the number of joint stock enterprises in recent years necessitated the training of secretaries to undertake professional secretarial duties in connection with these companies. When the institute was started in Great Britain men were found in secretarial positions who were not qualified in company law, etc., to render efficient service to the directors and shareholders whose interests they were there to guard. In Great Britain one found today that no self-respecting company was without a member of the Institute of Secretaries as its secretary and a chartered accountant as its auditor. The public now demanded that the affairs of companies in which its money was invested must be in the hands of trained professional men. Mr. Watkins instanced the work of the in-

stitute in England in promoting uniformity in the transfer of shares in joint stock companies. He explained that some years ago each secretary had his own ideas in this regard, and that stockbrokers and others were much perplexed in complying with each individual secretary's requirements, but by the compilation and issue of a standard text-book entitled "Secretarial Practice," published by the institute, uniformity had been attained, and that this text-book had since become the standard authority on the subject. The speaker pointed out that with the co-operation of prominent secretaries in Canada the work of the institute would be beneficial to the public at large, and that within a few years the institute would become established as a useful body of expert opinion as had the parent organization in Britain, many of whose members had been called upon from time to time to give expert evidence before Royal Commissions in matters affecting secretarial practice. Mr. Watkins expressed his satisfaction that Sir Arthur Currie had seen fit to accept the presidency of the Canadian branch, remarking that his great service to his country and the Empire had won the admiration of all members of the institute in Britain.

At the conclusion of Mr. Watkins' address the meeting was thrown open for discussion, and Mr. MacInnes, the chairman, explained in answer to questions that it was the intention of the local council to form a students' society, as the institute had provision for registered students, and also to arrange with existing educational authorities for courses to be held to enable students to study for the professional examinations of the institute, which will be held from time to time at McGill University. Enquiry forms would be issued to all those who desired to ascertain their eligibility for membership.

A vote of thanks to Mr. Watkins for his interesting address terminated the proceedings.

Insure in one of Canada's Oldest and Strongest Fire Insurance Companies
Organized in 1862

The Acadia Fire Insurance Company

OF HALIFAX

LIABILITY UNDER ALL ACADIA POLICIES GUARANTEED BY
PHOENIX ASSURANCE COMPANY, LIMITED

OF LONDON

WHOSE ASSETS EXCEED \$98,000,000

MONTREAL AGENCIES, LIMITED
GENERAL AGENTS

MONTREAL TRUST BUILDING, MONTREAL.

JAS. D. CHERRY, Manager



FIRE CASUALTY
The Northern Assurance Co. Limited
 of England

ASSETS - - - \$79,801,255.00

Including Paid up Capital of \$4,010,100.00

Head Office for Canada: Lewis Building, 17 St. John Street, Montreal

ALEX. HURRY, Manager Casualty Department

G. E. MOBERLY, Manager

FIRE

THE

FIRE



Royal Scottish

INSURANCE COMPANY LIMITED
 of Glasgow, Scotland

HEAD OFFICE FOR CANADA
 17 ST. JOHN STREET
 MONTREAL

G. E. MOBERLY,
MANAGER

This Company's contracts are guaranteed by
 The Northern Assurance Company Limited, of England

THE ST. PAUL FIRE AND MARINE INSURANCE COMPANY

INCORPORATED 1865

ASSETS OVER \$16,000,000

REPRESENTED IN TORONTO BY
McADAM, SHERRITT & COMPANY
General Agents

EXCELSIOR LIFE BUILDING

36 TORONTO STREET

BRITISH TRADERS' INSURANCE COMPANY, LIMITED

ESTABLISHED 1865

HEAD OFFICE: HONG KONG — — — — HEAD OFFICE FOR CANADA: TORONTO

FIRE & MARINE INSURANCE

LOSSES PAID SINCE ORGANIZATION OVER \$50,000,000

JOHNSON—JENNINGS, Inc., General Agents,
 MONTREAL.

Manager for Canada, C. R. DRAYTON

THE STRATHCONA
FIRE INSURANCE COMPANY

HEAD OFFICE: MONTREAL.
 90 ST. JAMES ST.

“For ten years the STRATHCONA has pursued a safe and steady course and is now beginning to gather the fruits of its wise and sound policy.”

SCOTTISH UNION & NATIONAL INSURANCE COMPANY

Mr. J. H. Vreeland, Succeeds Late Mr. J. H. Brewster.

Mr. James Allan Cook, general manager of the Scottish Union & National Insurance Company, who is at present visiting this side of the water, has announced the appointment of Mr. J. H. Vreeland as manager for the United States and Canada of the Scottish Union to succeed the late Mr. J. H. Brewster. Mr. Vreeland who was previously assistant manager of the Scottish Union, has been connected with the Company for part four years, having entered its service as assistant secretary for the United States and Canada at Hartford.

Previous to his joining the Scottish Union, Mr. Vreeland was for twenty-two years connected with the Liverpool & London & Globe at the New York office in various departments. The New York *Journal of Commerce* says:—

As manager of the Scottish Union Mr. Vreeland takes control of a finely working home office, a field staff of high standing and an excellent agency plant. He is right in his prime, a man of great energy, who thinks fast and has the capacity to make the company move forward in this country just as rapidly as the home office desires it to go. It is not expected that there will be any marked change in its policy, though it will occasion no surprise if a man in his forties, trained in the Liverpool & London & Globe school, accelerates the speed somewhat over that maintained by Mr Brewster, who was regarded as a conservative.

The State Assurance Company, of Liverpool, which was also under the management of Mr. Brewster, has not yet made the appointment of his successor. There is no reason to expect that it will do otherwise than follow the lead of the Scottish Union & National.

Taxing of Life Insurance

A life insurance premium is essentially a tax, voluntarily levied, primarily for the protection of the family, but very directly for the benefit of the state. The government, in taxing life insurance, indulges in the barbarism of taxing a tax. It would be scarcely more unsound for the government to tax its own income.

Death duties can readily destroy a perfectly solvent estate unless cash can be raised quickly. Life insurance can quickly provide cash, but the laws limit and hinder its use.

NOTICE

NOTICE is hereby given that the Northern Assurance Company Limited of London, England has been granted Dominion License No. 904 dated 6th October, 1920, to transact in Canada the business of Burglary Insurance, in addition to the classes for which it is already licensed namely Fire, Accident, Sickness, Automobile, Guarantee and Plate Glass Insurance.

WANTED

By a large British Office a young man capable of taking charge of their Plate Glass Department. Write, giving age, experience, references and salary expected. Good opportunity for a bright young man. Applications treated strictly confidential. Address

X. Y. Z...

Care The Chronicle,

Montreal.

WANTED

By a young lady, position as TYPIST AND GENERAL OFFICE ASSISTANT, having a thorough knowledge of both languages and over six years Fire Insurance experience. Can furnish the best of references. Address

Typist,

Care The Chronicle,

Montreal.

WANTED

CHIEF CLERK required by FIRE INSURANCE COMPANY, must have good knowledge of Underwriting, office routine and correspondence. Apply, stating age, qualifications and salary, to

G. F. P.,

Care The Chronicle,

Montreal.

Canadian Banking Practice
ON SALE
BY THE CHRONICLE

THE MOTOR UNION INSURANCE COMPANY LIMITED

(INCORPORATED IN ENGLAND)



THE BEST IN AUTOMOBILE INSURANCE

□ □ □

It is the service that counts! No technical quibbles in dealing with claims. Broad Protection; Quick Service; and a Square Deal every time.

We satisfy our clients and so help the Agents to retain and extend their connections.

Write, Phone or Call

Chief Office } 59 Yonge Street (MAIN
for Canada } TORONTO (5369

Assets exceed \$13,000,000

Premium income exceeds \$8,500,000

**Canadian Banking Practice
On Sale
By The Chronicle**

Great American Insurance Company New York

INCORPORATED - 1872

PAID FOR LOSSES

\$112,397,573.17

STATEMENT JANUARY 1, 1920

CAPITAL
AUTHORIZED, SUBSCRIBED AND PAID-UP

\$5,000,000.00

RESERVE FOR ALL OTHER LIABILITIES

17,191,302.37

NET SURPLUS

11,010,376.51

ASSETS

33,201,678.88

THE SECURITIES OF THE COMPANY ARE BASED UPON ACTUAL VALUES ON DECEMBER 31st, 1919

Since January 1st the authorized, subscribed and paid-up Capital Stock of the Company has been increased to **\$10,000,000.**

The Company now owns **\$10,000,000** U. S. Government Liberty Loan Bonds, and **\$340,000** Canadian Victory Loan Bonds.

**Home Office, One Liberty Street
New York City**

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

BUSINESS INSURANCE

on the lives of the men who run the business is just as important as fire insurance on the property. Fire is a possibility but death is a certainty.

The ready cash from a Canada Life Business Insurance Policy at such a time will readjust matters and carry on the business as nothing else can do. Ask for particulars.

CANADA LIFE ASSURANCE COMPANY

Home Office - TORONTO

IN ALL **INSURANCE** BRANCHES
STRENGTH REPUTATION SERVICE

The Montreal Securities Corporation Limited

Dominion Express Building - MONTREAL
 GENERAL AGENTS FOR
 The **GLOBE INDEMNITY COMPANY** of Canada
 The **CANADIAN FIRE INSURANCE COMPANY**
 Applications for Agencies Solicited

NIAGARA FIRE INSURANCE COMPANY

HEAD OFFICE, NEW YORK INCORPORATED 1850
 Cash Capital Net Surplus 31st Dec., 1919
\$1,000,000.00 \$3,393,907.58
CANADIAN DEPARTMENT - - 22 ST. JOHN STREET, MONTREAL
 W. E. FINDLAY, MANAGER AGENTS WANTED

"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

LONDON & SCOTTISH ASSURANCE CORPORATION
 LIMITED, OF LONDON, ENGLAND

Formerly **LONDON & LANCASHIRE LIFE & GENERAL ASSURANCE ASSOCIATION, LIMITED**
 ESTABLISHED IN CANADA 1863

Directors for Canada:

A. J. Dawes, Esq. E. C. Pratt, Esq.
 H. B. Mackenzie, Esq. D. C. Macarow, Esq.

ALL CLASSES OF LIFE ASSURANCE TRANSACTED

SCOTTISH METROPOLITAN ASSURANCE COMPANY
 LIMITED

FIRE and MARINE ACCIDENT and SICKNESS GUARANTEE BONDS ELEVATOR and GENERAL LIABILITY
 AUTOMOBILE LIABILITY and FIRE Individual or Combined Policies EMPLOYERS' LIABILITY PUBLIC and TEAMS' LIABILITY

Head Offices for Canada: **LONDON & SCOTTISH BUILDING, MONTREAL**

Total Funds and Assets Exceed \$25,500,000

Fire Manager, **C.E. CORBOLD** Casualty Manager, **J. UPTON FLETCHER** Secretary and Actuary, **W.H.R. EMMERSON**

Manager for Canada, **ALEXANDER BISSETT**

APPLICATIONS FOR AGENCIES INVITED



Security - - \$46,500.000
ONTARIO AND NORTH WEST BRANCH
 14 Richmond Street, East. TORONTO
PROVINCE OF QUEBEC BRANCH
 146 Notre Dame Street West. MONTREAL



PERSONAL ACCIDENT **PLATE GLASS**
SICKNESS **AUTOMOBILE**
FIDELITY GUARANTEE **GENERAL LIABILITY**

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

Mount Royal Assurance Company

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

Application for Agencies Invited

Head Office - - - **MONTREAL**

P. J. PERRIN - - - - - **Manager**

Established in Canada in 1821

1819 **AETNA (FIRE)** 1920
 HARTFORD, CONN., U. S. A.

Losses Paid over \$183,000,000

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. 1714)

CANADA BRANCH, MONTREAL.
 T. L. MORRISSEY, Resident Manager.
 NORTH WEST BRANCH, WINNIPEG.
 THOS. BRUCE, Branch Manager.

Agencies Throughout the Dominion

EXCELSIOR

INSURANCE LIFE COMPANY

A Strong Canadian Company

FOR PROTECTION OR INVESTMENT
 BUY EXCELSIOR POLICIES

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

The Law Union & Rock

INSURANCE CO. LIMITED, LONDON. Founded in 1866

Assets Exceed - - - \$50,000,000.00

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**
Canadian Manager.
 Accident Dept.

POSITIONS FOR LIFE INSURANCE MEN. We have a few vacancies, with bright prospects, for live insurance salesmen of good record and proven ability. Every assistance given to enable hard workers to make good. Correspondence confidential. If you want a good position as Agent or District Manager with a progressive Company, apply stating experience and references, to **W. R. BROWNLEE**, Provincial Manager, 180 St. James St., **MONTREAL. P.Q.**

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