

The Chronicle

Banking, Insurance and Finance

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PRESENT AND FUTURE BORROWINGS

The circumstances of the borrowings which are at present being made in the New York market by the governments of both belligerent and neutral countries have a wide interest. It will be in recollection that some months ago the Washington Administration formally announced that no loans by belligerents in the United States would be permitted. Although no later notification of the United States Government's attitude has appeared, it seems that the Administration at Washington has now modified its position. Apparently, the Administration does not object to these borrowing operations provided that there is no outward transfer of the borrowed funds. The borrowings which are now taking place do not call for any transfer of funds outside the United States. They are merely a means adopted of payment for the immense supplies which are being drawn from the United States, both by the belligerents and by neutrals, alike in the shape of war equipment and of ordinary supplies. These purchases could have been paid for in two other ways, by gold shipments, and in the case of some countries by the sale of American securities. But Europe, under the present circumstances, will not part with more gold than can be helped, and is more disposed to pay for purchases in its own securities than through the sale of its American holdings.

* * * *

These securities are being offered in the New York market to yield a rate of interest, generally speaking, round $5\frac{1}{2}$ to 6 per cent., and a recent editorial of the New York Journal of Commerce furnishes an acute analysis of the reasons why for this high interest rate. A study of the income yields from standard American bonds in recent years shows that these foreign loans are apparently intentionally offered at rates of interest beyond the normal yields of any bonds in competition likely to attract American capital, so that a strong inducement is given to American capital to take up these bonds. On the other hand, the rates now being offered are apparently excessively in advance of the interest yield of the securities of European nations before the war. Thus the average return from Consols in 1913 was 3.42 p.c., from French rentes, 3.45 p.c. and from German threes, 3.95 p.c., there having been a rise in these yields of from 0.34 to 0.40 per cent. since 1910. The explanation of this phenomenon, as pointed out by the New York Journal of Commerce,

is that the financing is purely of a temporary character, the securities offered all being of very brief duration. For the moment, American enterprises are being overbid in the competition for capital, but the rate of interest promised is for only a year or two in most cases. The theory on which this financing is being arranged is, in fact, that when the war is over, the European nations will be again able to borrow at a rate of interest somewhere near their former rate—at all events much below the $5\frac{1}{2}$ or 6 per cent. now being paid. Hence the disinclination to realise at depreciated levels American securities yielding a relatively high rate of interest according to European standards.

* * * *

What the trend of the rate of interest will be after the war remains to be seen. But even if it were to rise to $5\frac{1}{2}$ or 6 per cent. in the case of borrowings of the European governments, which is barely conceivable, it does not necessarily follow, in the weighty opinion of our New York contemporary, that American capital would continue to take an interest in these loans. "The same factors that have placed the American interest rate above that of Europe," it says, "would still be operative and would still tend to make the offered interest on American securities rise higher than that paid in Europe." This opinion is a distinct damper to those aspirations which find occasional voice, that New York will in the not far distant future supplant London permanently as the world's financial power-house. The opinion suggests also that caution needs to be used by Canadian borrowers at the present time in their use of the American market. For short term issues needed to supply funds for absolutely necessary works, the American market may at the moment be found exceedingly useful. But there is the possibility if borrowers go beyond this, that they may find later on when the London market for new issues re-opens, that they are paying a considerably higher interest rate than they need have paid, had they waited and borrowed in London. Whatever the loss of capital as a result of the European conflict may be, there seems little reason to doubt that London will remain after the war the cheapest market for Canadian borrowers. Undoubtedly a valuable preference will be again accorded Canada in financial London, as a result of present events, and in the economic future of Canada, it will be a factor of some importance that our borrowings are made as cheaply as possible.

Established 1817

BANK OF MONTREALIncorporated by Act
of Parliament

Capital Paid Up, \$16,000,000.00

Res. \$16,000,000.00.

Undivided Profits, \$1,232,669.42

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PROVINCE OF QUEBEC.

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BANKERS IN GREAT BRITAIN

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The Bank of England.

The Union of London and Smith's Bank, Limited.

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BANKERS IN THE UNITED STATES

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DETROIT -

The First and Old Detroit National Bank

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BUFFALO -

The Manufacturers' and Traders' National Bank

PHILADELPHIA - National Park Bank

SAN FRANCISCO -

First National Bank of San Francisco

ST. LOUIS - The Mechanics-American National Bank

MINNEAPOLIS -

The Anglo and London-Paris National Bank

BOSTON - The Merchants National Bank

SEATTLE -

Northwestern National Bank

CLEVELAND - The First National Bank of Cleveland

ST. PAUL -

Seattle National Bank

PITTSBURG - The Bank of Pittsburg, N.A.

First National Bank of St. Paul.

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

Collections at all points of the world undertaken at most favourable rates.

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

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

**THE CANADIAN BANK
OF COMMERCE**

ESTABLISHED 1867. Head Office: TORONTO

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

Reserve - 13,500,000

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

ALEXANDER LAIRD, General Manager

JOHN AIRD, Assistant General Manager.

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

Alberta - - - - 52	Ontario - - - - 87
British Columbia - 44	Prince Edward Island 5
Manitoba - - - - 23	Quebec - - - - 82
New Brunswick - - 4	Saskatchewan - - 60
Nova Scotia - - - 13	Yukon Territory - 2

Branches of the Bank outside Canada:

Newfoundland—St. John's.

United States—New York, Portland, Ore., San Francisco, Cal., Seattle, Wash.

Great Britain—London. Mexico—Mexico City.

Collections effected promptly and at
Reasonable Rates.**The Molsons Bank**

Incorporated 1855

Paid Up Capital - \$4,000,000

Reserve Fund - 4,800,000

HEAD OFFICE - MONTREAL

COLLECTIONSCollections may be made through
this Bank in all parts of the Dominion,
and in every part of the civilized world
through our Agents and Correspondents,
and returns promptly remitted at lowest
rates of exchange.Commercial Letters of Credit and
Travellers' Circular Letters issued, avail-
able in all parts of the world.

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Banking Insurance and Finance

ESTABLISHED 1881.

PUBLISHED EVERY FRIDAY

F. WILSON-SMITH,
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MONTREAL, FRIDAY, APRIL 9, 1915

FINANCE OF THE WEEK.

The resumption of open market trading on the Montreal Stock Exchange on Tuesday, after a lapse of eight months, makes a significant indication of a steady, if still very slow, improvement in financial conditions. Under the conditions laid down by the committee, the stocks eligible for floor trading are something over fifty in number and include those quoted at under \$15 per share, those which stand at above the official minimum, and mining stocks. Stocks reverting to the minimum will automatically retire to the seclusion of the list of stocks, dealings in which are arranged by the Stock Exchange committee. Short selling is prohibited.

The market got away to a good start, 2,526 shares exclusive of mining shares, being traded in on the opening day, compared with 5,104 shares on the corresponding day a year ago. There have apparently been fears in some quarters that the opening of the Montreal Exchange might be utilised as a means of liquidation by London interests. However, thus far there has been no sign of liquidation from this quarter, and it is probable that the fears were groundless. There seems no good reason why London holders of standard Canadian stocks should be particularly anxious at the moment to liquidate at a sacrifice. That London liquidation played a considerable part in the slump at the close of July is no reason for anticipating that the re-opening of the Exchange would be followed by similar selling, since conditions in London are now essentially different from what they were at the end of July. Then, there was panic. Now the position is well in hand, and liquidation, where necessary, can probably be undertaken under relatively easy conditions.

NEW YORK WIDE-OPEN.

American sentiment has been favorably impressed by the throwing open of the New York Stock Exchange to unconditional trading in securities. Recently, it has been obvious that business in that Exchange has reached a level of normal activity. It is noted also that while foreign liquidation of American

stocks and bonds has not ceased, right from the outset of the war, it has been conducted in a scientific manner. On few occasions has the liquidation been greater in volume than the market could comfortably bear and apparently no important change in this policy is expected.

THE WEST STILL OPTIMISTIC.

Western advices show that business men beyond the Great Lakes are still full of their famous brand of optimism. A Saskatchewan observer writes that "Hopes are as high as grain prices." It is well to remember in connection with the expectations of a bumper harvest that in the matter of crops man proposes while nature disposes. Given the essential of reasonable weather, however, there is sound reason for hopeful anticipation, through the activities towards greater production which have been undertaken. The West is nearer a basis of cash transactions at the present time than probably it has ever been before in its history, and the killing of the long-term credit system with its multitude of evils is worth a good deal in the way of sharp experience. No longer is ready cash being sunk in more acreage or marvellous sub-divisions; debts are being paid instead. With a good crop, this process will be continued, and the foundations begun for a structure of sound and prosperous business.

Whether or not the Dardanelles are freed at an early date, the Western grain grower is probably assured of good prices for his crops this year. In comparison with recent years, prices will certainly be relatively high. Probably as a result of this, a decided stimulus will be given to business throughout the country, when the harvest money becomes available.

THE LONDON POSITION.

The cables state that the impression prevails in Lombard Street that the Government for some time will issue \$75,000,000 of treasury bills weekly, with perhaps an occasional interval. The Government is in no immediate need of money, because cash balances total about \$500,000,000; but there is now practical unanimity between the Government, the Bank of England, and other banks and discount houses in efforts to create higher money and discount rates, so as to eventually strengthen the American exchange rate.

Money rates have now been peremptorily and permanently stiffened. Some discounting houses have even decided to raise their customers' deposit rates, while probably unanimous agreement on that point will shortly be made at a meeting of discount house representatives.

Insurance Superintendent Potts, of Illinois, has developed a mania for attacking the fire insurance companies. A specimen of his methods is the insinuation, spread broadcast, that the companies are having fires started in order to offset his campaign for lower rates. Is Mr. Potts a Prussian?

The Bank of British North America

Established in 1836. Incorporated by Royal Charter in 1840

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

Head Office:

5 GRACECHURCH STREET, LONDON, E.C.

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

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J. H. Brodie	Frederic Lubbock
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Head Office in Canada: **ST. JAMES ST., MONTREAL**

H. B. MACKENZIE, General Manager

J. ANDERSON, Superintendent of Branches.
 H. A. HARVEY, Superintendent of Eastern Branches, Montreal.
 J. McEACHERN, Superintendent of Central Branches, Winnipeg.
 O. R. ROWLEY, Chief Inspector.
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This Bank has Branches in all the principal Cities of Canada, including Dawson City (Y.T.), and Agencies at New York and San Francisco in the United States.

Agents and Correspondents in every part of the world.

Collections Made at Lowest Rates.

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

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

G. B. GERRARD, Manager,
 MONTREAL BRANCH

THE MERCHANTS' BANK OF CANADA

Head Office, MONTREAL.

Capital Paid-up **\$7,000,000** Reserve Funds **\$7,248,134**

Pres. SIR H. MONTAGU ALLAN. Vice-Pres.: K. W. BLACKWELL.
 E. F. HERRDEN, General Manager.
 T. E. MERRETT, Superintendent of Branches and Chief Inspector

BRANCHES AND AGENCIES.

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Acton	Lucan
Alvinston	Lyn
Athens	Markdale
Belleville	Meaford
Berlin	Mildmay
Bothwell	Mitchell
Brampton	Napanee
Brantford	Newbury
Bronte	Oakville
Chatham	Orillia
Chateaufort	Owen Sound
Cheesley	Perth
Clarkson	Prescott
Creemore	Preston
Deita	Renfrew
Eganville	Sarnia
Elgin	Stratford
Elora	St. George
Finch	St. Thomas
Ford	Tara
Fort William	Thamesville
Gait	Thorold
Gananoque	Tilbury
Georgetown	Toronto
Glencoe	" Dundas St.
Gore Bay	" Dupont and
Granton	" Christie Sts
Guelpth	" Par. St.
Hamilton	" East End
" East End	" Parkdale
Hanover	Walkerton
Hespeler	Walkerville
Ingersoll	Wallaceburg
Kincardine	Watford
Kingston	West Lorne
Lancaster	Westport
Lansdowne	Wheatley
Leamington	Williamstown
Little Current	Windsor
London	Yarke
London, East	
	Saskatchewan
	Antler
	Arcola
	Battleford
	Carnduff
	Frobisher
	Gainsborough
	Gull Lake
	Humboldt
	Kisbey
	Limerick
	Maple Creek
	Meville
	Moose Jaw
	Orbow
	Rogina
	Saskatoon
	Shaunavon
	Unity
	Whitewood
	British Columbia
	Chilliwack
	Ganges Harbour
	Nanaimo
	New Westminster
	Alberta
	Acme
	Brooks
	Calgary
	" 2nd St. E.
	Canrose
	Carstairs
	Castor
	Chauvin
	Coronation
	Daysland
	Delburne
	Donald
	Edgerton
	Edmonton
	" Namayo Av.
	" Alberta Av.
	" Athabasca Av.
	Edson
	Hughenden
	Islay
	Killam
	Lacombe
	British Columbia
	Oak Bay, Sidney
	Vancouver
	" Hastings St.
	Victoria
	Alberta
	Leduc
	Lethbridge
	Mannville
	Medicine Hat
	Munson
	Okotoks
	Olds
	Raymond
	Redcliff
	Red Deer
	Rimby
	Rumsey
	Sedgewick
	Stettler
	Strome
	Tofield
	Trochu
	Vegreville
	Siking
	Wainwright
	West Edmonton
	Wetaskiwin
	Sub-Agencies
	—Ontario—Beachville, Calabogie, Frankville, London
	South, Lyndhurst, Mulrirk, Newington, Pelee Island,
	Mantoba—Austin, Griswold, Lauder, Sidney.
	Alberta—Botha, Car.
	IN UNITED STATES —New York Agency, 63 Wall Street.
	BANKERS IN GREAT BRITAIN —The London Joint Stock Bank, Limited
	D. C. MACAROW - - - Local Manager, Montreal

IMPERIAL BANK OF CANADA

DIVIDEND No. 99.

NOTICE is hereby given that a dividend at the rate of TWELVE PER CENT. (12 p.c.) per annum upon the Paid-up Capital Stock of this institution has been declared for the three months ending 30th April, 1915, and that the same will be payable at the Head Office and Branches on and after Saturday the 1st day of May next.

The transfer books will be closed from the 16th to 30th April, 1915, both days inclusive.

The Annual Meeting of the Shareholders will be held at the Head Office of the Bank on Wednesday, 26th May, 1915. The chair to be taken at noon.

By order of the Board.

E. HAY, General Manager.
 Toronto, 24th March, 1915.

BANK OF BRITISH NORTH AMERICA.

While differing in important respects from the other Canadian banking institutions in its constitution and organization, the Bank of British North America has always been known as a leading exponent of conservative Canadian banking practice. For nearly a century now, the Bank has played an important part in the development of the Dominion. It has, too, consistently maintained a high standard both of resources and of business conduct, with the result that it long since achieved and now continues to hold that reputation both for solidity and courtesy, which are always the desire of the banker to obtain and maintain.

The profits for the Bank's financial year ended November 30, 1914, are returned as \$536,577 against \$689,745 in the previous twelve months. It is to be presumed, however, that this year's figures are only declared after the reservation of a substantial amount for depreciation in the securities held. It is noted in the balance sheet that Stock Exchange securities held have been valued at or under the prices of July 27, 1914—a very low level, suggesting that thorough precautions have been taken to provide against any possible losses on this account. A balance of \$108,438 brought forward from the previous year makes the total available on this account, \$645,014. Of this amount the 8 per cent. dividend absorbs \$389,333. The usual generous provision is made for the officers and staff of the Bank, contributions from the profit and loss account to the various funds maintained for their benefit being over \$63,000. Subscriptions amounting to \$24,333 to the Canadian Patriotic Fund and the Canadian Red Cross Society were also made, and the largely increased balance of \$167,082 carried forward.

A STRONG POSITION.

The following are the leading figures of the current balance sheet in comparison with that for 1913:—

	1914.	1913.
Paid-up Capital	\$4,866,667	\$4,866,667
Reserve	3,017,333	3,017,333
Circulation	4,427,424	4,876,310
Deposits	42,275,356	38,230,931
Gold and Dominion Notes	*10,622,047	15,379,476
Call and Short Loans	4,648,650	9,323,143
Current Loans and Discounts	32,236,943	36,415,600
Total Assets	60,604,993	62,644,890

* Excluding \$500,000 in Central Gold Reserve.
 † Excluding \$250,000 in Central Gold Reserve.

It will be noted from these figures that a very strong position is maintained. The holdings of gold and Dominion notes have been practically doubled in comparison with a year ago and in the case of gold alone, almost tripled. These cash holdings are in the proportion of about 20 per cent. to the Bank's liabilities to the public. The sharp reduction in call and short loans is wholly accounted for by the contraction in the foreign call loans which have been reduced nearly \$5,000,000 in comparison with last year, while Canadian call loans have been advanced about \$160,000. Similarly the fall in current loans and discounts is accounted for in part by a contraction in foreign loans under this heading to the extent of \$1,700,000, the reduction in Canadian current loans and discounts being \$2,500,000. Circulation is about \$450,000 less than a year ago, while deposits

have gained \$4,000,000, the greater part of this advance, over \$3,500,000, being in non-interest bearing deposits.

In proportion to liabilities to the public, liquid assets are in a satisfactory ratio approaching 50 per cent. It is clear, in fact, that throughout a period of great difficulty, the Bank has maintained a characteristically strong position. Under the management of Mr. H. B. Mackenzie, there is every reason to believe that its prestige will be still further enhanced as time passes.

WATCH THE MORAL HAZARD.

The trend of a good many fire losses recently suggests that at the present time an extra sharp look-out for moral hazard requires to be kept. Local agents of the fire companies can in their respective districts render valuable service in this direction by the simple process of keeping their eyes and ears open as they move around the community. Efforts which will minimize the losses due to moral hazard are not only a valuable service to the companies the agents serve but to the community at large.

LIFE COMPANIES AND SECURITY DEPRECIATION.

At the recent annual meeting of the Scottish Amicable Life Assurance Society, some interesting observations were made by the chairman regarding the effect of the depreciation in securities on life companies' investments. "The liabilities of a life assurance office," he pointed out, "are not immediate, but are distributed over a long period of years, and, further, its assets do not consist solely of the existing funds, but also of future premiums. In these circumstances there is on the one hand no possibility of a forced realisation of securities, and on the other hand, depreciation in the market value of securities enables us to invest our fresh funds on more favourable terms. Then again it must be remembered that the rate of interest exercises an important influence, not only on the assets, but also on the liabilities of a life office. In valuing these liabilities it is usual to assume a rate of interest considerably lower than the investment rate, so that a margin exists, not merely for the purpose of greater security, but also as the source of much of the surplus out of which bonus additions are declared to the participating policies. This margin is increased by the act of writing down our investment values. The process automatically raises the rate of interest on the existing funds, bringing it into relation with the more favourable terms upon which we can invest our fresh funds, and the increased margin over the rate used for valuing our liabilities goes a long way to neutralise the effect of depreciation. The actual result will vary with the age of the office, the character of the business on its books, and the distribution of its investments, but it may be stated generally that an office of average age and constitution, with a due proportion of mortgages or short dated securities included among its investments, has really nothing to fear from depreciation, so long as that does not arise from any impairment of the actual security or reduction of the income."

THE ROYAL BANK OF CANADA

INCORPORATED 1869

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

HEAD OFFICE - MONTREAL.

340 BRANCHES THROUGHOUT CANADA

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

LONDON, Eng.
Princes St., E. C.

NEW YORK,
Cor. William & Cedar Sts.

SAVINGS
DEPARTMENT

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

The Dominion Bank

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

W. D. MATTHEWS, Vice-President

C. A. BOGERT, General Manager

TRUST FUNDS SHOULD BE DEPOSITED

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

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

Head Office, Toronto

THE BANK OF TORONTO

Incorporated 1855.

Head Office: TORONTO, Canada.

PAID UP CAPITAL	\$5,000,000
RESERVED FUNDS	\$6,402,810

Directors

DUNCAN COULSON, President; W. G. GOODERHAM, Vice-Pres.; J. HENDERSON, 2nd
Vice-Pres.; HON. C. S. HYMAN, WILLIAM F. ONE, JOHN MACDONALD, LT. COL. A. E.
GOODERHAM, LT. COL. F. S. MERRICK, J. L. ENGLEHART, WILLIAM I. GEAR,
THOS. F. HOW, General Manager. T. A. BIRD, Chief Inspector

Bankers

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

YOUR BANKING SERVICE.

All who have Banking
business, of whatever
nature, to transact
will find the modern
Banking Service
offered by the Bank
of Toronto most sa-
tisfactory.

Long experience, am-
ple resources, up-to-
date equipment,
and extensive foreign
and domestic con-
nections enable The
Bank of Toronto to
provide adequate fa-
cilities for all Bank-
ing transactions.

THE BANK OF NOVA SCOTIA

INCORPORATED 1832.

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

Head Office - - - HALIFAX, N.S.

JOHN Y. PAYZANT, President.

Gen'l Manager's Office, TORONTO, ONT.

H. A. RICHARDSON, General Manager.

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

BOSTON CHICAGO NEW YORK

The Bank of Ottawa

Established 1874

Head Office - - - OTTAWA, Canada

Paid-up Capital	\$4,000,000
Rest and Undivided Profits	4,978,299
Total Assets, over	50,000,000

BOARD OF DIRECTORS

HON. GEORGE BRYSON, President.
JOHN B. FRASER, Vice-President.

SIR HENRY N. BATE,	DAVID MACLAREN
RUSSELL BLACKBURN,	DENIS MURPHY,
SIR HENRY K. EGAN,	HON. SIR GEORGE H. PERLEY.
	E. C. WHITNEY.

GEORGE BURN,	D. M. FINNIE,
General Manager.	Assistant General Manager.
	W. DUTHIE, Chief Inspector.

THE HOME BANK OF CANADA

Branches and Connections throughout Canada.

SIX OFFICES IN MONTREAL

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

Collections made to any point in Canada
where there is a branch of a chartered bank.

JAMES MASON - General Manager

GETTING AFTER THE INCENDIARIES.

The fire loss situation in Canada long ago reached the stage where some steps must be taken towards discovering the cause and evolving some means for a large reduction of this annual toll. Fire commissioners agree that a large proportion of fires are of deliberately incendiary origin, that a still larger percentage are unconsciously incendiary, and that a not inconsiderable number are the result of carelessness or neglect. The number of fires resulting from causes beyond human control constitutes, in fact, only a small proportion of the year's total. How this situation should be handled is a difficult question. The law prescribes punishment for arson, but, under present conditions and with the machinery available, it is exceedingly difficult to secure convicting evidence.

The police departments of our cities are not interested in fires unless it be shown that there are suspicious circumstances surrounding the occurrence. Even should this be demonstrated, there are no trained men connected with the police forces qualified to thoroughly investigate the circumstances. Possibly the best step that could be taken in this direction would be the appointment of provincial fire marshals. The Ontario legislature at its session in 1914 passed an Act to appoint a fire marshal, who would have power to investigate fires which were deemed of suspicious nature and to prosecute where necessary. But further action has not yet been taken under this legislation, and the appointment of a fire marshal is still in abeyance. It is to be hoped that when an appointment is made, a man who knows his business will be chosen, not a mere politician.

THE LATE MR. J. H. BROCK.

The life of the late Mr. J. H. Brock, managing director of the Great-West Life of Winnipeg, whose death in California we announced in our last issue, had been an exceedingly active one. Born at Guelph, Ontario in 1850, and educated in Montreal, after a successful college course, he accepted a clerkship in the book and stationery store of Mr. Shewman, of Guelph, Ont., which was followed by the serving of an apprenticeship in the drygoods firm of Barclay & McLeod, of Georgetown. Next came an offer as salesman to the retail drygoods establishment of S. Duncan & Company, of St. Louis. After leaving the St. Louis firm in 1869 he accepted an engagement with R. G. Dun & Co., as their business representative at Troy, N.Y. With this company he remained till early in 1872, afterwards returning to the drygoods business in Toronto with the wholesale drygoods firm of Ogilvy & Co., of which his brother, Mr. W. R. Brock, was the managing partner. In 1877 the firm of W. R. Brock & Brother was organized and is now continued as the W. R. Brock Company. Mr. J. H. Brock disposed of his interest in the business in 1879 and went into partnership with Mr. G. F. Carruthers in the insurance and financial business and in 1897 organized the Great-West Life Assurance Company and had continued as managing-director of the company since its organization. Mr. Brock was a director of the Northern Trusts Company and the Northern Mortgage Company. Sound and level-headed in business affairs, the late Mr. Brock was also possessed of great energy, and it was to this combination of qualities that his uninterrupted business success was largely due.

WILL HISTORY REPEAT ITSELF?

Some twenty years ago there was a famous proposal of municipal self-insurance in Toronto put forward by an active member of the City Council. As usual, it was based on the assumption that Toronto would never again be visited by a conflagration. The discussion on the subject was at its height when, in January, 1895, Toronto was visited by two fires. They occurred within four days of each other and between them caused a loss of some million and a half dollars. Nothing more was heard of municipal self-insurance in Toronto.

If history follows its habit of repeating itself in this particular matter, the gentlemen behind the self-insurance scheme of the Union of Nova Scotia Municipalities had better look out for squalls.

THE BANK OF TORONTO.

The following changes have been made in the staff of the Bank of Toronto:

Mr. John R. Lamb, who has been manager at Winnipeg since the opening of the Branch in 1905, and Western Superintendent since 1911, has been appointed Superintendent of Branches at Head Office.

Mr. James A. Woods has been appointed to succeed Mr. Lamb as manager at Winnipeg.

Mr. A. R. Malton has been appointed assistant manager at Winnipeg.

ESTABLISHED 1873

The

Standard Bank

of CANADA

Head Office, TORONTO

124 BRANCHES THROUGHOUT THE DOMINION



SAVINGS deposited in this bank draw the highest current rate of interest. Withdrawals of part or the whole amount may be made whenever desired without delay.



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

National Trust Co.,

LIMITED

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

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

MONTREAL DIRECTORS

H. B. WALKER,	F. W. MOLSON,
H. J. FULLER,	T. B. MACAULAY
W. M. BIRKS	

TEMPORARY OFFICES:
179 St. James Street
PERCIVAL MOLSON, Manager.

The Royal Trust Co.

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

EXECUTORS AND TRUSTEES
BOARD OF DIRECTORS:
H. V. Meredith, President.

Sir William C. Van Horne, K.C.M.G., Vice-President.

SIR H. MONTGOMERY ALLAN,	E. B. GREENSHIELDS
R. B. ANGUS	C. R. HORNER
A. BAUMGARTEN	SIR W. C. MACDONALD
A. D. BRATHWAITE	HON. R. MACKAY
H. R. DRUMMOND	SIR T. G. SHAUGHNESSY,
C. B. GORDON	K.C.F.O.
SIR LOMER GOBIN, K.C.M.G.	
SIR FREDERICK WILLIAMS-TAYLOR	

A. E. HOLT, Manager

OFFICE AND SAFETY DEPOSIT VAULTS:
107 St. James St., MONTREAL.

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

MADE-IN-CANADA

THE CANADIAN SURETY CO

Investments of Capital, Surplus
and Earnings are

MADE-IN-CANADA

Suretyship bonds exclusively
Maximum Protection - Minimum Cost

Head Office, TORONTO, ONT.

W. H. HALL, General Manager.
WM. H. BURGESS, Secretary. S. L. LYON, Supt. of Agents



THE

CROWN TRUST COMPANY

145 ST. JAMES STREET, MONTREAL

Trust Company Service

This Company offers prompt, efficient
and courteous service in connection with
any matters coming within the scope of a
conservative trust company business.

ENQUIRIES ARE CORDIALLY INVITED

PRUDENTIAL TRUST COMPANY

LIMITED

<p>HEAD OFFICE</p> <p>9 ST. JOHN</p> <p>STREET</p> <p>MONTREAL.</p> <p>B. HAL. BROWN, President and Gen. Manager</p>	<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="3" style="text-align: center;">Trustee for Bondholders Transfer Agent & Registrar</td> </tr> <tr> <td style="text-align: center;">Administrator</td> <td style="text-align: center;">Receiver</td> <td style="text-align: center;">Executor</td> </tr> <tr> <td style="text-align: center;">Liquidator</td> <td style="text-align: center;">Guardian</td> <td style="text-align: center;">Assignee</td> </tr> <tr> <td style="text-align: center;">Trustee</td> <td style="text-align: center;">Custodian</td> <td></td> </tr> <tr> <td colspan="3" style="text-align: center;">Real Estate and Insurance Departments</td> </tr> <tr> <td colspan="3" style="text-align: center;">Insurance of every kind placed at lowest possible rates.</td> </tr> </table>	Trustee for Bondholders Transfer Agent & Registrar			Administrator	Receiver	Executor	Liquidator	Guardian	Assignee	Trustee	Custodian		Real Estate and Insurance Departments			Insurance of every kind placed at lowest possible rates.			<p>Safety</p> <p>Deposit Vault</p> <p>Terms exceptionally moderate.</p> <p>Correspondence invited.</p>
Trustee for Bondholders Transfer Agent & Registrar																				
Administrator	Receiver	Executor																		
Liquidator	Guardian	Assignee																		
Trustee	Custodian																			
Real Estate and Insurance Departments																				
Insurance of every kind placed at lowest possible rates.																				

The Trust and Loan Co.

OF CANADA

Capital Subscribed,	\$14,600,000.00
Paid-up Capital,	2,920,000.00
Reserve Funds,	2,511,049.15

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

30 St. James St., Montreal

CANADIAN BANKING PRACTICE

THIRD EDITION.

(HANDSOMELY BOUND IN CLOTH, \$4 PER COPY)

QUESTIONS ON CUSTOM AND USAGE AND LAW. Published under the Auspices of the
Canadian Bankers' Association (Compiled by John T. P. Knight).

ON SALE AT THE CHRONICLE OFFICE, 10 ST. JOHN STREET, MONTREAL

CANADIAN LIFE COMPANIES AND THE WAR CONTINGENTS.

The very Honorable Mr. McGarry has no doubt discovered in the action of the Canadian life companies, which did not make a single response to the advertisements of the city of Toronto for life insurance on the third contingent from the city for Europe, another instance of the machiavellian and grossly unpatriotic methods of their administrations. This delusion may very possibly be participated in by some members of the public with whom agents are brought into contact. For their benefit we set out plainly here the case for the companies, whose action has been dictated not by any sordid motives, but by a high sense of duty to their policyholders, which must appeal to any mind that is not warped by prejudice.

MILLIONS AT WAR RISK.

It is true to say that the Canadian life companies as a whole have dealt actively and generously with the matter of war risks. Months ago, practically all the Canadian companies agreed openly not to charge any extra premiums in respect of existing policyholders going on active service abroad, and this *notwithstanding the fact that many policies specifically provided that an extra might be charged.*

The result of this action is clearly summed up in a statement published by the Canadian Life Offices' Association:—"Since the Canadian companies have practically all their business on the lives of Canadians, many of whom have gone or are likely to go to the front, they have already a larger percentage of their whole business exposed to such risk than any United States company can ever have, no matter how large a number they may insure. *The Canadian companies have many millions at such risk now,* with a certainty of having more as fresh contingents are formed. They have gone and will continue to go as far as safety to the whole will permit."

In other words, the Canadian life companies are taking their share of the common burden of to-day by allowing their policyholders to run risks which are not included in the legal obligation of the companies. By this action, they are practically inviting early claims on thousands of policies which in the ordinary course of events would have run on for years, and many of which, were the companies narrow enough to stick to the letter of the policies, they could not be compelled to pay. This is practical patriotism.

THE LIMIT OF RISK REACHED.

The companies do not go further and arrange to issue new policies on men going straight to Europe for the reason that in the way above mentioned they have already assumed as large a war risk as they consider they are justified in assuming without grave danger.

Moreover, the companies are in the position of trustees for the whole body of their policy-

holders. Those policyholders rightly look to them to fulfil their trust; it is the companies' duty to do so and not only their duty, but their patriotic duty. To plead patriotism as an excuse for breach of trust would be somewhat to justify Dr. Johnson's cutting dictum that "patriotism is the last refuge of a scoundrel." Under present circumstances, it is a real and true act of patriotism for the life insurance companies to maintain unimpaired the solidity of their financial structure in the interests of their policyholders at large and any action which materially impaired that structure, whether done in the name of so-called patriotism or not would be essentially unpatriotic.

The fact that some United States companies are undertaking the risks which the Canadian companies have declined by insuring men who are going to the front is no argument why the Canadian companies should do so. As pointed out above, in any case, the American companies cannot have so large a proportion of their business subject to the war risk as the Canadian companies now have, through their action in allowing their existing policyholders to go to the Front without extra charge. When the American companies have as large a proportion of their total risks at war risk as the Canadian companies now have, they will not be anxious for any more war risk business. Any sound company can afford to carry a certain amount of risk of this kind, but not more than a certain amount.

DIFFICULTY OF FIXING PREMIUM.

Apart from this, there is, of course, the difficulty of fixing upon an additional premium which will be adequate for the risk involved. The experience of previous wars is of little use in calculating the risks in this. What are the mathematical chances of life to a group of men who may happen to get exposed to machine gun fire, or of a battalion in a hell of concentrated artillery fire such as the Germans have used again and again, and which they themselves got a taste of at Neuve Chapelle?

It is regrettable, no doubt, that many who would have been glad to have insurance cannot now obtain it or as much of it as they feel they should have. But it is merely one more instance of the needs of the individual being subordinated to the safety of the community. The circumstances are a striking exemplification of the necessity of every man protecting himself by life insurance when conditions are favorable to his doing so. There must be hundreds who have gone to Europe with a lighter heart because of their knowledge that if they do not come back—well, they have done the best they could for the protection of those left behind.

Yesterday, the Bank of England continued its official rate of discount at 5 p.c.

CANADA PERMANENT MORTGAGE CORPORATION

TORONTO STREET, TORONTO

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

EXECUTORS and TRUSTEES are authorized to invest trust funds in this Corporation's DEBENTURES. They are issued for the sum of \$100 and upwards, and are transferable. A specimen debenture, copy of annual report and all particulars will be forwarded on application. The Corporation is also a LEGAL DEPOSITORY FOR TRUST FUNDS. Depositors are afforded every facility. Deposits may be made and withdrawn by mail with perfect convenience.

WESTERN

Assurance Company

Incorporated in 1851

FIRE AND MARINE

ASSETS OVCF \$3,700,000.00

LOSSES paid since organization of Com-
pany over \$61,000,000

DIRECTORS

W. R. BROCK, President.

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

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

HEAD OFFICE TORONTO

ESTABLISHED 1809

Total Funds Exceed

\$109,798,258.00

Canadian Investments Over

\$9,000,000.00

FIRE AND LIFE

North British and Mercantile

INSURANCE COMPANY

DIRECTORS

W. M. MCMASTER ESQ. G. N. MONCEL, ESQ.
E. L. PRABB, ESQ.

Head Office for the Dominion:

80 St. Francois Xavier Street - MONTREAL.

Agents in all the principal Towns in Canada.

RANDALL DAVIDSON, Manager.

Organized



Assets

\$8,966,071.46

Surplus to
Policyholders

\$4,019,694.66

Applications for Agencies invited.

Canadian Head Office

MONTREAL

J. W. BINNIE Manager

THE LIFE AGENTS' MANUAL - \$3.00

Published by The Chronicle, Montreal

A STRONG TARIFF OFFICE, NOW ENTERING CANADA

FOUNDED A.D. 1819

THE PHENIX FIRE INSURANCE COMPANY OF PARIS, FRANCE

EDMUND FOSTER, Supt. of Agencies.

THOMAS F. DOBBIN, Manager for Canada.

LEWIS BUILDING,

ST. JOHN STREET, MONTREAL.

Applications for agencies invited

COMPLIMENTARY DINNER AND PRESENTATION TO MR. R. I. GRIFFIN.

A very pleasing incident in connection with the retirement of Mr. R. I. Griffin from the joint management of Canada of The Employers Liability Assurance Corporation was a complimentary dinner and presentation by the staff of the Company to Mr. Griffin. The function, which was a most successful event, took place on Wednesday evening in the large dining room of the Montreal Club, and was presided over by Mr. C. W. I. Woodland, manager of the Corporation in Canada. The guest of the evening, who has served the Corporation for 33 years, and is now retiring on a liberal allowance, is probably one of the best known casualty underwriters in Canada. His genial disposition and many other good qualities made him most popular with his colleagues, and secured the loyal support of the staff and agency force under his control.

After the loyal toast, the Chairman in proposing the health of Mr. R. I. Griffin, said that he felt very proud that so many of the most important years of his life had been associated with Mr. Griffin as joint manager for Canada of The Employers' Liability Assurance Corporation. During that period the business of the Company in Canada had grown to very large proportions indeed. He had the gratification of knowing that while Mr. Griffin was retiring on a handsome yearly allowance, the Corporation would still have the benefit of his advice and counsel.

Mr. James Allan, senior member of the staff, presented Mr. Griffin on their behalf with a solid silver cigar box, as a token of respect and esteem, and voiced the sentiments of all present in wishing Mr. Griffin a long life and every happiness and enjoyment in his retirement.

Mr. Griffin responded in feeling and appropriate words. The toast of the "Corporation" was also suitably honored on the initiative of Mr. E. E. Howard, K.C., Mr. John Jenkins responding and Mr. F. Wilson-Smith replied to that of "The Press," suitably proposed by Mr. Anson Campbell. An excellent musical programme had been arranged and delighted everyone present.

Those present were Messrs. C. W. I. Woodland, John Jenkins, R. E. Patterson, E. E. Howard, K.C., H. J. McKeon, W. E. Findlay, Anson Campbell, F. Wilson-Smith, James Allan, H. E. Millar, L. Pycroft, F. Schofield, J. Kennedy, F. Longfellow, S. Gingras, D. McDonald, L. Pond, N. Chapman, A. M. Stewart, J. C. Harris, C. S. Virtue and P. Lachance.

EDUCATING THE CHILDREN.

With a view to overcoming the national habit of carelessness in regard to fire by preventing it becoming ingrained in the rising generation, several of the States now require regular instruction on this subject in the public schools, and their number is reported to be steadily increasing. New York City has now entered upon an elaborate campaign to educate the children in the schools. Mayor Mitchell is giving it a good send-off by making a number of addresses in the leading schools, and the campaign will be followed up by the officials of the fire prevention bureau and the city fire department. A series of stereopticon views has been prepared, and these will be shown in all the schools as a part of the course

"NOT TAKEN" POLICIES.

There ought to be an iron-clad rule among fire insurance companies which would prevent the giving away of insurance, gratis, for periods ranging up to a month or more, by means of "not taken" policies. It is but natural that an agent or broker, anxious to please and retain a customer, should send the latter policies on approval, and should hesitate to push the customer too strenuously when he knows that other agents or brokers could and would give the customer at least an equal, and perhaps a superior, opportunity to get something for nothing.

Too many business men take advantage of these conditions, and the usages of the business, to hold policies thus delivered to them to the full limit of the time when they may be returned "not taken," without payment of a cent, for the indemnity which they would have claimed to be in full force and effect if a fire loss had been sustained during the time they held the policies. By repeating this process with different agents or brokers, it is possible for some business concerns to be insured for a considerable period without cost to them.

Of course, it is impossible to know how many policies form bases for loss claims during a year, and which policies would have been returned "not wanted" if a fire had not occurred to make them valuable to the insured; but there is little doubt that the losses under such policies foot up to a considerable aggregate yearly, to which should be added the premiums lost on policies returned by parties suffering no fire loss (which numbered 9,000 for one company last year), to get at the full loss to the companies.

It would undoubtedly be very beneficial to companies, agents and brokers, if some system could be adopted which would do away with the vicious plan now in vogue. Among the results would be a lessening of labor and waste and an increase in premiums and commissions.

If a signed application was secured from the property owner in every case it would afford a basis for demand for premium payment which could not easily be avoided; but if this course was not deemed desirable it should at least be possible for the companies to fix a short period after which the retention of a policy would imply an obligation on the part of the insured to pay the premium thereon.—N. Y. Spectator.

WHERE SOME OF BRITAIN'S FOOD COMES FROM.

According to figures recently issued from Ottawa, Great Britain's average annual importation of wheat during the past decade has been 216,843,300 bushels. Of this quantity, Canada has supplied less than one-fourth. In the foregoing connection, it is interesting to note the sources of a portion of Britain's 1913 importations, as follow:

From Germany, Austria and Turkey, 393,363 bushels wheat and flour.

From Germany, Austria and Turkey, 6,663,300 bushels barley.

From Germany alone, 11,273,459 bushels oats.

Of barley in 1913 Canada supplied about one-ninth of 52,358,245 bushels, and of oats, an eighth of 59,829,950 bushels.

In 1914 Britain imported Canadian produce in excess of 1913 to the value of \$4,652,000 and in excess of 1912, of \$22,600,000. For the last quarter of 1914 the excess over the same period in the previous year was nine and a half millions.



CANADA BRANCH HEAD OFFICE, MONTREAL.

DIRECTORS

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



Head Office : 112 St. James Street, Montreal

DIRECTORS

J. Gardner Thompson, *President and Managing Director.*
 Lewis Laing, *Vice-President and Secretary.*
 M. Chevalier, Esq., A. G. Dent, Esq., T. J. Drummond, Esq.,
 John Emo, Esq., Sir Alexandre Lacoste Wm. Molson Macpherson, Esq.,
 J. C. Rimmer, Esq., Sir Frederick Williams-Taylor



The Northern Assurance Co. Limited
 "Strong as the Strongest"

Accumulated Funds, \$41,265,000

HEAD OFFICE FOR CANADA,
 88 NOTRE DAME STREET WEST,
 MONTREAL.

G. E. MOBERLY, Supt. of Agencies.

ROBERT W. TYRE, Manager.

"THE OLDEST SCOTTISH FIRE OFFICE"

THE CALEDONIAN

INSURANCE CO. OF EDINBURGH.

Founded 1805.

Head Office for Canada,
 DOMINION EXPRESS BUILDING
 Montreal

JOHN G. BORTHWICK
 Canadian Manager

... THE ...

London Assurance CORPORATION OF ENGLAND.

INCORPORATED BY ROYAL CHARTER A.D. 1720

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

Head Office for Canada, - MONTREAL

W. KENNEDY, W. B. COLLEY, Joint Managers.

ATLAS ASSURANCE COMPANY

LIMITED, of LONDON, ENGLAND

Established in the REIGN of GEORGE III

Income exceeds	\$7,625,000
Funds exceed	18,850,000

Including the Fully Subscribed Capital, the resources of the Company amount to \$30,000,000.

Head Office for Canada - MONTREAL

MATTHEW C. HINSHAW, Branch Manager

Active and Influential Agents Wanted

C. R. G. JOHNSON, POIRIER & JENNINGS, INC.
 AGENTS — INSURANCE — BROKERS

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

11 ST. SACRAMENT STREET
 MONTREAL, P.Q.

POLICY LOANS: DOMINION SUPERINTENDENT'S VIEWS.

In the course of a recent address before the Ottawa Life Underwriters' Association, Mr. G. D. Finlayson, the Dominion Superintendent of Insurance, referred at length to the subject of policy loans. He said in parts:—

Policyholders were compelled in olden days to take what they could get, and that was often nothing at all, and when they were unable to pay their premiums they forfeited all right to any share in the assets of the company. This was unfair, and it has now come to be recognized that when a policyholder adopts a level premium policy instead of a step rate plan, he has an equity in the portion of the assets of the company represented by the excess of the amount of the net premiums contributed by him over and above that necessary to carry the risk, and the amount of the equity has generally been recognized as the amount of the reserve, less the amount necessary to enable the company to replace its policy with another just as good. The step from recognized surrender values to recognized loan values was not a long one. Granted the existence of a cash value on surrender, why not a cash value to prevent surrender. The company simply invested its reserve in a different form of security from that existing before, and was spared the necessity of replacing the policy on its books.

CHANGING CONCEPTION OF LIFE INSURANCE.

With the advent of guaranteed loan and surrender values, insurance companies became, in a sense, savings banks, with large amounts payable on demand. Perhaps no development in recent times in insurance has done so much to popularize insurance policies, and at the same time to change perhaps the popular conception of the objects and purposes of life insurance, and field men must ask themselves, first, whether the new conception is an improvement on the old, and, secondly, to what extent they have been instrumental in creating this new conception. It is believed that too often there is held out to the prospect, not so much the idea of protection for his dependents, but the idea of an investment which can be realized on at will, and this is borne out by the rapid increase in recent years, not only in the absolute amount of loans on policies, but in the ratio of loans to reserves.

INCREASE IN POLICY LOANS.

Dealing with Canadian companies only, the policy loans in 1893 amounted to \$2,600,000, or 11 per cent. of the companies' reserves. Ten years later, in 1903, the amount was approximately \$8,000,000, but still only 11 per cent. of the reserves. In 1913, ten years later, the amount was \$30,800,000 but the ratio to the reserves was 16 per cent. In 1914, from figures at present available, the amount of the loans will be over \$36,000,000, and the ratio to reserves 17 per cent. With this rapid increase in the tendency to borrow on policies, the question arises as to what position a company will be in when, say 15 or 20 years from now practically all its reserves become liable for loans or surrender values, and how it will meet a heavy demand for loans in time of financial panic or financial boom, for it must be remembered that the demand for policy loans increases not only in times of stress and war, but also in times of extraordinary mining and oil-well development.

DEFERRING LOANS.

The danger of the demand being too great for the immediately available cash reserves of the companies has already been recognized, and provision has been made that applications for loans may be deferred for various periods; in some cases three months, in others six months, and it is probable that the future will see an agitation on the part of companies for an enlargement of these periods. The effect on the deserving borrower must not be overlooked.

He who is in financial straits and desires to save his legitimately-acquired property by a loan from the insurance company may be put off under such a provision until it is too late. If loans were applied for only in cases of urgent necessity such provisions would not be necessary, but the danger is that the deserving borrower will suffer by reason of the abuse of the privilege by the undeserving borrower.

EDUCATION NECESSARY.

A check on unnecessary borrowing is provided by the requirements in Canada that the beneficiary must be a party to the loan agreement, but the salutary effect of this provision is often avoided by having the insured name as his beneficiary, not one or more of his dependents, but his estate. This practice has probably something to commend it, but its effect is undoubtedly to aggravate the policy loan question. The remedy for this state of affairs would appear to be again the education of the insuring public, and here the scope of influence of the field man is immeasurable. It rests with him very largely to determine what the conception of insurance formed by the policyholder is to be and whether the beneficiaries are to have the full protection apparently granted them by the policy, or a measure of protection largely impaired by the amount of loans often unnecessarily obtained.

SCRAPPED EXCUSES.

Many an ancient (not to say shop-worn) excuse for not taking life insurance is taking a well deserved rest just now. What of these old excuses now?

1. I am buying real estate which gives higher returns than life insurance.
2. I can invest my money to better advantage.
3. I can leave my family sufficient revenue-bearing property for all their needs.
4. All my money is being used in buying bonds.
5. If I die my family can easily realize on the property I leave them.
6. Never in better health—don't mean to die for a long time yet.
7. I have a thriving business in just the shape I want to see it.
8. My line of credit at the bank is more than I can ever need. Don't require additional business ballast.
9. I have plenty of spare cash and do not need life insurance.
10. I am doing well and can foresee no emergency that could affect my family's welfare.—*Great-West Bulletin.*

Mr. Bruce Smith, manager of the St. Catharine's branch of the Bank of Montreal, has been appointed Toronto manager of the Royal Trust Company.

COMMERCIAL UNION

ASSURANCE COMPANY LIMITED
of LONDON, England

The largest general insurance Company in the world
(As at 31st December 1913)

Capital Fully Subscribed	\$14,750,000
Capital Paid Up	1,475,000
Life Fund, and Special Trust Funds,	69,826,740
Total Annual Income exceeds	42,500,000
Total Funds exceed	124,500,000
Total Fire Losses Paid	164,420,280
Deposit with Dominion Govern-ment	1,077,033

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—

**Commercial Union Building,
MONTREAL**

J. McGREGOR,
Manager

W. S. JOPLING,
Assistant Manager

PALATINE

INSURANCE COMPANY LIMITED
of LONDON, England

(As at 31st December 1913)

Capital Fully Paid	\$500,000
Fire Premiums 1912, Net	\$2,498,625
Interest, Net	132,120
Total Income	\$2,630,745
Funds	\$5,400,000
Deposit with Dominion Gov't	\$155,667

In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Funds exceed \$124,500,000

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—

**Commercial Union Building,
MONTREAL**

J. McGREGOR,
Manager

W. S. JOPLING,
Assistant Manager

SUN INSURANCE OFFICE

FOUNDED A.D. 1710

Head Office:

Threadneedle Street - London, England

THE OLDEST INSURANCE OFFICE IN THE WORLD.

Canadian Branch:

15 Wellington Street East, Toronto, Ont.

H. M. BLACKBURN,
Manager.

LYMAN ROOT,
Assistant Manager.

OPPORTUNITIES

in Life Insurance are many.

FOR AN AGENCY, ADDRESS

GRESHAM LIFE ASSURANCE SOCIETY, LTD.

Established 1848. Funds \$50,000,000

GRESHAM BUILDING - - - MONTREAL.

Union Assurance Society Limited

OF LONDON, ENGLAND.

(Fire Insurance since A.D. 1714)

Canadian Branch:

Corner St. James and McGill Streets, Montreal

T. L. MORRISEY, - Resident Manager

Agencies throughout the Dominion.



"SECURITY FIRST"

Assets for Policy-holders, over

\$4,000,000. CC

\$137 of Assets for each \$100 of Liability.

A STRONG CANADIAN COMPANY.

The EXCELSIOR LIFE INSURANCE CO.

W. CROSBIE BABER,
Provincial Manager, Montreal.

Head Office:
TORONTO, ONTARIO.

THE CANADA NATIONAL FIRE INSURANCE COMPANY

HEAD OFFICE: WINNIPEG, MAN.

A Canadian Company Investing its Funds in Canada

APPLICATIONS FOR AGENCIES INVITED

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

THE "SQUARE DEAL" AND THE LAPSE RATIO.

Minimizing the lapse ratio at a time when in Canada it shows a great tendency to advance even beyond the heavy ratio experienced in some recent years, is a problem that can be solved, through reasoning from cause and effect. It is only too well known that in many instances a lapse is invited at the time the application for the policy is written. Selling a man a policy not adapted to his requirements, financial condition and ability to carry out his portion of the contract eventually causes trouble and, in many cases, results in a lapsed policy. The agent who writes an application under such circumstances, fools himself, wrongs the applicant, tends to bring the business of life insurance as a whole into disrepute, and attempts to defraud his company out of compensation for which he gives no just equivalent.

Discussing the question of lapses, an official of a leading industrial life company said that there is a nice discrimination to be exercised between ultra-conservatism and superficial canvassing, that can but result in the introduction of a poor substitute for real business—something that while having the semblance of real business lacks the substance of the genuine article. To make certain that the second and subsequent premiums will be paid, the agent should aim to write business of a high grade only, in exchange for honest effort intelligently applied. Strict integrity of purpose uniformly displayed in the treatment of "prospects" and policyholders will go far towards keeping down the lapse ratio.

In the multitude of his duties an agent's mind naturally enough is mostly occupied with matters that regularly claim his attention, remarks an exchange in discussing this subject. As a result of this, he must be reminded from time to time of his responsibilities in those things that he does not consider as constituting a part of his duty, but which are nevertheless vital to the interests of the policyholder, himself and the company he represents.

PERSONAL RESPONSIBILITY FOR FIRES.

Those sharing in the fire prevention movement in the United States are keenly interested in various suits, which are being brought from time to time to enforce personal responsibility for preventable fires. The facts are regarded as indicating the value of the present agitation for the enactment of laws enforcing personal responsibility for preventable fires. The suggestion of such measures brings home to property owners the facts of their responsibility and the equity of enforcing damages upon their neighbors whose carelessness may involve loss to them, and the public sentiment is thus gradually educated.

BRITISH BANKING DEVELOPMENTS.

Following the example of Lloyds Bank, which a year or two ago established a subsidiary in Paris, France, several other British banking institutions are reported to be making arrangements for their direct representation in the French capital. The London City & Midland Bank is establishing a French subsidiary and the London & South-Western Bank & Cox & Co., the army bankers, have made arrangements for a joint partnership in and the extension of the French business of Cox & Co. (France) Ltd.

SCOTTISH AMICABLE LIFE'S REPORT.

This fine old Scottish mutual life office has long been known as a leading member of the group of notable life companies which have their home north of the Tweed. Directed and managed with characteristic Scottish prudence and foresight, the Scottish Amicable has for nearly a century operated successfully, and now holds an important position, less by reason of its size and the extent of its operations, though they are by no means insignificant, than by virtue of the admirable service afforded its policyholders.

The year 1914 produced another satisfactory record for the Society, almost surprisingly satisfactory in view of the circumstances of the year. New business at \$4,250,000 is not quite so good as in the two preceding years, as was to be expected, but is in excess of the average of the preceding quinquennial period. Death claims for the year are actually somewhat less than usual, owing possibly to the fact that the Society's connections do not include officers in the army and navy to any considerable extent. Approximately, the claims by death amounted to 75 per cent. of the sum expected by the *Om* table. It is interesting to note also that the average age of policyholders whose death constituted claims on the Society was actually over 66½ years—excellent evidence of the careful selection which has been practised during a long series of years. Total policy claims for the year—death and endowment—were \$1,450,315. In the case of death claims on participating policies, on an average the Society paid over one-half more than the original sum insured, while in a number of cases the original sum assured had been more than doubled by bonus additions. In association with these facts is the further important one that commission and expenses of management were kept at just over 12 p.c. of the premium income for the year.

With a premium income of \$2,148,195 and total income of \$3,520,735, outgoings were only \$2,085,380, so that the substantial addition of nearly \$1,500,000 was made to the net funds which amounted at December 31 last, to \$32,461,435, invested in the highest grades of securities. Total policies in force amounted at the same date to \$65,528,190.

POSTAL LIFE GOING DOWNHILL.

The Postal Life, an organisation which prefers to spend its money in magazine advertising instead of paying a commission to agents, appears to be going downhill. For four consecutive years, it is now reported, the assets have shown a loss, for three years the surplus has fallen off, and for the second time there has been a decrease in the amount of business written. The insurance in force is about four million dollars less than it was a year ago. Obviously a case where faith has not been justified by works.

NATIONAL LIFE ASSURANCE COMPANY.

Mr. Albert J. Ralston, managing director, National Life Assurance Company, informs us that business continues good, the volume of new business for March being close to the million mark. Mr. Ralston further states that the Company closed the first quarter of the year without a dollar of interest on or principal of any of its invested funds being in arrears or overdue.

LIFE INSURANCE AND CREDIT FABRIC OF BUSINESS.

(Hon. A. Barton Hepburn, N.Y.)

(Continued from p. 397).

CREDITORS' STANDPOINT.

There is another feature of life insurance about which I would like to speak, and on which I would lay much emphasis, because I feel that it has not been fully appreciated. I hardly know what to call it, unless it be the psychological significance of life insurance as it should be viewed from a creditor's standpoint.

When it comes to extending credit, the average business man does not, perhaps, have in mind any set of rules or formulae. He does not attempt to analyze and catalogue the qualities the applicants should possess as a basis for the credit they ask. He reaches a conclusion by the short cut to which he is accustomed, viz.: the man's manner, appearance, reputation, financial standing, and somewhat by his words and promises. He should in some way, either general or specific, by inquiry or intuition, seek and obtain answers to a number of questions such as these: Has the man ability, self-control, prudence and forethought? Is he cautious, frugal and normal in his habits of life? Has he a sense of justice and a proper regard for the rights of others? Is he accustomed to assume responsibility, and does he understand the need for being prepared to meet emergencies? Is he home-loving, industrious and mindful of duty? Is he progressive, and likely, therefore, to keep pace with his competitors? Does he know how to get money's worth for money expended? Is he fickle and erratic, or are his habits fixed and his purposes in life well-defined? Has he integrity and reputation and does he cherish his standing among his fellowmen? Is he selfish and self-centered, or does he think of others, and especially of wife, children and those who may be dependent upon him?

AN INDEX TO CHARACTER.

Surely it will require no argument before a group of life insurance experts to prove that a careful and detailed inquiry as to the life insurance a man carries would shed life upon each of the questions I have attempted to formulate and to which many others of similar import might well be added. Suppose, for example, in seeking information as to a man's forethought, prudence, caution, frugality, unselfishness, reliability and other qualities which go to make up high character and good repute, we should ask how much life insurance he carries, of what kind and for how long has it been carried, in what companies has it been taken out and is it for the protection of the family or the business or both? Could we find anywhere better evidence of the working of the man's mind, of his habit of life, of his sense of responsibility, and, in fact, of all those qualities upon which we must rely for fulfilment of promises so far as personality is concerned? Of course, inquiries concerning a man's life insurance will not answer all of the questions involved in the matter of extending credit, nor any of them conclusively, but I doubt if there is any one line of inquiry that could be made of a man who has reached middle age, after having been engaged in business for several years, that would

come as near showing both ability and determination to meet obligations and keep promises.

A NOTICE TO CREDITORS.

The need for making such inquiries is of growing importance. There was a time when it was the rule, even among conservative business men, to carry largely, if not entirely, risks of fire, accident and death, against which to-day it is almost the universal custom to insure. Then a lack of life insurance did not carry special significance. Now the failure of a man to take the precautions which are commonly taken by his fellowmen is a fact of such importance as to put the prospective creditor on notice, and call for careful inquiry as to why he thinks he can disregard what has come to be the common judgment of mankind. Or, to put it another way, the man a generation ago who carried life insurance of large amount was so exceptional as to excite inquiry as to his reasons and motives for so doing, while to-day it is the man who thinks he can afford to do without life insurance that is subjected to inquiry.

Banks have long been accustomed to ask large borrowers for a statement of the life insurance they carry, and it seems to me that commercial agencies, like Dun's and Bradstreet's, should ask for similar information for use in reaching a conclusion as to the credit-rating to which a man is entitled. Such information is certainly valuable contributory evidence.

BUSINESS FAITH.

In urging the psychological element in credit transactions, as disclosed by the life insurance a man carries, I have in mind largely those dealings in which security is neither asked nor expected—dealings in which property is exchanged for mere promises to pay. As to such transactions, faith is, and must be, put in a man who makes the promise and in his habits of mind and conduct, which have crystallized into what we are accustomed to term reputation. I fear we sometimes overlook the fact that in making inquiry about a man's property and the profitableness of his business, we are really seeking information concerning the qualities which have led to his success in business. It has occurred to me that the combined records of life insurance companies, showing those who have insured and carried insurance for some time, those who have borrowed on their policies, and those who have not committed this offense against their beneficiaries, would afford an excellent credit-rating of the men whose names would thus appear. It is almost regrettable from the credit standpoint that such information must be deemed confidential by the life insurance companies. Men seem to pride themselves upon their property ownership and do not object to its being known in business circles, partly, no doubt, because this is customary and generally regarded as evidence of the possession of those characteristics which give reputation and standing among their fellowmen. Would not public knowledge of the insurance they carry also contribute to their credit-standing in the community?

INDISPENSIBLE TO CREDIT.

The potent factor, the all-important factor in every business, is the management. Would you insure the machine and not the man? By every rule of prudence and conservatism, is not life insurance just as indispensable to credit as fire insurance?

THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated 1833.

FIRE, MARINE and HAIL

HEAD OFFICE: TORONTO

Old Reliable Progressive
Assets over - - \$2,000,000.00
Losses paid since organization
over - - \$38,000,000.00.

DIRECTORS

W. R. BROCK, President

W. B. MEIKLE, Vice-President

ROBT. BICKERDIKE, M.P.
JOHN HOSKIN, K.C., LL.D.
D. B. HANNA
ALEX. LAIRD
Z. A. LASH, K.C., LL.D.
GEO. A. MORROW

AUGUSTUS MYERS
LT. COL. FREDERIC NICHOLLS
JAMES KERR OSBORNE
COL. SIR HENRY M. PELLATT
E. R. WOOD.

W. B. MEIKLE,

General Manager

E. F. GARROW,

Secretary

THOMAS F. DOBBIN, Resident Manager
MONTREAL

NORWICH UNION FIRE INSURANCE SOCIETY, Limited

INSURANCE AGAINST

Fire, Accident and Sickness
Employers' Liability
Automobile, Plate Glass

Agents wanted for the Accident Branch.

Head Office for Canada - - TORONTO
Head Office for Province of Quebec, MONTREAL

JOHN MacEWEN, Superintendent for Quebec.

L'UNION

FIRE INSURANCE COMPANY, Limited

Head Office: PARIS, France.

Established 1828

Capital fully subscribed . . . \$ 2,000,000.00
Net Premiums in 1913 . . . 5,561,441.00
Total Losses paid to 31st Dec., 1913 90,120,000.00

Canadian Branch:

LEWIS BUILDING 17 ST. JOHN STREET, MONTREAL

Manager for Canada:

MAURICE FERRAND

First British Insurance Office Established in Canada, 1804

INTENDING ASSURERS

Should read the "THREE MINUTES" Leaflet

of the

PHOENIX ASSURANCE CO., Limited,
OF LONDON, ENGLAND (Founded 1782)

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

100 ST. FRANCOIS-XAVIER STREET, MONTREAL
The Company offers to the Public every advantage which

LIFE ASSURANCE

conducted under the most favourable conditions is capable of affording:

At the **BONUS DIVISION** for the five years ending 31st DECEMBER, 1910

(1) A **UNIFORM ADDITION** of \$5 per \$1,000 was declared on all classes of Full-Bonus Policies.

(2) A **GUARANTEED BONUS** was also declared of \$12.50 per \$1,000 per annum on Full-Bonus Policies becoming claims by death, and 2 1/2 per \$1,000 per annum on Endowment Assurances maturing before 31st December, 1915. These bonuses apply to new as well as existing policies.

H. B. F. Bingham, R. MacD. Paterson, } Joint
Life Superintendent. J. B. Paterson, } Managers

Agents Wanted

Established 1864.

New York Underwriters Agency.

A. & J. H. STODDART REGISTERED
100 William Street, NEW YORK

PROVINCIAL AGENTS.

MURPHY, LOVE, HAMILTON
& BARCOM,
TORONTO, ONT.
OSLER, HAMMOND & NANTON,
Winnipeg, Man.
ALFRED J. BELL & Co.
Halifax, N.S.

JOHN WM. MOLSON
& ROBERT Y. HUNTER
Montreal, Que.
WHITE & CALKIN,
St. John, N.B.
ATY & SONS, LTD.,
St. Johns, Nfld.

T. D. RICHARDSON, Supt. for Canada, TORONTO

Scottish Union and National Insurance Co., of Edinburgh, Scotland

ESTABLISHED 1824

Capital, \$30,000,000
Total Assets, 72,238,564
Deposited with Dominion Gov't, 391,883
Invested Assets in Canada, 7,166,267

NORTH AMERICAN DEPT., HARTFORD, CONN. U.S.A.

JAMES H. BREWSTER, Manager

ESINHART & EVANS, Resident Agents, Montreal
MEDLAND & SON Toronto
ALLAN KILLAM & McKEAY, LTD. Winnipeg

Banking renders an indispensable service to the public and realizes its profit in the aggregation of very small percentages in multitudinous transactions. It is managed as a business and for gain. Life insurance management seeks no profit in the usual sense of that term; it holds and uses all net earnings for the benefit of the insured; the insured seeks no personal profit or advantage, but strives to protect his credit, shield his family and soften for them the asperities of life after he has passed beyond the realm of personal activity. Life insurance is unselfish, it is the tangible result of the better motives of human nature embodied in the form of practical relief; although interwoven with and closely allied to business, its impulse and its execution are sociological, altruistic; it is the regard for one's credit and the love for one's family, incarnate in tangible, enforceable contract, a beneficent instrumentality, which enables the dead hand to control, in order to soothe, assuage, cherish and support.

LAST YEAR'S GRAIN CROPS.

The total productive area of the whole of Canada in 1914 was 33,440,075 acres. Upon this area the total production of grain crops in bushels was as follows: wheat 161,280,000 as against 231,717,000 in 1913, oats 313,078,000 against 404,660,000, barley 36,201,000 against 48,319,000, rye 2,016,800 against 2,300,000, peas, 3,362,500 against 3,951,800, beans 797,500 against 793,300, buckwheat 8,626,000 against 8,372,000, mixed grains 16,382,500 against 15,792,000, flax 7,175,200 against 17,539,000 and corn for husking 13,924,000 against 16,768,000 bushels.

The yields per acre were in bushels as follow:— Fall wheat 21.41 compared with 23.29 in 1913; spring wheat 15.07 against 20.81, all wheat 15.67 against 21.04, oats 31.12 against 38.78, barley 24.21 against 29.96, rye 18.12 against 19.28, peas 17.64 against 18.05, beans 18.20 against 17.19, buckwheat 24.34 against 21.99, mixed grains 35.36 against 33.33, flax 6.62 against 11.30 and corn for husking 54.39 against 60.30.

VALUE OF CROPS.

Computed at average local market prices the values of these crops in 1914 were as follows: Wheat \$196,418,000, oats \$151,811,000, barley \$21,557,000, rye \$1,679,300, peas \$4,895,000, beans \$1,884,300, buckwheat \$6,213,000, mixed grains \$10,759,400, flax \$7,368,000 and corn for husking \$9,808,000. For all field crops, including root and fodder crops, the total value amounts to \$639,061,300, as compared with \$552,771,500 in 1913, the increase of \$86,289,800 being chiefly due to the enhancement of prices, which has thus more than counterbalanced the low yields of grain in consequence of the drought.

GRAIN CROPS IN PRAIRIE PROVINCES.

In the three Northwest provinces of Manitoba, Saskatchewan and Alberta, the production in 1914 of wheat is placed at 140,958,000 bushels compared with 209,262,000 bushels in 1913, of oats at 159,843,000 bushels compared with 242,413,000 bushels and of barley at 19,535,000 bushels compared with 31,060,000 bushels. The wheat production of 1914 in Manitoba was 38,605,000 bushels from 2,616,000 acres, in Saskatchewan 73,494,000 bushels from 5,348,300 acres and in Alberta 28,859,000 bushels from 1,371,100 acres.

MUTUAL FIRE INSURANCE: THE RESULT OF MISAPPREHENSION.

The Court of Review at Montreal has just given judgment in an interesting case dealing with the obligations of those who become members of mutual fire companies and the responsibilities of the companies. A man named Lapres signed a note whereby he became a member of the now defunct Dominion Mutual Fire Insurance Company, a concern operating in the province of Quebec, and now in liquidation. The note was for \$300, and Lapres was given to understand that he would be called upon to pay only \$60 per year, for five years, these payments being in the nature of a premium, covering him for that period against loss by fire. The Company went into liquidation somewhat over a year after Lapres had signed the undertaking, and the liquidator sued Lapres for the recovery of the amount figuring in the note. Judgment went against Lapres in the lower court, but the Court of Review, Justices Tellier, Greenshields and Pelletier presiding, has reversed this finding, on the ground, amongst others, that Lapres had been induced to sign under false representations, and that, despite the contradictory reading of the undertaking, he, as well as the agent who prevailed upon him to sign, were under a misapprehension as to the true nature of the agreement.

"The defendant had reason to believe," said Mr. Justice Pelletier in reading the Court's judgment, "that he would be insured for five years. But the company could not legally insure at a fixed rate, for a period of five years, and it admits this. In consequence, the defendant, who was insured only for a little over one year, cannot be called upon to pay the full amount of the note—\$300. This is not the contract into which he entered. There was no consent of the parties to a contract such as the plaintiff desires that we interpret in the writing." Judgment reversed.

FOREIGN FIRE COMPANIES IN THE UNITED STATES.

A record of sixty foreign fire insurance companies operating in the United States field, from the date of their entry till December 31, 1914, compiled by the Insurance Age, shows United States assets amounting to \$164,575,119; risks in force, \$17,275,098,822; income since entry, \$1,816,789,133; expenditures since entry, \$1,519,327,985; premiums since entry, \$1,503,028,456; and losses since entry, \$984,138,066.

If the foreign fire insurance companies were withdrawn from the insurance business of the United States to-day, says the Insurance Age, commenting on these figures, it would take some time for the domestic companies to fill the gap. It is difficult to secure sufficient indemnity on large lines. No one knows this better than the managers of the American companies, who appreciate the fact that the underwriters at the head of the United States branches of the foreign companies, are among the shrewdest and most capable fire insurance men in the business.

As to the strength of the foreign fire insurance companies, continues the Age, even the European war has not materially impaired their standing in the public mind, for it must be remembered that the insurance requirements in New York state are so stringent that every possible contingency is provided for.

The Bank of British North America

ESTABLISHED IN 1836

Incorporated by Royal Charter in 1840

PAID-UP CAPITAL, \$4,866,666.66 RESERVE FUND, \$3,017,333.33

SEVENTY-NINTH ANNUAL REPORT AND BALANCE SHEET

Report of the Directors of The Bank of British North America,
Presented to the Proprietors at their Seventy-Ninth Yearly General
Meeting, on Tuesday, March 2nd, 1915.

The Court of Directors submit the accompanying Balance Sheet to 30th November last.

It will be seen that the profits for the Year, including \$108,437.55 brought forward from 29th November, 1913, amount to \$645,014.27 of which \$194,666.66 was appropriated to a dividend paid last October, leaving a balance of \$450,347.61 out of which the Directors propose to declare a Dividend of 40s. per Share, payable, less income Tax, on 3rd April next, leaving a balance of \$167,081.69 to be carried forward.

The above Dividend will make a distribution of 8 per cent. for the Year.

The Dividend Warrants will be remitted to the Proprietors on the 1st April next.

During the Year that closed 30th November last, Branches were opened at Bromhead, Sask. and Prince George, B. C.; a Branch was closed at Faynten, Sask., and a Sub-Branch at Upper Lonsdale Avenue, North Vancouver, B. C.

The following appropriations from the Profit and Loss Account have been made for the benefit of the Staff, viz.:

To the Officers' Widows and Orphans Fund.....	\$ 7,862.77
" " Pension Fund.....	52,509.83
" " Life Insurance Fund.....	2,920.00

These amounts are for the whole year and include those already set forth in the Statement to 30th May, 1914.

Donations amounting to \$24,333.33 have been made to the Canadian Patriotic Fund and the Canadian Red Cross Society.

London, 18th February, 1915.

General Statement of Liabilities and Assets

AS ON 30th NOVEMBER, 1914

LIABILITIES

Capital—20,000 Shares of £50 each fully paid.....		\$ 4,866,666.66
Reserve Fund.....		3,017,333.33
Dividends Declared and Unpaid.....		4,931.85
Profit and Loss Account—		
Balance brought forward from 29th November, 1913.....	303,104.21	
Dividend paid April 1914.....	194,666.66	
Net Profit for the year ending this date after deducting all current charges and providing for bad and doubtful debts.....	536,576.72	
Dividend paid October, 1914.....	645,014.27	
	194,666.66	
	450,347.61	
<i>Deduct</i>		
Transferred to Bank Premises Account.....	\$ 973.33	
Transferred to Officers' Widows and Orphans Fund.....	7,862.77	
Transferred to Officers' Life Insurance Fund.....	2,920.00	
Transferred to Officers' Pension Fund.....	52,509.83	
Canadian Patriotic Fund and Canadian Red Cross Society.....	24,333.33	
	88,599.26	
Balance available for April Dividend.....		361,748.35
Notes of the Bank in Circulation.....		4,427,423.53
Deposits not Bearing Interest.....		16,967,688.36
Deposits Bearing Interest including Interest accrued to date.....		25,307,667.43
Balance due to other Banks in Canada.....		173,903.68
Balance due to Banks and Banking Correspondents in the United Kingdom and Foreign Countries.....		314,776.56
Bills Payable.....		2,124,504.54
Acceptances under Letters of Credit.....		1,669,290.10
Liabilities and Accounts not included in the Foregoing.....		1,369,058.91
Liability on Endorsements.....	\$614,663.23	
Liability under Guarantee in respect of the Sovereign Bank of Canada.....	300,000.00	

\$ 60,604,993.30

THE BANK OF BRITISH NORTH AMERICA—Continued

ASSETS

Current Coin and Bullion.....	\$ 3,083,877.86	
Dominion Notes.....	7,538,168.87	
		\$ 10,622,046.73
Notes of other Banks.....		377,653.59
Cheques on other Banks.....		1,733,653.87
Balances due by other Banks in Canada.....		8,154.83
Balances due by Banks and Banking Correspondents elsewhere than in Canada.....		2,941,835.78
Dominion and Provincial Government Securities not exceeding Market Value.....		2,992.79
Canadian Municipal Securities and British, Foreign and Colonial Public Securities other than Canadian—including Exchequer Bonds £310,300 at Cost, and amount paid on account Allotment, £100,000 War Loan).....		1,593,131.13
Railway and other Bonds.....		98,615.15
Call and Short Loans in Canada on Bonds, Debentures and Stocks.....		1,828,649.73
Call and Short Loans elsewhere than in Canada.....		2,819,999.95
Other Current Loans and Discounts in Canada (less Rebate of Interest).....		26,179,121.01
Other Current Loans and Discounts elsewhere than in Canada (less Rebate of Interest).....		6,057,821.94
Liabilities of Customers under Letters of Credit as per contra.....		1,669,290.10
Real Estate other than Bank Premises.....		11,993.70
Overdue Debts (estimated Loss provided for).....		210,588.31
Bank Premises at not more than Cost, Less Amounts Written off.....		2,184,139.72
Deposit with the Canadian Minister of Finance for the purposes of the Circulation Fund—		
Dominion of Canada 3¾ per cent. Bonds, £250,000 at 98.....	1,192,333.33	
Cash.....	232,248.08	
		\$ 1,424,581.41
Deposit in Central Gold Reserves.....		500,000.00
Other Assets and Accounts not included in the Foregoing.....		3,072.56
Stock Exchange Securities have been valued at or under the prices of 27th July, 1914.		
		\$ 60,604,993.30

H. B. MACKENZIE, General Manager.

E. A. HOARE, J. H. BRODIE, Directors.

We have examined the above Balance Sheet with the Books in London, and the Certified Returns from the Branches, and we report to the Shareholders that we have obtained all the information and explanations we have required and that in our opinion, the transactions of the Bank which have come under our notice have been within the powers of the Bank. As required by Section 56, Clause 19, of the Bank Act of Canada, we visited the Chief Office (Montreal) of the Bank and checked the cash and verified the securities and found that they agreed with the entries in the books of the Bank with regard hereto. We further report 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 Bank's affairs according to the best of our information and the explanations given to us and as shown by the books and returns.

N. E. WATERHOUSE, FRANK S. PRICE, Auditors.

Members of the firm of Price Waterhouse & Co. Chartered Accountants.

London, 18th February, 1915.

CANADIAN FIRE RECORD

Specially compiled by The Chronicle.

KINGSTON, ONT.—Residence of H. Gillespie, Battlefield, destroyed by fire April 5. Loss, \$6,000.

NEW JERUSALEM, N.B.—Dwelling of Elisha Clarke, destroyed with most of contents, April 1. Origin, unknown.

BROADVIEW, SASK.—M. Steinburg's store damaged, April 4. Damage, \$3,000. Origin, unknown. Stock covered by insurance.

BRANDON, MAN.—Dominion Elevator Company's grain elevator at Oak River, totally destroyed, March 30, with fifteen thousand bushels of wheat.

GRAFTON, N.B.—Residence of Nathaniel Clowes destroyed with contents, March 30; outbuildings and barn also burned. Loss, \$3,000. Small insurance.

PAYNTON, SASK.—In the fire which occurred on the 4th inst., in the McDonald frame hotel, the following companies are interested:—Royal, \$1,500; Fidelity-Phoenix, \$3,000; Norwich Union, \$2,000. Total loss.

TORONTO, ONT.—United Shoe Machinery Company, 122 Adelaide street west, and H. C. Fairbairns, Ltd., sustained damage by fire, April 4, to the amount of \$3,000.

Residence of E. P. Heaton, 147 Admiral road, damaged by fire, April 6. Damage, \$3,000. Origin, electric iron. Loss fully covered by insurance.

CHATHAM, ONT.—Three large barns and sixteen animals the property of William Dolsen, Dover township, were destroyed April 5. Supposed origin, heating of corn stalks.

MONTREAL.—Block of houses on Rigaud street near St. Louis square, damaged, April 4. Loss between \$3,000 and \$4,000. Origin, incendiarism.

Premises of A. Racine, Ltd., carriage makers, 1990 St. Dominique street, gutted with contents, April 3. Origin, unknown.

Dining room and kitchen of Great Britain Restaurant, 528 St. James street, gutted by fire, April 2. Damage, \$2,000.

Apartment house of J. C. Sadler, 586 St. Antoine street, badly damaged by fire, April 5.

KILLALOE STATION, ONT.—On the 6th inst., a fire occurred in the general store of Hazelton & Bolton. Insurance as follows:—Liverpool & London & Globe, \$14,000; Royal, \$10,500. Total loss.

CUDWORTH, SASK.—On the 4th inst., a fire occurred in the Hotel, owned by McPherson & Reid. Insurance as follows:—Liverpool & London & Globe, \$12,500. Total loss.

ST. LIGORI, P.Q.—In the fire which occurred on the 7th inst., in a general store at St. Ligori, the following companies are interested: *On Building*—Phoenix of London, \$3,000; *On Contents*, Liverpool & London & Globe, \$1,000; North British & Mercantile, \$1,000; Northern, \$500. Total loss.

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¶ The able, efficient Manager is the brains of many a business. He is the firm's greatest asset. But the death of that Manager destroys this asset and may create a liability which will wreck the firm.

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President and General Manager.

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Head Office: 46 King Street W.,

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GUARANTEE BONDS

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The WATERLOO Mutual Fire Insurance Co.

ESTABLISHED IN 1863

HEAD OFFICE : WATERLOO, ONT.

TOTAL ASSETS 31st DEC., 1914, \$890,000.00

POLICIES IN FORCE IN WESTERN ONTARIO OVER 30,000

WM. SNIDER, President,

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LIBERAL AGENCY CONTRACTS

which are "made to fit the man" the Producer reaps the fullest reward of his efforts.

For particulars apply direct to Head Office, TORONTO.

THE NATIONAL LIFE ASSURANCE COMPANY OF CANADA

ELIAS ROGERS, President

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

F. SPARLING, Secretary

Traffic Returns.

CANADIAN PACIFIC RAILWAY.			
Year to date.	1913.	1914.	1915.
Feb. 28	\$19,054,000	\$15,084,000	\$12,411,000
Week ending	1913.	1914.	1915.
Mar. 7	\$2,378,000	\$1,902,000	\$1,667,000
" 14	2,541,000	2,168,000	1,731,000
" 21	2,489,000	2,132,000	1,738,000
" 31	3,557,000	3,096,000	2,564,000
GRAND TRUNK RAILWAY.			
Year to date.	1913.	1914.	1915.
Feb. 28	\$7,811,711	\$7,310,949	\$6,735,849
Week ending	1913.	1914.	1915.
Mar. 7	\$933,622	\$900,706	\$852,151
" 14	1,007,923	1,016,088	857,147
" 21	1,110,964	1,044,181	857,937
" 31	1,676,172	1,462,696	
CANADIAN NORTHERN RAILWAY.			
Year to date.	1913.	1914.	1915.
Feb. 28	\$2,912,100	\$2,895,500	\$2,055,900
Week ending	1913.	1914.	1915.
Mar. 7	\$324,500	\$319,400	\$283,700
" 14	354,000	330,500	293,800
" 21	370,900	331,000	304,400
" 31	636,500	552,400	497,100
TWIN CITY RAPID TRANSIT COMPANY			
Year to date.	1913.	1914.	1915.
Feb. 28	\$1,312,701	\$1,411,930	\$1,470,971
Week ending	1913.	1914.	1915.
Mar. 7	\$156,076	\$168,788	\$172,693
" 14	157,028	167,464	176,017
" 21	161,022	170,282	177,000
" 31	229,904	235,219	253,373

HAVANA ELECTRIC RAILWAY COMPANY				
Week ending	1914	1915	Decrease	
Apl. 4	\$55,095	\$46,435	\$8,660	
DULUTH SUPERIOR TRACTION CO.				
Week ending	1913.	1914.	1915.	Decrease
Mar. 7	\$20,807	\$23,507	\$22,156	\$1,351
" 14	21,115	23,884	22,097	1,787
" 21	22,472	24,893	22,718	2,175
" 31	33,534	33,910	30,895	3,015

MONEY RATES.

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

CANADIAN BANK CLEARINGS.

	Week ending Apr. 8, 1915	Week ending Apr. 1, 1915	Week ending Apr. 9, 1914	Week ending Mar. 20, 1913
Montreal	\$36,465,589	.....	\$50,558,053	\$52,228,998
Toronto	28,665,773	.....	44,974,647	44,411,036
Winnipeg	16,896,774	.....	.....	.....
Ottawa	3,838,317	.....	5,253,346	3,920,595

Note: Four days only this week.

Montreal Tramways Company
SUBURBAN TIME TABLE, 1915

Lachine :

From Post Office— min. service 5.40 a.m. to 8.00 a.m. 8.00 4 p.m.	10 min. service 4 p.m. to 7.10 p.m. 7.10 p.m. to 12.00 mid.
From Lachine— 20 min. service 5.30 a.m. to 5.50 a.m. 5.50 9.00 10 " " 9.00 " 4 p.m.	10 min. service 4 p.m. to 8.00 p.m. 8.00 p.m. to 12.10 a.m. Extra last car at 12.50 a.m.

Sault aux Recollet and St. Vincent de Paul:

From St. Denis to St. Vincent— 15 min. service 5.15 a.m. to 8.00 a.m. 8.00 " 8.00 " 4.00 p.m. 15 " " 4.00 " 7.00 p.m. 20 " " 7.00 " 8.00 "	30 min. service 8.00 p.m. to 11.30 p.m. Car to Hendersons only 12.00 mid. Car to St. Vincent 12.40 a.m.
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From St. Vincent to St. Denis—

15 min. service 5.45 a.m. to 8.30 a.m. 20 " " 8.30 " 4.30 p.m. 15 " " 4.30 p.m. 7.30 " 20 " " 7.30 " 8.30 "	30 min. service 8.30 p.m. to 11.35 p.m. Car from Henderson to St. Denis 12.20 a.m. Car from St. Vincent to St. Denis 1.10 a.m.
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Cartierville:

From Snowdon's Junction— 40 " " 5.40 a.m. to 9.00 p.m.	30 min. service 5.30 a.m. to 8.40 p.m. 40 " " 8.40 p.m. to 12.00 mid.
From Cartierville— 40 " " 8.00 p.m. to 12.20 a.m.	20 " " 5.40 a.m. to 9.00 p.m. 40 " " 8.00 p.m. to 12.20 a.m.

Mountain :

From Park Avenue and Mount Royal— 20 min. service 5.40 a.m. to 12.00 midnight	
From Victoria Avenue— 20 min. service 5.50 a.m. to 12.30 a.m.	
From Victoria Avenue to Snowdon— 10 minutes service 5.50 a.m. to 8.50 p.m.	

Bout de l'Île:

40 min. service 5.00 a.m. to 12.00 midnight.
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Tetraultville:

15 min. service 5.00 a.m. to 9.00 a.m.	15 min. service 3.30 p.m. to 7.00 p.m.
30 min. service 9.00 a.m. to 2.30 p.m.	30 min. service 7.00 p.m. to 2.30 p.m.

Pointe aux Trembles:

15 min. service 5.00 a.m. to 9.00 a.m.	30 min. service 7.00 p.m. to 11.00 p.m.
20 " " 9.00 a.m. to 3.30 p.m.	20 " " 11.00 p.m. to 1.00 a.m.
15 " " 8.30 p.m. to 7.00 p.m.	

The Progress of The Mutual of Canada
DURING THE YEAR 1914.

SUMMARY STATEMENT.

Paid to Policyholders, \$ 1,591,446	Gain over 1913	\$ 195,091
Income - - - 4,539,072	" " "	369,412
Total Assets - - 24,642,314	" " "	2,389,589
Surplus - - - 3,818,507	" " "	408,706
New Assurance - 14,525,411	" " "	124,877
Assurance in Force 94,477,359	" " "	7,085,333

SURPLUS EARNED DURING THE YEAR,
\$1,035,778.14

This assures a continuation of the generous dividends to the participating policyholders of the Company.

The Mutual Life Assurance Co.
OF Canada,
WATERLOO - - - ONTARIO

CABLE ADDRESS "RYKERT"

E. G. RYKERT & COMPANY
Stocks Bonds and Investments
2 1/2 St. John Street,
MONTREAL.

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

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Agents wanted in Unrepresented Districts

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INSPECTORS.

GAVIN BROWNE, JR., 51 Yonge Street, Toronto, Ontario. R. T. BROWN, P. O. Box 840, Regina, Sask.
B. A. CHARLEBOIS, P. O. Box 208, Montreal, Que.



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Assurance Corporation Limited

" " " OF LONDON, ENGLAND " " "

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Gen. Manager for Canada & Newfoundland, CHARLES W. I. WOODLAND
JOHN JENKINS, Fire Manager.

Canadian
Government
Deposit over
\$1,340,000

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

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CAPITAL \$500,000.00

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HON. N. CURRY, JAMES MCGRIGOR, J. K. OSBORNE, T. H. HUDSON
T. H. HUDSON, J. WM. MCKENZIE, Joint Managers.

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The OCEAN ACCIDENT & GUARANTEE CORPORATION, Limited

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UNRIVALLED SECURITY

LIBERAL POLICIES

ASSETS EXCEED . . . \$14,500,000
CLAIMS PAID, over . . . \$50,000,000

Canadian Head Office TORONTO, Ontario

CHARLES H. NEELY, General Manager.

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JOHN EMO, General Manager & Secretary.

ROBERT WELCH, Assistant Manager.

Transacts ACCIDENT INSURANCE, SICKNESS INSURANCE, LIABILITY INSURANCE IN ALL ITS BRANCHES, AUTOMOBILE INSURANCE IN ALL ITS BRANCHES, BURGLARY INSURANCE, GUARANTEE INSURANCE.

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