

# The Chronicle

Banking, Insurance & Finance.



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## RE-ADJUSTMENT.

An important, perhaps the most important, effect of the war upon Canada, will be the compulsory re-adjustment of our economic vision. During say the last ten years, the main point of that vision has been development and construction. The greater part of our immense borrowings abroad have been expended upon construction. Two new transcontinental lines, as well as a host of minor railways, have been pushed through to completion; millions have been spent upon harbour works and the provision of greater shipping facilities; all the necessities and some of the superfluities of the twentieth century have been provided for great new centres of population, developing in a few years from nothing, as well as for older centres, whose bounds and population have grown in an almost equally phenomenal manner. As a result of this tremendous activity in construction, we have at the present time a machine of transportation and distribution admittedly capable of handling a great deal more business than it has at present, while in some respects the equipment of our cities has reached a point which, judged by the average standards of other countries, even old and immensely wealthy countries, can only be termed extravagant.

\* \* \* \*

The period in which development and construction work were the main points of our vision has now been closed. Economic circumstances already indicated its end; the outbreak of war brought that end rather more quickly than had been anticipated. Henceforward, for a considerable period the point of Canadian economic vision will be development and production. Efforts will be directed not to building new railways, but to developing the traffics of those now existing to the limit of their carrying capacity; the lesson will be learnt that a wooden side-walk is good enough until a cement one can be afforded; there will be organized a "back to the land" movement—it says little for the wisdom of those in authority that at this stage of Canada's development such a movement should

be necessary; numbers of people who have during the "boom" period got a something more than comfortable living by their wits will find it necessary, if they are to continue to live, to do real work.

\* \* \* \*

That this re-adjustment will not be completed without difficulties, without a certain amount of distress and hardship to numerous individuals, goes without saying. Those are inevitable concomitants of any period of economic re-adjustment. On the other hand, the circumstances which have forced a more rapid re-adjustment than would otherwise have been necessary or desirable, have their redeeming features. The epigrammatic opinion recently expressed by Dr. Adam Shortt that from the war which has forced this re-adjustment upon the Dominion, Canada should suffer least, have a quicker recovery from its effects than any other country, and ultimately make more from it than any other country, is sound. While Canada is in the position of a belligerent country, its geographical position and the British fleet secure it from molestation or damage by the enemy; the sacrifices made to the war both in men and money, while offered willingly enough, are not so serious in proportion both to population and resources as have been demanded from other belligerents; its credit system is on sound foundations, a matter in which it occupies a favored position in comparison with neutral countries in the same stage of development as the Dominion—Brazil is in a state of financial chaos, and Argentina has a moratorium in force. Our exports are mainly necessities of life which must be secured, whatever their price, by the European countries, and immense new markets will be opened to us as a result of the war, which can be profitably occupied if the necessary time and trouble be given to the process.

\* \* \* \*

Thus the conditions under which our compulsory re-adjustment from a period of construction to one of production is taking place, are

(Continued on page 1297.)

Established 1817

# BANK OF MONTREAL

Incorporated by Act of Parliament

Capital Paid Up, \$16,000,000.00

Res., \$16,000,000.00

Undivided Profits, \$1,046,217.80

## Head Office, MONTREAL

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 E. P. WINSLOW, *Supt. North West Branches.* D. R. CLARKE, *Supt. Maritime Provinces and Newfoundland Branches.*

### BRANCHES IN CANADA

**In all the important Cities and Towns in the following Provinces:**  
 PROVINCE OF ONTARIO. PROVINCE OF PRINCE EDWARD ISLAND.  
 PROVINCE OF QUEBEC. PROVINCE OF NOVA SCOTIA.  
 PROVINCE OF NEW BRUNSWICK. NORTHWEST PROVINCES.  
 PROVINCE OF BRITISH COLUMBIA.

### BRANCHES OUTSIDE OF CANADA:

LONDON, England, 47 Threadneedle Street, E.C. *Sub-Agency, 9 Waterloo Place, Pall Mall, S.W.*  
 NEW YORK, N.Y., 64 Wall Street, R. V. HURDEN, W. A. BOG, J. T. MOLINRUX, Agents.  
 CHICAGO, Illinois, 184 La Salle Street. SPOKANE, State of Washington.  
 ST. JOHN'S, Newfoundland. CURLING, Newfoundland. GRAND FALLS, Newfoundland  
 MEXICO CITY, Mexico, D.F.

### BANKERS IN GREAT BRITAIN

LONDON,  
 The Bank of England,  
 The Union of London and Smith's Bank, Limited.  
 London County and Westminster Bank, Limited.  
 The National Provincial Bank of England, Limited  
 LIVERPOOL, The Bank of Liverpool, Limited. SCOTLAND, The British Linen Bank and Branches.

### BANKERS IN THE UNITED STATES

NEW YORK,  
 The National City Bank,  
 National Bank of Commerce,  
 National Park Bank.  
 PHILADELPHIA Fourth Street National Bank. BOSTON, The Merchants National Bank  
 BUFFALO, The Marine National Bank. SAN FRANCISCO, First National Bank.  
 The Anglo and London-Paris National Bank.

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

## THE CANADIAN BANK OF COMMERCE

ESTABLISHED 1867. Head Office: TORONTO.

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

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

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

Alberta - - - -	53	Ontario - - - -	86
British Columbia - -	45	Prince Edward Island 5	5
Manitoba - - - -	23	Quebec - - - -	82
New Brunswick - -	7	Saskatchewan - -	62
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

### 136th DIVIDEND.

The Shareholders of The Molsons Bank are hereby notified that a Dividend of TWO AND THREE QUARTERS PER CENT. (being at the rate of Eleven per cent. per annum) upon the capital stock has been declared for the current quarter, and that the same will be payable at the office of the Bank, in Montreal, and at the Branches, on and after the

FIRST DAY OF OCTOBER NEXT.

to Shareholders of record on 15th September, 1914.

THE ANNUAL GENERAL MEETING.

of the Shareholders of the Bank will be held at its banking house, in this City, on MONDAY, the 2nd of NOVEMBER next, at three o'clock in the afternoon.

By the order of the Board,

EDWARD C. PRATT,  
 General Manager.

Montreal, 25th August, 1914.

# The Chronicle

**Banking, Insurance and Finance**

ESTABLISHED 1881.

PUBLISHED EVERY FRIDAY.

F. WILSON-SMITH,  
Proprietor.

ARTHUR H. ROWLAND,  
Editor.

*Office:*

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

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**MONTREAL, FRIDAY, SEPTEMBER 18, 1914.**

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## FINANCIAL EFFECTS OF VICTORIES.

The victories won in France by the allied armies must necessarily have an effect in improving the financial position of London, New York and Montreal. It is now practically demonstrated that the German strategists cannot succeed in their plan of destroying the French and British forces in the first few weeks of the war. Had they succeeded in doing so, it would have meant a long, discouraging struggle on the part of Britain and France to again build up strong resistance to the German military power in Western Europe, and consequently an exhausting drain on the financial resources of the French and Anglo-Saxon nations. So the developments of the past ten days, inasmuch as they tend to shorten the war, make decidedly for continued strengthening of our financial machinery and for gradual recovery of trade and commerce.

*EFFECT ON GERMANY.*

From the German point of view, the turn of events in France is disastrous in more than one respect. First it opens the probability of the transfer of the war to the soil of Germany not only as regards

Eastern Europe but also as regards Western Europe. That would necessarily lessen the ability of the Germans to maintain their financial strength. Again, the reports are that since the news of the retreat from Paris began to percolate through Germany the subscriptions to the big German war loan shrank noticeably—thus the ability of the Kaiser's government to finance their vast military operations has been already impaired. Some think that the policy followed at Berlin, of continually announcing victories and concealing the news of defeats, will have the result of lessening the vigor of the German defense when with the appearance of the allied armies on German soil the people of the fatherland learn how they have been deceived.

*A DROP IN WHEAT.*

One of the effects of the improved military position in France is seen in the sharp drop in wheat prices at Chicago and other American centres. The extraordinarily high prices ruling for wheat have been based to a large extent on the expectation that the war would be long and exhausting—probably many thought it could last two or three years, in which case the demand for American wheat would be continuously strong. Now the speculative fraternity must take account of the possibility that the Germans will be crushed between the Russian and the Anglo-French forces in a year or less, and in that case the American monopoly of wheat production would come to an end after 1915. However, it seems certain that Europe will need all the wheat that Canada and the United States can raise in 1915, as the great producing countries in Europe cannot have much of a yield next year even if the war is ended by Christmas.

*FINANCING THE HARVEST.*

The work of financing our Western harvest is proceeding smoothly and satisfactorily, and the indications are that there will be no serious hitch or breakdown. Gradually the export trade in foodstuffs is recovering itself, and the arrangements perfected by the New York bankers in regard to the meeting of United States obligations held by Europe promise to put the exchange market at New York in much better shape.

*CUTTING DIVIDENDS.*

The financial sentiment here has of course been somewhat depressed by the various dividend cuts that have been in evidence since the war began. At the beginning of this week the president of the Nova Scotia Steel & Coal Co. announced to the shareholders of that company that the dividends on preferred and common stocks usually payable 15th October would not be declared. Like other great industrial concerns the Nova Scotia Steel Co. has been obliged to close down parts of the plant; and as the outlook is obscure it has seemed

# The Bank of British North America

Incorporated by Royal Charter.

The Court of Directors hereby give notice that an Interim Dividend for the half year ended 31st May last of forty shillings per share, being at the rate of eight per cent. per annum, will be paid, less Income Tax, on the 3rd day of October next, to the proprietors of shares registered in the Dominion of Canada.

The dividend will be payable at the rate of exchange current on the 3rd day of October next to be fixed by the Managers.

No transfers can be made between the 19th inst. and the 2nd prox. inclusive, as the books must be closed during that period.

By Order of the Court,  
**JACKSON DODDS,**  
Secretary.

## 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. HERBES, General Manager.  
T. E. MERRETT, Superintendent of Branches and Chief Inspector.

### BRANCHES AND AGENCIES.

Ontario		Quebec	
Acton	London	Montreal (Head Office)	St. James St.
Alvinston	Lucan	125 1/2 St. Catherine St.	East
Athens	Markdale	"	320 St. Catherine St. West
Belleville	Meaford	"	1330 St. Lawrence Blvd.
Berlin	Mildmay	"	1866 St. Lawrence Blvd.
Bothwell	Mitchell	"	672 Centre Street
Brampton	Napanee	Beauharnois	St. Denis Street
Brantford	Newbury	Beauport	St. Sauveur
Brome	Oakville	Bury	Maisonneuve
Chatham	Orillia	Chateauguay	Ormstown St. Jerome
Chatsworth	Ottawa	Basin	St. Jovite
Chesley	Owen Sound	Huntingdon	Rigaud St. Johns
Clarkson	Perth	Lachine	Shawville Three Rivers
Cresmore	Prescott	Naperville	Sherbrooke Vaudreuil
Delta	Preston	Quebec	Ste. Agathe
Eganville	Renfrew	<b>Manitoba</b>	
Elgin	Sarnia	Brandon	Oak Lake
Elora	Stratford	Carberry	Portage la Prairie
Finch	St. Catharines	Gladstone	Russell
Ford	St. Eugene	Hartney	Souris
Fort William	St. George	Macgregor	Starbuck
Galt	St. Thomas	Morris	Winnipeg
Gananoque	Tara	Napinka	" Bannerman Av.
Georgetown	Thamesville	Neepawa	
Glennora	Tilbury	<b>Alberta</b>	
Core Bay	Toronto	Acme	Leduc
Graaton	" Dundas St.	Brooks	Lethbridge
Guelpi	" Parl. St.	Calgary	Mannville
Hamilton	" Parkdale	" 2nd St. E.	Medicine Hat
" East End	Walkerville	Camrose	Musson
Harvey	Walkerville	Carstairs	Okotoks
Hespeler	Watacburg	Castor	Olds
Ingersoll	Waterford	Chauvin	Raymond
Kincardine	W. Lorne	Coronation	Rodcliff
Kingston	Wessport	Daysland	Red Deer
Lancaster	Whitchurch	Delburne	Rimby
Lansdowne	Williamstown	Donalda	Rumsey
Leamington	Windsor	Edgerton	Sedgewick
Little Current	Yarker	Edmonton	Stettler
<b>Saskatchewan</b>		" Namayo Av.	Strome
Antler	Kelvinhurst	" Alberta Av.	Tofield
Arcola	Limerick	" Athabasca Av.	Trochu
Battleford	Maple Creek	Edson	Vegreville
Cardiff	Melville	Hanna	Viking
Easton	Moose Jaw	Hughenden	Wainwright
Forbes	Oxbo	Islay	West Edmonton
Frobisher	Regina	Killam	Wetaskiwin
Gainsborough	Saskatoon	Lacombe	
Gull Lake	Shaunavon	<b>British Columbia</b>	
Humboldt	Unity	Chilliwack	Oak Bay, Sidney
Kislay	Whitewood	Elko	Vancouver
		Ganges Harbour	" Hastings St.
		Nanaimo	Victoria
		New Westminster	" North End

St. John, N.B. Halifax, New Glasgow, N.S.

SUB-AGENCIES—Ontario—Addison, Calabogie, Frankville, Hawkestone, London South, Lyndhurst, Muirkirk, Newington, Pelee Island.

Manitoba—Austin, Griswold, Lauder, Sidney.

Alberta—Botha, Czar. Saskatchewan—Dollard, MacNutt.

IN UNITED STATES—New York Agency, 63 Wall Street.

BANKERS IN GREAT BRITAIN—The London Joint Stock Bank, Limited.

D. C. MACAROW - Local Manager, Montreal

## IMPERIAL BANK OF CANADA

CAPITAL PAID UP \$ 7,000,000.00  
RESERVE FUND " 7,000,000.00  
TOTAL ASSETS " 79,000,000.00

### DIRECTORS:

D. R. WILKIE, President. HON. ROBERT JAFFRAY, Vice-President.  
WILLIAM RAMSAY OF BOWLAND, STOW, SCOTLAND, ELIAS ROGERS,  
J. KEER OSBORNE, PELLEG HOWLAND, CATHRINA MULLOCK,  
HON. RICHARD TORSHE, Quebec.  
WM. HAMILTON MERRITT, M.D., St. Catharines, W. J. GAGE,  
SIR J. A. M. AIRNS, K.C., M.P., Winnipeg.

### BRANCHES IN PROVINCE OF ONTARIO.

Amherstburg	Essex	Listowel	Port Arthur	St. Davids
Aurora	Fergus	London	Port Colborne	Sault Ste. Marie (3)
Belwood	Fonthill	Marshville	Port Robinson	
Bolton	Port William	Nashville	Preston	St. Thomas (2)
Brantford	Galt	New Liskeard	Ridgeway	Thessalon
Caledon E.	Hamilton	Niagara Falls (2)	South Porcupine	Toronto (17)
Cobalt	Harrow	Falls (2)	South Woodslee	Timmins
Cochrane	Humb'stone	Niagara-on-the-Lake	Sparta	Wendland
Cottam	Ingersoll	North Bay	St. Catharines (2)	Windsor
Davisville	Jordan	Ottawa		
Elk Lake	Vineland	Palgrave		

### BRANCHES IN PROVINCE OF QUEBEC.

MONTREAL (3).

### BRANCHES IN PROVINCE OF MANITOBA.

Brandon Portage la Prairie Winnipeg (3)

### BRANCHES IN PROVINCE OF SASKATCHEWAN.

Balgonic, Broadview, Fort Qu'Appelle, Hague, Kandahar, Moose Jaw, North Battleford, Prince Albert, Regina, Rosthern, Wilkie, Wynward.

### BRANCHES IN PROVINCE OF ALBERTA.

Athabasca, Leduc, Banff, Calgary, Edmonton, (4) Lethbridge, Mulet, Red Deer, Strathcona, Wetaskiwin.

### BRANCHES IN PROVINCE OF BRITISH COLUMBIA.

Arrowhead, Chase, Cranbrook, Fernie, Golden, Invermere, Kamloops, Moyie, Natal, Nelson, Revelstoke, Vancouver (5), Victoria (2), Wilmer.

Savings Bank Department

to be the best policy to conserve the cash resources through withholding dividends to the stockholders. A number of other important concerns have taken the same action, and there is a certain amount of nervousness among holders of other stocks as a consequence. In some cases the companies referred to are making profits which would under ordinary circumstances warrant the payment of dividends; but the stringent money market conditions have a tendency to make the officers think it wise to withhold dividends. Thus it may be the case that the company cannot without great difficulty and great expense borrow the money needed for carrying on its business. By passing dividends it can lessen its dependence on borrowed money, and prosecute its operations to better advantage. Where dividends are dopped under such conditions the probabilities are that the shareholders will not lose in the end—for on the return of normal times extra distributions could be made to recompense them.

#### THE MONEY MARKETS.

Money market conditions at Canadian centres are unchanged. Call loans at Montreal and Toronto draw interest at from 6 to  $6\frac{1}{2}$  per cent.; and mercantile paper rules at 6 to 7.

Call money in London is 2 to  $2\frac{1}{2}$  per cent.; and discount rates range from  $3\frac{1}{4}$  to  $3\frac{3}{4}$ . Bank of England rate is 5 p.c. as heretofore. The Bank of France quotes 5 p.c., and the Imperial Bank of Germany 6 p.c. Nominally, discounts in private markets at the French centre are 4 p.c., and at the German centre, 6 p.c.; but it is stated that the rates actually asked are in the majority of cases well above these figures.

#### NEW YORK POSITION.

Call loans at New York are 6 to 8 p.c. Time money continues to be very dull, most of the money on offer coming from interior banks. Generally, rates are 8 p.c. In their Saturday statement the New York clearing house institutions (banks and trust companies combined) reported a loan expansion of \$26,000,000, cash gain of \$6,400,000, and increase of \$10,154,000 in note circulation. The net result was to bring the deficit down from \$37,129,400 to \$35,065,000. It is to be noted that the note circulation of the New York city banks stands at \$124,516,000 as against \$45,156,000 a year ago. The increase—roundly \$80,000,000—represents emergency currency taken out by the banks of New York. This emergency currency is secured by bonds and commercial paper. In all parts of the country the national banks have been issuing the paper; and the great increase in volume thereof is one reason why American currency has gone to a discount in Canada.

The Bank of England yesterday continued its rate of discount at 5 per cent.

#### RE-ADJUSTMENT.

(Continued from front page.)

not wholly unfavorable; they might easily have been much worse. The economy in both private and public expenditure, which will be necessary, would have been necessary had the war not taken place; it is fortunate that those in charge of the credit system are able to enforce this policy. With regard to the continued influx of capital from abroad, it cannot be reasonably expected that this will continue on the same scale as in some recent years. But too gloomy a view is being taken by many on this point. At the present time immense funds are being accumulated in London for investment which will be released immediately conditions warrant—and they will not all go into war loans. There will be a tremendous rush for these funds, and high rates will have to be paid for them. But in our opinion the development of present circumstances will give Canada an exceedingly valuable preference in the use of these funds. It seems possible that following upon the present war there will be something of a change in the habits of the ordinary British investor. In the last twenty years, he has lent very large amounts of funds, not only within the Empire, but to countries under foreign flags. With the quickening of the Imperial idea which this war will produce, and the realization of the necessity of building up afresh the financial resources of the British Empire, it seems not unlikely that there will be a movement towards abstention from investment under foreign flags and the utilisation of funds within the bounds of the Empire. The maturity of a movement of this kind would not, of course, make strict economy in Canada in the matter of "frills" less necessary. The fact of the destruction of probably thousands of millions of dollars of capital in this war precludes any idea that our municipalities and others can go on spending just as freely as if this destruction of capital had never taken place. But in the case of funds required for enterprises of a basic and productive character, there is at least reason to think, taking all the circumstances into consideration, that Canada will be at least able to secure a fair amount when the financial horizon clears. The adoption on our own part, as quickly as may be, of the policy of development and production will assist towards that end by showing British investors that their continued confidence will not be misplaced.

It is now stated that the Ontario Legislature will be asked to pass at its next session a partial moratorium measure, deferring "in cases of hardship" payments of principal on account of mortgages now current. The intention is said to be to make this legislation retroactive to the date of commencement of the war.

## THE ROYAL BANK OF CANADA

INCORPORATED 1869

Capital Paid up \$11,560,000 Reserves \$13,000,000  
Assets \$180,000,000

HEAD OFFICE - MONTREAL.

305 BRANCHES THROUGHOUT CANADA

24 Branches in Cuba, Porto Rico and Dominican Republic  
Kingston, Jamaica. Bridgetown, Barbados.  
Nassau, Bahamas.  
Port of Spain and San Fernando, Trinidad.  
Belize, British Honduras.

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

NEW YORK,  
Cor. William & Cedar Sts.

SAVINGS  
DEPARTMENT

In connection with all Branches. Accounts 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 9th FLOOR,  
C.P.R. BUILDING, Toronto

# THE BANK OF TORONTO

Incorporated 1855.

Head Office: TORONTO, Canada.

PAID UP CAPITAL ..... \$5,000,000  
RESERVED FUNDS ..... \$6,307,272

#### Directors

DUNCAN COULSON, President; W. G. GOODERHAM, Vice-Pres.; J. HENDERSON, 2nd Vice-Pres.; HON. C. S. HYMAN, WILLIAM STONE, JOHN MACDONALD, LT. COL. A. E. GOODERHAM, NICHOLAS BAWLF, LT. COL. F. S. MEIGHEE, J. L. ENGLEHART, WILLIAM I. GRAY, THOS. F. HOW, General Manager.

#### Bankers

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

#### COMMERCIAL BANKING

The Bank of Toronto affords to its many commercial customers an accurate service, supplemented by complete facilities and extensive connections. Careful attention is given to the banking accounts of merchants, manufacturers and business men. Your banking account is invited.

## THE BANK OF NOVA SCOTIA

INCORPORATED 1832.

CAPITAL ..... \$6,000,000.00  
RESERVE FUND ..... 11,000,000.00  
TOTAL ASSETS ..... 80,151,829.99

HEAD OFFICE: HALIFAX, N.S.

#### DIRECTORS

JOHN Y. PAYZANT, President; CHARLES ARCHIBALD, Vice-President,  
G. S. Campbell, J. W. Allison, Hector McInnes  
Hon. N. Curry, J. H. Plummer, R. E. Harris,  
James Manchester, Walter W. White, M.D.  
General Manager's Office, TORONTO, ONT.  
H. A. Richardson, Gen'l Manager, D. Waters, Asst. Gen. Manager.  
Supts. of Branches: J. A. McLeod, Geo. Sanderson, E. Crockett,  
Chief Inspector, C. D. Schurman.

150 BRANCHES 150

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

## The Metropolitan Bank

Capital Paid Up - - - \$1,000,000.00  
Reserve Fund - - - 1,250,000.00  
Undivided Profits - - - 182,547.61

Head Office - - - TORONTO

S. J. MOORE,  
President

W. D. ROSS,  
General Manager

A GENERAL BANKING BUSINESS TRANSACTED

## The Bank of Ottawa

Established 1874

Paid-up Capital - - - \$4,000,000  
Rest - - - - - \$4,750,000

An efficient Banking Service is furnished by  
this institution to

**CORPORATIONS**  
**MERCHANTS and**  
**BUSINESS FIRMS**

GEORGE BURN,  
General Manager.

## "AN ANCHOR TO WINDWARD."

Life insurance agents are in a position to profit by the present circumstances of business affairs possibly to a greater extent than any other class of the community. The conditions and circumstances of the day are providing them with concrete arguments which will have more weight with prospects than the best theoretical arguments ever invented. The primary purpose of life insurance is protection. Is there any better argument than the circumstances of the present day for the necessity to business men of "an anchor to windward" in the shape of life insurance policies, which are always worth one hundred cents on the dollar—no matter when and under what stress of circumstances they become due.

\* \* \* \*

The business man who is plodding his way through the present days of financial stress without the backing of insurance protection is not to be envied. If he has any heart at all, he can't help reflecting from time to time upon the possibly hard circumstances in which his dependents would be left, should anything happen to him, when his business is not in as good shape as he would like it to be, and the few investments he has are either unsaleable altogether or realizable only at very heavy losses. He may not have much spare cash at present, but it may be suggested that the agent would find him receptive if low-priced protection to enable him to have an easy mind in regard to his dependents were put before him.

In this connection there would seem to be a considerable opening under present circumstances for the pushing of low-priced convertible term policies, which would give a man protection for a period, long enough to carry him on until good times come round again and he can afford something better. A campaign among those who have already shown themselves alive to the necessity of life insurance would also probably find many to agree to the desirability of additional protection under the unprecedented circumstances of the present day, especially if they could secure it at a low figure.

\* \* \* \*

But while the present seems a particularly good time to push purely protective policies before those who have hitherto not realized the necessity of insurance, or who wish for increased protection against the increased financial strain of the present day, there are obviously good opportunities for pushing the higher-priced ones. There are still a good many salaries which have not been cut and which are not likely to be cut. In past good times the insurance man has been somewhat at a disadvantage when endeavoring to secure a portion of those salaries for the maintenance of endowment policies. He has had to meet the competition of the stock market, of speculations promising very

large returns, and of real estate attractions. The size of the returns offered in these various avenues of investment has done a good deal towards disguising their essentially speculative character. But now people have found out that large profits from speculations do not always materialize when they are expected, that speculations can turn out losses instead of gains, and securities become on occasion unrealisable. It is certain that at the present time there are up and down the Dominion many people in a sober "once bit, twice shy" frame of mind in regard to speculation that will make them amenable to consideration of the claims of endowment insurance, when carefully placed before them, though a few years ago they would have passed them by with scorn. They will find in insurance, as have others, "an anchor to windward" that is worth having at all times as well as at the present.

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## WHY FOREIGN FUNDS ARE AT A DISCOUNT.

The principal reason why New York funds are at such a heavy discount, writes a correspondent, is that the Canadian banks have large balances at credit with the big clearing house banks and are unable to convert the balances into gold. Canada has no pressing obligations payable in New York. Although the imports from the United States far outweigh the exports to the States, for the time being there are no large amounts, materially affecting the international balance of payments, to be remitted from here. Hence when customers of the banks in Canada tender big drafts or checks on New York for deposit, the bankers realize that the funds will have to go further to swell the heavy balances lying with New York correspondents and which can be converted only into clearing house loan certificates. The discount of 1½ or 2 per cent. is an inevitable result.

On the other hand, Canada, like the United States, owes London a huge amount; the interest on this debt falls due from month to month throughout the year, and also bonds and short-term treasury notes are maturing from time to time. It is out of the question to float long-term bonds in London to take up the maturing paper, under present conditions; and consequently there is the necessity of remitting funds to London to take care of such of the obligations as cannot be provided for through new short-date loans. The Canadian banks themselves have had to remit funds to London extensively in order to square their accounts with London correspondents and provide for acceptances and finance bills coming due. So there has been strong demand for sterling exchange and as gold payments here are restricted, the quotations rose far above the gold export point as it stands under normal conditions.

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The financing of the war and the measures taken for the protection of British trade have been admirably carried out, and the enormous wealth contained in and tributary to the British Isles guarantees a war chest which will not be nearly depleted before Germany and Austria have entirely exhausted their expedients for financing their field operations.—*Sir Edmund Osler.*

## National Trust Co.,

LIMITED

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

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

**MONTREAL DIRECTORS**

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

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

## The Royal Trust Co.

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

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

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Victoria, Winnipeg.

## THE EASTERN TRUST CO.

CAPITAL PAID UP AND RESERVE	\$1,210,000
ESTATES	\$14,000,000

IN BUSINESS 21 YEARS

Carries on a fiduciary Trust business  
on conservative lines only.

HALIFAX ST. JOHN MONTREAL CHARLOTTETOWN  
ST. JOHNS, Nfld.



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

## Dominion Trust Company

Head Office - VANCOUVER, B.C.

**BRANCHES**

Vancouver, B.C.	Victoria, B.C.	Nanaimo, B.C.	New Westminster, B.C.
Montreal, Que.	Calgary, Alta.	Winnipeg, Man.	Halifax, N.S.
Regina, Sask.	St. John, N.B.	Charlottetown, P.E.I.	London, England
		Antwerp, Belgium	

Subscribed Capital	\$2,500,000
Paid-up Capital	\$2,167,570
Reserve and Undivided Profits	\$ 874,412

Acts as executor, trustee, guardian, transfer agent,  
trustee for bond holders, agent for the investment of  
funds and in all other trust capacities.  
Loans money for clients on first mortgages on im-  
proved real estate in amounts not exceeding 50% of con-  
servative valuations, netting the investor 6% to 7 1/2%.  
Deals in Municipal and industrial debentures.

**W. R. ARNOLD, Managing Director.**

## PRUDENTIAL TRUST COMPANY

LIMITED

<p><b>HEAD OFFICE</b></p> <p><b>9 ST. JOHN STREET MONTREAL.</b></p> <p><b>B. HAL. BROWN, President and Gen. Manager</b></p>	<p style="text-align: center;"><b>Trustees for Bondholders</b> Transfer Agent &amp; Registrar</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">Administrator</td> <td style="width: 33%;">Receiver</td> <td style="width: 33%;">Executor</td> </tr> <tr> <td>Liquidator</td> <td>Guardian</td> <td>Assignee</td> </tr> <tr> <td>Trustee</td> <td>Custodian</td> <td></td> </tr> </table> <p>Real Estate and Insurance Departments</p> <p>Insurance of every kind placed at lowest possible rates.</p>	Administrator	Receiver	Executor	Liquidator	Guardian	Assignee	Trustee	Custodian		<p style="text-align: center;"><b>Safety Deposit Vault</b></p> <p>Terms exceptionally moderate.</p> <p>Correspondence invited.</p>
Administrator	Receiver	Executor									
Liquidator	Guardian	Assignee									
Trustee	Custodian										

## The Trust and Loan Co.

OF CANADA

Capital Subscribed.	\$14,600,000
Paid-up Capital.	2,920,000
Reserve Fund.	1,713,193
Special Reserve Fund	511,000

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

**30 St. James St., Montreal**

**EDWIN P. PEARSON** AGENT

**NORTHERN ASSURANCE CO.**

OFFICES:  
Adelaide St. East, Toronto

### THE DECLINE IN SPECULATION.

One of the hopeful signs of the present situation is that business men are in a position, whether by choice or force of circumstances, to concentrate all their energies on their own regular business. There is no doubt that legitimate business has suffered in the past through the dissipation of capital and energy which should have been given to it in speculations of various kinds. Some time ago, the banks began an active campaign of discouragement of speculation "on the side" by declining to finance the requirements of their customers for speculative purposes and confining entirely their support to regular business. It may be presumed that this policy will be continued, not only for the present, but that the reins will be kept firmly in hand when possibly the present urgent necessity for caution has ceased. This will be all to the good, however badly individuals may think about it. If Canadian production and legitimate business is to receive that impetus which is not only desirable but necessary under present circumstances, it will require all the energy and Canadian capital that can possibly be devoted to it. There will be none to spare for speculative side-lines.

### MANITOBA'S MORATORIUM LEGISLATION.

Representatives of the largest loaning agencies in Winnipeg met representatives of the provincial government this week, and a discussion of the measure which will be submitted to the house at its special session, relating to land purchases, occurred. The mortgage companies presented their case, urging that the period, provided prior to action, when borrowers were in fault, was too long. It was pointed out that a change in the law along the lines suggested would interfere with the flow of capital to Manitoba, and that it would tend toward an increase in the interest rates and that the burden would eventually fall on the borrower. It was also urged that in the majority of cases where mortgages were foreclosed on farm lands the farms had been abandoned. If so long an interval was allowed it was possible that the security might deteriorate materially owing to the fact that the borrower had left his land.

No decision was announced by the premier, but it was considered likely that some minor changes might be made in the bill before it is submitted, and it is of course possible that other changes will be made during the discussion in the house.

#### DETAILS OF THE BILL.

The bill as drawn up for submission provides for a six months period in which the borrower may be in default before action is taken. The important clauses of the bill are sections two and three, which are as follows:

Notwithstanding any provision in any mortgage of land, or agreement to purchase land, or in any other instrument charging land with the payment of money, not including liens under the Mechanics' and Wage Earners' Lien Act, no proceedings for the sale of any land under any power of sale contained in any such instrument or otherwise existing for default in payment of any such moneys,

shall be taken by or on behalf of the mortgagee, vendor or other person to whom such money may be payable until after the lapse of six months from the first day of August, 1914, if such default took place on or before that date, or until after the lapse of six months from the happening of such default if the same took place after the said first of August, 1914, or takes place after the coming into force of this act, and any such proceedings now pending are hereby stayed until after the lapse of six months from the said first day of August, 1914, or six months from the date of default, if such default took place since the first day of August, 1914. Any sale made or purporting to be made in contravention of this section shall be absolutely null and void.

In all actions or proceedings for foreclosure or sale of land under any instrument referred to in section 2 hereof, the period to be allowed for redemption, whether by the court or by the master on a reference or by the district registrar, shall be one year, and in all pending actions for such foreclosure or sale in which the time fixed for redemptions is after the 31st day of July, 1914, the same is hereby extended for one year from the date so fixed for redemption, and no final order for foreclosure or sale shall be made in any such action until after the lapse of such extended period.

The concluding sections of the bill provide that actions may be brought for the payment of interest, insurance premiums and taxes, and writs of execution may be issued and enforced against the goods of defendant, but not against the lands, until after the lapse of six months. It is provided that a vendor may enforce an agreement for a share of a crop.

### SIR EDMUND OSLER ON THE OUTLOOK.

Interviewed on his return from Europe, Sir Edmund Osler, president of the Dominion Bank, stated with regard to the re-opening of stock exchange business, that, as Britain had few of its securities held abroad, and had absorbed not only practically all of her own issues, but those of almost every country in the world, the London Stock Exchange might be able to open without fearing any great avalanche of selling of its own bonds and stocks. In the case of the United States, hundreds of millions of railroad and other securities were held by the countries at war, and it was inevitable that a flood of liquidation would occur if opportunity for it was provided by the New York Stock Exchange. With regard to business generally he said that conditions could not be good if the war continued, but he was much pleased with the manner in which trade was being let down gradually, both in Great Britain and here. Business generally was effecting an orderly retreat, although there were the exceptions of the industries stimulated by the necessities of the armies in the field.

"When peace is finally declared, I would expect to see a very large immigration to this country resumed," said Sir Edmund. "The survivors who will come out of the campaign in good physical condition, with a dislike for their former occupations, and a taste for adventure in their veins, will likely seek a new country, and Canada should come in for a very large share of these disbanded soldiers. I expect that the foreign exchange situation in New York should be righted shortly, and, in any event, a way will be found for financing our exports of agricultural products this autumn."

## CANADA PERMANENT MORTGAGE CORPORATION

Established 1856

Toronto Street, TORONTO.

President: W. G. GOODERHAM.

First Vice-President: W. D. MATTHEWS.

Second Vice-President, G. W. MONK.

Joint General Managers, R. S. HUDSON, JOHN MASSEY.

Superintendent of Branches and Secretary: GEORGE H. SMITH.

PAID-UP CAPITAL, \$6,000,000.00 RESERVE FUND (earned) \$4,250,000.00 INVESTMENTS, \$31,826,618.37  
DEPOSITS RECEIVED DEBENTURES ISSUED

Associated with the above Corporation and under the same direction and management is

**THE CANADA PERMANENT TRUST COMPANY** incorporated by the Dominion Parliament. This Trust Company is now prepared to accept and execute Trusts of every description, to act as Executor, Administrator, Liquidator, Guardian, Curator, or Committee of the Estate of a Lunatic, etc. Any branch of the Business of a Legitimate Trust Company will have careful and prompt attention.

## The WESTERN Assurance Company

Incorporated in 1851

ASSETS over \$3,500,000.00

LOSSES paid since organization of Com-  
pany over \$57,000,000

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

**JAMES MASON** - General Manager.

### OUR CONSTANT AIM.

An efficient and dependable service to our patrons.

**THE CANADIAN SURETY CO.**  
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One line of business only  
"GUARANTEE INSURANCE"

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## 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).

OR SALE AT THE CHRONICLE OFFICE,

10 ST. JOHN STREET, MONTREAL

### SCATHING CRITICISM OF AN UNDERGROUND COMPANY'S ACTIONS.

The subjoined scathing criticism of the National British and Irish Millers' Insurance Company, Limited, of London, England, shows the sort of thing which crops up from time to time when dealing with a company transacting an underground business in Canada. The National British & Irish Millers has neither a Dominion nor an Ontario license. Its loss and expense record (percentages to premium income) in recent years is as follows:—

	Losses.	Expenses.
1907-8.....	40.2	25.4
1908-9.....	50.6	25.6
1909-10.....	60.2	28.8
1910-11.....	97.6	29.4
1911-12 (18 months).....	257.0	60.9

At the end of 1912 its capital appears to have been considerably impaired. The facts as stated below are not much to the credit of the company. On the other hand, there is little room for sympathy with the Toronto Railway. If the railway had followed the patriotic course of placing their insurance in those companies who meet the reasonable requirements of Canadian law, they would not have had the trouble which the *Insurance & Financial Gazette* of Belfast so pungently describes below.

Someone in the end will have to foot a tidy bill of costs in the action of the Toronto Railway Company and the York Radial Railway Company, against the National British and Irish Millers' Insurance Co., Ltd., an action which does not redound to the credit of the insurance company.

The risk was insured with several companies. The fire occurred in March, 1912.

After the fire the usual course was followed of placing the settlement in the hands of an assessor.

All of the other insurance companies interested in the risk have paid up, but for reasons best known to itself the Millers' refuses to pay, and has placed every difficulty in the way of plaintiffs to recover, and has called to its aid what appears to be flimsy and technical defences.

Step by step it has been worsted by the railway companies; and bad, indeed, must be the position which has been taken up by the Millers' when by the Judges of the Court of Appeal its defence to the action has been condemned as dishonest.

The case must be bad, indeed, when Lord Justice Buckley said, that "In his view, from the date of the fire in March, 1912, the defendants had been trying to evade and delay the liability resting upon them. They had been setting up a dishonest defence, and were only opposing the plaintiffs' application because they wanted to put further difficulties in the way of the plaintiffs. This particular risk was insured with several other insurance companies, all of whom had paid. Only the defendants had stood out, and they had put every obstacle in plaintiffs' way."

The action has now been narrowed down to a question of amount only, and July 27th was fixed for the trial of the action.

The amount of the loss was assessed at \$225,000, and on this basis of loss all of the other companies have paid up and settled.

A curious feature of the case is, that at the time of adjustment no objection was taken by the Millers' to the assessor's report, except that the company stated it required certain further information.

Time went on, and apparently some row must have arisen with the result that the company stood on its dignity, rode a high horse, and trotted out, rather late in the day, for inspection policy conditions and requirements.

These performances met with scant courtesy in the Court of Appeal, and were brushed aside.

In no way deterred or disheartened the Millers' went on with its tactics of delay, obstruction and piling on costs, only to meet with further defeat.

The spectacle of this stand-up fight, without gloves—and for the life of us for what we cannot guess—must be one of immense interest to the shareholders.

If the Millers' can afford to fight, so also can the Canadian Railway Companies; and if it is a test of stamina and endurance, we know which of the two we should feel disposed to back and place our money on.

We cannot help but admire the tenacity and pertinacity of the Millers' apart from the merits of the case; it is an instance of hang expense, bring up another herring.

Up to date the railway companies have drawn the ruby all along the line; they have punished their opponents badly, but we have yet to see the net result of grit, pluck and grim determination.

By this time it may be that the amount of the claim is a secondary consideration, and that for magnitude costs take precedence. It is a fight to the finish, and the knock-out blow cannot long be deferred.

### LAPSES OF INDUSTRIAL POLICIES.

One interesting little piece of legislation put through the British House of Commons as a result of the war, prevents the lapsation of industrial policies, where hardships caused by the war prevent the holders temporarily from paying their premiums. The legislation applies to life or endowment policies for an amount not exceeding £25, or payments equivalent thereto, the premiums in respect of which are payable at not longer than monthly intervals and have been paid for at least two years before August 4 last. It is pointed out that this provision is carefully constructed so as to guard the companies from unjust treatment. Firstly, the class of policy affected is closely circumscribed. Secondly, only those who have paid their premiums steadily for two years prior to August 4th (*i.e.*, those who in normal circumstances would be most likely to continue regular and punctual payments) will benefit from the protection of the Bill. Thirdly, under the provisions of the Bill an insurance company will have access to the court and a chance of obtaining its express sanction for the lapsing of the policy if flagrant cases of the shirking of payment can be proved.

The story is told of a New York tailor who took out an insurance policy, when, by a curious coincidence, a few hours later a fire broke out, which sent his shop up in smoke. The insurance company could find no ground on which to deny liability, but the letter which accompanied the cheque concluded with—"We note that your policy was issued at noon on Friday, and that the fire did not take place until three o'clock on the same day. Why this delay?"



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Head Office: 112 St. James Street, Montreal

**DIRECTORS:**

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## The Northern Assurance Co. Limited

**"Strong as the Strongest"**

Accumulated Funds, \$41,265,000

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

Founded 1805.

Head Office for Canada,  
 DOMINION EXPRESS BUILDING  
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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. DOLLEY, 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

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Active and Influential Agents Wanted

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

11 ST. SACRAMENT STREET  
 MONTREAL, P.Q.

**UNAUTHORIZED INSURANCE BUSINESS.**

(Hon. James R. Young, President, National Convention of Insurance Commissioners).

To admit the necessity of a proper supervision and regulation of the insurance business in all its branches is but another way to say that the transaction of unauthorized insurance should be stopped. If it is necessary for the better classes of insurance companies to be regulated, when they are managed certainly by men of the highest business character and qualifications of any in the business, surely those of a doubtful reputation and standing need to be strictly looked after for the protection of the people. I have always maintained that the company whose officials were willing to withhold from the State license fees and taxes legally due her would when an opportunity afforded not hesitate to rob her citizens. The question of unauthorized insurance is a vexing problem and calls for our most earnest consideration. It must be solved by the national as well as the State governments. Some have insisted that the national Government should prohibit the use of its mails to a company in a territory where it is not licensed. While it is insisted that this would be contrary to the Constitution, at least might not the Government, as a condition of the use of the mails, place upon such companies the burden of showing that they are safe and solvent, rather than place on the citizens of the State in which they are striving to operate illegally the responsibility of showing that these companies are not safe and solvent before forbidding them to use the mails? This would be a proper change of the burden of proof.

**PROTECTING AUTHORIZED COMPANIES.**

Again, it is insisted as a remedy that the States properly supervise and look after their own companies and brokers, and pass such legislation as will prevent domestic and foreign companies or agents or brokers chartered or licensed under the laws of that State from soliciting or writing insurance on persons or property in States in which they are not licensed. Is not that a law reasonable and proper and in keeping with comity between the States? It would protect local agents from overhead writing, and protect companies which do a legitimate business from bushwackers, making taxation equitable, which legitimate concerns now bear and illegitimate concerns escape, and securing revenue to the State on business which the illegitimate concerns now do. The matter is not necessarily one of the collection of taxes, but to demand a license fee or tax is the first step toward regulation and forcibly calling the matter to the attention of even your own citizens.

**IN LIEU OF TAXES.**

It has been suggested, and in my opinion would prove of great benefit in stopping unauthorized insurance, that a uniform law be formulated by our committee on unauthorized insurance, and enacted in even a majority of the States requiring that any citizen using an unlicensed company should retain from the premiums a certain per cent., say 5 per cent., and remit the same to the Insurance Department, or whoever is required by the law of the State to collect the taxes from insurance companies, in lieu of the tax unpaid by the company. This would not be a hardship upon the company or citizen,

as the company otherwise is escaping not only the tax due the State, but the commissions paid by licensed companies to agents operating in the State. If this course is pursued, then practically all of the companies who could be licensed in the State as being safe and sound would take out a license, while it would be forcibly brought home to the citizens of our States that it is unsafe to trust their protection needed in the way of insurance to unlicensed companies. These and other suggestions are well worth the attention of our committee on unauthorized insurance. Nothing is settled until it is settled right, and some way can and should be found to settle this matter right, and protect our people from these pirates.

**ROYAL INSURANCE COMPANY, LTD.**

There has just been placed in position an important piece of sculpture to complete the imposing block of buildings recently erected in Lombard street, London, for the Royal Insurance Company.

It consists of a colossal group of three figures, in bronze, and is fixed over the granite hood of the main doorway in Lombard street.

The figures symbolize to some extent the main activities of the company—viz., life, fire, and marine interests, but, subservient to its symbolism, the prime object has been kept in view of making the group an appropriate and harmonious portion of the fine architectural design as a whole. The central figure is a winged sphinx seated upright, with its forepaws upon a globe. The face is inscrutable in expression and the strong feline form immobile in pose.

This figure gives the keynote to the symbolism of the group and suggests the mysteries and uncertainties of the unknown to-morrow and the desirability, as far as in human power lies, of guarding the various interests of life against the working of fate or chance or circumstance.

There are two subsidiary semi-draped female figures on either side of the sphinx: on the right is a strong figure, alert in attitude and pose with flying hair and turbulent drapery, grasping in the left hand a flaming torch, suggesting the latent power and energy of fire.

The figure on the left represents a sea nymph, or syren, with a dolphin entwined anchor. The right hand holds the wand of Mercury as suggesting sovereignty over space and the safeguarding of commerce. The figure as a whole is intended to symbolise the mighty power of the sea for good or ill over our wide maritime interests.

The group, which is in bronze, is both in size and artistic merit one of the most important pieces of architectural sculpture in London and has been designed and sculptured by Mr. Francis Doyle-Jones, of Chelsea, acting under the instructions of Messrs. Gordon and Gunton, of Bloomfield-street, the architects of the building.—*Insurance Observer.*

**CANADIAN PATRIOTIC FUND.**

Have you paid your insurance premium—your premium against national distress? Your country is already on the risk, and claims will soon be pouring in.

# 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 Government . . . . .	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,                      LYMAN ROOT,  
Manager,                                      Assistant Manager,

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

INSURANCE

# Phoenix of Hartford

Company

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

**J. W. Tatley, Manager.  
MONTREAL.**

Applications for Agencies Invited.

ESTABLISHED 1809

Total Funds Exceed	Canadian Investments Over
<b>\$109,798,258.00</b>	<b>\$9,000,000.00</b>

FIRE AND LIFE

# North British and Mercantile

INSURANCE COMPANY

DIRECTORS

WM. McMASTER, Esq.                      G. N. MONCEL, Esq.  
E. L. PEASE, Esq.

Head Office for the Dominion:

80 St. Francois Xavier Street - MONTREAL.

Agents in all the principal Towns in Canada.

RANDALL DAVIDSON, Manager.

# THE CANADA NATIONAL FIRE INSURANCE COMPANY.

Authorized Capital . . . . .	\$3,000,000.00
Subscribed Capital . . . . .	2,055,400.00
Paid in Capital . . . . .	1,100,000.00
Assets . . . . .	1,495,796.00
<b>SURPLUS TO POLICY HOLDERS</b>	<b>1,305,054.00</b>

Board of Directors:

President: CAPT. WM. ROBINSON

Vice-Presidents: Nicholas Bawlf, D. E. Sprague, F. H. Alexander  
Managing Director: W. T. Alexander.

Directors: E. F. Hutchings, E. D. Martin, E. L. Taylor, K. C. M. P. P., E. S. Popham, M. D., S. D. Lazier, F. N. Darke, Regina, Sir Gilbert Parker, London, Eng., Andrew Gray, Victoria, Jonathan Rogers, Vancouver.

**General Fire Insurance Business Transacted**

Business Solicited Prompt Settlement of Losses  
Liberal Policy

**Head Office, 356 MAIN STREET, WINNIPEG**

**WAR MORTALITY.**

Herr Klange, in his *Kriegs-Versicherungs Vorlagen*, examined the experience of 13 European campaigns between 1854 and 1878, and found a general average war mortality of approximately 5 per cent. The maximum mortality was 10.3 per cent. in respect of the French Army in the campaign of 1854-5, and the minimum mortality was that of the Austrian Army in the campaign of 1878—namely 1.5 per cent. These percentages applied to the whole duration of the campaign, and were not the annual rates.

Messrs. T. G. Ackland and A. H. Smee, says the *Policyholder*, prepared a valuable report for the Gresham Life Office in 1890 on the mortality of the German Army in the Franco-German War, from which the table below is extracted. There were engaged in the German forces 862,815 non-commissioned officers and men and 25,061 officers.

GERMAN MORTALITY IN THE WAR OF 1870-1: PERCENTAGES

	Battle and Wounds.	Disease.	Total.
Generals.....	2.6	2.0	4.6
Staff Officers.....	9.3	.8	10.1
Captains.....	7.7	.8	8.5
Lieutenants.....	7.8	.8	8.6
All officers combined.....	6.6	.8	7.4
N.C.O.'s and men.....	3.1	1.4	4.5
All forces and ranks combined.....	3.2	1.4	4.6

The percentages of death among the necessarily small number of generals may be ignored, but two important facts stand out—(1) the much heavier mortality from battle and wounds of commissioned officers, and (2) the heavier mortality from disease of the non-commissioned officers and men.

In 1903 Messrs. F. Schooling and E. A. Rusher read before the Institute of Actuaries an exhaustive paper, compiled from the records of the War Office, on the mortality in the late South African War. The war lasted two years and five months, and the total number of deaths in the British forces was 21,916, of which no fewer than 14,382 were due to disease. The paper contained the following figures:

SOUTH AFRICAN WAR: ANNUAL MORTALITY PERCENTAGES.

	Battle and Wounds	Disease.	Total.
Officers only.....	3.4	1.9	5.3
N.C.O.'s and men.....	1.3	2.5	3.8
All forces combined.....	1.3	2.6	3.9

The death rates varied very considerably during the war. Thus, in the first year the death-rate of officers was as much as 7.8 per cent.; in the second year it fell to 4.1 per cent.; and for the remainder of the war it was 4.2 per cent. This fall is explained by the fact that the heavy fighting took place in the first twelve months of the war, and that the warfare afterwards was mainly of a guerilla type. The table, which shows the average annual rate of mortality experienced throughout the war, is, therefore, no guide to the extra risk incurred in the first 12 months. It is worth noting that during the first year the mortality of the Regulars, on whom the brunt of the fighting fell, was no less than 8¾ per cent. for officers and nearly 6 per cent. for non-commissioned officers and men.

In considering the extra risks of war the mortality among officers and men must be considered separately. Many ordinary life officers, while having, perhaps, numerous policyholders among the officers of the Army and Navy, would probably hardly have any men below the commissioned ranks on

their books. The latter classes would be largely assured with industrial offices of industrial departments of big life companies. The companies have also to take into account not only the risk of death during the campaign, but also the risk of deteriorated health and premature death on the part of those who do not actually die during the war. This, unfortunately, is a real risk.

**CONGESTED DISTRICTS.**

The action of the Massachusetts Insurance Commissioner in calling upon the fire insurance companies to report the amounts which they respectively have at risk in the congested districts of the larger cities has brought forth expressions of both commendation and condemnation. Such information concerning Chicago risks was secured and published for several years by the Illinois Insurance Department, and received careful consideration on the part of fire underwriters. Conservative underwriting indubitably demands, says the *N.Y. Spectator*, that some systematic check or curb shall be voluntarily placed upon the aggregate amount of risks which will be accepted within certain prescribed boundaries in our large cities. Nevertheless, it is impossible to lay down any hard and fast general rule which would apply equally well to all companies. There are numerous phases of this question which are entitled to be taken into account. The business interests require large amounts of insurance or their operations will be hampered and restricted; the insurance companies need a certain volume of premiums in order that they may secure a fair average and proportion of loss; the public and private fire protection have an important bearing on the matter, and the exposure hazard merits close attention. Then, while engineers may define a district which is particularly subject to conflagration danger, the chance of a single fire sweeping that section of any given city in the next quarter or half century is quite remote, though heavy fire losses may occur in it at closer intervals. Altogether, the actual probability of a widespread conflagration occurring in any particular city is so limited that the average practical underwriter is inclined to take a chance on its happening, and write an aggregate of risks in its congested district much beyond the limits which might be set by those who are restrained by ultra-conservative theories. Thus if the net surplus alone should be used as a gauge, and the companies should not write in excess thereof within any defined conflagration district, the aggregate of insurance obtainable therein would not much exceed two hundred million dollars, if all the stock companies operating in the United States were available. This sum would not cover many contiguous blocks in New York city, for example, so that immense stocks of goods would, under this plan, have to go uninsured or else be removed to other sections for storage. It is evident that the needs of commerce must be cared for in some way; and the amount which a company may, with reasonable safety, write in a specified section may well be left to the judgment of its responsible officers.

Ten life insurance policies valued at \$37,080 made up the principal item in the \$38,880 estate of the late Mr. S. Campbell, hotelkeeper, who died at Brantford on August 2nd.



## EXPENSIVE STATE INSURANCE.

It cannot be claimed with any truth that state or state-managed insurance is cheaper than private insurance, unless it has a monopoly, says the Workmen's Compensation Publicity Bureau. For experience shows that state service is almost always more expensive than private service. In competition with private insurance state insurance is maintained in the Netherlands, Italy and Sweden only by excessive subsidies or legal privileges, or both; and in New Zealand, where it competes on equal terms with private insurance, it has but a small proportion of the business and is slowly but steadily losing ground.

If state insurance is given a monopoly, as in Norway, it eliminates the expenses of competition and effects some further saving in administration by the free use of pre-existing governmental machinery. But even with this advantage it has not demonstrated its relative cheapness in comparison with private insurance. Mutual and self-carried insurance are decidedly cheaper than the Norwegian insurance. And although the expenses of administration in Norway are paid by the state and in England must be paid for by employers in their premiums, nevertheless the cost to employers of the insurance in private companies in England is on the average about as low as that of state insurance in Norway, and for the better concerns is lower—for in Norway the better concerns have to pay the same flat rates as their more careless competitors, which rates, being the average rates, are higher than the minimum rates which the better concerns in England secure. Early tables of rates of the Norwegian state insurance office show exceptionally low rates for some industries; but those rates have been found to be far below cost, and consequently have been or are being raised.

It is true that the expenses of administration are kept exceptionally low in Norway—they are reported to be 11 per cent. of premiums—as against an average of about 36 per cent. of premiums among private companies in Great Britain. But expenses of administration are only one item in cost; and the economic criterion is not the cost of administration but the total cost of the insurance in relation to its coverage, its benefits and the efficiency of its service.

There are a number of reasons why the cost of administration of the insurance in Norway ought to be relatively low:

In the first place, in Norway there is not a cent included in the expenses of administration for inspection to differentiate rates and to prevent accidents. This is a fatal omission. It renders the wegian insurance cheap in the derogatory sense in which "cheap" means "bad."

Moreover the *quantum* of administrative service under the Norwegian insurance is much less than under the British law. Under the Norwegian law only those injuries that last over four weeks have to be compensated for, while in Great Britain all injuries which last over one week have to be compensated for. But injuries lasting over one week constitute more than twice as high a percentage of injuries as those lasting over four weeks; so the English insurance covers more than twice as great a proportion of injuries. Moreover short time injuries entail a much higher cost of administration relatively to the total cost of compensating therefor

than do long time injuries. Consequently the expense of administration of a law like the English is inevitably very much higher in proportion to the total cost of the insurance than the corresponding expense under the Norwegian law. If the British law were amended to apply only to injuries lasting over four weeks, the cost of administration of the English companies would probably be reduced thereby from 36 per cent. to about 18 per cent. All of which means that the higher percentage of expenses of management in Great Britain is due principally to the greater coverage of the insurance and not to lack of economy in administration.

Moreover, 11 per cent. of premiums is not the complete total of the cost of administrating the insurance in Norway; for no allowance is made in that total for the additional expense imposed on other departments of the government in carrying out their share in the administration of the insurance. Undoubtedly there is some economy in this use of pre-existing governmental machinery; but it results in shifting upon other branches of government a large portion of the cost of managing the insurance, and thereby in concealing it. Moreover reliance upon ordinary local political machinery for the scrutiny and adjustment of claims, etc., gives rise to abuses which waste the funds and increase the cost, and yet arithmetically decrease the ratio of expense. Consequently reduced expense of management may mean increased cost from mismanagement, which latter item of cost is hidden in the claims account. To disregard that item of loss and to limit attention to some saving in the expense account is vitally misleading.

Experience under the Washington and Ohio laws demonstrates nothing. Abroad the experience of the first years under a compensation law has always been found to be misleading as to cost. Workmen do not learn to put in their claims, abuses do not develop and the cost of surveillance, of continuing scrutiny of claims, etc., does not begin to be realized for two or three years. Moreover, in neither of these States has there yet been published a detailed report, in the form and particulars required of insurance companies, from which the cost of their systems can be accurately calculated and checked up. As to expenses of administration:—In Ohio they have been abnormally high, while in Washington they are reported as abnormally low. But the Washington report for the first twelve months shows that nothing has been spent for medical service or a force to inspect plants, to scrutinize claims, etc., and consequently that the complete machinery requisite for proper administration has not yet been established. The cost of such partial and defective administration for the first year is no criterion.

In actual practice state insurance has never demonstrated its relative cheapness for a complete and efficient service.

The vital objection to monopolistic state-managed insurance is to the monopoly itself. Why establish a monopoly? Monopoly leads to laxity, comparative inefficiency and to indifference to minority dissatisfaction and to incidental abuses, injustices and defects, which would be cured under the stress of competition. Where one arbitrary form of insurance is prescribed for all there will always be a large class who will be dissatisfied from lack of choice; and certainly the better class of em-

(Continued on page 1320).



# The Employers' Liability

Assurance Corporation Limited

“ “ “ OF LONDON, ENGLAND “ “ “

TRANSACTS:

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

*Most Liberal Policies Issued*

Offices: MONTREAL, TORONTO

Managers for Canada, GRIFFIN & WOODLAND.

JOHN JENKINS, Fire Superintendent.

Canadian  
Government  
Deposit over

**\$1,340,000**

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

## THE CANADA ACCIDENT ASSURANCE COMPANY

HEAD OFFICE: Commercial Union Building, MONTREAL

**CAPITAL \$500,000.00**

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

Board of Directors:

S. H. EWING, President      J. S. N. DOUGALL, Vice-President  
HON. N. CURRY,      JAMES MCGREGOR,      J. K. OSBORNE,      T. H. HUDSON  
T. H. HUDSON, Manager.

TORONTO :  
Traders Bank Building

VANCOUVER

WINNIPEG

MONTREAL  
Merchants Bank Building

FOUNDED 1871

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

Accident, Health, Employers' Liability, Guarantee and Plate Glass Insurance

UNRIVALLED SECURITY

LIBERAL POLICIES

ASSETS EXCEED - - - \$11,250,000

CLAIMS PAID, over - - - \$45,000,000

Canadian Head Office - - - - - TORONTO, Ontario

CHARLES H. NEELY, General Manager for Canada and Newfoundland

WHY NOT HAVE THE BEST ?

## The Globe Indemnity Company of Canada

Head Office, MONTREAL.

formerly---The Canadian Railway Accident Insurance Company.

DIRECTORS ---J. Gardner Thompson, President. Lewis Laing, Vice-President. A. G. Dent, W. Molson MacPherson, T. J. Drummond, Sir Alexandre Lacoste, Martial Chevallier, Sir Frederick Williams-Taylor.

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.

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

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

## RE-OPENING OF LONDON STOCK EXCHANGE.

It is generally agreed that the re-opening of the London Stock Exchange must precede any opening of the Stock Exchanges on this side the Atlantic, and it is accordingly interesting to notice the steps which have been taken in that direction. Several schemes have been placed before the governing committee who have appointed a sub-committee to deal with them. Most of the schemes suggest a Government guarantee for the banks and other lenders of money against any loss they may incur as a result of the war and its effect on the Stock Exchange. The precedent for this would be the guarantee of the Government to the Bank of England against any loss in respect of bills of exchange discounted.

Many members of the Exchange, however, are opposed to receiving assistance from the Government or any outside institution, and consequently a great deal of attention has been given to a suggested scheme for dealing with the situation without a Government guarantee, by means of the formation of a big trust company to take over the entire speculative situation. To do this it is urged that the Stock Exchange must automatically antedate itself to the conditions existing at the last settlement at the end of July and ignore all speculative business done since that date, since when very little business has, in fact, been done, owing to the crisis. This condition is urged because at the date of the last settlement all the then members of the Stock Exchange were solvent, the insolvents having been hammered. Since that date the heavy slump in prices has made many members practically bankrupt.

### AN UNOFFICIAL SUGGESTION.

The idea is that a trust should be formed with a sufficient capital to enable it to take up at the last making-up price the whole of the remaining speculative position then carried over. A week's notice would be given by the brokers to their clients (and also between jobbers and brokers) to take up and pay for the stock carried over last time, failing which the stock would be sold to the trust company at the last make-up price. In this way every open account would be closed.

For the sake of argument, a correspondent writes, it has been assumed that the total amount that would be involved, if many speculators did decide to take up and pay for the stock, would be about £30,000,000. In the opinion of many members of the "House" this figure is an underestimation, but whether the total be £10,000,000 or £100,000,000, the precise figure need not alter the scheme in any detail whatever. The trust company would be formed with a capital equal to that total sum, and the capital would consist of  $4\frac{1}{2}$  per cent. bonds, which bonds would receive an official quotation on the Stock Exchange and become a marketable security. The business of the trust company would be strictly limited to the sale of the securities acquired at its conception, and the payment of interest and redemption of the capital of the trust would be provided for in the following manner:

### REDEMPTION AND INTEREST PAYMENT.

It may be assumed that the average rate of interest on the securities which would be sold to and held by the trust company would work out at about 4 per cent. Even if the rate of interest

were higher or lower than this amount it would not affect the scheme, but for the purposes of discussion the figure 4 per cent. may be adopted. The redemption of the bonds would be mainly effected by sales of the securities held, and it is suggested that every three months there should be a pro rata allocation to holders by way of redemption of the bonds, to whatever extent the sales of securities would permit. The remaining  $\frac{1}{2}$  per cent. of interest and any further sum that might be required for the redemption of the bonds would be provided for by means of a fund raised internally on the Stock Exchange, upon transactions.

### TRUST'S ADVANTAGEOUS POSITION.

If this scheme were carried through the trust company would appear to stand in an advantageous position. It would hold a large mass of mixed Stock Exchange securities, the majority of which would consist of stocks usually acceptable by the joint-stock banks as security for loans. The proportion of highly speculative shares and of shares carrying no dividends would be relatively very small. The trust company would actually hold these securities at the make-up price at the end-July account, and it is perfectly certain that no other trust company or financial institution in the world could claim to have even a fair proportion of its securities standing in its books at such a low cost price. The interest derivable from the stocks and shares held would alone secure almost the whole of the interest on the bonds, and, in addition to that, the trust company would have the benefit of the steadily increasing fund derived from the internal tax on Stock Exchange transactions. Hence the security of the bonds would be excellent, while for the purpose of redeeming the bonds the trust company could sell the stocks and shares held entirely at its own leisure and discretion.

### MANAGEMENT OF THE TRUST.

It is suggested that the board of the trust company should consist of representatives of the lenders of money to the Stock Exchange and of the committee of the Stock Exchange, and that the former should be in the majority. Thus, if the board consisted of five members, three would represent the money-lenders (banks, etc.) and two would represent the Stock Exchange. It is assumed that the trust company would be able, in course of time, to realize a profit on the sale of the whole of the securities held, because in the very large majority of cases stocks were considered to be well below their intrinsic value at the end-July make-up. In that case the further sum available from the Stock Exchange tax on transactions would form a very substantial bonus on redemption of the bonds, and, at all events, it will be seen that the bonds, while admirably secured, would carry in addition a certain speculative value, because of the probability that the ultimate redemption price would be very considerably over par.

### AN ATTRACTIVE INVESTMENT.

Hence, it is reasonably argued that these bonds would represent a very good investment security, with an attractive element of speculative value, from the point of view of the public. Many members who have considered this scheme would be prepared conscientiously to recommend the bonds very strongly to their clients, and there seems to be no doubt that the bonds would become a very

# THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated : 1833.

HEAD OFFICE : TORONTO

**Old Relliable Progressive**  
**Assets over - - \$2,300,000.00**  
**Losses paid since organization over - - \$37,000,000.00**

**DIRECTORS :**

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 E. F. GARROW, Secretary

THOMAS F. DOBBIN, Resident Manager  
**MONTREAL**



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

INSURANCE AGAINST:  
 FIRE ACCIDENT AND SICKNESS  
 EMPLOYERS' LIABILITY PLATE GLASS

Head Office for Canada . . . . . TORONTO  
 Head Office for Province of Quebec, . . . . . MONTREAL  
 Agents wanted for the Accident Branch.  
 JOHN MacEWEN, Superintendent for Quebec.

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

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

# Phœnix Assurance Co. Ltd.

OF LONDON, ENGLAND. (Founded 1782)

**FIRE LIFE**

TOTAL RESOURCES, over . . . \$78,500,000.00  
 FIRE LOSSES PAID . . . 425,000,000.00

DEPOSITS with Federal Government and Investments in Canada, for security of Canadian policyholders only, exceed 2,500,000.00

AGENTS WANTED IN BOTH BRANCHES. Apply to  
**R. MacD. Paterson, Managers.**  
**J. B. Paterson,**

100 St. Francois Xavier St. - Montreal

Established 1864.

# New York Underwriters Agency.

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 100 William Street, NEW YORK

**PROVINCIAL AGENTS**

MURPHY, LOVE, HAMILTON & BASCOM, Toronto, Ont.  
 OSLER, HAMMOND & NANTON, Widdie, Mar.  
 ALFRED J. BELL, Halifax, N.S.  
 AYRE & SONS, LTD., St. Johns, Nfld.  
 JOHN WM. MOLSON & ROBERT Y. HUNTER, Montreal Que.  
 WHITE & CALKIN, St. John, N.B.  
 EDMUND T. HIGGS, Charlottetown, P.E.I.

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

# L'UNION

**FIRE INSURANCE COMPANY, Limited**

Head Office : PARIS, France.

Established 1828

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

Canadian Branch:

LEWIS BUILDING 17 ST. JOHN STREET, MONTREAL

Manager for Canada :

**MAURICE FERRAND**

# BRITISH COLONIAL FIRE INSURANCE COMPANY

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

**STRONG AS THE STRONGEST**

Agents wanted in Unrepresented Districts

President : HON. C. E. DUBORD Director and Secretary : THEODORE MEUNIER Manager : H. W. THOMSON.

INSPECTORS.

GAVIN BROWNE, Jr., 51 Yonge Street, Toronto, Ontario.

R. T. BROWN, P. O. Box 849, Regina, Sask.

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

popular form of investment. The effect of the formation of a free market in these bonds would be that members of the Stock Exchange, who would hold the bonds in exchange for the speculative accounts which had been lifted from them, would be able, if they desired, to turn these bonds into cash, and so continue their business. From the point of view of the people who lent money to the Stock Exchange at the last settlement, and thus financed the speculative position, it may be remarked that the rate for Stock Exchange money was then  $3\frac{1}{4}$  per cent., while under this scheme that would be receiving  $4\frac{1}{2}$  per cent.

**DECREASED YIELD FROM CROPS.**

A bulletin issued by the Census and Statistics Office at Ottawa this week gives the usual preliminary estimate of the yield of the principal cereal crops in Canada, according to reports of correspondents made at the end of August. Continued drought, especially in the northwest provinces, has seriously affected the yield per acre, which is lower than that of any year since the season of 1910, and lower than the average of the six years ended 1913. From the areas sown to wheat, oats, barley, and flax in the northwest provinces it has been necessary, in estimating the yields, to deduct a considerable acreage which, owing to drought is reported as failing to produce any grain. For the three provinces of Manitoba, Saskatchewan and Alberta, the areas thus deducted amount to 728,100 acres of wheat, 753,000 acres of oats, 102,000 acres of barley and 79,000 of flax. These are as representing percentages of the areas sown of from 3 to  $7\frac{1}{2}$  in Manitoba, 7 to 13 in Saskatchewan, and 7 to  $15\frac{1}{2}$  in Alberta.

For all Canada the yield per acre for spring wheat is just under 15 bushels, as compared with 20.81 bushels last year, and with 19.2 bushels the average of the four years, 1910-13; for oats the yield is 32.0 bushels, against 38.7 last year and 36.3 the four year average; for barley, 24.7 in 1914, compared with 29.9 and 28.5; for rye, 18, against 19.3 and 17.8; and for flax, 8.3, against 11.3 and 11.5.

**AGGREGATE YIELDS.**

Upon the harvested area of wheat in Canada of 10,293,900 acres, including fall wheat, the aggregate yield is estimated at 159,660,000 bushels, as compared with last year's excellent outturn of 231,717,000 bushels, and with 204,712,000 bushels, the annual average for the four years 1910-13. Of oats the estimate is for 327,732,000 bushels, against 404,669,000 bushels last year and 351,246,000 bushels the four-year average.

Barley is estimated to yield 37,014,000 bushels, compared with 48,319,000 bushels in 1913 and 42,745,000 bushels the annual average; rye, 2,019,000 bushels, against 2,300,000 bushels and 2,189,000 bushels and flax seed, 9,042,000 bushels, compared with 17,539,000 bushels last year and 14,497,000 bushels the annual average for the years 1910-13.

Nova Scotia Steel has issued a circular stating that in view of the present situation, and a portion of the plant being closed down, the dividends on preferred and common stock usually payable on October 15 will not be declared.

**STOCK EXCHANGE VALUES.**

What must be described as a melancholy interest attaches to our present monthly valuation of Stock Exchange securities, says the *London Bankers' Magazine*. In the first place it will be noted that the valuation only covers a period of ten days instead of a month. That is to say, whereas our usual comparison is with the 20th of each month, the present valuation shows the position on July 30 as compared with the 20th of that month, which was the date of our previous valuation. The reason for this fact is, of course, well known, namely, that since July 30 the Stock Exchange, in common with other foreign markets, has been closed. We have, however, decided to publish our record this month as usual, because it enables us to continue our statistics right down to the time of the closing of the House, and when the moment of re-opening comes we shall, of course, make our comparison of new prices with those prevailing at the time of the closing of the House.

**AN ENORMOUS DEPRECIATION.**

The first point which we think will strike the imagination of readers of our present valuation is the fact that the shrinkage which occurred in the value of our 387 representative stocks during the brief period of ten days exceeds any previous decline which has occurred even in the space of a month, and it enables one to appreciate the tremendous adverse influences with which the City had to contend before there came the climax in the shape of the closing of the House. During the ten days in question our list of stocks showed a net depreciation of no less than £188,000,000, the exact figures being as follows:—

Aggregate value of 387 representative securities on July 20, 1914.....	£3,370,709,000
Aggregate value of 387 representative securities on July 30, 1914.....	£3,182,717,000
Decrease.....	£188,992,000

While the decline in values was of a most general character, scarcely a department escaping the general *debacle*, the collapse was most pronounced in the markets directly affected by the chief cause operating, namely, the European political crisis. British Funds, it will be seen, show a loss for the month of about £44,000,000, and Foreign Government securities gave way to the extent of about £47,000,000. Next to those departments depreciation was specially pronounced in American Railway securities, which were affected by Continental selling, while Home Railways and kindred stocks gave way in sympathy with gilt-edged descriptions. Railways in British possessions were also a very weak spot.

**A CONTINUOUS DECLINE.**

In noting the general bearing of this great decline in the value of Stock Exchange securities upon the financial position as a whole, it is important to remember that the decline in securities has been a continuous one, extending over many years. Our present list of stocks was selected nearly eight years ago, namely, in January, 1907, when the valuation was £3,843,000,000. Ever since that date, with some occasional interruptions, the movement has been persistently downwards, so that to-day the total shrinkage is no less than £660,000,000, and the cumulative effect of this gigantic depreciation cannot be exaggerated.



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**F. J. J. STARK**, General Manager.

## THE FEDERAL LIFE ASSURANCE COMPANY OF CANADA

made a record for 1913 that will be hard to surpass. The Annual Report just issued showed improvement and increase in every item of the Company's operations. One of the most gratifying was that the Total General Expenditure WAS LESS THAN IN EITHER 1912 OR 1911, despite a large increase in business in force and new business written. The percentage of General Expenses to Premium Income showed the large decrease of 2.2 per cent. An Agency with this Company would therefore be desirable.

—Write—

**C. L. SWEENEY**, Provincial Manager for Quebec, 180 St. James Street, Montreal.

**WAR**

WILL TEST THE STRENGTH OF THE WORLD'S FINANCIAL INSTITUTIONS.

## THE NATIONAL LIFE ASSURANCE COMPANY OF CANADA

holds an IMPREGNABLE POSITION by reason of the Unequaled character of its Assets, which are immune from the effects of War, Panic or Depression.

A CONTINUOUS RECORD FOR FIFTEEN YEARS—NO ARREARS of Interest or Principal on any of its Invested funds.

—SAFETY FIRST—

A COMPANY OF QUALITY

Several good agency openings for Producers. Apply direct to

**Head Office: 25 Toronto Street, Toronto.**

ELIAS ROGERS, President.

ALBERT J. RALSTON, Managing Director.

F. SPARLING, Secretary

**PROBLEMS OF PRODUCTION AND DISTRIBUTION.****Canadian Machinery of Distribution can Handle Much Greater Volume of Production—Higher Prices Will Stimulate Food-growing.**

In the course of a long review of the Canadian Pacific Railway's recently issued annual report, the *London Statist* makes some interesting observations in regard to the effect of the European war upon Canada's production, especially of food-stuffs. It is strongly urged that the present events will stimulate considerably the settlement of land, and that in consequence, a few years will see an enormous increase in Canada's productive power. The *Statist* writes:—

**MACHINERY OF DISTRIBUTION LARGER THAN PRODUCTION.**

"If the war continues, it is obvious that the production of food in Europe will be substantially reduced, and that after a time the enormous war expenditure will result in a revival of consumption. Hence there is the prospect, if not the certainty, that next year the price of food will be much higher than it is at present, and that the production of foodstuff in Canada and in other agricultural countries unaffected by the war will be greatly stimulated. All that Canada needs at the present time largely to expand foodstuffs are settlers on the land. Practically all the machinery of distribution has been provided for a much greater production than she at present enjoys. The events now taking place are likely to cause an efflux of population from the towns where employment is scarce on to the land where employment can be found for an almost unlimited number of persons. The trend of economic events was in the direction of a much more rapid settlement of the land in Canada than in recent years, and the outbreak of the great war in Europe will tend to accelerate the movement, with the result that the productive power of Canada will be enormously stimulated.

It should be recognized, of course, that the trend of economic events, apart from the war, was towards a lower price of foodstuffs in consequence of the world's increasing production, but the outbreak of the war will tend to maintain prices of foodstuffs and will enable Canadian people to realize much larger profits than otherwise they would have done from their increasing production.

**ECONOMY IN FORCE.**

"In the work of increasing the productive power of Canada the Canadian Pacific is performing the lion's share, and, moreover, in view of the excellence of its credit, it will be able to continue the work of assisting settlers on to the land and providing them with all the transportation facilities they need. In the year to June last the traffic of the Canadian Pacific showed marked contraction, its gross earnings for the year having been \$129,815,000, against \$139,396,000 in the previous year. But we would specially point out that this decline was due not to any contraction in the productive power of the country, but to a greater measure of economy in the consumption of the Canadian people arising from the financial stringency which has been experienced. The financial stringency affected the building trade, and consequently led to a decline in the lumber traffic as well as in the demand for manufactured articles. But the essential products of Canada as indicated by the traffic of the Canadian Pacific, showed great expansion.

"And thus is evident that apart from the effect upon the crops of the vagaries of the weather the quantities of agricultural produce grown in Canada during the next few years will show rapid extension and that the Canadian Pacific Railway will be called upon to transport the greater part of the increased production. Of course we do not wish to infer for one moment that the volume of trade in Canada may be maintained at the level of last year or of the previous year. In recent years trade in Canada has been immensely stimulated by the great influx of British capital into the country, which has been expended in the construction of railways and in the building of towns and industries. It is obvious that in a period of war the amount of capital that Great Britain can supply to Canada will be greatly reduced.

"If Canada is unable to borrow substantial sums in the United States, it is obvious that general trade in Canada must suffer a substantial setback in consequence of the check that will be given to the construction of railways and buildings. On the other hand, however, the higher prices that Canada may obtain for her foodstuffs may assist in maintaining the consuming power and trade of the country."

**HOARDING IN THE UNITED STATES.**

It seems that unmistakable symptoms that have made their appearance during the past few days show that a quite distinct tendency toward the hoarding of legal tender money is observable throughout the United States. This hoarding takes a variety of forms. In some cases individuals obtain control of cash and hide it, thus reducing the available supply of legal tender. In other cases, the hoarding, if such it can be called in those instances, appears to take shape as a withdrawal of cash from savings banks for the purpose of physically shipping it abroad for the relief of parents, relatives or friends who are suffering from war. There are some large institutions in New York city and many elsewhere that already testify to the strain made which they are suffering both from this cause and from the presentation of their notes for redemption. Perhaps the most striking evidence of hoarding is, however, seen in the action of certain banks which now, as after the panic of 1907, are by every means in their power raising their reserves to an unnecessarily high point and drawing what they can away from the Government. The situation is described by a New York authority as serious.

Three separate organisations of American casualty underwriters, the Detroit Conference, the American Association of Accident Underwriters and the National Mutual Union, have agreed to join forces under the name of the Accident and Health Underwriters Conference.

\* \* \* \*

At the present time there are few investors, be their capital small or great, who could see their money back, or anything like it, should they attempt to realize, and yet it is pretty safe to say that a goodly proportion of these same persons have replied to an agent's solicitations in past time that they could do better with their money than put it into life insurance.—*Insurance Agent.*

## WAR EXTRA

No extra premium for service with Canadian Contingents, while in Canada and Great Britain.

Reasonable extras for Active Service elsewhere.

Special terms to non-combatant members of Contingents.

**GRESHAM LIFE ASSURANCE SOCIETY, Limited** ESTABLISHED 1848

FUNDS \$53,000,000

**GRESHAM BUILDING, Montreal**

## BE PREPARED!

These are the days of stress and strain in financial circles and the breaking of the war-cloud has greatly added to the prevalent anxiety.

The intense surprise experienced at the declaration of war clearly shows the necessity for every financial institution being prepared for unforeseen emergencies.

The Mutual Life has sometimes been criticised even by its best friends for carrying too large a surplus, but the situation to-day justifies our conservative yet progressive policy.

**The Mutual Life Assurance Co.**  
Of Canada,

WATERLOO - - - ONTARIO

Assets - \$22,252,724. Gross Surplus - \$3,816,612.

## WANT A BETTER JOB?

The Imperial Life has some splendid openings on its field force for men who can sell life assurance. Energy, persistence, enthusiasm are required. In return we offer liberal agents' contracts, attractive policies and a reputation for properly safeguarding policyholders' interests.

For further particulars, write

THE  
**IMPERIAL LIFE ASSURANCE COMPANY**  
Head Office - TORONTO

PROVINCE OF QUEBEC { To Wit :—  
CITY OF MONTREAL

IN THE MATTER of the appointment of a Provincial Manager by the **CONTINENTAL LIFE INSURANCE COMPANY, HEAD OFFICE, TORONTO**

**GEORGE B. WOODS, President.**  
**CHARLES H. FULLER, Secretary**

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

ESTABLISHED 1824

Capital, . . . . .	\$30,000,000
Total Assets, . . . . .	56,646,549
Deposited with Dominion Gov't, . . . . .	320,645
Invested Assets in Canada, . . . . .	5,188,555

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

JAMES H. BREWSTER, Manager  
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## **LIFE AGENTS' MANUAL.**

New and Greatly Enlarged Edition now ready.

Price \$3.00.

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**THE CHRONICLE**

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## EXCESSIVE WASTE OF HUMAN LIFE.

(By E. E. Rittenhouse.)

How many people realize the extent of the loss of money and of human life from preventable diseases?

The annual loss in the United States, due to fire-waste, has been estimated at 250 million dollars. This is a vast sum, but the annual economic loss from preventable deaths is placed at 1,500 million or six times greater than the fire loss. This is a very conservative estimate; the actual financial loss from preventable deaths is doubtless much higher than this.

It is true that the American people are gradually becoming aroused to the need of checking the needless destruction of life as well as of property, but they still place the value of property far above that of human life. For instance, our municipalities spend approximately \$1.65 per capita to prevent fire loss, and but 33 cents per capita in public health service.

During the past ten years, over six million people have died in the United States from preventable diseases. But this is a trifling matter compared to the human misery, in the form of physical suffering, sorrow, poverty, immorality and crime, which has resulted from this needless sickness and these premature deaths.

### WHY LIFE COMPANIES ARE INTERESTED.

Why should the Life Insurance Companies be interested in this subject? The answer is, first, that these companies have over 25 million policyholders carrying over 20 billion dollars of insurance, which is more than six times the circulating medium of the country. This is more life insurance than is carried by all the rest of the people in the world combined. The American showing such extraordinary confidence in the institution and in the management of life insurance, it follows that the managements of these companies have a certain amount of influence over these people, and that this power should be used in every legitimate way to promote the welfare of these people and of the public generally.

During the years the Life Insurance Companies have given the great nation-wide movement for the conservation of life their moral support. They have now nearly all come to recognize that a life conservation campaign among policyholders is a proper function for Life Insurance Companies, and six or eight of them have made appropriations to carry on this work.

While there is an altruistic side to this work, it is purely a business matter with the Life Insurance Companies. At least 30 per cent. of the deaths among policyholders are from preventable or post-ponable diseases, and yet the savings from the funds provided for mortality (on the net amount at risk) in 100 of the more important companies during the year 1913 were over 44 million dollars.

Virtually all of this money goes into the surplus from which dividends are returned to policyholders, and it therefore operates to reduce the cost of life insurance. If it is worth while to save this much for the policyholders from the funds set aside for annual mortality, it is worth while to save more, and it is obvious that more can be saved by a reduction in the death rate from these preventable diseases among policyholders.

The Life Insurance Companies who engage in this life-saving programme are not only reducing the cost of life insurance to their patrons and increasing the comfort and happiness of thousands of people who are thus saved from sickness and premature death, but they are rendering a great service to the people at large.

The influence of their health educational work extends to the general public and assists in stimulating interest not only of the individual in the care of his health, but of the general public in the support of the public health service. The life, accident, and health insurance companies are now performing a most valuable public service, and it is to their interest as well as to that of the people generally that they should use every atom of their power and influence to spread knowledge of healthful living and of the science of disease prevention generally.

### FIRE LOSSES DUE TO MENTAL ATTITUDE.

The prime factor in fire waste is carelessness and indifference. Mr. R. J. McLean, Saskatchewan's fire commissioner, concludes that the two most effective methods of dealing with this mental attitude are (a) educational propaganda, (b) restrictive regulations. Both methods are being used in Saskatchewan. Education is given through publication of bulletins and dissemination of useful information. Restrictive regulations are being increasingly adopted.

The commissioner's returns show the number of fires reported (exclusive of prairie fires) as 624, of which 66 were due to exposure. The total loss amounted to \$1,328,981. Reckoning on this basis the loss for the year 1913 may be placed at \$1,772,000. The approximate correctness of these figures is established by the fact that the official report of the superintendent of insurance for the province shows that insurance companies have actually paid in fire losses \$1,271,083. Making allowance for uninsured losses and insurance claims settled on a 60 to 80 per cent. basis, it is evident that the figures \$1,328,981 for the nine months' period approximate to the actual amount of the fire waste and can be confidently regarded as near the mark.

The class of buildings most generally affected has, of course, been buildings of frame construction, as is to be expected, where wood buildings constitute at least 90 per cent. of the whole. As to purposes for which affected buildings were used the following is a summary of the principal ones:—Dwellings 216, barns 52, stores of all kinds 51, stables 30, livery barns 31, elevators 21.

The most common causes of fires reported are as follows: Overheated stovepipes 35, sparks 33, kerosene 26, defective chimneys and fireplaces 20, kerosene 26, defective chimneys and fireplaces 20, children with matches 17, gasoline explosions 12, match carelessness 12, cigar or cigarette 12, coal gas explosions 12. There were 191 fires or approximately 30 per cent. of original fires reported as being of unknown origin. Lightning was responsible for 61 fires involving a loss of \$30,043. As mentioned above, exposed fires numbered 66 with a total loss of \$99,668.

At the special general meeting of the shareholders of the Metropolitan Bank held on Monday the agreement for the sale of the assets of the Bank to the Bank of Nova Scotia was unanimously approved.

**CAN YOU SAVE ANYTHING  
ON YOUR PRESENT SALARY?**



Get into a business that gives you an opportunity to make something better than a mere living. Sell Life Insurance for the Prudential.

WRITE US ABOUT AN AGENCY.

**THE PRUDENTIAL INSURANCE CO. OF AMERICA**  
ORREST F. DRYDEN, President. Home Office: NEWARK, N. J.  
Incorporated as a Stock Company by the State of New Jersey

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

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**Assets**

**\$8,020,276.62**

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**\$3,615,126.66**

**Applications for Agencies invited.**

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

**WOOD, GUNDY & COMPANY.**

LONDON, ENG.

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**TRADING WITH THE ENEMY.**

The following is the text of the prohibitions of trading with the enemy issued by Royal Proclamation, the breaking of these prohibitions under circumstances of war, makes the individual breaking them liable to punishment:—

- (1) Not to pay any sum of money to or for the benefit of an enemy.
- (2) Not to compromise or give security for the payment of any debt or other sum of money with or for the benefit of an enemy.
- (3) Not to act on behalf of an enemy in drawing, accepting, paying, presenting for acceptance or payment, negotiating or otherwise dealing with any negotiable instrument.
- (4) Not to accept, pay or otherwise deal with any negotiable instrument which is held by or on behalf of an enemy, provided that this prohibition shall not be deemed to be infringed by any person who has no reasonable ground for believing that the instrument is held by or on behalf of an enemy.
- (5) Not to enter into any new transaction, or complete any transaction already entered into with an enemy in any stocks, shares or other securities.
- (6) Not to make or enter into any new marine, life, fire or other policy or contract of insurance with or for the benefit of an enemy; nor to accept or give effect to any insurance of, any risk arising under any policy or contract of insurance (including re-insurance) made or entered into with or for the benefit of an enemy before the outbreak of war.
- (7) Not directly or indirectly to supply to or for the use or benefit of, or obtain from, an enemy country or an enemy, any goods, wares or merchandise, nor directly or indirectly to supply to or for the use or benefit of, or obtain from any person any goods, wares or merchandise, for or by way of transmission to or from an enemy country or an enemy, nor directly or indirectly to trade in or carry any goods, wares or merchandise destined for or coming from an enemy country or an enemy.
- (8) Not to permit any British ship to leave for, enter or communicate with any port or place in an enemy country.
- (9) Not to enter into any commercial, financial or other contract or obligation with or for the benefit of an enemy.
- (10) Not to enter into any transactions with an enemy if and when they are prohibited by an Order in Council made and published on the recommendation of a Secretary of State, even though they would otherwise be permitted by law or by this or any other Proclamation.

It is provided that where an enemy has a branch locally situated in British, allied, or neutral territory, not being neutral territory in Europe, transactions by or with such branch shall not be treated as transactions by or with an enemy.

Nothing in this Proclamation is deemed to prohibit payments by or on account of enemies to persons resident, carrying on business or being in our Dominions, if such payments arise out of transactions entered into before the outbreak of war or otherwise permitted.

The expression "enemy" in this Proclamation means any person or body of persons of whatever

nationality resident or carrying on business in the enemy country, but does not include persons of enemy nationality who are neither resident nor carrying on business in the enemy country. In the case of incorporated bodies, enemy character attaches only to those incorporated in an enemy country.

**LIFE AGENTS ARE ESSENTIAL.**

The report this year upon the savings bank plan of life insurance in Massachusetts just issued shows no improvement in popularity of the idea of doing business without agents. The scheme, exploited by such clamorous enemies of regular insurance as Brandeis, was to revolutionize insurance methods of securing applicants, with the result that the cost of insurance would be materially lowered while everybody insurable would, therefore, be induced to take policies. The first blow to the plan came from the savings banks themselves. Skeptical of its feasibility, nearly all of them looked at it askance, and finally but four entered into the experiment. Now, at the end of seven years' trial, the Secretary of the Board of Trustees of Savings Bank Life Insurance reports that the aggregate business in force of all the banks amounts to 9,000 policies for \$3,518,132 of insurance. And this miserable result was not accomplished without efforts by manufacturers and their employees to advertise the contrivance. But there were no regular agents to make personal solicitations and receive compensation for their labors. So there has been a scant display of persons stepping up to the savings bank counters of their own volition and asking for policies. Compare the amount of business on the books of these non-agency savings banks with one day's business of regular agency life insurance companies. The average daily writings of the Metropolitan Life, for instance, are 7,895 policies for \$1,676,339. The amount of insurance in force at the close of last year was \$2,816,504,462, represented by nearly 14,000,000 policies. The new insurance placed and paid for in 1913 was \$511,223,889. One of the reasons why is because the Metropolitan Life employs many thousand soliciting agents. The Massachusetts non-agency experience is a case of history repeating itself. As has been recently shown, the century and a half without agents Equitable Life of England issued 248 policies for \$1,340,000, and the British post office department non-agency bureau 238 policies for \$56,000, in 1913. Both eminently respectable institutions, but both trying to pull themselves up by their boot straps.—*Weekly Underwriter.*

**LONDON & LANCASHIRE LIFE WRITING FIRE BUSINESS IN NEW YORK.**

The London and Lancashire Life and General Assurance Association, Ltd., of London, has been admitted to New York State to write fire business immediately. It has deposited \$530,230 with the Superintendent of Insurance and its United States trustees for the protection of its fire policyholders. Lawrence W. Fay of 55 John street has been appointed Metropolitan District Agent by E. E. Hall & Co., the United States managers. The London and Lancashire Life and General is a strong and conservative old English company. It was established in 1862 and has total assets of about twenty million dollars. The company is deservedly in excellent repute wherever it does business.

**Traffic Returns.**

CANADIAN PACIFIC RAILWAY.				
Year to date.	1912.	1913.	1914.	Decrease
Aug. 31.	\$82,869,000	\$86,949,000	\$72,480,000	\$14,469,000
Week ending	1912.	1913.	1914.	Decrease
Sept. 7.	\$2,649,000	\$2,496,000	\$2,110,000	\$386,000
" 14.	..	2,462,000	2,493,000	Inc. 34,000
GRAND TRUNK RAILWAY.				
Year to date.	1912.	1913.	1914.	Decrease
Aug. 31.	\$33,493,694	\$37,334,509	\$34,541,840	\$2,792,669
Week ending	1912.	1913.	1914.	Decrease
Sept. 7.	\$1,082,457	\$1,099,259	\$1,088,113	\$11,146
" 14.	..	1,114,856	1,096,942	47,914
CANADIAN NORTHERN RAILWAY.				
Year to date.	1912.	1913.	1914.	Decrease
Aug. 31.	\$12,779,400	\$14,493,500	\$12,297,700	\$2,195,800
Week ending	1912.	1913.	1914.	Decrease
Sept. 7.	\$376,400	\$382,400	\$320,000	\$62,400
" 14.	..	398,900	458,700	Inc. 60,700
TWIN CITY RAPID TRANSIT COMPANY.				
Year to date.	1912.	1913.	1914.	Increase
Aug. 31.	\$4,582,178	\$5,725,006	\$6,074,205	\$349,198
Week ending	1912.	1913.	1914.	Increase
Aug. 7.	\$159,683	\$173,141	\$183,414	\$10,273
" 14.	158,485	168,136	172,640	4,504
" 21.	160,110	173,035	180,173	7,138
" 31.	231,093	255,557	252,781	Dec. 2,776
Sept. 7.	238,083	218,422	185,293	*\$3,129

\* Change in date of State Fair.

HAVANA ELECTRIC RAILWAY COMPANY				
Week ending	1913.	1914.	Decrease	
Aug. 2	55,588	53,184	2,404	
" 9	56,067	54,066	2,001	
" 16	56,108	52,246	3,862	
" 23	52,546	49,052	3,494	
" 30	52,675	50,179	2,496	
DULUTH SUPERIOR TRACTION CO.				
Week ending	1912.	1913.	1914.	Increase
Aug. 7	25,888	26,195	26,250	55
" 14	23,418	25,229	25,682	453
" 21	23,374	26,591	26,709	118
" 31	33,298	37,504	36,552	Dec. 952
DETROIT UNITED RAILWAY.				
Week ending	1912.	1913.	1914.	Decrease
May 7.	\$203,667	\$2,9753	\$223,133	\$16,621
" 14.	195,977	238,104	221,628	16,477

**CANADIAN BANK CLEARINGS.**

	Week ending Sept. 17, 1914	Week ending Sept. 10, 1914	Week ending Sept. 18, 1913	Week ending Sept. 19, 1912
Montreal	\$48,999,937	\$39,645,639	\$57,692,953	\$59,618,171
Toronto	37,995,394	28,989,895	41,101,903	36,767,485
Ottawa	4,027,914	3,964,803	4,245,088	4,212,513

NOTE.—Five days only last week.

**MONEY RATES.**

	To-day	Last Week	A Year Ago
Call money in Montreal	6-7%	6-7%	6-6%
" " Toronto	6-7%	6-7%	6-6%
" " New York	6-8%	6-8%	2%
" " London	2-2 1/2%	2-3%	2-2 1/2%
Bank of England rate	5%	5%	4 1/2%

**Montreal Tramways Company  
SUBURBAN TIME TABLE, 1914**

<b>Lachine:</b>	
From Post Office—	
10 min. service 5.40 a.m. to 8.00 a.m.	10 min. service 4 p.m. to 7.10 p.m.
20 " " 8.00 " 4 p.m.	20 " " 7.10 p.m. to 12.00 mid.
From Lachine—	
20 min. service 5.30 a.m. to 5.50 a.m.	10 min. service 4 p.m. to 8.00 p.m.
10 " " 5.50 " 9.00 " "	10 " " 8.00 p.m. to 12.10 a.m.
20 " " 9.00 " 4 p.m.	Extra last car at 12.50 a.m.
<b>Sault aux Recollet and St. Vincent de Paul:</b>	
From St. Denis to St. Vincent—	
20 min. service 5.20 a.m. to 6.00 a.m.	30 min. service 8.30 p.m. to 12.30 p.m.
10 " " 6.00 " 8.00 " "	Car to Hendersons only 12.00 mid.
20 " " 8.00 " 4.00 p.m.	Car to St. Vincent 12.40 a.m.
10 " " 4.00 p.m. to 8.00 " "	
From St. Vincent to St. Denis—	
20 min. service 5.50 a.m. to 6.30 a.m.	30 min. service 8.30 p.m. to 12.00 mid.
10 " " 6.30 " 8.30 " "	Car from Hendersons 12.20 a.m.
20 " " 8.30 " 4.30 p.m.	Car from St. Vincent 1.10 a.m.
10 " " 4.30 p.m. to 8.30 " "	
<b>Cartierville:</b>	
From Snowdon's Junction—	
20 min. service 5.20 a.m. to 10.40 p.m.	
40 " " 10.40 p.m. to 12.00 mid.	
From Cartierville—	
20 min. service 5.40 a.m. to 11.00 p.m.	
40 " " 11.00 p.m. to 12.20 mid	
<b>Mountain:</b>	
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 midnight	
From Victoria Avenue to Snowdon—	
10 minutes service 5.50 a.m. to 8.50 p.m.	
<b>Bout de l'Île:</b>	
30 min. service 5.00 a.m. to 9.00 p.m.	
60 " " 9.00 p.m. to 12.00 midnight	
<b>Tetrautville:</b>	
15 min. service 5.00 a.m. to 6.30 p.m.	
30 " " 6.30 " 8.30 p.m.	

**TABLES OF COMPOUND INTEREST**

for each rate between 3/4 and 10 per cent per annum proceeding by intervals of one-eighth, and from 1 year to 100 years. I. Present value of £1 receivable at the end of each year. II. Present value of £1 per annum receivable at the end of each year. III. Amount of £1 at the end of each year. IV. Amount of £1 per annum at the end of each year.

By the Late Lieut.-Col. W. H. OAKES, A.I.A.

Price \$5.

On Sale by The Chronicle, Montreal.

**EXPENSIVE STATE INSURANCE.**

(Continued from p. 1309.)

ployers—those with relatively low risks—will be dissatisfied with any form of monopolistic insurance, for it will result, generally, in their being treated indifferently on a par with their more negligent competitors. The state can strictly regulate and supervise competition by private insurance and can keep it within proper limits; and it can make private agencies as generous, prompt and certain in furnishing compensation as the state itself intends to be in its own insurance service. What, then, is to be gained by giving a branch of government a monopoly of the field and by refusing to permit employers to accomplish the same results by other means than participating in the government scheme? Because state officials realize that they cannot meet the rivalry of private companies, that their administration will be handicapped by extravagance and waste which private business concerns do not tolerate, and that they would suffer by the comparison with corporate efficiency if there should be competition in the same service, is the principal cause of but is not a sound reason for the advocacy of a governmental monopoly. That the prevailing opinion in Europe is opposed to a political monopoly of insurance is demonstrated by the fact that almost all the compulsory compensation insurance laws, adopted since the Norwegian law, have either resorted to compulsory self-managed mutual insurance or have given employers a choice between different methods of securing or insuring the liability. Monopolistic state insurance is certainly regarded as an evil to be avoided.

At the present time the Ottawa Mint is ready to handle about 3,000 ounces of Canadian gold. Additional equipment is now being installed and by the beginning of next year there will be a ready market at the Ottawa Mint for all Canadian gold submitted under the conditions prescribed by the administration.

## CANADIAN FIRE RECORD.

(Specially compiled for *The Chronicle*.)

PORT HOPE, ONT.—Royal Hotel stables destroyed, September 14. Loss \$1,000; insurance \$700.

LINDSAY, ONT.—Grand Trunk station partly destroyed, September 14. Origin, spark from locomotive.

BROCKVILLE, ONT.—W. Wright's general store at Greenbush destroyed, September 11. Origin, overheated stove pipe.

RIGAUD, QUE.—Plant of Curtis & Harvey, Ltd., destroyed, September 5. Loss \$2,500. Origin, explosion caused by fire.

DEEP BROOK, N.S.—Colonial Arms hotel destroyed, September 2. Loss \$50,000. Insurance \$38,000. Origin, unknown.

MONTREAL.—John Strachan's stable, 1122a Parthenais Street, destroyed with seven horses and other contents, September 8.

LONDON, ONT.—Barn at Glendale destroyed, September 14. Loss \$7,000. Origin, spark from traction engine. One death.

CHILLIWACK, B.C.—Fashion livery, blacksmith shop and cabinet shop destroyed, August 30. Loss \$20,000; insurance about half. Origin, unknown.

WOODSTOCK, N.B.—Fire in a building on Main street, owned by the Macdonald estate, caused \$2,800 damages, September 12. Partly insured.

WINNIPEG.—Building on Main Street south, used as armoury and recreation room by 90th Regiment damaged, September 13. Loss about \$200.

MELVILLE, SASK.—Building containing office of Melville *Times* and Sear's photographic gallery damaged, newspaper office mainly by water, September 14.

WINNIPEG.—Premises of Manitoba Photograph Supply Company, 336 South Street, damaged, September 14. Insurance \$12,000 with Williams Rainer Agency.

IMPERIAL, SASK.—Shea & Staber's livery barn with 15 horses destroyed, September 6. Both uninsured. Part of stock of Monarch Lumber Company adjoining also destroyed. Insured.

MIDALE, SASK.—Fire which started in hardware store, September 9, destroyed following premises:—Midale Hardware Company, loss \$27,000, insurance \$17,000; J. M. Picuinpaugh, loss \$3,000; insured for \$1,950; J. V. Flury, loss \$14,000, insured for \$7,000; J. M. Mozer, loss \$1,500; insured for \$1,000; H. E. Koch, loss \$1,000, insured for \$4,200; Dr. Mainprice, loss \$50; insured for \$400; Wedin & Co. loss \$1,000; insured for \$400. Total losses amount to about \$50,000, of which about \$32,000 is covered by insurance. Origin, unknown.

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The plate glass situation in New York city is said to be gradually increasing the apprehension felt by local underwriters. Many more cases of excess commissions have been bared than was formally admitted. One method of deception in common use is the appointment of an "agent" in order to avoid the twenty-five per cent. brokerage rule. Specific complaints have become so numerous that a feeling of distrust and dissatisfaction is rampant, and managers of companies which lose a volume of business immediately lay it to irregular operations of other companies.

## AGAINST TOO MUCH MUNICIPAL OPTIMISM.

The great problem of urban municipalities during the past year in many cases has been that of financing the business of the municipality, states Mr. J. Perrie, Alberta's deputy minister of municipal affairs, in his annual report.

As a municipality is, of course, a spending organization, the financial question is always one of its big questions, but during the past year on account of the general financial depression, rather more difficulty has been experienced in meeting obligations than for some time past.

The danger which our municipalities must guard against in connection with this is the danger of their going too far in incurring liabilities to provide for the future of the municipality before such future is firmly established. In a new country such as ours, it is difficult to estimate what the future of a town will be, and it is wise for a municipality to go slow in contracting liabilities until conditions have become so settled that it can be fairly accurately estimated what the future of the town is likely to be.

### OVERESTIMATING GROWTH.

If because of the opinion that there is a great future in store for a town, large indebtedness is incurred, and then the expected growth does not follow, the result is that the ratepayers of the municipality will have to assume much too large an indebtedness in proportion to the population and the business carried on, resulting in a bad condition of affairs all round, and the town is likely to lose the future growth which it might otherwise have had if financing had been carried out more carefully.

As well as the loss frequently caused by overestimating future growth, there is also very often a danger of loss through towns issuing debentures to go into municipal ventures that are of a speculative character. Another feature of poor financing to be guarded against is that of issuing debentures for long terms to cover improvements that will have disappeared long before the debenture has been paid.

### PROHIBITION OF BONUSES.

Sometimes in the past municipalities have also got into debt through a desire to bonus some industry that they thought would be of great assistance to the municipality. This system of bonusing industry has, however, so frequently proved to be a detriment to the best interests of the municipality and has resulted in giving the municipality a load to carry without any benefit, that the legislature has seen fit by provisions in the Rural Municipality Act, Village Act, Town Act and all the different city charters, to prohibit any municipality from granting a bonus of any kind to any industry. This may seem like rather arbitrary action, but the results will be in the best interests of the municipalities.

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R. B. Burland, formerly manager of the Home Bank of Canada branch at Neepawa, Man., has been appointed manager of the office of the Home Bank recently opened in Calgary. V. F. Chalmers, formerly manager at Grandview, Man., takes charge of the Neepawa branch. H. C. Wilson, formerly manager at Welwyn, Sask., takes charge of the Grandview branch, and J. B. Lorimer, from the Winnipeg office, goes as manager at Welwyn, Sask.

