

# The Chronicle

## Banking, Insurance and Finance

ESTABLISHED JANUARY, 1881

PUBLISHED EVERY FRIDAY

Vol. XXXVII. No. 31.

MONTREAL, AUGUST 3, 1917.

Single Copy 10c.  
Annual Subscription \$5.00

### FEDERAL INCOME TAX.

The proposals of the Minister of Finance in regard to the new Federal income tax will be generally approved as regards their broad outlines, although there may be differences of opinion in regard to details. The proposals, there is little doubt, mark the inauguration of income tax as a permanent part of the Dominion's fiscal machinery. What Canadian fiscal conditions will be like at the end of the war, no one can foresee. But at present, it certainly does not appear that the indirect taxes—customs, excise, etc.—on which, with the Post Office monopoly, and to some extent, public works, the Dominion has been accustomed to rely hitherto for its revenue, will be sufficient to meet the heavy obligations, which will then be in force. Sir Thomas White, in presenting his proposals, made the suggestion that at the end of the war or soon after, this income taxation should be "deliberately reviewed." We doubt, however, whether those who are subject to this new tax, would be wise to take too much comfort to themselves from this suggestion of the Minister. The two points that Sir Thomas made, that it is unwise to allow Canada, which will be demanding immigration and capital for development for many years to come, to be known as a country of heavy taxation on individuals, and that a higher level of income taxation in Canada than in the United States, is distinctly inadvisable, are both very important considerations. On the other hand, there is a strong tendency in all modern democracies, a tendency which has been accentuated by the war, to impose heavy direct taxation upon wealth and large incomes, and it is not likely that in Canada, that tendency will be entirely resisted. The best argument for direct taxation of this kind is that the taxpayer both feels it and knows exactly what he has to pay. Possibly, one eventual effect of the income tax will be that wealthy men, who have to pay several thousands of dollars annually, will take a more intelligent interest than have some of them hitherto, in the disbursement of taxation through the machinery of Government.

\* \* \*

In making the income exemptions \$3,000 in the case of the married and \$2,000 in that of unmarried, the Minister of Finance has done wisely. To reduce these exemptions to \$1,000, as has been advocated in some quarters, would impose a distinct

burden upon a class of the community least able to bear it. There is probably no class that has been hit harder by the recent rise in the cost of living than the salaried classes with incomes of \$1,200 to \$2,400 a year. Salaries have not responded, as have the wages of the artisan classes, to the rise in prices, and for this class of the community, the present state of so-called "prosperity" is anything but a reality. The young farmer, too, making perhaps over \$1,000 a year but less than \$2,000 or \$3,000, has heavy obligations to meet, and it would be poor policy to discourage that section of the community. With the proposals of the Minister of Finance as they are at present, no class can complain that the income tax is a hardship. It will not hurt the unmarried man with \$4,000 a year to pay up \$80 annually in income tax, or the married man with a similar income, \$40. The \$10,000 a year man can hardly consider an income tax of about \$400 a year a burden—some people with \$10,000 a year spend possibly several times \$400 a year annually on their automobile. Nor can the wealthy man with \$100,000 a year complain if the State at this time takes \$14,000 or \$15,000 of his income. In practise, as a matter of fact, there will be a considerable reduction from these figures. The amount of the tax paid by joint stock companies and corporations will be deducted from the assessable income of their shareholders. A resident of Canada taxed in respect of his dividends in a foreign country will similarly be entitled to deduct such taxation from his income. An allowance will be made in the case of income from mining and similar ventures, and payments to Patriotic and Canadian Red Cross Funds and other patriotic and war funds approved by the Minister, will also be allowed to be deducted from assessable income. In practise, the difference in the amounts payable by unmarried and married taxpayers will be very slight, and we think that in this, there is some room for amendment in the Minister's proposals. Sir Thomas very rightly objects to making the tax upon the unmarried a thumping one in comparison with that upon the married, on the ground that the unmarried very frequently have dependents. There is the further point that the extremely wealthy in Canada who are unmarried are probably very few in number. But the fact remains that the bachelor's or spinster's dependents are usually less costly than those of the married man, and we think that for incomes between \$5,000 and \$10,000, the distinction between the two classes of taxpayers

(Continued on page 787)

# BANK OF MONTREAL

ESTABLISHED 100 YEARS (1817-1917)

Capital Paid up, \$16,000,000      Rest, \$16,000,000      Undivided Profits, \$1,557,034  
 Total Assets - - - \$386,806,887

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*General Manager*—Sir Frederick Williams-Taylor.  
*Assistant General Manager*—A. D. Braithwaite.

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

Savings Department connected with each Canadian Branch and Interest allowed at current rates.  
 Collections at all points throughout the world undertaken at favourable rates.

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

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

## PRINCIPAL BRANCHES OUTSIDE OF CANADA:

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 47 Threadneedle St., E.C.  
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 Pall Mall, S.W.

NEW YORK: 34 Wall Street  
 R. Y. HEBDEN,  
 W. A. BOG,  
 J. T. MOLINEUX,  
 Agents.

CHICAGO: 108 South La Salle Street.

SPOKANE, Washington.

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

## THE CANADIAN BANK OF COMMERCE

ESTABLISHED 1867.      Head Office: TORONTO

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

SIR EDWARD WALKER, C.V.O., LL.D., D.C.L., *President*  
 SIR JOHN AIRD, *General Manager.*  
 H. V. F. JONES, *Assistant General Manager.*

BRANCHES OF THE BANK IN EVERY PROVINCE  
 OF CANADA AND AT THE FOLLOWING  
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Great Britain—London.      Mexico—Mexico City.  
 United States—New York, Portland, Ore., San  
 Francisco, Cal., Seattle, Wash.  
 Newfoundland—St. John's.

Agents and Correspondents throughout the World

## The Molsons Bank

Incorporated by Act of Parliament 1855

Paid Up Capital - \$4,000,000  
 Reserve Fund - 4,800,000

HEAD OFFICE - MONTREAL

## 98 BRANCHES

Scattered

## Throughout Canada

EDWARD C. PRATT,  
*General Manager*



Bank

ESTABLISHED

F. WILSON

Proprietary

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Banking, Insurance and Finance

ESTABLISHED 1881.  
F. WILSON-SMITH,  
Proprietor.

PUBLISHED EVERY FRIDAY.  
ARTHUR H. ROWLAND,  
Editor.

Office:

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

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

MONTREAL, FRIDAY, AUGUST 3rd, 1917.

## THE JUNE BANK STATEMENT.

As a result of the banks' recent policy of the general curtailment of loans, in view of the prospects of pressure for funds during the autumn months, some interesting and fairly important changes in the position of the Canadian institutions are shown in their statement for June. The contrast between the all-round decreases in the loaning accounts of the banks and the further large growth in their circulation is particularly striking. Circulation went up during the month by almost \$14,000,000, to \$156,625,701, an increase of no less than \$33,252,306 over June 30th, 1916, and reflecting continued industrial activity at high prices. On the other hand, the banks' Canadian commercial loans were reduced \$5,534,807 during June, following a May decrease of \$35,633,000, to \$839,355,782. Similarly commercial loans abroad were reduced during the month by \$5,843,114 to \$93,150,083. Compared however, with a year ago, both these items show important increases, the Canadian loans being up \$91,885,241 and the foreign loans, \$33,068,499—a total increase for the year of \$124,953,740. Call loans were also further decreased during June. Canadian call loans were brought down by \$2,429,578 (following a reduction of \$4,222,619 in May) to \$76,085,220. They are accordingly \$10,691,254 lower than at the end of June, 1916, a fact which explains a good deal in regard to the present position of the security markets. Foreign call loans were also decreased during June, by \$9,383,542 to \$159,309,133, at which figure they are \$23,447,882 lower than at the corresponding date a year ago.

### WAR FINANCING.

As regards the banks' security holdings, which reflect the various movements in war financing, holdings of Dominion and provincial securities show a slight increase of \$1,666,961 during June to \$95,504,814, while holdings under the headings of Canadian Municipal and British, etc., public securities, show a decrease for the month of \$11,063,807 to \$167,769,412. This movement is perhaps a result of the maturity of some British Treasury bills, and in connection with it the substantial month's increase of \$5,121,480 in the banks' holdings of specie may be noted. Total holdings of securities are \$116,192,698 higher than at June 30th, 1916. The probabilities are that the July statement will show a further considerable advance in this connection, the banks having made further large temporary loans to the Minister of Finance for account of the Imperial Munitions Board,

during last month, partly at an earlier date than was originally arranged for. Following a rise of nearly \$4,000,000 in May, municipal loans further increased during June by \$2,967,482 to \$42,757,673, as a result doubtless of the closing of the markets to municipal public issues.

### GROWTH IN DEPOSITS.

Deposits by the public show a healthy increase. Demand deposits are up by \$5,849,823 to \$449,689,570, and notice deposits cross the \$900 million mark to \$900,510,552, a growth for the month of \$7,947,895 and for the year of \$132,912,422. Undue jubilation on this account will be guarded against when it is remembered that present-day uncertainties have probably resulted to a certain extent in the hoarding of resources by corporations, instead of their distribution or immediate employment in new plant. There is a sharp decrease in foreign deposits of nearly \$29,000,000, and the banks' New York balances also record a sharp fall from \$61,704,345 at the end of May to \$44,205,229 at the close of June. At this figure they are over \$31,000,000 lower than at the end of June, 1916.

The banks' reserve position shows a slight falling off as a result of the month's movements. Against circulation and deposits of all kinds, immediately available reserves of specie and Dominion note holdings, deposits in the Central Gold Reserve and to secure the note issues, bank balances abroad and foreign call loans were in a proportion at the end of June of 27.2 per cent. The end of May proportion was 27.9 per cent.

### DOMINION BANK'S HALF-YEARLY STATEMENT.

Operations of the Dominion Bank for the six months ending June 30, 1917, as indicated in the half-yearly statement, show a satisfactory trend in the matter of profits. These, after deducting charges of management, etc., and making provision for bad debts, were \$559,281, against \$491,934 during the 1916 half-year a gain of \$67,347. A balance forward of \$363,442 makes the total available \$922,723 against \$836,373. Of this amount, taxes absorb \$52,415; dividends, \$360,000 and Patriotic Fund contributions, \$25,000, the balance forward to the new half-year being \$485,308 against \$404,658.

The Bank reports a considerable increase in circulation and deposits compared with a year ago. Circulation at June 30 was \$6,754,722 against \$5,162,201, a gain of \$1,592,521. Demand deposits are \$16,078,409 against \$12,998,091, and notice deposits, \$58,309,943 against \$54,109,694, the total increase in deposits for the year being thus \$7,280,000. On the other side of the account, specie holdings show a growth of \$75,613 to \$1,965,199; Dominion notes are \$10,387,207 against \$6,959,800, a growth of \$3,427,590, and there is a deposit of \$1,000,000 in the Central Gold Reserve, which had no equivalent last year. The restriction of ordinary loaning accounts and the use of funds in liquid form and for war financing purposes is shown in a decrease of \$1,805,086 to \$4,713,647 in Canadian call loans, and of \$130,534 to \$44,818,660 in current loans, while coincidentally, call loans abroad have increased by \$1,173,732 to \$3,012,485, and holdings of Canadian government and provincial securities by \$4,443,558 to \$5,490,561. The effect of these movements is to strengthen further the Bank's liquid position.

# The Bank of British North America

Established in 1838.

Incorporated by Royal Charter in 1840

**Paid-up Capital, - \$4,866,666**  
**Reserve Fund, - 3,017,333**

Head Office:

5 GRACECHURCH STREET, LONDON, E.C.

Capt. JACKSON DODDS, Secretary  
W. S. GOLDBY, Manager

## COURT OF DIRECTORS

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G. D. Whatman Hon. A. R. Mills, M.P.

Head Office in Canada: ST. JAMES ST., MONTREAL

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W. R. MILLER. W. R. MACINNES.

H. B. MACKENZIE, General Manager

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This Bank has Branches in all the principal  
Cities of Canada, including Dawson (Y.T.), and  
Agencies at New York and San Francisco in  
the United States.

Agents and Correspondents in every part of  
the world.

Collections Made at Lowest Rates.

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

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

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

# The Merchants Bank of Canada

Head Office - MONTREAL

Capital Paid-up - - - \$7,000,000  
Reserve and Undivided Profits 7,421,292  
Total Deposits - - - 92,102,072  
Total Assets - - - 121,130,558

## BOARD OF DIRECTORS:

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E. F. HEDDEN, Managing Director  
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T. E. MERRETT, Superintendent of Branches and Chief Inspector

A GENERAL BANKING BUSINESS TRANSACTED

233 BRANCHES AND AGENCIES IN CANADA

Extending from the Atlantic to the Pacific

SAVINGS DEPARTMENT AT ALL BRANCHES

Deposits received and Interest  
allowed at best current rates

New York Agency: 63 and 65 WALL ST.

# IMPERIAL BANK OF CANADA

Head Office, - Toronto

Capital Paid Up - - - \$7,000,000  
Reserve Fund - - - \$7,000,000

FELEG HOWLAND,  
President

E. HAY,  
General Manager



Government, Municipal  
and other High Class  
Securities Bought and  
Sold.

Correspondence Invited

ADDRESS

THE MANAGER, BOND  
DEPARTMENT, TORONTO.

COMPARATIVE ABSTRACT OF THE BANK STATEMENT, JUNE, 1917.

(Compiled by The Chronicle).

	June 30, 1917.	May 31, 1917.	June 30, 1916.	Month's Movement, 1917.	Month's Movement, 1916.	Year's Movement.
<b>Assets.</b>						
Specie	\$ 77,052,527	\$ 71,931,047	\$ 66,020,085	+\$ 5,121,480	-\$ 421,630	+\$11,032,442
Dominion Notes	122,617,160	126,238,905	142,655,273	- 3,621,745	- 4,444,922	- 20,038,113
Deposit in Central Gold Reserves	43,450,000	39,500,000	17,710,000	+ 3,950,000	+ 2,900,000	+ 25,740,000
Notes of other Banks	19,252,331	17,357,080	14,005,207	+ 1,895,251	+ 454,410	+ 5,247,124
Cheques on other Banks	77,381,179	77,367,594	68,856,114	- 13,585	+ 10,362,435	+ 8,525,065
Deposit to secure Note issues	6,982,421	6,871,012	6,821,911	+ 111,409	+ 49,414	- 161,410
Deposits with and balances due other Banks in Canada	5,031,507	4,405,478	7,103,886	+ 626,029	+ 177,553	- 2,072,379
Due from Banks, etc., in U. K.	17,703,963	17,664,527	20,977,695	+ 39,436	- 3,300,989	- 3,273,732
Due from Banks, etc., elsewhere	44,205,229	61,704,345	75,384,594	- 17,499,116	- 13,612,221	- 31,179,965
Dom. and Prov. Securities	95,504,814	93,837,853	22,334,901	+ 1,666,961	- 1,920,698	+ 73,169,913
Can. Mun. Brit., etc. For. Pub. Securities	167,769,412	178,833,219	124,637,308	- 11,063,807	+ 17,956,871	+ 43,132,104
Rlwy. & other Bonds & Stocks	59,334,630	58,160,699	69,443,949	+ 1,173,931	- 6,261,377	- 10,109,319
Total Securities held	322,608,856	330,831,771	216,416,158	- 8,222,915	+ 9,774,796	+ 116,192,698
Call Loans in Canada	76,085,220	78,514,798	86,776,474	- 2,429,578	+ 1,940,838	- 10,691,254
Call Loans outside Canada	159,309,133	168,692,675	182,757,015	- 9,383,542	+ 19,350,956	- 23,447,882
Total Call and Short Loans	235,394,353	247,207,473	269,533,489	- 11,813,120	+ 21,300,794	- 34,139,136
Current Loans and Discounts in Canada	830,355,782	844,890,589	747,470,541	- 5,534,807	- 15,666,376	+ 91,885,241
Current Loans and Discounts outside	93,150,083	98,993,197	60,081,584	- 5,843,114	- 481,242	+ 33,068,499
Total Current Loans & Discounts	923,505,865	943,883,786	807,552,125	- 11,377,921	- 15,185,134	+ 124,953,740
Loans to Dominion Government			1,359,145	+ 1,029,522	- 2,402,552	+ 4,064,543
Loans to Provincial Governments	5,423,688	4,394,166	46,773,032	+ 2,967,482	+ 2,848,996	- 4,015,359
Loans to Cities, Towns, etc.	42,757,673	39,790,191	49,387,437	+ 315,397	+ 168,779	+ 1,062,713
Bank Premises	50,450,150	50,134,753		- 33,079,640	+ 8,795,690	+ 197,275,129
<b>TOTAL ASSETS</b>	<b>2,033,622,950</b>	<b>2,066,702,590</b>	<b>1,836,347,821</b>			
<b>Liabilities.</b>						
Notes in Circulation	\$ 156,625,701	\$ 142,653,596	\$ 123,373,395	+\$13,972,105	+\$ 8,526,072	+\$33,252,306
Due to Dominion Government	29,230,596	58,075,066	24,583,598	- 28,844,470	+ 3,029,787	+ 4,646,998
Due to Provincial Governments	19,093,266	20,076,311	24,153,175	- 983,045	+ 1,782,129	- 5,059,909
Deposits in Canada, payable on demand	449,689,670	443,839,847	428,117,340	+ 5,849,823	+ 15,815,859	+ 21,572,330
Deposits in Canada, payable after notice	900,510,552	892,562,657	767,598,130	+ 7,947,895	+ 2,534,089	+ 132,912,422
Total Deposits of Public in Can.	1,350,200,222	1,336,402,504	1,195,715,470	+ 13,797,718	+ 18,349,948	+ 154,484,752
Deposits elsewhere than in Canada	177,974,187	206,682,376	176,922,950	- 23,708,189	- 10,492,830	+ 1,051,237
Total deposits, other than Govt.	1,528,174,409	1,543,084,880	1,372,638,420	- 24,910,471	+ 7,857,118	+ 155,535,989
Deposits & Bal., other Can. Bks.	7,363,115	9,930,774	9,289,962	- 2,567,659	+ 313,895	- 1,926,847
Due to Bks. & Correspts. in U.K.	5,021,642	3,680,647	4,874,644	+ 1,340,995	+ 602,640	+ 146,998
Due to Banks & Correspts. elsewhere	19,322,426	22,121,203	16,872,817	- 2,798,777	- 610,217	+ 2,449,609
Due to Imperial Government			1,029,250		- 11,628,747	- 1,029,250
<b>TOTAL LIABILITIES</b>	<b>1,790,434,357</b>	<b>1,822,959,711</b>	<b>1,596,154,315</b>			
<b>Capital, etc.</b>						
Capital paid up	\$ 111,643,114	\$ 111,641,034	\$ 112,846,435	+\$ 2,080	+\$ 13,670	-\$ 1,203,321
Res.	113,494,533	113,493,033	113,022,933	+ 1,500		+ 471,600
Loans to Directors & their Firms	7,726,203	7,749,362	8,520,364	- 23,159	+ 94,003	- 794,161
Greatest Circulation in Month	157,886,938	151,414,829	124,850,445	+ 6,472,109	+ 2,918,046	+ 33,036,493

CANADA'S BORROWINGS IN NEW YORK.

The terms of the new borrowing by the Canadian Government in New York emphasise more pointedly than any amount of argument, the necessity for conservation of money resources at this time. The new borrowing is of \$100,000,000 in two-year five per cent. notes issued to the public at 98, yielding 6.07 per cent. The cost of this new money to the Canadian Government is reported as approximately 6.90 per cent. The new loan will serve towards adjusting the balance of exchange between Canada and the United States, which has lately been running heavily against Canada, and although no announcement on the subject has yet been made, will possibly result in a postponement of a fourth domestic loan from the date originally set for it in the early fall.

The terms of the new issue appear somewhat stiff, in view of the fact that Canada is the United States' second-best customer. However, present conditions are all in favor of the lender. The enormous credits being asked for at Washington apparently presage another early appeal by the United States Government itself to American investors, although the immense Liberty loan has only just been subscribed, and the position in the United States in regard to Foreign Government issues is undoubtedly "waterlogged." That the entrance of the United States into the war would result in making Canadian financing more difficult and expensive was foreseen. After every allowance for present-day circumstances however, it will be difficult to disabuse the mind of the Canadian financial community of the impression that American bankers have used the opportunity to drive a somewhat hard bargain.

**THE ROYAL BANK OF CANADA**

INCORPORATED 1869  
 Capital Paid up \$12,900,000 Reserves \$14,500,000  
 Assets \$270,000,000

HEAD OFFICE - MONTREAL.

360 BRANCHES THROUGHOUT CANADA

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

BRITISH WEST INDIES

Branches in Antigua, Bahamas, Barbados, Dominica, Grenada, Jamaica, St. Kitts, Trinidad, British Guiana and British Honduras.

LONDON, Eng.  
 Princess St., E. C.

NEW YORK,  
 Cor. William & Cedar Sts.

SAVINGS DEPARTMENT

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

**The DOMINION BANK**

Head Office: TORONTO

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

C. A. BOGERT, General Manager

The LONDON ENGLAND BRANCH of THE DOMINION BANK

at 73 Cornhill, E.C., conducts a General Banking and Foreign Exchange Business and has ample facilities for handling collections and remittances from Canada.

**THE BANK OF TORONTO**

DIVIDEND No. 144

NOTICE is hereby given that a DIVIDEND of Two and Three-quarters per cent. for the current quarter, being at the rate of Eleven per cent. per annum, upon the paid-up capital stock of the Bank, has this day been declared, and that the same will be payable at the Bank and its Branches on and after the 1st day of September next, to Shareholders of record at the close of Business on the 15th day of August next.

By Order of the Board,

THOS. F. HOW,

General Manager.

THE BANK OF TORONTO, TORONTO,  
 July 18th, 1917.

**THE BANK OF NOVA SCOTIA**

INCORPORATED 1832.

CAPITAL : : : \$6,000,000.00  
 RESERVE FUND : : : 12,000,000.00  
 TOTAL ASSETS over : : : 100,000,000.00

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

Gen'l Manager's Office, TORONTO, ONT.  
 H. A. RICHARDSON, General Manager.

Branches throughout every Province in Canada, and in Newfoundland, Jamaica and Cuba.

BOSTON CHICAGO NEW YORK

**THE BANK OF OTTAWA**

ESTABLISHED 1874

Capital Paid-Up  
**\$4,000,000**  
 Rest **\$4,750,000**

95 BRANCHES  
 in  
 CANADA

BOARD OF DIRECTORS.

HON. GEORGE BRYSON, President.  
 JOHN B. FRASER, Vice-President.

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 SIR GEORGE BURN M. J. O'BRIEN  
 SIR HENRY K. EGAN HON. SIR GEORGE H. FIFLEY  
 HON. GEORGE GORDON E. C. WHITNEY  
 General Manager, Asst. General Manager,  
 D. M. FINNIE H. V. CANN

W. DUTHIE, Chief Inspector.

Interest added half-yearly to Savings Balances.  
 Prudent people gradually build up savings funds,  
 and are thus prepared for the opportunities or  
 necessities of the future.

**HOME BANK OF CANADA**  
 ORIGINAL CHARTER 1854

NOTICE OF QUARTERLY DIVIDEND.

NOTICE is hereby given that a Dividend at the rate of Five PER CENT (5 P.C.) PER ANNUM upon the paid up Capital Stock of this Bank has been declared for the THREE MONTHS ending the 31st August, 1917, and that the same will be payable at the Head Office and Branches on and after Saturday, the 1st of September 1917. The Transfer Books will be closed from the 17th day of August to the 31st day of August 1917, both days inclusive.

By Order of the Board.

J. COOPER MASON,

Toronto, July 18th 1917.

Acting General Manager.

## LESSONS OF THE NOVA SCOTIA COLLIERY DISASTER.

The Nova Scotia Government's Workmen's Compensation Fund, which was inaugurated only last January, appears to have had a lucky escape in regard to the colliery disaster at New Waterford, N.S., by which over sixty lives were lost and a great number of workmen injured. It seems that the Dominion Steel Corporation, which operates the mine, was exempted from the jurisdiction of the Government Fund, the Company having operated for some years a compensation scheme of its own, which scheme was continued under the new legislation. Had the Dominion Steel Corporation been included in the Fund's operation, the Fund would have received what would probably have been a knock-down blow in the first year of its establishment. Whether, however, the Fund or the Corporation is responsible for the loss, this lamentable disaster illustrates forcibly the unwisdom of curtailing the scope of insurance schemes. A risk of disaster such as this is too great to be comfortably borne by any single corporation or even by a single Canadian province. The underlying principle of all forms of insurance is the distribution of risk. The wider the distribution the better; hence the fact that risks of this character, where possibilities of exceedingly heavy loss are highly concentrated, are best carried when distributed among strong insurance organisations doing a world-wide business. To a concern less financially well-equipped than Dominion Steel, such a loss as that involved by the present catastrophe might easily prove disastrous.

The New Waterford disaster calls attention also to the folly of devising schemes of compensation, whether Government administered or otherwise, on the "current cost" system without taking into account the catastrophe hazard. Such a haphazard and unscientific method of financing a workmen's compensation scheme, sooner or later, is almost bound to result in an unsound condition, with endless trouble to manufacturers, who may be suddenly called upon to make good a heavy deficiency, possibly at a most inconvenient time to them, and who can never have any certainty regarding workmen's compensation cost or liabilities. The Ontario Government scheme, though young yet, has already developed some possibilities in this connection. Its "disaster reserve" at the end of 1916, of \$33,486, was utterly insufficient to meet the deficit in the milling class of \$79,246, caused by the Quaker Oats disaster at Peterboro. Which system best answers the requirements of the business man and manufacturer—one of level payments by which every possible contingency is efficiently guarded against, or one of payments utterly uncertain as to time and amount—it does not require the capacity to look through a brick wall to see.

Lieutenant Archibald Randall Davidson, Gordon Highlanders, recently killed in action, was the only son of Major George Harry Davidson, D.S.O., late Royal Scots (a first cousin of the Archbishop of Canterbury). Lt. Davidson was a cousin of the present Laird of Muirhouse, and a near relative of Mr. Randall Davidson, of Montreal, for many years manager for Canada of the North British and Mercantile Insurance Co.

## MUTUALISATION OF THE EQUITABLE OF NEW YORK.

It is announced that the board of directors of the Equitable Life of New York have approved a plan for its mutualisation—a matter which has been under consideration for some years. The 564 shares held by General Coleman du Pont, will be purchased for \$2,799,900—approximately \$2,000,000 less than the stock cost the General, when he purchased it several years ago from Mr. J. Pierpont Morgan. Payment for the shares will be made in semi-annual installments, covering a period of twenty years, by deducting the amount of such installments, which includes interest on deferred payments, from the semi-annual interest payments to the Society on the mortgage of \$20,500,000 which it holds on the Equitable office building, of which General du Pont is the chief owner. Holders of the remaining 436 shares will be offered \$1,500 per share payable in cash.

### NOTICE.

As usual at this season of the year, THE CHRONICLE will be doubled up and for a short period, issued in alternative weeks only. The next issue will accordingly appear on August 17th.

Bombardier Angus E. Mackay, with the Heavy Siege Battery at present in France, is the only son of Mr. William Mackay, the well-known Canadian manager of the Royal Insurance Company. Bombardier Mackay, although only 23 years of age, has been through more than one engagement at the front.

ESTABLISHED 1873.

The

# Standard Bank

of CANADA

## Head Office, TORONTO



TRUST  
FUNDS

Our Savings  
Department  
gives you a  
guarantee of  
absolute  
security and  
interest at  
current rate.



Montreal Branch: 136 ST. JAMES STREET  
E. C. GREEN, Manager.

## Experience in Investment

Those who can least afford to lose their money frequently are those who have had the least opportunity for acquiring the knowledge necessary to enable them to invest it safely.

Their first consideration should be the safety of their investment. Trustees and Executors are hedged about by legal limitations in the investment of trust funds. They are, however, expressly authorized by law to invest these moneys in the Bonds of the Canada Permanent Mortgage Corporation. These Bonds are therefore a most satisfactory security for those who should invest only where their money will be absolutely safe.

These Bonds are available for the smallest as well as the largest investments, as they are issued for one hundred dollars and upwards.

### CANADA PERMANENT MORTGAGE CORPORATION

ESTABLISHED 1855.

Paid-up Capital \$6,000,000.00

Reserve Fund \$5,000,000.00

Investments \$32,264,782.81.

TORONTO STREET, TORONTO

Representing

## THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

You will make money.

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

FOR TERMS TO PRODUCING AGENTS, ADDRESS:

**George T. Dexter**

2nd VICE PRESIDENT

54 Nassau Street New York, N.Y.

## ATLAS ASSURANCE COMPANY LIMITED of LONDON, ENGLAND

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

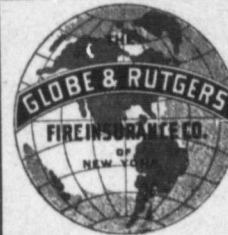
At the Accession of	Income	Funds
KING GEORGE IV.	\$ 387,065	\$ 800,605
KING WILLIAM IV.	667,115	3,038,380
QUEEN VICTORIA	789,865	4,575,410
KING EDWARD VII.	3,500,670	11,185,405
KING GEORGE V.	6,846,895	15,186,090

and at  
31st DECEMBER, 1916 7,980,685 20,730,010  
In addition the Company has a Subscribed Capital of Eleven Million Dollars (of which \$1,320,000 is paid up).

Agents wanted in unrepresented districts.

Head Office for Canada:

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



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

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

Canadian Head Office:  
**MONTREAL.**  
J. W. BINNIE, Manager

## LLOYDS BANK LIMITED, HEAD OFFICE: 71, LOMBARD ST., LONDON, E.C.



CAPITAL SUBSCRIBED	- - -	(\$5 = £1.)	<b>\$156,521,000</b>
CAPITAL PAID UP	- - -		<b>25,043,360</b>
RESERVE FUND	- - -		<b>18,000,000</b>
DEPOSITS, &c.	(Dec., 1916)		<b>759,079,725</b>
ADVANCES, &c.	do.		<b>279,284,205</b>

THIS BANK HAS NEARLY 900 OFFICES IN ENGLAND & WALES.  
Colonial and Foreign Department: 17, CORNHILL, LONDON, E.C. London Agency of the Imperial Bank of Canada.  
The Agency of Foreign and Colonial Banks is undertaken.

French Auxiliary: **LLOYDS BANK (FRANCE) LIMITED,**  
with Offices at PARIS, BIARITZ, BORDEAUX, HAVRE and NICE.



## INSURANCE COMPANIES AND THE INCOME TAX.

A list of exemptions from the operation of the new Federal Income Tax, shows that life insurance companies will only be taxed on such amount as is credited to the shareholders' account. This is something to be thankful for. Some managers had visions of being compelled to pay four per cent. upon their premium income. Proceeds of life insurance policies will not be included in the income subject to the personal tax.

The fate of the fire and other insurance companies with regard to this taxation does not yet appear, except that the Minister of Finance has stated that any amount paid under the Special War Revenue Act of 1915 will be allowed deduction from the income tax, if the income tax is the greater, or the amount of the income tax will be deducted from the special taxation, if the latter is the greater. The insurance companies other than life, are paying one per cent. on premium income under the 1915 taxation, so that these companies, with the banks, which also pay the one per cent. tax on their note circulation, will secure some allowance. It will be a serious matter for the companies, however, if they are to be taxed four per cent. upon their premium incomes in Canada, which means an additional three per cent. above the Dominion war taxation they are at present paying. As the fire companies paid in taxation last year an average of 3.74 per cent. of premiums, this income tax addition would almost double the rate of taxation paid in 1916. However, the tax may only apply to underwriting profits plus interest income, as Sir Thomas White, in reply to a question in the house, remarked, "If a man has a business and his gross receipts are, say \$100,000, but his operating and under expenses are \$50,000 the income would be \$50,000." The companies would certainly have to protest strongly if there is the intention to impose the new tax on net premium income, which is roughly equivalent to gross receipts in ordinary business, and is certainly not income in the sense generally used when income taxation is under discussion.

The income tax upon joint stock companies and corporations proposed is a flat tax of four per cent., \$3,000 being exempted. The personal income tax proposed is on the following basis:—exempt up to \$2,000 in the case of the unmarried and widowers without dependents, up to \$3,000 in the case of all others. The normal tax will be four per cent., but additionally, incomes of \$6,000 to \$10,000 will pay a super-tax of two per cent.; between \$10,000 and \$20,000, five per cent.; between \$20,000 and \$30,000, 8 per cent.; between \$30,000 and \$50,000, ten per cent.; between \$50,000 and \$100,000, 15 per cent.; and exceeding \$100,000, 25 per cent. The super-tax is only paid at the higher rate on the amount by which the income exceeds the minimum for that rate e.g., on an income of \$110,000 annually 25 per cent. would be paid on only \$7,000—\$3,000 would be exempt, \$100,000 at increasing rates of tax and \$7,000 at 25 per cent. A number of deductions to avoid charging of income tax twice etc. are allowed.

The Canada Accident has received a Dominion license to transact automobile insurance, in addition to the classes of business for which it was previously licensed.

## THE INSURANCE BILL IN COMMITTEE.

The Insurance Bill, after having passed the Banking and Commerce Committee, went into the stage of committee of the whole House at Ottawa last week. The alterations made by the Banking and Commerce Committee were so trifling that the bill has not been reprinted since its first introduction. Sir Thomas White explained that the business of marine insurance was exempted from the bill, because on the passing of the Act in 1910 representations were made by the transportation companies that unless the marine companies were exempted from the provisions of the Insurance Act there would be discrimination against the St. Lawrence route and Canadian ports generally in so far as insurance was concerned, which would mean an increase in insurance rates and an increase in freight rates upon the St. Lawrence route. Canadian legislation dealing with these companies is accordingly not regarded as expedient.

There was a long and technical argument between Mr. Pugsley and Sir Thomas White in regard to the exact wording of sections intended to give the Dominion Government plenary powers regarding insurance companies other than Canadian. Sir Thomas explained that it was desired to make it perfectly clear that the Canadian parliament has authority to require a foreign corporation to take out a license and to conform to the provisions of the Act before carrying on business in Canada. That is a point that might be contested.

### PROVINCIAL COMPANIES AND DOMINION LICENSES

In reference to the provision whereby a provincially incorporated insurance company may take out voluntarily a Dominion license, thereby making itself subject to the requirements of the Act, the Minister of Finance said the condition is that the Privy Council has said that the Dominion Parliament has no jurisdiction to regulate the business of an insurance company incorporated by a provincial legislature carrying on business in its own province, or even outside its province. With this Act, many provincially incorporated insurance companies would desire, for the sake of their standing if nothing else, to be subject to Dominion jurisdiction. One way in which they could bring themselves within the Dominion jurisdiction, although difficulties might arise, would be to take out Dominion incorporation and have the assets and liabilities of the old company assigned to the new. The present provision is to give such companies the right to make application to take out an insurance license and subject themselves to the jurisdiction of the Dominion Insurance Act.

### UNIFORMITY OF DOMINION AND PROVINCIAL LEGISLATION.

On the raising of the question of uniformity in Dominion and provincial legislation, Sir Thomas White said:—"By the Act of 1910, the Dominion Parliament assumed to regulate provincially-incorporated fire and other insurance companies doing business outside their own provinces. It has been held that the Dominion has no such power. We are now proposing to enable any provincially-incorporated insurance company to take out a license and subject itself to the provisions of this Act. But many companies will not do that, and they will still remain subject to provincial legislation and will carry on business subject only to the

(Continued on page 787)



CANADA BRANCH HEAD OFFICE, MONTREAL

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 William Molson Macpherson, Esq. Sir Frederick Williams-Taylor, LL.D.  
 J. Gardner Thompson, Manager. Lewis Laing, Assistant Manager.  
 J. D. Simpson, Deputy Assistant Manager.



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

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J. Gardner Thompson, President and Managing Director.  
 Lewis Laing, Vice-President and Secretary.  
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LICENSED BY THE DOMINION GOVERNMENT



**THE FIDELITY-PHENIX**

FIRE INSURANCE COMPANY OF NEW YORK

"THE OLD PHENIX"

**Assets Exceed : \$19,300,000**

Head Office for Canada and Newfoundland,

W. E. BALDWIN, Man. 17 St. John St., MONTREAL JOS. ROWAT, Asst. Man.



**The Northern Assurance Co. Limited**  
 of England.

ACCUMULATED FUNDS, 1916 \$39,935,000.00

Including Paid up Capital Amount \$1,460,000.00

Head Office for Canada : No. 88 NOTRE DAME ST. WEST, MONTREAL.

G. E. MOBERLY, Manager.



**THE LAST WORD**

IN ACCIDENT AND SICKNESS INSURANCE

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

AGENTS WANTED EVERYWHERE

Applications in Ontario should be addressed to

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

### INVESTMENT OF LIFE COMPANIES' FUNDS.

There was an interesting little discussion in the committee stage of the Insurance Bill at Ottawa last week, regarding the investment of life companies funds. It has already been noted that the provisions of the new Bill make for a considerable tightening up of the investment limitations of the life companies. Mr. Pugsley suggested that the tightening-up was insufficient and that the companies should be limited to investment in Government and municipal securities. Sir Thomas White was disposed to agree with Mr. Pugsley; he would, he said, narrow very considerably the powers of insurance companies to invest their funds. He proceeded:—"This, however, is the answer that has always been made to me when I have raised the question or when I have been considering it with the Superintendent of Insurance. Our companies are in competition with British and foreign companies carrying on business in Canada. My hon. friend knows that the extent of the advantage given under an insurance policy depends upon the rate of interest earned by the company. If we confine our insurance companies to Government and municipal securities yielding lower rates of interest than are obtained by other insurance companies upon another range of investments, we put our companies at a disadvantage in the matter of offering attractive policies and obtaining business. By reasons of the war, the yield rate is so high upon the kind of securities that my hon. friend has in mind—Government and municipal securities—that there is not the same objection to the course which he has suggested as has obtained in the past. However, I should not be at all surprised if on the next revision of the Insurance Act, some few years from now, this question should be very carefully considered; it might be practicable to confine insurance companies to a range of investments which would be absolutely safe."

#### AN UNTENABLE ARGUMENT.

With all respect to the Department of Insurance, THE CHRONICLE considers the argument cited as a reason for the continuation of the existing state of affairs, in regard to life companies' investments, absolutely untenable. According to THE CHRONICLE's own compilations, the average rate of interest on mean assets earned by the Canadian life companies in 1915, was 6.21 per cent. The New York Spectator's tables show the average rate of interest earned in 1916 by 29 of the oldest life companies in the United States as 4.91 per cent. What the average rate of interest earned by the English life companies was in 1916, we have not at the moment exact information. But we doubt if it was over 4.50 per cent. The Canadian companies average rate of interest would have to be reduced by a full one per cent., before the argument put forward by the Department of Insurance, could be reasonably advanced.

The rapid rise in the interest rate earned by the Canadian companies during recent years is, of course, due to their going in extensively for mortgages at high rates of interest. The Department of Insurance must know even better than THE CHRONICLE that the events of the last two or three years have shown conclusively that several of the companies, in their eagerness after high rates of interest, were not sufficiently careful in regard to

the quality of some of these mortgages. The Canadian life companies surely, scarcely need encouragement at the present time to "go for" high rates of interest. We should have thought better advice would be that they should be content with absolutely first-rate securities and interest regularly paid.

This matter of investments is not likely to be satisfactorily settled until it is looked at from the point of view of life insurance funds being, in fact, trustee funds. When that view-point is secured, there will be some hope of satisfactory investment limitations, imposed with an eye to the very commonplace fact that the primary purpose of life insurance is protection and not so-called "profits." Needless to say, any further restrictions upon life companies in this connection should be equally imposed upon the fraternal societies.

### CANADIAN FIRE RECORD

*Specially compiled by The Chronicle.*

#### THE DOMINION CANNERS LOSS AT STRATHROY, ONT.

The following is the insurance on stock involved in the Dominion Cannery fire at Strathroy, Ont., on July 13:—Alliance, \$20,000; British America, \$50,000; British Colonial, \$17,500; British Empire Underwriters, \$25,000; Canada National, \$62,500; Economical, \$12,500; Employers, \$50,000; General, \$25,000; Hartford, \$50,000; Imperial Underwriters' \$62,500; Liv.-Manitoba, \$50,000; London Guarantee, \$25,000; Millers National, \$12,500; National, \$50,000; National Union, \$20,000; North British and Merc., \$20,000; Northern, \$25,000; Norwich, \$50,000; Occidental, \$10,000; Ocean, \$50,000; Phoenix of London, \$50,000; Rochester Undrs., \$25,000; St. Lawrence Undrs., \$12,500; Sun, \$125,000; Westchester, \$10,000; Western, \$25,000; Montreal Undrs., \$75,000; Insurance Co. of N.A., \$40,000; Lloyds Undrs., \$39,000; Unlicensed Insurance, \$1,350,000. Total, \$2,439,000. Loss about \$60,000.

NIAGARA FALLS, ONT.—Fire of unknown origin did \$1,000 damage to buildings used to house servants at the Hotel Prospect at Second street and Jefferson avenue, July 22.

STRATFORD, ONT.—Residence of Lawrence Grant completely destroyed, July 22. No insurance. Supposed origin, explosion of kitchen stove.

TRING JUNCTION, QUE.—G. Plante's mill destroyed and two cottages damaged, July 24. Loss \$3,000; no insurance. Origin, lightning.

HAMILTON, ONT.—Tempering sheds of Dominion Steel Foundry Co. damaged, July 30. Loss \$5,000. Origin, spontaneous combustion.

HATCHLEY, ONT.—W. Malcolm's home destroyed, July 27. Three deaths. Supposed origin, mice nibbling matches.

NELSON, B.C.—Elk Lumber Company's plant, twelve miles from Nelson, destroyed by forest fire, July 29.

MONTREAL.—Tenement at 2943-2943d St. Dominique street damaged, July 29. Origin, lightning. Slight damage at St. Patrick street plant of Steel Company of Canada, July 30. Origin, lightning.

Office of Northern Electric Co., Shearer and St. Patrick streets damaged, July 30. Origin, lightning.

REGINA, SASK.—Grandstand and industrial buildings at exhibition grounds destroyed, July 25.

INGERSOLL, ONT.—Grand Trunk stock car burned with 17 head of cattle, July 26.

**The Trust and Loan Co.**  
OF CANADA

Capital Subscribed, . . . \$14,600,000.00  
Paid-up Capital, . . . 2,920,000.00  
Reserve Funds, . . . 2,785,996.38

MONEY TO LOAN ON REAL ESTATE

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

**PRUDENTIAL TRUST COMPANY**  
LIMITED

HEAD OFFICE  
**9 ST. JOHN STREET MONTREAL.**

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

Safety  
Deposit Vault  
Terms exceptionally moderate.  
Correspondence invited.

**B. HAL. BROWN, President and Gen. Manager**

**Ideal War-Time Policies**

COMBINING SAVINGS,  
INVESTMENT AND PROTECTION FEATURES.

Its a question whether there is a more completely satisfied class of men anywhere than those Mutual Life policyholders who are to-day receiving settlements under maturing endowment policies. Year by year they have laid by in premiums sums that that would otherwise probably have been dissipated; and now they find that for every \$100.00 so invested, from \$125.00 to \$210.00 have been received depending on the length of the endowment term. Meanwhile their homes have been protected for the face value of the policies. Thus endowments in the Mutual of Canada combine an easy savings system with a gilt-edged investment and perfect home protection.

SECURE AN ENDOWMENT WITH  
**The Mutual Life Assurance Co. of Canada**  
WATERLOO, ONTARIO.

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

Founded 1805.  
**Head Office for Canada,**  
DOMINION EXPRESS BUILDING  
**Montreal**

JOHN G. BORTHWICK,  
Canadian Manager.

**THE LIFE AGENTS' MANUAL**  
Published by The Chronicle, Montreal

**The Royal Trust Co.**

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

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Sir H. Montagu Allan, C.V.O., Vice-President.

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A. BAUMGARTEN  
E. W. BEATTY, K.C.  
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E. J. CHAMBERLIN  
H. R. DRUMMOND  
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HON. SIR LOMER GODIN, K.O.M.G.  
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OFFICE AND SAFETY DEPOSIT VAULTS:  
**107 St. James St., MONTREAL.**

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

**WESTERN**  
Assurance Company  
Incorporated in 1851

**FIRE, EXPLOSION, OCEAN MARINE AND INLAND MARINE INSURANCE**

ASSETS OVER \$5,000,000.00

LOSSES paid since organization of Company OVER \$66,000,000

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HEAD OFFICE - TORONTO

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Established in Canada, 1821

**Ætna Fire Underwriters Agency**  
OF ÆTNA INSURANCE CO., HARTFORD, CONN.

Applications for Agencies Invited  
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R. LONG, Special Agent, P. O. Box 307, CALGARY, Alberta.

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**HOW FIRE LOSSES DESTROY WEALTH.**

A fire insurance agent occupying a prominent position in the business in one of the leading Canadian cities, remarked the other day that the greatest obstacle to the fire prevention campaign was the fact that many people do not see that loss by fire involves the destruction of wealth. People are accustomed to argue that as the insurance companies pay, there is no loss, and sometimes it is added that as destroyed buildings have to be rebuilt and stocks replaced, fire losses have their advantages in being "good for trade." On this line of reasoning the war is the greatest economic blessing in the world's history.

This view is a very short-sighted one, and of course, hopelessly inaccurate. Buildings and merchandise in being have a tangible value. If they are destroyed by fire, that value is simply annihilated—it no longer exists. To the extent of the value of those buildings or goods the wealth of the whole community is lessened by their destruction; the accumulated stock, the employment of which in combination with labor, both mental and manual, enables more wealth to be produced, is reduced. The payment for a loss by fire insurance companies does not replace this lost wealth to the community although, to a certain extent, it does to the individual. For payment of fire losses means in effect merely a transfer of wealth for use in a particular purpose, which had it not been required for that purpose would have been used in some other way. This wealth does not magically appear from nowhere when a fire loss occurs; it is merely the aggregate of contributions for this particular purpose by the whole of the community and held by the insurance companies until required to replace losses. If the community had not set aside these contributions for this particular purpose they would have the wealth available to employ in some other direction. It would, in brief, be available for further production. Its use in some particular spot may temporarily stimulate trade in that spot just as the war is stimulating the armaments business, but to argue from this that therefore the whole community benefits is to refuse to see beyond the limits of one's nose. Wealth destroyed by fire has gone for ever, and no alchemy can replace it.

Life insurance protection involves the company, the agent and the policyholder in a net of obligation in which each is bound to serve the other. The contract, the commission and the premium, these are not ultimate things, the ultimate thing is service. —*Mutual Life of Canada.*

**WANTED**

CLERK to take charge of the Re-Insurance Department in a leading British Fire Insurance Office. Apply stating age, experience and salary expected to

CLERK  
c/o The Chronicle  
MONTREAL

**AGENT WANTED.**

A Strong Non-Tariff Company, desiring to enter Montreal, seeks a LOCAL AGENT, who can command a good class of business. Highest Commission paid. Only a well established man need apply. Address,

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**WANTED.**

By an expert Fire Insurance INSPECTOR and ADJUSTER, position as such. Was eight years Inspector for one large Company and for a few years, was engaged in the construction business. Address,

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**LOSS CLERK.**

British Company requires services of party sufficiently experienced to act as loss clerk in FIRE DEPARTMENT. Apply, stating qualifications.

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P. O. Box 1502.  
MONTREAL.

**410 TONS OF GOLD HAVE BEEN PAID TO POLICYHOLDERS BY Insurance Company of NORTH AMERICA**

THE OLDEST AMERICAN STOCK FIRE INSURANCE COMPANY

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

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

## COMMERCIAL UNION

ASSURANCE COMPANY LIMITED  
of LONDON, England

The largest general insurance company in the world  
(As at 31st December 1916)

Capital Fully Subscribed . . . . .	\$14,750,000
Capital Paid Up . . . . .	1,475,000
Life Fund, and Special Trust Funds, . . . . .	76,591,535
Total Annual Income exceeds	51,000,000
Total Funds exceed . . . . .	151,500,000
Total Fire Losses Paid . . . . .	193,774,045
Deposit with Dominion Government . . . . .	1,245,467

Applications for Agencies Solicited in Unrepresented Districts.

Head Office: CANADIAN BRANCH

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

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

## PALATINE

INSURANCE COMPANY LIMITED  
of LONDON, England

(As at 31st December 1916)

Capital Fully Paid . . . . .	\$1,000,000
Fire Premiums 1916, Net . . . . .	\$2,566,130
Interest, Net . . . . .	144,290
Total Income . . . . .	\$2,710,420
Funds . . . . .	\$5,248,690
Deposit with Dominion Gov't . . . . .	\$276,900

*N.B.—In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Funds exceed \$151,500,000*

COMMENCED BUSINESS 1901  
RECEIVED DOMINION CHARTER 17th JUNE 1908

Capital Stock Subscribed	Capital Stock Paid up
<b>\$500,000.00</b>	<b>\$174,762.70</b>

## The Occidental Fire

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

RANDALL DAVIDSON, President  
C. A. RICHARDSON, Vice-President and Secretary  
DIRECTORS  
S. E. RICHARDS W. A. T. SWEATMAN N. T. HILLARY

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

ESTABLISHED 1809

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

## FIRE AND LIFE North British and Mercantile

INSURANCE COMPANY  
DIRECTORS  
WM. MCMASTER ESQ. G. N. MONCEL, Esq.  
E. L. PRASE, Esq.  
Head Office for the Dominion:  
80 St. Francois Xavier Street - MONTREAL.  
Agents in all the principal Towns in Canada.  
RANDALL DAVIDSON, Manager.  
HENRY N. BOYD, Manager, Life Dept.

## SUN INSURANCE OFFICE

FOUNDED A.D. 1710

Head Office:  
Threadneedle Street, LONDON, ENGLAND

## THE OLDEST INSURANCE OFFICE IN THE WORLD.

Canadian Branch:  
15 Wellington Street East, Toronto, Ont.

LYMAN ROOT,  
Manager

.. THE ..

## London Assurance CORPORATION OF ENGLAND.

INCORPORATED BY ROYAL CHARTER A.D. 1720

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

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

## The LONDON MUTUAL FIRE INSURANCE COMPANY

Established 1859

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

PROVINCE OF QUEBEC BRANCH  
W. J. CLEARY, Provincial Manager.  
17 ST. JOHN STREET, - - MONTREAL

might be married paid to might be an arra with the while the sive inco tures in co or in oth reduction There are ticularly tax upon nal is pu be debat to exam Finance tax at the maxi for some will take

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**FEDERAL INCOME TAX.**

*(Continued from Front Page.)*

might be made more pronounced, by allowing the married taxpayer credit for insurance premiums paid to protect his family (endowment premiums might be excluded), or in some other way. Such an arrangement would be unlikely to interfere with the continuance of the bachelor's beneficences while the married man with a fair but not excessive income, and committed to heavy expenditures in connection with the education of his children or in other ways, would be given a reasonable reduction in his income tax in view of that fact. There are other points that need clearing up, particularly in connection with the incidence of the tax upon those organisations with which this journal is particularly connected. But these cannot be debated until the opportunity has been given to examine the bill in detail. The Minister of Finance estimates the annual revenue from this tax at \$15,000,000. The probabilities are that the maximum will not be derived from the tax for some years since the machinery of collection will take some time to get into shape.

Mr. J. A. Jessup, manager Accident Department, Royal Exchange Assurance, has returned from a business trip to the Coast. He informs us that the agencies of the Company report a substantial increase in business this year. Mr. Jessup visited Vancouver, Winnipeg, Calgary, Edmonton, Port Arthur, Saskatoon and other important centres.

The Bank of England continues its official rate of discount at 5 per cent.

**THE INSURANCE BILL IN COMMITTEE.**

*(Continued from Page 781.)*

safeguards provided by the several provinces. We could not assume authority over such companies unless the British North America Act was amended or unless we could get the provinces to enact legislation similar to ours so as to bring about uniformity in insurance laws in the Dominion. Personally, I think that would be a highly desirable thing to do. We would be delighted if that were done, because protection would be afforded to the public, and that is what my hon. friend wants. Unfortunately, all the provinces would not take the same view of this matter as we do, and a considerable feeling of jealousy in regard to provincial rights enters into the question. A good way of dealing with it would be—if the time were opportune—for the Dominion to take the initiative—and get representatives of the several provinces to meet and take up the whole situation frankly. Public men generally look at public questions in the same way at a public conference, and I think a good deal might be done along that line. In the midst of the war it is difficult to find time for things like that but I think my hon. friend's idea is a good one, and we might be able, at a conference, to agree upon uniform legislation, the object of which would be to protect the public. Of course, provincial legislatures are just as desirous, and the provinces are as anxious to protect the public as we are."

Mr. E. J. Lesperance, of Montreal, is the new president of the Imperial Life's \$100,000 club, and Mr. William Ardern, of Calgary, vice-president.



## It's a Hard Rub

For a woman to unexpectedly find it necessary to become a breadwinner. You wouldn't like your wife to come to that, would you?

But what about your widow? Why not provide for her a regular monthly income to begin at your death and continue as long as she lives? You can do it by means of an Imperial Life policy.

**THE IMPERIAL LIFE**  
Assurance Company of Canada  
HEAD OFFICE - TORONTO



## THE EMPLOYERS' Liability Assurance Corporation, Limited

of LONDON, England.

*Transacts:*

**AUTOMOBILE INSURANCE**  
covering ACCIDENT, PROPERTY DAMAGE, COLLISION, FIRE, THEFT  
and TRANSPORTATION  
**PERSONAL ACCIDENT, HEALTH, LIABILITY, PASSENGER and FREIGHT**  
**ELEVATOR, FIDELITY GUARANTEE, CONTRACT BONDS**  
and FIRE INSURANCE

Offices: { Temple Building : TORONTO, ONT.  
Lewis Building : MONTREAL, QUE.

CHARLES W. I. WOODLAND,  
*General Manager for Canada and Newfoundland.*  
JOHN JENKINS, *Fire Manager.*

APPLICATIONS FOR AGENCIES INVITED

Canadian  
Government  
Deposit

**\$1,342,455.00**

*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

Fire, Personal Accident, Sickness, Plate-Glass, Liability, Teams,  
Automobile, Guarantee and Burglary Insurance.

Board of Directors:

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



Founded 1871

## AUTOMOBILE INSURANCE

A Comprehensive Policy covering

ACCIDENT, PROPERTY DAMAGE, COLLISION,  
FIRE, THEFT and TRANSPORTATION is what the  
public demands.

The "OCEAN" can meet these requirements under one contract.

Branch Office, MERCHANTS BANK BUILDING, MONTREAL

ARTHUR JAMES,  
Superintendent.

H. GORDON WARING,  
Inspector, Automobile Department.

Canadian Head Office: Ocean Insurance Building, TORONTO.

CHARLES H. NEELY, General Manager.

## THE DOMINION OF CANADA GUARANTEE & ACCIDENT INS. CO.

The OLDEST and  
STRONGEST CANADIAN  
CASUALTY COMPANY

TRANSACTS:  
ACCIDENT SICKNESS PLATE GLASS  
♦ BURGLARY AUTOMOBILE INSURANCE  
GUARANTEE BONDS FIRE INSURANCE

E. ROBERTS, *Manager.*  
701, LEWIS BUILDING, MONTREAL

C. A. WITHERS, *General Manager*  
TORONTO

Branches: WINNIPEG CALGARY VANCOUVER

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**THE CANADIAN RAILWAY PROBLEM.**

The railway problem is perhaps the most important domestic matter with which Canada has to deal in the immediate future, and any thoughtful discussion of it, from whatever angle, is welcome as a useful contribution towards its solution. Mr. E. B. Biggar, author of "The Canadian Railway Problem" published by the Macmillan Company of Canada is an out-and-out "nationalist" in railway matters, whose arguments for State ownership of all Canadian railroads will be violently disagreed with by many competent railway critics. Mr. Biggar put his case cogently and trenchantly. We judge, however, that he has had no personal experiences as a passenger on the State railway systems of Europe. Otherwise his enthusiasm for them would be somewhat diluted. It would be interesting also to have Mr. Biggar's observations on the exact and explicit evidence given by Mr. Acworth at Washington a few weeks ago, that practically all important improvements in methods of railway travel have originated with privately operated roads.

**BLUFF DOES NOT MAKE AN INSURANCE MAN.**

The business of insurance judged only after a casual acquaintance has lured many to tread its pathway, where were seen bright visions of a harvest of gold and honor. Even the business of mutual insurance has had its fascinations for those promoters who were looking for easy money in a dignified business with somebody else to pay the bills. But a bold front, a desire to control others' money, and all the dignity that can be assumed do not of themselves make a newly created official of a newly created insurance company competent and efficient as an insurance man. Nor is the less impressive official who is without experience and without expert knowledge any more likely to make a success of his enterprise.—*Burton Mansfield.*

**TRAFFIC RETURNS.**

**CANADIAN PACIFIC RAILWAY.**

Year to date	1915	1916	1917	Increase
June 30	\$41,261,000	\$61,252,000	\$69,575,000	\$8,323,000
Week ending	1915	1916	1917	Increase
July 7,	1,666,000	2,616,000	3,101,000	485,000
14,	1,635,000	2,738,000	2,867,000	129,000
21,	1,670,000	2,641,000	2,950,000	309,000

**GRAND TRUNK RAILWAY.**

Year to date	1915	1916	1917	Increase
June 30,	\$23,174,746	\$27,271,848	\$39,501,564	3,229,716
Week ending	1915	1916	1917	Increase
July 7,	990,278	1,155,029	1,297,003	141,974
14,	989,629	1,211,393	1,379,293	167,900
21,	980,898	1,140,226	1,358,019	217,793

**CANADIAN NORTHERN RAILWAY**

Year to date	1915	1916	1917	Increase
June 30,	\$10,390,000	\$16,073,400	\$19,613,200	\$3,539,800
Week ending	1915	1916	1917	Increase
July 7,	429,400	885,100	902,300	17,200
14,	449,700	874,900	935,600	60,700
21,	447,700	866,900	872,100	5,200

**NEW MOVE OF ONTARIO FRATERNAL SOCIETIES.**

A move is being made in Ontario to form a general merger of the various fraternal and benevolent societies of the Province, to issue new certificates to members at a definite value, and then, thus combined, to approach the Government and ask for control over the new organisation, similar to the control exercised by the Board of Workmen's Compensation. This move is a result of recent actuarial examinations of several societies, disclosing the fact, which had been suspected by outsiders for a good many years, that they are insolvent. It is believed by the representatives of the societies who have studied the matter that the only solution of their problem is to effect an amalgamation of all the societies, procure actuarial reports putting a definite value on the certificates of all the members at the date of the amalgamation, and then make united application to the Government for control.

It was arranged at a recent meeting at Toronto that another meeting should be convened about the end of September to draw up a report to be presented to all camps and lodges in the district for their consideration. Whatever happens, there are evidently some more tragedies ahead of old members of unsound fraternal societies who cannot possibly afford to pay the rates of the societies on an actuarial basis.

**Montreal Tramways Company**

**SUBURBAN TIME TABLE, 1916-1917**

**Lachine :**

10 min. service	5.40 a.m. to 8.00 a.m.	10 min. service	4 p.m. to 7.10 p.m.
20 "	8.00 " 4 p.m.	20 "	7.10 p.m. to 12.00 mid.
From Lachine—			
20 min. service	5.30 a.m. to 5.50 a.m.	10 min. service	4 p.m. to 8.00 p.m.
10 "	5.50 " 9.00 "	20 "	8.00 p.m. to 11.10 a.m.
10 "	9.00 " 4 p.m.	Extra last car at 12.50 a.m.	

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

From St. Denis to St. Vincent de Paul—			
15 min. service	5.15 a.m. to 8.00 a.m.	30 min. service	8.00 p.m. to 11.30 p.m.
20 "	8.00 " 4.00 p.m.	Car to Henderson only 12.00 mid.	
15 "	4.00 " 7.00 p.m.	Car to St. Vincent at 12.40 a.m.	
20 "	7.00 " 8.00 p.m.		
From St. Vincent de Paul to St. Denis—			
15 min. service	5.45 a.m. to 8.30 a.m.	30 min. service	8.30 p.m. to 12.00 mid.
20 "	8.30 " 4.30 p.m.	Car from Henderson to St. Denis 12.30 a.m.	
15 "	4.30 p.m. 7.30 p.m.	Car from St. Vincent to St. Denis 1.10 a.m.	
20 "	7.30 " 8.30 p.m.		

**Cartierville:**

From Snowdon Junction—	20 min. service	5.20 a.m. to 8.40 p.m.
	40 "	8.40 p.m. to 12.00 mid.
From Cartierville—	20 "	5.40 a.m. to 9.60 p.m.
	40 "	9.00 p.m. to 12.30 a.m.

**Mountain :**

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

**Bout de l'Île:**

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

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

**Pointe aux Trembles via Notre Dame:**

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

