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Banking, Insurance & Finance.

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THE EUROPEAN SITUATION.

THE Imperial German Chancellor, Dr. von Bethmann-Hollweg, cannot be reproached for any lack of frankness in defining Germany's attitude with regard to the European situation. Discussing the subject in the Reichstag he said: "When our allies, Austria-Hungary and Italy, in maintaining their interests, are attacked—although this is not the present prospect—by a third party, and thereby threatened in their existence, then we, faithful to our compacts, will take their part firmly and decisively. Then we shall fight side by side with our allies for the maintenance of our own position in Europe, and in defence of the security and future of our own fatherland."

The reference to the future of the fatherland is suggestive. The present interest of Germany in the partition of Turkey in Europe is trifling. When the time comes, as it inevitably must, for the breaking up of the Austro-Hungarian Empire, Germany's interest in the territory in dispute will be anything but trifling. In Russia the German Chancellor's speech is naturally regarded as a threat and the attitude of Russian public opinion, equally naturally, is that Russia is not to be intimidated by threats. Curiously enough, as the popular feeling grows more strained the relations of the governments of Russia, Austria and Germany seem to be getting more cordial. The explanation probably is that the governments have a greater sense of responsibility than those who profess to speak for the governed. For the reigning dynasties of Europe and their advisers, war is a game in which they have everything to lose and little to gain.

DEMURRAGE INCREASED.

THE Railway Commission has authorized the railway companies to increase their demurrage charges. The companies have not got quite all they asked and the concession they have obtained is accompanied by a warning. The increased rates will be allowed only from December 15 of this year to March 31 of next year. The railways asked for \$2, \$3, and \$4 for the first, second and third day respectively, after the free time allowed, but the \$4 charge was not sanctioned by the board. Henceforth \$2 will be assessed by the railways for the first twenty-four hours after free time and \$3 for each succeeding day. The order is not to apply to cars held

in transit at stop-over points under published tariffs which have been filed with the board.

Assistant Commissioner D'Arcy Scott in giving out the order divided the responsibility for existing delays involving the probability of a serious car shortage between the railway companies and the shippers. The judgment will probably put both the railways and the shippers on their best behaviour.

FARMERS AS BORROWERS.

THERE is a good deal of human nature in the farmer. In all ages and in all countries men call upon their gods to do for them what they could do for themselves. Mr. O. B. Taft says: "An increase of one bushel of corn per acre raised on mortgaged land in the United States would be equivalent to the farmer receiving a reduction of 3 per cent. interest on the average loan per acre of \$12.41 which such land carries. To the farmer it is worth more in dollars and cents than any saving hoped to be obtained by introducing the land credit system of Europe into the United States."

Even in England where the wheat yield per acre is much greater than that of the virgin soil of the Canadian west and very much greater than that of the United States, it is claimed that the country could almost feed itself if the farms were worked to their full capacity.

Mr. Taft says: "The wheat farmers of the United States could furnish their own working capital without the necessity of borrowing at all, if they would come up to the German basis of production. The average yield of wheat in the United States is 12 1-2 bushels per acre—and this on comparatively virgin soil. The German farmer, on land cropped for centuries, raises an average production of 30 1-2 bushels. The market value of this difference in production in one crop season alone would pay the average mortgage debt on these lands and place the farmer beyond any necessity of considering interest rates in any light whatever."

The United Kingdom imports enormous quantities of dairy produce which could be grown to advantage at home. Nearly all the farmers of the Canadian west eat imported butter; and Texas, which is said to be particularly adapted to growing corn and hogs, imports 60,000,000 pounds of pork per annum.

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The Chronicle

Banking, Insurance and Finance

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MONTREAL, FRIDAY, DECEMBER 6, 1912.

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THE GENERAL FINANCIAL SITUATION.

The American bankers secured the bulk of the new gold offered in London at the beginning of the week. Cables state that the New Yorkers paid a commission of one-third in addition to the price at which the Bank of England is at all times obliged to buy gold—77s. 9d. India took the remainder of the metal. Bank rate in London is still 5 p.c. In that market, call money is 3½ to 3¾ p.c.; short bills are 4¾ to 4¾; and three months' bills, 4½ to 4 9-16. These figures are fractionally lower than last week's quotations.

No change has occurred in Paris—the Bank of France quotes 4, and discounts in the private market are 3¾ as heretofore. But open market quotations at Berlin have advanced to 5¾ p.c., which figure is almost equal with the official rate of the Imperial Bank of Germany. Perhaps the plain speaking of the German Chancellor on the subject of supporting Austria against Serbia and Russia, has

made the Berlin market somewhat apprehensive. Although the diplomats have not yet been able to make definite announcement of progress towards a peaceful settlement, the feeling in London and Paris has been growing more cheerful; and it is hoped that the Anglo-German efforts to compose the differences between Austria and Serbia will have tangible results.

The sensational features noted last week as being in evidence in the New York money market, have been to the fore again this week. Call loans have been as high as 16 p.c.—the ruling rates for a good part of the week being 10 to 12 p.c. Sixty day loans are 6½ to 7½; ninety days, 6½ to 7, and six months, 5¾ to 6 p.c. On Saturday the clearing house institutions were under the necessity of reporting a heavy deficit in reserves. The combination of banks and trust companies contracted loans to the extent of \$4,860,000; but on account of large losses to the United States Treasury in the daily exchanges, and the gold movement to Canada, the cash holdings decreased \$16,560,000, leaving their cash reserve \$5,057,000 short of the legal requirement. The loss in reserve amounted to \$11,823,000.

The banks alone were in similar case. Their loans decreased \$1,665,000; cash decreased \$15,140,000, and the surplus of \$5,311,000 shown at the end of the preceding week was replaced by a deficit of \$5,108,500. This position of the banks was sufficient by itself to check speculation on the exchanges. Many of the banks in the clearing house have been under the necessity of calling loans in order to make good the deficits in their reserves. Consequently the brokers have been obliged to restrict the activity of those clients who are strongly possessed by the idea that stocks will shortly sell higher.

Announcement on Monday of the Government's victory over the Union Pacific Company in its suit to compel the railway company to dispose of its vast holding of Southern Pacific stock, also had an unsettling effect on the securities market. Some hold that the decision means an early distribution of a large cash bonus to Union Pacific stockholders; others say that the earning power of Union Pacific will be impaired when the Southern Pacific passes into independent control. How Wall Street will finally take the impending change cannot be told until the extraordinary conditions prevailing in the money market pass away.

It is expected that by the end of the current week the return flow of dividend money will have exerted some influence in easing the situation. Non-interest-bearing advances by the Government to banks engaging gold for import would enable the clearing house institutions to count the gold in transit as cash

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Rest - 12,500,000

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in hand for purposes of the coming weekly statement. Then sterling exchange in New York rules persistently weak, which fact appears to foreshadow further engagements of gold in Europe. However, there are two things standing in the way of a heavy movement of gold from Europe to America. One is the threat of a European war; the other is the December settlement requirements. Once these two obstacles are removed, New York can probably draw gold freely. So there are shrewd observers who take the ground that before the middle of January interest rates in New York will be much lower than at present.

* * * *

Canadian rates have shown no recessions; the banks are holding firmly to their funds and the brokers get little or no encouragement when they appear as applicants for large loans. The rate for call loans on stock market collateral is 6 p.c. as heretofore; and the discount rates applying to mercantile credits range from 6 to 7 per cent.

* * * *

Cables this week announce the successful flotation in London of \$2,000,000 City of Saskatoon 5 p.c. debentures, at 99½. Saskatoon is one of the first of the important Canadian municipalities to frankly accept the 5 p.c. interest rate as an established fact. It is quite likely that other municipalities in urgent need of funds will proffer that rate to the financial houses connected with the London market. Apparently after the turn of the year there will be a satisfactory market at the Imperial capital for municipal debentures when the rate of interest is right. If all of the municipalities which are now carrying heavy loans with their Canadian bankers, pending the flotation of debentures, were to place their securities abroad, there would be a notable easing of the monetary strain in this country.

ROYAL BANK'S NEW PURCHASE.

The Royal Bank of Canada acquired by purchase on November 30, the Bank of British Honduras, a small institution with a subscribed capital of \$100,000 and reserve fund of \$85,000. It will be remembered that at the last annual general meeting, Mr. Edson L. Pease, the vice-president and general manager of the Royal Bank, announced that in view of the opening of the Panama Canal, the Royal Bank would extend its branches in that locality. The present purchase is an indication of the carrying out of this policy.

The Royal Bank has at the present time extensive West Indian interests. Twenty-three branches are located in Cuba, Porto Rico and the Dominican Republic, there are two branches in Trinidad, and others at Kingston (Jamaica), Bridgetown (Barbados) and Nassau (Bahamas). The Bank of British Honduras, it is said, transacts the greater part of that Colony's banking business.

THE BANK OF MONTREAL'S MEETING.

The important position among the great financial institutions of this country and continent occupied by the Bank of Montreal, has long since made its annual meeting an occasion of international interest. The speeches of the President and General Manager are read not only by Canadians but by many outside the boundaries of the Dominion, by whom these addresses are rightly regarded as expositions of singular weight and authority regarding current conditions in Canada and the outlook. That they should be so regarded is due not merely to the wide and varied sources of information which the Bank possesses owing to its extensive ramifications, but also to the reputation of the speakers for conservatism and wise judgment in business matters. There need be, it would appear, no fear on the part of those interested in the Dominion, but living outside its borders, that conditions in Canada are not essentially satisfactory. At Monday's meeting, Mr. R. B. Angus observed:—"We have again to report a year of universal and almost unbroken prosperity throughout the length and breadth of the land," and again "The trade and commerce of the country have been and promise to continue both sound and good," and Mr. H. V. Meredith added:—

Good crops, notwithstanding a wet season, have been reaped, and all manufacturing industries have been kept fully employed. Wage earners are in receipt of good wages, and labour, in many sections, is difficult, if not impossible, to obtain. With an increasing immigration, a soil producing a large surplus of food products without serious failure over a comparatively long term of years, the assurance of a vastly increased production as the area of unoccupied arable land is brought under cultivation, and other great natural resources awaiting development, one cannot but be an optimist in regard to the future of our country.

WESTERN CROPS AND THE COST OF LIVING.

In discussing the important question of the Western crops, Mr. Angus gave figures of the estimated grain production that are somewhat higher than those which have been suggested elsewhere. The yield of wheat, he placed at 188 million bushels against 177 million bushels in 1911; of oats, 220 million bushels against 100 million bushels; of barley, 31 million bushels against 33 million bushels, and of flax 13 million bushels against 8 million bushels. In this connection he emphasised the necessity for the extension of mixed farming in the West, if only as an offset to the high cost of living. As evidence of the great value of such farming, he mentioned the case of Ontario, where this year the yield of wheat and corn has been rather under the average, yet owing to the varied character of their resources, the farmers have done well. This point was incidentally referred to also by Mr. Meredith, whose first speech as general manager set a high standard for future annual meetings. In the course of his interesting dissertation upon the advanced cost of living, he expressed the opinion that the root of the matter may

THE BANK OF TORONTO

Incorporated 1855.

Head Office: TORONTO, Canada.

Capital - - - - - \$4,600,000
 Rest - - - - - 5,600,000

Directors:

DUNCAN COULSON	President
W. G. GOODERHAM	Vice-President
JOSEPH HENDERSON	2nd Vice-President
John Macdonald,	Robert Reford,
Hon. C. S. Hyman,	Nicholas Basil,
Lt. Col. Frank S. Meighen,	William Stone,
	J. L. Englehart
THOMAS F. HOW	General Manager
T. A. BIRD	Inspector

BRANCHES:

ONTARIO	QUEBEC	ROSSBURN
Toronto, 10 offices	Montreal, 5 offices	Swan River
Allandale	Milton	Traverse
Barrie	Newmarket	St. Catharines
Berlin	Norwood	St. Lambert
Bradford	Oakville	Assiniboia
Brantford	Oil Springs	Bredenburg
Brockville	Ormeau	Churchbridge
Burford	Ottawa	Colonsay
Cardinal	Parry Sound	Coronation
Cobalt	Penetanguishene	Lethbridge
Cobourg	Peterboro	Mirror
Colborne	Petrolia	Owen
Coldwater	Porcupine	Veteran
Collingwood	Port Hope	Youngstown
Copper Cliff	Preston	B. COLUMBIA
Creemore	St. Catharines	Vanover
Dorchester	Sarnia, 2 offices	2 offices
Elmvale	Shelburne	N. Westminster
Galt	Stavler	Merritt
Gananoque	Stratford	NAVIGATOR
Hastings	Sudbury	Winnipeg, 2 offices
Havelock	Thornbury	Bentley
Keene	Wallaceburg	Cartwright
Kingston	Waterloo	Pilot Mound
London, 4 offices	Welland	Portage la Prairie
Lynchhurst	Wyoming	

BANKERS:

LONDON, Eng.—The London City and Midland Bank, Limited.
 New York—National Bank of Commerce.
 Chicago—First National Bank.

THE ROYAL BANK OF CANADA

INCORPORATED 1869
 with which is united

THE TRADERS BANK OF CANADA

Capital Paid up \$11,500,000 Reserves \$12,500,000
 Assets \$175,000,000

HEAD OFFICE - MONTREAL.

290 BRANCHES THROUGHOUT CANADA

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

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

NEW YORK,
 Cor. William & Cedar Sts.

SAVINGS DEPARTMENT

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

The Bank of Nova Scotia

INCORPORATED 1832.

CAPITAL - - - - - \$4,412,000
 RESERVE FUND - - - - - 8,078,000

HEAD OFFICE: HALIFAX, N. S.

DIRECTORS

JOHN Y. PAYZANT, President	CHARLES ARCHIBALD, Vice-President
G. S. Campbell,	J. W. Allison,
Hon. N. Curry,	J. H. Plummer,
	K. E. Harris
General Manager's Office, TORONTO, ONT.	
H. A. Richardson, General Manager	D. Waters, Asst. Gen. Manager.
Geo. Sanderson,	C. D. Schurman,
	E. Crockett, Inspectors.

110 BRANCHES 110

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 Dominion Bank

SIR EDMUND B. OSLER, M.P., President
 W. D. MATTHEWS, Vice-President

C. A. BOGERT, General Manager

Capital Paid Up : : : \$ 4,900,000
 Reserve Fund : : : 5,900,000
 Total Assets : : : 73,000,000

A MODERN BANKING INSTITUTION

Every description of Banking is transacted by The Dominion Bank. The Collection Department is completely equipped to handle the business of Manufacturers, Wholesalers and Large Corporations.

Head Office, - - - Toronto.

The Metropolitan Bank

Capital Paid Up - - - - \$1,000,000.00
 Reserve Fund - - - - 1,250,000.00
 Undivided Profits - - - 138,046.68

Head Office - - - TORONTO

S. J. MOORE,
 President

W. D. ROSS,
 General Manager

A GENERAL BANKING BUSINESS TRANSACTED

The Bank of Ottawa

Established in 1874

Capital Paid Up - - - - \$3,500,000
 Rest and Undivided Profits - - - - 4,118,167
 Total Assets, over - - - - 46,000,000

The Bank transacts every description of banking business and gives the most careful attention to any banking or financial matters entrusted to it.

Geo. Burn,

General Manager.

be found in the fact that the percentage of population engaged in the production of foodstuffs is not increasing in the same ratio as is that of manufacturing wage earners and salaried officials. This view, he said, is supported by figures showing conditions in the United States, where the number of farm families indicates an increase of only 11 per cent. between 1900 and 1910, while the artisan and clerical classes have increased practically 30 per cent. in the same period. A similar condition of affairs obtains in Canada as regards the five eastern provinces, and while, in the Northwest, the rural population is relatively large and grows apace, mixed farming has not yet been generally resorted to. The exports of dairy products from older Canada to the newer Western Canada were this year not less than \$3,000,000, while New Zealand and the United States supplied these commodities to the extent of an additional \$1,000,000.

QUESTIONABLE FLOTATIONS AND REAL ESTATE SPECULATION.

But while the speakers found that present circumstances generally are such as make for prosperity and further rapid progress, they drew attention to several financial developments which are less satisfactory. Mr. Angus pointedly warned Canadian municipalities that they will for the immediate future have to pay a higher rate of interest upon their loans in London than formerly. He regretted also the fact that some Canadian industrial securities offered on the London market were "of a distinctly questionable character, unsound or highly speculative and calculated to reflect injuriously on Canadian credit," and expressed the opinion—in which most Canadians outside real estate offices will cordially agree—that the speculation in suburban real estate lots is surely overdone. Mr. Meredith also had some wise words to say in regard to financial prospects. While disclaiming any share in the pessimistic views which have been lately spread with a certain amount of industry in various quarters, Mr. Meredith emphasised the fact that at the present time caution is more essential that it has been for some time past, if the preference for Canadian securities is to be maintained:—

It is clear any ill-advised move on our part, any undue speculation, or the flotation of doubtful schemes which may have the effect of causing distrust abroad and so prevent the free flow of capital into Canada, cannot but have a serious effect on business generally, and bring about a check to our prosperity. It must not be forgotten that there are countries other than our own seeking capital, and offering possibly quite as attractive terms, and that once a stream is turned in another direction, a long time may elapse before it returns to its former channels.

MR. MEREDITH ELECTED VICE-PRESIDENT.

While the two speeches named naturally are of the widest interest, a number of important developments affecting the Bank took place at Monday's meeting. Following the lamented death of Sir Edward Clous-

ton, to whom high and fitting tributes were paid by both the President and General Manager, the vacancy on the directorate was filled and the opportunity taken to enlarge the board from 12 to 14. The new directors elected were Messrs. C. B. Gordon, Huntly Drummond and Forbes Angus, and their appointment is interesting since it represents the introduction of a distinctly younger element on the directorate than has been there hitherto. Subsequent to the annual meeting, Mr. H. V. Meredith, general manager, was elected vice-president in succession to the late Sir Edward Clouston. The appointment is a natural one, but it may also be said to be a most fitting and desirable one. Since his appointment as general manager twelve months ago, Mr. Meredith's work has justified the highest expectations which had been formed regarding it, and there will be many cordial congratulations to him on its recognition by appointment to further high office.

THE BALANCE SHEET.

Two interesting points regarding the Bank's balance sheet, which has been previously noticed in our columns, are that the slight decrease in non-interest bearing deposits this year in comparison with 1911 is due to the withdrawal of a special deposit, and part of the increase in interest bearing deposits is also of a temporary character. However, the ordinary savings deposits have grown in a highly satisfactory manner. The decrease in current loans refers entirely to foreign current loans, there having been an increase of some \$1,600,000 in the Bank's current loans in Canada.

Following is a comparison of the leading items of the bank's balance sheet for the last three years:—

	1912.	1911.	1910.
	\$	\$	\$
Capital Stock	16,000,000	14,887,570	14,400,000
Rest	16,000,000	15,000,000	12,000,000
Circulation	16,131,862	15,914,654	14,502,591
Deposits (not bearing interest)	45,338,955	46,187,555	43,425,978
Deposits (bearing interest)	141,970,011	135,538,261	154,117,878
Total Liabilities to Public	293,563,201	297,816,157	212,168,686
Specie and Legals	19,311,086	19,344,656	21,798,760
Call Loans Abroad	55,158,633	42,602,772	61,918,750
Bank Balances Abroad	14,133,694	17,975,274	17,214,648
Total of Quick Assets	113,651,121	104,445,885	126,764,806
Current loans and discounts	118,869,751	121,053,066	112,087,982
Total Assets	236,927,519	229,920,420	239,892,330

Gross earnings for November, of Illinois Traction amounted to \$861,156, as compared with \$640,510 for the corresponding month of last year. Total expenses and taxes were \$358,996, as against \$347,351 for November, 1911, while net earnings came to \$300,875, compared with \$286,881 for November of the previous year. Following are comparisons of the ten months ended October 31:—

	1912.	1911.
Total gross earnings	\$6,010,948	\$5,623,809
Total expenses and taxes	3,533,622	3,370,441
Net earnings	\$2,413,460	\$2,186,683

Guardian Assurance Company

Limited, of London, England

Subscribed Capital, \$10,000,000 Paid-up Capital, \$5,000,000
 Total Assets, over \$33,000,000
 Deposited with Dominion Government, over \$600,000
Canadian Branch: Head Office, Guardian Building, MONTREAL.

CANADIAN TRUSTEE:
J. O. GRAVEL

H. M. LAMBERT, Manager
BERTRAM E. HARDS,
 Assistant Manager.



CANADA BRANCH HEAD OFFICE, MONTREAL.
DIRECTORS:

Sir Alexandre Lacoste, M. Chevalier, Esq., William Molson Macpherson, Esq.,
 T. J. Drummond, Esq.,
 J. Gardner Thompson, Manager. J. W. Binnie, Deputy Manager.



Head Office: 112 St. James Street, Montreal

DIRECTORS:

J. Gardner Thompson, *Vice-President and Managing Director.*
 Sir Alexandre Lacoste, M. Chevalier, Esq., Wm. Molson Macpherson, Esq.,
 T. J. Drummond, Esq., A. G. Dent, Esq., J. A. Rimmer, Esq., John Emo, Esq.
 J. W. Binnie, *Secretary.*



The Northern Assurance Co. Limited

"Strong as the Strongest"

Accumulated Funds, \$38,800,000

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

G. E. MOBERLY, Supt. of Agencies.

ROBERT W. TYRE, Manager.

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 un-
 represented districts re fire and
 casualty agencies.



Head office: Royal Exchange, London

.. THE .. London Assurance CORPORATION OF ENGLAND.

INCORPORATED BY ROYAL CHARTER A.D. 1720

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

Head Office for Canada, **MONTREAL**

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

JUMPING TO CONCLUSIONS, AND A HUNT FOR THE IMPOSSIBLE.

We rescue the following gem of Parliamentary oratory by Mr. J. A. M. Armstrong from the obscurity of Hansard:—

I know practically nothing about the banking system, but I think it is one of the most important questions that any government could ever be called upon to solve. A day or two ago I received from my constituents a petition asking that a Royal Commission be granted by this Government to investigate all Canadian banks; an evidence on the face of it, that, owing to the many failures in the years gone by, the Canadian people are gradually losing all confidence in our financial institutions. It is not necessary for me to remind this House of the terrible effects of a Canadian bank failure. Every member of this House who fails to do his utmost to reorganize or amend the banking laws of this country, is guilty of spiritual murder. It should be impossible for any chartered bank of Canada to go to the wall on account of misappropriation of funds. There should be some system of government inspection of banks that would render these failures absolutely impossible, and I leave it to the financiers of this House to discover the remedy.

Needless to say, the italics are our own.

(1). Mr. Armstrong's frank confession that he knows "practically nothing" about the banking system prevents him from being taken too seriously by sensible people, but it does not excuse his extraordinarily jumping to conclusions on totally inadequate evidence. Since the honorable member sits for an Ontario constituency the petition he received from his constituents is a result, no doubt, of the Farmers Bank trouble. The people who lost money through this feel, and rightly feel, that they have been defrauded. As their confidence has been shaken, it is entirely natural that they should have exaggerated ideas with regard to the banking system, which it is highly probable they know very little about. But Mr. Armstrong's characterisation of their natural, but hardly important action, as evidence that "the Canadian people are gradually losing all confidence in our financial institutions" makes for laughter—shouts of laughter.

(2). Mr. Armstrong wants a system of Government inspection that will render bank failures "absolutely impossible." We fear he is out on a wild-goose chase. The evil-doer is a wonderfully ingenious person to whom the driving of a coach-and-horses through an Act of Parliament is a mere pastime, and the hood-winking of a bank-examiner a detail in the day's work. There may be such a thing as an infallible system of Government inspection of the banks, but until such a system has been proved by experience we beg leave respectfully to doubt of its existence. The late Sir Edward Clouston once made the very wise remark that "no amount of legislation will guard against the fallibility of the personal factor and keep men from being fools or knaves." We commend this to Mr. Armstrong.

\$5,000,000 G. T. R. 4 p.c. debenture stock is shortly to be issued in London at 95.

COMPULSORY EDUCATION IN QUEBEC.

Dr. Finnie made out a strong case for compulsory education in introducing his Bill to compel the education of the children of the Protestant element in the Province. We are far from sharing the opinion of the Hon. Mr. Mackenzie that the measure would be a harsh discrimination against the Protestants. If so why have all the principal Protestant countries of the world as well as such countries as France, Austria and Italy adopted the system? In fact Dr. Finnie's strongest argument was the following list of countries that have adopted compulsory education:

Nova Scotia in 1864. Compulsory period, 7 to 12 years.
Prince Edward Island, in 1877. Compulsory period, 8 to 13 years.

Ontario, in 1885. Compulsory period, 7 to 13 years.
British Columbia, in 1885. Compulsory period, 7 to 12 years.

England, 1880. Compulsory period, 5 to 13 years.
Scotland, 1872. Compulsory period, 5 to 13 years.
Australia, 1880. Compulsory period, 6 to 14 years.
New Zealand, 1877. Compulsory period, 7 to 14 years.
Germany, 1835. Compulsory period, 6 to 14 years.
France, 1882. Compulsory period, 6 to 13 years.
Norway, 1860. Compulsory period, 7 to 14 years.
Austria, 1869. Compulsory period, 6 to 14 years.
Sweden, 1862. Compulsory period, 7 to 14 years.
Switzerland, 1870. Compulsory period, 6 to 15 years.
Italy, 1877. Compulsory period, 6 to 9 years.
Japan, 1909. Compulsory period, 6 to 10 years.
United States, 1870. Compulsory period, 7 to 14 years.

Of course, it is open to anyone to argue that the Province of Quebec leads all these countries in education and progress and it is open to anybody else to believe it. That there is a discrimination affecting the Protestants is obvious, but that it is a harsh discrimination unfavorable to them, we do not agree.

NEW DIRECTOR OF THE MOLSONS BANK.

Mr. W. M. Birks has been elected a director of the Molsons Bank, in succession to the late Mr. W. M. Ramsay.

The announcement of this appointment has been received with satisfaction by Montreal business men, and hearty congratulations have been given to Mr. Birks upon the appointment. A Montrealer by birth and education, Mr. W. M. Birks has risen rapidly to a position of leadership among the younger generation of business men. Among the prominent positions which he now occupies are the vice-presidency of Henry Birks & Sons, Limited, and of Ryrie Bros., of Toronto, while in insurance circles he is known as a director of the Sun Life of Canada. In philanthropic work, as in business, Mr. Birks occupies a position of leadership, and he has been largely responsible for the success of several notable efforts in this connection. A cultured, generous and public spirited citizen, who has travelled extensively, it is a pleasure to note his election to the directorate of one of the oldest of the Canadian banking institutions.

It was stated in the House of Commons on Wednesday that the amount of new stock for authority to issue which application has been made to the Government by the C.P.R. is \$75,000,000. The application has not yet been passed upon by the Government.

COMMERCIAL UNION

ASSURANCE COMPANY LIMITED
of LONDON, England

Capital Fully Subscribed	\$14,750,000
Capital Paid Up	1,475,000
Life Fund, and Special Trust Funds,	66,136,780
Total Annual Income exceeds	37,500,000
Total Funds exceed	115,000,000
Total Fire Losses Paid	147,603,475
Deposit with Dominion Govern- ment	1,269,327

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—

**Commercial Union Building,
MONTREAL**

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

PALATINE

INSURANCE COMPANY LIMITED
of LONDON, England

Capital Fully Paid	\$500,000
Fire Premiums 1911, Net	\$2,264,769
Interest, Net	129,270
Total Income	\$2,394,039
Funds	\$4,000,000
Deposit with Dominion Gov't	\$105,666

In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Funds exceed \$115,000,000

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—

**Commercial Union Building,
MONTREAL**

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

SUN INSURANCE OFFICE

FOUNDED A.D. 1710.

Head Office:

Threadneedle Street - London, England

The Oldest Insurance Office in the World

Surplus over Capital and all Liabilities exceeds
\$10,000,000

Canadian Branch:

15 Wellington Street East, Toronto, Ont.

H. M. BLACKBURN, Manager

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

ESTABLISHED 1809

Total Funds Exceed **\$85,805,000** Canadian Investments Over **\$8,280,742**

FIRE AND LIFE

North British and Mercantile

INSURANCE COMPANY

DIRECTORS

A. MACNIDER, Esq., Chairman CHAS. F. SISE, Esq.
G. N. MONCEL, Esq. WM. McMASTER, Esq.

Head Office for the Dominion:

78 St. Francois Xavier Street - MONTREAL.

Agents in all the principal Towns in Canada.

RANDALL DAVIDSON, Manager.

ANGLO-AMERICAN

FIRE INSURANCE COMPANY

Head Office, 61-65 Adelaide St. East, Toronto

E. E. A. DU VERNET, K.C., President
H. H. BECK, Manager

INSURANCE

Phoenix of Hartford

Company

Total Cash Assets : \$10,737,657.32
Total Losses Paid : 67,969,830.19

J. W. Tatley, Manager.
MONTREAL.

Applications for Agencies Invited.

The MONTREAL-CANADA

FIRE INSURANCE COMPANY

ESTABLISHED 1859.

Head Office: 59 St. James St., Montreal

THE FIRE LOSS AND THE PUBLIC.

The manifesto issued by Fire Chief Tremblay, of Montreal, regarding the fire loss of this city and continent will do useful work in directing the attention of the public to facts and figures which, under present circumstances, cannot be proclaimed too often or emphasised too strongly. Chief Tremblay rightly has put forth his statement direct to the public, and has correctly pointed out what is the incidence of the fire loss—that it falls upon the public, that the public alone are responsible for the present condition of affairs, that with them alone rests the matter of improvement and the extent of that improvement. Provincial authorities and municipalities can make as much provision for fire-fighting as they like, but if the public is going along unchecked in its old ways of throwing lighted matches into waste paper, playing the fool with lamps and gasoline, allowing jerry builders to put up fire traps where they will and as fast as they may, putting a premium on the cheating of insurance companies, and the rest, there is not going to be much improvement in the fire loss figures of this continent for a long time to come.

An appreciation of the incidence of the fire insurance loss is of primary importance—an essential, in fact—if any action is to be taken in this matter on broad and effective lines. To a large and strong fire insurance company, it is not a matter of tremendous importance, whether in a particular country or district the amounts it receives by way of premiums are large, and the amounts it pays out for losses, also large, or whether the premiums it receives are smaller in amount and the losses it pays also smaller. The insurance companies are merely clearing houses administering the funds contributed by the great body of premium payers for the indemnification of those among them who lose their property by fire. But it is by no means a matter of small importance to the public whether the premiums are large and the losses large or the premiums smaller and the losses smaller. The public is paying for the losses; the larger the losses, the more the public has to pay.

Hitherto, the fire insurance legislation on this continent appears to have been guided largely by a feeling of hostility against the fire insurance companies. It has been supposed that the public needed to be protected against these "predatory corporations," who were "waxing fat" on spoils extorted from a lamb-like populace. The simple fact that over a period of years the fire insurance companies of this continent as a whole have not "waxed fat," but that, on the contrary, many of them have faded through a period of leanness into oblivion, has not been sufficient to dissipate the illusion thoroughly. To take one aspect of this matter, only recently has it occurred to some people responsible for legislation and even now, the discovery does not seem to be very general, that it is the fire insurance companies who need

the protection of the law—against those members of the community who regard the cheating of an insurance company as they regard the cheating of a railroad, as almost, if not quite, an act of virtue. The companies need this protection, not so much because the eighth commandment forbids stealing from a fire insurance company as strongly as it forbids stealing from anyone else, but for the reason that, since the companies are merely the administrators of the community's fire funds, the loss entailed by this cheating falls in the last resort not upon the companies but upon the community who pay the fire premiums.

Chief Tremblay, in the course of his manifesto, quotes some astonishing figures given him by Fire Commissioner Latulippe. The latter states that at least 65 per cent. of the fires investigated by him reveal over-insurance, 40 per cent. of these, in the Commissioner's opinion, being incendiary. Whose fault is this? The fire insurance companies? Not necessarily. There are careless fire insurance agents and companies as there are careless people everywhere, but they are not numerous enough to account for the extraordinary proportions mentioned. In this connection, we wish Chief Tremblay had mentioned the name of the company concerned in the specific instance which he gives of the re-insurance of an individual who had had a suspicious fire. We should be surprised if it was a company of repute that was concerned in this. Rather than that the insurance companies are responsible for the proportions mentioned, it would appear that the blame can be laid more justly upon present circumstances and even upon the law. Here is No. 1 of the statutory conditions of a fire policy in the Province of Quebec:—

If any person insures his buildings or goods, and causes the same to be described otherwise than as they really are, to the prejudice of the Company, or misrepresents or omits to communicate any circumstance which is material to be made known to the company, in order to enable it to judge of the risk it undertakes, such insurance shall be of no force with respect to the property in regard to which the misrepresentation or omission is made; but when the application is made out by the Company's agent, such application shall be deemed to be the act of the Company.

Has it ever occurred to legislators what an opening for fraud, this innocent looking and in a sense quite natural statutory regulation provides?—for fraud, not merely on the insurance companies but by one unscrupulous individual policyholder on the whole community of policyholders. Instead of protecting itself through the companies against fraud, the public has by such a regulation laid itself open to be cheated.

Every instance of over-insurance, every incendiary fire, every little piece of speculation in fire insurance, every extravagant loss claim put in or encouraged by claim-rigging parasites is a fraud or an attempt at fraud upon the public.

The extent of the fire loss depends upon the public; it is only through an awakened public conscience that that fire loss can be reduced.

THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated : 1833.

HEAD OFFICE: TORONTO

Old Reliable Progressive
Assets over - - \$2,000,000.00
Losses paid since organization
over - - - \$35,000,000.00

DIRECTORS:

Hon. GEO. A. COX, President.
ROBT. BICKERDIKE, M.P.
E. W. COX
JOHN BOSKIN, K.C., LL.D.
D. B. HANNA
ALEX. LAIRD
Z. A. LASH, K.C., LL.D.

W. R. BECK, Vice-President
W. B. MEIKLE
GEO. A. MORROW
AUGUSTUS MYERS
FREDERIC NICHOLLS
JAMES KERIC OSBORNE
SIR HENRY M. FELLAIT

E. R. WOOD

W. B. MEIKLE, General Manager

EVANS & JOHNSON, General Agents

26 St. Sacrament Street : : MONTREAL



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

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

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

JOHN MacEWEN, Superintendent.

L'UNION FIRE INSURANCE COMPANY, Limited

Head Office: PARIS, France.

Established 1828

Capital fully subscribed . . . \$2,000,000.00
Net Premiums in 1910 . . . 4,651,840.00
Total Losses paid to 31st Dec., 1910 78,500,000.00

Canadian Branch:

94 NOTRE DAME ST. WEST, 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.

Policies secured by Assets - \$24,363,655

PROVINCIAL AGENTS.

MURPHY, LOVE, HAMILTON & BASCOM, JNO. W. MOLSON,
Toronto, Ont. Montreal, Que.
OSLER, HAMMOND & NANTON, WHITE & CALKIN,
Windsor, Ont. St. John, N.B.
ALFRED J. BELL, HORACE HANZARD,
Halifax, N.S. Charlottetown, P.E.I.

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

LONDON MUTUAL FIRE INSURANCE CO.

HEAD OFFICE TORONTO
ESTABLISHED 1859

Assets on December 31st 1911 . . . \$926,906.76

Liabilities on December 31st, 1911 . . . \$337,306.07

SURPLUS on December 31st, 1911 \$589,600.69

Security for Policy Holders . . . \$967,910.97

F. D. WILLIAMS,
Managing Director

MORE TAXATION OF FIRE INSURANCE POLICYHOLDERS.

We have not at the time of writing had the advantage of perusing the text of the new bill introduced by the Quebec Government respecting fire prevention in the rural districts, but judging from the published reports regarding it, the bill is open to considerable objection. The proposals, it appears, provide for the appointment of a chief fire commissioner for the whole province, with such assistants as are required. Their duties will include investigation of the causes of all fires, and they will also be empowered to issue warrants against those accused of arson. The act will further oblige all towns and villages to secure such fire apparatus as may be approved of by the fire commissioner, and the latter and his assistants will visit each municipality and show how the apparatus should be used for fire fighting. The Government will vote \$10,000 to carry out the work and to secure this fund a special tax on the fire insurance companies, of one-quarter of one per cent. on all fire insurance premiums, will be imposed. While the amount available is not large, it will enable the fire commissioners to effect a practical improvement the first year in about twenty villages. The bill will also authorize the fire commissioners to enter any building and order inflammable material removed, in default of which a fine of \$10 a day will be imposed.

The proposals for enabling the villages to fight outbreaks of fire seem sensible enough, though it is obvious that a good deal will depend upon the personality of the fire commissioner and his assistants. That part of the bill to which objection may legitimately be taken is its provisions for sustaining the commissioners' establishment by a new tax upon fire insurance premiums. This is merely compelling those who hold fire insurance to pay their own share of keeping up this new establishment and additionally the share of their neighbours who don't insure. Moreover, about 75 per cent. of the total fire premiums paid in the province come from the three cities of Montreal, Quebec and Sherbrooke—Montreal alone contributing one-half—so that policyholders in these cities will apparently have the privilege of paying the greater part of the expenses of a Fire Commissioner who will devote his time to the rural districts. So far as the financial provisions of this bill are concerned, it appears to be rank class legislation, discriminatory against fire insurance policyholders in the larger centres of the province. Of course, if the Government has any idea of giving a *quid pro quo* by limitation of the powers of municipalities in regard to the taxation of insurance companies and an amendment of the law making efficient the taxation of unlicensed companies, the acceptance of the new tax might be worth while. But if not, the Quebec Government can hardly be surprised if a bill admit-

tedly containing the material for much desirable reform, is denounced for its unjust financial provisions.

THE DOMINION BANK'S BONUS.

With reference to the Dominion Bank's declaration of a 2 per cent. bonus payable with the next quarterly dividend, it has been erroneously stated that the payment of the bonus is the result of a profitable real estate transaction. We are informed that the directors had in contemplation for some time the payment of the 2 per cent. bonus, and it is incorrect to infer that such action was influenced by profits realized from the sale of the bank's property. Moreover, the statement that the bank realized a profit of \$500,000 on the sale in question is grossly exaggerated.

THE QUEBEC BANK.

At the annual meeting of this Bank held on Monday, profits of \$294,804 for the year ended October 31 last, were reported against \$276,301 in the previous year. A balance brought forward of \$22,284 made the amount available for distribution, \$317,088. Of this amount, the 7 per cent. dividend absorbed \$175,000; pension fund, \$5,000, expenditure on branch premises \$26,680, business taxes, \$10,720 and transfer to contingent fund \$75,000, leaving a balance at credit of profit and loss of \$24,670. The leading items of the balance sheet in comparison with that of 1911 are as follows:—

	1911.	1912.
Paid-up capital	\$ 2,500,000	\$ 2,500,000
Reserve	1,250,000	1,250,000
Circulation	2,469,684	2,552,267
Deposits by public	13,798,930	15,531,030
Call Loans in Canada	2,977,140	2,941,984
Call Loans in United States	1,100,000	700,000
Current Loans and discounts	10,489,884	12,013,949
Quick Assets	8,661,798	8,456,760
Total Assets	20,498,584	22,215,226

A number of new branches, principally in the West, have been opened during the year, and it was announced that, in view of the increased business of the Bank, 5,000 shares of additional stock will be issued shortly at \$125 per share. This issue will bring the Bank's paid-up capital up to \$3,000,000.

THE PORT OF MONTREAL.

Although the ice in the St. Lawrence was unusually troublesome last spring and the opening of navigation was somewhat delayed, the port of Montreal had a good seven months' season, over every month of which the trade of the port was very evenly distributed. The business, as shown by the customs' receipts being so good both in May and November, suggests that anything that can be done to prolong the season of navigation is well worth doing. When the ice problem is tackled as vigorously as the harbor improvement problem has been tackled we may hope for big results. Passenger traffic east and west has been exceptionally heavy and the west-bound passenger traffic was the highest on record. The customs receipts for the season were \$15,508,124, an increase of \$4,333,134 over 1911. The wheat traffic through the Lachine Canal was more than double that of 1911. A small decrease is reported in the number of sea-going vessels, but the tonnage was larger—2,403,924 tons against 2,338,252 tons in 1911. The revenue of the port was \$461,306.43 for 1912, as compared with \$430,623.24 last year.



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



HEAD OFFICE - - - TORONTO
 MONTREAL BRANCH: Thomas F. Dobbin, Resident Secretary, 164 St. James St.
 QUEBEC BRANCH: C. E. Sword, Resident Secretary, 81 St. Peter St.
 WINNIPEG BRANCH: A. W. Blake, District Secretary, Canada Building, Donald Street.

The Yorkshire Insurance Co., Limited

of YORK ENGLAND. Established 1824.
ASSETS, \$13,000,000

FIRE INSURANCE granted on every description of property at Tariff rates.
LIVE STOCK INSURANCE. This Company has a large Live Stock business in England and elsewhere, and is the FIRST COMPANY, licensed by the FEDERAL GOVERNMENT, to transact Live Stock Insurance in the Dominion.
APPLICATIONS FOR AGENCIES are invited from responsible persons.
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Canadian Manager, P. M. WICKHAM, Montreal.

The WESTERN Assurance Company

Incorporated in 1851.

ASSETS over **\$3,000,000.00**

LOSSES paid since organization of Company over **\$55,000.00**

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- | | |
|------------------------------|----------------------------------|
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| D. B. HANNA | W. B. MEIKLE, Managing Director. |
| JOHN HOSKIN, K.C., LL.D. | Z. A. LASH, K.C., LL.D. |
| ALEX. LAIRD | E. W. COX |
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HEAD OFFICE - TORONTO

FOUNDED 1792.
INSURANCE COMPANY OF NORTH AMERICA
 PHILADELPHIA, PA.

CAPITAL,	\$4,000,000.00
SURPLUS TO POLICY HOLDERS	7,743,980.17
ASSETS	16,001,411.66
LOSSES PAID EXCEED	149,374,312.55

ROBERT HAMPSON & SON, LIMITED
 GENERAL AGENTS FOR CANADA. MONTREAL

THE LAW UNION & ROCK

INSURANCE CO. LIMITED, LONDON. Founded in 1806

Assets Exceed - \$45,000,000.00

Over \$6,000,000 invested in Canada.
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MONTREAL.
 Agents wanted in unrepresented towns in Canada.
 W. D. AIKEN, Superintendent, J. E. E. DICKSON
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The LIFE AGENTS' MANUAL

PRICE, \$3.00

Published by The Chronicle, Montreal

THE SACREDNESS OF TRUSTEESHIP IN THE INVESTMENT OF LIFE INSURANCE FUNDS.

(George E. Ide, president Home Life of New York, before the Association of Life Insurance Presidents.)

The subject we are now discussing is a most serious one. It calls for conservative and clear statement. It must be approached fearlessly. I am only expressing my individual belief, and probably my views will not meet with favor in some quarters, particularly in view of the present attitude of public opinion.

Those of us who attended the Fourth Annual Meeting of our Association in Chicago two years ago remember the very able paper read by Professor Laughlin, of Chicago, on the "Study of the People's Investments." I wish to quote one or two sentences from his introductory remarks, which seem to be applicable at the present moment.

He said "the situation to-day in our democracy is a curious complex of ignorance, progress, radicalism, intelligence, idealism and conservatism. We must face the fact that problems, which should (and would in a country like Germany) be sent to experts for solution, must here be solved by a counting of noses in an electorate which means well but is wholly untrained in abstruse subjects of vital importance. Everything depends upon getting the truth before a suspicious and distrustful community. We are a mercurial people who often move under waves of emotion without much discrimination."

Such was his feeling of the attitude of the public mind when he presented his able paper to this Association. My feelings are very much the same in approaching the subject of life insurance investments, and the sacredness of the trust of their administration. I am confident, however, that careful attention to this subject, if we view it in the broadest way, will correct many misapprehensions and false ideas which unconsciously and gradually have crept in, and which, apparently innocent and inoffensive at the start, may, if carried to extremes, undermine the integrity of the whole system of life insurance.

ASSETS BOUND TO INCREASE.

First of all, it must be remembered that the assets of life insurance companies are bound to increase. This is an unavoidable factor under the system of "level premium" insurance. There must be an annual addition to the reserve on each policy. The States require the maintenance of this ever growing liability, and consequently we cannot escape the fact that the life companies are to be the depositories of larger aggregations of capital as the years go by. The problem of how to administer these funds, large as that problem now is, will constantly assume greater proportions in the future. The assets of companies doing business in the State of New York were \$24,000,000 in 1860; \$418,000,000 in 1880; \$1,724,000,000 in 1900; \$3,943,000,000 in 1911. Who can tell what these figures will be at the end of the next fifty years?

It is interesting to know how this fund is distributed. The assets of companies doing business in New York State are invested approximately as follows:

Real Estate	4 per cent.
Bonds and Mortgages	31 per cent.
Stocks and Bonds	48 per cent.
Loans to Policyholders	13 per cent.
Cash and miscellaneous	4 per cent.

There is another vital element in the situation. The premium rates are variously calculated on an assumed rate of interest to be earned, ordinarily 3 p.c., 3½ p.c., or 4 p.c. Interest at the rate selected must be earned upon the reserve. That is, it is necessary to invest the general assets of the company on such a basis that the net interest return after deducting investment losses, investment expenses, etc., will be at least sufficient to equal the interest return on the reserve called for under the calculation.

From this very brief statement we see that the most important consideration before the trustees of life insurance companies is to invest these vast sums so that the principal is safeguarded and a proper rate of interest earned to insure the integrity of policy contracts.

The total amount of insurance in force in life companies in the United States was on December 31, 1911, approximately, \$18,000,000,000. Do you wonder that I say that this is a subject of vast importance? The soundness and permanence of this stupendous amount of insurance rest primarily upon the proper investment of life insurance funds by the companies' trustees. Can anything be more sacred than the care of these trust funds?

FUNDAMENTAL PRINCIPLES.

Possibly we can name a few fundamental principles which are essential in the administration of these stewardships.

First, Publicity. I would welcome any legislation which will make it possible for the public to know every detail of the investment departments of life companies. Anything which will lead to such knowledge, anything which will place such information before the public in comprehensible form will do more than any restrictive legislation to break up dangerous practices and to correct abuse. Improper syndicate operations (that word is now unpopular, but there have been good syndicates), speculative control of other corporations, underground channels by which securities are introduced and accepted with advantage to some inside clique, profit by trustees arising directly or indirectly from investments made, all melt away under the noonday glare of publicity. Legislation in favor of such publicity is none too popular with some of our law-makers. It is not spectacular and there is always the danger that these searching rays of publicity when their power is appreciated may be turned in unexpected directions. The unscrupulous legislator and the quasi-reformer always have to be on the alert lest the remedies they prescribe for others may be applied to themselves.

Second, Personal Responsibility. The trustees must be impressed with the importance and seriousness of their office, and maladministration should be followed by punishment commensurate with the magnitude of the trust. Such punishment to be effective must be directed against the offending individual.

With these two checks and safeguards, we have about all that is needed in the way of restriction. If you can write simple, plain and effective publicity with strict personal accountability, you are doing about all that can be done by legislation to enforce honest and careful conduct by the trustees.

Let us now look at some of the laws made to protect these funds. Efforts have been made to prohibit certain forms of investments. These efforts have

THE CANADA LIFE

in each of the past 4 years has earned **A Substantially Increased Interest Rate**, and 1912 bids fair to exceed 1911.

Interest is a most important element in the earning of surplus, and this doubtless accounts for the fact that **In Each of The Past 4 Years** the Canada Life has earned **A Larger Surplus** than ever before in its history.

N.B.—Favorable mortality and low expenses, the result of **Good Management**, have helped.

Canada Life Assurance Company, Head Office : TORONTO.

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of NORWICH, ENGLAND.

GUARANTEED BY THE

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Limited, of NORWICH, ENGLAND.

AGENTS WANTED AT ALL POINTS IN THE DOMINION.

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JOHN MacEWEN, Superintendent.

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Not the Company which YOU must introduce, but the Company which introduces YOU wherever you go.

The Company whose better selling policies earn most for you in the way of commissions;

The Company which furnishes the insured the largest protection for his money.

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34 Nassau Street

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Union Mutual Life Insurance Co.

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Accepted value of Canadian Securities held by Federal Government for protection of policy-holders, \$1,206,576.

All policies issued with Annual Dividends on payment of second year's annual premium.

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WALTER I. JOSEPH, Manager,

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Legal Decisions

LIMITED RESPONSIBILITY OF MUNICIPALITY REGARDING FIRES.

An interesting decision has lately been given by the Court of Review at Montreal with regard to the limited responsibility of municipalities for fire losses incurred within the municipal limits. The case was that of Quesnel vs. La Ville Emard, et al and City of Montreal, defendant by *reprise d'instance*. This was an action for \$1,756.50 damages alleged to have been suffered by the destruction of a building belonging to the plaintiff within the limits of Ville Emard as the result of a fire which occurred on March 14, 1910. The action was dismissed by the Court of Review. In giving their decision Mr. Justice DeLorimier said in part:—

The important question is as to whether there is a *lien de droit* between the parties such as to render the defendants legally responsible, towards the plaintiff, for the damages claimed. It is evident that in the absence of such a *lien de droit* the action must fail whatever be the verdict (C. R. 459). As regards the responsibility of the defendant, Ville Emard, and of the City of Montreal by *reprise d'instance* . . . it is evident that there can be no other responsibility than that which may have existed at the time between the plaintiff and Ville Emard. If we refer to the Cities and Towns Act of 1903 and amendments which, at the time of the fire, governed the obligations of the municipality, we find therein no provisions which might compel it to protect the property of the ratepayer in case of fire or which might make it liable in damages to the ratepayers for the losses they might suffer as the result of fires. Nothing in the law or in the statutes imposed on Ville Emard the obligation of becoming an insurance company for the purpose of protecting the property of its ratepayers or for that of paying them fire losses. Under the law as it stands the municipality had the right of adopting by-laws for the organization of a fire department. When such power is exercised it is exercised only as a facultative power and does not impose on the municipal corporation the obligation of indemnifying its ratepayers from fire losses.

The taxes which may then be levied are only levied for the purpose of defraying the cost and expenses of such fire departments. If municipal corporations were to be responsible for fire losses, these small taxes could not begin to suffice to cover the possible loss of a large fire, and the law would, in such a case, have to authorize municipal corporations to enter into the insurance business. The fire department of Ville Emard was similar to that of many other localities in the province. The system was as efficient as the town finances would allow, but none the less was absolutely incomplete. When a fire broke out in the town the citizens united in their efforts to fight it. The two or three firemen then in the town's employ were not experts, nor was their only duty that of fire fighting. It is our opinion that the jurisprudence has established it that the imperfections of these fire departments cannot give rise to a liability in damages on the part of a municipal corporation sued by a ratepayer as a result of the burning or destruction of his property. Naturally, this jurisprudence does not cover the case of the liability of a municipal corporation by reason of a tort formally authorized by it which could be the cause of a fire.

This decision follows others which have been given in the Province to the same effect.

Mr. Neil D. Sillis, of the Sun Life of Canada, president of the National Association of Life Underwriters, has introduced an innovation in life insurance education at Richmond, Va., in an arrangement with the Superintendent of Schools for a course of lectures on "Life Insurance." Mr. Sillis will be the first speaker.

usually been sporadic and short-lived. It has been virtually conceded that the greatest freedom of choice is necessary in the investment of such vast funds. New York State prohibits the purchase of stocks and collateral bonds where a certain amount of the collateral is in the form of stock. We all know why that law was passed. In the troublous times of 1906, it seemed to our legislators necessary. It was a method of checking certain abuses which could have been checked more wisely perhaps by other methods without placing on our Statute Books a law which apparently condemns all stocks and deprives us of the right to buy bonds of absolute security, and of a form which is daily becoming more popular because of its inherent strength. The compulsory sale of securities legally purchased was also insisted upon, but apparently the advocates of this measure seem willing to consent to extensions of time and are not very enthusiastic about its enforcement.

Other statutes of a negative character have been enacted, but they are of minor importance. When, however, the law-maker arises in his might and begins to talk affirmatively and says to the trustees "Thou shalt invest in this or that," then we find the trouble really begins. Professor Sumner, in his picturesque style, says most reforms are the result of A and B getting together, and deciding what C shall do. A and B may have no particular interest in what ultimately becomes of C, but if they have power enough they can make it very uncomfortable for him, and in their honest and misguided enthusiasm they may do him great harm.

(To be continued).

PRINCIPAL FIRES IN CANADA, INVOLVING LOSS OF \$5,000 AND OVER, NOVEMBER, 1912.

Date Nov. 1912.	Place.	Risk.	Loss.
1	Montreal	Hat store, drug store, etc.	\$ 15,000
1	Winnipeg	Baptist church	12,000
3	Montreal	Cordage and bag factories	468,000
3	Truro, N. S.	Steam laundry	6,700
4	Nelson, B. C.	Lumber Mill	50,000
6	Kingston, Ont.	Gasoline launch	5,000
9	Blind River, Ont.	Dwellings, etc.	50,000
10	Perdue, Sask.	Elevator	12,000
13	Port Arthur, Ont.	Newspaper Office	15,000
14	Coleman, Alta.	Machine Shop	40,000
17	London, Ont.	Hat warehouse, etc.	29,000
18	Quebec City	Shoe Factory	30,000
18	Ottawa	Newspaper Office	5,000
18	Toronto	Sporting goods warehouse	50,000
20	Sault Ste. Marie, Ont.	Oil Co's. warehouse, etc.	22,800
20	Prescott, Ont.	Freight sheds and offices	40,000
22	Toronto	Novelty manufacturers	8,000
24	Dryden, Ont.	Stores	8,000
25	Montreal	Packing Case Factory	7,000
26	Sarnia, Ont.	Hub and Spoke factory	100,000
28	Langdon, Sask.	General store	35,000
28	Dryden, Ont.	Power House and sluice gates	100,000

The directors of the Dominion Textile Company on Monday declared a quarterly dividend of 1½ per cent., placing the stock on a 6 per cent. basis as compared with the 5 per cent. paid since July, 1907.

GRESHAM

Life Assurance Society, Limited

Founded 1848

Funds : FIFTY MILLION DOLLARS.

Applications are wanted for Agencies. Liberal commissions would be arranged for Agents and Brokers.

ADDRESS :

ARCH. R. HOWELL,
 Manager for Canada,
MONTREAL.

STATEMENT OF ACCIDENTS IN CANADA DURING OCTOBER, 1912, BY INDUSTRIES AND GROUPS OF TRADES.

Trade or Industry.	Killed.	Injured.	Total
Agriculture	5	17	22
Lumbering	7	11	18
Mining	8	12	20
Railway construction	3	6	9
Building Trades	18	40	58
Metal Trades	6	85	91
Woodworking Trades	1	14	15
Printing and Allied Trades . . . . .	..	2	2
Textiles	1	..	1
Food and Tobacco preparation	2	7	9
Leather . . . . .	..	2	2
Transportation—			
Steam Railway Service	28	134	162
Electric Railway Service	1	7	8
Navigation	4	9	13
Miscellaneous	5	16	21
Public Employees	2	16	18
Miscellaneous Skilled Trades	7	20	27
Unskilled Labour	7	17	24
Total	105	415	520

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WITH OTHER SYSTEMS

You have to adapt your business routine to the arrangement of the Filing Cabinet, with "Macey" you simply adapt the cabinet to your business, and if your business requires a different arrangement to-morrow, or next week, you simply change to suit your need. What could be more simple?

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The
 MODERN OFFICE EQUIPMENT

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 LIMITED

General Offices : : : WOODSTOCK, ONT.

Market and Financial Summary

The directors of the Shawinigan Water & Power Company on Tuesday, declared a dividend of 1 1/2 p.c. for the quarter payable January 20, to holders of record, January 7. The stock is thus placed on a 6 per cent. basis, having been at the five per cent. level since the end of 1910.

* * * *

The November output of ore by the Nova Scotia Steel & Coal Company established a new record. The figures for the month are as follows: Coal mined, 76,874 tons; ore mined, 58,752 tons; pig iron made, 7,600 tons; steel ingots made, 7,400 tons; finished steel shipments, 5,850 tons.

* * * *

The usual monthly compilation by the London Bankers' Magazine of the aggregate value of 387 securities dealt in on the London Stock Exchange shows an increase for the month of November of £21,691,000, or 0.6 per cent., which follows a reduction of £65,170,000, or 1.8 per cent. in October.

* * * *

Tooke Bros., Limited, will issue \$200,000 additional preferred stock. The proceeds of the new issue will be used to finance an extension to the plant, which will exactly double its capacity, and which is to be ready for occupancy early next June. With the new issue of \$200,000 preferred stock the total of that issue stands at \$1,000,000, while, in addition, as heretofore, there is \$650,000 common stock.

* * * *

Trust companies under the jurisdiction of the Province of Quebec are engaged in active opposition to a bill introduced in the Quebec Legislature this week governing their powers. The provisions of the bill are in certain cases of a strongly restrictive character. In committee this week, active opposition to various proposals contained in the bill was shown, and the further study of it was left over until Thursday in next week.

* * * *

The Porto Rico Railway's statement for October and the ten months of the fiscal year shows improvement over recent statements as follows:

	OCTOBER.		
	1911.	1912.	Inc.
Gross	\$64,013	\$69,613	\$5,000
Net	31,809	29,726	*2,073
	FOR TEN MONTHS.		
Gross	\$616,413	\$685,159	\$63,746
Net	312,239	267,337	*44,903

*Decrease.

* * * *

President Plummer, of the Dominion Steel Corporation, was in Montreal on Thursday, on his way from Cape Breton, and confirmed the current impression that for a time, at any rate, no general manager of the Dominion Iron & Steel Company would be appointed, the work being divided between Mr. G. S. Martin, the general superintendent, who would have charge of the metallurgical operations, and Mr. C. S. Cameron, the comptroller, who would continue to administer all commercial matters. The administration of the ore mines and quarries is under the direction of Mr. D. H. MacDougall, in addition to his duties as general manager of the Dominion Coal

Company. Mr. Plummer said that he had found everything at Sydney and Glace Bay in excellent shape, and record outputs would be made in every department this year. Five blast furnaces are in operation at Sydney with a sixth nearing completion, and the new nail mill, which is using a large portion of the tonnage formerly put into wire rods, was giving excellent satisfaction.

Personal Paragraphs.

Mr. T. B. Parkinson, joint manager of the Aetna Life in Ontario, is now happily able to attend to his office duties after his recent illness.

* * * *

Mr. A. Homer Vipond is representing the Life Underwriters' Association of Canada at the meeting in New York of the Association of Life Insurance Presidents.

* * * *

Controller J. O. McCarthy, managing director of the Guarantee Life, announces his retirement from civic politics in Toronto on account of the demands of his business.

* * * *

Mr. R. Home Smith will shortly resign his position as Toronto manager of the National Trust Company, and will be succeeded by Mr. George H. D. Lee, of Mulock, Lee, Milliken & Clark.

* * * *

The Montreal Stock Exchange firm of F. Nash & Company announces that Mr. Guy D. C. Dobbin, who has been connected with the firm for the past eleven years, has been admitted to partnership.

* * * *

Mr. C. G. Pennock, manager of the Vancouver branch of the Bank of Ottawa, has been appointed general manager of the Bank of Vancouver, in succession to Mr. L. W. Shatford, resigned.

* * * *

Mr. A. B. Powell, formerly underwriting secretary, and for some time in charge of the Montreal branch office of the Equity Fire, has been appointed superintendent for the city of Toronto. Mr. H. R. Van Norman is to be assistant manager.

* * * *

Mr. James Bennett, superintendent of the electrical department of the Canadian Fire Underwriters' Association, has resigned his position to accept that of managing director of the Fire Prevention Company of Canada, Limited. Mr. Bennett is the only Canadian member of the Electrical Commission of the National Fire Protection Association.

* * * *

Mr. F. W. G. Johnson has resigned his position as manager of the St. Catherine's Street, Montreal branch of the Molsons Bank and will enter the insurance business. He is succeeded by Mr. J. D. Molson, formerly manager of the Market and Harbour branch. Mr. W. R. Church, of the Cote St. Paul branch, going to the Market and Harbour branch.

Insurance Briefs will be found this week on pages 1780 and 1786.



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 : : :

\$829,200.00

STANDS FIRST

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

THE CANADA ACCIDENT ASSURANCE COMPANY

HEAD OFFICE: Commercial Union Building, MONTREAL

CAPITAL \$500,000.00

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

Board of Directors:

Hon. S. C. WOOD. S. H. EWING. T. H. HUDSON.

T. H. HUDSON, Manager.

TORONTO :
Traders Bank Building

VANCOUVER

WINNIPEG

MONTREAL :
Merchants Bank Building

FOUNDED 1871

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

Accident, Health, Employers' Liability, Guarantee and Plate Glass Insurance
UNRIVALLED SECURITY LIBERAL POLICIES

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

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

Canadian Head Office - - - - - TORONTO, Ontario

CHARLES H. NEELY, General Manager for Canada and Newfoundland.

"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 National Life Assurance COMPANY OF CANADA.

Head Office, National Life Chambers, TORONTO

ELIAS ROGERS, President.

ALBERT J. RALSTON, Vice President & Managing Director

F. SPARLING, Secretary.

Applications received for new assurances from the
1st January, 1912 to 1st November, 1912 - \$6,000,000.00

Insurance in force November 1st, 1912 - \$17,800,000.00

For Agencies apply direct to Head Office.

Stock Exchange Notes.

Thursday, December 5, 1912.

The hoped for improvement in money conditions has not yet materialized although the banks loaned a little new money this week. These loans, however, were of a strictly call nature and on a 7 per cent. rate and cannot be looked upon as materially easing local market conditions. Apart from the money status, however, developments here have been on the constructive side. Following the initial dividend declaration on Montreal Cottons last week, both Dominion Textile Common and Shawinigan Water & Power have advanced their dividend rate 1 per cent. Dominion Textile Common which sold at the low point of 42 on its listing in 1907, has advanced to 82½, and as the earnings are reported to show over 15 per cent. on the common stock, the possibility of a further increase next year is not unnatural. Shawinigan, which paid a 4 per cent. dividend from 1907 to 1910 and has since then been on a 5 per cent. basis, will start the 6 per cent. rate on the 20th of January next. The market as a whole was dull. Detroit Railway was the outstanding feature and a good buying demand advanced the price of this security to 75 on expectations of a 6 per cent. dividend next year. The price has since reacted to 74, a net gain of 1¼ points for the week. Canadian Pacific now selling X. D. of 2½ per cent. sold up to the equivalent of 269, but has since reacted about 2 points and closed with 264½ X. D. bid. R. & O. was another strong spot and on a turnover of some 1,200 shares is up almost 2 points. Shawinigan shows a gain of 3 full points to 136½ bid at the close on a very small turnover. Dominion Steel Corporation was one of the prominent features, most of the sales being made at 60, with a total turnover of some 1,254 shares. The history of the rest of the week's market was unimportant and can be fairly well traced from the subjoined table of transactions and price changes. One of the strong points to be remembered is the steadiness of the newly listed non-dividend paying common stocks, in which ordinarily weakness might have been looked for. Summing up, while trading is practically at a standstill there is no selling pressure and the sentiment is optimistic, with more reassuring foreign news on the war situation. The Bank of England rate remains unchanged at 5 p.c.

SUMMARY OF WEEK'S SALES AND QUOTATIONS.

Security.	Sales.	Closing Bid Nov. 28, 1912	To-day.	Net change
Canadian Pacific.....	2,680	265½	264½ x.D.	+ 1
"Soo" Common.....	25	141	142	+ 1
Detroit United.....	3,712	72½	74	+ 1½
Illinois Preferred.....	20	91	91	—
Quebec Ry.....	947	15½	16½	+ 1½
Toronto Railway.....	125	139½	141½	+ 1½
Twin City.....	150	104½	104½	—
Winnipeg Ry.....	212	212	213	+ 1
Richelieu & Ontario.....	1,206	112½	113½	+ 1½
Can. Car. Com.....	80	80 x.D.	81	+ 1
Can. Cement Com.....	907	28½	28	- ½
Can. Cement Pfd.....	356	91½	92½	+ 1
Dom. Can. Com.....	25	..	103	—
Dom. Iron Pref.....	1,254	59½	59½	—
Dom. Steel Corpn.....	225	..	128½	—
Lake of the Woods Com.....	235	221	220	- 1
Laurentide Com.....	..	81½	81½	—
Mexican Power.....	331	227	229	+ 2
Montreal Power.....	158	86	87½	+ 1½
Nova Scotia Steel Com.....	5	124	123	- 1
Ogilvie Com.....	45	169	169	—
Ottawa Power.....	454	133½	136½	+ 3
Shawinigan.....	50	55	55	—
Sherwin Williams Com.....	79	63	64½	+ 1½
Spanish River Com.....	5	27	27½	+ ½
Steel Co. of Can. Com.....	..	142	142	—
B.C. Packers Com.....	27	44½	45	+ ½
Can. Converters.....	271	78½	82½	+ 3½
Dom. Textile Com.....	56	105	105	—
Dom. Textile Preferred.....	36	55	55	—
Pennams Com.....	510	51	..	—
Tooke Bros. Com.....	4,400	3,59½	3,52 x.D.	- 2½
Crown Reserve.....	..	..	..	..

Traffic Returns.

CANADIAN PACIFIC RAILWAY.				
Year to date.	1910.	1911.	1912.	Increase
Oct. 30.....	\$80,787,000	\$87,398,000	\$107,171,000	\$19,773,000
Week ending	1910.	1911.	1912.	Increase
Nov. 7.....	2,267,000	2,493,000	2,938,000	445,000
" 14.....	2,108,000	2,486,000	2,916,000	430,000
" 21.....	2,106,000	2,226,000	2,704,000	478,000
" 30.....	2,768,000	3,194,000	3,587,000	393,000
GRAND TRUNK RAILWAY				
Year to date.	1910.	1911.	1912.	Increase
Oct. 31.....	\$40,648,121	\$44,549,005	\$47,884,311	\$3,335,396
Week ending	1910.	1911.	1912.	Increase
Nov. 7.....	902,420	956,818	1,061,984	105,166
" 14.....	899,760	959,980	1,064,317	104,337
" 21.....	910,786	951,384	1,053,798	102,414
" 30.....	1,132,674	1,233,062	1,442,409	209,347
CANADIAN NORTHERN RAILWAY.				
Year to date.	1910.	1911.	1912.	Increase
Oct. 31.....	\$11,257,600	\$13,654,400	\$16,802,100	\$3,147,700
Week ending	1910.	1911.	1912.	Increase
Nov. 7.....	357,200	526,000	590,300	64,300
" 14.....	379,900	504,000	609,500	105,500
" 21.....	363,100	403,000	561,500	158,500
" 30.....	465,200	568,500	748,400	179,900
TWIN CITY RAPID TRANSIT COMPANY.				
Year to date.	1910.	1911.	1912.	Increase
Oct. 31.....	\$6,198,852	\$6,428,918	\$6,704,353	\$275,417
Week ending	1910.	1911.	1912.	Increase
Nov. 7.....	145,034	147,401	161,800	14,399
" 14.....	143,518	143,019	158,669	15,650
" 21.....	142,768	147,940	165,743	17,803
HAVANA ELECTRIC RAILWAY Co.				
Year to date.	1910.	1911.	1912.	Increase
Nov. 3.....	\$19,705	\$19,705	\$45,498	Dec. \$1,207
" 10.....	8,601	8,601	51,942	2,741
" 17.....	46,268	46,268	48,611	2,343
" 24.....	41,430	41,430	49,093	7,663
Dec. 1.....	41,692	41,692	47,608	2,916
DETROIT UNITED RAILWAY.				
Year to date.	1910.	1911.	1912.	Increase
Nov. 7.....	\$162,405	\$187,563	213,872	26,309
" 14.....	171,851	179,094	213,776	31,682
DULUTH SUPERIOR FRACTION Co.				
Year to date.	1910.	1911.	1912.	Decrease*
Nov. 7.....	20,795	21,468	20,455	1,031
" 14.....	20,627	20,855	20,247	608
" 21.....	20,995	21,937	21,195	742

* Due to Strike of Employees.

MONEY AND EXCHANGE RATES.

	To-day	Last week.	A Year Ago
Call money in Montreal....	6 %	6 %	5-5½ %
" " in Toronto....	6 %	6 %	5-5½ %
" " in New York....	10-12 %	9-12 %	4½ %
" " in London....	34-31 %	31-41 %	24-3 %
Bank of England rate....	5 %	5 %	4 %
Consols.....	75 %	75½	77½
Demand Sterling.....	9½	9½	9½
Sixty days' sight Sterling....	8½	8½	8½

CANADIAN BANK CLEARINGS.

	Week ending Dec. 5, 1912	Week ending Nov. 28, 1912	Week ending Dec. 7, 1911	Week ending Dec. 8, 1910
Montreal.....	\$61,189,536	\$51,121,071	\$57,245,468	\$43,514,911
Toronto.....	48,209,114	40,884,781	43,949,042	37,558,463
Ottawa.....	4,451,510	3,692,916	4,961,119	4,906,239

BANK OF ENGLAND'S STATEMENT

Yesterday's weekly Bank of England Statement showed a proportion of reserve to liability of 50.08 p.c. This compares with 59.81 p.c. last week.

DOMINION CIRCULATION AND SPECIE.

October 31, 1912	\$115,748,414	April 30, 1912.....	\$113,169,722
Sept. 30.....	115,995,602	March 31.....	113,443,633
August 31.....	116,210,579	February 29.....	114,063,108
July 31.....	113,794,895	January 31.....	113,188,898
June 30.....	111,932,239	December 31, 1911.	115,149,749
May 31.....	113,114,914	November 30.....	115,786,289
Specie held by Receiver-General and his assistants:			
Oct. 31, 1912	\$103,654,008	May 31, 1912.....	\$98,831,169
Sept. 30.....	103,601,850	April 30.....	99,570,930
August 31.....	103,014,276	March 31.....	98,892,395
July 31.....	100,400,588	February 29.....	99,587,787
June 30.....	98,141,536	January 31.....	99,693,907

BUSINESS CARDS

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Members Montreal Stock Exchange
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Chartered Accountants and
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142 Notre Dame St. West, Montreal
MONTREAL WINNIPEG ST. JOHN, N.B.

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Head Office: WELLINGTON STREET, OTTAWA, CANADA

Most modern and complete appliances for the production and protection against counterfeiting of BANK NOTES, BONDS, CHECK CERTIFICATES, POSTAGE and REVENUE STAMPS and all Documents of a Monetary value.

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FIRE INSURANCE COMPANY

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DOMINION BOND COMPANY, LIMITED

MONTREAL, TORONTO, OTTAWA and LONDON, ENGLAND.

Dealers in

Municipal, Corporation and
Industrial Bonds

MONTREAL OFFICE:

Dominion Express Building.

List of Leading Stocks and Bonds

CORRECTED TO THURSDAY, December 5th, 1912

BANK STOCKS.	Closing price or Last sale.	Par value of one share.	Return per cent. on investment at present prices.	Rate of Annual Dividend	Capital subscribed	Capital paid up	Res Fund	Per cent'ge of Res to paid up Capital	When Dividend payable	
	Asked Bid.	\$	Per Cent.	Per cent	\$	\$	\$			
British North America	.....	100	.....	8	4,866,667	4,866,667	2,774,000	57.00	April, October.
Canadian Bank of Commerce	..... 22 1/2	50	.....	10+1	15,000,000	15,000,000	12,500,000	83.33	March, June, Sept., Dec.
Dominion	.....	100	.....	12+2	4,975,700	4,362,810	5,362,810	120.15	Jan., April, July, October
Hamilton	.....	100	.....	11	3,000,000	3,000,000	3,431,600	114.35	March, June, Sept., Dec.
Hohelega	.....	100	.....	9	2,998,300	2,967,300	2,630,000	87.30	March, June, Sept., Dec.
Home Bank of Canada	.....	100	.....	7	1,370,000	1,291,885	450,000	34.83	March, June, Sept., Dec.
Imperial	.....	100	.....	12	6,527,810	6,556,161	6,556,161	100.00	Feb., May, August, Nov.
Internationale	.....	100	.....	.....	10,000,000	1,359,833	.....	.....	.....
Merchants Bank of Canada	.....	100	.....	10	6,758,900	6,725,085	5,900,000	87.33	March, June, Sept., Dec.
Metropolitan Bank	.....	100	.....	10	1,000,000	1,000,000	1,250,000	125.00	Jan., April, July, October
Molson	..... 205 1/2	100	5.35	11	4,000,000	4,000,000	4,700,000	117.50	Jan., April, July, October
Montreal	..... 215	100	.....	14+2	16,000,000	16,000,000	16,000,000	100.00	March, June, Sept., Dec.
Nationale	..... 142	100	4.92	7	2,000,000	2,000,000	1,400,000	70.00	Feb., May, August, Nov.
New Brunswick	.....	100	.....	13	1,000,000	1,000,000	1,700,000	170.00	Jan., April, July, October
Northern Crown Bank	.....	100	.....	6	2,824,430	2,666,882	250,000	9.38	January, July.
Nova Scotia	..... 254	100	.....	14	4,692,700	4,527,240	8,238,192	181.97	Jan., April, July, October
Ottawa	.....	100	.....	12	3,840,000	3,809,330	4,390,330	113.16	March, June, Sept., Dec.
Provincial Bank of Canada	.....	100	.....	6	1,000,000	1,000,000	500,000	50.00	Jan., April, July, October
Quebec	.....	100	.....	7	2,500,000	2,500,000	1,250,000	50.00	March, June, Sept., Dec.
Royal	..... 224 22 1/2	100	5.35	12	11,420,100	11,408,320	12,393,163	108.63	Jan., April, July, October
Standard	.....	50	.....	13	2,409,100	2,300,250	2,930,250	125.75	Feb., May, Aug, November
Stirling	.....	100	.....	5	1,092,400	1,025,100	5,934,250	120.62	March, June, Sept., Dec.
Toronto	..... 211	100	5.66	11+1	5,000,000	4,991,250	.....	.....	March, June, Sept., Dec.
Union Bank of Canada	..... 150	100	.....	8	5,000,000	5,000,000	3,104,640	62.09	March, June, Sept., Dec.
Windsor	.....	100	.....	.....	1,172,700	841,830	15,000	4.81	.....
Windsor Security	.....	100	.....	5	620,000	310,000	.....	.....	.....
MISCELLANEOUS STOCKS.										
Bell Telephone	..... 162 161	100	4.87	8	12,500,000	12,500,000	.....	.....	Jan., April, July, October
B. C. Packers Assn "A" pref.	.....	100	4.86	7	635,000	635,000	.....	.....	Cumulative.
do "B" Com	.....	100	.....	7	822,500	922,500	.....	.....	do
do "C" Com	..... 146 142	100	4.10	6	1,511,400	1,511,400	.....	.....	March, June, Sept., Dec.
Canadian Pacific	..... XD 266 264 1/2	100	3.75	7+3	198,000,000	196,805,621	.....	.....	April, October.
Canadian Car Com.	.....	80	4.97	4	3,500,000	3,500,000	.....	.....	Jan., April, July, October
do Pfd	..... 111	100	6.30	7	5,000,000	5,000,000	.....	.....	Jan., April, July, October
Canadian General Electric	.....	100	.....	7	13,500,000	13,500,000	.....	.....	.....
Can. Cement Co.	..... 284 281	100	7.65	7	10,500,000	10,500,000	.....	.....	.....
do Pfd	..... 93 92 1/2	100	4.70	4	2,802,440	2,802,440	.....	.....	Jan., April, July, October
Can. Com. Rubber Com.	.....	100	7.00	7	1,979,800	1,972,800	.....	.....	Jan., April, July, October
do Pref	..... 45 44 1/2	100	8.88	4	1,733,500	1,733,500	.....	.....	Jan., April, July, October
Canadian Converters	45 44 1/2	100	8.88	4	1,733,500	1,733,500	Monthly.
Crown Reserve	..... XD 3.62 3.52	100	6.91	60	1,999,957	1,999,957	.....	.....	.....
Detroit United Ry	..... XD 7 7 1/2	100	6.91	5	12,500,000	12,500,000	.....	.....	February, August.
Dominion Coal Preferred	.....	100	.....	7	3,000,000	3,000,000	.....	.....	.....
Dominion Textile Co Com	..... 79 78 1/2	100	6.32	5	5,000,000	5,000,000	.....	.....	Jan., April, July, October
do Pfd	..... 105 105	100	6.63	7	1,800,000	1,800,000	.....	.....	Jan., April, July, October
Dom. Iron & Steel Pfd.	.....	100	.....	7	5,000,000	5,000,000	.....	.....	.....
Dominion Steel Corp.	..... 63 59 1/2	100	6.66	4	31,598,000	34,598,600	.....	.....	Jan., April, July, October
Duluth Superior Traction	.....	100	.....	4	3,500,000	3,500,000	.....	.....	Jan., April, July, October
Halifax Tramway Co	..... 161	100	4.96	8	1,400,000	1,400,000	.....	.....	Jan., April, July, October
Havana Electric Ry Com	.....	100	.....	4	7,463,703	7,463,703	.....	.....	Initial Div.
do Preferred	.....	100	.....	6	5,000,000	5,000,000	.....	.....	Jan., April, July, October
Illinois Trac. Pfd.	..... 92	100	6.52	6	5,304,000	5,304,000	.....	.....	Jan., April, July, October
Kamistiagua Power	..... 134	100	3.63	2	2,000,000	2,000,000	.....	.....	Feb., May, August, Nov
Laurentine Com	..... 223 221	100	.....	2	2,705,500	2,705,500	.....	.....	February, August.
Lake of the Woods Mill. Co. Com XD	.....	100	.....	8	2,100,000	2,100,000	.....	.....	Jan., April, July, October
do Pfd. XD	.....	100	.....	7	1,500,000	1,500,000	.....	.....	March, June, Sept., Dec.
Mackay Companies Com	.....	100	.....	5	41,380,400	41,380,400	.....	.....	Jan., April, July, October
do Pfd.	.....	100	.....	4	50,000,000	50,000,000	.....	.....	Jan., April, July, October
Mexican Light & Power Co	..... 83 84 1/2	100	4.81	4	13,585,000	13,585,000	.....	.....	Jan., April, July, October
do Pfd.	.....	100	.....	7	2,400,000	2,400,000	.....	.....	May, November
Minn. St. Paul & S.S.M. Com	..... 143 141	100	.....	7	20,832,000	16,800,000	.....	.....	April, October
do Pfd.	.....	100	.....	7	10,416,000	8,400,000	.....	.....	April, October
Montreal Cotton Co.	.....	100	.....	8	3,000,000	3,000,000	.....	.....	March, June, Sept., Dec.
Montreal Light, Ht. & Pwr. Co	..... 229 1/2 228 1/2	100	8.93	9	17,000,000	17,000,000	.....	.....	Feb., May, August, Nov.
Montreal Street Railway	.....	100	.....	10	10,000,000	10,000,000	.....	.....	January, July.
Montreal Telegraph	.....	40	.....	8	2,000,000	2,400,000	.....	.....	Jan., April, July, October
Northern Ohio Traction Co.	.....	100	.....	2	9,000,000	9,000,000	.....	.....	March, June, Sept., Dec.
N. Scotia Steel & Coal Co. Com	..... 87 86	100	7.05	6	6,000,000	6,000,000	.....	.....	Jan., April, July, October
do Pfd.	.....	100	.....	8	1,050,000	1,050,000	.....	.....	March, September, Dec.
Ogilvie Flour Mills Com	..... 125 124	100	6.40	8	2,500,000	2,500,000	.....	.....	March, June, Sept., Dec.
do Pfd.	..... XD	100	.....	7	2,000,000	2,000,000	.....	.....	.....
Panman's Ltd. Com	..... 56 55	100	7.14	4	2,150,000	2,150,000	.....	.....	Feb., May, August, Nov
do Pref	.....	100	.....	6	1,075,000	1,075,000	.....	.....	Feb., May, August, Nov.
Quebec Ry. L. & P.	..... 16 15 1/2	100	.....	4	9,500,000	9,000,000	.....	.....	March, June, Sept., Dec.
Richellen & Ont. Nav. Co.	..... XD 112 112 1/2	100	7.05	8	3,152,000	3,152,000	.....	.....	.....
Rio de Janeiro	.....	100	.....	7	37,625,000	37,625,000	.....	.....	Jan., April, July, October
Shawinigan Water & Power Co.	..... 136 1/2	100	4.41	6	8,500,000	8,500,000	.....	.....	.....
Sao Paulo T. L. & P.	.....	100	3.71	10	10,000,000	10,000,000	.....	.....	Jan., April, July, October
Toledo Ry. & Light Co.	.....	100	.....	8	13,875,000	13,875,000	.....	.....	Jan., April, July, October
Toronto Street Railway	..... 149 139 1/2	100	5.71	8	8,000,000	8,000,000	.....	.....	Jan., April, July, October
Tr. City Preferred	.....	100	.....	6	2,824,200	2,824,200	.....	.....	Feb., May, August, Nov
West India Electric	..... 105 104 1/2	100	5.71	6	20,100,000	20,100,000	.....	.....	Jan., April, July, October
Windsor City Rapid Transit Co.	.....	100	.....	5	800,000	800,000	.....	.....	May, November
Windsor Hotel	..... 159 152	100	6.28	10	1,000,000	1,000,000	.....	.....	Jan., April, July
Winnipeg Electric Railway Co.	..... 212	100	4.71	10	6,000,000	6,000,000	.....	.....	.....

Insurance Briefs.

The State Fire Marshal of Wisconsin, says that his department has collected evidence which show the existence of an "arson trust" operating in Wisconsin and other States for a number of years. He adds that warrants have been issued for the arrest of several of the alleged principals, most of whom live outside Wisconsin. The setting of fires was carried on, according to the fire marshal, in conjunction with a band of adjusters of fire losses.

* * * *

The report of the Montreal Fire Commissioners' Court for 1912 informs the city commissioners that during the year thus far 133 cases have been examined, as compared with 106 in 1911. In all departments, so far as number is concerned, the fires of 1912 do not seem to have required as much activity from the Fire Commission as those of 1911. There were seventeen investigations held, as against 19 in 1911 and there were 61 witnesses heard in both years.

* * * *

At a special meeting of the Montreal branch of the Canadian Fire Underwriters' Association the following resolution was adopted:

"That the death of Wm. Tatley, manager in Canada, of the Royal Insurance Company, of Liverpool, England, from 1873 to 1896, revives pleasant memories in the older mem-

bers of this association, of a man of vigorous and forcible character, with a strong sense of duty, whose sound underwriting principles and clear intelligence enabled him to render valuable services to the association of which he was one of the original founders, and for early successive years its vice-president (declining the higher position) and chairman of the Montreal branch. His retirement, owing to impaired health, from active business several years ago, was the cause of sincere regret to his then confreres, and those who now remain desire to recall the respect and esteem which was so fully and worthily accorded him, and with the other members of this association, unite in conveying to his family their sympathy in the loss which it has sustained."

* * * *

At a meeting of the Canadian directors of the Liverpool and London and Globe Insurance Company, the following resolution was passed on the occasion of the death of Sir Edward Clouston:

"It was unanimously resolved that the members of this board record their very deep sense of loss in the death of their esteemed colleague, Sir Edward S. Clouston, Baronet, who was a director of this company for over sixteen years, during the last seven of which he was chairman of this board. During the whole period he rendered great service to the company, his clear insight, broad views and wise judgment proving uniformly invaluable. At the same time his uniform courtesy and kindly consideration endeared him to all with whom he came in contact. The board feels that the community has lost a man of the first quality and one who will be keenly missed in financial and philanthropic circles."

(Continued on p. 1786).

CANADIAN BANKING PRACTICE

THIRD EDITION. NOW READY.

(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).

The hundreds of questions and answers on Canadian Banking Practice deal with nearly every possible point of practical interest likely to present itself during the daily routine of a bank. The replies relate to acceptances, cheques, endorsements, deposit receipts, letters of credit, circular notes, warehouse receipts, partnership accounts, bankers' lien on goods, forgery, alteration and loss of negotiable instruments, bills of exchange, promissory notes, principle and surety, etc., etc., etc. Mr. J. T. P. Knight, the compiler of "Canadian Banking Practice" has classified and indexed the Questions on Points of Practical Interest. The value of such a work must be apparent, and a copy of the book should be in the possession of every bank official and business man in the country who desires to be informed upon points likely to arise in the course of dealings between banks and their customers.

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ATLAS ASSURANCE COMPANY

LIMITED, of LONDON, ENGLAND

Established in the REIGN of GEORGE III

Income \$ 6,916,365

Funds (excluding Uncalled Capital) 17,633,467

Including Uncalled but Fully Subscribed Capital, the resources of the Company exceed Twenty-seven million dollars.

Head Office for Canada - MONTREAL

MATTHEW C. HINSHAW, Branch Manager

Active and Influential Agents Wanted

STOCK AND BOND LIST, Continued

BONDS	Closing Quotations		Rate p.c. of Interest per annum	Amount outstanding.	When Interest due.	Where Interest payable	Date of Maturity.	REMARKS
	Asked	Bid						
Bell Telephone Co.....	100	..	5	\$3,649,000	1st Oct. 1st Apl.	Bk. of Montreal, Mtl.	April 1st, 1925	Red. at 110 aft. Nov. '19 or in pt. aft. Nov. '11
Can. Car & Fdy.....	107	..	6	3,500,000	1st June 1st Dec.	.....	Dec. 1st, 1935	
Can. Converters.....	..	..	6	474,000	1st June 1st Dec.	.....	Dec. 1st, 1926	Redeemable at 110
Can. Con. Rubber Co....	95 1/2	95	6 1/2	2,579,600	1st Apl. 1st Oct.	" "	Oct. 1st, 1946	after Oct. 1st, 1911
Can. Cement Co.....	100 1/2	100	6 1/2	5,000,000	1st Apl. 1st Oct.	" "	Oct. 21st, 1929	Redeemable at 110
Dominion Coal Co.....	99 1/2	99 1/2	5	6,300,000	1st May 1st Nov.	" "	April 1st, 1940	Red. at 105 and Int. after May 1st, 1910
Dom. Iron & Steel Co....	95 1/2	94 1/2	5 1/2	7,332,000	1st Jan. 1st July	Bk. of Montreal, Mtl.	July 1st, 1929	5 Redeemable at 110 and Interest.
Dom. Tex. Sers. "A"....	..	..	6	758,500	1 March 1 Sept.	Royal Trust Co. Mtl.	March 1st, 192	
" " "B".....	..	..	6	1,000,000	" "	" "	" "	Redeemable at par after 5 years
" " "C".....	..	..	6	1,000,000	" "	" "	" "	Red. at 105 and Interest
" " "D".....	..	..	6	450,000	" "	" "	" "	" "
Havana Electric Railway	..	..	5	7,824,731	1st Feb. 1st Aug.	52 Broadway, N.Y.	Feb. 1st, 1912	Redeemable at 105
Halifax Tram.....	..	..	5	600,000	1st Jan. 1st July	Bk. of Montreal, Mtl.	Jan. 1st, 1916	Redeemable at 110
Keewatin Mill Co.....	101	100	6	750,000	1st March 1 Sept.	Royal Trust Co. Mtl.	Sept. 1st, 1916	
Lake of the Woods Mill Co	..	..	6	1,000,000	1st. June 1st Dec.	Merchants Bank of Canada, Montreal.	June 1st, 1932	Bk. of Montreal, Mtl.
Laurentide Paper Co....	111	110	6	947,305	2 Jan. 2 July	.....	Jan. 2nd, 1920	
Mexican Electric L. Co..	85	83	5	5,778,600	1st Jan. 1st July	" "	July 1st, 1935	Red. at 105 and Int. after 1912
Mex. Lt & Power Co..	89 1/2	89	5	11,725,500	1st Feb. 1st Aug.	" "	Feb. 1st, 1933	
Montreal L. & Pow. Co..	100 1/2	99 1/2	4 1/2	6,787,000	1st Jan. 1st July	" "	Jan. 1st, 1932	
Montreal Street Ry. Co..	..	..	4 1/2	1,500,000	1st May 1st Nov.	" "	May 1st, 1932	Redeemable at 105 and Interest
Ogilvie Flour Mills Co..	106	..	6	1,750,000	1st June 1st Dec.	Bk. of Montreal, Mtl.	July 1st, 1932	
Penmaas.....	..	..	5	2,000,000	1st May 1st Nov.	Bk. of M., Mtl. & Ln.	Nov. 1st, 1926	Redeemable at 110 after Nov. 1, 1911
Price Bros.....	..	..	6	833,000	1st June 1st Dec.	.....	June 1st, 1925	June 1st, 1929
Quebec Ry. L. & P. Co..	60	58 1/2	5	4,866,666	1st June 1st Dec.	.....	Jan. 1st, 1935	
Rio Janeiro.....	..	..	5	25,000,000	1 Jan. 1 July	.....	.....	C. B. of C. London.
Sao Paulo.....	..	..	5	6,000,000	1st June 1st Dec.	Nat. Trust Co. Tor.	June 1st, 1929	
Toronto & York Radial..	..	..	5	1,620,000	1 July 1st Jan.	B. of M., Tor. & N.Y.	Feb. 1st, 1919	Bk. of Montreal, Mtl.
Winnipeg Electric.....	104	..	5	1,000,000	1st Apl. 1st Oct.	.....	Jan. 1st, 1927	
West India Electric.....	92	88	5	4,000,000	2 Jan. 2nd July	" "	Jan. 1st, 1935	1929
				600,000	1st Jan. 1st July	.....	.....

Montreal Tramways Company
SUMMER SERVICE TIME TABLE

Lachine :

From Post Office: 20 min. service from 5.40 a.m. to midnight.
" Lachine 20 " " " 5.30 a.m. to 12.50 mid-
night.

Sault au Recollet and St. Vincent de Paul :

From St. Denis—
15 min. service from 5.15 a.m. to 9.00 a.m.
20 " " " 9.00 a.m. to 4.00 p.m.
15 " " " 4.00 p.m. to 7.00 p.m.
20 " " " 7.00 p.m. to 10.00 p.m.
30 " " " 10.00 p.m. to 12.00 midnight.

From St. Vincent—
15 min. service from 5.45 a.m. to 9.30 a.m.
20 " " " 9.30 a.m. to 4.30 p.m.
15 " " " 4.30 p.m. to 7.30 p.m.
20 " " " 7.30 p.m. to 10.30 p.m.
30 " " " 10.30 p.m. to 12.30 midnight.

Cars from St. Denis, 12.00 and 12.40 midnight to
Hendersons only.
Cars from Hendersons, 12.00 and 12.40 midnight.

Mountain :

From Park Avenue—
20 min. service from 5.40 a.m. to 12.20 midnight.
From Victoria Avenue—
20 min. service from 5.50 a.m. to 12.30 midnight.

Cartierville

From Snowdon Junction—
20 min. service from 6.00 a.m. to 8.40 p.m.
40 " " " 8.40 p.m. to 12.00 midnight.
From Cartierville—
20 min. service from 5.40 a.m. to 9.00 p.m.
40 " " " 9.00 p.m. to 12.20 midnight.

Bout de l'Île :

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

Tetrautville :

15 min. service from 5.00 a.m. to 6.30 a.m.
30 " " " 6.30 a.m. to 9.00 p.m.

German American
Insurance Company
New York

STATEMENT MAY, 1911

\$2,000,000
RESERVE FOR ALL OTHER LIABILITIES
9,802,074
NET SURPLUS
8,447,668
ASSETS
20,249,742

AGENTS WANTED
Apply to THOS. C. MOORE, Supt. of Agencies
16 Wellington Street, East, Toronto, Ontario

AGENTS WANTED

Protector Underwriters

OF HARTFORD

ASSETS, JAN. 1ST, 1911, \$10,737,657.32

FIRE INSURANCE ONLY
CANADIAN DEPARTMENT, MONTREAL

J. W. TATLEY, MANAGER.

THE BANK OF MONTREAL

Directors' Report for Year ended 31st October, 1912.

The Directors have pleasure in presenting the Report showing the result of the Bank's business for the year ended 31st October, 1912:—

Balance of Profit and Loss Account, 31st October, 1911	\$1,855,185.36
Profits for the year ended 31st October, 1912, after deducting charges of management, and making full provision for all bad and doubtful debts	2,518,408.76
Premiums on New Stock	834,322.50

\$5,207,916.62

Dividend 2½ per cent. paid 1st March, 1912	\$385,798.70
Dividend 2½ per cent. paid 1st June, 1912	400,000.00
Bonus 1 per cent. paid 1st June, 1912	160,000.00
Dividend 2½ per cent. paid 1st September, 1912	388,302.98
Dividend 2½ per cent. payable 1st Dec., 1912	400,000.00
Bonus 1 per cent. payable 1st Dec., 1912	160,000.00

\$1,894,101.68

Amount credited to Rest Account	\$1,000,000.00
Amount credited to Contingent Account	1,000,000.00
Amount expended on Bank Premises during year	511,000.00

\$4,405,101.68

Balance of Profit and Loss carried forward

\$802,814.94

Since the last Annual Meeting, Branches have been opened at points in the following Provinces, viz:—

In Ontario—Windsor.
Quebec—Thetford Mines, Granby, Lachine, Magog, St. Lawrence (Montreal), Maisonneuve (Montreal).
North-West—Plum Coulee, Man., Swift Current, Sask., Red Deer, Alta., Ogden Shops (Calgary, Alta.), East End (Calgary, Alta.).
British Columbia—Port Alberni, Princeton, North Vancouver, Sapperton, Invermere.

The Branches at Marysville, N.B., Rosenfeld, Man., and Oakville, Man., have been closed.

At a Special Meeting of the shareholders, held on 18th June, 1912, an increase of \$9,000,000 to the Capital

Stock of the Bank was authorized, making the total Authorized Capital \$25,000,000.

With deep regret the Directors have to record the death of their esteemed Vice-President, Sir Edward S. Clouston, Bart., who had been a member of the Board, and Vice-President for seven years, and who had held the position of General Manager for upwards of twenty-one years.

All the Offices of the Bank, including the Head Office, have been inspected during the year.

(Signed) R. B. ANGUS,
President.

Bank of Montreal,
2nd December, 1912.

THE GENERAL STATEMENT.

The General Statement of the position of the Bank on October 31, 1912, was read as follows:—

LIABILITIES.

Capital Stock		\$ 16,000,000.00
Rest	\$ 16,000,000.00	
Balance of Profits carried forward	802,814.94	
	\$ 16,802,814.94	
Unclaimed Dividends	1,503.01	
Quarterly Dividend, payable 1st December, 1912	\$400,000.00	
Bonus of 1 per cent. payable 1st December, 1912	160,000.00	
	560,000.00	
		\$ 17,364,317.95
		\$ 33,304,317.95
Notes of Bank in circulation	\$ 16,131,862.00	
Deposits not bearing interest	45,338,954.54	
Deposits bearing interest	141,970,011.01	
Balances due to other Banks in Canada	122,373.87	
		203,563,201.42

\$236,927,519.37

ASSETS.

Gold and Silver coin current	\$ 8,051,668.74
Government demand notes	11,259,417.75
Deposit with Dominion Government required by act of Parliament for security of general bank note circulation	750,000.00
Due by agencies of this Bank and other banks in Great Britain ..	\$ 6,934,890.28
Due by agencies of this Bank and other banks in foreign countries ..	7,198,713.45
Call and short loans in Great Britain and United States	55,158,633.00
	69,292,236.73
Dominion and Provincial Government Securities	587,109.16
Railway and other Bonds, Debentures and Stocks	14,472,573.30
Notes and Cheques of other Banks	9,238,115.36
	113,651,121.04
Bank Premises at Montreal and Branches	4,000,000.00
Current Loans and discounts in Canada and elsewhere (rebate interest reserved) and other assets	\$118,869,751.36
Debts secured by mortgage or otherwise	188,041.73
Overdue debts not specially secured (loss provided for)	218,605.24
	119,276,398.33

\$236,927,519.37

CONTINGENT LIABILITIES.

Acceptances under Commercial Letters of Credit against Merchandise ..	£ 278,885	10s. 4d.
Acceptances under Bankers' Credits against Securities	£ 872,090	19s. 2d.
Acceptances Current other than the above	£1,717,519	8s. 5d.

H. V. MEREDITH, General Manager.

THE BANK OF MONTREAL

Proceedings at the 95th Annual Meeting of Shareholders.

The 95th Annual General Meeting of the Shareholders of the Bank of Montreal was held at noon on Monday in the board room at the Bank's headquarters.

Amongst those present were:—Messrs. R. B. Angus, Sir Thos. Shaughnessy, Sir W. Macdonald, Senator R. Mackay, Major G. Hooper, D. Morrice, Alfred Piddington, W. A. Murray, C. J. Fleet, D. F. Angus, W. F. Angus, Edward Flske, A. Baumgarten, G. F. C. Smith, W. B. Blackader, W. Stanway, Wm. H. Evans, H. V. Meredith, J. J. Reid, W. R. Miller, C. R. Hosmer, Bartlett McLennan, E. B. Green-shields, Dr. W. B. Yates, Henry Joseph, J. B. Learmont, Henry Mudge.

On motion of Mr. W. R. Miller, the President, Mr. R. B. Angus, was requested to take the chair.

It was also moved by Mr. C. J. Fleet, K.C., seconded by Mr. A. Piddington, that Messrs. G. F. C. Smith and Bartlett McLennan be appointed to act as scrutineers, and that Mr. James Aird be the secretary of the meeting. This was carried unanimously.

THE ANNUAL REPORT.

The President then called upon Mr. H. V. Meredith, General Manager, to present the Annual Report of the Directors to the Shareholders as on the opposite page.

PRESIDENT'S ADDRESS.

The President, Mr. R. B. Angus, then addressed the meeting as follows:—

At the shareholders' meeting in June last, you sanctioned a By-Law permitting the extension of the Bank's capital in case it should appear to be required; this has since been approved by the Treasury Board. The recent issue of stock was also readily taken up, and your capital now stands at \$25,000,000, authorized, and \$16,000,000 fully paid, with a Rest of like amount. This increase of capital did not come before it was wanted, as at certain seasons the circulation has exceeded the legal limit and we are liable to the Government for interest on the excess.

The well established business and good earning power of the Bank, together with comparative immunity from bad debts, enable the management to present a statement of results for the year's operations which I presume will be considered satisfactory. The Directors were gratified to be able to add a Bonus of one per cent. on each half year, in addition to the usual dividend. The Directors have audited the books of Head Office, the cash and securities have been verified, ample provision has been made for bad and doubtful debts, and the amount expended on Bank premises has been transferred to Profit and Loss account.

We have again to report a year of universal and almost unbroken prosperity throughout the length and breadth of the land. The unfavorable conditions which retarded the harvesting operations and which it was feared would prove calamitous, passed without much injury in the western prairies, where the yield of wheat and other grains has proved satisfactory both as to quality and quantity. In the East, where the damage was perhaps greater, some compensation has been derived from good results in other directions. While the prices of wheat are much lower this year, the proportion of the higher, or contract grades in the prairie provinces is very much larger. The better condition of the grain renders it easier to handle and to market, and the returns to the producer are quicker and safer. The estimated yield in the North-West may be set down as:

Wheat, 188,000,000 bushels, against 177,000,000 last year.
Oats, 220,000,000 bushels, against 190,000,000 last year.
Barley, 31,000,000 bushels, against 33,000,000 last year.
Flax, 13,000,000 bushels, against 8,000,000 last year. A conservative estimate of the value of the crop of the three provinces is given at \$207,000,000 for the grain alone.

Partly owing to the good condition of the grain, already mentioned, but chiefly because of the excellent arrangements of the railways, the crop has been moved with unparalleled celerity; there has been no car famine and little talk of congestion, although there has been more grain

handled. At the close of this season's navigation, there appears to have been a serious blockade of grain on its way to market, caused by insufficient facilities for taking delivery from the railway cars, and it may be that a greater number of vessels for grain carrying across the Lakes and larger elevator capacity for temporary storage must be provided for future wants. Storage for grain has been much neglected in the prairie provinces; it would be advisable that granaries of moderate capacity to store at least a portion of the crop should be a feature on every well equipped farming establishment, so that there would be no occasion to rush produce to a market at inconvenient seasons.

Irrigation by which vast areas of arid land are being converted into most productive farms, is being prosecuted with vigour, and the model farms established by the Government and the Canadian Pacific Railway are more and more resorted to and much valued by the settlers.

The raising of live stock, which had been allowed to decline, will receive a great impetus from the high prices obtainable for cattle, and by the greater safety with which the business is conducted.

Immigration for the twelve months ended September 30th has reached the total of 385,955 souls, or 37,322 over the previous year. Many are farmers possessing both experience and capital. These form a welcome addition to the population where labour is so scarce and land so productive.

Loans to farmers, if sometimes slow, are well paid. Wages are high, as is the cost of living, but that condition may be greatly mitigated by the farmer, if only he will give his attention in some measure to mixed farming instead of relying upon importations of vegetables, meat and butter, and such like from the East or from the older settlements in the United States. In the most important province of Ontario, the harvest of wheat and corn has not been bountiful but rather under the average, in consequence of the wet and cold season, and yet we are assured that the farmers have done well, as few depend solely on the raising of grain for a livelihood, their resource being scientific and mixed farming, while dairying, produce and fruit have been more remunerative. As an indication of the diversity of farming in this progressive province, Ontario is said to own 6,000,000 head of live stock, horses, cattle, sheep and pigs.

The mining industry of Ontario is important; the province ranks high with other countries in the production of silver and nickel, and her total output for last year, on the Bureau of Mines estimate, was \$41,000,000.

The same general remarks as regards agriculture and the season's results will apply to Quebec.

Lumber and pulpwood have had a good year, last winter's cut being large and prices high. The increase in British prices, however, has been fully set off by material advance in ocean freights, with the result that the United States has been our best market.

The Maritime Provinces have had a fair year. Hay, which is an important crop, has been at least up to the average, and in many cases considerably above. Potato and other root crops, with a few exceptions, are reported good. The apple crop, although not equal to the abnormal yield of last year is a good average; the fruit is much appreciated and brings good prices in England and many young orchards are being planted.

British Columbia has in recent times been a highly favoured province. General trade has been large and profitable; its lumbering operations, after languishing for some years, have suddenly revived owing to the improved demand from the prairies, and to the better condition of commercial affairs among our neighbours, who, instead of being keen competitors, have become good customers for our products. There is a shipbuilding industry, although still in its infancy. The great fleet of vessels employed in the coastwise traffic and the larger steamships trading to the Orient give great importance to the port of Vancouver. Speculation is rife as to the advantages likely to accrue to that port and the Western country generally on the opening of the Panama Canal.

Commercial activity has doubtless been stimulated by

THE BANK OF MONTREAL—Continued.

the impulse of active railway construction, which cannot be expected to continue on the same gigantic scale for many more years, but there will remain a more solid and enduring source of wealth in the vast forests of virgin timber which now cover the hillsides of mainland and islands.

Speaking of the Dominion as a whole, the trade and commerce of the country have been and promise to continue both sound and good.

The lumber business, on the Atlantic as on the Pacific side, shows much improvement, apart from the pulp and paper industry, which is specially adapted to this country, and has been very prosperous for some time past, but owing to the number of new concerns in operation there is a tendency to overproduction, with slackening demand and lower prices.

The coal and iron production has been on a scale never before equalled in Canada, although the latter, owing to delays in installing or completing the necessary plants has fallen far short of supplying demands, especially in the matter of steel rails. The car builders have also been notably behind in their orders.

Agricultural machinery of the best and most modern type has been in great request and the factories which supply every kind of electrical equipment have been unusually busy.

The revival of trade in the United States has had a marked effect on several of our manufacturing industries, relieving them from the competing shipments of surplus goods from that market.

The woollen mills are doing better, while an unusually good year has been experienced in cottons.

Old establishments have been fully occupied and a great variety of manufacturers are finding a home in Canada even in the middle and far West.

The wholesale distributing trades have everywhere enjoyed a good year. Groceries, dry goods, clothing, boots and shoes had an unusually large turn over, with good results. Accounts have been fairly well paid and bad debts have been comparatively small.

Transportation by sea and land, with its accompanying mechanical works, is instrumental in making large accessions of population to the cities.

Railway earnings have been phenomenal, but are far surpassed by the extraordinary outlays in building of new lines, in improving the old, in double tracking, terminals and equipment to provide for the ever increasing traffic.

By the judicious expenditure of the Dominion Government, the facilities for shipping are being much improved by dredging, and the supply of elevators and docks at the several important harbours on the Pacific and Atlantic coasts as well as on the Great Lakes.

The principal cities of the Northwest and British Columbia exhibit a marvellous increase in size, in population and business activities. A phenomenal advance in these respects has also been made by some of the eastern cities, notably Montreal and Toronto. Some of the smaller towns in the West have perhaps been too ambitious in providing public utilities, and in rushing work that might better have extended over a greater length of time, but after all, they are only anticipating future necessities. The municipal expenditures have consequently been large and hence the unusual amount of borrowing both at home and abroad. The comparative cheapness of money and the ease with which municipal securities could be placed in England, had misled some borrowers, who refused to accept the prices offered earlier in the season, but it is feared they may have to submit to higher rates of interest on future transactions.

Industrial loans and investments are quite out of our sphere, but I take this opportunity of saying that it is much to be regretted that some of these offered on the London market were of a distinctly questionable character, unsound or highly speculative, and calculated to reflect injuriously on Canadian credit, while others, and doubtless the great bulk of them, are both safe and promising, and offer to the investor an opportunity of participating in the prosperity of the country. I fear it is useless to ask certain promoters to be more careful as to the class of security they offer, but intending investors may be more discriminating.

With rapidly developing country and the Government pledged by guarantees or otherwise to liberal expenditures,

the building of railways, the improvement of harbours, and other works of a national character, Canada must necessarily be a large borrower for some time. But with nearly 8,000,000 of people, vigorous, intelligent and resourceful, with immense treasures in virgin forests, mines, fisheries, and, above all, with a large area of unoccupied fertile land, Canada can better afford than most countries to mortgage her future to a moderate extent, and her credit in the money markets of the world must always stand high.

Canada is well prepared to absorb and utilize the immigrants that every season seek her shores or cross her boundaries. The labourer and the artisan are most welcome, and the farmer, with or without capital, will find opportunities at his hand. We have excellent and prosperous Banks, well adapted to the requirements of the country, which offer facilities to farmer and tradesman in every town and village, and I may remark, in passing, as convincing proof of the country's progress, that their deposits in ten years have mounted up from 350 millions to over 1,000 million dollars.

We possess a system of transportation that is almost complete, although being daily added to—a large mercantile fleet of steamers on river, lake and sea, and railways that not only link the various provinces together, but also give a service to the newly opened country better than is to be found in any other country similarly circumstanced.

As to investment in lands,—the price for farming properties is still moderate and low, but speculation in suburban lots is surely overdone. For the real estate movement in the cities there may be more justification, prices being advanced by the pressure of increasing population and by keen competition in acquiring choice properties for commercial or domestic purposes.

In New York and other points in the United States where the Bank is represented, business may be described as in a normal and sound condition.

In Mexico, politics have been a very disturbing element, but there are indications of an improvement which will allow business to resume its usual course.

The ample revenues of both Provincial and Dominion Governments indicate a season of great prosperity for the country at large.

The exports for the twelve months ended 30th September, 1912, amount to \$351,952,292, an increase of \$49,601,798 over the corresponding period of last year.

Imports for the same period amounted to \$616,842,090, an increase of \$120,004,619, giving a revenue from custom duties of \$102,695,974, or an increase of \$23,903,849.

I have in a cursory manner touched on these various topics, reviewing the condition of the country and indicating the great range of interests the Bank has to consider in the course of its business, and on whose fortunes the prosperity or otherwise of the Institution in a great measure depends.

LATE VICE-PRESIDENT.

In view of the recent and much regretted demise of Sir Edward Clouston, I cannot refrain from alluding to the circumstance that at the last Annual Meeting he announced his retirement from active participation in the management of the Bank. He had entered the service as a boy, had passed up through various grades, and during the last twenty-one years had occupied the position of Chief Executive Officer. His death is much deplored by the Directors and Staff of the Bank.

THE GENERAL MANAGER.

The General Manager, Mr. H. V. Meredith, spoke as follows:—

The President has covered the ground so fully in the address he has presented to you to-day that little is left for me but to explain the changes which have taken place in the balance sheet during the year, and to add a few remarks in connection with financial matters affecting the Bank which have not been touched upon.

Since our last Annual Meeting, the Treasury Board of the Dominion Government has sanctioned an increase in the authorized capital of the Bank from \$16,000,000 to \$25,000,000, thus permitting of a further issue of stock from time to time as circumstances may, in the opinion of your Directors, render desirable.

THE BANK OF MONTREAL—Continued.

Turning to the general statement, of which you have a copy, you will notice the Paid-up Capital has increased during the year from \$14,887,570 to \$16,000,000, and the Rest from \$15,000,000 to \$16,000,000. From the net earnings, transfers have been made of \$1,000,000 to Rest Account and Contingent Account respectively, and a balance of \$802,000 is carried forward at credit of Profit and Loss Account as compared with \$1,855,000 a year ago. A bonus of 1 per cent. was paid shareholders on June 1st and December 1st over and above the quarterly dividends of 2½ per cent.

Deposits not bearing interest show a small decrease, occasioned by the withdrawal of a large deposit of a temporary nature which appeared in the statement of a year ago. Were it not for this fact, we would show a gain in these deposits of \$2,000,000. Interest-bearing deposits show an increase of \$6,400,000. Part of this increase is of a temporary character, but it is gratifying to find that the ordinary savings deposits have grown in a highly satisfactory manner, notwithstanding the withdrawals that have taken place for investment and otherwise.

Turning to our assets, you will notice that "Current Loans and Discounts in Canada and elsewhere and Other Assets" are \$2,200,000 less. This decrease does not represent a curtailment of our current loans in Canada, which are in reality \$1,600,000 larger than a year ago, but a reduction in our current loans elsewhere. Investments in railway and other bonds are \$1,600,000 less, affected by realizations, and balances due by agencies of this Bank and other Banks show a net reduction of \$3,800,000. The increase in our call loans in Great Britain and the United States is accounted for by the various changes mentioned above.

I think you will agree with me that the statement is a strong one, but it is well that the Bank of Montreal should always be able not only to meet all the legitimate demands of its clients, but at the same time to provide for any exceptional calls that may be made upon it to promote the general welfare of the country.

You will observe that, following the practice of the British and Colonial Banks, we have shown, in the form of a footnote, the contingent liabilities of the Bank and the securities held against them. This item has not heretofore appeared in our Annual Statement.

Business generally has been exceedingly active in Canada during the past year. Good crops, notwithstanding a wet season, have been reaped, and all manufacturing industries have been kept fully employed. Wage earners are in receipt of good wages, and labour, in many sections, is difficult, if not impossible, to obtain. With an increasing immigration, a soil producing a large surplus of food products without serious failure over a comparatively long term of years, the assurance of a vastly increased production as the area of unoccupied arable land is brought under cultivation, and other great natural resources awaiting development, one cannot but be an optimist in regard to the future of our country.

Owing to this ever increasing and rapid development, we must, for many years, be borrowers from the British Islands as well as foreign countries. Just now, there is undoubtedly a feeling in some quarters abroad that Canadians are spending too lavishly and over borrowing to an extent which may later on prove burdensome to us. In this connection, our adverse balance of trade, our so-called real estate boom, etc., are cited. While I do not share these pessimistic views, there can be no doubt that if we are to maintain the preference which Canadian securities have so long enjoyed, caution at the present time is more essential than it has been for a long time past, and it is clear any ill-advised move on our part, any undue speculation, or the flotation of doubtful schemes which may have the effect of causing distrust abroad and so prevent the free flow of capital into Canada, cannot but have a serious effect on business generally, and bring about a check to our prosperity. It must not be forgotten that there are countries other than our own seeking capital, and offering possibly quite as attractive terms, and that once a stream is turned in another direction, a long time may elapse before it returns to its former channels.

Money has been in strong demand in Canada during the year, while in London and New York, in which outside markets we are chiefly interested, the rates continued low until September, since when more stringent conditions

and higher rates have prevailed. With buoyant trade practically the world over, and with, as far as we can judge, a probable continuance for some time of such conditions, money is not so readily obtained. Those seeking capital should have regard to existing conditions and also to the fact that borrowers cannot hope to name their own terms.

The increased cost of living, and the reasons therefor, form a subject much discussed the world over, and commissions of enquiry are now engaged in seeking the cause. I mention the subject because of its effect on the Bank's net earnings, owing to the necessity of our having to increase our fixed charges from time to time as a result of bringing up the salaries of the staff to a point which may be considered a fair and reasonable one for the services rendered. The cause for the enhanced value of all commodities is difficult to determine. There are no doubt a number of reasons for it; among them, the largely increased output of gold, resulting, to a great extent, from the more scientific treatment of ore bodies. The higher standard of living by all classes is also a factor; but I am of the opinion that the root of the matter may be found in the fact that the percentage of population engaged in production of foodstuffs is not increasing in the same ratio as is that of our manufacturing wage earners and salaried officials. This view is supported by figures showing conditions in the United States, where the number of farm families indicates an increase of only 11 per cent. between 1900 and 1910, while the artisan and clerical classes have increased practically 30 per cent. in the same period. A similar condition of affairs obtains in Canada as regards the five eastern provinces, and while, in our Northwest, the rural population is relatively large, and grows apace, mixed farming has not yet been generally resorted to. In this connection, it may be interesting to note that the exports of dairy products from older Canada to the newer Western Canada were this year not less than \$3,000,000, while New Zealand and the United States supplied these commodities to the extent of an additional \$1,000,000.

I have noticed at different times, in certain newspapers, paragraphs calculated to give the impression that the Banks in this country are not affording the farmers the financial assistance to which they are entitled. Such statements are erroneous. There are in Canada some 2,500 bank branches, the great majority of which are located in towns and villages supported by the surrounding agricultural population, and no unimportant part of the business of the Banks is derived from this class. As for this Bank, I may say that our loans to farmers and small traders amount to many millions.

I have alluded to the adverse balance of trade. In the fiscal year ending March 31st, 1912, the imports for consumption in Canada were of the value of \$521,000,000, and the exports of domestic products were \$290,000,000, showing a balance against the country of \$231,000,000, undoubtedly a very large sum. In the five months ending August 31st last the excess of imports over domestic exports was \$130,700,000, showing an even greater ratio than in the preceding year. The gap between imports and exports is not likely to be soon closed; not, indeed, until our manufacturing industries have expanded to a point when the home market can be supplied fairly well within the country, nor until the large demand for foreign goods, arising out of the construction of permanent works, railways, etc., is satisfied from domestic mills. Meanwhile the gap is bridged by foreign loans, by investments of capital in Canada from Great Britain and by money brought in by immigrants. It is, therefore, all the more important to guard against unpropitious circumstances tending to lessen the confidence of British and foreign lenders in Canadian securities.

The delayed revision of the Banking Act will shortly be submitted to Parliament. The present Act has been developed with the growth of the country. It has served its purpose well, and I feel confident that under the direction of the able and experienced financier who now occupies the position of Finance Minister no radical changes will be entered upon lightly.

No one can feel more strongly than I do the necessity of conserving the profits of the Bank so that when lean years come, as come they must, there may be no question of dividend curtailment. At the same time, in periods of prosperity, I feel that shareholders should enjoy a measure of that prosperity. The policy of your Directors, therefore,

THE BANK OF MONTREAL—Continued.

in my opinion, should be to maintain the dividends at 10 per cent., and to make distributions in prosperous years by way of bonuses as the Bank's earnings warrant; in lean years, should they unfortunately come, to withhold the bonus and to tell the shareholders frankly the reasons for so doing. The writing down of assets to meet a shrinkage in values under all conditions is, I am convinced, more in your interests than to make a display of abnormal profits. Stability of business and continuity of earnings should be our aim.

I cannot close without referring to the loss the Bank has sustained in the sudden and untimely death of Sir Edward Clouston, the Vice-President. His whole life was spent in its service. Entering the Bank as a youth, nearly half a century ago, and manifesting from the first great ability, he steadily rose to the highest position in the service. Under his guidance, for many years as General Manager, until ill-health necessitated his retirement, the Bank continued to maintain its commanding position, and enjoyed great prosperity. On more than one occasion, his experience and knowledge of banking were availed of not only by his confreres in other institutions, but by those who had the direction of legislation governing the Banks. To myself his death is a personal loss, for I was associated with him many years, during which I came to recognize not only his talent but the great graciousness of his personality.

The President's invitation for general remarks being passed over,

The President moved and Mr. E. B. Greenshields seconded—That the report of the Directors, now read, be adopted and printed for distribution among the Shareholders. This was carried unanimously.

The President, Mr. R. B. Angus, then moved, and Mr. E. B. Greenshields seconded—That the Shareholders By-Law No. 3, be amended as follows: By replacing the word "twelve" in the third line of the By-Law, as printed, by the word "fourteen."

The President further moved, and Mr. E. B. Greenshields seconded: That the Shareholders' By-law No. 9 be amended as follows—By replacing the word "thirty-five" in the second line of the By-law, as printed, by the word "forty-five."

On motion of Mr. George Hooper, seconded by Mr. W. Stanway, it was resolved: That the thanks of the meeting be presented to the President, the Vice-President, and Directors, for their attention to the interests of the Bank.

The President, Mr. R. B. Angus, in acknowledging the vote, said: On behalf of the Directors and Officers I beg to thank you for your continued confidence, and assure you it gives us great pleasure to serve a Bank which is so prosperous and so well respected both abroad and at home. (Hear, hear).

A BATCH OF CHRISTMAS WARNINGS.

Mr. Alcide Chausse, chief city building inspector at Montreal, has addressed the following to priests, ministers, and other persons in charge of a church, mission or other places of worship:

For Christmas time, your attention is called to the requirements of section 101 of by-law No. 260, with a view of public safety, which requires that all aisles and passageways in churches, chapels, and other places of worship, shall be kept free from temporary seats, folding chairs, sofas, benches, loose carpets or any other obstruction which may interfere with the easy egress; it is also forbidden for any person to occupy any of the aisles or passageways during any mass or service in any place of public assemblage.

All doors of churches, chapels, or other places of public assemblage shall be made to open outwards, and all doors shall be unlocked during the time said building is used.

At night during services, all passageways and stairways must be lighted during the whole of the time that the building is occupied by the public.

He has also addressed the following to stores, churches, fairs:—

Holiday fires in these places, while filled with people are usually holocausts.

Light, inflammable decorations make fire easy to start, and easy to spread. A match, a gas flame, or an electrical defect may do it.

Mr. W. H. Evans made a few commendatory remarks regarding the business capacity of the management, and expressed the particular appreciation of the shareholders in receiving the recent bonus, with the promise of more to come during periods of prosperity.

On motion of Mr. D. Morrice, seconded by Mr. C. R. Hosmer, it was resolved that the thanks of the meeting be given to the General Manager, the Superintendents, the Managers and other officers of the Bank for their services during the past year. Mr. Morrice commented on the fact that the prosperity of such an institution as the Bank of Montreal was largely due to the ability, good judgment and loyalty of the officials.

Mr. H. V. Meredith—I beg to thank you, on behalf of the Staff, for the resolution just passed, and you, Mr. Morrice, for the kind words of appreciation you have used in proposing it. If thanks are due for the results of the year's business, they belong very greatly to the rank and file, whose untiring energy, loyalty and devotion to your interests are deserving of every commendation.

While ballots for the election of officers were being cast, Sir Thomas Shaughnessy, referring to the decision to add two new directors to the board and also in replacing the late Sir Edward Clouston, said the board had inaugurated the policy of introducing younger blood and younger men. Mr. C. B. Gordon, Mr. Huntly Drummond and Mr. Forbes Angus, he said, represent important commercial and financial interests here; but I desire more particularly to say that against the earnest protest of the President, the board insisted on nominating Mr. Forbes Angus, because they felt that shareholders in the Bank would be delighted to have the assurance that for a time we will have two members of that family, and that the name will be perpetuated in the affairs of the Bank. (Hear, hear).

ELECTION OF DIRECTORS.

The result of the ballot for the election of Directors was declared by the President as follows:—Messrs. R. B. Angus, A. Baumgarten, E. B. Greenshields, C. R. Hosmer, Sir William Macdonald, Hon. Robert Mackay, H. V. Meredith, D. Morrice, James Ross, Sir Thomas Shaughnessy, Rt. Hon. Lord Stratheona and Mount Royal, D. Forbes Angus, Huntly R. Drummond, C. B. Gordon.

The meeting then terminated.

OFFICERS ELECTED.

At a subsequent meeting of the Directors, the following officers were elected:—Hon. President, Right Hon. Lord Stratheona and Mount Royal; President, Mr. R. B. Angus; Vice-President, Mr. H. V. Meredith.

Watch gas jets. Decorations may be carried against them by air currents.

Watch smokers. Do not permit them to light cigars inside buildings.

Do not make the slightest change in electric wiring without consulting the electrical inspector of the Canadian Fire Underwriters' Association.

The following is his warning for the home:—

Every year in America many children are burned to death by fire from Christmas candles.

Do not decorate your Christmas tree with paper, cotton or any inflammable material. Use metallic tinsel and other non-inflammable decorations only, and set the tree securely so that children in reaching for things cannot tip it over.

Do not use cotton to represent snow. If you must have snow use asbestos fibre.

Do not permit children to light or relight the candles while parents are not present. They frequently set fire to their clothing instead. The tree itself will burn when needles have become dry.

Do not leave matches within reach of children at holiday time. Candles are meant to be lighted, and if the children can get candles and matches they will experiment with them. They imitate their elders.

A house of merriment is better than a house of mourning.

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Special reports by most reliable cruisers, noting accessibility for logging, will be furnished with as little delay as careful examination will permit.

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