

The Chronicle



Banking, Insurance and Finance

ESTABLISHED JANUARY, 1881

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THE GENERAL FINANCIAL SITUATION.

The strength of the local investment markets continues to attract favourable comment. The investment demand for high-grade bonds, which has been so marked a feature of the Canadian financial situation since the advent of the armistice, has spread this week to favourite stocks like the Montreal Power and Shawinigan group, which have marked sharp advances on the local exchange. Purely investment buying of these securities is apparently being assisted to some extent by a plentiful supply of money at call from private sources, although the rate asked and obtained for it is high. The pause in commercial and industrial developments consequent upon the existing circumstances of uncertainty is, of course, responsible for this comparative plenty of call money. Funds are being temporarily used in this way which later on, it is to be hoped, will be called in to find a new use in industrial developments along new lines.

As regards this steady and large demand for high-grade investment securities, it may be remarked that there are to be seen in it, the results of the extraordinary industrial activity and prosperity which marked the war years in Canada. It is, we believe, even now not generally realized how great has been the material prosperity of practically every class of the community, particularly in the two years, 1917 and 1918. The profits then realized are now to some extent at least being taken out of the industries in which they were employed, which industries necessarily have no further use for them, and are being put away in high-grade securities, either permanently, or pending their use in new developments. Eventually, a certain proportion of the large profits made in recent years, will be wasted either in something approaching riotous living, or in foolish expenditures of one kind and another, but the net addition to the permanent wealth of the Dominion, as a result of the activities of the war years, cannot fail to reach very large figures.

Activity in several of the pulp and paper issues has coincided with reports of impending important developments in this industry by large American concerns, which are planning extensions in the province of Quebec. There is no doubt in the minds of those familiar with this industry

that Canada is destined to take an increasingly important, and eventually probably, premier position in this industry. The exhaustion of spruce areas in the United States, the growing cost of wood, and the higher manufacturing costs of American mills as compared with Canadian, all point in this direction. With American mills open to free competition in their own market from Canadian mills, the inevitable tendency will be to transfer American operations to Canada, when conditions are favourable. In this connection, also, as in many others, the extraordinarily favourable power conditions in the Province of Quebec are of vital significance, and undoubtedly will be a great factor in the further industrial development of the province.

The figures of the Dominion's foreign trade for the month of January may be considered surprisingly good. Exports, imports and the balance of trade in favour of Canada are all shown at the highest level ever reported in a January statement. Exports for the month totalled \$116,258,387, a gain of over \$20,000,000 in comparison with January 1918. But it is significant that the least gain proportionately is shown by manufactured exports which also are somewhat below the level they reached in January, 1917. Imports are shown as reaching \$73,749,397, against \$60,677,000 in January, 1918. The balance of trade for the month in favour of Canada is thus \$42,608,990, compared with \$35,538,000 a year ago, and \$26,783,000 in January, 1917. In this connection, it should be borne in mind that the mild weather of the present winter has probably had quite a distinct influence upon these figures. Transportation has been unhindered either by severely lower temperatures or by blizzards, and it is quite probable that had we experienced a severe month this year like that of January, 1918, that there would have been a difference running well into the millions in the figures now published. Apparently, a vast amount of freight, purchased and accumulated in Canada, under war conditions, has still to be moved forward to foreign destinations, and it seems that these war purchases are likely to be reflected in the trade statements for some months to come.

In connection with this matter, it is of interest

(Continued on page 201)

BANK OF MONTREAL

ESTABLISHED OVER 100 YEARS (1817-1918)

Capital Paid up, \$16,000,000

Rest, \$16,000,000

Undivided Profits, \$1,901,613

Total Assets - - \$558,413,546

BOARD OF DIRECTORS:

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 Sir Charles Gordon, G. B. E., Vice-President

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

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

Collections at all points throughout the world undertaken at favorable rates.

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

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

PRINCIPAL BRANCHES OUTSIDE OF CANADA:

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

G. C. CASSELS, Manager.

Sub-Agency: 9 Waterloo Place

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In the United States:—

SAN FRANCISCO—British American Bank

(owned and controlled by Bank of Montreal)

NEW YORK. CHICAGO. SPOKANE and

at MEXICO CITY

NEWFOUNDLAND: St. John's, Curling and Grand Falls.

THE CANADIAN BANK OF COMMERCE

Established 1867 Head Office: TORONTO

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

Rest - - - - 15,000,000

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

SIR JOHN AIRD, General Manager.

H. V. F. JONES, Assistant General Manager.

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Francisco, Cal.; Seattle, Wash.

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Agents and Correspondents throughout the World

The Molsons Bank

Incorporated by Act of Parliament 1855

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

Reserve Fund - 4,800,000

HEAD OFFICE - - MONTREAL

Collections made through this Bank in all parts of the Dominion, and in every part of the civilized world through our Agents and Correspondents, and returns promptly remitted at lowest rates of exchange.

Commercial Letters of Credit and Travellers' Circular Letters issued, available in all parts of the world.

EDWARD C. PRATT

General Manager

The Chronicle

Banking, Insurance and Finance

ESTABLISHED 1881. PUBLISHED EVERY FRIDAY.

F. WILSON-SMITH, *Proprietor and Managing Editor.*

Office:

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

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MONTREAL, FRIDAY, FEBRUARY, 21st, 1919

THE GENERAL FINANCIAL SITUATION.

(Continued from Page 197)

to note the official statement made by Sir Thomas White in regard to the purchase of Canadian grain of the 1918 crop. Sir Thomas makes it clear that the guarantee to purchase at this fixed price is still in full force and effect. As grain has not moved forward so rapidly as in other years, arrangements have been made whereby, instead of payment being made at the seaboard, the Wheat Export Company, which acts for the British Government, will take delivery of documents, and make payment for the wheat at their Winnipeg or Montreal offices. This arrangement should entirely do away with any possible hardship resulting from the congestion of transportation. As regards the matter of the price of the current year's crop, it is satisfactory to find that several of the Western farmers' organizations have gone on record as opposed to the continuation of the present fixed price. There has been some wild talk about the necessity of this being maintained, but any attempt by farmers or others to insist on this would, we imagine, meet with the fate that such a glaring attempt at "profiteering" would deserve.

It is to be hoped that the attempt of various small municipalities in the Province of Quebec to evade the general law governing their borrowing operations and to secure special legislative privileges for themselves will not be successful. A year or two ago the provincial government did excellently well by taking a firm control of the financial operations of these municipalities and it is not desirable that that firm control should be relaxed in any particular. Any relaxation is undoubtedly contrary to the wishes of those most directly concerned with the securities of the municipalities in question, the bond dealers, and would react harmfully on the credit of the Quebec municipalities generally. The fact that a municipality, by unwarranted expenditures in the past, has got itself

into a position where a loan is necessary to cover the excess of expenditure over income is certainly no reason for the step proposed.

The subject of subsidizing gold production has lately been engaging some attention in Canada, and it may be interesting therefore to summarize the report, lately published, of the British Committee on the Gold Production of the Empire. The Committee is strongly against the proposal that the State should subsidize gold production, on the ground that a subsidy would be fundamentally unsound. The intention of the subsidy suggested by the gold producers is to enable gold to be produced which otherwise, conformably with the laws of supply and demand, would not be produced at all. Other things being equal, the result would be that the purchasing power of the whole of the world's gold would be diminished pro tanto. The value, in terms of gold, of the commodities for which it is exchanged would rise. The Committee add this very interesting observation: "We can only maintain our gold reserves in Great Britain if the value of our exports, visible and invisible, exceeds on the balance the value of our imports. If we want gold and cannot produce it at a profit, we must depend on our capacity to render services and to produce at a profit the commodities wanted elsewhere by the holders of gold, and to do so we must adjust our prices to world prices. We shall not be able to keep the gold which we acquire by means of a subsidy if the balance of trade is against us, and apart from the shareholders in gold mining concerns, whose gain would be merely temporary, the only people who would benefit by the subsidy would be the foreign purchaser of the gold." So far as Canada is concerned, it is clear that while prices continue at a high level, it will be more profitable to us to stimulate export trade in all kinds of commodities in preference to stimulating gold production for export, for the simple reason that the purchasing power of gold being depressed, more commodities can be secured by the exchange of our commodities than by the exchange of gold. In the case of Canada, therefore, any subsidy of gold production would result in a double loss, that of the amount of the subsidy to the State, and of the additional values in imports which could be secured by the export of commodities other than gold. To hold this view is not to underestimate, the potential value to the Dominion of our gold and other mineral deposits. Their further development will undoubtedly in the near future play an immensely important part in the prosperity of the Dominion. But it must be a development in accordance with economic laws.

The LIFE AGENTS' MANUAL
THE CHRONICLE - - MONTREAL



The Dominion of Canada seeks your co-operation in the popularizing of

War-Savings Stamps

First—W-S.S. will enable the Government to raise millions of dollars to be used for Reconstruction.

Second—It promotes THRIFT among the masses and educates people to buy bonds.

NATIONAL WAR-SAVINGS COMMITTEE, OTTAWA

SIR HERBERT B. AMES, Chairman.
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 JOHN BLUE, Edmonton. W. M. BIRKS, Montreal.
 H. A. ALLISON, Calgary. RENE T. LECLERC, Montreal.
 HON. GEO. A. BELL, SIR J. DOUGLAS HAZEN, St. John.
 JOHN GALT, Winnipeg. W. A. BLACK, Halifax.
 GEO. M. REID, London. HON. MURDOCK McKINNON, Charlottetown.

TRAFFIC RETURNS

Canadian Pacific Railway				
Year to date	1917	1918	1919	Increase
Jan. 31.....	\$8,941,000	\$10,570,000	\$12,797,000	\$2,227,000
Week ending	1917	1918	1919	Increase
Jan. 14.....	1,890,000	2,096,000	2,579,000	485,000
Feb. 7.....	2,180,000	2,306,000	2,883,000	577,000
Feb. 14.....				
Grand Trunk Railway				
Year to date	1916	1917	1918	Increase
Dec. 31.....	60,260,630	58,057,913	70,704,132	12,646,219
Week ending	1917	1918	1919	Increase
Jan. 7.....	1,076,606	.....	.....	.....
Jan. 14.....	1,072,915	654,794	1,029,578	374,784
Jan. 21.....	1,026,907	565,504	940,925	375,421
Jan. 31.....	1,564,660	982,192	1,428,095	445,903
Feb. 7.....	928,462	480,714	905,449	424,735
Feb. 14.....	828,671	531,316	947,889	416,573
Canadian National Railways				
Year to date	1917	1918	1919	Increase
Jan. 31.....	.....	\$4,697,567	\$6,744,018	\$2,046,451
Week ending	1917	1918	1919	Increase
Jan. 7.....	.....	1,003,473	1,436,757	433,284
Feb. 7.....	.....	1,147,484	1,545,442	397,958
Feb. 14.....	.....	.....	.....	.....

The Home Bank of Canada



Original Charter 1854

Branches and Connections throughout Canada

MONTREAL OFFICES:
 Transportation Bldg., St. James Street

Notchelaga Branch:
 Cor. Davidson and Ontario Streets

Verdun Branch:
 1818 Wellington Street

DEATH OF MR. GEORGE E. DRUMMOND.

The announcement of the death of Mr. George E. Drummond in London, Eng., was received with considerable regret in Montreal this week. The deceased gentleman was a most prominent and popular citizen of Montreal. He had large business interests in Canada and a director of many important financial institutions, including the Liverpool and London and Globe Insurance Company, and the Molsons Bank. He was also head of the well known firm of Drummond, McCall & Company. Born in the County Leitrim, Ireland, of Irish parentage, 61 years ago, Mr. Drummond was one of many Irishmen who achieved success and made his influence felt throughout Canada, and especially in the community in which he lived, both in social and business life he had high ideals.

PERSONALS.

Mr. Herbert Lewis, General Manager of the Union Assurance Society, and also the Palatine Insurance Co., both of London, England, spent a few days in Montreal this week. Mr. Lewis arrived in Halifax last week per S. S. Baltic, afterwards visiting New York, where he spent a few days before coming to Montreal. He left on the 19th instant, en route to Winnipeg, and is expected to return to Montreal in the course of a few days.

The directors of the Norwich Union Fire Insurance Society of Norwich, England, announce the approaching retirement, after 40 years' service, of Mr. John Large, the society's general manager and secretary, and his appointment to a seat on the board.

Mr. Large has held his present position for the last seven years, prior to which he occupied for a decade that of sub-manager. He entered the service of the society at Glasgow, in 1879, as its first branch manager, after experience with several Scottish fire offices.

In succession to Mr. John Large, whose retirement is announced, the directors of the Norwich Union Fire Insurance Society have appointed Mr. Ralph Yeo Sketch, the present assistant general manager, as general manager and secretary. Both changes will take effect on Mr. Sketch's return from America, which he is about to visit on the business of the society.

RIOT AND CIVIL COMMOTION INSURANCE.

Riot and Civil Commotion Insurance, is now being written by a number of companies. This policy replaces the War Cover policy, and we understand can be written either with or without the Inherent Explosion Hazard. It also covers the malicious acts of individuals. The business is freely written in the United States, and in several cities in Canada.

CANADA PERMANENT MORTGAGE CORPORATION.

The report presented for 1918 by the Canada Permanent Mortgage Corporation, one of Canada's most sound and progressive institutions, is as usual most interesting and satisfactory. The net profits total of \$824,532, comparing with \$852,325 in 1917 are under the circumstances and in view of the manner in which the affairs of financial and other institutions have been disturbed during the period of the war, distinctly satisfactory. With a balance of \$197,977 brought forward, the total amount available on profit and loss account is \$1,022,509 for distribution. Of this amount the ten per cent. dividend upon the Capital Stock absorbs \$600,000 and the Corporation's Reserve Fund is again increased by the addition of \$250,000—for the sixth year in succession—making this fund \$5,500,000, equal to over 91 per cent. of the paid-up capital, the balance carried forward at credit of profit and loss was \$172,509.

In moving the adoption of the Report, the President, Mr. W. G. Gooderham, said, in part:—

The money on deposit with the Corporation consists chiefly of the savings of thrifty people who seek primarily to be assured of unquestioned security for their money, and at the same time to obtain a reasonable rate of interest thereon. Our deposits, therefore, form one of the most stable portions of our borrowed funds. As was to be expected the Victory War Loans appealed very strongly to the patriotism of our depositors, who also recognized the unusually favourable investment they afforded, and as a result they were large purchasers of these bonds. The volume of money available for loaning having been thus considerably reduced, there was an accompanying reduction in the net profits for the year, which, nevertheless, amounted to \$824,532.36, equal to more than 13.74 per cent. of the paid-up Capital, or 7.20 per cent. of the total Shareholders' Capital.

The extremely heavy withdrawals for the purpose I have referred to have been to some extent replaced by new deposits, which have been most satisfactory. Our Sterling Debentures which matured in 1918, though the amount was unusually large, were almost fully renewed or replaced by new money, and our Debenture money obtained in Canada has somewhat increased. All these are most encouraging features of the year's operations. With the lessened requirements of the British and Canadian Governments, we may expect a gradual restoration of our borrowed funds, which have been so greatly reduced during the past four years, and this will better enable the Corporation to supply the requirements of real estate owners for loans. The lessened volume of loaning has not been due to an absence of demand,

but to the necessity for refusing much desirable business in order that our depositors as well as the Corporation might do their duty by participating as largely as possible in providing the money which was so urgently needed for the prosecution of the war, now as we all hope and believe so happily terminated.

Mortgages on Real Estate continue, as they always have been, to be the principal item in our Assets and amount to \$26,318,586.75. It will be of interest to the Shareholders to know that for this large sum we hold 15,590 mortgages, every one on improved and productive property, averaging \$1,688.17 each. The securities consist chiefly of cultivated farm lands and residences of moderate size and cost in our leading cities. Experienced lenders and real estate dealers know that there are no classes of security so readily saleable under any circumstances as these two upon which the funds of the Corporation and its Depositors and Debenture holders are principally secured. Nor is there any class of borrower who so carefully attends to his obligations and strives to pay off his mortgage as the owner of a cultivated farm or of a modest home. Though the ability of many of our customers in the West to make their payments was adversely affected owing to the somewhat disappointing crop returns, the payments received from our mortgagors during the year exceeded five million dollars, or nearly one-fifth of the total mortgage loans and almost sufficient to have repaid every dollar of our deposits.

The amount of Bonds and Debentures owned by the Corporation is somewhat larger than at the beginning of the year, the increase consisting almost entirely of the Canadian Victory Loans.

Mortgages were slightly decreased last year from \$26,742,535 to \$26,318,586, following a decrease in 1917 of over \$1,100,000. Advances on stocks and bonds were further slightly reduced from \$527,087 to \$502,866. Security holdings (war loans, municipal debentures, etc.), were increased last year by \$357,851 to \$2,045,344. Cash on hand and in banks totalled the large sum of \$1,655,148.

The Canada Permanent has enjoyed a high prestige during its long career, in which it has been a factor in the financial development of the country.

CANADIAN BANKING PRACTICE

ON SALE BY

THE CHRONICLE, - MONTREAL



THE LIVERPOOL AND LONDON AND GLOBE INSURANCE COMPANY LIMITED

CANADIAN BRANCH HEAD OFFICE - MONTREAL

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



FIRE INSURANCE

THE LIVERPOOL - MANITOBA ASSURANCE COMPANY

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

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 J. D. Simpson, Assistant Secretary.
 Jas. Carruthers, Esq. M. Chevalier, Esq. Sir Alexandre Lacoste A. G. Dent, Esq. John Emo, Esq.
 J. C. Rimmer, Esq. Wm. Molson Macpherson, Esq. Sir Frederick Williams-Taylor, LL.D.



The Globe Indemnity Company of Canada

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

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

— FIRE INSURANCE —

John Emo Secretary and General Manager
 Lewis Laing Fire Manager
 J. D. Simpson - Assistant Fire Manager

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

410 TONS OF GOLD HAVE BEEN PAID TO POLICYHOLDERS BY Insurance Company of North America

THE OLDEST AMERICAN STOCK FIRE INSURANCE COMPANY

WE MAINTAIN A DEPARTMENT TO ASSIST AGENTS IN SECURING LOCAL RISKS CONTROLLED OUTSIDE. IF THERE ARE ANY
 SUCH RISKS IN YOUR FIELD, WRITE US ABOUT THEM. WE MAY BE ABLE TO HELP YOU. IT IS WORTH TRYING.

ROBERT HAMPSON & SON, LIMITED GENERAL AGENTS FOR CANADA MONTREAL

LONDON & LANCASHIRE LIFE AND GENERAL ASSURANCE ASSOCIATION LIMITED

of LONDON, ENGLAND

ESTABLISHED IN CANADA, 1863

ASSETS EXCEED \$24,500,000

DIRECTORS FOR CANADA:
 A. J. DAWSON, Esq. H. B. MACKENZIE, Esq.
 E. F. HERDMAN, Esq. E. C. PRATT, Esq.
 Manager for Canada: ALEX. BIRSETT

BRANCHES THROUGHOUT THE DOMINION

HEAD OFFICE FOR CANADA:

LONDON AND LANCASHIRE LIFE BUILDING
 164 St. James Street, Montreal, P.Q.

A few of the many advantages in representing
 The Manufacturers Life are:
 COMPANY'S NAME IS A HOUSEHOLD WORD IN
 CANADA, KNOWN AND APPRECIATED BY
 NEARLY SEVENTY THOUSAND SATISFIED
 POLICYHOLDERS;

SPECIAL PLANS AND RATES FOR TOTAL AB-
 STAINERS;

LOW ANNUITY RATES;

SPECIAL DISABILITY FEATURES;

OVER THIRTY YEARS OF UNINTERRUPTED
 PROGRESS.

We have several attractive openings, particulars of
 which will be given on request.

**THE MANUFACTURERS LIFE
INSURANCE COMPANY**

TORONTO - CANADA

CANADA PERMANENT MORTGAGE CORPORATION

ANNUAL MEETING

The Annual Meeting of Shareholders of the Canada Permanent Mortgage Corporation was held at the Head Office of the Corporation, Toronto Street, Toronto, on Friday, February 7th, at twelve o'clock noon.

The chair was taken by the President, Mr. W. G. Gooderham. The Assistant General Manager, Mr. George H. Smith, having been appointed Secretary of the meeting, read the Report of the Directors for the year 1918, and the Statement of Assets and Liabilities, which are as follows:—

REPORT OF THE DIRECTORS

The Directors have much pleasure in submitting to the Shareholders the Annual Statement of the business of the Corporation for the year 1918, which has been duly certified by the Auditors.

The net profits for the year, after deducting interest on borrowed capital, expenses of management, all charges and losses, together with War Taxes and contributions to various Patriotic Funds..... amounted to \$824,532.86
The balance at the credit of Profit and Loss at the beginning of the year was 197,977.41

Making the total available for distribution..... **\$1,022,509.77**

This sum has been appropriated as follows:—

Four quarterly dividends of Two and One-half per cent. each on the Capital Stock..... \$600,000.00
Transferred to Reserve Fund..... 250,000.00
Balance carried forward at credit of Profit and Loss..... 172,509.77

\$1,022,509.77

All which is respectfully submitted.

Toronto, January 22nd, 1919

W. G. GOODERHAM, President.

GENERAL STATEMENT

31st December, 1918

LIABILITIES

LIABILITIES TO THE PUBLIC

Deposits and Accrued Interest.....	\$5,461,936.42
Debentures—Sterling—and Accrued Interest (£2,042,190 8s. 6d.).....	9,938,660.05
Debentures—Currency—and Accrued Interest.....	3,798,058.54
Debenture Stock and Accrued Interest (£87,869 14s. 8d.).....	427,632.71
Sundry Accounts.....	12,589.75
	\$19,638,877.47

LIABILITIES TO SHAREHOLDERS

Capital Stock.....	\$6,000,000.00
Reserve Fund.....	5,500,000.00
Dividend Payable 2nd January, 1919.....	150,000.00
Balance carried forward at Credit of Profit and Loss.....	172,509.77
	\$11,822,509.77

\$31,461,387.24

ASSETS

Mortgages on Real Estate.....	\$26,318,586.75
Advances on Bonds and Stocks.....	502,866.06
Municipal Debentures, Bonds, British War Loan, Dominion of Canada War Loans and other Securities.....	2,045,344.17
Real Estate acquired by Deed or Foreclosure.....	311,086.40
Office Premises (Toronto, Winnipeg, Vancouver, Saint John, Edmonton, Regina, Woodstock).....	628,355.11
Cash on Hand and in Banks.....	1,655,148.75
	\$31,461,387.24

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

We beg to report that we have examined the foregoing accounts together with the books and vouchers of the Corporation, and that we have obtained all the information and explanations we have required. In our opinion the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Corporation's affairs according to the best of our information, and as shown by the books of the Corporation.

A. E. OSLER, }
HENRY BARBER, } Auditors.
Chartered Accountants

Toronto, January 20th, 1919.

On motion of the President, Mr. W. G. Gooderham, seconded by the Second Vice-President, Mr. R. S. Hudson, the report of the Directors was unanimously adopted.

The Shareholders, by a unanimous vote, approved and ratified certain subscriptions which the Directors had made for various war relief purposes.

The election of Directors for the ensuing year was then held, and resulted in the unanimous re-election of Messrs. W. G. Gooderham, W. D. Matthews, R. S. Hudson, Col. Albert E. Gooderham, J. H. G. Hagarty, John Campbell, S.S.C. (Edinburgh), John Massey, F. Gordon Osler, E. R. C. Clarkson and William Mulock.

Messrs. Henry Barber and A. E. Osler were re-appointed Auditors for the current year.

The Board met after the adjournment of the Annual Meeting and re-elected Mr. W. G. Gooderham, President, Mr. W. D. Matthews, First Vice-President, and Mr. R. S. Hudson, Second Vice-President.

The Trust and Loan Co.

OF CANADA

Capital Subscribed	\$14,000,000.00
Paid-up Capital	2,920,000.00
Reserve Funds	2,920,000.00

MONEY TO LOAN ON REAL ESTATE

30 St. James Street, Montreal

CANADA PERMANENT MORTGAGE CORPORATION

TORONTO STREET :: :: TORONTO

Established 1855

Capital (paid-up) - - - - -	\$6,000,000.00
Reserve Fund (earned) - - - - -	5,500,000.00
Unappropriated Profits - - - - -	172,509.77
Capital and Surplus - - - - -	\$11,522,509.77

A TRUSTEE INVESTMENT

The Debentures issued by this Corporation are a high-class security in which Executors and Trustees are authorized by law to invest Trust Funds. Trustees may have a Debenture for the exact amount of the Trust when desired. Enquire about them.

ACCEPTED BY THE CANADIAN GOVERNMENT

Canada Permanent Debentures are accepted by the Canadian Government as a portion of the deposits required to be made by Insurance Companies transacting business in Canada. British, Canadian and United States Fire and Life Insurance Companies, Benevolent and Fraternal Associations, etc., have for many years been investors in the Debentures of this Corporation. At present these institutions are owners of Canada Permanent Debentures to an amount exceeding ONE AND A HALF MILLION DOLLARS.

Prudential Trust Company

LIMITED

<p>Head Office</p> <p>8 St. John St., Montreal</p>	<p>Trustee for Bondholders Transfer Agent & Registrar Administrator Receiver Escutour Liquidator Guardian Assignee Trustee Custodian Real Estate and Insurance Departments Insurance of every kind placed at lowest possible rates.</p>	<p>Safely Deposit Vaults</p> <p>Terms Ex-ceptionally moderate.</p> <p>Correspondence invited</p>
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B. HAL. BROWN, President and Gen. Manager

THE KEYSTONE OF THE ARCH

Nothing known in building is stronger than the arch—the symbol of the mutual principle in Life Insurance. The centre of the arch is the keystone—and "The Keystone of a Life Insurance Organization," says W. O. Chapman, "is Management." The three leading constituents in good management are Integrity, Economy and Efficiency. It is well known that the secret of the extraordinary success of the Mutual Life of Canada has been the rigid adherence of managers and directors through fifty years of history to these essential things. It is due to these that in spite of more than four years of devastating war, followed by a blighting pestilence, with the immense losses entailed, at the strength of the Mutual Life of Canada is unshaken. The keystone ensures the solidity of the organization, and there is no other better qualified to defy the tooth of time than

The Mutual Life Assurance Co. of Canada
WATERLOO, ONTARIO

Western

Assurance Company

Incorporated in 1851

FIRE, MARINE, EXPLOSION AND AUTOMOBILE INSURANCE

ASSETS	over	\$6,000,000.00
---------------	------	-----------------------

LOSSES paid since organization of Company . . . over **\$70,000,000.00**

DIRECTORS

W. B. MEIKLE, President and General Manager	John Hoskin, K.C., LL.D.
Sir John Aldred	Z.A. Lash, K.C., LL.D.
Robt. Bickerdike, (Montreal)	Geo. A. Morrow, O.B.E.
Lt. Col. Henry Brock	Lt. Col. The Hon. Alfred Cooper, (London, Eng.)
H. C. Cox	Frederic Nicholls
John H. Fulton, (New York)	Brig.-General Sir Henry Pellatt, C.V.O.
D. B. Hanna	E. E. Wood
E. Hay	

HEAD OFFICE - TORONTO

The LIFE AGENTS' MANUAL

THE CHRONICLE - - MONTREAL

A BRITISH COMPANY

Union Insurance Society of Canton, Limited

ESTABLISHED 1856

Head Office: HONGKONG Assets over \$18,000,000

TOTAL ASSETS—Union and Allied Companies, \$30,000,000

FIRE, MARINE AND AUTOMOBILE

Head Office for Canada, 36 Toronto Street, TORONTO

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

LONDON LIFE INSURANCE COMPANY.

The forty-fourth annual report of the London Life, published on another page in this issue, indicates the continuance of a progressive policy on a sound basis under the experienced management of such a well-known life underwriter as Mr. John G. Richter, F.A.S., ably assisted by Mr. E. E. Reid, A.I.A., the Company's actuary. The London Life has for many years transacted an important industrial business in addition to ordinary life insurance.

The total of new insurance issued amounting to \$16,433,580 during 1918 was the largest in the Company's history, and as a consequence the insurance in force has advanced from \$50,787,365 to \$59,804,430 a gain of \$9,017,065. While the gain in force is slightly under the gain reported for 1917 over 1916, on the other hand in view of the opposing factors which are well known to have affected all life companies unfavourably during 1918, the results in this respect might be considered satisfactory, as again the Company's business in force has more than doubled in five years and quadrupled in ten years. Total premium income at \$2,249,348 for the year under review compares with \$1,908,100 for 1917 a substantial increase of \$341,248. Interest income of \$530,535 is \$56,011 larger than in the preceding year. Total claims paid to policyholders or their heirs were \$900,107 as compared with \$646,726 in 1917. War and epidemic it is explained, formed over 50 per cent. of the total claims of the year. Total disbursements amounted to \$1,702,854 as compared with \$1,363,722 in 1917. The balance to investment account amounted to \$1,079,686, an increase of nearly \$60,000 as compared with 1917. The earnings of the year were sufficient to meet all the usual obligations, including reserve for profits accruing, all war claims and a large portion of the epidemic claims. The necessary portion of the surplus fund available for emergencies was used to the extent required to meet the balance of epidemic claims. The surplus on policyholders account exclusive of unpaid capital is \$173,991 as at 31st Dec., 1918. The total assets consisting of stocks, bonds, mortgages and other approved securities now amount to \$9,189,657 showing a substantial increase of \$1,139,388 over the previous year.

Mr. E. E. Reid, the Company's actuary, reported that the policy reserves as at 31st Dec., 1918, amounted to \$8,448,469, and further that the reserve on 90.7 per cent. of the total business is on a 3 per cent. interest basis. He also stated that it was not necessary to reduce the Company's liberal scale of profits, except for a slight modification at the older ages to preserve equity between policyholders. In moving the adoption of the report the President, Mr. John McClary, said: The way in which the Company stood the great strain, to which the business of life insurance was subjected in 1918 afforded the best possible evidence of its unquestioned soundness.

BRITISH COLONIAL FIRE INSURANCE COMPANY.

The seventh annual general meeting of the British Colonial Fire Insurance Company, Montreal, was held at the Company's Head Office, on the 12th instant, the President, Mr. I. L. Lafleur, in the chair. The Report presented to the shareholders revealed considerable expansion in business as a result of the year's operations. Premium income showed an increase of \$54,476, and income from all sources has increased by nearly \$96,000 to \$411,565. The total disbursements are reported at \$397,958.

After referring to the death of the Hon. E. F. de Varennes, a member of the Board of Directors for some years, Mr. Lafleur, in referring to the outlook for 1919, said, in part: — The demand for raw material necessary to the reconstruction of devastated countries and to the replacing of property destroyed will be considerable for many years to come, and Canada being specially favoured in this respect our foreign trade should show a tremendous increase. Furthermore, immigration will be resumed and the work to be done in connection with the development of our country should result in an unprecedented era of prosperity. There will also be a resumption of building operations and the result should be a material increase in our premium income in the future. In view of the Company's financial position and with well established agencies throughout the country, it is well prepared to take advantage of the conditions which will obtain from now on.

The popular manager of the Company is Mr. Theodore Meunier.

USE AND OCCUPANCY INSURANCE.

Use and occupancy insurance is being more closely scrutinized by underwriters and one or two New York agencies are not writing this kind of business for the time being. Before the armistice this business was written with the knowledge that earnings would rise, if they changed at all, in the majority of cases. Now there is too much chance of camouflaging on the part of the assured. It is not easy to decide what the future may be for any one firm or even an industry. It has always been a difficult business to handle. This season of the year is slow, generally. Firms are inventorying and are waiting to place their insurance, hoping to get better rates on the strength of the new inventories. But signs point to a good year for fire, because while there is still the expected dullness, some lines are making up for what is lost in others. Business that is not written at this time will be written later on.

Commercial Union

ASSURANCE COMPANY LIMITED
of LONDON, England

The largest general Insurance Company in the world
(As at 31st December, 1917)

Capital Fully Subscribed.....	\$14,750,000
Capital Paid Up.....	1,475,000
Life Fund, and Special Trust Funds.....	73,045,450
Total Annual Income exceeds.....	57,000,000
Total Funds exceed.....	159,000,000
Total Fire Losses Paid.....	204,667,570
Deposit with Dominion Government.....	1,323,333

Palatine

INSURANCE COMPANY LIMITED
of LONDON, England

(As at 31st December, 1917)

Capital Fully Paid.....	\$1,000,000
Fire Premiums 1917, Net.....	\$2,896,395
Interest, Net.....	142,130
Total Income.....	\$3,038,525
Funds.....	\$5,476,985
Deposit with Dominion Gov't....	\$318,267

N.B.—In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Funds exceed \$169,000,000.

Applications for Agencies Solicited in Unrepresented Districts

Head Office: CANADIAN BRANCH
COMMERCIAL UNION BUILDING, - 232-236 St. James Street, - MONTREAL
J. McGREGOR, Manager W. S. JOPLING, Assistant Manager

Head Office
for Canada:
TORONTO



Assets
Exceed
\$65,000,000

Eagle Star

AND

British Dominions
Insurance Company Limited

Of London, England

J. H. RIDDEL, Manager E. C. G. JOHNSON, Asst. Manager

DALE & COMPANY, LIMITED
GENERAL AGENTS
MONTREAL AND TORONTO

Head Office
for Canada
TORONTO



Security
over
\$65,000,000

The
BRITISH CROWN

ASSURANCE CORPORATION LIMITED

Of Glasgow, Scotland

Guaranteed by Eagle, Star and British Dominions
Insurance Company, Limited, of London, England

J. H. RIDDEL, Manager E. C. G. JOHNSON, Asst. Manager

JOSEPH ROWAT, General Agent
LEWIS BUILDING - - - - - MONTREAL

C. R. G. JOHNSON, POIRIER & JENNINGS, INC.

AGENTS

INSURANCE

BROKERS

ARROW INSURANCE CO. OF HARTFORD
ST. PAUL FIRE & MARINE INSURANCE CO.
DUTCH TRADERS INSURANCE CO., LIMITED

11 ST. SACRAMENT STREET
MONTREAL, P.Q.

THE
FIRE INSURANCE COMPANY OF CANADA

MONTREAL

Authorized Capital, \$1,000,000

Subscribed Capital, \$250,000

Paid Up Capital, \$100,000

GENERAL FIRE INSURANCE BUSINESS TRANSACTED

President: Hon. R. DANDURAND

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

THE FORTY-FOURTH ANNUAL REPORT OF THE LONDON LIFE INSURANCE COMPANY

SHOWS UNINTERRUPTED PROGRESS DURING 1918

Business in Force \$59,804,430.—A Gain of \$9,017,064. Cash Income \$2,799,883
Assets \$9,189,657 Decrease in Expense Rate. Increase in Interest Rate.
Profits Exceed Estimates by 65 per cent.

SYNOPSIS OF FINANCIAL STATEMENT

REVENUE ACCOUNT

RECEIPTS	DISBURSEMENTS
Total Premium Income.....	\$ 900,107.65
Interest on Investments.....	4,000.00
Items in Suspense.....	37,628.22
	Medical Fees, Head Office, Investment and General Expenses..... 217,989.26
	Agency Salaries and Commissions..... 543,728.30
	Balance to Investment Account..... 1,079,686.62
\$2,782,540.45	\$2,782,540.45

BALANCE SHEET

ASSETS	LIABILITIES
Mortgages, Debentures and Stocks.....	\$8,448,469.00
Loans on Policies and other Invested Assets..	269,595.00
Outstanding and Deferred Premiums, net.....	297,602.64
Interest Due and Accrued.....	Surplus on Policyholders' Account (inclusive of paid Capital, \$50,000)..... 173,991.23
\$9,189,657.87	\$9,189,657.87

SIGNIFICANT FACTS FROM ANNUAL REPORT

- INSURANCES** The amount of New Insurance issued during the year was the largest in the Company's history. Again the Business in Force has more than doubled in five years and quadrupled in ten years.
- EXPENSES** In both the Weekly Premium and Ordinary Branches very satisfactory reductions from the previous low record of 1917 were effected.
- ASSETS** All Bonds, Debentures, and Stocks owned by the Company have been carried into the Statement at a figure considerably below the prevailing market values. The rate of interest earned during the year was 6.82%, two points higher than in 1917.
- LIABILITIES** The Reserves on over 96% of the business has been computed on a 3% interest basis—a higher reserve standard than that adopted by any other similar Company on the continent. All accruing profits on participating policies to their anniversary in 1918 have been computed and fully provided for in the liabilities.
- CLAIMS** War and Epidemic Claims formed over 50% of the total claims of the year. The total claims paid to end of 1918 on account of the War, the Halifax Disaster and the Epidemic amount to more than \$650,000.
- SURPLUS** The earnings of the year were sufficient to meet all the usual obligations, including reserve for profits accruing, all War Claims and a large portion of the Epidemic Claims. The Surplus Fund available for emergencies was used to the extent required to meet the balance of the Influenza Claims. The Surplus on the Government basis, exclusive of market values of securities over book values, is \$926,000.
- DIVIDEND DISTRIBUTIONS** On account of the Company's ability to meet the extraordinary claims of the year in the manner indicated, there is no occasion to reduce the scale of profit distributions. An adjustment at the older ages has, however, been made in order to establish greater equity in the distribution of profits. The quinquennial distributions in 1919 will, on the average, exceed the original estimates on the present rates by 65%.

What An Agent Wants

A Company whose name, everywhere a household word, is his best introduction. Prestige is a door opener, and age and size are impressive.

Policies that are unexcelled. Big dividends. Strength and safety that need no demonstration. Unsurpassed service to policy-holders — the thing that makes solid patrons out of first-time customers.

The Oldest Company in America! Come with it and you will stay with it, and it will stay with you!

For terms to producing Agents address:

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

34 Nassau Street . . . New York City

THE London Assurance CORPORATION OF ENGLAND.

INCORPORATED BY ROYAL CHARTER A. D. 1790

CAPITAL PAID UP - - - - - \$ 2,241,375
TOTAL ASSETS EXCEED - - - - - 36,000,000

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

THE PROVIDENT ASSURANCE COMPANY

All lines of
*Accidents, Sickness,
Liability, Guarantee and
Automobile Insurance*

Head Office

189 St. James St. - - Montreal

REPRESENTATIVES WANTED FOR ONTARIO AND
MARITIME PROVINCES

ATLAS ASSURANCE COMPANY LIMITED

Founded in the Reign of George III

Subscribed Capital - - - \$ 11,000,000
Capital Paid Up - - - - - 1,320,000
Additional Funds - - - - - 22,141,355

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

Head Office for Canada:

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

Established 1886

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

Capital Paid Up \$1,250,000 Asse \$3,185,605

Agents Wanted in Unrepresented Districts.

Managers for Canada:

Montreal Agencies Limited, Montreal



Assets:
\$30,389,461.55

Surplus:
\$8,824,000.31

Canadian Head Office:
MONTREAL.

J. W. BINNIE, Manager

L'UNION

FIRE INSURANCE COMPANY, Limited
Established 1828 Head Office: PARIS, France.

Capital fully subscribed \$2,000,000.00
25 p. c. paid-up
Fire and General Reserve Funds 5,949,000.00
Available Balance from Profit
and Loss Account 113,266.84
Net Premiums in 1917 6,136,055.28
Total Losses paid to 31 Dec.,
1917 104,117,000.00

Canadian Branch:

LEWIS BUILDING, 17 St. John St, MONTREAL

Manager for Canada: MAURICE FERRAND.

THE MORAL HAZARD IN FIRE INSURANCE.

In the course of a very interesting lecture given under the auspices of the Insurance Society of New York a few weeks ago, Mr. Robert P. Barbour had the following to say about the moral hazard in fire insurance:

Much is said of moral hazard in fire insurance and perhaps it will profit us to consider this somewhat more fully. By moral hazard is meant personal character, integrity, solvency and general habits of life, and it may be divided into two groups, one expressed by the word "honesty" and the other by the word "carelessness." Honesty is something that cannot be proven by line and measure, for none of us know how honest we are except by the degree of temptation which we have resisted. Underwriters must judge of this feature by the record of a man, by such of his characteristics as can be learned, and by the apparent temptations there may be for dishonesty. Information regarding the insured is obtained from a variety of sources. First of all, companies depend on their local agents not to insure any parties that are unknown or who bear a poor reputation in business life. Considerable dependence is placed also on ratings and reports made by commercial agencies and by a man's past record as to fires.

A commercial rating is of value as indicating whether one has sufficient means to conduct his business or to maintain his property. Men who are doing well are not subject to the same temptations as those who are in difficulties, although not all financially successful men are good moral hazards, nor all unsuccessful ones bad moral hazards. Yet one who sees his property slipping away from him may be tempted to recoup by a dishonest fire, or one dishonest in business might use a fire to destroy the evidence of wrong-doing, and care must be used where circumstances point to such conditions. Commercial ratings must be considered in relation to the character and size of the business operated. A rating of from \$3,000 to \$5,000, with fair credit, is considered a normal rating for the average retail grocer, but such a rating for one operating a large wholesale grocery would be unusually low and call for some investigation. As a rule, where the rating is not normal, whether in amount of resources or degree of credit assigned, it is customary to obtain a special report, which goes into considerable detail regarding assets, liabilities, business history, reputation, etc., thus furnishing to the underwriter information upon which to form some judgment of the moral hazard.

Then there is the question of fire record. If a man has had a fire the underwriter wishes to know whether the adjustment developed any circumstances or facts that were not satisfactory from the standpoint of honesty or carelessness. If

there is no criticism, the fact that he has had a fire does not militate against him. If, however, a man has had two or more fires it is a more serious matter, and some companies make it a rule to decline insurance in such cases on the ground that the man may be dishonest or be tempted to be, and anyway he is too unfortunate to be a good insurance risk. Of course, it is a different matter where the man owns a number of scattered properties occupied by tenants, although in such cases if fires are too frequent they need careful investigation.

Perhaps in nothing more than fire insurance does the "appearance of evil" count for so much and departures from the normal are quite as likely to be from the moral hazard standpoint as the physical.

By way of illustrating the abnormal risk that is likely to induce moral hazard, let me quote the following examples of the kinds of risks that underwriters scrutinize with great care when offered:

Saloons, distilleries or breweries in a locality that has gone "no license"; stores with an undue quantity of shopworn, old fashioned or otherwise unsalable goods; factories poorly located as to transportation facilities or not adapted to the kind of manufacturing done, or where labour is difficult to procure, or where labour troubles are frequent and bitter; industries that depend for profit on patents in litigation or expiring; old fashioned buildings that find it hard to compete with modern ones; houses in changing or deteriorating locations likely to become unsuitable; a business operated by a man in the name of his wife; industries of all kinds that are unwelcome, perhaps nuisance in the neighborhood, and in general any business that is "going to seed."

In all these cases conditions are abnormal and because they vary from the normal should be carefully investigated. A motive may exist for having a fire wherever it would profit the ones interested, either in disposing of something not wanted, or of something unsalable at anything like the original cost. Over-insurance, that is, insurance in excess of a fair value, is considered one of the great causes of so-called moral hazard fires, and this is likely to be in truth a burning question in the near future.

The other phase of moral hazard that is summed up under the word "carelessness" refers more especially to housekeeping conditions. Care and cleanliness are "first aids" to fire prevention for carelessness is the cause of more fires than poor construction, or hazardous processes. The best protective equipment or device is likely to fail unless maintained in good workable condition and a poor building, kept scrupulously clean and in order, is often a better risk than a good building that has poor care. Carelessness is a

(Continued on page 213)

THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated 1833

Fire, Marine, Hail and
Automobile Insurance

HEAD OFFICE: TORONTO

Old	Reliable	Progressive
Assets over	- - -	\$3,500,000.00
Losses paid since organization	over	- - - \$43,000,000.00

DIRECTORS:

W. B. MEEKLE, President

SIR JOHN AIRD
ROBT. BICKERDIE, Montreal
LT.-COL. HENRY BROOK
ALFRED COOPER, London, Eng.
H. C. COX
JOHN H. FULTON, New York
E. HAY
JOHN HOBKIN, K.C., LL.D.

D. B. HANNA
Z. A. LANE, K.C., LL.D.
Geo. A. MORROW, O.B.E.
LT.-COL. THE HON. FREDERIC
NICHOLS
BRIG.-GEN. SIR HENRY PELLATT,
C.V.O.
E. R. WOOD

W. B. MEEKLE JOHN SIMS E. F. GARROW
Pres. and Gen. Man. Asst. Gen. Man. Secretary

THOMAS F. DOBBIN, Resident Manager
MONTREAL

NORWICH UNION FIRE INSURANCE SOCIETY, Limited

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

AGENTS WANTED FOR THE ACCIDENT BRANCH.

Head Office for Canada, - - - TORONTO
Head Office for Province of Quebec, MONTREAL
P. A. TASKER, Branch Manager.

FOUNDED A. D. 1819

THE PHENIX FIRE INSURANCE COMPANY OF PARIS, FRANCE

SURPLUS TO POLICYHOLDERS, \$5,528,800

THOMAS F. DOBBIN, Manager for Canada.
EDMUND FOSTER, Assistant Manager.

Lewis Building, St. John Street, - MONTREAL
Applications for Agencies invited.

The Life Agent's Manual
Published by The Chronicle, Montreal

First British Insurance Office Established in Canada, 1804

INTENDING ASSURERS

Should read the "THREE MINUTES" Leaflet

of the

PHOENIX ASSURANCE COMPANY, Limited
OF LONDON, ENGLAND (Founded 1782)

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

100 St. Francois-Xavier Street, Montreal

The Company offers to the Public every advantage which

LIFE ASSURANCE

conducted under the most favourable conditions is capable of affording:

At the BONUS DIVISION for the five years ending 31st DECEMBER, 1915

A UNIFORM ADDITION of \$75 per \$1,000 was declared on all classes of Full-Bonus Policies, at the rate of \$15 per \$1,000 assured in respect of each full annual premium paid since 1st January, 1911. This bonus applies to new as well as existing policies.

R. MacD. PATERSON, } Joint
J. B. PATERSON, } Managers

Agents Wanted

ESTABLISHED 1864.

New York Underwriters Agency

A. & J. H. STODDART
REGISTERED

100 William Street - New York

Provincial Agents

MURPHY, LOVE, HAMILTON
& BARCOE,
Toronto, Ont.
OSLER, HAMMOND & NANTON,
Winnipeg, Man.
ALFRED J. BELL & Co.
Halifax, N.S.

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

T. D. RICHARDSON, Supt. for Canada
TORONTO

Founded
A. D.
1719

SUN INSURANCE OFFICE

Head Office: Threadneedle St., London, Eng.

THE OLDEST INSURANCE OFFICE IN THE WORLD

Canadian Branch:
15 Wellington St. East
TORONTO, Ont.

LYMAN ROOT
Manager

(Continued from page 211)

state of mind, and to distinguish it from the other phase of moral hazard this is sometimes called the "temperamental" hazard. Such hazard is found not only in the individual, but also to run through whole industries, and is expressed in bad house-keeping conditions, due, perhaps, to the class of men engaged therein or to the class of labour performed. Furthermore, there are certain races of people whose factories, stores and homes are habitually dirty and ill-kept and fires follow as a natural consequence with greater frequency than where such conditions are unusual.

A bad moral hazard, as with a bad physical hazard, is a menace not only to the property immediately concerned, but also to all others exposed thereby, and that is one of the reasons why a building with many tenants is usually considered less desirable than where there are but one or two. A great financier once said that he was willing to take long chances in lending money to men of good character, and likewise in our business personal character counts very largely, for if we can be sure of the moral hazard we can take great chances on the physical side.

From all of this we may see that insurance underwriting has many sides and angles. It is not wholly a question of moral or physical hazard, of construction or occupancy, or care or location, of exposure or protection, of line or rate, but a blend of all of these things, of which the rate is the greatest factor.

The power of observation and assimilation, the habit of thought and study, an analytical and practical mind, a retentive memory, thoroughness and plenty of common sense; these are the traits of a good underwriter to which experience puts the finishing touches.

GREAT WEST LIFE RESULTS.

The annual statement of the Great West Life for 1918, while indicating vigorous management, on the other hand, the new business issued in 1918 totalling \$30,659,557, shows an increase of only \$350,015 over the previous year, 1917, as compared with an increase of \$4,734,169 in 1917 over 1916. The business in force advanced to \$170,863,673 from \$152,643,165 in 1917, a growth of \$18,220,508. This may be considered highly satisfactory in view of the abnormal mortality which affected all companies during the past year. Income shows the substantial increase of \$692,866 to \$7,129,105, and assets were enlarged by \$3,047,158 to \$27,432,824. The results were secured incidentally with a reduction in the expense ratio.

Total death claims incurred were \$2,012,240, of which amount nearly 50 per cent. arose from the epidemic; the war accounted for \$382,935, leaving ordinary claims at \$679,790, a very normal figure. The total amount paid to policyholders in

1918 was \$2,541,467, as compared with \$2,154,083 in the previous year. Expenses, commissions, etc., totalled \$1,375,265. The surplus of the company as at December 31st last, amounted to \$2,883,439, after providing for death claims and profits to policyholders. At December 31st, 1917, the surplus of the company stood at \$3,074,958, indicating the necessity of drawing on the surplus, owing to the heavy losses incurred during the year, in common with so many companies. The Contingency Reserve has been drawn on to the extent of \$75,000 and now stands at \$225,000.

More than half of the Company's business is stated to be written in the territory west of the great lakes, where as a Western organization it is firmly entrenched. However this may be, nearly one-fourth of its business is written through its branch office, in the Metropolitan City of the Dominion, Montreal, under the popular management of Mr. C. A. Butler, Provincial Manager, 160 St. James Street.

The Great-West Life Assurance Company

Held its Twenty-sixth Annual Meeting on Feb. 4th, 1919

Attention is drawn to the following statements:

New Business issued, 1918.....	\$30,659,557
Increase in new business.....	350,015
Business in force Dec. 31st, 1918.....	170,863,673
Increase for the year.....	18,220,508
Net Income for 1918.....	7,129,106
Increase for the year.....	691,786
Assets, Dec. 31st, 1918.....	27,432,824
Increase for the year.....	3,047,158

The expense rates were again lowered in 1918, and the interest rate earned was 7.16%. In addition to the actual reserves, the balance sheet shows, in surplus, capital and special funds, the sum of \$4,142,507, being over 15% of the assets.

This is after paying policyholders profits of \$610,648, and providing for death claims of \$2,012,240.

Canadian Government Bonds held Dec. 31st, 1918, \$4,772,458. (In addition \$1,190,000 have since been paid for, the total of nearly six million dollars, being 23% of ledger assets.)

The Great-West Life has earned a reputation for prompt payment of claims and large profits to policyholders.

HEAD OFFICE - WINNIPEG



Security - - \$36,000,000
ONTARIO AND NORTH WEST BRANCH
 14 Richmond Street, East, TORONTO
PROVINCE OF QUEBEC BRANCH
 184 St. James St., Cor. St. John St., MONTREAL



PERSONAL ACCIDENT
SICKNESS
FIDELITY GUARANTEE
FLATE GLASS
AUTOMOBILE
GENERAL LIABILITY
 Head Office: **TORONTO.**
 Montreal, 184 St. James Street. Quebec, 81 St. Peter Street.

Mount Royal Assurance Company

SURPLUS AND RESERVES, \$1,214,457 · TOTAL FUNDS, \$1,436,842

TOTAL LOSSES PAID \$2,692,201

Applications for Agencies Invited

HEAD OFFICE - - - - MONTREAL

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

Aetna Insurance Company

Established in Canada 1821

Aetna Fire Underwriters Agency

Of Aetna Insurance Co., Hartford, Conn.

Applications for Agencies Invited

J. B. HUGHES, Special Agent, WATERLOO, Ont.
J. E. STEWART, Special Agent, 38 Toronto Street,
 TORONTO, Ont.

R. LONG, Special Agent, 515 Yorkshire Bldg., Vancouver, B. C.

Union Assurance Society, Ltd.

OF LONDON, ENGLAND
 (Fire Insurances since A.D. 1714)

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

Agencies throughout the Dominion.

EXCELSIOR

INSURANCE LIFE COMPANY
A Strong Canadian Company

J. J. Robichaud, Provincial Inspector
 MONTREAL TRUST BUILDING, 11 Place d'Armes, MONTREAL

The Law Union & Rock

INSURANCE CO. LIMITED, LONDON. Founded in 1866

Assets Exceed - \$50,000,000.00

Over \$10,000,000 invested in Canada.

FIRE and ACCIDENT RISKS accepted.

Canadian Head Office: 277 Beaver Hall Hill,
 MONTREAL.

Agents wanted in unrepresented towns in Canada.

W. D. AIKEN, Superintendent, Accident Dept. **J. E. E. DICKSON**
 Canadian Manager.

INSURANCE SALESMEN, ATTENTION!

We have one or two choice vacancies in Western Ontario awaiting District Managers, for men of character and ability. If you are a productive worker, and would like to improve your position, write, stating experience, etc., to

H. A. KENTY, Superintendent of Agencies,

THE CONTINENTAL LIFE INSURANCE CO.

GEORGE B. WOODS, President.

TORONTO, Ont.

CHAS. H. FULLER, Secretary.

STRATHCONA FIRE INSURANCE COMPANY.

In its progress towards the goal of prosperity, it was never more necessary than at the present time for any young company to recognize the seriousness of the task essayed. Competition was never more keen and continues to grow apace, and it follows therefore that desirable business is more than ever being sought after; consequently the building up of a premium income derived from selected risks is a matter requiring both the expenditure of time, and the exercise of patient discrimination.

There is sometimes a tendency in an insurance office to expedite the growth of premium at the expense of quality in the risks assumed. The temptation to do this is sometimes accentuated by the existence of certain fixed expenses, which remain whether the income is large or small. In this connection the Strathcona Fire does not appear to have shown any uncontrolled desire for the rapid attainment of unduly large figures, which is commendable, as indicating a wish to lay a good foundation for the future. As presented to the shareholders by the Strathcona, the record for 1918 reveals that the Company has for the year under review a total premium income amounting to \$260,040, at which they exhibit an increase of \$23,816, as compared with 1917. After deduction of cancellations and re-insurance the net premiums amounted to \$167,220.

An evidence of the favourable character of the

business is supplied by the claims requirement of \$69,822.41, or but little more than 40 per cent. of the premium receipts — the exact ratio to such revenue working out at 41.07 per cent. The ratio for commission and expenses which came to \$75,834.50 has receded from 47.05 per cent. in 1917 to 45.05 per cent. This tendency to reduce expenses cannot be regarded as other than favourable, the operations leaving a profit of \$26,338.38, out of which \$6,200.18 has been transferred to the reserve for unexpired risks.

Over and above the unexpired risk reserve (\$112,541.09) there is a subscribed capital of \$300,000.00, of which \$120,000.00 is paid up (held by a numerous and well distributed body of shareholders), the whole constituting an adequate financial equipment for the volume of business undertaken.

By the Company's close association with the 850 members of the Council of Notaries of the Province of Quebec (a large portion of whom are stockholders), it is admitted that the notaries have an incalculable influence with their large clientele in regard to all investment matters, placing the Company in the position of being able to direct a strong appeal for support to a widely-spread connection having considerable facilities for steadily increasing usefulness, and under the experienced and popular management controlling its affairs the outlook for the future may be regarded as one of promise.

Travellers' Life Assurance Company of Canada

Head Office: Montreal

Results for 1918

Policies Issued and Revived.....	\$2,121,667.00	Increase 23 %
Gross Insurance in Force.....	6,546,176.00	Increase 21 %
Net Premium Income.....	204,071.10	Increase 34 %
Total Assets.....	521,863.36	Increase 23.5 %

Table of Growth During Last Five Years

Year	Insurance Issued and Revived	Net Insurance in Force	Year	Net Premium Income	Assets
1914.....	\$1,394,505	\$2,946,552	1914.....	\$ 75,256.87	\$237,509.82
5.....	1,529,266	3,292,204	5.....	102,369.78	284,133.27
6.....	1,589,983	3,719,391	6.....	122,890.03	346,814.76
7.....	1,726,930	4,404,016	7.....	151,966.75	422,552.23
8.....	2,121,667	5,515,064	8.....	204,071.10	521,863.36

Special Features

Average rate of Interest Earned on Investments, including Cash in Banks—6.59%.
 Payments to Policyholders, plus Increase in Policy Reserves, equalled 76.8% of Net Premium Income.

OFFICERS:

President.....	Hon. Geo. P. Graham	Chief Medical Adviser.....	A. E. Garrow M.D.
Vice-Presidents.....	James W. Pyke, Lorne C. Webster	Solicitors: Greenshields, Greenshields, Languedoc & Parkins	
Secretary and Actuary.....	Arthur P. Earle, A.I.A. A.A.S.	Auditors.....	Riddell, Stead, Graham & Hutchison, C.A.

EXCELSIOR LIFE INSURANCE COMPANY.

The twenty-ninth annual report of the Excelsior Life indicates expansion in business and steady all round progress. New business issued and revivals totalled \$6,438,056, as compared with \$6,068,383 in 1917, a growth of \$369,673. Total insurance in force was increased to \$26,842,967, a gain of \$2,724,840. It is noted in the report that the average policy applied for was much larger in amount than in preceding years, a proof that the public realize the necessity for increased protection. Net premiums totalled \$909,306 against \$796,068 and interest, rents, etc., \$293,009, as compared with \$284,015 in 1917. The total receipts for premiums interest, rents, etc., amounted to \$1,207,316, a substantial increase of \$122,233.

Death claims paid during 1918 were \$187,130, matured investment and endowment policies \$156,540, profits to policyholders, surrender values, etc., \$94,390. The total amount paid to policyholders during the year was \$438,061. The claims due to influenza and pneumonia were responsible for over one-half of the claims for the year, otherwise the claims would have been approximately

only 55 per cent. of the expected. Total assets were increased to \$4,986,495, a very commendable growth of \$392,779. The balance sheet shows unallotted surplus of \$649,135. Holdings of war bonds have been increased to \$961,500. It is pointed out that 85 per cent. of the company's bonds and debentures are long date gold bonds of the Dominion of Canada, which have considerably appreciated in value.

The Head Office building of the Excelsior is one of the largest and best equipped office buildings in Toronto; we understand it is well rented and the yield on this investment is most satisfactory. There is no indebtedness against the property which has considerably appreciated in value. Such results are no doubt due to the foresight of Mr. David Fasken, K.C., President of the Company, who has carefully guarded its interests for for many years.

THE LIFE AGENT'S MANUAL
Published by The Chronicle, Montreal

"Security First"

THE EXCELSIOR LIFE INSURANCE COMPANY

ESTABLISHED 1889

Results for 1918 Show Splendid Progress.

Strong Financial Position Maintained.

Applications for New Insurances	-	-	-	\$6,734,002.00
Income,—Premiums, Interest, etc.	-	-	-	\$1,213,401.75
Surplus on Policyholders' Account	-	-	-	733,979.21
(Paid up Capital not included.)				
Assets for Policyholders' Security	-	-	-	\$5,210,841.21
(One Hundred and Thirty-One Dollars of Assets for every One Hundred Dollars of Liability.)				
Insurance in Force	-	-	-	\$26,842,967.30

Average Rate of Interest Earned 6.72%.

PROGRESS—SOLID AND CONTINUOUS

	Income.	Insurance in force.
1898	\$97,867.60	\$3,183,983.15
1903	\$225,936.52	\$6,172,605.50
1908	\$454,790.94	\$12,236,064.10
1913	\$776,506.57	\$19,290,983.15
1918	\$1,213,401.75	\$26,842,967.30

HEAD OFFICE, EXCELSIOR LIFE BUILDING, TORONTO

J. J. ROBICHAUD, Provincial Inspector,

Montreal Trust Building, MONTREAL



BRITISH COLONIAL FIRE INSURANCE COMPANY MONTREAL

Authorized Capital, \$2,000,000.00 Subscribed Capital, \$1,000,000.00
Paid-up Capital, \$247,015.79

General Fire Insurance Business Transacted

THEODORE MEUNIER
Manager

THE YORKSHIRE INSURANCE COMPANY, LIMITED

ESTAB. 1824

YORK, ENGLAND ASSETS EXCEED \$23,000,000

FIRE.....Every description of property insured. Large Limits.

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

ACCIDENT....Personal Accident, Employers', Automobile, Teams, General Liability, and Plate Glass.

CANADIAN DIRECTORS {	Hon. C. J. Doherty	Hon. Alphonse Racine	Canadian Manager.
	G. M. Besworth, Esq.	Alex. L. MacLauria, Esq.	P. M. WICKHAM, Montreal

APPLICATIONS FOR AGENCIES are invited from responsible persons.

DALE & COMPANY, Limited

Marine and Fire Underwriters

CORISTINE BUILDING, - MONTREAL

All classes of Insurance underwritten or placed in reliable companies.

Branch Offices at **TORONTO, HALIFAX and VANCOUVER**

LLOYD'S, AGENTS MONTREAL

Life Insurance Salesmen

Your best interests, and those of your clients, are best served by representing a Company in which you and they have absolute confidence.

THE NATIONAL LIFE

ASSURANCE COMPANY OF CANADA

has been doing business for nearly twenty years. Its policies are up-to-date and liberal. It has over \$3,000,000 invested in Government, Municipal and School District Bonds—the highest class of security known. It is well managed and progressive, and the exceptionally high standard of strength and stability has been steadily maintained since the inception of the Company, twenty years ago. Write for particulars.

Head Office : National Life Chambers, **TORONTO**

NINTH ANNUAL REPORT OF THE STRATHCONA FIRE Insurance Company

For the Year ending December 31st, 1918.

Submitted at the Annual Meeting, held at the Head Office, Montreal, February 13th, 1919.

REVENUE.

Premiums	\$263,040.10
Less Cancellations and Rebates ...	37,230.97
	\$225,809.13
Interest	4,769.15
	\$230,578.28

ASSETS.

Bonds and Debentures (at cost) ...	\$101,386.24
Cash in Bank	52,122.60
Agents' Balances	46,073.71
Office Furniture and Goods Plans...	9,000.00
Capital Subscribed	\$300,000
Capital Paid-up	\$120,000
Balance Uncalled	180,000.00
	\$388,582.55

Audited and found correct.

A. A. CINQ-MARS, C.A.F.C.A. (CAN.),
Auditor.

EXPENDITURE.

Claims paid and under adjustment.	\$69,822.41
Re-Insurance Premiums	58,588.99
Expenses of Management, Commis- sions, etc.	71,703.39
Taxes	4,131.11
Surplus of Receipts over Disburse- ments	26,332.38
	\$230,578.28

LIABILITIES.

Losses under adjustment	\$7,833.00
(No resisted claims)	
Due to Re-Assurance Companies	
Abroad	36,329.37
Reserve for Unearned Premiums ...	112,541.09
Surplus of Assets. over Liabilities, including Capital Stock Paid-up..	231,879.09
	\$388,582.55

Certified Correct

J. MARCHAND,
Secretary-Treasurer.

INSURANCE ACCOUNT

Premiums in force	\$380,942.	Insurance at Risk	\$27,659,365
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OFFICERS AND DIRECTORS

President and General Manager,
A. A. MONDOU, N.P.

Secretary-Treasurer,
J. MARCHAND,

Vice-President,
J. H. OLIVIER, N.P.

J. L. Dozois, N.P.
F. S. MacKay, N.P.
L. C. Jacques, N.P.

F. A. Labelle, N.P.
F. G. Fortier, N.P.
E. Sylvestre, N.P.

H. Schetagne, N.P.
M. P. Laberge, N.P.
F. X. A. Boisseau, N.P.

Superintendent of Agencies: Paul Lachance, Inspector: W. Labrecque.

OFFICES: 90 ST. JAMES ST., MONTREAL

MOUNT ROYAL ASSURANCE COMPANY.

Founded in 1903, the Mount Royal Assurance Co. of Montreal has most influential connections. Its steady and uniformly favourable Underwriting results since its inception, were continued during 1918. Consequently, the Company now occupies a very fine financial position, offering to its policyholders the amplest security for the fulfilment of all contracts.

The Record of 1918.

For the Mount Royal, last year was again a period of steadily expanding business and of favourable experience. Net premium income, after deduction of re-insurances, advanced from \$503,285 to \$537,694, a gain of \$34,409. Interest received from investments and other receipts advanced to \$76,190 from \$60,274, making the total net income for the year \$613,885. Net losses paid amounted to \$260,455. This shows a loss ratio of 48.44 per cent., slightly lower than in 1917, when the loss ratio was 48.95 per cent. The loss experience for the past five years has been a remarkably good one. Expenses of management and commission amounted to \$177,810. In the expenses the amount of \$8,209 is charged for improvements, plans, and office furniture, it will be noted that this amount is written off the books.

A Strong Position.

After the transfer of \$18,325 to the re-insurance reserve, making this fund \$326,324, an amount of \$157,293 was transferred to the profit and loss account, which now totals \$575,117. For the protection of policyholders the following amounts are available. Paid-up capital, \$250,000; reinsurance reserve, \$326,324; investment reserve, \$63,015; balance at profit and loss, \$575,117, a total of \$1,214,457. Total assets aggregate \$1,436,848, a gain of no less than \$236,939.

The Mount Royal has been under the management of Messrs. P. J. Perrin and J. R. Macdonald for the past year. The latter gentleman has, however, had the advantage of being connected with the Company for some years previous to his promotion as joint manager.

In view of the substantial position occupied by the Company and its strong organization, which was very wisely inaugurated some years ago, a further steady expansion of its business is more than possible under prudent management.

TRAVELLERS LIFE OF CANADA.

The financial statement presented at the annual meeting of the Travellers' Life Assurance Co. of Canada, last week, shows that this young company made substantial progress in volume of business issued during past year. The total issued and revived amounting to \$2,121,667 as compared with \$1,726,450 the previous year. Insurance in force now amounts to \$6,546,176, an increase of 21 per

cent. over 1917. Net premium income was increased to \$204,071, as compared with \$151,967 in 1917, a gain of \$52,104. Total assets were advanced to \$521,863, as compared with \$422,552, in 1917, a growth of nearly \$100,000. Payments to policyholders plus increase in policy reserves equalled 76.8 per cent. of net premium income. The Travellers is economically and conservatively managed. Mr. Arthur P. Earle, A.I.A., is Secretary and Actuary.

CANADIAN FIRE RECORD.

Fire at Quebec.—On the 18th instant, a fire destroyed the valuable dwelling of Mr. A. Laurent, St. Louis Road. Insurance as follows: Commercial Union, \$15,000; Phenix of Hartford, \$7,000; Liv. & Lond. & Globe, \$5,000; Guardian, \$5,000; Royal, \$5,000; Quebec, \$2,000. Total, \$39,000. Loss, total.

Fire at Belleville.—On the 17th instant, a fire broke out in the bottling plant of the Belleville Bottling Works. Loss about \$1,500.

Fire Near Cobourg.—On the 17th instant, a fire destroyed the barns and outbuildings of Thos. Nelson, on the Burnham Farm, Hamilton Township. Twenty-seven head of stock, several horses, implements, and the season's crops were destroyed. The buildings were insured, but stock and other contents were not covered.

Fire at Port Arthur.—On the 19th instant, a fire broke out in the Elevator "B," known as Workhouse "B," of the Canadian Northern Ry. Co.'s elevator plant, Port Arthur. The elevator was completely destroyed and the concrete tanks adjoining, known as "Annex B," were slightly damaged. It is reported that no grain was burnt.

MONARCH LIFE ASSURANCE COMPANY.

The Report of the Monarch Life for 1918 shows continued expansion in amount of new business. The statement shows assurance issued and revived as totalling \$5,198,888, as compared with \$4,263,908 in 1917. Assurance in force was increased to \$15,171,309 from \$11,507,761. This gain of \$3,663,548 or about 75 per cent. of insurance issued in 1918, according to official figures, merits very favourable comment, regardless of what might be considered the wisdom of such a youthful company writing over \$5,000,000 of new business in one year, especially during war times. The Company's mortality last year is reported as being 84 per cent. of the expected, the influenza epidemic being responsible for 56.4 per cent. War claims 16.2 per cent., and ordinary mortality 11.4 per cent. Total premium income advanced from \$352,274 to \$442,118. Policy Reserves increased from \$703,894 to \$944,721 and total assets amounting to \$1,118,510, show a gain of 28 per cent.

Sixteenth Annual Report

Mount Royal Assurance Company

Founded 1902

DIRECTORS

Hon. H. B. Rainville, President
 Hon. Senator J. M. Wilson, Vice-President
 H. A. Ekers
 Sir Lomer Gouin, K.C.M.G.
 Hon. N. Perodeau, M.L.C.

E. A. Ouimet
 Paul Rainville, K.C.

Neuville Belleau
 Hon. J. L. Decarie, K.C.

REVENUE ACCOUNT

Amount of Reserve for unexpired liability at the end of year 1917.....		\$ 307,998.27
Premiums.....	\$971,378.88	
Less—Rebates and Cancellations.....	107,392.71	
		863,986.17
Interest and Dividends.....		65,228.16
Revenue from other sources.....		10,961.96
		<u>\$1,248,174.56</u>

EXPENDITURE

Claims paid and outstanding after deduction of reinsurances.....		\$ 260,455.47
Reinsurance Premiums.....		326,291.26
Commission and Expenses of Management.....		153,816.37
Improvements, Office Furniture and Plans written off.....		8,209.55
Government, Municipal and War Taxes.....		15,784.40
Reserve Fund (Legal Standard).....		326,324.08
Carried to Profit and Loss Account.....	\$175,619.24	
Less—Added to Reserve.....	18,325.81	
		157,293.43
		<u>\$1,248,174.56</u>

PROFIT AND LOSS ACCOUNT

Balance brought forward, 31st December, 1917.....	\$ 412,501.02
Recovery in depreciation in values of Securities, 1917.....	17,823.07
Balance (being net profits) from Revenue Account.....	175,619.24
	<u>\$ 605,943.33</u>

PROFIT AND LOSS ACCOUNT

Dividend No. 27, paid 1st February, 1918.....	\$ 12,500.00
Transferred to Reserve.....	18,325.81
Balance.....	575,117.52
	<u>\$ 605,943.33</u>

Balance Sheet as of 31st December, 1918

ASSETS

Cash in Banks.....	\$ 175,519.71
Cash in Office.....	3,116.77
Agents' Balances.....	101,133.61
Investments:—	
Victory Bonds.....	\$250,000.00
All other Bonds, Debentures and other interest-bearing securities.....	895,611.00
	1,145,611.00
Interest accrued.....	7,091.38
Sundry Debtors.....	701.93
Plate Glass Salvage.....	3,666.72
Furniture and Plans reduced to the nominal sum of.....	1.00
	<u>\$1,436,842.12</u>

LIABILITIES

Capital paid up.....	\$ 250,000.00
Reserve Fund.....	326,324.08
Losses under readjustment.....	28,687.50
Reserve Deposit of Reinsurance Companies.....	179,790.54
Balance due to Reinsurance Companies.....	1,944.46
Investment Reserve.....	63,015.92
Reserve for War and other Taxes.....	11,500.00
Sundry Creditors.....	462.10
Balance at credit of Profit and Loss Account.....	575,117.52
	<u>\$1,436,842.12</u>

SYNOPSIS OF COMPANY'S OPERATIONS:

Year	Gross Income	Investments	Reserve	Surplus	Excess of Income over Expenditure
1903.....	\$ 40,068.68	\$ 33,062.50	\$12,500.00	3,264.85	\$ 15,764.85
1908.....	201,605.78	135,371.27	65,000.00	35,091.64	20,212.44
1913.....	428,253.74	618,615.46	169,383.15	202,041.02	83,865.73
1917.....	833,229.35	905,672.00	307,998.27	412,501.02	142,634.15
1918.....	940,175.29	1,145,611.00	326,324.08	575,117.52	175,619.24

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

HEAD OFFICE

172 ST. JOHN STREET, MONTREAL



The Northern Assurance Co. Limited

Of England

ACCUMULATED FUNDS, 1917 - \$48,384,320.00

Including Paid up Capital \$1,460,000.00

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

G. E. MOBERLY, Manager



RAILWAY PASSENGERS ASSURANCE CO.

OF LONDON ENGLAND

DEPARTMENTS:

ACCIDENT, HEALTH, EMPLOYERS' AND PUBLIC
LIABILITY, MOTOR CAR, ELEVATOR, TEAMS, PLATE
GLASS, BURGLARY, AND FIDELITY BONDING

Head Office for Canada and Newfoundland - - - TORONTO

F. H. RUSSELL, General Manager

THE ST. PAUL FIRE AND MARINE INSURANCE COMPANY

INCORPORATED 1866

REPRESENTED IN TORONTO BY

ASSETS OVER \$13,000,000

McADAM, SHERRITT & COMPANY

Excelsior Life Building

General Agents

36 Toronto Street

BRITISH TRADERS' INSURANCE COMPANY, LIMITED

ESTABLISHED 1865

Head Office: HONG KONG

Head Office for Canada: TORONTO

FIRE & MARINE INSURANCE

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

C. R. G. JOHNSON, POIRIER & JENNINGS, Inc., General Agents,
MONTREAL

Manager for Canada, C. R. DRAYTON

THE STRATHCONA FIRE INSURANCE COMPANY

HEAD OFFICE: MONTREAL,

90 ST. JAMES ST.

The Strathcona was founded in 1908, and has earned a reputation for solid strength, fair dealing and reasonable rates.

"To Such Ideals There Is An Assured Future."

SUN LIFE OF CANADA.

The advance figures of the financial statement of the Sun Life Assurance Company of Canada, are exceedingly interesting as showing the marvellous growth of this prosperous and progressive company:

Assets, as of December 31, 1918 .. \$97,620,378.85
 Increase over 1917, of \$ 7,460,204.61
 Income, 1918 \$21,651,099.69
 Increase over 1917 of \$2,362,102.01
 Profits paid to policyholders.....\$ 1,546,607.18
 Total paid policyholders, 1918 \$ 9,768,564.28
 Increase over 1917....\$928,318.86
 Business, and under which the full first year's premium was paid in cash to the Company during 1918.\$51,591,392.04
 Increase over 1917 ...\$3,779,824.56
 Insurance in force December, 1918.\$340,809,656.13
 Increase over 1917 ...\$28,938,710.42

The business of the Montreal City Agency under which the full first year's premium was paid during the year 1918, was \$4,031,361.00
 New premium income \$ 148,607.14

WANTED

Inspector for Manitoba and Saskatchewan — large British Fire Insurance Company, with Branch at Winnipeg, requires capable and energetic Inspector. Answers treated confidentially. Apply, stating experience and salary expected.

M. & S.,

c/o The Chronicle.
 Montreal.

THE LONDON MUTUAL FIRE

INSURANCE COMPANY

ESTABLISHED 1859

Assets - - - - - \$753,417.06
 Surplus to Policyholders - - - - - 411,808.66



DIRECTORS:

A. H. C. CARSON, Toronto - - - - - President
 E. HOME SMITH, Toronto - - - - - Vice-President
 F. D. WILLIAMS - - - - - Managing Director
 A. C. McMASTER, K.C. - - - - - W. T. KERNAHAN
 S. G. M. NESBITT - - - - - H. N. COWAN
 G. H. WILLIAMS

HEAD OFFICE - 33 SCOTT ST., TORONTO

QUEBEC BRANCH OFFICE

LEWIS BUILDING, ST. JOHN STREET MONTREAL
 BRANCH MANAGER, W. J. CLEARY

Canadian Banking Practice

On Sale by The Chronicle, Montreal

THE MONARCH LIFE ASSURANCE COMPANY

HEAD OFFICE - WINNIPEG

SUMMARY OF 1918 RESULTS

	1918	Increase		1918	Increase
Applications Received.....	\$5,604,180	23%	Total Premium Income.....	\$ 442,118	25%
Assurances, New and Revived.....	5,198,888	22%	Policy Reserves.....	944,721	34%
Assurances in Force.....	15,171,309	32%	Total Assets.....	1,118,510	28%

COMPARATIVE GROWTH

Year	New and Revived Business	Business in Force
1908	\$881,500	\$1,334,000
1911	\$1,354,804	\$4,006,145
1914	\$2,301,007	\$7,427,697
1917	\$4,263,908	\$11,507,761
1918	\$5,198,888	\$15,171,309

Interest Earnings 1918, 7.88. Expense Rate reduced 6 points. Terminations decreased one-third.
 Mortality 84% of expected. Ordinary, 11.4%; War, 16.2%. Flu., 56.4%

LICENSED BY THE DOMINION GOVERNMENT



THE FIDELITY-PHENIX

FIRE INSURANCE COMPANY OF NEW YORK

HENRY EVANS, President

"THE OLD PHENIX"

Assets Exceed - \$22,000,000
 FIRE HAIL MARINE TORNADO

Now Writing HAIL Insurance. Agents Wanted.

W. E. BALDWIN, Manager. Canadian Head Office, 17 St. John St. Montreal.

Guardian Assurance Co.

LIMITED, OF LONDON, ENGLAND

Capital Subscribed - - \$10,000,000
 Capital Paid-up - - - \$5,000,000
 Invested Funds Exceed - \$40,000,000

Fire Insurances at
 Moderate Rates

The Guardian Insurance Company of Canada

TRANSACTS

Accident, Liability, Automobile,
 Guarantee, Plate Glass, Burglary
 and Fire Insurance

APPLICATIONS FOR AGENCIES INVITED

Head Offices: Guardian Building, 160 St. James St., Montreal

A REAL OPPORTUNITY

For Men Who Have Had Selling Experience of Any Kind

Here is an independent line of work with immense opportunities for the man who has character and selling capacity. You deal with the new and rich fields of Life, Income, Pension and Indemnity insurance. You earn an income that is limited only by the energy and ability you put into your work.

We start you into business: we give you a Free Course in Salesmanship, and help you to make good. Write to-day.

Sales Department:

Canada Life Assurance Company
 Toronto, Ont.

THE ROYAL INSURANCE COMPANY, LIMITED

MAINTAINS UNALTERED
 DURING THE WAR

the high uniform rate of
PROFITS

paid to policy-holders for the past
FIFTY YEARS

LIFE DEPARTMENT

GUARANTEES

**PROFITS at the FULL RATE
 of \$15 PER ANNUM**

per \$1,000 assured, on ALL
 participating policies be-
 coming claims before 1920,
whether newly effected or not

HAS RECENTLY

REDUCED ITS RATES
 for whole of life non-profit
 policies, and now offers
PERMANENT PROTECTION
 at the
MINIMUM OF COST

ENORMOUS FINANCIAL STRENGTH — PRUDENT ADMINISTRATION.

QUEEN INSURANCE COMPANY

FIRE AND AUTOMOBILE INSURANCE — ABSOLUTE SECURITY

W. MACKAY, *Manager*

J. H. LABELLE, *Asst. Manager*