

# The Chronicle

Banking, Insurance & Finance.

ESTABLISHED JANUARY, 1881

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## PAYING THE PIPER.

This week's financial statement in the British House of Commons by Mr. Lloyd George and the issue of the British Government's new loan of £350,000,000 bring home something of what the financial cost of the war means to Great Britain. Generally speaking there is cause for satisfaction. The financial requirements are enormous yet they are well within the power of the British people to supply, and, if more is wanted, it will be cheerfully forthcoming. The terms upon which the new loan was issued this week are a magnificent indication of the superiority of British credit to that of any of the enemy countries—a vital factor in this struggle. The new loan of £350,000,000 is in 3½ per cent. bonds, redeemable in March, 1928, the price of issue being 95. Allowing for redemption, this gives a yield of 4 per cent. Germany's recent loan for the flotation of which *force majeure* methods were used, was in 5 per cent. bonds, the price of issue being 97 ½. Russian and French financing has thus far been at a cost of about 5 per cent. Austria has been trying to float a loan at 5¼ per cent. Thus Great Britain has a clear advantage of more than one per cent. in borrowing power over Germany, and of nearly two per cent. over Austria. This is satisfactory enough.

\* \* \* \*

An interesting feature of the new loan is that it provides not only for the war expenditure of the Imperial Government, but also for substantial loans to Belgium and Servia, to Canada, Australia and the people of South Africa. For the self-governing Dominions, a sum of over £30,000,000 has been allocated, of which amount it may be presumed that about one half will be lent to Canada. This is an important and admirable arrangement. Not only does it relieve the Canadian Government from itself appearing as a borrower in the London market, but it means that there will be saved to the Canadian exchequer the difference between the rate at which the Imperial Government borrows and that at which the Canadian Government could borrow—a matter of some moment when a large amount is concerned over a considerable term of years. Moreover, it will facilitate the borrowing of our provinces and leading municipalities in London a little later, inasmuch as they will not have to meet the competition of a Dominion Government loan and thus, indirectly, make things easier in the London market for all classes of Canadian borrowers.

Mr. Lloyd George has not made his task of meeting the war expenditure by means of taxation any the easier through the prodigal expenditure in recent years on various experiments in the way of social legislation. But he seems now to have succeeded in imposing the burden of taxation which will be cheerfully borne, as equitably as possible. The middle classes, professional men and traders, with moderate incomes, will as usual feel the burden most acutely. The British income tax, despite the attention which has been given to it in recent years, has not yet been graded fairly, and even in normal times the tax bears unfairly on the man of moderate means. The tax is now to be doubled. Broadly, in recent years it has been 9d in the £1 on earned incomes (nearly 4 p.c.), and 1s 2d and upwards in the £1 on unearned incomes (*i. e.*, incomes derived from investments)—nearly 6 per cent. The doubling of the tax will make it nearly 8 per cent. in the case of earned incomes and 12 per cent. in that of unearned incomes.

\* \* \* \*

Various allowances which are permitted on account of insurance premiums, size of family, etc., tend to make this burden less than it appears. But these are offset by the proportionately larger amounts required from those with very large incomes, some of whom it appears will be compelled to pay up to 15 or 18 p.c. of their incomes in this tax, and possibly an even higher proportion. Obviously the burden that the British people are shouldering in this way alone is no light one. Non-income tax payers (*i. e.*, those whose incomes are less than \$800 a year) are reached by a new tax on beer of one cent a half pint and in the case of teetotallers of six cents a pound of tea, and this burden, it must be remembered, will have to be shouldered for some years after the war has closed, since the sinking fund of the new loan, separation allowances and pensions on an adequate scale will have to be provided. Mr. Lloyd George estimates that the new income taxes will bring in £12,500,000 between now and next March 31 and thenceforth while they last £44,750,000 a year. The beer duty is expected to produce £2,000,000 during the current fiscal year and £17,000,000 a year afterwards, the tea duty contributing £950,000 this fiscal year and £3,200,000 hereafter annually. In other words the new taxation amounts to about \$340,000,000 a year. The cost of the war to Great Britain for one year is placed at \$2,250,000,000.

Established 1817

# BANK OF MONTREAL

Incorporated by Act of Parliament

Capital Paid Up, \$16,000,000.00

Rest, \$16,000,000.00.

Undivided Profits, \$1,046,217.80

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British Columbia - 45	Prince Edward Island 5
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New Brunswick - - 7	Saskatchewan - - 62
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# 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,  
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MONTREAL, FRIDAY, NOVEMBER 20, 1914.

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### THIS WEEK'S FINANCIAL DEVELOPMENTS.

From the financial point of view one of the most important events of the past week has been the issue of £350,000,000 of British Government bonds due in 1928 and bearing interest at 3½ p.c.—the issue being made at 95. Premier Asquith announced that one financial house took £100,000,000 of this issue in advance. Under the circumstances this loan is floated on very satisfactory terms from the national point of view. The net cost to the Government works out at 4 per cent. As noted elsewhere, this is decidedly better than Germany or Austria can do, and the lower relative cost of the money of course helps the Allies to bring the war to a successful conclusion. The intention is to provide for the outstanding temporary loans issued by the Imperial Government and also to provide for the new expenditures of the immediate future.

#### WHAT CANADA MIGHT HAVE TO PAY.

The rate thus established for the British Govern-

ment would necessarily be somewhat less than that which the Canadian Government would be expected to pay in case of a large London loan. Perhaps Canada or any other colony or dominion belonging to the Empire would now have to pay around 4¾ p.c. in order to obtain access to the British market. That would seem to establish the rate for provincial government borrowings and the borrowings of the leading Canadian cities at around 5 p.c. Of course it would hardly be practicable for these borrowers to negotiate loans in London at the immediate present; and what they could secure in the home Canadian market is strictly limited. But it might be well for some of the provinces and municipalities to follow the example of Ontario and endeavor to place moderate amounts at home at attractive rates of interest. With reference to prospective borrowing by the Dominion, it is the intention of the British Government to allot roundly \$151,000,000 of the proceeds of this week's big loan for the use of the self-governing dominions in order to obviate the necessity of their coming into the London market for loans. This will tide our finances over until the New Year at any rate, at which time perhaps the conditions prevailing in the London market will have improved sufficiently to open the way for some colonial issues.

#### NEW FEDERAL RESERVE BANKS.

The other important event of the week is the inauguration of the new federal reserve banks in the United States. The Federal Reserve Bank of New York is understood to have received approximately \$100,000,000 of deposits last Monday, the first day of business. This large amount represented transfers of the reserves of member banks from their reserve agents to the new institution. A number of the large banks have declared that they are depositing with the Reserve Bank more than the legal minimum prescribed by the law, and it is certain that the resources of the new reserve banks in New York and Chicago will speedily reach very large proportions.

#### GREAT BENEFITS EXPECTED.

Our American neighbors are expecting to derive tremendous benefits as a result of this change of system. They expect to have an improvement in their trade through the release of a considerable sum in specie, hitherto held as bank reserves; and great benefits are looked for as a result of transferring the specie hoards of the National Treasury into the keeping of the reserve banks. It remains to be seen to what extent these anticipations will be realized.

#### CONDITIONS SATISFACTORY.

Monetary and business conditions in Canada continue to be satisfactory. The preliminary stages of the annual crop moving have been successfully passed through, and it is supposed that the banks will be able to undertake the task of carrying the grain delivered at interior and terminal elevators subsequent to the close of lake navigation at the end of this month. This

# The Bank of British North America

Established in 1836. Incorporated by Royal Charter in 1840

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

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**MONTREAL BRANCH**

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- |  |                                       |                    |               |              |
|--|---------------------------------------|--------------------|---------------|--------------|
| <b>Ontario</b>   | <b>Quebec</b>                         |                    |               |              |
| Acton  | Montreal (Head Office) St. James St.  |                    |               |              |
| Alvinston  | " 1255 St. Catherine St. East         |                    |               |              |
| Athens   | " 320 St. Catherine St. West          |                    |               |              |
| Belleville   | " 1330 St. Lawrence Blvd.             |                    |               |              |
| Berlin   | " 1866 St. Lawrence Blvd.             |                    |               |              |
| Bothwell   | " 672 Centre Street                   |                    |               |              |
| Brampton   | " St. Denis Street                    |                    |               |              |
| Brantford  | Beauharnois Quebec, St. Sauveur       |                    |               |              |
| Bronte   | Bury Maisonneuve                      |                    |               |              |
| Chatham  | Chateauguay Ormstown St. Jerome       |                    |               |              |
| Chatsworth   | Basin Quyon St. Jovite                |                    |               |              |
| Cheley   | Huntingdon Rigaud St. Johns           |                    |               |              |
| Clarkson   | Lachine Shawville Three Rivers        |                    |               |              |
| Creemore   | Napierville Sherbrooke Valdrouil      |                    |               |              |
| Delta  | Quebec Ste. Agathe                    |                    |               |              |
| Eganville  | <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                   |                    |               |              |
| Glencoe  | Thorold                               |                    |               |              |
| Gore Bay   | Tilbury                               |                    |               |              |
| Granby   | Toronto                               |                    |               |              |
| Guelph   | " Dundas St.                          |                    |               |              |
| Hamilton   | " Parl. St.                           |                    |               |              |
| " East End   | " Parkdale                            |                    |               |              |
| Hanover  | Walkerton                             |                    |               |              |
| Hespeler   | Walkerville                           |                    |               |              |
| Ingersoll  | Wallacuburg                           |                    |               |              |
| Kincardine   | Watford                               |                    |               |              |
| Kingston   | West Lorne                            |                    |               |              |
| Lancaster  | Westport                              |                    |               |              |
| Lansdowne  | Wheatley                              |                    |               |              |
| Leamington   | Williamstown                          |                    |               |              |
| Little Current   | Yandor                                |                    |               |              |
| London   | Yarker                                |                    |               |              |
| London, East   |                                       |                    |               |              |
| <b>Saskatchewan</b>  | <b>Alberta</b>                        |                    |               |              |
| Antler   | Ame Leduc                             |                    |               |              |
| Arcola   | Brooks Lethbridge                     |                    |               |              |
| Battleford   | Calg. ry Mannville                    |                    |               |              |
| Carnduff   | " 2nd St. E. Medicine Hat             |                    |               |              |
| Frobisher  | Camrose Munson                        |                    |               |              |
| Gainsborough   | Carstairs Okotoks                     |                    |               |              |
| Gull Lake  | Castor Olds                           |                    |               |              |
| Humboldt   | Chauvin Raymond                       |                    |               |              |
| Kisbey   | Coronation Redcliff                   |                    |               |              |
|  | Daysland Red Deer                     |                    |               |              |
|  | Delburne Rimbey                       |                    |               |              |
|  | Donalda Rumsey                        |                    |               |              |
|  | Edgerton Sedgewick                    |                    |               |              |
|  | Edmonton Stettler                     |                    |               |              |
|  | " Namayo Av. Strome                   |                    |               |              |
|  | " Alberta Av. Toftield                |                    |               |              |
|  | " Athabasca Av. Trochu                |                    |               |              |
|  | Edson Vegreville                      |                    |               |              |
|  | Hughenden Viking                      |                    |               |              |
|  | Islay Wainwright                      |                    |               |              |
|  | Killam West Edmonton                  |                    |               |              |
|  | Lacombe Wetaskiwin                    |                    |               |              |
|  | <b>British Columbia</b>               |                    |               |              |
|  | Chilliwack Oak Bay, Sidney            |                    |               |              |
|  | Elko Vancouver                        |                    |               |              |
|  | Ganges Harbour " Hastings St.         |                    |               |              |
|  | Nanaimo Victoria                      |                    |               |              |
|  | New Westminster                       |                    |               |              |
| <b>St. John, N.B.</b>  | <b>Halifax, New Glasgow, N.S.</b>     |                    |               |              |
| <b>SUB-AGENCIES</b> —Ontario—Addison, Beachville, Calabogie, Frankville, Hawkestone, London South, Lyndhurst, Muirkirk, Newtonton, Pelee Island. |                                       |                    |               |              |
| Manitoba—Austin, Griswold, Lauder, Sidney.   |                                       |                    |               |              |
| Alberta—Botha, Cam., Saskatchewan—Dollard, MacNutt.  |                                       |                    |               |              |
| <b>IN UNITED STATES</b> —New York Agency, 63 Wall Street.  |                                       |                    |               |              |
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| <b>D. C. MACAROW</b> - - - Local Manager, Montreal   |                                       |                    |               |              |
| <b>IMPERIAL BANK OF CANADA</b>   |                                       |                    |               |              |
| CAPITAL PAID UP  | \$ 7,000,000.00                       |                    |               |              |
| RESERVE FUND   | 7,000,000.00                          |                    |               |              |
| TOTAL ASSETS   | 79,000,000.00                         |                    |               |              |
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| <b>BRANCHES IN PROVINCE OF ONTARIO.</b>  |                                       |                    |               |              |
| Amherstburg  | Essex                                 | Listowel           | Port Arthur   | St. Davids   |
| Aurora   | Fergus                                | London             | Port Colborne | Sault Ste.   |
| Belwood  | Fonthill                              | Marshville         | Port Robinson | Marie (3)    |
| Bolton   | Fort William                          | Nashville          | Preston       | St.          |
| Brantford  | Galt                                  | New Liskeard       | Ridgeway      | Thomas (2)   |
| Caledon E.   | Hamilton                              | Niagara            | South Forcu-  | Thessalon    |
| Cobalt   | Harrow                                | Falls (2)          | pine          | Toronto (17) |
| Cochrane   | Humb'rtone                            | Niagara-on-        | South Woods-  | Timmins      |
| Cottam   | Ingersoll                             | the-Lake           | lee           | Welland      |
| Davisville   | Jordan                                | North Bay          | Sparta        | Woodstock    |
| Eik Lake   | Vineland                              | Ottawa             | St. Cathar-   | Windsor      |
|  | Kenora                                | Pelgrave           | ines (2)      |              |
| <b>BRANCHES IN PROVINCE OF QUEBEC.</b>   |                                       |                    |               |              |
| MONTREAL (3).  |                                       |                    |               |              |
| QUEBEC (2).  |                                       |                    |               |              |
| <b>BRANCHES IN PROVINCE OF MANITOBA.</b>   |                                       |                    |               |              |
| Brandon  |                                       | Portage la Prairie | Winnipeg (3)  |              |
| <b>BRANCHES IN PROVINCE OF SASKATCHEWAN.</b>   |                                       |                    |               |              |
| Balgonie, Broadview, Fort Qu'Appelle, Hague, Kandahar, Moose Jaw, North Battleford, Prince Albert, Regina, Rosthern, Wilkie, Wynyard.            |                                       |                    |               |              |
| <b>BRANCHES IN PROVINCE OF ALBERTA.</b>  |                                       |                    |               |              |
| Athabasca Landing, Banff, Calgary, Edmonton, (4) Lethbridge, Mulet, Red Deer, Strathcona, Wetaskiwin.  |                                       |                    |               |              |
| <b>BRANCHES IN PROVINCE OF BRITISH COLUMBIA.</b>   |                                       |                    |               |              |
| Arrowhead, Chase, Cranbrook, Fernie, Golden, Invermere, Kamloops, Moyie Natal, Nelson, Revelstoke, Vancouver (5), Victoria (2), Wilmer.          |                                       |                    |               |              |
| <b>Savings Bank Department</b>   |                                       |                    |               |              |

stage of the crop financing is always more trying than the first stage, because the banks are not able to get very much assistance from their note circulation. It is supposed that the mysterious expansion of the Dominion note circulation, beyond the new limits established by the legislation enacted in August this year, is due to issues of notes to the banks against securities pledged by them.

Call loan rates in Montreal and Toronto are 6 to 6½ p.c., and mercantile paper is 6 to 7 p.c., as in the recent past.

#### MONEY ABROAD.

Call money in London is 1 to 1¼ p.c.; short bills are 2¼ to 2½ p.c.; and three months' bills, are 3¾ to 2¾ p.c. Bank of England rate is held at 5 p.c. Across the Channel, at Paris, the Bank of France quotes 5 p.c., and the private rate is 4 p.c. The official quotation of the Imperial Bank of Germany is 6 p.c., and in the Berlin private market 6¾ p.c. is the rate declared to be prevailing. So far as London is concerned the big war loan this week has affected the money market to some extent.

#### NEW YORK POSITION.

At New York call loans are 5 p.c. Recently the call loans at New York at concessions in rates have contained the proviso that the loan must be paid when called. Time money has been comparatively easy at 5¼ to 5½ p.c. According to their Saturday statement the clearing house banks at New York suffered a considerable loss in reserve strength. In case of all members the loans decreased \$11,500,000, the cash holdings fell \$7,200,000, the note circulation contracted \$23,500,000, and the surplus fell \$8,500,000—to \$7,413,900. In the case of the banks alone the drop in surplus was \$5,800,000, and after this decrease the surplus reserve stood at \$12,500,000. It is to be expected that when the figures for the current week are available they will show some large fluctuations as a result of the shiftings of reserves to the federal reserve banks.

#### INSURANCE MANAGER'S SON WITH CANADIAN CONTINGENT.

Captain T. Sydney Morrissey, of the 5th Royal Highlanders of Montreal, who is now with the Canadian contingent at Salisbury Plain, England, preparing to take his part in the defence of the Empire at the front, is the only son of Mr. T. L. Morrissey, the well-known manager for Canada of the Union Assurance Society.

Captain Morrissey, who is only in his twenty-fifth years had a brilliant career at the Royal Military College at Kingston, and is already known as a keen and efficient officer. Canadian insurance men generally will wish him the best of luck in the campaign and will follow with interest news of his doings, confident that he will uphold and develop the soldierly reputation he has already won, in the performance of his duty, however difficult and dangerous that may be.

Mr. A. R. Hector, manager of the Vancouver branch of the Royal Bank, has been appointed manager at Saskatoon in succession to Mr. T. K. McCallum, resigned.

#### PROVISIONS OF THE BRITISH COLUMBIA TRUST COMPANIES' ACT.

The new British Columbia Trust Companies' Act, which was passed last March, came too late to safeguard those interested in the Dominion Trust Company. In itself, it is a well-conceived piece of legislation, which, in view of recent developments, it is a thousand pities was not passed two or three years ago. Trust companies in British Columbia had become almost a joke. They were nominally hundreds in number, and their names in many cases merely covered all kinds of speculative schemes, having no more to do with legitimate trust company business than chalk has with cheese.

The requirements of the new Act are sufficiently stringent. The manner of investment of all funds entrusted to a Trust Company is regulated, these regulations applying to deposits and also to the company's own share capital and accumulated funds. All trusts are required to be kept separate. The classes of business a Trust Company can undertake are limited. A deposit varying from \$25,000 to \$200,000 had to be made by all Trust Companies with the Provincial Minister of Finance not later than July 1 last. It was enacted that no company which has not satisfied the Company Registrar and the Inspector of Trust Companies and obtained registration can carry on business after September 4, 1915, and it made compulsory a periodical examination and report on the company's affairs and securities by the directors themselves, and not merely by officials of the company, in addition to an examination and report by the Inspector of Trust Companies.

Up to the present some six Trust Companies have qualified under this Act. The Dominion Trust Company in its recent form was incorporated under a charter obtained from the Dominion Parliament in 1912, an authorizing Act being also obtained from the British Columbia legislature in 1913. The latter Act contained a clause making the company subject to all existing and future provincial Trust Company legislation, and consequently it became subject to the provisions of the Trust Companies' Act before mentioned. However while the Dominion Trust Company provided the requisite deposit with the Minister of Finance in July last, it did not obtain registration under the Act.

#### WHAT QUALIFICATIONS?

It is announced that Mr. J. M. McCutcheon, B.A., English master at the Normal School at Stratford, Ont., for the last six years, has been appointed secretary of the new Ontario Workmen's Compensation Board. We shall be interested to learn his qualifications.

Mr. T. S. Miller, of Minneapolis, formerly of Winnipeg, has been appointed provincial manager for Saskatchewan of the Imperial Life.

## THE ROYAL BANK OF CANADA

INCORPORATED 1869

Capital Paid up \$11,560,000 Reserves \$13,575,000  
Assets \$185,000,000

HEAD OFFICE - MONTREAL.

340 BRANCHES THROUGHOUT CANADA

28 Branches in Cuba, Porto Rico and Dominican Republic

Kingston, Jamaica. Bridgetown, Barbados.  
Nassau, Bahamas. St. George's, Grenada.  
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Princes St., E. C.

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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:

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THOS. F. HOW, General Manager.

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NEW YORK—National Bank of Commerce.

CHICAGO—First National Bank.

LONDON, Eng.—London City and Midland Bank, Limited.

#### BANKING CONVENIENCE

The Bank of Toronto, with departments equipped to transact business of every description appertaining to banking, and with numerous branches distributed throughout the Dominion and a full list of banking correspondents, is enabled to offer its customers exceptional facilities for the transaction of their financial affairs.

## THE BANK OF NOVA SCOTIA

INCORPORATED 1832.

CAPITAL.....\$6,500,000.00  
RESERVE FUND.....11,900,000.00  
TOTAL ASSETS.....80,161,929.99

HEAD OFFICE: HALIFAX, N.S.

#### DIRECTORS

JOHN Y. PAYFANT, 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,  
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190 BRANCHES 190

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 HOME BANK OF CANADA

Branches and Connections throughout Canada.

#### SIX OFFICES IN MONTREAL

Main Office, Transportation Building, St. James St.  
Beauchamp Branch, 523 St. James St.  
Notre-Dame Branch, Cor. Cuvillier and Ontario Sts.  
Mount Royal Branch, Cor. Mount Royal & Papineau Av.  
Papineau Branch, Papineau Square.  
St. Denis Branch, 478 St. Denis St.

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

JAMES MASON - General Manager.

# The Bank of Ottawa

### DIVIDEND No. 93

NOTICE is hereby given that a dividend of Three per cent. being at the rate of Twelve per cent. per annum upon the paid-up capital stock of this Bank, has this day been declared for the current three months, and that the said dividend will be payable at the Bank and its branches on and after Tuesday, the First day of December, 1914, to shareholders of record at the close of business on the 17th November next.

By Order of the Board,

GEORGE BURN,

General Manager.

Ottawa, Ont., October 19th, 1914.

## THE LATE COL. D. R. WILKIE.

The sudden death on Tuesday of Col. D. R. Wilkie, president and general manager of the Imperial Bank of Canada, prematurely removes one of the most distinguished of Canadian men of affairs whose ripe experience and wisdom in council, it might have been hoped, would have been yet available for many years. As recently as last week, Col. Wilkie was re-elected by his banking colleagues, president of the Canadian Bankers' Association, a position to which he was first appointed on the death of Sir Edward Clouston, and he had rendered most valuable services recently in connection with the emergency steps taken by the Dominion Government in regard to currency matters at the outbreak of the war.

Born at Quebec of Scottish parentage in 1846, Mr. Wilkie was in his younger days associated with the Quebec Bank. In 1872 he became manager of the Toronto branch of that institution, thence moving in 1875 to the position of manager of the Imperial Bank of Canada, which was then organized and with which he had ever since been associated. In 1906 he became president of the Bank as well as its general manager. The energy, ability and sound judgment with which he administered the Bank's affairs right from the start may be gauged by the important position which the Imperial Bank now occupies among the Canadian banking institutions, with a paid-up capital of \$7,000,000, a reserve fund of the same amount and total assets of over \$80,000,000.

"Colonel Wilkie had the most remarkable faculty of remaining young," says Sir Edmund Walker. "He was astonishingly virile, both intellectually and physically, and never lost his enthusiasm and his capacity for the tasks which came to his hand. He was, of course, recognized everywhere as one of the ablest bankers that the country has produced, and his reelection last week to the Presidency of the Canadian Bankers' Association indicated the feeling of that body towards him."

Numerous addresses or banking subjects had been made and papers written by Col. Wilkie, who was also the author of a treatise on "The Theory and Practice of Banking in Canada." He was also identified with the establishment of the Canadian branch of the Royal Mutual. Business interests at the time of his death included directorships of the Confederation Life Association, the Toronto General Trusts and the General Accident Fire and Life Assurance Corporation. His public and philanthropic services were numerous.

Mr. Wilkie is survived by one daughter and two sons—the latter both soldiers. Captain Stuart Wilkie, of the Royal Field Artillery, is at present ill in Toronto, while Captain A. B. Wilkie, who was in the retreat from Mons, has since been invalided. The funeral yesterday (Thursday) was attended by a representative gathering of leaders in Canadian business and affairs, testifying to the high esteem and respect in which the deceased gentleman was held.

## CANADA AND THE NEW BRITISH TAXATION.

The doubling of the British income tax under the scheme of war taxation which has been passed by the Imperial Parliament this week is an important fact for Canada. It means that thousands of British private investors will be compelled to obtain a higher rate of interest upon their investments than hitherto they have been content with in order to even up their position. The country where they can obtain that higher rate of interest under the most favourable circumstances is Canada.

Whether much or little is made of this necessity of British investors depends not only upon Canadian financiers but also upon the various Governments. It is essential, if the fullest advantage is to be taken of this opportunity that as far as is reasonably possible Canadian offerings in London should be confined to loans and securities which can stand the scrutiny of the keenest financial critic. To secure this desideratum, particularly in the case of industrial securities, not only is sane and reasonable promotion and financing necessary, but also that the operations of Canadian companies should be conducted under legislation and regulations, which are in line with modern companies' laws elsewhere. To some extent, no doubt, the Dominion Government feels its hands tied on the question of the revision of the Dominion Companies' Act pending the decision of the Privy Council in the "Companies' case." But it is certainly highly desirable in the interests of the Dominion generally that a revision of these laws should be undertaken as quickly as possible. The announcement that such a revision was being taken in hand would of itself be of considerable value as an indication that British investors sending their capital here would be fully protected as far as possible. After the Dominion Trust affair, some such assurance is the more urgent.

## PRESUMPTION OF DEATH.

It has been the practice of some companies, in cases where legal death is presumed on account of absence for more than seven years, to pay policies on which the payments have been kept up, some of them returning the seven years' premiums also. The Iowa Supreme Court has just decided that death is presumed to have taken place at the time of the disappearance, and has awarded judgment against the Modern Woodmen on a policy which was in force at the time of the disappearance, but on which the premiums were not kept up during the seven years.

Since its incorporation in Canada in the year 1851 the Western Assurance Company has passed through its times of stress and strain; and it has done so in a manner entitling it to a high place upon the insurance roll of honour, thus inspiring confidence for the future and going far to command further success.—*Post Magazine.*

# 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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 Sir William C. Van Horne, K.C.M.G., Vice-President.  
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 A. D. BRAITHWAITE, HON. R. MACKAY  
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A. E. HOLT, Manager

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

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

# 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.

**MADE-IN-CANADA**

# THE CANADIAN SURETY CO

Investments of Capital, Surplus  
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**MADE-IN-CANADA**

Suretyship bonds exclusively  
 Maximum Protection - Minimum Cost  
 Head Office, TORONTO, ONT.

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

# Canadian Pacific Railway

## DIVIDEND NOTICE.

At a meeting of the Board of Directors held to-day a dividend of two and one-half per cent. on the Common Stock for the quarter ended 30th September last, being at the rate of seven per cent. per annum from revenue and three per cent. per annum from Special Income Account, was declared payable on 2nd January next to Shareholders of record at 3 p.m. on 1st December next.

By order of the Board,  
 W. R. BAKER, Secretary.

Montreal 9th November, 1914.



**THE CROWN TRUST COMPANY**  
 145 ST. JAMES STREET, MONTREAL

**Trust Company Service**

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

ENQUIRIES ARE CORDIALLY INVITED

# PRUDENTIAL TRUST COMPANY LIMITED

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 Transfer Agent & Registrar  
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Real Estate and Insurance Departments  
 Insurance of every kind placed at lowest possible rates.

**Safety Deposit Vault**  
 Terms exceptional moderate.  
 Correspondence invited.

B. HAL. BROWN, President and Gen. Manager

# The Trust and Loan Co. OF CANADA

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

MONEY TO LOAN ON REAL ESTATE AND SURRENDER VALUES OF LIFE POLICIES.  
**30 St. James St., Montreal**

## THE PRIVY COUNCIL DECISION.

The full text of the Privy Council's decision in the John Deere Plow case, which has now been received, justifies generally the inferences drawn from the cabled summary as to the effect and importance of the decision, while at the same time it makes clear what has not before appeared, the attitude of the Judicial Committee towards questions of this kind. The question to be decided in the present case, was whether it is competent for the province of British Columbia to legislate so as to interfere with the carrying on of business in the province by a Dominion Company under the circumstances stated. The Judicial Committee of the Privy Council decided this point in the negative, while stating that it might be competent to the legislature to pass laws applying to companies without distinction and requiring those that are not incorporated in the province to register for certain purposes, such as the requiring of information. It is, however, to be noted that in discussing the interpretations of the sections of the British North America Act concerned, the Judicial Committee affirmed the necessity of confining decisions to concrete questions which have actually arisen in circumstances the whole of which are before the tribunal, and reaffirmed a previous opinion to the effect that in discharging the difficult duty of arriving at a reasonable and practical construction of the language of the sections, so as to reconcile the respective powers they contain and give effect to them all, it is the wise course to decide each case which arises without entering more largely upon an interpretation of the statute than is necessary for the decision of the particular question in hand. That is to say, the John Deere Plow decision is satisfactory so far as it goes, but there is the direct warning of the Judicial Committee that it is only a decision on the particular circumstances in question and that it cannot be used as a general analogy to apply to circumstances which are somewhat but not quite similar.

### THE "COMPANIES' CASE."

It is interesting also to note that the members of the Judicial Committee have studied in connection with this case the opinions given by the Supreme Court of Canada in regard to the abstract questions generally known as "the companies case" submitted to the Court last year, and an appeal from which to the Judicial Committee is now being carried by the Dominion Government. The Judicial Committee state that the task given the Supreme Court of Canada and now to be given to them, was an impossible one, owing to the abstract character of the questions put. This opinion having been so forcibly expressed it would seem to be the part of wisdom not to expect too much from the decision in "the companies case," which is shortly to be argued before the Judicial Committee. The John Deere Plow case has settled one point, the right of the Dominion to incorporate com-

panies whose operations a provincial government cannot materially restrict. Possibly instead of getting a general ruling on the abstract questions comprising "the companies case," it will require manifold decisions in further concrete cases to get the varying powers of the Dominion and the provinces closely defined.

### A WARNING TO MUNICIPALITIES.

Canadian municipalities who are afflicted with the idea that they can run practically everything without the bounds of their municipality better than private enterprise can run it should con over a newly published report by Commissioner Harrison, who is in charge of the public utilities of Edmonton. Mr. Harrison states in regard to the street railway which is run by the municipality that before it begins to show a profit it must earn not less than \$2,335 per day or must carry at least 47,000 passengers per day to pay expenses. At the present time the street railway is carrying on the average 32,000 passengers per day, and is losing at the rate of \$500 to \$800 per day. Mr. Harrison adds to this by no means cheerful information that he finds that the system is over-capitalised, that there are twice as many miles of track per thousand of population as in any other city in the Dominion, and in many instances four times as many miles. In other words, the system has been extended far more rapidly than good business practice would warrant. Mr. Harrison suggests the appointment of a civic committee to look into this matter, with a view to reducing operating and power charges, and advocates a refusal to extend the tracks further into territory which does not pay.

This report suggests that Edmonton's tramway policy has hitherto been governed by the maxim of not wisely but too well. It can hardly make comfortable reading for holders of the city's bonds, whether in Canada or abroad. Instances of Canadian municipal un wisdom are too numerous for any additions to their number to be desired. This kind of thing cannot but have an injurious effect upon the credit of Canadian municipalities abroad, since the impression is given that the municipalites are run on unbusiness-like lines, banking on the future. Finance which does that, whether public or personal, is bound to come a cropper sooner or later. Other municipalities may well take heed from Edmonton's experience.

### INSURANCE TAXATION IN ONTARIO.

A Quebec City correspondent enquires if municipal authorities in the province of Ontario impose taxes on the insurance companies. They do; the taxes varying with the amount of assessment required by the municipality.

But little damage from fire resulted in the month of October in Saskatoon. The fire brigade responded to 7 calls during the month; the total fire loss was \$438.

# CANADA PERMANENT MORTGAGE CORPORATION

TORONTO STREET, TORONTO.

Established 1865.

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
<b>Deposits Received.</b>		<b>Debentures Issued.</b>				

*The*  
**WESTERN**  
Assurance Company  
Incorporated in 1851

ASSETS	OVER	\$3,500,000.00
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LOSSES paid since organization of Company . . . over **\$57,000,000**

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**HEAD OFFICE . . . TORONTO**

Organized  
1863 1853



**Assets**  
**\$8,020,276.62**

**Surplus to Policyholders**  
**\$3,615,126.66**

**Applications for Agencies invited.**  
Canadian Head Office  
**MONTREAL**  
J. W. BINNIE . . . Manager

ESTABLISHED 1809

Total Funds Exceed <b>\$109,798,258.00</b>	Canadian Investments Over <b>\$9,000,000.00</b>
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**FIRE AND LIFE**  
**North British and Mercantile**  
INSURANCE COMPANY

DIRECTORS  
WM. MCMASTER, Esq. G. N. MONCEL, Esq.  
E. L. PRASE, Esq.

Head Office for the Dominion:  
80 St. Francois Xavier Street - **MONTREAL.**  
Agents in all the principal Towns in Canada.  
**RANDALL DAVIDSON, Manager.**

## CANADIAN BANKING PRACTICE

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**THIRD EDITION.**  
(HANDSOMELY BOUND IN CLOTH, \$4 PER COPY)

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

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

## HURRIED INSURANCE LEGISLATION.

To a remarkable extent insurance, more than any other business, suffers from hurried and immature legislation. There is something about the business that makes it particularly attractive to the legislator with a penchant for posing as the friend of the people, and as the average politician knows as little or something less about the insurance business as he knows about anything else, it is comparatively an easy matter to stampede a majority into passing some crude or foolish act whose only merit is that it deals the "insurance interests"—whoever or whatever they may be—a nasty blow, and accordingly furnishes a good cry with which to bewilder a not too clear-headed electorate. The rise of social legislation of the workmen's compensation type has furnished the politician with new and valuable weapons for use in this service. Last year, Canadian insurance men had an experience of this kind of thing in the case of the Ontario Workmen's Compensation Act, which a bold Government in a hurry jammed through a tame legislature, the great majority of whose members knew no more about workmen's compensation than they do about aviation. The result is a measure which even those who are friendly to it declare to be unworkable in many ways. However, the result has been achieved of giving the insurance companies a knock by simply wiping out their Ontario business in workmen's compensation insurance for which they had built up an extensive and expensive organisation, and were fully competent to carry on, and the Ontario Government and its supporters are able to pose as the glorious benefactors of the dear people. When results of that kind are achieved, what does it matter if the Act is unworkable, and has afterwards to be radically amended. Amendment merely gives another opportunity to the politicians for self-glorification.

\* \* \*

It is perhaps consoling that this tendency to hurried insurance legislation is not confined to Canada. The National Insurance Act of Great Britain is a classic instance of a crude measure being shoved through Parliament; the politicians taking no small credit to themselves for thus shoving it through, and kindly leaving it to other people, laboring in hum-drum obscurity, to work out the details and make the thing go in some way or other. The same kind of thing is now in process in the State of New York. A few months ago there was passed in that State a Workmen's Compensation Act, which was alleged to be something wonderful in the way of heaven-born legislation. But already complaint is made that it will be necessary to pass a new measure, because of the doubt as to a vast number of employes in specific lines of trade being included in this or that group set forth in the law, or whether certain employes who have been injured in the course of employment are included in any portion of the act. This has led to much con-

fusion in the work of administering the law and rendering awards under its provisions, the ambiguous wording of the groups proving to be a continual stumbling block.

\* \* \*

In this kind of fashion the business of insurance is being constantly muddled by hasty and foolish legislation. Fire insurance and life insurance are beset equally with casualty insurance. There is no idea so cranky or charge against the insurance companies so preposterous that legislators cannot be got to forward. The idea is constantly put forward that the insurance companies are in some mysterious way the enemies of the people, though in sober truth, collectively they do each year infinitely more for the general welfare of the community than the whole collection of rank and file politicians with which we are beset. There is only one way in which the pernicious activities of politicians in insurance matters can be combatted—by the persistent and patient education of the policyholders. It will be a long job to achieve any notable results, but the labour involved will be well expended. For policyholders have votes; and the politician will always listen to the argument of votes though he be deaf to any other.

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### WHO'S TO BLAME?

Apparently the failure of the Dominion Trust Company cannot be blamed on any shortcomings in the new British Columbia legislation governing the actions of trust companies, which was passed a few months ago. That legislation which was widely hailed as a praiseworthy and successful attempt to cope with the evils of wild catting finance figuring under the guise of trust companies, merely came too late. The harm had apparently been already done in the case of the Dominion Trust Company, and the Company was never even registered under the new Act.

The thorough and impartial investigation into the reasons why for the Company's failure that is promised, will, it is to be hoped, ascertain and state definitely who's to blame for it. The shareholders who apparently stand in the position of being heavy losers as a result of the insolvency, are at least entitled to the satisfaction of knowing how and by whom their money has been wasted. Pending the results of this investigation, it will be wise to suspend judgment. The tendency which has already found utterance in some quarters to blame everything on to the late managing director does not redound to the credit of those who support it. He may or may not be to blame; until affairs have been thoroughly straightened out it is impossible to found any definite opinion on this point. Meantime any amount of talk of this kind will not in the mind of the average man shift from the shoulders of the men who lent their names to the concern and who took responsibilities for its good government by becoming directors the necessity of proving that they have not been themselves to blame.



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**London Assurance**  
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INCORPORATED BY ROYAL CHARTER A.D. 1720

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

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**ATLAS ASSURANCE COMPANY**  
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Established in the REIGN of GEORGE III

Income exceeds	\$ 7,625,000
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Including the Fully Subscribed Capital, the resources of the Company amount to \$30,000,000.

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

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

11 ST. SACRAMENT STREET  
 MONTREAL, P.Q.

## SMALL RETURNS FROM FIRE INSURANCE.

The interest of the public in fire insurance is in two principal elements, safety and cost. The demand is that insurance shall be unquestionably safe. This is of paramount importance. Insurance companies are among the soundest of our financial institutions, as regards the insured. Laws and supervision see to this.

Yet no business shows a greater percentage of retirement of companies than fire insurance. Policyholders are protected at the cost, if necessary, of the stockholders. Not only are losses promptly paid, but the law compels the companies to set aside a sufficient fund to safely reinsure their outstanding business in case of retirement. This protects the policyholders. If income over losses and expenses is not enough to provide for reinsurance reserve, the surplus, which belongs to the stockholders is drawn upon. If the capital becomes impaired, one of four things must be done. The company must reduce its capital stock, or assess the stockholders, or merge with another company, or reinsure its outstanding risks and retire.

### A HEAVY MORTALITY.

On January 1st, 1871, there were 105 fire insurance companies in New York. Only 20 of these are now in existence. Since that date, 81 companies have been organized in New York. Only 24 of these survive. Of the total of 186 companies, therefore, 142 have been taxed out and burned out on account of the excessive fire waste, and what remained of their thirty millions of capital has been invested in more profitable ventures.

Forty-seven years' statistics of fire insurance companies transacting business in Canada under the license of the Dominion Government show an all-over rate of losses and expenses paid to premiums received of well over 90 per cent. When allowance is made for re-insurance reserve and the necessary conflagration reserve, it is obvious that only a very small profit has been obtained—hardly equal to the returns on an ordinary high-class investment.

These statistics prove that fire insurance is not highly profitable, as most people think; that capital invested in the business is subject to great risks; and that the policyholders are protected at all hazards.

### FIRE INSURANCE A HAZARDOUS BUSINESS.

No other business hazards its capital stock as much as fire insurance. Stockholders are likely to suffer heavy assessments or lose their entire investment when conflagrations occur. Hence they should be entitled to good profits in favourable years. The record of Canadian companies which have had to go into liquidation as a result of losses other than conflagration losses shows that they frequently do not obtain them.

The companies must not only meet current losses and expenses and maintain a reinsurance reserve, but they must build up an immense reserve to provide for

the ever present conflagration hazard. When all these are taken from the company's income, very little is left for stock dividends. In the last ten years in fact, the successful American fire companies have suffered an average underwriting loss of about sixty-two hundredths of one per cent. Investment profits cannot be counted, because these could have been earned in other fields, without the risk attending fire underwriting.

### MORTGAGE MONEY NOT BEING WITHDRAWN.

A satisfactory sign of the times is that British investors are not withdrawing mortgage funds from Canada in spite of the moratorium legislation passed in the province of Manitoba and elsewhere. The second week in November is a time when considerable settlements of this kind are made and the managers of mortgage companies generally report that while a certain amount of funds have been withdrawn, this withdrawal has not been more than normal, and the companies have been pleasantly surprised at the extent to which the obligations have been renewed. Many loan companies were prepared with cash to an unusual extent to meet maturing obligations, but the precautions taken in this direction have proved to be unnecessary.

The facts are a striking tribute to the trust and confidence felt by the British investor in the Canadian mortgage companies, under circumstances which are by no means favourable to those companies. Mortgage money constitutes a most important part of the flow of British capital to Canada. The companies reporting in Ontario have outstanding about \$80,000,000 of debentures payable abroad. As under present circumstances the amount of those debentures is being well maintained, it may be assumed that when the outlook becomes more clear, the companies will receive further large supplies of British capital which will be of great service in the future development of Canadian production.

### DRAWBACKS OF UNLICENSED INSURANCE.

The regulation of unlicensed insurance is a question that vitally concerns all insurance departments. This refers to all classes of unlicensed insurance. It is surprising that some of our citizens and good business men continue to patronize the unlicensed concerns. Their contracts are null and void under our laws, and are not enforceable in our courts. Parties placing insurance in such companies have the following conditions to contend with:—First, the difficulty in case of any loss which may occur as the policyholder is without recourse to the courts of the province to secure his rights, and of necessity must resort to the home state of any such company; secondly, the insurance branch, having no jurisdiction, would be unable to assist the assured in any way. The operation of the Saskatchewan act will tend to lessen the amount of unlicensed insurance, there being no discrimination between insurers by its terms.—*A. E. Fisher, Ins. Supt. of Saskatchewan.*

The death is announced of Mr. William Murray, for fifteen years manager of the Canadian Bank of Commerce at Vancouver.

## COMMERCIAL UNION

ASSURANCE COMPANY LIMITED  
of LONDON, England

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

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

APPLICATIONS FOR AGENCIES SOLICITED  
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—

**Commercial Union Building,**  
MONTREAL

J. McGREGOR,  
Manager

W. S. JOPLING,  
Assistant Manager

## PALATINE

INSURANCE COMPANY LIMITED  
of LONDON, England

(As at 31st December 1913)

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

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

APPLICATIONS FOR AGENCIES SOLICITED  
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—

**Commercial Union Building,**  
MONTREAL

J. McGREGOR,  
Manager

W. S. JOPLING,  
Assistant Manager

## SUN INSURANCE OFFICE

FOUNDED A.D. 1710.

Head Office:

Threadneedle Street - London, England

**THE OLDEST INSURANCE  
OFFICE IN THE WORLD.**

Canadian Branch:

15 Wellington Street East, Toronto, Ont.

H. M. BLACKBURN. 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.

## 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

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

## 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>1,305,084.00</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

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.

**RISE OF THE BONUS SYSTEM.**

Bonuses in life insurance originated through the excessive rates of premium charged owing to the lack of correct data. But with the publication of the Carlisle table in 1815 and the increase of actuarial knowledge, life offices had correct information at their disposal, and the original reason for granting bonuses disappeared—yet the system of paying bonus additions remained. There are several reasons for this apparently paradoxical situation pointed out by Mr. F. T. Lees in a paper read before the Insurance Institute of Manchester. First, the idea of granting bonuses had become an established part of life assurance practice, and as the system had no serious drawbacks, there was no urgent reason for its abolition. Secondly, the public regarded bonuses as an essential of life assurance, and it is probable would have looked with suspicion upon any scheme which did not include the granting of bonuses. Further, the idea of "sharing in profits" has proved to be a public attraction and a capital advertisement. Large bonuses have done more than anything else to popularise life assurance, and the public demand was for "profit-sharing" policies, even if the bonus had to be purchased at a somewhat increased premium. Finally, the scheme was favoured by the life offices themselves.

**REASONS WHY FOR COMPANIES' FAVOR.**

Although the rate of mortality and the probable expense and interest could be more accurately ascertained, it was recognised that in calculating premiums for contracts which might extend over one or two generations, some protection against adverse contingencies was indispensable. The provision against such contingencies resulted in the charging of premiums somewhat in excess of the rate actually required to cover the risk, even if the minimum charge were made for a policy without profits. The offices, therefore, favoured the system of charging a rate of premium considerably higher than the minimum required to cover the risk, and of compensating the policyholder in his bonus, if in later years experience showed that the provision for contingencies was not required. Again, in the happening of adverse contingencies the non-profit policyholders could not be called upon in any way to make up the difference. Therefore, as the "bonus" system permitted the charging of rates of premium which afforded greater security to the office, and at the same time equitable treatment of the policyholders, it was favoured by the offices.

The further development of bonus is mainly comprised of the refinement and extension of the system in various directions.

**A CANADA LIFE ROLL OF HONOUR.**

An English contemporary publishes the following list of members of the staff of the Canada Life in Great Britain who are now associated with the forces of the Crown:—

Major J. Westwood Henderson, 1st Battalion Royal Fusiliers, Public Schools Brigade.  
 Major J. C. Chillingworth, 8th Battalion Queen's Own Royal West Kent Regiment.  
 Major R. N. De la Bere, D.S.O., 6th Battalion King's Own Royal Lancashire Regiment.  
 Mr. D. Hepburn, 2nd Battalion London Scottish.  
 Gunner J. A. Bolton, 1st London Battalion Royal Field Artillery, 3rd Battery  
 Gunner F. D. Keane, 1st London Battalion Royal Field Artillery, 3rd Battery.

**VALUATION OF INSURANCE COMPANIES' SECURITIES.**

The Dominion Insurance Department has decided to take the values of securities as at December 31, 1913, for the valuation of insurance companies' holdings of securities this year, except in certain case where the securities have suffered obvious intrinsic depreciation during 1914. The Department's announcement on the subject is as follows:—

The Department last year had an independent expert valuation made of all bonds, debentures and stocks owned by insurance companies and included in their annual statements made to this Department, and it was the intention to have a similar valuation made at the end of the current and succeeding years.

The outbreak of the European war, however, and the consequent closing of the stock exchanges and general demoralization of the security markets have rendered such a valuation impracticable. At the present time there can be said to be no market values for the great majority of the securities held by insurance companies, but it cannot be said that these conditions are indicative of a change, likely to be permanent, in the interest return to be hereafter yielded by the respective classes of investment. As the conditions differ in this respect from those prevailing a year ago, and as the values then obtained are believed to be no higher than those which, judging from the trend of values during the first six months of the year, would, but for the outbreak of war, have prevailed at the end of this year, the Department will, for the purpose of its annual report as at December 31, 1914, value government and municipal securities held on December 31, 1913, at the rates used at the last mentioned date. For such securities purchased since December 31, 1913, the purchase prices exclusive of accrued interest will be allowed.

For other securities, such as stocks and industrial and railway bonds, the foregoing rule will in general be followed, but it will be necessary to specially investigate the values of certain of these securities which have suffered obvious intrinsic depreciation during the year.

In the lists of securities prepared for the purpose of the annual statements at the end of the year, the purchases made during the year should be shown separately or otherwise clearly indicated.

The Department hopes to be able to send to each company, within a few days after the first of the year, a pamphlet containing the entire list of securities held by insurance companies in Canada, together with the values which will be allowed for the purpose of the Department's report.

**METROPOLITAN LIFE TO BE MUTUALISED.**

Announcement is made this week by the Metropolitan Life of New York that the directors have approved a plan of mutualisation of the Company, to which the bulk of the stockholders have agreed. They will meet early in December and policyholders will be called together to vote upon the proposal on December 28.

The Metropolitan Life has a capital stock paid up of \$2,000,000. Its surplus at December 31, 1913 was \$33,584,902. It is unofficially stated that under the mutualisation plan the \$2,000,000 capital will be returned to the stockholders with a payment of \$4,000,000 of the surplus.



**ONTARIO AND NORTH WEST BRANCH**  
 8 Richmond Street, East, TORONTO  
**PROVINCE OF QUEBEC BRANCH**  
 164 St. James St., Cor. St. John St., MONTREAL



**PERSONAL ACCIDENT**  
**SICKNESS**  
**FIDELITY GUARANTEE**

**PLATE GLASS**  
**AUTOMOBILE**  
**GENERAL LIABILITY**

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

# THE YORKSHIRE INSURANCE COMPANY, LIMITED

ESTBD. 1824

YORK, ENGLAND

ASSETS EXCEED \$20,000,000

**FIRE** .....On every description of property. 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.  
**APPLICATIONS FOR AGENCIES** are invited from responsible persons.

**CANADIAN DIRECTORS** { Hon. G. J. Doherty  
 G. M. Bosworth, Esq.

Alphonse Racine, Esq.  
 Alex. L. MacLaurin, Esq.

Canadian Manager,  
 P. M. WICKHAM, Montreal

## ROYAL EXCHANGE ASSURANCE

Founded A.D. 1720

Losses paid exceed \$235,000,000

Head Office for Canada  
 Royal Exchange Building  
 MONTREAL  
 ARTHUR BARRY, Manager

Correspondence invited from responsible gentlemen in unrepresented districts re fire and casualty agencies



Head Office: Royal Exchange, London

**THE LIFE AGENTS' MANUAL - \$3.00**

Published by the Chronicle, Montreal

## INSURANCE COMPANY OF NORTH AMERICA

FOUNDED 1792.  
 PHILADELPHIA, PA.

**CAPITAL**, . . . . . \$4,000,000.00  
**SURPLUS TO POLICY HOLDERS** . . . . . 8,844,871.95  
**ASSETS** . . . . . 17,816,188.57  
**LOSSES PAID EXCEED** . . . . . 159,000,000.00  
**ROBERT HAMPSON & SON, LIMITED**  
 GENERAL AGENTS FOR CANADA, MONTREAL

## THE LAW UNION & ROCK

INSURANCE CO. LIMITED, LONDON. Founded in 1806

Assets Exceed - \$48,500,000.00

Over \$12,500,000 invested in Canada.  
**FIRE and ACCIDENT RISKS** accepted.  
 Canadian Head Office: 57 Beaver Hall Hill.  
 MONTREAL.

Agents wanted in unrepresented towns in Canada.  
 W. D. AIKEN, Superintendent, { J. E. E. DICKSON  
 Accident Dept. { Canadian Manager

## MOUNT ROYAL ASSURANCE COMPANY

PAID UP CAPITAL . . . . . \$250,000.00  
 TOTAL FUNDS . . . . . 729,957.36  
 NET SURPLUS . . . . . 202,041.02

## The NATIONALE FIRE INSURANCE COMPANY OF PARIS, FRANCE.

SUBSCRIBED CAPITAL . . . . . \$2,000,000  
 TOTAL FUNDS . . . . . 7,491,390  
 NET SURPLUS . . . . . 1,857,160

AGENTS WANTED IN UNREPRESENTED DISTRICTS.

HEAD OFFICE FOR CANADA - - - MONTREAL.

J. E. CLEMENT, General Manager.

H. H. YORK, Inspector for Ontario.

L. C. VALLE, Inspector for Quebec.

**REINSURANCE IN UNLICENSED COMPANIES.**

Mr. Finlayson, the Dominion Superintendent of Insurance, has addressed the following letter to the Canadian fire companies:—

In the annual statements of Canadian fire insurance companies made to the Department, the reserve on business reinsured in unlicensed treaty companies has heretofore been allowed as a deduction from the total reserve, but the companies have as a rule made arrangements with their reinsuring companies for the retention of a sufficient percentage of the reinsurance premiums to cover the reserve. In many cases, however, there have appeared in these statements unpaid losses due from such reinsuring companies to the Canadian companies which have not been similarly covered by assets in Canada, and as in many cases, these balances of unpaid losses have proved to be worthless or of little value owing to the weakness or insolvency of the reinsuring companies, the Department believes that the time has arrived when no credit should be given for unpaid losses or reserve in respect of such unlicensed reinsurance unless covered fully by assets of the reinsuring companies.

The Department therefore proposes to allow in its annual report for 1914, and thereafter, credit for unpaid losses due from, and reserve on business reinsured in, such unlicensed companies, only to the extent to which such losses and reserve are covered by premiums or securities of the reinsuring companies retained by the Canadian companies and under their sole control. Such assets will be treated as first making provision for unpaid losses and the balance as providing for a reduction *pro tanto* from the gross reserve.

**CONVERTING TERM POLICIES.**

Most people who buy term insurance do so in the belief that they will be making plenty of money if they live, and that temporary protection, while they are making it, is all that they require.

But it does not take these people long to find that they are not making the money they thought they would. A year passes by and they find themselves substantially no better off, and each succeeding year it is the same. That is the common experience, as attested by the statistics of dead men's estates.

When a man sees that he has overestimated his money-making power, he can easily be brought to realize that his Term policy, if he has one, is not the right kind of policy for him. You should, therefore, make a strong effort to get him to convert the policy. There are comparatively few Term policies on the Company's books that could not be converted to more stable protection if judicious steps were taken to convert them. A man who sees himself getting no richer and whose Term policy will expire before many years, leaving him so much older and possibly unfit for insurance on physical grounds, ought to appreciate the advantage of being able, without having to pass a medical examination, to switch over to a form of protection that will last as long as he does and that will be a financial prop to him in his declining years.—Prudential Record.

Insurance men in the United States are pleased with the check that has been given to the State insurance movement in Wisconsin. Constitutional amendments were presented at the elections empowering the State to furnish all kinds of insurance to its citizens; they were over whelmingly beaten.

**FIRE INSURANCE HINTS.**

1. Insurance agents and brokers in writing policies can do efficient fire prevention work by paying attention to the moral hazard and as to whether or not the property is over-insured.

2. Keep your place in such condition, that if a person wanted to start a fire, he would first have to go after material with which to start it.

3. The bonfire in an alley or vacant lot is a real life destroyer of the little ones. Many lose their lives each year by having their clothes catch fire from bonfires.

4. Don't leave your place in such a careless condition with accumulation of combustible material, etc., that it looks like an invitation for a fire.

5. Favors should never be granted where lives and property of people are at stake.

6. Men in charge of church, school, and other public buildings should see to it, especially in the winter time, that all exit doors are frequently examined so that in case of emergency they will open freely. Occasionally side doors, being little used, get in such a condition from ice, snow, etc., that it is almost impossible to open them. It is such a condition that frequently causes a serious loss of life when the unexpected panic takes place.

**HURRYING UP THE INSURANCE REPORT.**

Mr. G. D. Findlayson, the new Dominion Superintendent of Insurance, has addressed the following circular to the insurance companies:—

The blank forms of annual statement forwarded to all companies last year were accompanied by a Departmental circular letter asking the companies to cooperate with the Department in securing the earlier publication of the Department's annual report, by filing their annual statement with the Department as soon as possible after the first of the year. While the response to this suggestion was not as general as might have been expected, many companies filed their statements some weeks earlier than in previous years and to this fact the earlier publication of the report this year is in no small measure due.

The report of the Department was distributed to the companies this year approximately six weeks earlier than last year, and it is believed that still better results can be attained next year.

The Department would therefore repeat the suggestion made last year and ask the companies to facilitate the work of compilation of the report in the way indicated.

**CANADIAN LIFE OFFICERS' ASSOCIATION.**

The annual meeting of this Association is fixed to take place at Toronto this morning (Friday) at 11 a.m. Several Montreal life managers left last night to attend the proceedings.

Owing to the considerable increase in the business of the Royal Exchange Assurance Corporation, and to the fact that for many years past accommodation has had to be found for some branches of the fire department away from the head office, the Directors have acquired the freehold of No. 11, Cornhill, London, E.C., and are now concentrating the whole of the fire business at that address.

# THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated : 1833.

HEAD OFFICE : TORONTO

Old Reliably Progressive  
Assets over - - \$2,300,000.00

Losses paid since organization  
over - - \$37,000,000.00

### DIRECTORS :

W. R. BROCK, President

W. B. MEIKLE, Vice-President

ROBT. BICKERDIKE, M.P.

H. C. COX

JOHN HOBKIN, K.C., LL.D.

D. B. HANNA

ALEX. LAIRD

Z. A. LASH, K.C., LL.D.

GEO. A. MCBROW

AUGUSTUS MYERS

FREDERICK NICHOLS

JAMES KERR OSBORNE

COL. SIR HENRY M. PELLATT

E. R. WOOD.

W. B. MEIKLE,

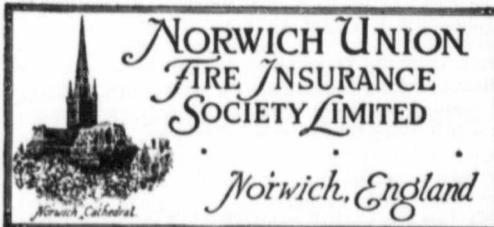
General Manager

E. F. GARROW,

Secretary

THOMAS F. DOBBIN, Resident Manager

MONTREAL



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.

## L'UNION FIRE INSURANCE COMPANY, Limited

Head Office : PARIS, France.

Established 1228

Capital fully subscribed . \$ 2,000,000.00

Net Premiums in 1913 . . 5,561,441.00

Total Losses paid to 31st Dec., 1913 90,120,000.00

Canadian Branch:

LEWIS BUILDING 17 ST. JOHN STREET, MONTREAL

Manager for Canada :

MAURICE FERRAND

First British Insurance Office Established in Canada, 1804

## INTENDING ASSURERS

Should read the "THREE MINUTES" Leaflet

of the

**PHOENIX ASSURANCE CO., Limited,**

OF LONDON, ENGLAND (Founded 1782)

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

100 ST. FRANCOIS-XAVIER STREET, MONTREAL

The Company offers to the Public every advantage which

### LIFE ASSURANCE

conducted under the most favourable conditions is capable of affording:

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

(1) A UNIFORM ADDITION of \$85 per \$1,000 was declared on all classes of Full-Bonus Policies.

(2) A GUARANTEED BONUS was also declared of \$12.50 per \$1,000 per annum on Full-Bonus Policies becoming claims by death, and \$17 per \$1,000 per annum on Endowment Assurances maturing before 31st December, 1915. These bonuses apply to new as well as existing policies.

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

Agents Wanted

Established 1864.

## New York Underwriters Agency.

A. & J. H. STODDART REGISTERED

100 William Street, NEW YORK

### PROVINCIAL AGENTS.

MURPHY, LOVE, HAMILTON

& BARCOM,

Toronto, Ont.

ORLER, HAMMOND & NANTON,

Winnipeg, Man.

ALFRED J. BELL,

Halifax N.S.

AYRE & SONS, LTD., St. Johns, Nfld.

JOHN WM. MOLSON

& ROBERT Y. HUNTER

Montreal Que.

WHITT & CALKIN,

St. John, N.B.

EDMUND T. HIGGS,

Charlottetown, P.E.I.

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

Established

1859

The London Mutual Fire Insurance Co.  
of CANADA  
ACTIVE AGENTS WANTED  
for MONTREAL CITY.

PROVINCE OF QUEBEC BRANCH

W. J. CLEARY,

Provincial Manager

R. de GRANDPRE,

Inspector

LEWIS BUILDING, 17 St. John Street,  
MONTREAL

## CHANGING THE U. S. BANKING SYSTEM.

The newly organized Federal reserve banks of the United States and the Federal Reserve Bank at Washington have begun operations this week. Much is expected from the new departure in the way of improvement of the U. S. banking system, but there is to be no haste or pressure for the full exercise of the functions of the new system. It starts with a partial deposit of the capital of the reserve banks, which is to be held by the member banks in each case in proportion to their own capitalization. This produces a capital fund of about \$3,300,000 in the New York institution and \$18,000,000 or so in the reserve banks of the twelve districts, out of an authorized amount of over \$106,000,000. Another installment will be paid in at the beginning of February after which the residue will be subject to call at intervals up to 6 per cent. of the capital and surplus of the members. This will be determined by what may prove to be the needs of the situation, and it is anticipated that the full amount may not be required. Next comes the transfer of a part of the reserves of the member banks to the reserve institutions in proportions which have already been made familiar. This will provide a fund for the discount and currency operations of the system which are expected to get into effect at once and increase in volume as it gets settled down to regular working. Three years will be required for a complete adjustment to the new reserve basis.

### GREATER MOBILITY.

One of the most useful results of the transition from the old system to the new, and one which will be immediately availed of, is that of giving greater mobility to one of the chief assets of sound banking, the commercial paper held as security for current business loans. This as defined and prescribed will have a character of practically assured safety. At first this paper, offered by member banks for rediscount by the reserve banks, may be deposited with the reserve agents and count as one-half the reserve to be there deposited. This is one of the features of operation that it is thought should be conducted with care, as it will in itself be a substitution of credit for cash in reserves and it is doubtful how far it should be carried. Weakening reserves by mingling cash and credit and making the former do double duty is a questionable policy at best. Of this discounting and rediscounting process much is expected in the way of facilitating exchange operations in domestic trade.

### ELASTIC CURRENCY.

Another feature of the new system of which much is expected is that of applying an elastic element in the circulating currency of the country. The bond-secured bank notes will remain for a long time as the main body of the credit currency, but they will be gradually diminished in volume while the requirement for such currency is likely to increase. The result will be an elastic margin of the new Federal reserve notes, which will expand and contract according to the requirements of business, as they may be issued in the rediscount of commercial paper, which must be deposited as security and will be constantly maturing and being replaced, and must be redeemed in gold coin on demand, a reserve of 40 per cent. being held for the purpose, and the Government credit also standing behind the notes with an obligation of final

redemption in gold. There is no reason to apprehend that this will not be an entirely safe as well as useful credit currency. It will be especially useful in meeting the fluctuating requirements of the "crop-moving season." Provision is made that after two years from the passage of the reserve act the reserve banks may begin a process of taking over bonds deposited to secure issues of national bank notes and replacing these with their own notes. This is expected to go on for about thirty years while the bonds are maturing, after which the member banks will cease having circulating notes of their own.

Among other useful functions which the new banking system is expected to exercise is that of facilitating foreign exchange by dealing in acceptances and bills of exchange based upon export and import transactions.

### ON THE ROAD TO RUIN.

It appears that the total issues of new currency and bank money in Germany during August and September, to avoid a technical moratorium and to make possible the Government loan, amounted to at least \$1,100,000,000. The depreciation of the Reichsbank note in neutral money markets is of course to be attributed to this inflation, which has been accompanied by a suspension of specie payments. Though the depreciation has not yet reached a serious figure it is hardly open to question that the German Government, by adopting the policy of a forced issue of legal tender, has entered upon a path which, if long enough pursued, says an American authority, must wreck the whole fabric of German finance and credit. That the Allies have abstained from resort to any similar expedient gives their economic position an enormous superiority over that of Germany. All the combatants must go on spending vast sums, and the vital question is which can last longest at that game. It was the judgment of the British Chancellor of the Exchequer, Mr. Lloyd George, that the last few hundred million might win this war. "The first hundred millions our enemies could stand just as well as we could, but the last they could not." Considering the paralysis of Germany's foreign trade, the consequent closing of factories and workshops tributary to that trade, and the drying up of the revenue which it yielded to the Government, there is no denying the fact that for the economic struggle of the war Germany is less adequately prepared than her adversaries.

### DOUBLE THE RATE OF INTEREST.

Professor J. S. Nicholson says that, "the difference between the German and the British banking systems is shown by the rates at which the two Governments have been able to issue their loans, the German rate being very much higher than the British. Not only is this the case, but the German loan, being received in depreciated paper, adds so much to the real cost.

"Taking everything into account, it seems likely that the money borrowed by Germany during the first six months of the war will require double the rate of interest paid by the British Government. This high rate of interest in Germany means so far a relative breakdown in public and banking credit. As the war progresses the higher command of the money power will begin to be alarmed, and the lower commands of the money power will begin to feel the pressure of diminished resources."

## LARGELY INCREASED DIVIDENDS

will be paid in January, 1915, to holders of Canada Life policies eligible to share in them at that date.

# THE CANADA LIFE CAN DO THIS

because its earnings of surplus in the past five years have established new records in the history of Canadian Life Insurance.

HERBERT C. COX,  
President and General Manager.

### 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**  
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**WANTED**

**FOR MONTREAL AND DISTRICT  
TWO OR THREE EXPERIENCED  
SALESMEN.**

RELIABLE MEN WITH A GOOD  
CONNECTION CAN BUILD UP  
A PROFITABLE AGENCY.

Apply to: Provincial Manager  
QUEBEC BANK BUILDING, - MONTREAL  
**HEAD OFFICE - - TORONTO**  
EXCELSIOR LIFE INSURANCE CO



Representing

## THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

You will make money.

The great strength, big dividends and incomparable benefits of the "*oldest company in America*" mean certain success for you.

FOR TERMS TO PRODUCING AGENTS, ADDRESS:

**George T. Dexter**

2nd VICE PRESIDENT

34 Nassau Street

New York, N.Y.

SOME MEN ARE BORN RICH—Some acquire riches, but  
THE REST OF US HAVE TO HUSTLE

If YOU are a HUSTLER—there's a place for you on

## THE NATIONAL LIFE

Agency staff, and a contract that MAKES HUSTLING WORTH WHILE

Apply direct to Head Office:

**THE NATIONAL LIFE ASSURANCE COMPANY OF CANADA**  
25 TORONTO STREET, TORONTO, ONT.

ELIAS ROGERE, President.

ALBERT J. RALSTON, Managing Director.

F. SPARLING, Secretary

**ATTRACTIVE COURSE OF INSURANCE LECTURES.**

A special course of instruction for those preparing for the Toronto Insurance Institute examinations has been arranged by the Toronto Young Men's Christian Association. The following insurance experts are giving the lectures following their names:—

Mr. A. W. Goddard, assistant secretary of the Canadian Fire Underwriters' Association, "General rules and tariffs of the Canadian Fire Underwriters' Association." Mr. E. L. McLean, of McLean, Szeliski and Stone, "Average and coinsurance clauses." Mr. D. S. Linden, of the Canadian Fire Insurance Company, "Plan-drawing to scale." Mr. F. E. Roberts, inspector Norwich Union Fire Insurance Company, "Chemistry." Mr. Paul von Szeliski, of McLean, Szeliski & Stone, "Re-insurance, policy drafting and endorsements." Mr. A. E. Blogg, of the London and Lancashire Fire Insurance Company, "Correspondence and office practice." Mr. G. P. Payne, of the Canadian Fire Underwriters' Association, "Building construction, including heating, lighting and electricity." Mr. R. Driscoll, of the Canadian Fire Underwriters' Association, "Electricity." Mr. J. G. Parker, B.A., A.I.A., assistant actuary Imperial Life Assurance Company, "Practice of companies as to applications for assurance and medical and other reports." Mr. V. R. Smith, M.A., A.I.A., assistant actuary Confederation Life Association, "Practice of companies as to loans on policies, surrender values and settlement of claims." Mr. L. K. File, B.A., F.I.A., assistant actuary Canada Life Assurance Company, "Plans of assurance, policy writing, conditions of assurance, draft—special conditions, knowledge of usual office forms." Mr. C. P. Muckle, B.A., A.A.S., publicity representative Excelsior Life Insurance Company, "Correspondence, literature and advertising." Mr. W. A. P. Wood, B.A., F.A.S., actuary Canada Life Assurance Company, "Elementary principles of life assurance law."

**"TELL IT NOT IN GATH."**

The Dominion Insurance report gives the following summary of surrenders and lapses:—

Co's.	Surrender.	Lapse.	Not Taken.
Canadian . . . .	\$11,042,041	\$44,404,104	\$16,319,542
British . . . . .	368,988	1,334,797	469,836
American . . . .	4,875,207	35,502,172	4,654,986
	\$16,286,236	\$81,241,073	\$21,444,364

Nearly one hundred millions of dollars of protection was forfeited by Canadian policyholders during the past year by surrender and lapse. This is appalling and it gives the Philistines just cause to reproach us. Some lapsation and some surrenders are inevitable, but that nearly nine per cent. of the total Canadian business should lapse or be surrendered within the year is a state of affairs to which the life officers should give their serious attention. In this, we do not mention the not taken policies for although they involve waste the amount is negligible compared with the other classes.—*Mutual Life of Canada.*

Among the speakers scheduled at the forthcoming annual meeting of the Association of Life Insurance Presidents are the Hon. A. Barton Hepburn, chairman of the Board of Directors Chase National Bank of New York and Dr. John H. Finley, State Commissioner of Education of New York.

**CANADIAN FIRE RECORD**

(Specially compiled for The Chronicle.)

HAMILTON, ONT.—Dwelling of J. Lamonde destroyed by fire, November 14. Origin, unknown.

DRUMMONDVILLE, QUE.—Match factory destroyed, November 13. Two lives lost. Origin, explosion.

WESTFIELD, N.B.—House and barn of I. Parker, destroyed, November 13. No insurance. Loss unknown.

STRATFORD, ONT.—Men's furnishing store of L. Long, Downie Street, damaged, November 15. Loss \$1,000. Origin, unknown.

STRATFORD, ONT.—Classic Furniture Company's factory destroyed with stock, November 12. Loss \$30,000. Fire originated in shellac room.

TORONTO, ONT.—Canadian Kodak's Company's factory in course of construction at Mount Dennis, damaged, November 17. Loss \$25,000.

WINDSOR, ONT.—Premises of Commercial Motor Truck Company, Goyeau Street, damaged, November 15. Loss \$2,000. Origin, explosion of natural gas.

STERLING, ONT.—A. Vandervoort's barn destroyed with contents, November 10. Loss heavy; \$300 insurance on building, none on contents. Supposed origin, tramps.

COMAPLIX, B.C.—Loss on plant of Forest Mills of British Columbia, Ltd., on October 30 is from \$100,000 to \$125,000. This is covered by a policy of \$160,000 with the Lumbermen's Indemnity Exchange, an inter insurance organisation of Seattle, Wash.

MONTREAL.—M. Dean's sausage factory, 21 Ottawa Street, slightly damaged, November 12. Origin, unknown.

Dwelling house of J. Ayotte, 830 Harold Street, Rosemount, destroyed, November 16. Loss \$5,000.

Wood-yard of M. Lavieuer, Aylwin Street, Hochelaga, damaged, November 13. Origin, unknown.

Mona Lisa Cafe, 271 Bleury Street, damaged, November 16. Origin, unknown.

A Layzell's house, 6319 Pasteur Street, Bordeaux, destroyed with contents, November 15. Origin, explosion of coal oil lamp.

Compagnie de Savon Francais factory, 1550-1552 St. Catherine Street East, destroyed, November 18.

P. Bruneau's electrical supply store, 150 Bleury Street, damaged, November 18. Loss \$200. Origin, unknown.

FORT GEORGE, B.C.—East side of Central avenue from Hammond to Cameron streets wiped out, November 13. Loss placed at \$150,000, premises destroyed being as follows:—Fort George Hotel, Oliver pool room, Fort George Realty & Security Company, J. McLean, Kennedy Blair, Pastime Pool Room, J. F. Robertson, Bank of Vancouver, Chinese Restaurant and Scott's Hotel. Insurance on Fort George Hotel as follows:—National, \$5,000; Michigan, \$1,500; British Crown, \$2,000; Employers' \$3,000; Western \$3,000; North Empire, \$3,500; Canada, \$3,000; British Colonial, \$3,000; Union, \$4,000; Queen, \$7,000, Total \$35,000. Origin, explosion.

Statistics of Western fall ploughing compare very favourably with the statistics for the previous two seasons, and augur well for next year's crops. Measured in percentages of the total land intended for next year's crops, it is estimated that in Manitoba, 92, in Saskatchewan, 77 and in Alberta, 56 p.c. of fall ploughing was completed by October 31.



# 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.

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T. H. HUDSON, Manager.

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

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

UNRIVALLED SECURITY

LIBERAL POLICIES

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

Canadian Head Office - - - TORONTO, Ontario

CHARLES H. NEELY, General Manager.

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 Chevalier, 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.)

**Traffic Returns.**

CANADIAN PACIFIC RAILWAY.				
Year to date.	1912.	1913.	1914.	Decrease
Oct. 31...	\$107,151,000	\$113,193,000	\$92,113,000	\$21,080,000
Week ending	1912.	1913.	1914.	Decrease
Nov. 7....	\$2,938,000	\$3,204,000	\$1,908,000	\$1,296,000
" 14....	2,916,000	3,124,000	1,878,000	1,246,000

GRAND TRUNK RAILWAY.				
Year to date.	1912.	1913.	1914.	Decrease
Oct. 31...	\$43,154,930	\$47,252,791	\$43,617,818	\$3,634,973
Week ending	1912.	1913.	1914.	Decrease
Nov. 7....	\$1,061,984	\$1,118,707	\$906,941	\$211,766
" 14....	1,064,317	1,022,375	860,676	161,699

CANADIAN NORTHERN RAILWAY.				
Year to date.	1912.	1913.	1914.	Decrease
Oct. 31...	\$16,802,100	\$19,175,500	\$16,302,900	\$2,872,600
Week ending	1912.	1913.	1914.	Decrease
Nov. 7....	\$590,300	\$620,400	\$384,300	\$236,100
" 14....	609,500	643,500	370,600	272,900

TWIN CITY RAPID TRANSIT COMPANY.				
Year to date.	1912.	1913.	1914.	Increase
Oct. 31...	\$6,014,835	\$7,265,080	\$7,661,154	\$396,074
Week ending	1912.	1913.	1914.	Increase
Oct. 7....	\$155,485	\$170,415	\$179,180	\$8,765
" 14....	155,869	171,537	176,066	4,529
" 21....	154,793	169,378	178,803	9,425
" 31....	223,352	247,633	257,099	9,466

HAVANA ELECTRIC RAILWAY COMPANY			
Week ending	1913.	1914.	Increase
Nov. 1....	45,198	50,271	5,073
" 8....	54,269	55,467	1,198
" 15....	54,016	53,564	Dec. 452

DULUTH SUPERIOR TRACTION CO.				
Nov. 7....	1912.	1913.	1914.	Decrease
	20,455	25,184	24,191	993

**CANADIAN BANK CLEARINGS.**

	Week ending Nov. 19, 1914	Week ending Nov. 12, 1914	Week ending Nov. 20, 1912	Week ending Nov. 21, 1913
Montreal...	\$50,429,244	\$48,466,690	\$62,767,596	\$59,362,145
Toronto....	39,424,172	36,891,429	46,237,547	46,373,820
Ottawa....	4,443,591	4,132,354	4,595,479	4,057,846

**MONEY RATES.**

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

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

**Lachine :**

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 " 20 " " 8.00 p.m. to 12.10 a.m.  
20 " " 9.00 " 4 p.m. Extra last car at 12.50 a.m.

**Sault aux Reclotet and St. Vincent de Paul :**

From St. Denis to St. Vincent—  
20 min. service 5.20 a.m. to 6.00 a.m. 30 min. service 8.00 p.m. to 11.30 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 "

**Cartierville :**

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.

**Mountain :**

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

**Bout de l'Île :**

30 min. service 5.00 a.m. to 9.00 p.m.  
60 " " 9.00 p.m. to 12.00 midnight

**Tetrautville :**

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.

**WHERE STATE INSURANCE FAILS.**

Advocates of workmen's compensation insurance by the Government are fond of citing Norway as an example of efficient administration of that system. Here are the real facts in regard to Norway as given by Mr. H. G. Villard, a social student and expert on workmen's compensation laws, who has fully investigated the workmen's compensation systems in nine different counties of Europe:

"Low Norwegian administration costs, therefore, are not so much the result of economy and efficiency in management as they are of the fact that the state looks after only a small portion of the accidents. \* \* \* The experience of Norway is far from bearing out the contention of those who believe in the superiority of state as contrasted with private insurance of workmen's accidents. The Norwegian insurance office is not conducted on careful business lines, but is run in a more or less happy-go-lucky style. It has a chronic deficiency which is now higher than ever. Political influences have prevented the necessary legislative authority to introduce correct premium rates. Dangerous occupations pay far too little at the expense of industries wherein the accident risk is slight. Gross favoritism toward some classes of employers has been shown. Low administration costs are due to the department having handled only a small percentage of all accident cases. Premiums are not varied—good, bad and indifferent establishments are treated alike. No incentive is held out to employers to introduce accident preventing rules or devices. In no respect, therefore, does the record of the Norwegian insurance office prove the superiority of state over a system of private insurance."

Press notices and dispatches as collated by the bonding of the Fidelity & Casualty Company of New York indicate for the month of September, 1914, the following defalcations: Banks and trust companies, \$241,333.62; beneficial associations, \$31,970.18; public service, \$14,717.51; general business, \$208,272.64; insurance companies, \$65,465; transportation companies, \$3,834.87; miscellaneous, \$31,525.43; total, \$597,119.25.

**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, LTD.**  
 Established 1848. Funds \$53,000,000  
**GRESHAM BUILDING - - - MONTREAL.**

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

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**The WATERLOO**  
**Mutual Fire Insurance Co.**

ESTABLISHED IN 1863

HEAD OFFICE : WATERLOO, ONT.

TOTAL ASSETS 31st DEC., 1911, \$772,000.00  
 POLICIES IN FORCE IN WESTERN ONTARIO OVER 30,000

**WM. SNIDER, President,** **GEORGE DIEBEL, Vice-President**  
**FRANK HAIGHT, Manager** **ARTHUR POSTER, Inspector**

**"MUTUALIZATION"**

A long word, and significant. One of the largest life companies in the world, having a business of \$2,500,000,000, is being changed from a stock to a MUTUAL basis.

One more argument, if one were needed, in favor of the MUTUAL system. So much desired is the change in the above instance that the policyholders are paying the stockholders \$910 for each \$100 share.

The Mutual of Canada has been conducted on a MUTUAL basis from its inception in 1869. It is the only Canadian Company established on this ideal system. A company of policyholders, conducted by policyholders, for policyholders.

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

WATERLOO - - - ONTARIO

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 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**

Organized 1850

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ISSUES GUARANTEED CONTRACTS

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 Pres. The Guarantee and Trust Co.  
**WILLIAM H. PORTER**  
 Senior  
**EDWARD TOWNSEND**  
 Pres. Investors of Trade Nat Bank

Good men, whether experienced in life insurance or not, may make direct contracts with this company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, No. 277 Broadway, N. Y.

**BRITISH COLONIAL FIRE INSURANCE COMPANY**  
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 Agents wanted in Unrepresented Districts

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