

# The Chronicle

Banking, Insurance and Finance



ESTABLISHED JANUARY, 1881

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## MORTGAGE MATTERS.

Increased agricultural production in Canada after the war pre-supposes an adequate supply of mortgage funds. Unless these are available, at a rate profitable to the borrower and satisfactory to the lender, the numerous, and in some cases, grandiloquent land settlement schemes now being so eagerly discussed in some quarters, will come to nothing. It may be assumed, also, that in spite of fancy proposals by Governments and the development of new means for the supply of agricultural credit, that those lenders—the loan corporations, life companies, trust companies, etc.—which have hitherto almost entirely occupied the mortgage field, particularly in the West, will continue to play a highly important part in the supply of mortgage funds. In gathering up small or relatively small amounts of capital or savings from investors, or in the case of the life companies from their policyholders, in Great Britain and the United States as well as in Canada, and making them available for Western development, these various organisations have performed an extremely important and necessary economic function, with credit to themselves and benefit to the Dominion. They have not always been popular. Short-sighted legislation imposed upon the companies unfair burdens which had necessarily to be passed on to borrowers, there was a rise in the rate of interest and an occasional unit of the lenders' ranks was guilty of sharp practise. With the development of an anti-corporation sentiment among certain sections in the West, piling prejudice upon reason, the loaning corporations naturally became the constant victims of at least verbal opprobrium.

\* \* \*

Several years ago, there began a series of enactments by the provincial governments which had the effect of making the companies' first mortgages anything but first mortgages except in name. Charges of various kinds, some of relative unimportance, were made to take precedence of the instrument through which funds had been lent upon a specified security that was gradually whittled away. Even the Dominion Government in its seed-grain legislation, took its part in thus treating first mortgages as "scraps of paper." Following this development, came the extraordinary and almost scandalous legislation passed in several of the western provinces following the outbreak of the war, through which the dishonestly-inclined have been enabled simply to snap their fingers at their creditors, and the loaning companies denied the

most elementary rights at law. How public men with any gift of foresight could be stampeded into legislation of this kind passes the comprehension of the outside observer. The effect of it has been seen in a refusal of several of the companies to lend further in provinces where legislation of the grossest type has been enacted, until the objectionable legislation has been repealed and the lenders are assured again of the ordinary protection of the law.

\* \* \*

Fortunately, this phase appears to have about come to an end. It was noted in the report presented to the recent annual meeting of the Land Mortgage Companies' Association, that at recent sessions of Western provincial legislatures, a number of changes have been made, which place charges previously ranking ahead of first mortgages, in their proper place on the register, or otherwise provide for their protection without their taking direct precedence over existing first liens. This development appears to be a legislative response to the "get-together" movement of Western farming and financial interests, which has developed considerably during the last twelve months, and appears to have notable possibilities. In some of the provinces, the companies still suffer grave disabilities, but at all events a start has been made, and with a continuance of educational work, continued improvement in legislation may fairly be anticipated. It is suggested in the report of the Land Mortgage Companies' Association that one reason for existing difficulties is failure to grasp the fact that the loaning companies are really in the position of agents of the lending public, which is composed of many thousands of small investors. As regards the companies' supply of funds in the future, it is not altogether clear at present to what extent British investors will resume their investments in the loaning companies' bonds. Before the war, of course, the British market was a most important source of supply of funds for loaning on mortgage. Presumably, even with a continuance of Treasury control of British capital issues, sale of the companies' debentures will be facilitated in Great Britain after the war as the use of the funds thus obtained is certainly upon objects of "national importance." However, it is quite possible that for this, as for other objects, we may have to rely more upon our own capital than in the past. There is therefore the more reason why unfair legislation should be speedily repealed. With the opportunities that will lie before it after the war, capital will certainly not go where it is not assured fair and reasonable treatment.

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ESTABLISHED 100 YEARS (1817-1917)

Capital Paid up, \$16,000,000      Rest, \$16,000,000      Undivided Profits, \$1,414,424  
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Incorporated by Act of Parliament 1865

Paid Up Capital - \$4,000,000  
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EDWARD C. PRATT,  
 General Manager

# The Chronicle

Banking, Insurance and Finance

ESTABLISHED 1881.

PUBLISHED EVERY FRIDAY.

F. WILSON-SMITH,  
Proprietor.

ARTHUR H. ROWLAND,  
Editor.

Office:

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

Annual Subscription, \$3.00. Single Copy, 10 cents.

MONTREAL, FRIDAY, APRIL 27, 1917

## THE NEW BUDGET.

Sir Thomas White's terse, business-like statement in introducing his new Budget, should be attentively read by every citizen who desires to inform himself of the Dominion's financial position at the present time, and the possibilities which will have to be faced in the immediate future. Summarising the various points in order, it appears that the Dominion's income during the last fiscal year aggregated \$232,000,000, a growth of approximately \$60,000,000 over the preceding fiscal year and of \$100,000,000 over the fiscal year ending in March, 1915. The details of this income were given on the front page of our last week's issue. But it may be noted here that the Business Profits War Tax, which was inaugurated last year, produced an amount of \$12,500,000. As the Minister a year ago, anticipated a yield of only \$25,000,000 from this tax in the three years of its currency, it is evident that his estimate will be largely exceeded. This tax appears to have reached a Finance Minister's ideal of productiveness combined with low cost of collection. Expenditure on revenue account for the fiscal year reached \$146,000,000, \$25,000,000 of this being due to increased interest and pension charges following upon the war. Expenditures on capital account, apart from war expenditures, totalled \$27,000,000, making with revenue expenditures an aggregate of \$173,000,000, leaving approximately \$60,000,000 of taxation available for war purposes.

Our total war expenditure to date is approximately \$600,000,000, and in consequence the Dominion's debt has been increased from \$336,000,000, at which it stood on the outbreak of war, to \$900,000,000, including estimated and unadjusted liabilities to Great Britain for the maintenance of our troops in Europe, and withheld pay. With the war continuing throughout the whole of the new fiscal year—a by no means unlikely contingency—the Minister anticipates a rise in the Dominion's debt to \$1,300,000,000. To make the necessary enlargements in revenue, consequent upon this increase of debt, the Minister proposes the gradation of the Business Profits Tax, inaugurated last year, so that, instead of a 25 per cent. flat rate, profits in excess of 15 per cent will pay a 50 per cent tax and in excess of 20 per cent., a 75 per cent. tax. There is not likely to be any serious quarrel over these proposals. Public opinion is certainly strongly in favor, increasingly so, of heavy taxation where war business has resulted in large profits. But Sir Thomas White is not quite accurate in his dictum that

"if a business is making, in war time, profits above the normal, they must be due to the abnormal conditions created by the war." This year may possibly (unfortunately, not probably) be a light one as regards fire losses in Canada, and in consequence, the fire insurance companies may subsequently report, for this period, underwriting profits above the normal. But those increased underwriting profits would have nothing whatever to do with conditions created by the war. The Finance Minister makes no estimate regarding the amount which may be expected from this new taxation, but in view of the results obtained from the existing tax, is naturally optimistic. This is the sole proposal for increased taxation contained in the present Budget. Sir Thomas intimated that with another year's war, new sources of revenue will undoubtedly have to be sought. As regards the policy to be adopted in seeking these, "it should always be kept in mind that Canada has been in the past, and will likely be for many years in the future, a country inviting immigration and capital to develop its resources and contribute to its prosperity. Especially should we, in considering taxation measures for the period following the war, keep in view the desirability of the flow of the settlers and capital to Canada not being retarded through fear on their part of heavy federal taxation."

\* \* \*

A new War Loan is to come out in the early fall. The proceeds of the recent third loan will enable the Dominion Government to finance both themselves and the expenditures of the Imperial Treasury in Canada until June, when an issue of notes or treasury bills will be made. Sir Thomas briefly noticed the enormous figures of our international trade during the last fiscal year, which, excluding coin and bullion, reached \$2,043,000,000, compared with \$1,309,000,000 in the preceding fiscal year and nearly double the volume of the largest trade in the history of Canada before the war. "It must, however, be steadily kept in mind," the Minister concluded, "that the higher prices obtainable under war conditions for our national products and the output of our munitions are chiefly responsible for this extraordinary favorable condition of our external trade and that with the cessation of the war, dislocation of industry, and modification of prices are bound to ensue. The only safeguard against these conditions is saving on the part of all who are now engaged at good wages, and are in a position to save, and the careful husbanding of their resources by firms and companies engaged in business. The sources of danger to business in war time are speculation in commodities and stock exploitation on the exchanges. With these avoided and national savings greatly increased, we may look forward with confidence to whatever may occur in the reconstruction period after the war."

The Actuarial Bureau of the National Board of Fire Underwriters has compiled from an analysis of nearly 500,000 fires a graphic comparison of fire causes in the United States during 1915. The presentation states that of the fires throughout the United States during 1915 21.4 per cent. were from strictly preventable causes, 37.9 per cent. were from partly preventable causes, while 40.7 per cent. were from unknown causes, probably largely preventable.

# The Bank of British North America

Established in 1836.

Incorporated by Royal Charter in 1840

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

Head Office:

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Secretary

W. S. GOLDBY,  
Manager

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

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

**G. B. GERRARD, Manager,**  
 MONTREAL BRANCH

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**Reserve Fund and Undivided Profits - - - 7,250,984**

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President

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**126 BRANCHES IN CANADA**

## LIFE INSURANCE IN CANADA, 1916.

The preliminary life insurance figures for 1916, which have now been sent out by the Dominion Superintendent of Insurance, make on the whole a very satisfactory showing. The aggregate of new business reached a level little short of the record total previously reported, in spite of a decrease in comparison with 1915, slight in the case of the British companies and substantial in that of the American companies. More uniformly, business was retained on the books in much better proportions than in preceding recent years. In some respects the companies were, of course, severely handicapped last year. Thousands of young lives which, under normal circumstances, would have formed desirable prospects for new business were ineligible, their number being constantly increased as recruiting went on during the year. Also, the companies' staffs, both in office and field, were to some extent further disorganised on the same account. On the other hand, the widespread industrial activity and the high prices received by the farming community and others for their produce, gave an increased capacity and willingness both to maintain in force existing insurance and to undertake new obligations. The record of industrial business shows a great improvement over the preceding year. Possibilities contained in business insurance continued to receive much attention and income insurance was also vigorously pushed by a number of the companies.

### THE NEW BUSINESS RECORD.

The total of policies new and taken up during the year reached \$231,146,125, an increase of practically \$10,000,000 upon the figures reported for 1915 (\$221,119,558) and within \$500,000 of the 1913 record figures of \$231,608,546. The Canadian companies report an increase of well over \$17,000,000, their 1916 figures of \$138,201,281 policies new and taken up comparing with \$121,033,310 in the preceding year. The companies' record year in this respect was 1912, when policies new and taken up, totalled \$141,267,596, so that last year, under relatively much less favorable circumstances, the companies came practically within \$3,000,000 of their high record.

The drop in the policies new and taken up of the American companies from \$94,358,935 in 1915 to \$87,649,711, in 1916, appears to be mainly due to decreased industrial writings in Canada by one of the large New York companies. The British companies, whose life business in Canada is of minor importance in comparison with that of the Canadian and American companies, show a further slight decrease in their Canadian new business last year, following a relatively heavy decrease in the preceding year. While several of the companies show substantial increases, the total policies new and taken up were \$5,295,133 in 1916 against \$5,727,313 in 1915.

### BUSINESS IN FORCE.

Regarding the gain in business in force, the showing made by the Canadian companies is much better than in 1915. At the close of 1916, these companies had business in force of \$898,151,418 as against \$829,972,809 at the end of 1915, a gain for the

twelve months of over \$68,000,000, about 50 per cent. of the new business of 1916. In 1915, the companies' gain in business in force was \$35,452,386, under 30 per cent. of the year's new business. The American companies increased their business in force from \$423,556,850 to \$467,499,266, a gain of \$43,942,416 compared with \$36,287,453 in 1915, and a proportion to new business of nearly 50 per cent. against 40 per cent. in the preceding year. High wages resulting from industrial activity have resulted in the important industrial business of the American companies improving considerably its lapse ratio. A point which should be borne in mind in connection with business in force is that while high wages and high prices received by producers are at present a strongly favorable factor to the life business, on the other hand, the extraordinary rise in prices of the common necessities of life, is making the financial problem for the salaried classes of limited means an extremely difficult one. It seems not unlikely that during the current year the life companies may find considerable demands from this class for loans on policies and possibly also, a considerable tendency to lapse and surrender.

It will be understood that the above figures refer only to the Canadian business of the Canadian life companies. The detailed figures published on page 423 exclude the business of one or two Orders and also of several British and other companies whose Canadian life business is very small. Hence the differences in aggregates.

ESTABLISHED 1873.

# The Standard Bank

of CANADA

## QUARTERLY DIVIDEND NOTICE No. 106

NOTICE is hereby given that a Dividend at the rate of THIRTEEN PER CENT. PER ANNUM upon the Capital Stock of this Bank has this day been declared for the quarter ending 30th April, 1917, and that the same will be payable at the Head Office in this City, and at its branches on and after Tuesday, the 1st day of May, 1917, to Shareholders of record of 21st April, 1917.

By Order of the Board,

J. S. LOUDON,  
Assistant General Manager.

Toronto, March 22nd, 1917.

## THE ROYAL BANK OF CANADA

INCORPORATED 1869

Capital Paid up \$12,903,000 Reserves \$14,300,000

Assets \$270,000,000

HEAD OFFICE - MONTREAL.

360 BRANCHES THROUGHOUT CANADA

33 Branches in Cuba, Porto Rico, Dominican Republic, Costa Rica and Venezuela

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RESERVED FUNDS ..... 6,508,000

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Incorporated 1855.

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is the root of business success. Get a start by saving your money. A Bank of Toronto savings account will help you. Add economy and persistence and your success is assured. Savings accounts for small or large sums invited at all branches of this Bank.

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INCORPORATED 1832.

CAPITAL ..... \$5,500,000.00  
RESERVE FUND ..... 12,000,000.00  
TOTAL ASSETS over ..... 100,000,000.00

Head Office - - - HALIFAX, N.S.  
JOHN Y. PAYZANT, President.

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H. A. RICHARDSON, General Manager.

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Original Charter 1864

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94 Branches in Canada

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## LIFE INSURANCE BUSINESS IN CANADA, 1916, AND COMPARATIVE RESULTS, 1914-15.

(Compiled from the Preliminary Statement of the Dominion Superintendent of Insurance).

COMPANIES.	Net Cash received for Premiums.			Amount of Policies New and Taken up.			Net Amount in Force at 31st December.		
	1914.	1915.	1916.	1914.	1915.	1916.	1914.	1915.	1916.
<b>Canadian</b>	\$	\$	\$	\$	\$	\$	\$	\$	\$
Alberta-Sask. ....	6,385	4,495	4,660	160,000	54,500	59,000	233,000	127,000	168,000
British Columbia .....	110,785	90,283	88,419	1,564,774	541,592	294,422	3,488,803	3,330,694	2,513,503
Canada—Can. bus. ....	3,148,662	4,307,801	3,512,457	9,348,587	11,176,960	13,128,921	108,727,386	110,489,813	116,055,677
Capital. ....	69,550	77,876	94,137	809,320	706,718	831,926	1,982,820	2,186,518	2,520,274
Confed.—Can. bus. ....	1,777,180	1,897,696	1,974,714	6,728,084	6,622,001	6,878,086	56,292,365	57,333,156	59,519,781
Continental. ....	313,003	327,910	362,363	1,568,715	1,339,640	1,600,042	9,685,043	9,692,820	10,226,474
Crown. ....	365,817	373,620	432,988	2,547,905	3,305,721	3,927,738	10,868,660	11,832,758	13,506,217
Dominion. ....	488,452	523,103	613,080	2,271,695	2,582,284	3,062,857	15,593,821	16,551,343	18,298,918
Excelsior. ....	593,417	610,619	665,139	3,336,295	2,657,560	3,542,946	20,001,879	19,011,629	20,437,882
Federal—Can. bus. ....	950,651	.....	.....	3,970,370	.....	.....	27,107,453	.....	.....
Great-West—									
Can. bus. ....	3,167,455	3,550,451	4,148,213	21,502,339	20,786,982	22,056,907	104,465,233	115,256,723	128,697,459
Imperial—Can. bus. ....	1,392,435	1,497,791	1,706,240	6,437,006	6,978,387	8,674,629	39,893,449	42,715,358	48,073,040
London—Ord. bus. ....	599,009	672,814	807,654	3,706,293	3,730,845	5,409,725	17,401,425	19,705,394	23,866,851
Indus'l bus. ....	575,914	649,515	763,983	5,912,926	6,037,537	6,607,071	13,447,902	15,114,934	17,848,427
Manfrs.—Can. bus. ....	1,892,971	1,960,927	2,057,956	7,635,824	7,128,690	7,536,916	56,230,841	57,956,388	61,016,081
Monarch. ....	172,415	170,611	205,364	1,813,567	1,390,088	1,963,875	6,753,697	7,231,335	8,433,150
Mutual of Can.—									
Can. bus. ....	3,252,773	3,494,420	3,962,055	14,103,597	11,942,940	14,650,242	92,005,196	98,589,468	106,549,359
National—Can. bus. ....	684,069	640,920	653,687	4,290,850	3,337,526	4,763,937	21,941,798	19,647,298	22,233,996
North American—									
Can. bus. ....	1,649,154	1,695,423	1,801,268	5,754,848	6,911,215	7,871,212	47,694,350	49,412,462	52,467,559
Northern. ....	370,797	379,058	392,988	1,601,755	1,414,083	1,786,822	10,050,495	10,065,042	10,871,386
Saskatchewan. ....	2,302	22,205	41,226	61,000	634,394	794,186	158,392	1,029,096	1,617,364
Sauvageurde. ....	202,599	212,617	218,946	981,298	959,000	826,600	5,944,862	6,356,943	6,400,548
Security. ....	30,980	33,334	30,067	444,500	382,500	374,500	1,141,000	887,900	1,060,100
Sovereign. ....	174,460	189,893	217,079	1,648,875	1,225,500	1,258,500	4,924,872	5,367,512	5,976,473
Sun—Can. bus. ....	3,826,468	4,906,394	5,410,215	15,879,551	*17,668,493	*18,731,369	109,865,992	*141,251,756	*150,594,777
Travellers of Can. ....	75,257	102,370	122,890	1,040,250	1,196,580	1,182,961	2,946,552	3,292,204	3,719,391
<b>Total Can. business only</b>	<b>25,892,960</b>	<b>28,392,146</b>	<b>30,287,788</b>	<b>125,120,224</b>	<b>120,711,736</b>	<b>137,815,300</b>	<b>788,848,886</b>	<b>824,435,544</b>	<b>892,665,667</b>
<b>British</b>									
Gresham. ....	54,567	60,638	84,664	1,025,346	632,298	971,332	1,980,875	2,104,247	2,837,234
London & Lancashire. ....	464,367	455,168	463,182	1,999,645	1,075,011	1,181,651	14,802,771	14,359,873	14,597,486
Mutual Life & Citizens									
Ord. bus. ....	7,723	13,006	20,962	338,250	430,750	477,750	281,149	561,164	717,175
Indus. bus. ....	18,729	23,397	31,356	1,394,552	746,168	617,987	608,516	652,480	868,949
North British & Mercantile. ....	25,501	25,463	33,695	65,600	88,500	90,000	844,678	870,907	907,526
Phoenix. ....	212,247	211,924	267,412	972,770	784,000	621,676	7,327,645	7,261,897	7,357,523
Royal. ....	264,870	453,852	265,375	1,631,042	933,065	540,670	7,828,638	7,977,580	7,860,377
Standard. ....	808,011	778,203	685,622	1,834,385	991,021	780,567	25,199,761	22,435,744	.....
<b>Total Can. business only</b>	<b>1,855,015</b>	<b>2,021,651</b>	<b>1,852,268</b>	<b>9,261,590</b>	<b>5,680,813</b>	<b>5,281,633</b>	<b>58,883,033</b>	<b>56,223,892</b>	<b>.....</b>
<b>American</b>									
Etna. ....	708,843	848,434	951,427	1,929,650	4,092,324	3,442,501	21,634,667	23,943,195	25,658,913
Equitable. ....	854,800	875,927	904,764	3,319,811	2,845,680	3,418,468	24,361,196	25,233,198	26,589,783
Metropolitan—									
Ord. bus. ....	2,155,310	2,599,531	2,794,083	19,124,059	22,623,023	19,955,502	66,565,627	79,615,676	91,184,000
Industrial bus. ....	3,087,155	3,436,822	3,871,352	21,656,616	26,354,882	21,690,002	84,503,225	89,848,773	99,767,326
Mutual of N.Y. ....	1,200,892	1,129,283	1,258,371	2,926,328	1,818,005	2,721,499	34,252,208	33,748,576	34,321,773
New York. ....	2,383,401	2,430,591	2,536,295	10,230,941	9,015,732	8,560,947	67,628,103	70,444,099	73,700,670
Prudential—Ord. bus. ....	597,319	682,159	836,206	5,577,934	6,929,749	7,871,657	23,196,728	26,933,219	31,461,960
Ind. bus. ....	1,131,969	1,373,831	1,691,317	13,953,008	15,466,821	15,530,428	33,056,321	40,094,423	49,204,227
State. ....	43,664	151,617	42,822	89,542	867,704	75,412	1,344,494	2,199,874	2,183,453
Travelers. ....	536,029	563,503	614,485	2,592,013	3,650,015	3,747,795	17,438,596	19,361,398	21,678,470
Union Mutual. ....	274,165	255,142	263,532	711,700	604,000	563,500	6,987,101	7,931,265	7,901,374
United States. ....	44,794	40,407	35,649	95,000	73,500	72,000	1,274,910	1,119,173	1,077,997
<b>Total Can. business only</b>	<b>13,018,341</b>	<b>14,387,247</b>	<b>15,800,303</b>	<b>82,206,602</b>	<b>94,341,435</b>	<b>87,649,711</b>	<b>382,242,180</b>	<b>420,472,869</b>	<b>464,729,046</b>

\* Including business of Federal Life which the Sun Life re-insured.

† Including the business of the Prudential Life of Winnipeg, re-insured.

Manager.  
Manager.

## The Trust and Loan Co.

OF CANADA

Capital Subscribed, . . . \$14,600,000.00  
 Paid-up Capital, . . . 2,920,000.00  
 Reserve Funds, . . . 2,719,284.07

MONEY TO LOAN ON REAL ESTATE

30 St. James Street, Montreal.

## PRUDENTIAL TRUST COMPANY LIMITED

HEAD OFFICE  
 9 ST. JOHN  
 STREET  
 MONTREAL.

Trustee for Bondholders  
 Transfer Agent & Registrar  
 Administrator Receiver Executor  
 Liquidator Guardian Assignee  
 Trustee Conceptor  
 Real Estate and Insurance Departments  
 Insurance of every kind placed  
 at lowest possible rates.

Safety  
 Deposit Vault  
 Terms exceptionally  
 moderate.  
 Correspondence  
 invited.

B. HAL. BROWN, President and Gen. Manager

## Participating Life Policies Pay

—If they are MUTUAL POLICIES—

The Never-Ending Discussion—"Which is the More Economical?—Life Insurance with or without Profits," may be summed up in a word—It depends on the Profit-Earning Power of the Company Issuing them! Policies may be purchased in the Mutual Life of Canada either on the participating or the non-participating plan. The latter is cheaper at the outset, but we have found by long experience that the participating policy turns out in the end to be the cheaper. If the dividends are used to reduce the premiums, in a few years the premiums become less than those payable on non-participating contracts.

The Mutual Life Assurance Co. of Canada  
 WATERLOO, ONTARIO.

Assurances \$109,645,581 : Assets \$29,361,963 : Surplus \$4,595,151

## "THE OLDEST SCOTTISH FIRE OFFICE" THE CALEDONIAN

INSURANCE CO. OF EDINBURGH.

Founded 1805.

Head Office for Canada,  
 DOMINION EXPRESS BUILDING  
 Montreal

JOHN G. BORTHWICK,  
 Canadian Manager

The LIFE AGENTS MANUAL  
 THE CHRONICLE - MONTREAL

## The Royal Trust Co.

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

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 LORD SHAUGHNESSY, K.C.V.O.  
 SIR FREDERICK  
 WILLIAMS-TAYLOR, LL.D.

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.

## WESTERN

Assurance Company

Incorporated in 1851

FIRE, EXPLOSION, OCEAN MARINE  
 AND INLAND MARINE INSURANCE

ASSETS OVER \$5,000,000.00

LOSSES paid since organization of Com-  
 pany . . . over \$66,000,000

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 E. R. WOOD

HEAD OFFICE - TORONTO

## ÆTNA INSURANCE COMPANY

Established in Canada, 1821

Ætina Fire Underwriters Agency  
 OF ÆTNA INSURANCE CO., HARTFORD, CONN.

Applications for Agencies Invited

J. B. HUGHES, Special Agent, WATERLOO, Ont.  
 J. R. STEWART, Special Agent, 15 Wellington St. East,  
 TORONTO, Ont.  
 R. LONG, Special Agent, P. O. Box 307, CALGARY, Alberta.

**FIRE COMPANIES' EXPENSES.**

The 1916 expense ratio of the Dominion-licensed fire companies shows on the whole a fairly substantial increase over that of the preceding year. The comparative figures are as follows:—

	% Expenses to Net Premiums.	
	1916	1915
Canadian companies.....	36.45	36.98
British companies.....	33.50	33.09
American and French companies	35.00	31.05

The expense ratio of the Canadian companies has been slightly reduced in comparison with 1915, but some of the small, independent Canadian companies are still very obviously "paying too much for their whistle." That kind of thing cannot go on indefinitely. In the case of the British companies, additional taxation and special expenditures which are indirect results of the war, probably go a long way towards accounting for the rise of 0.41 per cent. The substantial increase of practically four points in the case of the American and French companies is probably a consequence of the putting into force of the Insurance Department's requirements for the maintenance of an adequate head office organisation in the Dominion, on the part of a number of the American companies. Some of these had hitherto been doing a very nice business in Canada through a skeleton administration, which cost comparatively little, and as is evident, the Insurance Department's requirements resulted in quite a considerable additional expenditure in Canada on their part.

Strictly speaking, the figures given do not accurately represent the entire expenditure on Canadian business of the British and American companies. Something should be allowed for cost of head office administration of the Canadian business of these companies. Assuming this head office cost is 2.50 per cent., the 1916 expense ratio of the British companies would be 36.00 per cent. and of the American companies 37.50 per cent., the average for all companies being raised to 36.65 per cent. against 35.37 per cent. in the preceding year.

With an average ratio of net losses incurred to net premiums received of 58.52, it is evident that 1916 was not a very profitable year for the companies.

**DECREASE IN FIRE COMPANIES' AVERAGE PREMIUM.**

The average rate of premium charged for risks taken by the Dominion-licensed fire companies in Canada showed again last year a marked decrease. Comparative figures are as follows:—

	1916	1915
Canadian companies.....	1.18	1.25
British companies.....	1.08	1.17
American and French companies.....	1.04	1.08
	1.09	1.16

This average rate has been steadily decreasing for a number of years. In 1910, it was 1.36 per cent. and ten years ago, in 1906, 1.53 per cent. This notable reduction indicates the readiness of underwriters to meet at once improvements in construction and protection by a reduction of premium rate.

The Bank of Toronto has opened a Branch at Stanmore, Alta., under the management of Mr. James Milmine, formerly on the staff of Youngstown, Alta., Branch.

**CANADIAN FIRE RECORD**

*Specially compiled by The Chronicle.*

**FIRE AT CREIGHTON MINE, ONT.**

On the 25th instant, a fire occurred in the Justiana Block of the Creighton Mine. Insurance as follows:—ON BUILDING: New York Underwriters, \$1,000; Union of Paris, \$1,000; Century, \$2,500; Liverpool & London & Globe, \$2,000; Mount Royal, \$2,000; Commercial Union, \$2,000; Northern, \$1,500; total, \$12,000. Loss extensive

**FIRE AT SIMCOE, ONT.**

A fire broke out in the east block of the can-making department of the Dominion Cannery plant at Simcoe, Ont., on the 18th instant, causing an insurance loss of about \$250,000. Some seventy-five or eighty companies are on the schedule.

MONTREAL.—R. Gardner & Son's machinery manufacturing plant at 40 Nazareth Street, No. 52 occupied by various tenants, and No. 54, storehouse of Montreal Cotton & Wool Waste Co., damaged, April 20.

Barn of M. J. Malone, 136 des Ormeaux Street, destroyed with three horses, etc., April 23. Origin unknown.

BELLEVILLE, ONT.—Massey Hall, at Albert College, destroyed, April 21. Building insured for \$16,000; small insurance on organ, contents and equipment.

LONDON, ONT.—Sir George Gibbons' stables burned, April 18. Loss \$8,000. Origin, defective wiring in battery charging apparatus.

INGERSOLL, ONT.—Barn of W. Garner, jr., destroyed with contents including automobile, April 13. Loss \$1,000, partly covered by insurance.

PORT HOPE, ONT.—T. R. Dale's home destroyed with contents, April 13. Origin, overheated chimney.

E. Langstaff's barn and thrashing outfit in Township of Hope destroyed, April 13.

TORONTO.—Hotel on Ward's Island damaged, April 15. Loss about \$1,000. Origin, unknown.

**PERSONALS.**

Mr. T. D. Richardson, the popular superintendent for Canada of the New York Underwriters Agency, spent a few days in Montreal this week.

Mr. D. Stewart, New Liskeard, Ont., spent a few days in the city this week. Mr. Stewart represents several important fire companies and transacts a large business.

Mr. E. B. Greenshields, whose death took place in Montreal this week, had many prominent financial connections, his directorships including the Bank of Montreal, the Royal Trust Company, the Standard Life Assurance Company and the Ocean Accident and Guarantee Corporation.

The Atlas Assurance Company announces that Mr. Herbert Brooks has relinquished his position as chairman, but will still retain a seat on the board. Mr. Francis Alexander Johnston, who has been deputy chairman for the last 14 years, has been elected chairman, and Mr. Henry John Gardiner, a director for the past 20 years, has been elected deputy chairman.

## BONDS

Our Bonds offer the small investor an opportunity to invest his money profitably and without risk. We issue them in sums of One Hundred Dollars and upwards. The Corporation was established in 1855, and the accumulated experience of more than sixty years is brought to bear upon the selection of the securities in which the Bondholders' and Shareholders' money is invested. These Bonds are by law an

### AUTHORIZED TRUSTEE INVESTMENT

We shall be glad to send you a copy of our Annual Report and all particulars.

## Canada Permanent Mortgage Corporation

PAID-UP CAPITAL AND RESERVE FUND, ELEVEN MILLION DOLLARS

TORONTO STREET

Established 1855

TORONTO

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.

## Atlas Assurance Co., Limited of LONDON, ENGLAND

The Company commenced business in the REIGN OF GEORGE III and the following figures show its record—

At the Accession of	Income	Funds
KING GEORGE IV. \$	387,065	\$ 800,605
KING WILLIAM IV.	657,115	3,038,380
QUEEN VICTORIA	789,865	4,575,410
KING EDWARD VII.	3,500,670	11,185,405
KING GEORGE V.	6,846,895	15,186,090

and at  
31st DECEMBER, 1915 7,757,140 19,953,150

In addition the Company has a Subscribed Capital of Eleven Million Dollars (of which \$1,320,000 is paid up).

Agents wanted in unrepresented districts.

Head Office for Canada:

**260 St. James St., MONTREAL**

MATTHEW C. HINSHAW, Branch Manager



Assets:  
**\$13,790,133.26**

Surplus to  
Policyholders:  
**\$6,950,190.55**

Canadian Head Office:

**MONTREAL.**

J. W. BINNIE, Manager

## CANADIAN BANKING PRACTICE

THIRD EDITION.

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

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

ON SALE AT THE CHRONICLE OFFICE,

10 ST. JOHN STREET, MONTREAL

## CONSEQUENTIAL FIRE LOSS INSURANCE.

By WM. MACINNES, ASSOCIATE OF THE CHARTERED INSURANCE INSTITUTE.

(Continued from last week.)

The general principles and practice of this class of insurance, as transacted in the British Isles, having been briefly outlined, the differences between the practice there and our own may be considered.

The consequential fire loss policy grants a contract of indemnity—nothing more, nothing less. Can this be said of our Use and Occupancy policies? From various Use and Occupancy policy wordings which have made their appearance the intention of the company is uncertain and some would appear to grant "valued policies."

With regard to policy wordings in the British Isles (where policy conditions are not controlled by statute) it is interesting to note that the courts there have held that, where the written portion of a policy differs in context from the printed portion, the written portion expresses the intention of the parties to the contract. Our printed statutory policy conditions conflict in context with many of our Use and Occupancy wordings. These written wordings state that so much per day is payable by the company—it may be provided that this sum is payable only if it does not exceed the actual amount of net profit and standing charges for the year preceding the fire, or it may not—while the statutory conditions place the onus of proof of loss upon the insured and call for an accurate account of loss sustained, together with a declaration of its truth and justness.

The intention of the company, under such a policy is ambiguous. Many of our insured believe in good faith that the company will pay the daily sum named in the policy or a proportionate reduction thereof for partial loss. If this is the intention

of the company then there is no doubt but that the insured has a valued policy. If this is not the intention of the company then a large percentage of our use and occupancy policies may grant an incomplete indemnity, as loss adjustment on the basis of a daily amount is unsatisfactory.

### AN IMAGINARY EXAMPLE.

Consider the adjustment of an imaginary loss under our use and occupancy policy, with its daily basis, and the same loss under the consequential fire loss policy which has been described.

Few concerns have an output or turnover exactly the same each month all the year round. Such is the exception and not the rule.

In the example, the concern has made net profits and paid standing charges together approximating \$300,000 annually. Their annual turnover has been, say, \$1,000,000. They worked 300 days in the year.

Our use and occupancy policy stated \$1,000 per day was payable. The consequential fire loss policy provided, in case of interruption by fire, for payment of the percentage of *Shortage* in turnover which the sum insured on the net profits and standing charges bears to the turnover in the preceding year (in this case 30 per cent.). The amount insured, \$300,000, not being more than the actual profits and standing charges for the previous year, the adjustment is straightforward.

Fire occurred on the night of 30th June and work was not commenced until 1st October, when it was started under normal conditions.

The facts are as follows:—

Use and Occupancy. Working Days.	Fire occurred 30th June.	Consequential Fire Loss. Turnover.		Shortage in turnover.	Monthly loss 30 per cent. of shortage.
		Financial year before fire	Year in which fire happened.		
24	January	\$70,000	\$73,500	.....	.....
24	February	70,000	73,500	.....	.....
25	March	80,000	84,000	.....	.....
25	April	90,000	94,500	.....	.....
26	May	95,000	99,750	.....	.....
26	June	85,000	89,250	.....	.....
23	July	60,000	Nil	60,000	18,000
26	August	70,000	Nil	70,000	21,000
25	September	85,000	Nil	85,000	25,500
25	October	100,000	105,000	.....	.....
25	November	105,000	107,500	.....	.....
26	December	90,000	94,500	.....	.....
Total....300	Total turnover	1,000,000	Total shortage in turnover.	\$215,000	\$64,500
					Loss payable under consequential fire loss policy
					\$74,000
					Loss payable under use and occupancy policy

Under use and occupancy policy, loss is 74 days at \$1,000 per day.....

### DAILY BASIS UNSOUND.

From the table it will be seen that the monthly turnover is not proportional to the number of working days, and rarely if ever, is. The turnover or output is a true measure of the loss sustained but the number of working days is not. Therefore a

daily basis is, generally speaking, an unsound one on which to compute such a loss.

It will be observed that our policy gives \$9,500 more than the insured would have made out of his business if it had been in operation. That is, he would have recovered on the basis of a monthly turnover of \$83,333. This adjustment is based

(Continued on page 429)



CANADA BRANCH HEAD OFFICE, MONTREAL

**DIRECTORS**  
 M. Chevalier, Esq. Sir Alexandre Lacoste  
 William Molson Macpherson, Esq. Sir Frederick Williams-Taylor, LL.D.  
 J. Gardner Thompson, Manager. Lewis Laing, Assistant Manager.  
 J. D. Simpson, Deputy Assistant Manager.



Head Office: Cor. Dorchester Street West and Union Avenue.  
**MONTREAL**

**DIRECTORS**

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



**FIDELITY (FIRE) UNDERWRITERS**

OF NEW YORK

Policies assumed half by the Fidelity-Phenix Fire Insurance Company  
 and half by the Continental Insurance Company

Combined Assets \$53,438,836 Policyholders' Surplus \$31,924,000

HEAD OFFICE FOR CANADA AND NEWFOUNDLAND:  
 17 ST. JOHN STREET, MONTREAL

W. E. BALDWIN, Manager.

JOS. ROWAT, Asst. Manager.



**The Northern Assurance Co. Limited**

**"Strong as the Strongest"**

Accumulated Funds 1914, \$41,615,000 HEAD OFFICE FOR CANADA,  
 88 NOTRE DAME STREET WEST,  
 MONTREAL.

G. E. MOBERLY, Manager.



**THE LAST WORD**  
 IN  
**ACCIDENT AND SICKNESS INSURANCE**  
 IS

**THE DOMINION GRESHAM'S**  
**NEW "GRESHAM MAXIMUM" POLICY**

AGENTS WANTED EVERYWHERE

Applications in Ontario should be addressed to

L. D. JONES, Superintendent of Agents for Ontario,  
 412 JARVIS STREET, TORONTO.

**CONSEQUENTIAL FIRE LOSS INSURANCE.***(Continued from page 427.)*

upon the assumption that the loss would be settled under the written portion of the policy which contained the restriction that the amount insured did not exceed the actual net profits and standing charges for the previous year. However, should it not be the intention of the company to settle the claim on this basis but to maintain that, under the statutory conditions, no more may be recovered than the actual loss sustained, then the claim would be reduced by \$9,500, always assuming, of course, that the adjuster ascertained the loss from the basis of the monthly turnover. Consider further the insured's position under such modified adjustment had the period of interruption been 1st October to 31st December. The loss under the consequential fire loss policy would be \$88,500, and under our use and occupancy policy \$76,000. Thus our insured would stand to lose \$12,500. This clearly shows our daily basis is weak and does not give a satisfactory indemnity. Some wordings have to a certain extent overcome this difficulty by inserting as many as twelve or more different daily sums as well as the dates to which each applies, but this is cumbersome and only emphasizes the weakness of the daily basis.

In the example taken it will be seen that the turnover for the portion of the year prior to the date of the fire has increased uniformly by 5 per cent., which may be said to be normal business expansion. Increased profits due to such expansion are not covered by the consequential fire loss policy as it is not considered judicious to grant insurance for more than the net profits and standing charges for the previous year. Consider, however, the case where the turnover has, since the commencement of the year in which the fire occurred, undergone a uniform shrinkage. Here is a case where the Special Circumstance Clause would apply, necessitating a corresponding reduction in the amount of the claim. There appears to be no provision for such a contingency as this under our use and occupancy policy and it might not be taken into account in our loss adjustment.

**PERIOD OF INDEMNITY.**

The period of indemnity in the consequential fire loss policy has much to commend it from the point of view of the underwriter as well as the insured. It may be argued that the adoption of a period of indemnity, with its graded premiums, if introduced into our use and occupancy policy, would mean a smaller premium; but it would also mean a restricted liability with a higher rate for that liability. It does not seem sound to issue use and occupancy policies granting insurance for three times the amount of actual loss which may be sustained. This is the case where the turnover or output could be restored to normal in say four months' time. The companies in many cases could get a larger premium if they issued ordinary fire policies in excess of the value of the property insured, but the utmost caution is observed to avoid this. That the same caution should not be observed in the case of use and occupancy insurance does not seem consistent. The period of indemnity, from the point of view of the insured is equitable and no doubt would appeal to many who have rejected our present form of policy on the ground that it would not take them anything like a year to resume normal conditions after a fire.

**LOSS ADJUSTMENT BY PROFESSIONAL ACCOUNTANT.**

The adjustment of a loss under the consequential fire loss policy by a professional accountant, mutually chosen by the insured and the company, is on a very sound basis,—indeed it would be difficult to find a better. The appointment of a professional accountant to investigate and certify such a loss does not interfere with the work of the fire loss adjuster for, by the conditions of the consequential fire loss policy, liability is not admitted thereunder until liability has been established under the ordinary fire policy.

**IS PRESENT BASIS SATISFACTORY?**

Use and occupancy, or in other words the insurance of consequential loss of net profits and standing charges resulting from fire being now in its infancy here, the time is opportune to place it on the soundest basis possible, so that its transaction will prove simple, satisfactory and safe. Is it so now? From the variety of policy wordings now in use and with doubt as to loss adjustments thereunder it cannot be said to be simple, nor can it be said to be satisfactory or it would be more freely written, and from the remarks of some of our leading underwriters there is doubt as to its safety.

At present, "all policies for use and occupancy must be for the total sum of twelve months of the daily amount payable." These familiar words would be well replaced by a Consequential Loss Association responsible for rules and regulations for the transaction of this class of business throughout the Dominion. The inauguration of such an association to work along lines similar to the association regulating consequential fire loss insurance throughout the British Isles would, without doubt, benefit the companies, the agents and the public.

In conclusion, it is well to bear in mind that it is as much in the interests of those who do not write this insurance as in the interests of those who do to see it on the best possible basis, for the issue of a use and occupancy policy may materially alter the moral hazard from the point of view of ordinary fire insurance.

**THE OPPORTUNITY OF INSURANCE.**

There is sound common sense in an Insurance Post editorial urging that insurance men have an opportunity of showing practical patriotism of the best kind in bringing all the fire prevention knowledge at their command to the work of protecting against fire the grain elevators, packing houses and other places where foodstuffs are accumulated. Even since the opening of the current year, an immense amount of foodstuffs in Canada has been destroyed or ruined by fire, and with the whole modern world nearer an absolute lack of common necessities than it has ever been before, preventable waste of foodstuffs through fire becomes shameful. "Many a man," aptly remarks the Insurance Post, "can be of greater service to his country by attending to his work at home than by shouldering his rifle and going to the front, and the patriotic insurance man can find his opportunity in helping to conserve the food supplies of the country. There is no limit to his field of usefulness. If he has no large elevators or great packing houses within his community, he will be working along the same line and to the same end if he cleans up the hazards of the local grocery stores, and thus protects the food supply of his neighbors."

## COMMERCIAL UNION

ASSURANCE COMPANY LIMITED  
of LONDON, England

The largest general insurance Company in the world  
(As at 31st December 1915)

Capital Fully Subscribed . . .	\$14,750,000
Capital Paid Up . . . . .	1,475,000
Life Fund, and Special Trust Funds, . . . . .	74,591,540
Total Annual Income exceeds	47,250,000
Total Assets exceed . . . . .	142,000,000
Total Fire Losses Paid . . . . .	183,366,690
Deposit with Dominion Govern- ment . . . . .	1,225,467

Applications for Agencies Solicited in Unrepresented Districts.

Head Office: CANADIAN BRANCH

**COMMERCIAL UNION BUILDING, 232-236 ST. JAMES STREET, Montreal.**

J. MCGREGOR, Manager. W. S. JOPLING, Assistant Manager.

## PALATINE

INSURANCE COMPANY LIMITED  
of LONDON, England

(As at 31st December 1915)

Capital Fully Paid . . . . .	\$1,000,000
Fire Premiums 1915, Net . . . . .	\$2,500,505
Interest, Net . . . . .	140,220
Total Income . . . . .	\$2,640,725
Funds . . . . .	\$4,738,520
Deposit with Dominion Gov't	\$250,567

*N.B.—In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Assets exceed \$142,000,000*

COMMENCED BUSINESS 1901  
RECEIVED DOMINION CHARTER 17th JUNE 1908

Capital Stock Subscribed **\$500,000.00**  
Capital Stock Paid up **\$174,762.70**

## The Occidental Fire

INSURANCE COMPANY  
Under the control of the North British & Mercantile Insurance Company

RANDALL DAVIDSON, President  
C. A. RICHARDSON, Vice-President and Secretary

DIRECTORS  
S. E. RICHARDS W. A. T. SWBATMAN N. T. HILLARY

Head Office - - - WINNIPEG, MAN.  
Agents Required at Unrepresented Points

ESTABLISHED 1809

Total Funds Exceed **\$109,798,258.00**  
Canadian Investments Over **\$9,000,000.00**

## FIRE AND LIFE North British and Mercantile

INSURANCE COMPANY

DIRECTORS  
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.  
HENRY N. BOYD, Manager, Life Dept.

## 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.

LYMAN ROOT,  
Manager

## .. THE .. London Assurance CORPORATION OF ENGLAND.

INCORPORATED BY ROYAL CHARTER A.D. 1720

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

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

## The LONDON MUTUAL FIRE INSURANCE COMPANY

Established 1859  
Assets - - - - - \$718,608.76  
Surplus to Policyholders - - - - - 380,895.44  
Losses Paid, Over - - - - - 8,000,000.00

PROVINCE OF QUEBEC BRANCH

W. J. CLEARY, Provincial Manager.  
17 ST. JOHN STREET, - - MONTREAL

**THE UNITED STATES LIFE.**

The United States Life advises the following decisions consequent upon the outbreak of war between the United States and Germany:—Policies more than one year in force are by their terms free of any restrictions as to military or naval service at home or abroad; for the present and until further advised, a free permit, except for Aviation, will be granted upon request from Insured in writing, to any policyholder who may desire to engage in Military Service in the Army within the Continental Limits of the United States; for the present and until further advised, permit will be granted for service outside the Continental limits of the United States in the Army and Navy in any capacity whatever in connection with actual warfare, except aviation and submarine, as follows: An extra premium will be charged of \$100 per annum per \$1,000 of Insurance—and the amount will be restricted to \$2,000 on one life (including any amount of Insurance already carried by the Company on such life)—the liability of the Company for any amount of Insurance in excess of \$2,000 will be limited to return of the premiums paid on such excess amount. Permits for aviation and submarine service will not be granted; in the event of engagement in such service the liability of the Company will be for return of the premiums only. The Disability Clause will be modified to exclude war risk and a military and naval clause will be attached to all policies.

The aggregate extras will in all cases be carried to a separate fund; and if the amount of these extras should prove more than sufficient to meet the extra mortality caused either directly or indirectly by the war, a proportion of the extra premium paid will be refunded to continuing policies on which such premiums were paid, after the war is over.

**FREEDOM'S EMBLEMS.**

I met the President of the Indomitable Life at the railway station.

"Just back from New York," he said cheerily, "and glad to be home."

"I thought you belonged to the 'Spend-your-money-at-home-League,'" I said.

"So I do. This was a *business* trip."

"Did you 'hit the trail'? How is Billy Sunday?"

"I suppose the Rev. William Sunday does good—but I am not a member of his congregation! However, I had one real big thrill while I was in Gotham. You know the splendid new corridor of the Home Life Insurance Company. It is dignified by the finest, the most beautiful picture that the mind of man ever conceived. Linked together, with the marble wall as a background, are the flags of the United States, France and Great Britain."

"That's fine," I said to the Superintendent."

"We salute them all," he answered.

J. L. K.

**WAR DEATH CLAIMS.**

According to figures given out by the Insurance Department at Ottawa, death claims arising from the war paid by life insurance organisations operating in Canada are as follows:—

1914—By Dominion licensed companies, \$17,595; by provincial companies and societies, \$2,000.

1915—Dominion companies, \$1,939,735; provincial and societies, \$83,853.

1916—Dominion companies, \$4,560,938; provincial and societies, \$265,516.

**THE LOSS RATIOS OF ACCIDENT COMPANIES.**

Mr. John T. Stone, president of the Maryland Casualty Company, in a recent address before the Insurance Society of New York, gave some interesting information in regard to the incidence of accident companies' loss ratios. He stated that his experience showed the proportion of the loss ratio due to fatalities and principal sum payments for dismemberments to be very much larger now than it was a few years ago. He found that in his own company, until within the past three or four years about 33 1-3 per cent. of the losses under personal accident and health policies and disability policies, were due to these major occurrences, and about 66 2-3 per cent. to weekly indemnities. Now he found that within the past three or four years the fatality cases and the dismemberments—the major claims—are about 45 per cent. of the total loss ratio and the weekly indemnities about 55 per cent. But that has not been produced by a diminution of the weekly indemnities. It has been produced by an increase of the fatalities. In other words, as large a percentage of the premium for weekly indemnities has been paid out as formerly; but there has also been paid out a much larger percentage of the premium in major claims, so that those two percentages of the premium added together make a much larger loss ratio than formerly, though the percentage of the loss ratio due to weekly indemnities is less, and the percentage of the loss ratio due to major claims is more.

This development arises, in Mr. Stone's opinion, from three principal sources:—(1) the accumulation feature or as it has now developed, the larger principal sum; (2), the popularisation of the automobile; (3) the extension of double indemnity.

**TRAINING FOR A LIFE INSURANCE AGENT.**

The art of life insurance canvassing is very decidedly one of the things which cannot be learnt from books. It may not be strictly true that successful life insurance agents are born not made. But undoubtedly natural aptitude plays a great part in the successful building up of a profitable agency. However, there are certain principles which even the born agent cannot disregard and Mr. Warren M. Horner's book with the title of "Training for a Life Insurance Agent" published by the J. B. Lippincott Company (\$1.25) puts those principles pungently and clearly. Mr. Horner writes out of the fullness of knowledge and experience and the book should be of some service both to the beginner and to the agent who is keen to better his performance.

**WANTED****GENERAL AGENCY FOR A HAIL INSURANCE COMPANY.**

We wish to obtain a general agency for a Hail Insurance Company for the Provinces of Manitoba and Saskatchewan.

We have a first class agency plant and maintain an Inspector in the field.

**BRYDGES & WAUGH, LIMITED**

363 Main Street

WINNIPEG, MAN.



**LOOKING AFTER HER OWN INTERESTS.**

In one of the New York brokerage offices the story is told of a lady who had been referred to the firm as an organization which would take good care of her interests. She had a small household line, which was offered to the broker for placement, as the property-owner was dissatisfied with the company formerly on the risk. Her reason for making a change was that the company denied liability for a loss of clothing and other articles for which claim had been made, on the ground that there had been no fire. What actually did occur was that the lady had put some goods into a wash-boiler and placed the boiler on a hot stove. Some time later she went to the boiler to remove the clothes, and upon opening the boiler found, to her surprise, nothing but ashes, as she had overlooked the necessity of putting water in the boiler. The broker accepted the application, as he felt that such a circumstance was unlikely to happen again in the lifetime of that woman!

**TO PROVIDE FOR INCREASED SUCCESSION DUTIES.**

British Columbia proposes to increase substantially its scale of succession duties, so as to double the average annual revenue received from them. This action should constitute an effective argument with life agents on the Coast for approaching suitable prospects with schemes for new provision to meet increased charges on estates.

**ON THE FREE LIST.**

Christian Science treatment does not constitute the medical attention required by the Workmen's Compensation law of California. The Industrial Commission of that State has ruled that bills rendered for such services need not be paid by employers of injured workmen.

**TRAFFIC RETURNS.**

CANADIAN PACIFIC RAILWAY.				
Year to date	1915	1916	1917	Increase
Mch. 31,	\$20,111,000	\$27,154,000	\$30,465,000	\$3,311,000
Week ending	1915	1916	1917	Increase
April 7,	1,766,000	2,482,000	2,830,000	348,000
14,	1,761,000	2,577,000	2,833,000	256,000
GRAND TRUNK RAILWAY.				
Year to date	1915	1916	1917	Increase
Mch. 31,	\$10,750,053	\$12,799,374	\$13,532,631	\$733,257
Week ending	1915	1916	1917	Increase
April 7,	1,008,320	1,155,486	1,215,768	60,282
14,	864,658	1,024,505	1,103,119	78,614
CANADIAN NORTHERN RAILWAY				
Year to date	1915	1916	1917	Increase
Mch. 31,	\$4,940,100	\$6,783,000	\$8,464,400	1,681,400
Week ending	1915	1916	1917	Increase
April 7,	457,000	677,000	736,200	59,200
14,	463,700	688,900	881,600	212,700
TWIN CITY RAPID TRANSIT COMPANY.				
Year to date	1915	1916	1917	Increase
Mch. 31,	\$2,250,055	\$2,463,827	\$2,610,129	\$146,302
Week ending	1915	1916	1917	Increase
April 7,	179,637	191,589	.....	.....

**TO COMPETE WITH LLOYDS.**

It is interesting to learn—though the news wants official confirmation—that Mr. S. B. Joel of South African fame, has inaugurated an insurance company with a capital of £2,000,000 sterling, mainly with the object of insuring diamonds and gold in transit. The new insurance company, it is stated, has been brought into being owing to the heavy charges imposed by Lloyd's for insuring diamonds on the homeward voyage, viz.—5 per cent. Authorities whose opinions carry weight, have expressed the view that, as not a sovereign's worth of diamonds or gold has been lost since the war, the rate is unduly high. We are evidently on the eve of fresh and important developments in this section of the business.—*Policyholder.*

**PENNY WISE AND POUND FOOLISH.**

It is stated in newspaper reports of a fire which did heavy damage at an educational institution in Ontario that "the contents and equipments worth \$15,000 to \$20,000, were insured for only \$1,000." If this is correct, as an example of administrative stupidity it would be hard to beat.

"Is your house insured against fire?" "I don't know. I've just been reading over the insurance policy!"

**Montreal Tramways Company  
SUBURBAN TIME TABLE, 1916-1917**

**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 au Recollet and St. Vincent de Paul:**

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

From St. Vincent de Paul to St. Denis—  
15 min. service 5.45 a.m. to 8.30 a.m. | 30 min. service 8.30 p.m. to 12.00 mid.  
20 " " 8.30 " 4.30 p.m. | Car from Henderson to St. Denis 12.20 a.m.  
15 " " 4.30 p.m. 7.30 p.m. | Car from St. Vincent to St. Denis 1.10 a.m.  
20 " " 7.30 " 8.30 p.m.

**Cartierville:**

From Snowdon Junction—20 min. service 5.20 a.m. to 8.40 p.m.  
40 " " 8.40 p.m. to 12.00 mid.  
From Cartierville—  
20 " " 5.40 a.m. to 9.00 p.m.  
40 " " 9.00 p.m. to 12.20 a.m.

**Mountain:**

From Park Avenue and Mount Royal Ave.—  
20 min. service from 5.40 a.m. to 12.20 a.m.  
From Victoria Avenue—  
20 min. service from 5.50 a.m. to 12.30 a.m.  
From Victoria Avenue to Snowdon—  
10 minutes service 5.50 a.m. to 8.30 p.m.

**Bout de l'Île:**

From Lasalle and Notre Dame—  
60 min. service from 5.00 a.m. to 12.00 midnight.

**Tetrautville:**

From Lasalle and Notre Dame—  
15 min. service 5.00 a.m. to 9.00 a.m. | 15 min. service 3.30 p.m. to 7.00 p.m.  
30 min. service 9.00 a.m. to 3.30 p.m. | 30 min. service 7.00 p.m. to 12 mid.

**Pointe aux Trembles via Notre Dame:**

From Notre Dame and 1st Ave. Malsonneuve.  
15 min. service from 5.15 a.m. to 8.50 p.m.  
20 " " " 8.50 p.m. to 12.30 a.m.  
Extra last car for Blvd. Bernard at 1.30 a.m.

## A Free Course In "Salesmanship"

We have thought about the young man who sees no prospects ahead. Would you like to be in a business that will give you

**A Good Living Wage**  
**A Profitable Future**  
**A Provision For Old Age**

- ¶ We teach a man the Insurance Business, which offers permanent success, does not fluctuate, is a professional occupation, and has been truly named "The best paid hard work in the world."
- ¶ This is done by a correspondence course and personal assistance, free of charge.
- ¶ When he is fully prepared for the work, we place him in a position and help him to make good.
- ¶ The first two lessons of the Company's correspondence course will be sent to anyone interested. It will pay young men who desire to get on in the world to look into this.

All correspondence strictly confidential



CANADA LIFE ASSURANCE CO.  
HEAD OFFICE, TORONTO.

### The Imperial Guarantee

AND ACCIDENT INSURANCE CO., OF CANADA

Head Office: 46 King Street W.,  
TORONTO, Ont.

**A Strong Canadian Company.**

ACCIDENT AND SICKNESS INSURANCE  
GUARANTEE BONDS

PLATE GLASS AND AUTOMOBILE INSURANCE  
**E. WILLANS,** **FRANK W. COX,**

General Manager.

Secretary.

### The Manufacturers Life

A Splendid Canadian Old Line  
Life Insurance Company

Good for Agents. Attractive for Policyholders.

Assets exceed \$23,000,000  
Insurance in Force exceeds \$90,000,000

Head Office:  
TORONTO - - - CANADA

### THE CANADA NATIONAL FIRE INSURANCE COMPANY

HEAD OFFICE: WINNIPEG, MAN.

SURPLUS TO POLICYHOLDERS - \$1,820,752.00

A Canadian Company Investing Its Funds in Canada

APPLICATIONS FOR AGENCIES INVITED

### Union Assurance Society Ltd.

OF LONDON, ENGLAND.  
[Fire Insurance since A.D. 1714]

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

Agencies throughout the Dominion

## THE CONTINENTAL LIFE INSURANCE COMPANY

HEAD OFFICE - TORONTO

has several vacancies in Quebec and Ontario including the position as Inspector for Eastern Ontario.  
"LIVE WIRES"—write to Head Office, Toronto or to

W. J. BROWN, Provincial Manager,

180 ST. JAMES STREET, MONTREAL.

### 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.