

# The Chronicle



Banking, Insurance and Finance

ESTABLISHED JANUARY, 1881

PUBLISHED EVERY FRIDAY

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## THE GENERAL FINANCIAL SITUATION

The New Year has scarcely got firmly into its stride before the general public have had some unpleasant reminders that economic troubles cannot be done away with by merely throwing over the calendar. Sharp rises in the prices of several staple commodities have been announced, and judging by the trend of events in regard to raw materials, the maximum has not yet been reached. This appears to be particularly the case in the matter of textiles. One of the leading textile manufacturers this week withdrew all prices, owing to a rise in the laid-down costs of cotton, since the withdrawal lists were issued, less than three months ago, of nearly 20 per cent. Retail prices of cotton and other textile goods seem high enough at present, but the full effect of these rises in raw materials will not be seen so far as retail prices are concerned until at least the fall. In this connection it is to be remembered that a number of the European countries have been practically without cotton goods for five years, while on this side of the Atlantic and in the stronger of the lately belligerent countries, the demand is increased, owing to the vast growth in purchasing power among large classes of the population brought about by war conditions. The opinion that prices of staple commodities are likely to decline at an early date can apparently only be held where a partial or short-sighted view is taken, and the full circumstances resulting in present high and rising prices not borne in mind.

Again, a good many folks are being reminded these days that in Canada, taxation resulting from the war was on a comparatively mild scale during the actual progress of hostilities, and is now making larger demands upon the taxpayers' pockets. The 1918 income tax bills, which are now in full swing of distribution, reach a very much wider circle than the 1917 assessments, and those who paid for the earlier period, and enjoyed the same income in 1918, are finding a considerable difference in the amount of their assessments for the two years, owing to the difference in the scale of taxation. A year from now, the difference is likely to be even more heavily felt, the 1919 scale of taxation being much higher than that of 1918.

A curious example of absolute failure to grasp realities in this connection is seen in a widely disseminated newspaper statement, sent out from Ottawa, to the effect that little hope of relief from war taxation can be expected. To even talk of relief from war taxation is, at present, simply ludicrous, considering the immense obligations which have been incurred. Such talk merely evidences an absolute incapacity to face and appraise the realities of the situation. Two or three months ago, Sir Henry Drayton himself gave a pretty strong hint that instead of their being any relief from war taxation in the next Budget, that some additional taxation would be necessary, at least temporarily. This sounds much more innately probable than any talk of relief from taxation.

So far as the business community is concerned, its chief interest in the matter of taxation when the proposals of the next Budget come to be taken in hand, will be probably in the dispositions to be made regarding the business profits war tax, which expired under last year legislation at 31st Dec. While strenuous objections to this tax is felt in many quarters, hopes that it may be entirely abrogated will probably not run very high after the bitter disappointment received in this connection last spring. This particular tax while admittedly a heavy one, has been a wonderful revenue producer, some one hundred million dollars having so far been collected under its provisions. Dispositions regarding the future of this tax will possibly be the result of the need for revenue, rather than of any theorizing, regarding its advantages or disadvantages. It is noted that the full tide of amalgamation and fusion of financial interests in British industry and finance continues unabated. Almost every week sees a new announcement of an important arrangement in this connection.

Scarcely any branch of British trade or financial activity is untouched by this movement. The banks led the way, great manufacturing industries of all kinds are busy with fusions, while, as our readers are well aware, the British insurance companies have lately been extremely active in this

(Continued on page 57)

# BANK OF MONTREAL

Established Over 100 Years

Capital Paid Up, \$20,000,000

Rest. 20,000,000

Undivided Profits, 1,812,854

Total Assets

\$545,304,809

## BOARD OF DIRECTORS:

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Sir Frederick Williams Taylor, *General Manager.*

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

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

Collections at all Points throughout the world undertaken at favorable rates

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

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

### PRINCIPAL BRANCHES OUTSIDE OF CANADA:

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

In the United States.—

G. C. CASSELLS, *Manager.*

NEW YORK. CHICAGO. SPOKANE.

Sub-Agency: 9 Waterloo Place  
Pall Mall, S.W.

SAN FRANCISCO—British American Bank  
(owned and controlled by Bank of Montreal)  
and at MEXICO CITY

PARIS, FRANCE—Bank of Montreal—(France 17 Place Vendome,

NEWFOUNDLAND: St. John's, Carbonear, Curling, Ferryland, Gaultois, Grand Falls, Greenspond, and St. George's.

## The West Indies and Mexico

Trade between Canada and the countries to the south of us is rapidly increasing.

With branches in the United States and Mexico, and a close working arrangement with our Correspondents who have branches throughout the West Indies, this Bank is able to place at the disposal of its customers a very complete service.

## The Canadian Bank of Commerce

Capital Paid Up \$15,000,000 Reserve Fund \$15,000,000

# THE MOLSONS BANK

Incorporated in 1855

CAPITAL AND RESERVE \$9,000,000

Over 120 Branches

The Bank plays a very important part in the industrial growth and development of any country. If you need money for legitimate purposes. The Molsons Bank will do all in its power to assist you to obtain what is required. Come in and talk it over with the Manager, a courteous reception awaits you.

HEAD OFFICE: - MONTREAL

E. C. PRATT, *General Manager*

# The Royal Bank of Canada

HEAD OFFICE, MONTREAL

LONDON, ENG.  
Princes St., E. C.



NEW YORK  
68 William St.

BARCELONA

Plaza de Cataluna 6

FRENCH AUXILIARY :

THE ROYAL BANK OF CANADA (FRANCE)  
PARIS, 28 Rue du Quatre-Septembre

With our chain of 630 Branches throughout Canada, Newfoundland, the West Indies, Central and South America, we offer a complete banking service to exporters, importers, manufacturers and others wishing to extend their business in those countries. Trade enquiries are solicited. Consult our local Manager or write direct to our FOREIGN TRADE DEPARTMENT, MONTREAL, Que.

Capital Paid Up and Reserves - \$35,000,000  
Total Assets - - - - - \$533,000,000

## HOME BANK OF CANADA

JOINT ACCOUNTS opened in the names of two or more persons, each having the privilege of operating the account under their individual signature. No legal formality is involved in case of the demise of one of the parties to the account.

Branches and Connections Throughout Canada

MONTREAL OFFICES :

Transportation Building, 120 St. James St.

2111 Ontario St. East      1318 Wellington St  
cor. Davidson St.      VERDUN

## THE DOMINION BANK

Head Office, TORONTO.  
London, Eng., Branch

Established 1871  
78 Cornhill, E. C.

Capital Paid Up ..... 50,000,000  
Reserve Fund ..... 97,000,000

BOARD OF DIRECTORS:

Sir Edmund B. Osler, President  
A. W. Austin, Vice-President  
Sir Augustus M. Nanton, Vice-President  
James Carruthers      Wilmot L. Matthews  
R. J. Christie      R. S. McLaughlin  
Sir John C. Eaton      W. W. Near  
E. W. Hamber      A. T. Reid  
H. W. Hutchison      H. H. Williams  
C. A. Bogert, General Manager

Montreal Branch :

160 St. James Street, MONTREAL  
M. S. BOGERT, Manager.

## THE BANK OF NOVA SCOTIA

INCORPORATED 1822

Capital - - - - - \$9,700,000.00  
Reserve Fund and Un-  
divided Profits over - 18,000,000.00  
Total Assets over - 220,000,000.00

Head Office - - HALIFAX, N.S.  
CHARLES ARCHIBALD, President

Genl. Manager's Office, TORONTO, Ont.  
E. A. RICHARDSON, General Manager

Branches throughout every Province in Canada,  
and in Newfoundland, Jamaica and Cuba  
BOSTON      CHICAGO      NEW YORK

## AUSTRALIA AND NEW ZEALAND BANK OF NEW SOUTH WALES

ESTABLISHED 1817

Paid-up Capital	20,000,000
Reserve Fund	15,500,000
Reserve Liability of Proprietors	\$20,000,000
	\$55,500,000
Aggregate Assets 31st March, 1919	\$335,379,352



SIR JOHN RUSSELL FRENCH, K.B.E., General Manager

340 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London  
The Bank transacts every description of Australian Banking Business. Wool and other Produce Credits arranged.

Head Office :      Agencies: Bank of Montreal      London Office :  
GEORGE STREET, SYDNEY      Royal Bank of Canada      29, THREADNEEDLE STREET, E. C. 2

**Exchange Fluctuations**

and changing conditions of the money market do not affect the Bonds of this Corporation. These Bonds are issued in sums of \$100 and upwards, for terms of one or more years, as desired by the investor, and are payable at their face value at maturity.

They bear a very attractive rate of interest, which is payable half-yearly, coupons therefor being attached to each Bond.

It is highly desirable from every point of view that Canadians should invest in Canadian securities, and these Bonds are among the most desirable investments obtainable. They are a stable, sound security, and have stood the acid test of the investment market for half a century.

Further information cheerfully furnished on request.

**CANADA PERMANENT MORTGAGE CORPORATION**

TORONTO ST.      Established 1855      TORONTO

**The Trust and Loan Co.**

OF CANADA

Capital Subscribed ..... \$14,630,000.00  
 Paid-up Capital ..... 2,000,000.00  
 Reserve Funds ..... 2,000,000.00

MONEY TO LOAN ON REAL ESTATE

**30 St. James Street - Montreal**

ESTABLISHED 1873

THE

**Standard Bank**

of CANADA

**QUARTERLY DIVIDEND NOTICE**  
 No. 117

A Dividend at the rate of THREE AND ONE QUARTER PER CENT (3¼%) for the three months ending 31st January, 1920, has been declared, payable on the 1st of February, 1920, to Shareholders of record as at the 17th of January, 1920

The Annual Meeting will be held at the Head Office of the Bank, 15 King Street West, Toronto, on Wednesday, the 25th February, 1920, at 12 o'clock noon.

By order of the Board,

C. H. EASSON,  
*General Manager*

Toronto, 26th December, 1919

The  
**MERCHANTS BANK**  
 OF CANADA

HEAD OFFICE - MONTREAL

Capital Paid-up	\$ 7,000,000
Reserve and Undivided Profits	7,574,043
Total Deposits (Nov. 30, 1919)	167,000,000
Total Assets (Nov. 30, 1919)	200,000,000

Board of Directors

SIR H. MONTAGU ALLAN, C.V.O., President  
 K. W. BLACKWELL, Vice-President  
 F. HOWARD WILSON, THOS. LONG, A. B. EVANS  
 F. ORR LEWIS, A. J. DAWES,  
 Lt.-Col. J. M. MOODIE, F. ROBERTSON,  
 THOS. AHEARN, Hon. C. C. BALLANTYNE,  
 G. L. CAINS, Hon. LORNE C. WEBSTER,  
 D. C. MACAROW, General Manager,  
 T. E. MERRETT, Supt. Branches and Chief Inspector



The World of Finance offers no more thorough and up-to-date system than that which regulates the workings of The Merchants Bank.

It is this careful training which enables this Bank to give its customers a most modern and satisfactory and efficient management banking service.

Extending from the Atlantic to the Pacific

New York Agency: 63 & 65 Wall Street

ESTABLISHED - 1870

**IMPERIAL BANK**  
 OF CANADA

DIVIDEND No. 118

NOTICE is hereby given that a dividend at the rate of TWELVE PER CENT. (12 p.c.) per annum upon the paid-up capital Stock of this Institution has been declared for the three months ending 31st January, 1920, and that the same will be payable at the Head Office and Branches on and after Monday, the 2nd day of February next.

The transfer books will be closed from the 17th to the 31st January, 1920, both days inclusive.

By order of the Board,

W. MOFFAT,  
 General Manager.

Toronto, 2nd December, 1919.

# The Chronicle

## Banking, Insurance and Finance

Established 1881.

Published Every Friday

F. WILSON-SMITH, Proprietor and Managing Editor

OFFICE:

406-408 Lake of the Woods Building,  
10 St. John Street, Montreal.

Annual Subscription \$3.00

Single Copy, 10 cents.

MONTREAL, FRIDAY, JANUARY 16th, 1920

### THE GENERAL FINANCIAL SITUATION

(Continued from front Page)

connection. So far as the manufacturing industries are concerned, we are informed that in a number of cases these fusions have been brought about in order to effect economies in purchases and in distribution. Obviously where only one buyer is in the market instead of two or three, the seller of the raw material has not such good opportunities of realizing a handsome price, while the extent to which competition in distribution increases "overhead" is well known to every business man. The insurance companies have their own special reasons and circumstances to account for these steps, which reasons and circumstances have already been fully referred to in these columns. Possibly a fair summing up of the cause of these amalgamations, broadly speaking, and excluding the insurance companies, whose circumstances are of a special character, would be to say that they are the result to use enlarged financial power advantageously, and to meet eventually largely increased costs of production, through rises in wages and other causes, by economies in buying and distribution.

### THE ROYAL BANKS MEETING.

The addresses delivered at the Royal Banks annual meeting of shareholders were rich in suggestive thought regarding Canada's economic position and outlook.

Sir Herbert Holt, the president, dealt largely with the general financial conditions and heavy obligations imposed on the country as a result of the world war, and, in addition gave a brief review of the splendid progress of the bank during the half-century since its inception.

Sir Herbert pointed out that in the fifty years since its incorporation the bank had grown from a local institution to one of international importance, paid-up capital had increased from \$300,000 to \$17,000,000, while reserves had grown from \$20,000 to \$18,000,000 and assets from less than a million to over half a billion dollars.

Turning to more general conditions, Sir Herbert stated that Canada in the year just ended had again proved her ability to meet every emergency as it arises and that, despite an unfavorable harvest in some parts of the West, the country was prosperous and the balance of trade largely in its favor.

"The Government," he said, "is still discharging some of the heavy obligations arising out of the war and the net public debt now fast approaches two billion dollars. There are only two ways of meeting this responsibility—greater industry and less extravagance. Prosperity is not unending or national borrowing power unlimited. It is an unvarying economic law, of which we in Canada had a bitter experience following the Civil War, that all conflicts terminate in a period of prosperity and inflation during reconstruction, to be followed by equal or greater depression. For this inevitable reaction in the future we should now be preparing and it is the duty of the Government to set an example to the nation by abstaining from all unnecessary or wasteful expenditure.

"It cannot be too strongly urged, or too often repeated, that the greatest possible effort must be put forth in every direction if we are to meet the amount required for interest, and the redemption of debt. It has been aptly said that Governments have no income outside that of the people, and that the wealth of the country, like that of the individual, can only be built up by spending less than is earned."

### THE EXCHANGE PROBLEM.

In a review of the trade conditions prevailing during the year, E. L. Pease, the vice-president and managing director of the bank, referred at some length to the question of exchange.

"The problem," he said, "grows in perplexity. The prevailing rates give additional value to all our exports, but out immense imports from the United States are penalized. The return to parity may be a long and difficult process, depending in great measure upon European conditions and the course of American action. The only effective means of checking the advancing rate upon remittances to the United States is to reduce to the lowest possible limit our imports from that country, remembering that the purchase of articles of luxury, or goods that can be manufactured in Canada, by increasing the adverse balance of trade, adds to the premium which we pay on iron, steel, coal, cotton and other raw materials which are absolutely necessary for the maintenance of some of our industries.

"There are indications, however, that the present unfavorable position may be somewhat im-

(Continued on page 59)



**THE LIVERPOOL AND LONDON AND GLOBE  
INSURANCE COMPANY LIMITED  
CANADIAN BRANCH HEAD OFFICE - MONTREAL**

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



**THE LIVERPOOL - MANITOBA  
ASSURANCE COMPANY**

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

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**The Globe Indemnity Company  
of Canada**

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

**CASUALTY Insurance including Accident, Sickness, Guarantee, Burglary  
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== FIRE INSURANCE ==

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John Pinkerton, Assistant Manager;  
Lewis Laing, Fire Manager;  
J. D. Simpson, Assistant Fire Manager

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

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

THE OLDEST AMERICAN STOCK FIRE INSURANCE COMPANY

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

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

**LONDON & SCOTTISH  
ASSURANCE CORPORATION LIMITED**

OF LONDON, ENGLAND  
Formerly: LONDON & LANCASHIRE LIFE & GENERAL  
ASSURANCE ASSOCIATION, LIMITED.

ESTABLISHED IN CANADA 1863

ASSETS : : : : \$25,486,000.00

DIRECTORS FOR CANADA:

A. J. Dawes, Esq. E. C. Pratt, Esq.  
H. B. MacKenzie, Esq. D. C. Macarow, Esq.

Manager for Canada: ALEX. BISSETT

**BRANCHES THROUGHOUT CANADA**

HEAD OFFICE FOR CANADA:

**164 ST. JAMES STREET, MONTREAL**

**GENERAL**

**ACCIDENT FIRE AND LIFE  
ASSURANCE CORPORATION LIMITED  
OF PERTH, SCOTLAND.**

Total security to Policyholders now exceed - \$12,500,000.

**PELEG HOWLAND Esq.**  
Chairman Advisory Board.

**T. H. HALL** **JUDSON G. LEE**  
Manager for Canada. General Agent Montreal.

proved in the near future. The British Government has given notice of its intention to make a substantial payment on account of the indebtedness to the banks and it is expected that within the next four months Canada will export to the United States a large amount of flour."

The general manager, Mr. C. E. Neill, gave a summary of the statement for the year, which has already been reviewed in The Chronicle. Mr. Neill concluded his review with an eulogy of the banks' staff.

"We have fulfilled our promise to take back into the service," he said, "all our men who have returned from overseas and have, so far as possible arranged the staff so that no returned man should suffer either in the matter of position or salary through having responded to the call of his country."

For those who have not returned, Mr. Neill stated, the bank had provided that a record of each man's achievements and sacrifices would be kept and a bronze memorial tablet placed in the branch in the home town of each of them.

The rise of the Royal Bank of Canada is a romance of Canadian banking history. So recently as 1907 — to go no further back than twelve years—the total assets of this bank were under \$50,000,000. In the annual statement for the year under review, total assets are reported as \$533,647,085. Expansion on this scale is without parallel in Canada; and the probabilities are that it has few parallels in the banking chronicles of either the United States or of Great Britain.

Attention may be drawn to the remarkable increase in assets compared with a year ago, of over \$100,000,000, and also the very large increase in deposits of over \$86,500,000. At the same time liquid assets are in a satisfactory proportion to liabilities to the public of over 55 per cent.

Profits are on the way to \$3,500,000, and to signalize its semi-centennial, the Bank made a special distribution of a bonus of 2 per cent. by way of a "Christmas box" to its shareholders. We are glad to note a generous distribution was also made at the same time among the staff.

**MONTREAL WATERWORKS EMPLOYEES' STRIKE**

The serious fact that the Montreal Trades and Labor Council has dared to use the threat of a general strike (although this threat is apparently made as mild as possible) unless the Administrative Commission climb down from their present attitude, to the waterworks employees who left their jobs because they were dissatisfied, is of considerably more than merely civic interest. It indicates the possibility of Montreal having sooner or later to fight the battle for freedom from so-

called "labor tyranny" which was fought out and won in Winnipeg some months ago. We cannot believe, however, until we have further evidence to the contrary that organized labor in Montreal is likely to be so rash as to precipitate a conflict of this description. But if organized labor is foolish enough to try methods of this kind, the sooner they try them the better, in spite of the obvious hardships under which the forces of law and order would be here in comparison with Winnipeg.

If there is one point in connection with recent events in which citizens are at the back of the Administrative Commission, it is in the latter's refusal to treat the strikers otherwise than as those who have voluntarily given up their jobs. This is the only method by which to bring to their senses, men who are so obsessed by their own greediness and selfishness as to attempt to attain their own ends through the despicable expedient of cutting off the water supply. Moreover, the revelations which are now being made of the condition in which the pumping plant has been found apart from the apparent last minute effort to make things as bad as possible do not induce much confidence to the manner in which these men were performing their duties all along. It is noted that in the United States the labor leaders have just called off a steel strike—a save their faces action which does not camouflage the fact that this strike was an absolute failure. The steel plants were incommoded to some extent at first, but there has been no general stoppage of production, and the firm attitude taken by Judge Gary, of the U. S. Steel Corporation, from the outset, in refusing to treat the strikers as anything else but employees, who had left their jobs, has been thoroughly vindicated, and we should say has had a very salutary effect. Those who glibly talk of a general strike in Montreal, will perhaps do well to reflect on the result of the steel strike before committing themselves.

**TRAFFIC RETURNS**

Canadian Pacific Railway				
Year to date	1917	1918	1919	Increase
No. 30	\$136,010,000	\$138,420,000	\$156,390,000	\$17,970,000
Week ending	1917	1918	1919	Increase
Dec. 7	3,289,000	3,480,000	3,797,000	317,000
Dec. 14	2,968,000	3,780,000	3,935,000	155,000
Dec. 21	.....	3,731,000	3,715,000	Dec. 16,000
Dec. 31	.....	4,613,000	5,403,000	790,000
Grand Trunk Railway				
Year to date	1917	1918	1919	Increase
Nov. 30	\$53,960,414	\$53,272,039	\$61,546,136	\$8,274,096
Week ending	1917	1918	1919	Increase
Dec. 7	831,442	.....	.....	.....
Canadian National Railways				
Year to date	1917	1918	1919	Increase
Nov. 30	\$.....	\$72,809,715	\$82,698,389	\$9,888,674
Week ending	1917	1918	1919	Increase
Dec. 7	\$.....	1,714,173	2,070,372	356,199
Dec. 14	\$.....	1,800,962	1,918,932	118,030
Dec. 21	.....	2,095,401	2,002,317	Dec. 91,084
Dec. 31	.....	2,679,493	2,836,861	157,368

# THE ROYAL BANK OF CANADA ANNUAL MEETING MARKS CLOSE OF JUBILEE YEAR

The Annual General Meeting of the Shareholders was held at the Head Office of the Bank in Montreal, on Thursday, January 8th, at 11 o'clock a.m., Sir Herbert S. Holt in the chair.

Mr. S. D. Boak acted as secretary of the meeting, and Messrs. A. Haig Sims and Alex. Pater-son as scrutineers.

The Directors' Report was read by the General Manager, Mr. C. E. Neill.

## DIRECTOR'S REPORT.

The Directors have pleasure in submitting to the shareholders the Fiftieth Annual Report, for the year ending November 29, 1919, accompanied by the Statement of Assets and Liabilities.

## PROFIT AND LOSS ACCOUNT.

Balance of Profit and Loss Account, November 30, 1918 .. \$	535,757.19	
Profits for the year, after deducting Charges of Management and all other Expenses, Accrued Interest on Deposits, full Provision for all bad and doubtful debts and rebate of Interest on unmatured bills .. . . . . .	3,423,264.34	\$3,959,021.53
Appropriated as follows:		
Dividends Nos. 126, 127, 128 and 129, at 12 per cent. per annum .. . . . . .	\$1,866,196.50	
Fiftieth Anniversary Bonus of 2 per cent. to shareholders .. . . . . .	340,000.00	
Transferred to Officers' Pension Fund .. . . . . .	100,000.00	
Written Off Bank Premises Account .. . . . . .	400,000.00	
War Tax on Bank Note Circulation .. . . . . .	156,406.29	
Balance of Profit and Loss carried forward .. . . . . .	1,096,418.74	\$3,959,021.53

The assets of the bank have been, as usual, carefully revalued, in order to make ample provision for any items that might be considered bad or doubtful.

In June last our French auxiliary, The Royal Bank of Canada (France), owned and controlled by this bank, was formed, and an office opened at 28 Rue du Quatre-Septembre, Paris.

A close working arrangement was effected during the year with the London County Westminster & Parr's Bank, Limited, who purchased 10,000 shares of the stock of this bank as a permanent investment.

The Head Office and all the branches of the bank have been inspected as usual during the year.

The Directors record with deep regret the death on January 29th last, of Mr. E. F. B. Johnston, K.C., of the City of Toronto, 2nd Vice-President of the bank; and the death on May 1st last of Mr. Wm. Robertson of the City of Halifax, a Director. The vacancies were filled by the appointment of Messrs. Robert Adair, of Montreal, and T. Sherman Rogers, K.C., of Halifax.

Your Directors desire to express their appreciation of the efficient manner in which the officers of the bank continue to perform their respective duties.

All of which is respectfully submitted,

H. S. HOLT, President.

E. L. PEASE, Vice-President.

## THE GENERAL MANAGER.

The General Manager, Mr. C. E. Neill, then referred to the Annual Statement, as follows:

The figures of the Balance Sheet submitted to you today record the greatest growth of any year since the bank was incorporated.

The total assets are \$533,647,084.93, an increase of over \$106,000,000 over the previous year, and it is of interest to know that no portion of this increase is due to the absorption of banks, as has been the case in some previous years.

Our deposits are \$419,121,399.37, the growth for the year being approximately \$87,000,000.

During the month of November there were large withdrawals from the Savings Department for investment in the last Dominion Government loan, but a substantial portion of this amount remained temporarily over the end of our year at the credit of the Government.

Our circulation is slightly higher than last year.

Current loans have increased \$50,109,910.69, but it is satisfactory to note that the percentage to total assets is only 43.75 per cent.

The liquid position of the bank has been well maintained, the percentage of liquid assets to liabilities to the public being 55.03 per cent.

Further investments in Dominion and Provincial Government securities to the extent of nearly \$9,000,000 have been made during the year.

The capital stock of the bank has been increased \$3,000,000 since our last Annual Statement, through the sale of 20,000 new shares at \$150 per share to our shareholders, and 10,000 shares at \$200 per share to the London County, Westminster & Parr's Bank.

The Reserve Fund now stands at \$17,000,000, as compared with \$15,000,000 last year.

Our additional resources have enabled us to show a substantial increase in earnings. Net profits for the year were \$3,423,264.34, being 10.81 per cent. on the average combined capital and reserve, as compared with \$2,809,846.24, being 10.19 per cent. on capital and reserve the previous year.

The regular dividends of 12 per cent., with an additional bonus of 2 per cent. were paid during the year, and a balance of \$1,096,418.74 is carried forward in Profit and Loss Account.

I desire to take this opportunity of commending the staff of the bank. I think I am safe in saying that from the highest executive officers to the newest junior, there is the strongest possible feeling of loyalty to the institution, and this is undoubtedly a great factor in our development.

#### PRESIDENT'S ADDRESS.

In moving the adoption of the Directors' Report, Sir Herbert S. Holt, President, said:

The statement to-day presented is the most satisfactory in our history and fittingly marks our Jubilee. In the fifty years since our incorporation we have grown from a local bank to an international institution with a steadily rising place among the great banks of the world. Our paid-up capital has increased from \$300,000 to \$17,000,000, our reserves from \$20,000 to \$18,000,000, and our assets from less than a million to over half a billion dollars.

Most of this phenomenal progress has been made in recent years, but tribute is due to the prudence and wide vision of those early administrators who laid so solidly and broadly the foundation upon which we have built. In all periods of grave depression we have never failed to pay a dividend and only once, and that 34 years ago, have we drawn on our reserve. Throughout our career, advantage has been taken of every favorable opportunity both at home and abroad to extend our operations and to add to our resources. This expansion has proved beneficial not only to the bank, but to the Dominion. In 1870 our profits were 4 per cent. on our working resources. Now, owing to the volume of business, we are affording increased facilities on a return of less than one per cent. on total assets.

#### DOMINION HOLDS COMMANDING POSITION.

In the difficult times ahead, the Dominion holds a commanding position owing to the abundance of its natural resources which need only the touch of energy and capital. The market for pulp and paper continues to expand, and the demand for gold and silver adds to the value of our mines, and the soaring prices of coal will hasten the development of water

powers. Above all, the expected influx of settlers to the West will further agricultural production, our main source of wealth, and extend our market for home manufactures.

Industrially our position is much less favorable. Capital, which is everywhere in demand, is not likely to be attracted to new enterprises, with their attendant risks, so long as it is called upon to bear all the loss in case of failure, and to share its profits with the Government in the event of success. The labor unrest, now almost universal, also acts as a brake upon industrial activity. No employer can profit from dissatisfied labor, and no employee from unreasonable demands.

Europe still affords by far the largest market for our exports, and we have greatly extended our overseas facilities by entering into a close working arrangement with one of England's foremost institutions, The London County, Westminster and Parr's Bank, Ltd., whereby each will act as agent for the other in those countries where one is established and the other is not. This association has been strengthened by the British bank's purchase through our shareholders, of 10,000 new shares of stock issued at \$200 per share on the 16th of April last. The 20,000 shares issued earlier in the year at \$150 per share, as announced at our last meeting, were eagerly subscribed by our shareholders. These two new issues increased our paid-up capital by \$3,000,000 and enabled us to add \$2,000,000 to our reserve.

With continued prosperity in Canada and those countries to the south in which we have branches, our business has greatly expanded. A proportionate increase in earnings enabled us not only to declare our usual dividend of 12 per cent., but to announce a Fiftieth Anniversary Bonus of 2 per cent. on our stock. We realize that our success has been due in no small measure to the efforts of an efficient and loyal staff, keenly interested in our progress, and it is with pleasure that we have supplemented the sum granted in midsummer by a Jubilee bonus of 20 per cent. on the salaries of all employees. Between the executive and the staff there is a feeling of mutual confidence and reliance. There is no position in our service to which the ambitious may not aspire, and the extension of our branches abroad opens still wider the door of opportunity.

#### THE VICE-PRESIDENT.

In seconding the motion for the adoption of the Directors' Report, Mr. E. L. Pease, Vice-President and Managing Director, said:

It is again our good fortune to lay before you a balance sheet which I feel confident you will consider highly satisfactory.

Trade conditions throughout the Dominion continue very prosperous. There have been few fail-

ues during the year and general prosperity is indicated by the increase in savings deposits. The decrease in exports caused by the cessation of our former trade in munitions has been in part over-

come by greater sales of farm products and pulp and paper. The balance of trade remains largely in our favor, and the general position is shown in the following statistics:

	1918.	1919.	
Value of Field Crops (Dec. 31) ..	\$ 1,383,082,000	\$ 1,469,530,000	Incr. \$ 86,448,000
Bank Clearings (Dec. 31) ..	13,776,352,000	16,701,173,000	Incr. 2,924,841,000
Note Circulation (Nov. 30) ..	234,983,000	237,547,000	Incr. 2,564,000
Chartered Banks, Deposits (Nov. 30) ..	2,234,253,000	2,493,570,000	Incr. 259,317,000
Chartered Banks—Current Loans (Nov. 30) ..	1,239,718,000	1,405,229,000	Incr. 165,511,000
Exports—Merchandise (Nov. 30) 12 months ..	1,300,761,000	1,251,095,000	Decr. 49,666,000
Imports—Merchandise (Nov. 30) 12 months ..	898,212,000	920,077,000	Incr. 21,865,000
Customs Receipts (Dec. 31) 12 months ..	154,725,000	169,071,000	Incr. 14,345,000

The Western wheat crop was a disappointment, the yield being 167,000,000 bushels only. The value of the crop, however, between \$400,000,000 and \$425,000,000, was a record one on account of the high prices prevailing. By order of the Canadian Wheat Board the price of wheat was fixed at the beginning of the season at \$2.30 per bushel, and on December 27th last was advanced to \$2.80 per bushel, as against \$2.25 for the 1918 crop.

The large increase in the bank clearings indicates a material expansion in trade. The growth in deposits is remarkable considering the heavy withdrawals from the banks in connection with the November, 1918, Victory Loan, and the first instalment of the 1919 Victory Loan. Of the latter loan, which amounted to \$658,000,000, no less than 63 per cent. has already been paid.

The increase in commercial loans indicates no curtailment in this class. In fact there is keen competition for commercial accounts. The percentage of commercial loans to total deposits on November 30, 1919, was 53.85, as compared with 73.53 in November, 1914.

Munitions figured in the exports of 1919 to the extent of \$44,000,000, while they amounted to \$274,000,000 in 1918. The decrease, therefore, in exports of \$49,000,000 last year is much smaller than was anticipated.

Of the total imports, \$920,000,000, no less than \$726,000,000 came from the United States, the principal items being iron and steel products, coal, cotton and sugar. We estimate the luxuries and dispensable articles at \$88,000,000.

#### EXCHANGE SITUATION.

The problem of exchange grows in perplexity. The prevailing rates give additional value to almost all our exports, but our immense imports from the United States are penalized. The return to parity may be a long and difficult process, depending in great measure upon European conditions, and the course of American action. The only effective means of checking the advancing rate upon remittances to the United States is to

reduce to the lowest possible limit our imports from that country, remembering that the purchase of articles of luxury, or goods that can be manufactured in Canada, by increasing the adverse balance of trade, adds to the premium which we pay on iron, steel, coal, cotton, and other raw materials which are absolutely necessary for the maintenance of some of our industries. There are indications, however, that the present unfavorable position may be somewhat improved in the near future. The British Government has given notice of its intention to make a substantial payment on account of the indebtedness to the banks, and it is expected that within the next four months Canada will export to the United States a large amount of flour.

#### DEVELOPING FOREIGN TRADE.

In order to cultivate our rich business possibilities in these foreign lands and to promote reciprocal trade with Canada, we are issuing pamphlets describing their economic resources and import needs, and a Monthly Letter will be circulated reviewing general trade conditions and opportunities. Our new Department of Commercial Intelligence will further provide enquirers with any special information desired, and its scope will be limited only by the demand for its service. Through this bureau, and the financial facilities offered by the bank, we hope to stimulate the interchange of commodities between these countries of vast potential resources and the Dominion, and enable each to share in the upbuilding and prosperity of the other.

We are also co-operating in the movement in favor of closer commercial relations between the Dominion and the British possessions on this continent. These colonies form one of our natural markets, selling the things we need and buying the staples we have for export. The lowering or removal of customs barriers, and the inauguration of direct steamship communication, would result in greatly increased trade and lead to the speedy development of the agricultural, forest and mineral wealth of these colonies.

The marked feature of British banking during 1919 has been the continuance of amalgamations. At the end of 1918 there were only 34 banking institutions in England, or about one to every 1,300,000 inhabitants, as compared with 19 in Canada, or one to every 450,000. In other words, if we were on a parity with England, we should have only seven parent banks in the Dominion. The British Government realizes that we have entered upon an era of great industrial combinations and that these can only be safely financed by like consolidations of banking interests. The United States Government, which has hitherto opposed all mergers, has awakened to the needs of the times. In addition to the creation of the Federal Reserve system, it is now encouraging its great banks to establish branches abroad and, through its State Department, Consuls, Trade Commissioners and official publications, is affording them every assistance in its power.

In entering upon our second half century, we are confronted with many problems, which we are confident can be successfully met. We have a notable record behind us, and I believe a still greater one lies before us.

#### BOARD OF DIRECTORS.

The following were elected Directors for the ensuing year:

Sir Herbert S. Holt, K.B.	C. E. Neill
E. L. Pease	Sir Mortimer Davis
Jas. Redmond	G. H. Duggan
G. R. Crowe	C. C. Blackadar
D. K. Elliott	John T. Ross
Hon. W. H. Thorne	R. MacD. Paterson
Hugh Paton	W. H. McWilliams
A. J. Brown, K.C.	Capt. Wm. Robinson
W. J. Sheppard	A. McTavish Campbell
C. S. Wilcox	Robt. Adair
A. E. Dymont	T. Sherman Rogers, K.C.

At a subsequent meeting of the Directors, Sir Herbert S. Holt was unanimously re-elected President, and Mr. E. L. Pease, Vice-President and Managing Director.

#### THE PROBLEMS OF BANK MANAGEMENT.

"The great product of a banking institution is service—not service of one class or community or country, but service of all classes, in every community in every country. A moment's thought will disclose how complete, how extensive, service must be under such circumstances, and remembering that, in the final analysis, service is a matter of individual application within a bank to a multitude of transactions for individuals outside the bank, you can understand how exacting the business is of bringing an organization into co-operation with your customers.

"The fundamental thing in bank management

is so to select your administrative officers and so to establish their relations with other employees that without loss of dignity in either division of the staff, there may be created an atmosphere of mutual respect and appreciation. The moment employees are convinced that advancement depends upon ability and accomplishment, and not upon favor or influence, then and only then, has a foundation been laid for an effective and enduring institution."

#### A VAST AND VARIOUS COUNTRY

The vastness of Canada and the diversity of its different sections, and the great distances which separate them, create the most formidable of our country's national problems. Said a Canadian public man, in conversation recently on some of Canada's national problems: "There are more people in the West who know and understand the East than there are people in the East who know and understand the West—that is because many people in the West have come from the East. But however high you may place the number of such people there is still ample room left for asking how many people in the West understand Quebec. It may, indeed, well be asked how many people in Ontario understand Quebec. Without going any further into that it is no more than the plain truth to say that there are people in Eastern Canada who do not know any more of Western Canada than many of the Japanese know."

It takes about six days and six nights to travel from one ocean coast of Canada to the other. But in Great Britain a public man can make a speech in the south of England in the morning and repeat it in the capital of Scotland on the same day. The penalty of Canada's vastness is that it is difficult to create a common public opinion in Canada, to say nothing of the difficulty of concentrating it so as to make it effective at the national capital. The problem of education in national affairs is one of immense difficulty. But it is for every true Canadian to regard this problem as one of the difficulties which exist in the world only to be overcome.

The political movement in the organized farmers will prove its worth by the manner in which it tackles this problem. The goal towards which every true Canadian works is Canadian national unity. The old political partyism thrives by fostering sectionalism and pandering to prejudice and playing into the hands of special privilege. Self-interested desires and any class seeking its own advantage by means of injustices to any other class are hostile to the spirit of the New National Policy, which is based on justice and a recognition of the equal rights of all Canadians.—Grain Growers.



**LONDON & LANCASHIRE FIRE**  
INSURANCE COMPANY LIMITED

Security - - \$42,000,000

**ONTARIO AND NORTH WEST BRANCH**  
14 Richmond Street, East, TORONTO

**PROVINCE OF QUEBEC BRANCH**  
164 St. James St., Cor. St. John St., MONTREAL.



**LONDON & LANCASHIRE**  
GUARANTEE ACCIDENT

PERSONAL ACCIDENT  
SICKNESS  
FIDELITY GUARANTEE

PLATE GLASS  
AUTOMOBILE  
GENERAL LIABILITY

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

**Mount Royal Assurance Company**

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

TOTAL LOSSES PAID, \$2,692,201

Applications for Agencies Invited

HEAD OFFICE - - - - MONTREAL

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

Established in Canada in 1821

1819 **AETNA (FIRE)** 1919

HARTFORD, CONN., U. S. A.

Losses Paid over **\$175,000,000**

J. B. HUGHES, Special Agent, . . . . WATERLOO, ONTARIO  
J. R. STEWART, Special Agent, 36 Toronto Street, TORONTO, ONT.  
R. LONG, Special Agent, 515 Yorkshire Bldg., VANCOUVER, B. C.

**Union Assurance Society, Ltd.**

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

CANADA BRANCH, MONTREAL  
T. L. MORRISSEY, Resident Manager.

NORTH WEST BRANCH, WINNIPEG  
THOS. BRUCE, Branch Manager.

Agencies throughout the Dominion

**EXCELSIOR**

INSURANCE LIFE COMPANY

A Strong Canadian Company

J. J. Robichaud, Provincial Inspector.

MONTREAL TRUST BUILDING, 11 Place d'Armes, MONTREAL

**The Law Union & Rock**

INSURANCE CO. LIMITED, LONDON.      Founded in 1806

Assets Exceed - - - \$50,000,000.00

Over \$10,000,000 invested in Canada  
FIRE and ACCIDENT RISKS accepted.

Canadian Head Office: 277 Beaver Hall Hill.  
MONTREAL

Agents wanted in unrepresented towns in Canada.  
W. D. AIKEN, Superintendent,      COLIN E. SWORD  
Accident Dept.      Canadian Manager.

**SUCCESS IN SELLING LIFE INSURANCE** Depends chiefly upon how hard Salesmen work, and the excellence of their service to clients. The more you put into it the more you will get out of it. Let "Greater Service to Policyholders" be your motto for 1920, and if you want a good position with a progressive Company, apply stating experience and references, to

M. D. McPHERSON, Provincial Manager, 180 St. James Street, MONTREAL, P.Q.

**THE CONTINENTAL LIFE INSURANCE CO.**

GEORGE B. WOODS, President      TORONTO, Ont.      CHAS. H. FULLER, Secretary

## NEWARK FIRE INSURANCE COMPANY

Mr. Charles F. Frizzell was this week elected president of the Newark Fire Insurance Company of Newark, N.J., in succession to the late Mr. Edgar J. Haynes. Mr. Frizzell was previously assistant manager of the Royal Indemnity Co., New York.

The Newark is one of the Royal group of companies and is at present operating in Canada under the management of Mr. William Mackay.

By this promotion the Royal is maintaining its practice of seeking men from its own ranks to fill vacant positions of responsibility; and while casualty insurance is losing a man of parts and ability the business of fire insurance attracts back to its fold one who was among the most able and popular of its members.

Mr. Frizzell, after the announcement of his election had been given out by President Holland, of the Royal Indemnity Company, stated that it is the intention of the Royal to make the Newark Fire an independent company, as the Queen is, with its own underwriting and business policy. The company has now accumulated a good surplus and, as a subsidiary of the Royal, the financing of the Newark to any amount which may be deemed advisable can readily be taken care of.

## 1919 FIRE LOSSES

The destruction by fire of property in the United States and Canada during the year 1919, as compiled from the daily records of The Journal of Commerce, reached the total of \$269,000,775. This compares with \$317,014,385 the year previous and \$267,273,140 for the year 1917. The figures of 1919's estimated property loss by fire represent an enormous economic waste of the wealth of the country and have only been exceeded twice in history, 1918, and again in 1906, when the San Francisco conflagration raised the annual loss figures to \$459,710,000.

While last year's fire loss record is a serious one, when considered solely from the point of figures, there are some features to be considered which tend greatly to mitigate its comparative significance. The chief among these is the fact that losses last year were to a considerable extent figured on the prevailing higher valuations due to the present general inflation, estimates of property destroyed being based more nearly on actual replacement costs than during the preceding year. With this taken into account, it will be seen that the actual property destroyed in 1919, as compared with 1918, shows even a greater reduction than that expressed in the valuation figures, which show a decrease of \$48,013,610.

## OVER INSURANCE AND UNDER INSURANCE

We hear a great deal about over-insurance and the moral hazard it so often brings, but hear little of under-insurance and the feeling of dissatisfaction so often created in adjustments because of the disappointment of the policy-holder. Both are matters of education and largely in the hands of the local agent. His sense of obligation for service to his company and his customer should prompt him to prevent over-insurance and urge that the assured amply cover his property and get the necessary protection. The importance of this work to the assured is seen when we realize that in ordinary times over 40 per cent. of the property in the nation is not protected by insurance. Of course since the beginning of the war the large increase in values, far outstripping even the increased insurance coverage, makes the deficiency possibly over 60 per cent. Neglecting to urge upon his customer proper insurance is a lack of service on the part of the agent and a loss of commissions to himself as well as premiums to his company, but they are not nearly so important as the loss of protection to the policy-holder. If the assured is taught by his agent that insurance is not a gamble but an indemnity to give him protection, he will generally prove a good and satisfied customer.

## FIRE INSURANCE ASSOCIATION

### OF MONTREAL

#### MEETING 14th JANUARY, 1920

The weekly meeting of the Association was addressed by Mr. Geo. H. Greenfield, who took as his subject, "Fire Prevention." The lecture was illustrated by lantern slides. In the absence of the President, Mr. Jopling, Manager Commercial Union, briefly introduced Mr. Greenfield, who is well known as the Fire Prevention Engineer of the Canada Car & Foundry Co., and Canadian Steel Industries. The lecture was intensely interesting throughout and the Association is to be congratulated on having secured such an able lecturer.

The revival of interest shown in the meetings of the Association is most promising. All employees and officials of insurance companies are invited to attend, but in addition the meetings are open to all insurance brokers and their staffs. We understand a special invitation to the latter has been given through the Brokers' Association. It is by joining of forces of all interested that success is likely to be attained.

Next week the meeting will be addressed by Mr. J. D. Simpson on the subject of interest to all fire officials and brokers, "Wordings and Warranties."

# Commercial Union Assurance Company Limited

of London, England

THE LARGEST GENERAL INSURANCE COMPANY IN THE WORLD -  
as at 31st Dec., 1918.

Capital Fully Subscribed . . . . .	\$14,750,000	Total Annual Income exceeds . . . . .	\$64,000,000
Capital Paid Up . . . . .	4,425,000	Total Fire Losses Paid . . . . .	215,897,380
Life Fund, Etc. . . . .	75,578,630	Deposit with Dominion Gov't. . . . .	1,401,333
Total Funds exceed . . . . .	174,000,000		

# Palatine Insurance Company Limited

of London, England

as at 31st Dec., 1918.

Capital Fully Paid . . . . .	\$1,000,000	Total Income . . . . .	\$3,462,515
Fire Premiums 1918 . . . . .	3,305,020	Funds . . . . .	6,062,500
Interest Net . . . . .	157,495	Deposit with Dominion Gov't. . . . .	358,266

N.B.—In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Funds exceed \$174,000,000.

Applications for Agencies Solicited in Unrepresented Districts

Head Office: CANADIAN BRANCH

COMMERCIAL UNION BUILDING, 232-236 ST. JAMES STREET, MONTREAL  
W. B. JOPLING, Manager

# THE CANADA

T. H. HUDSON, Manager, Fire Department.

Policies Guaranteed by  
Commercial Union Assurance  
Company Limited

# ACCIDENT & FIRE ASSURANCE COMPANY

Head Office, - - - - - MONTREAL

H. F. RODEN, Manager, Casualty Department.

Local General Agents, (Fire)

G. U. PRICE & CO., LIMITED  
Bank of Toronto Bldg., Montreal

Head Office  
for Canada:  
TORONTO



Eagle

Star

AND

# British Dominions Insurance Company Limited

Of London, England

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

DALE & COMPANY, LIMITED  
GENERAL AGENTS

MONTREAL AND TORONTO

Assets  
Exceed  
\$30,000,000

Head Office  
for Canada  
TORONTO

The

# BRITISH CROWN



Security  
over  
\$20,000,000

# ASSURANCE CORPORATION LIMITED

Of Glasgow, Scotland

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

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

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

# THE FIRE INSURANCE COMPANY OF CANADA

MONTREAL

Authorized Capital, \$1,000,000

Subscribed Capital, \$250,000

Paid Up Capital, \$200,000

GENERAL FIRE INSURANCE BUSINESS TRANSACTED

President: Hon. R. DANDURAND

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

## THE BANK OF TORONTO'S SIXTY-FOURTH ANNUAL REPORT.

The sixty-fourth annual report of the Bank of Toronto, published on another page, may well be considered one of the most satisfactory in its long and honourable career. The total assets increased from \$100,207,997 to a substantial growth for the year of no less than \$9,077,121. Deposits amounting to \$86,712,997 indicate a growth for the year of \$7,673,723, and for the past five years the steady increase in deposits show a growth of \$41,788,017. Loans and investments totalling \$81,949,649 show an increase over the preceding year of \$5,090,415, and for the past five years a growth of \$35,109,616. The immediately available assets amount to \$49,911,625, equal to over 51% of the liabilities to the public. This total includes Dominion Notes and coin amounting to \$14,705,222. The net profits for the year are reported as \$1,011,359, equal to 20% of the paid up capital, an increase of \$166,957 over the preceding year. The amount brought forward from the previous year was \$625,623, making a total of \$1,636,983 available for distribution, appropriated as follows: Dividends of 12% (one per cent. more than in 1918) paid stockholders absorbed \$600,000. Amount reserved for Dominion Government tax on banks totalled \$100,000, officers' pension fund \$25,000, and sundry subscriptions (largely owing to war needs) amounted to \$18,000. Written of bank premises \$100,000. Amount carried forward to next year, \$793,983, an increase of \$168,360. Total reserves now amount to \$6,793,983, with a paid up capital of \$5,000,000.

The General Manager in his remarks included the following pregnant statements:

"Our Current Loans have increased \$4,968,822.53, and now amount to \$54,077,641.56.

"Only second to our desire to keep the Bank in a strong position has been our desire to give our customers the greatest assistance in carrying on their business.

The great function of a Bank in Canada is to promote the trade of the country to the fullest legitimate extent, and we believe that during these years of expansion we have been able to give our customers a good service.

"It is at such times of prosperity that we must be most careful in our scrutiny of our loans, and we need to be well assured that our assets can stand the test when reverses come, and we, therefore, think it wiser to take a view of them that can be depended upon should there be a change in conditions, and so far as is possible to prepare for unfavorable changes."

The following extracts are taken from the President's speech:

"The indebtedness of the country has now reached an amount that will prove a heavy burden for our present population. So long as the war existed and such tremendous issues were at stake no sacrifice was too great to be taken in supporting the Government in their defence of the Empire, but the time has come when the best energies of the administration must be directed towards reducing expenditure in every direction. No new indebtedness should be incurred excepting such as will have the direct effect of increasing production, or for such enterprises as will return sufficient revenue to fully justify the expenditure. Every new demand upon the Treasury should be tested by these requirements, and every effort should be made to lessen in every way the country's expenditures.

"Upon the amount of our production depends the amount and value of our exports, and to the increase of our exports we must look for the means whereby we can comfortably carry the burden of interest on our national debt. There is no country that can look forward with greater hope and confidence than Canada. We have immense potential resources, and the development of them is certain to take place. It may take time; perhaps it is better that we should grow steadily rather than rapidly, but our future is certain to be a bright one."

### STOP BURNING UP HOMES.

The housing problem is one of the great issues of the day. All unnecessary construction was forbidden during the war and now that the restrictions have been withdrawn the high prices of materials and labor and industrial troubles have tended to reduce the amount of building. In many industrial centres newcomers are unable to get houses to live in, rents have gone up and the situation has become so serious that state and municipal commissions are seeking a solution.

Why not stop burning up the existing buildings, if there are not enough to go around and more cannot be built under existing conditions? Thousands of homes are burned each month, most of them through carelessness. If housing is so important, if homes are so hard to find, why not be careful with those that we have? Apply fire prevention methods. Be careful about matches, smoking, lighting and heating apparatus and gasoline. Clear out the rubbish, inspect the flues, watch the shingle roofs. Conservation is the order of the day, and if the shortage of dwellings will cause householders to be careful about the fire hazards of their homes one criminal cause of that shortage will be greatly reduced.

# THE BANK OF TORONTO

## REPORT OF THE SIXTY-FOURTH ANNUAL GENERAL MEETING

The Sixty-fourth Annual General Meeting of the stockholders of the Bank of Toronto was held at the Head Office in Toronto, on Wednesday, 14th January, 1920.

On motion the Chair was taken by the President, Mr. W. G. Gooderham, the Assistant General Manager, Mr. John R. Lamb, was requested to act as Secretary, and Messrs. A. E. Duncanson and C. H. Taylor were appointed Scrutineers.

The Secretary read the Annual Report as follows:

The Directors of The Bank of Toronto beg to present their Report for the year ending 29th November, 1919, accompanied by the Statement of the Bank's affairs and the results of the operations for the year.

### PROFIT AND LOSS ACCOUNT.

The Balance at credit of Profit and Loss, on November 30th, 1918 .....	\$625,623.94
The Net Profits for the year, after making full provision for all bad and doubtful debts, and deducting expenses, interest accrued on deposits and rebate on current discounts, amounted to the sum of .....	1,011,359.09
	<u>\$1,636,983.03</u>

This sum has been appropriated as follows:—

Dividends Nos. 150 to 153 at Twelve per cent. per annum .....	600,000.00
Reserved for Federal Tax .....	\$100,000.00
Transferred to Officers' Pension Fund .....	25,000.00
Y.M.C.A., Navy League and other subscriptions .....	18,000.00
Written off Bank Premises .....	100,000.00
	<u>243,000.00</u>
Carried forward to next year .....	793,983.03
	<u>\$1,636,983.03</u>

The business of the Company has again been of a satisfactory character; all our products have been in demand, the volume of exports has been large, domestic trade has been good, and the results have been encouraging.

The Bank has had another year of advance, and all departments of its business show increases.

The Head Office and Branches have been regularly inspected by the Inspection Staff, and at the Head Office the usual inspection of cash and securities has been made.

Mr. G. T. Clarkson, C.A., the Auditor appointed by the shareholders of the Bank, has made his usual thorough examination, and his report is appended to the General Statement presented herewith.

His name will be submitted for reappointment.

During the year thirty-two new Branches were opened, making one hundred and fifty-six Branches of the Bank now in operation.

All of which is respectfully submitted.

W. G. GOODERHAM,

President.

### GENERAL STATEMENT

29th NOVEMBER, 1919.

#### LIABILITIES.

Notes in circulation .....		\$8,003,980.00
Deposits bearing interest, including interest accrued to date of statement .....	\$53,614,588.73	
Deposits not bearing interest .....	33,098,408.47	
		<u>86,712,997.20</u>
Balances due to other Banks in Canada .....	249,008.30	
Balances due to Banks and banking correspondents in the United Kingdom and Foreign Countries .....	694,587.33	943,595.63
Quarterly Dividend, payable 1st December, 1919 .....	150,000.00	
Dividends unpaid .....	807.75	150,807.75
		<u>1,679,754.94</u>
Acceptances under Letters of Credit .....		\$97,491,135.52
Capital paid up .....	\$5,000,000.00	
Rest .....	6,000,000.00	
Balance of Profit and Loss Account carried forward .....	793,983.03	
		<u>11,793,983.03</u>
		<u>\$109,285,118.55</u>

ASSETS

Gold and Silver coin current . . . . .	\$ 955,732.82	
Dominion Notes held . . . . .	10,249,490.00	
Deposits in the central gold reserves . . . . .	3,500,000.00	
		\$14,705,222.82
Deposit with the Minister for the purposes of the Circulation Fund . . . . .		247,412.28
Notes of other Banks . . . . .		827,355.00
Cheques on other Banks . . . . .		5,703,607.23
Balances due by Banks and banking correspondents elsewhere than in Canada . . . . .		1,457,020.17
Dominion and Provincial Government Securities, not exceeding market value . . . . .		12,874,811.10
Canadian Municipal Securities and British, foreign, and colonial public Securities other than Canadian . . . . .		9,835,862.12
Railway and other Bonds, Debentures and Stocks, not exceeding market value . . . . .		723,792.52
Call and Short (not exceeding thirty days) Loans in Canada, on Bonds, Debentures, and Stocks . . . . .		3,536,542.66
		\$49,911,625.90
Other Current Loans and Discounts in Canada (less rebate of interest, \$236,970.00)	53,888,701.18	
Overdue Debts (estimated loss provided for) . . . . .	188,940.38	
		54,077,641.56
Liabilities of Customers under Letters of Credit, as per contra . . . . .		1,679,754.94
Bank Premises, at not more than cost, less amounts written off . . . . .		3,616,096.15
		\$109,285,118.55

W. G. GOODERHAM,  
President.  
Toronto, 29th. November, 1919.

THOS. F. HOW,  
General Manager.

AUDITOR'S REPORT TO THE SHAREHOLDERS.

To the Shareholders of The Bank of Toronto :

I have compared the above Balance Sheet with the books and accounts at the chief office of The Bank of Toronto, and certified returns received from its branches, and after checking the cash and verifying the securities at the chief office and certain of the principal branches on November 29th, 1919, I certify that in my opinion such Balance Sheet exhibits a true and correct view of the state of the Bank's affairs according to the best of my information, the explanations given to me, and as shown by the books of the Bank.

In addition to the examination mentioned, the cash and securities at the chief office and certain of the principal branches were checked and verified by me during the year, and found to be in accord with the books of the Bank.

All information and explanations required have been given to me, and all transactions of the Bank which have come under my notice have, in my opinion, been within the powers of the Bank.

G. T. CLARKSON,  
Chartered Accountant.

Toronto, December 22nd, 1919.

The meeting was then addressed by the President, Vice-President and General Manager.

The Report of the Directors and accompanying Statement were adopted, resolutions were passed confirming the Y.M.C.A., Navy League and other subscriptions, and expressing the thanks of the Stockholders to the President, Vice-President and other Directors, and to the General Manager and Staff, for their services during the past year. Mr. G. T. Clarkson was reappointed Auditor and the following Directors were elected: W. G. Gooderham, William Stone, John Macdonald, Lt.-Col. A. E. Gooderham, Joseph Henderson, Brig.-Gen. F. S. Meighen, J. L. Englehart, William I. Gear, Paul J. Myler, A. H. Campbell, W. R. Bawlf and John I. McFarland.

At a subsequent meeting of the Board Mr. W. G. Gooderham was re-elected President, and Mr. Joseph Henderson Vice-President.

THE STAR SALESMAN.

If I were asked to define salesmanship I should say that "It is simply making the other fellow feel as you do about what you have to sell." That is about all there is to it. You go into a man's office with something to sell. You feel that this man ought to possess, through purchase from you, this thing that you have to sell. But the man you have called to see, who sits with an air of cool defiance behind the breastworks of his desk, is in a directly opposite state of mind. He feels that he ought not to possess, through purchase from you, the thing

you have to sell. Now the only possible way you can make the sale is to make that man's mind come around into agreement with your mind. It is not even a case where you can meet your opponent half way; you cannot make even a small compromise and still make a sale. You have got to sell him completely or you don't sell him at all; you must pull him full 180 degrees around the circle.

When you have made him feel just as sincerely as you feel yourself that he should buy what you have to sell, then he will buy. — Collier's.



# THE EMPLOYER'S

Liability Assurance Corporation, Limited  
of London England

*Transacts*  
**AUTOMOBILE INSURANCE**, covering ACCIDENT, PROPERTY DAMAGE, COLLISION,  
FIRE, THEFT and TRANSPORTATION  
**PERSONAL LIABILITY, HEALTH LIABILITY, PASSENGER and FREIGHT, ELEVATOR,  
FIDELITY GUARANTEE, CONTRACT BONDS, BURGLARY, MAIL, BOILER,  
PLATE GLASS, EXPLOSION and FIRE INSURANCE.**

OFFICES:  
**Temple Building, Toronto. Lewis Building Montreal**

**Charles W. I. Woodland,**  
General Manager for Canada and Newfoundland

**John Jenkins,**  
Fire Manager

Applications for Agencies Invited

Canadian  
Government  
Deposit  
**\$1,622,000.00**

### Stands First

in the  
liberality of its  
Policy contracts,  
in financial strength  
and in the  
liberality of its loss  
settlement.



### TRANSACTS:

**Personal Accident      Automobile**  
**Sickness                      Burglary**  
**Liability [All Kinds]**      **Postal**  
**Fidelity Guarantees.      Plate Glass.**

302 St. James Street, MONTREAL

ROBERT WELCH, General Manager

Applications for direct Agencies Invited.

## The Ocean Accident & Guarantee Corporation Limited

### 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 BLDG,  
MONTREAL**

**JOHN W. WETMORE,**  
Superintendent.

**W. T. PERRY,**  
Manager for Canada

**Canadian Head Office: Ocean Insurance Building, TORONTO**

## The Dominion of Canada Guarantee & Accident Ins. Co.

**The Oldest and  
Strongest Canadian  
Casualty Company**

**ACCIDENT  
BURGLARY  
GUARANTEE BONDS**

### TRANSACTS:

**SICKNESS                      PLATE GLASS  
AUTOMOBILE INSURANCE  
FIRE INSURANCE**

**R. ROBERTS, Manager**  
704, LEWIS BUILDING, MONTREAL

**C. A. WITHERS, General Manager**  
TORONTO

Branches: WINNIPEG      CALGARY      VANCOUVER

**CANADIAN FIRE RECORD**

**Fire at Halifax**—On the 11th instant, the warehouse of the Richmond Paper Co., owned by Orr Bros., on Hallis street, was destroyed by fire. Defective wiring is said to be the cause of fire. Loss about \$150,000, with about \$100,000 insurance.

**Fire at North Sydney, N.S.**—On the 10th instant a fire destroyed the Rudderham Block, on the harbour side, believed to have been of incendiary origin. Loss about \$30,000. Only one building was insured.

**Fire at Abbey, Sask.**—On the 5th instant, four buildings were totally destroyed by fire, entailing a loss of about \$35,000, covered by insurance.

**Fire at Toronto**—On the 9th instant, a fire broke out in Creighton's garage, 1244 Dundas street west. Loss on garage about \$10,000. At the time there were about 150 cars in the garage, all more or less damaged. Loss about \$75,000. The paint shop of George Howden, in front of the garage, was totally destroyed, together with contents. Insured for \$20,000.

**Fire at Montreal**—On the 7th instant a fire occurred in the Imperial Oil plant, caused by an explosion. The plant is situated in Montreal East. Loss about \$10,000.

**Fire at St. John, N.B.**—By the fire which occurred on December 30th in the building owned by Mr. E. Roger Owen, the following companies are interested, on building: Commercial Union, \$5,500; Union, \$3,500; Fidelity-Phoenix, \$3,000; Royal, \$2,500. Total, \$14,500; loss total. J. Marcus—stock of furniture—London Guarantee, \$5,500; Law Union & Rock, \$3,000; Newark, \$3,000; Royal, \$2,500; Hudson Bay, \$2,000; Hartford, \$2,000; Aetna, \$2,000; Northern, \$2,000; total, \$22,000. Loss total on stock of John Coffey, electrician, Guardian, \$500; National of Paris, \$500; total, \$1,000; loss \$847 on stock of American Cloak Co., Hartford, \$1,250; British Crown, \$1,250; loss total, on stock of J. Perchanok, women's garments, Hartford, \$1,500; London & Lan., \$1,500; Queen, \$1,500; Brit. Traders, \$1,500; total, \$6,000; loss \$660 on stock of Jacobson Bros., furniture, Hartford, \$2,000; Brittanica Uud., \$2,000; Queen, \$1,500; Canada Accident, \$1,000; British Empire, \$1,500; total, \$8,000; loss, \$1,179.

**Fire at Moncton, N.B.**—By the fire which occurred on the premises of the Record Foundry & Machine Co., Limited, on the 5th inst. The total amount of insurance carried was \$149,500. The loss reported amounted to \$45,635. The following companies were interested: Union, \$15,-

000; Hartford, \$10,000; Northern, \$2,500; British Dominions, \$3,000; Phoenix of London, \$1,500; Acadia, \$1,500. Balance of insurance not available as we go to press.

**Fire at Montreal**—On the 8th inst. a fire destroyed the garage, 789-791 Berri street, owned by the Cyclops Construction Co. The following companies were interested on building and equipment: Mount Royal, \$5,000; British Dominions, \$5,000; Northern, \$5,000; Sun, \$5,000; Union of Canton, \$2,500; British Crown, \$2,500; Queensland, \$5,000; N. Y. Uud., \$7,500; Nat. of Hartford, \$7,500; Union of Paris, \$8,000; Brit. Colonial, \$10,000; North Brit. & Mer., \$17,500; Royal, \$10,000; London Mutual, \$2,500; Royal Exchange, \$15,000; Union of London, \$14,000; total, \$122,000. loss total. In addition to the above, we understand some 55 cars were destroyed, involving a loss of approximately \$100,000. About 25 cars were saved.

**METHODIST FIRE INSURANCE DEPT. INAUGURATED**

A Methodist Fire Insurance Department, with an Ontario Government agency license, has been started in Toronto. This is the first step toward a Methodist Church fire insurance company, according to Rev. S. W. Dean, financial secretary for the Methodist general conference in Canada. The Methodist insurance scheme is fathered by Rev. Dr. S. D. Chown, general superintendent of the Methodist Church in Canada, who is said to look forward to a \$30,000,000 Methodist Church Fire Insurance Company in the not distant future.

The ultimate aim is a Federated Fire Insurance Company of all the Protestant churches in the Dominion, with insurable church property of an approximate value of \$100,000,000.

**CANADIAN LIFE INSURANCE IN 1919.**

Mr. G. Cecil Moore, Assistant General Manager of the Imperial Life, is responsible for the published statement that when the final returns of the life companies are available, it will be found that an amount of new life insurance of not less than \$560,000,000 was written in Canada during the past year, as compared with 1918, when the amount of new business issued amounted to \$313,251,556. How far Mr. Moore's estimates in this respect are likely to prove correct remains to be seen. While there is no doubt that the volume of business written in 1919 will show a very substantial increase over the previous year, Mr. Moore's figures representing new insurance of practically \$70 for each one of the population of the Dominion, seems a high percentage.

**THE CENTURY INSURANCE CO. LIMITED**

of Edinburgh Scotland  
ESTABLISHED 1865

**Assets**

**\$11,000,000.00**

Allied Companies

**Over \$30,000,000.00**

Canadian Head Office - VANCOUVER, B.C.

**GEO. W. PACAUD,**

*General Agent for Quebec*

80 St. Francois Xavier Street  
MONTREAL

"The Oldest Scottish Fire Office"

**The Caledonian Insurance Co. of Edinburgh**  
Founded 1805.

*Head Office for Canada,  
Dominion Express Building  
Montreal*

**JOHN G. BOSTWICK,**  
Canadian Manager.

**THE MOTOR UNION INSURANCE COMPANY LIMITED**

(INCORPORATED IN ENGLAND)



**THE BEST IN AUTOMOBILE INSURANCE**

□ □ □

**BECAUSE** attractive premiums are quoted for first class risks.

The protection against "Claims by the Public" is up to \$20,000.

Bonuses are allowed for no claims.

Policies are simple and straightforward.

**AGENTS** will like our concise "at a glance" rating system.

**WRITE TO CHIEF OFFICE FOR CANADA**

59 Yonge Street - - Toronto

Assets exceed \$10,000,000  
Premium income exceeds \$8,500,000

**NIAGARA FIRE INSURANCE COMPANY**

HEAD OFFICE, NEW YORK

INCORPORATED 1850

Cash Capital  
**\$1,000,000.00**

Net Surplus 31st Dec., 1918  
**\$3,117,106.53**

CANADIAN DEPARTMENT  
W. E. FINDLAY, Manager

22 ST. JOHN STREET, MONTREAL  
AGENTS REQUIRED

**SCOTTISH METROPOLITAN ASSURANCE COMPANY LIMITED,**  
Of Edinburgh, Scotland

Owned and Operated by the London & Scottish Assurance Corporation, Limited

**ACCIDENT AND SICKNESS**  
Most Liberal and Up-to-date Policies  
**GUARANTEE BONDS**  
**ELEVATOR AND GENERAL LIABILITY**



**TOTAL SECURITY TO POLICYHOLDERS OVER \$25,000,000**

**AUTOMOBILE LIABILITY AND FIRE**  
Individual or Combined Policies

**EMPLOYERS LIABILITY**  
**PUBLIC AND TEAMS LIABILITY**

HEAD OFFICE FOR CANADA - - 164 ST. JAMES STREET, MONTREAL  
APPLICATIONS FOR AGENCIES INVITED

## THE UNION BANK REPORT

The Union Bank of Canada occupies a unique position among the larger banking institutions of the Dominion by reason of the location of its head office west of the Great Lakes. The step taken a few years ago of the removal of its headquarters from the Ancient City of Quebec, where the Bank had its original home, was the logical result of an enterprising policy, which has given the institution probably a wider network of interests in the Canadian prairie provinces than any other bank. The policy of paying attention to the needs of the prairie west, when it was still the day of small things in that part of the Dominion has been justified by results, and that the Union Bank is still cultivating this field, which it has made particularly its own, with diligence and energy, is seen in the fact that during the past year no fewer than 67 new branches have been opened in the three prairie provinces. Within the last year or two also, the Bank has launched out into the foreign field in collaboration with a prominent New York institution, and agencies of a subsidiary bank have been opened up in France, in China and Japan, and on the Pacific Coast of the United States. The development of Canadian trade with those centres will doubtless, in course of time, bring a large amount of business to the parent institution.

As a result of the Bank's increased activities, the paid-up capital has been increased during the year just closed by \$3,000,000 to \$8,000,000; the reserve fund being concurrently enlarged to \$5,600,000, which, if not so large, proportionately, as that of some of the other Canadian banks, is yet in a proportion of 70 per cent. to paid-up capital. Doubtless, in due course, this rest will be increased out of profits to a parity with the paid-up capital. The annual financial statement, which is published in full on another page, shows some interesting figures. The prosperous condition of the Western farmer is indicated by an increase of over \$15,000,000 in notice bearing deposits, a growth which suggests a very marked improvement in the liquid resources of that part of the Dominion, where the Union Bank most strongly entrenched. Concurrently, current loans, including grain loans, which doubtless form a very important proportion of the Bank's business, increased by \$12,500,000, in connection with which increase the rise in values of foodstuffs and other staple commodities needs to be borne in mind. Profits were satisfactory, being equal to 9.70 per cent. on the capital and reserve, and altogether the year 1919 appears to have been for the Bank a period of steady and continuous progress.

In connection with internal organization, one step adopted by this Bank is of interest, and ap-

pears worthy of emulation by other banking institutions, that of holding a series of conferences at various points where high officials of the Bank meet the rank and file of managers, and discuss their problems. Conferences of this kind should have a distinctly good effect in bettering a bank's service to the public. The country bank manager, separated by long distances from his head office, is only too apt to begin to feel isolated, and this method of bringing him into touch with his head office officials and his fellow-managers, should be of considerable value in stimulating his loyalty, which after all, is only in question in very rare instances, his capacity and his ambition.

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## RECONSTRUCTION PERIOD.

Insurance underwriters are doing a lot of figuring now-a-days in regard to the problems of the reconstruction period. It is realized that there will be a great depreciation in many localities, owing to the cessation of war activities and this fact will necessitate a good deal of readjustment in values and a close scrutiny of the moral hazard. It is to be hoped that time will remedy this condition to a considerable extent, that plants built and equipped for war manufacturing will be adjusted for peace purposes after a while and the values of surrounding property enhanced thereby, but the preliminary slump cannot be avoided, and buildings erected under the pressure of necessity, at war time prices, will hardly be likely to return to their original value.

On the other hand, a vast amount of construction, which has been held up because of the war, will now be hurried to a conclusion, and much new business will require the expert attention of the agents.

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## NATIONAL LIFE ASSURANCE COMPANY.

The National Life Assurance Company of Canada takes pleasure in announcing the appointment of Mr. Robert G. Macpherson, formerly representative of Vancouver in the House of Commons and late Post Master, as Provincial Manager for the Province of British Columbia with headquarters at 211-13 Rogers Bldg., Vancouver. The National Life is a Company well and favorably known throughout the Dominion and under Mr. Macpherson's able and aggressive management, with the assistance of Mr. H. Nowell, former cashier at Vancouver, there is no doubt but that the Company will continue to show still greater progress and prosperity. The year 1919 was the most outstanding in twenty-one years.

# "The Oldest Life Company in America"

*Issued its First Policy in 1848*

Three leadership achievements of the Mutual Life:—The American Experience Table of Mortality, the cornerstone of modern life insurance. The "contribution plan" of surplus distribution, used almost universally by American companies. The Continuous Instalment policy, the basic form of all Life Income contracts.

"Mutual Life"—known in every household. Unexcelled policies and service, notable financial strength, co-operation with agencies. Life Insurance at its best!—the Agent's desire and ideal.

For terms to producing Agents address

## The Mutual Life Insurance Company OF NEW YORK

84 Nassau Street, New York City

## THE London Assurance CORPORATION OF ENGLAND.

INCORPORATED BY ROYAL CHARTER A. D. 1700

CAPITAL PAID UP - - - - - \$ 2,741,975  
TOTAL ASSETS EXCEED - - - - - 42,500,000

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

# Fidelity Insurance

**Manufacturers—Contractors—Merchants**  
The Workmen's Compensation Act imposes upon you serious obligations respecting your liability for injuries or death suffered by your employees by reason of or in course of their work.

The Provident Assurance Company issues, at reasonable cost, an Employers' Liability Policy that provides complete indemnity against all liability imposed by law upon the assured for injuries to his employees, including all legal expenses.

**The Provident Assurance Company**  
189 St. James Street, Montreal. Tel. Main 1626-7.  
J. C. Gagne, Managing Director.

# ATLAS ASSURANCE COMPANY LIMITED

Founded in the Reign of George III

Subscribed Capital - - - \$ 11,000,000  
Capital Paid Up - - - - - 1,370,000  
Additional Funds - - - - - 25,108,205

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

Head Office for Canada:

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

Established 1886

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

Capital Paid Up \$1,750,000 Assets \$4,015,811

Agents Wanted in Unrepresented Districts.

Managers for Canada:

Montreal Agencies Limited, Montreal



Assets: \$30,389,461.55

Surplus: \$8,824,000.31

Canadian Head Office:

MONTREAL.

J. W. BINNIE, Manager

## L'UNION

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

Capital fully subscribed. . . \$2,000,000.00  
25 p.c. paid-up

Fire and General Reserve Funds 6,792,000.00  
Available Balance from Profit

and Loss Account. . . . . 118,405.00

Net Premiums in 1918. . . . . 7,105,053.00

Total Losses paid to 31 Dec.,

1918. . . . . 108,718,000.00

Canadian Branch:

LEWIS BUILDING, 17 St. John St., Montreal

Manager for Canada: MAURICE FERRAND

# UNION BANK OF CANADA

55th ANNUAL STATEMENT, 29th November, 1919

## PROFIT AND LOSS ACCOUNT.

Balance at credit of account, 30th November, 1918 .....	\$	126,298.90
Net profits, for the year, after deducting expenses of management, interest due depositors, re- serving for interest and exchange, and making provision for bad and doubtful debts, and for rebate on bills under discount, have amounted to .....		932,256.80
Premium on new stock .....		1,781,170.00
	\$	2,839,725.70
Which has been applied as follows:—		
Dividend No. 128, 2½ per cent., paid 1st March, 1919 .....		125,617.45
Dividend No. 129, 2½ per cent., paid 2nd June, 1919 .....		132,770.03
Dividend No. 130, 2½ per cent., paid 2nd September, 1919 .....		142,143.62
Dividend No. 131, 2½ per cent., payable 1st December, 1919 .....		167,799.32
Transferred to Rest Account .....		2,000,000.00
From Premium on new stock .....	\$1,781,170	
From Current Profits .....	218,830	
Contribution to Officers' Pension Fund .....		10,000.00
Contribution to General Hospital, Winnipeg .....		5,000.00
War Tax on Bank Note Circulation to 29th November, 1919 .....		58,172.41
Balance of Profits carried forward .....		198,222.87
	\$	2,839,725.70

## General Statement of Liabilities and Assets as on 29th November, 1919

ASSETS.	
Gold and Silver Coin .. \$	953,902.93
Dominion Government Notes .....	13,724,823.00
	\$ 14,678,725.93
Deposit with the Minister of Finance for the purpose of the Circulation Fund .....	260,000.00
Deposit in the Central Gold Reserves .....	5,500,000.00
Notes of other Banks .....	1,576,481.06
Cheques on other Banks .....	7,509,201.41
Balances due by other Banks in Can- ada .....	102,287.30
Balances due by Banks and Banking Correspondents elsewhere than in Canada .....	3,569,800.66
Dominion and Provincial Government Securities not exceeding market value .....	13,048,913.69
Canadian, Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian .....	15,818,016.79
Railway and other Bonds, Debentures and Stocks, not exceeding market value .....	2,602,740.30
Call and Short (not exceeding 30 days) Loans in Canada, on Bonds, Deben- tures and Stocks .....	3,439,410.79
Call and Short (not exceeding 30 days) Loans elsewhere than in Canada .....	7,956,854.74
	\$76,062,432.61
Other Current Loans and Discounts in Canada (less rebate of interest) .....	86,529,156.17
Other Current Loans and Discounts elsewhere than in Canada (less re- bate of interest) .....	3,672,372.29
Real Estate other than Bank Premises Mortgages on Real Estate sold by the Bank .....	268,476.29
Overdue Debts, estimated loss provid- ed for .....	150,645.10
Bank Premises, at not more than cost, less amounts written off .....	248,532.51
Bank Premises, at not more than cost, less amounts written off .....	532,740.61
Liabilities of customers under Letters of Credit as per contra .....	7,186,940.91
Other Assets not included in the fore- going .....	337,760.98
	\$174,989,057.47

LIABILITIES	
Capital Stock .....	\$ 7,968,150.00
Rest Account .....	\$5,600,000.00
Balance of Profit and Loss Account carried forward .....	198,222.87
	\$5,798,222.87
Unclaimed Dividends .....	10,951.73
Dividend No. 131, pay- able 1st December, 1919 .....	167,799.32
	5,976,973.92
	\$13,945,123.92
Notes of the Bank in cir- culation .....	\$12,508,819.00
Deposits not bearing in- terest .....	51,119,804.54
Deposits bearing interest .....	84,376,709.79
Balances due to other Banks in Canada .....	572,355.79
Balances due to Banks and Banking Cor- respondents elsewhere than in Canada .....	5,058,941.92
	153,636,631.04
Acceptances under Letters of Credit. Liabilities not included in the fore- going .....	7,186,940.91
	220,361.60
Report of the Auditors to the Shareholders of the Union Bank of Canada	
In accordance with the provisions of sub-sec- tions 19 and 20 of Section 56 of the Bank Act, we report to the Shareholders as follows:—	
We have audited the above Balance Sheet with the books and vouchers at Head Office and with certified returns from the Branches.	
We have obtained all the information and ex- planations that we have required, and are of the opinion that the transactions of the Bank which have come under our notice have been within the powers of the Bank.	
In addition to our verification at the 29th November, we have, during the year, checked the cash and verified the securities represen- ting the investments of the Bank at its chief office and principal branches and found them to be in agreement with the entries in the books of the Bank relating thereto.	
In our opinion, the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Bank, according to the best of our information and the explanations given to us, and as shown by the books of the Bank.	
T. HARRY WEBB, E. S. READ, Auditors of the firm of GEORGE A. TOUCHÉ & CO., with which is amalgamated WEBB, READ & CO.	
Winnipeg, 29th December, 1919.	\$174,989,057.47

JOHN GALT, President.

H. B. SHAW, General Manager.

## Prudential Trust Company

LIMITED

<p><b>Head Office</b> 100 John St., Boston</p>	<p>Trustee for Bondholders Transfer Agent &amp; Registrar Administrator Receiver Executor Liquidator Guardian Assignee Trustee Custodian Real Estate and Insurance Departments Insurance of every kind placed at lowest possible rates.</p>	<p><b>Safety Deposit</b> Vaults Terms Ex- ceptionally moderate. Correspond- ence invited</p>
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**B. HAL. BROWN, President and Gen. Manager**

First British Insurance Company Established in Canada  
A.D. 1804

## Phoenix Assurance Co. Limited

OF LONDON, ENGLAND (Founded 1782)

**FIRE LIFE MARINE**

TOTAL RESOURCES, over . . . . . \$97,000,000.00  
 CLAIMS PAID EXCEED. . . . . 500,000,000.00  
 DEPOSITS with Federal Government and  
 Investments in Canada, for security of  
 Canadian policyholders only, exceed . 2,000,000.00

AGENTS WANTED IN BOTH BRANCHES. Apply to

R. MacD. PATERSON } Joint Managers  
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100 Francois Xavier Street - MONTREAL

## The Standard Life Assurance Co.

Established 1825 Incorporated 1910  
 Accumulated Funds - - \$68,000,000  
 Over \$10,000 paid daily in claims.

### The Foundation of a Great Success

The world-famous merchant, John Wannmaker, attributes his phenomenal success to having carried life insurance on the endowment plan. This system encouraged him year by year to lay by a fixed amount of money. As means increased, additional policies were taken and as they matured the proceeds were invested in new departures in connection with the business. These endowment policies helped greatly in the accumulation of capital. Every young man should carry endowment insurance. It furnishes a motive for saving. Money that might otherwise be dissipated is accumulated—and at good interest. Many have laid the foundation of success, not so notably perhaps as that of the Philadelphia millionaire, through investing in endowment policies in the Mutual Life of Canada.

Do not spend your surplus, lay it by for  
 a sunny day by means of a  
**Mutual Life Endowment.**

## The Mutual Life Assurance Co. of Canada

WATERLOO, - - ONTARIO

## The Travellers Life Assurance

Company of Canada  
**HEAD OFFICE: MONTREAL**  
 Hon. GEO. P. GRAHAM, President

TO AGENTS.—Write to the Home Office for particulars of direct renewal contract. Valuable territory available in Quebec and Eastern Ontario.

# Western

## Assurance Company

Incorporated in 1851

**FIRE, MARINE, AUTOMOBILE, EXPLOSION,  
 RIOTS, CIVIL COMMOTIONS AND STRIKES**

ASSETS over **\$7,000,000.00**

LOSSES paid since organization  
 of Company . . . over **\$74,000,000.00**

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**HEAD OFFICE - TORONTO**

## A BRITISH COMPANY

# Union Insurance Society of Canton, Limited

ESTABLISHED 1835

**Head Office: HONGKONG** **Assets over \$24,000,000**

A combination of AGE, MAGNITUDE and EXPERIENCE

### FIRE, MARINE AND AUTOMOBILE

Head Office for Canada, 36 Toronto Street, TORONTO

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

### THE CANCER PROBLEM

At a meeting of the Faculty of Actuaries, held in Edinburgh on the 8th December, Dr. A. Sprague, President, in the chair, a paper on "The Selection of Lives" was submitted by Mr. Lewis P. Orr, F.A., F.R.S.E., General Manager of the Scottish Life Assurance Company. Mr. Orr related the advances which had been made in medico-actuarial science in this and other countries, and in regard to the study of heredity stated that it was by no means unlikely that the Actuary may be called on to help in the solution of certain vexed problems which involved the prosperity of the country, and even its position among the nations. In dealing with the many impairments which presented themselves, reference was made to heart disease, in the knowledge of which a great advance had been made, so that some conditions which not long ago would have been looked upon gravely were now recognized as having little or no adverse effect on longevity. On the other hand, the baneful effects of the most serious of venereal diseases had been abundantly proved by actuarial investigations in different countries, the most recent figures showing that among those who had undergone a long course of continuous treatment, and were regarded as thoroughly cured, the rate of mortality was 188 per cent. of the expectation; that is to say, 188 deaths occurred among such persons as compared with 100 deaths among the general body of the lives assured.

In Life Assurance it was well known that the build of the individual affected his longevity very considerably, those of heavy weight showing a heavy mortality, and in this connection he submitted a table of standard weights, made up in relation to varying ages and heights, which was the first of its kind produced in this country. Constructed

from the record of over 18,000 healthy male lives in the British Isles who had been insured between 1881 and 1915, it was found to bear a close correspondence with the table produced by an investigation based on lives assured in the companies of the United States and Canada. From what they knew of German and Austrian insurance statistics, they reached the not uninteresting conclusion that the Anglo-Saxon as represented by Great Britain, the United States and Canada, was of a considerably lighter type, for his height, than the German and the Austrian, roughly speaking to the extent of about one stone. This might possibly indicate a corresponding athletic superiority of the Anglo-Saxon, which may not have been without effect in the outcome of the war. To many in this country one of the few benefits of the war had been the result of foodrationing, which had reduced their girth and extended their prospects of longevity.

One of the most difficult of their problems was the important question of the existence of a hereditary tendency to cancer. A generation ago a firm belief in the hereditary nature of the disease was widely held, and that belief still prevailed in many quarters. Medical science, however, had not yet given its verdict, and the wise attitude to adopt was that of the open mind. The most interesting of the statistics which Life offices possessed related to a body of over eleven hundred lives, each of whom had a record of two or more cases of cancer in his own family; the death rate was found to be very favourable; and out of sixty-nine deaths there were only four resulting from cancer. In his own experience he had found that among those who had died of this disease, only four per cent. had had a record of cancer in their family history.

(Continued on page 79)

## The Other Fellow

You may drive your car with the greatest caution. You may not exceed the speed limit or dash recklessly over street crossings. But do you ever think of the OTHER FELLOW, the wild-eyed speed merchant across the road? He may cause the collision, but your car gets just as badly smashed as his—generally worse.

The **Fidelity (Fire) Underwriters** will protect your car against fire, collision, theft or property damage. Our cheque for the loss is better than the apologies of the OTHER FELLOW.

## FIDELITY (FIRE) UNDERWRITERS

OF NEW YORK.

HENRY EVANS, President.

**NOW WRITING Automobile Insurance**

**APPLICATIONS FOR AGENCIES WANTED**

**CANADIAN HEAD OFFICE: 17 ST. JOHN STREET, MONTREAL.**

**W. E. BALDWIN, Manager**



Such statistics, while not forming proof against the case for heredity, tended to confirm the belief that it was probable that further medical research would show that, if there be hereditary influence in the occurrence of cancer, that influence would be small. In this opinion he had received the full concurrence of Dr. Lazarus-Barlow, Director of the Cancer Research Laboratories in the Middlesex Hospital of London, one of the leading authorities on the subject, who also stated that, if inheritance did occur, it might possibly depend upon inheritance of chemical peculiarities in the constituents of which the body is built up, and not upon anatomical ones. Considering the dread of the inheritance of this disease which prevailed among thousands, it was no small matter that they could largely remove the shadow of fear which darkened their lives. Life assurance records also justified words of hopefulness to many whose family history was tainted by consumption, and who were pursued by the dread of falling victims to the disease; because to them—and especially to those over the age of 30—they could say that their longevity would depend very much on themselves, and that the hereditary tendency might be largely counteracted by their observance of reasonable medical and hygienic requirements. On the other hand, it was with no uncertain voice that life assurance statistics pronounced a verdict against those who strayed from the path of strict temperance, and few sermons could be more eloquent than such statistics as he had quoted of the heavy mortality which prevails among the victims of

that insidious disease, to which so much public attention had of late been drawn. Indeed, in every important question affecting the morals and well-being of the community, the Actuary had the pleasing satisfaction of finding himself on the side of the angels.

#### CANADIAN LIFE ASSOCIATION SECURES CANADIAN SECTION IN R. & R.

The Life Underwriters' Association of Canada became the official representative of the Insurance Research and Review Service, Indianapolis, for all of the Dominion, on January 1, 1920.

Under this arrangement, the Canadian Association secures for Canadian members, a Canadian supplement in the "Agents' Plans" section of the R. & R. Service.

All Canadian enrollments for all branches of the R. & R. Life Insurance Service will be handled through the office of J. H. Castle Graham, General Secretary of the Canadian Association, at the office in Manning Chambers, Toronto.

In commenting on the arrangement, the Canadian Association says:

"There is a growing tendency on the part of life insurance salesmen for a more thorough knowledge of the business, both with respect to the subject matter of life insurance and the methods of effective presentation.

"The Life Underwriters' Association of Canada takes pride in being able to furnish the means for development of these essentials by an arrangement with the Insurance Research and Review Service."

**WIDOW — THREE CHILDREN** — wants position as housekeeper; thoroughly domesticated, would go West; good home for children more essential than remuneration. Box 188, Mail and Empire.

**WOMAN, GOOD COOK AND MAN-**ager, desires home for self and child of 7; small remuneration. Box 3216 Star. G

**GENERAL HOUSEWORK — YOUNG MO-**ther, quick, capable worker will be glad to hear of a comfortable home, where she can keep her baby with her. Box 694 Free Press.

**HOUSEKEEPER, widow, desires post where** little girl allowed. Box 4675 Telegram

## The Tragedy of the "Want Columns"

These advertisements from recent issues of daily newspapers tell heart-breaking stories. Called by death in the worktime of life—uninsured—the husbands of these women left widows to work or starve.

Don't let your wife come to this. Provide for her while you have the chance by means of an Imperial Life assurance policy.

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



# BRITISH COLONIAL

FIRE INSURANCE COMPANY, MONTERAL.

*Canadian - Strong - Progressive*

FIRE INSURANCE AT TARIFF RATES.

## THE YORKSHIRE INSURANCE COMPANY, LIMITED

ESTAB. 1834

YORK, ENGLAND ASSETS EXCEED \$25,000,000

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

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

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

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G. M. Bosworth, Esq. Pamphile R. DuTramblay, M. P. P. M. WICKHAM, Montreal

APPLICATIONS FOR AGENCIES are invited from responsible persons.

## DALE & COMPANY, Limited

Marine and Fire Underwriters

CORISTINE BUILDING, - MONTREAL

*All classes of Insurance underwritten or placed in reliable companies.*

Branch Offices at TORONTO, HALIFAX and VANCOUVER

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Back of every Policy Contract assuring each National Life Policy-holder the largest possible measure of Service, Safety and Saving, towers the strength and security of the Company, as attested by more than two decades of conspicuous success.

*For information regarding Insurance or territory, address Head Office:—*

## THE NATIONAL LIFE

Assurance Company of Canada

National Life Chambers

TORONTO

### The Canada National Fire Insurance Company

HEAD OFFICE: WINDSOR, CAN.

Total Assets - - - - \$1,464,522.05

A Canadian Company Investing its Funds in Canada

APPLICATIONS FOR AGENCIES INVITED

### THE NATIONALE FIRE INSURANCE COMPANY OF PARIS, FRANCE

SUBSCRIBED CAPITAL.....	50,000,000
TOTAL FUNDS.....	7,481,250
NET SURPLUS.....	1,267,150

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