

The Chronicle

Banking, Insurance and Finance



ESTABLISHED JANUARY, 1881

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MONTREAL, MARCH 8, 1918.

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REDUCING INFLATION.

The bank statement for January shows the reduction of inflation in process following the successful flotation of the Victory Loan, as well as the marked seasonal contraction customary in the first month of the year. A certain amount of inflation inevitably arises from the granting of credits and temporary loans by the banks to the Canadian and British Governments for war purposes, and is corrected when part of these loans are repaid to the banks in the "real money" subscribed by *bona fide* investors to War Loans. The banks' holdings of Dominion and provincial securities were reduced during January by \$61,400,000, at which figure they are, however, \$63,600,000 higher than at the close of January, 1917. Allowing something for re-arrangement of provincial financing, probably at least \$50,000,000 temporary loans were repaid by the Government to the banks during January. The funds for these repayments came principally from notice deposits, which were heavily drawn on by subscribers to the War Loan who paid up in full on January 2nd, and were accordingly reduced by \$95,663,000 to \$900,314,256. To some extent, also, the funds were derived from demand deposits, which, after having been increased by over \$30,000,000 during December, probably in preparation for Victory Loan payments, declined in January by \$9,664,000 to \$559,777,237. That the proportion of the Victory Loan paid for in full at the beginning of January was a very large one, is evident from the fact that after the temporary loans from the banks had been charged off, and the month's expenditures met, the Dominion Government's month-end balance was increased by \$40,500,000 to \$106,497,043. Further temporary credits by the banks to the Government were repaid in February, and more are repayable during March, the whole, with the January repayments, aggregating \$100,000,000. So that the next two bank statements will probably show further substantial declines in the amount of Dominion securities held by the banks.

With regard to the January reduction of \$95,663,000 in notice deposits, it should be noted that at their reduced level of \$900,314,256, these deposits are over \$36,000,000 higher than at the end of January, 1916. It was only in June last that notice deposits first crossed the \$900,000,000 level, and with the large proportion of the Victory Loan, which was paid up in January, the greatest inroads

upon notice deposits are probably past. While instalment payments upon the Victory Loan go on until May, these instalment payments will be mostly made out of current savings, and it is reasonable to expect that the growth of notice deposits, with that of demand deposits, in the coming months will be at least sufficient to provide for these payments. The development of demand deposits during the last twelve months has been very marked, amounting to \$132,460,000 for the year ended last January 31st and their decline of less than \$10,000,000 in January, 1918, in spite of the Victory Loan payments, as compared with a decline of nearly \$31,000,000 in January, 1917, suggests possibilities of their further important development as a result of present active trade.

* * *

The January decline in the banks' circulation of \$21,249,360 is a seasonal movement. There is a corresponding decline of \$21,700,000 in the banks' Central Gold Reserve deposits, a large proportion of the Dominion notes thus released being retained in the banks' own vaults. The banks' Dominion note holdings show a growth for the month of \$17,440,837, to \$184,949,958. Call loans in Canada increased during the month by \$4,460,181 to \$76,239,201, as a result, doubtless, of advances in connection with the Victory Loan, and Canadian current loans, which show only a slight decrease of just over \$3,000,000 from their December level, to \$855,500,506, doubtless include a number of loans made by various banks to members of the general public, whereby Victory Loan bonds could be paid for over a long term of months. Foreign current loans proportionately continue to make great strides, gaining \$4,639,245 during January to \$116,220,343, at which figure they are over \$30,000,000 higher than a year ago. Municipal loans are \$3,662,427 higher for the month at \$40,015,466 and over \$15,500,000 higher for the year, as a result of the municipalities' inability to borrow freely in the investment market, and the necessity imposed upon the banks of helping some of them out.

With reference to the banks' reserve position, against circulation and deposits of all kinds, immediately available reserves of specie and Dominion note holdings, deposits in the Central Gold Reserve and to secure the note issues, bank balances abroad and foreign call loans were in a proportion at the end of January of 28.0 per cent. The end of December proportion was 27.4 per cent.

BANK OF MONTREAL

ESTABLISHED 100 YEARS (1817-1917)

Capital Paid up, \$16,000,000 Rest, \$16,000,000 Undivided Profits, \$1,661,893
 Total Assets - - - \$403,980,236

BOARD OF DIRECTORS:

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Head Office: MONTREAL

General Manager—Sir Frederick Williams-Taylor.

BRANCHES OF THE BANK LOCATED IN ALL IMPORTANT CITIES AND TOWNS IN THE DOMINION.
 Savings Department connected with each Canadian Branch and interest allowed at current rates.
 Collections at all points throughout the world undertaken at favourable rates.
 Travellers' Cheques, Limited Cheques and Travellers' Letters of Credit issued, negotiable in all parts of the world.
 This Bank, with its Branches at every important point in Canada, offers exceptional facilities for the transaction of a general banking business.

PRINCIPAL BRANCHES OUTSIDE OF CANADA:

LONDON, Eng. NEW YORK: 61 Wall Street
 47 Threadneedle St., E.C. R. Y. HEBDEN.
 G. C. CASSELS, Manager. W. A. BOG.
 Sub-Agency—9 Waterloo Place, A. T. SMITH.
 Pall Mall, S.W. Agents.
 CHICAGO: 108 South La Salle Street. SPOKANE, Washington.
 NEWFOUNDLAND: St. John's, Curling and Grand Falls.

THE CANADIAN BANK OF COMMERCE

ESTABLISHED 1867. Head Office: TORONTO

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

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

BRANCHES OF THE BANK IN EVERY PROVINCE OF CANADA AND AT THE FOLLOWING POINTS OUTSIDE CANADA:

Great Britain—London. Mexico—Mexico City.
 United States—New York, Portland, Ore., San Francisco, Cal., Seattle, Wash.
 Newfoundland—St. John's.

Agents and Correspondents throughout the World

The Molsons Bank

Incorporated by Act of Parliament 1855

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

HEAD OFFICE - MONTREAL

98 BRANCHES

Scattered

Throughout Canada

EDWARD C. PRATT,
 General Manager

MONTRE

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The Chronicle

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ESTABLISHED 1881. PUBLISHED EVERY FRIDAY.
 F. WILSON-SMITH, ARTHUR H. ROWLAND,
 Proprietor. Editor.

Office:

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

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

MONTREAL, FRIDAY, MARCH 8, 1918

THE STANDARD BANK'S REPORT

The Standard Bank of Canada reports in its statement for the year ended January 31st last, a considerable growth in resources, largely retained among quick assets, whereby the Bank's reserve position has been further strengthened, together with a fair increase in loans, a large growth in security holdings and expanded profits. These last amount to \$649,546, compared with \$580,230 in the preceding twelve months, and equal to 8.2 per cent. on the capital and rest combined. Of this amount, the usual 13 per cent. dividend absorbs \$442,783 and the war tax on circulation \$33,891; \$20,000, as usual, is contributed to the Officers' Pension Fund; \$31,250 to Patriotic and kindred funds; \$100,000 is set aside to provide against security depreciation, a balance of \$175,216 (against \$153,594 last year) being carried forward.

THE BANK'S BALANCE SHEET.

The following are the leading items of the Bank's balance sheet in comparison with that for the preceding twelve months:—

	1917	1918
Paid-up capital.....	\$ 3,333,242	\$ 3,453,290
Rest.....	4,333,242	4,453,290
Profit and Loss Balance.....	153,594	175,216
Circulation.....	4,546,513	5,484,383
Deposits not bearing interest.....	11,473,721	17,779,015
Deposits bearing interest.....	34,818,843	40,301,689
Total liabilities to public.....	51,865,152	65,797,017
Specie and Dominion Notes.....	9,262,524	11,623,115
Deposit with Central Gold Reserve.....	1,500,000	2,500,000
Bank Balances Abroad.....	594,376	1,051,210
Call Loans in Canada.....	1,656,957	2,037,526
Securities held.....	7,244,944	12,049,385
Total of Quick Assets.....	22,388,664	32,523,775
Current Loans in Canada.....	35,892,085	39,853,678
Total Assets.....	59,850,275	73,990,907

Last year's expansion in capital and rest account results from a new stock issue of \$700,000 made in 1916 at a premium of 100 per cent., which is still in course of being paid up. Circulation at \$5,484,383 shows a growth of nearly a million dollars over last year. Deposits show very substantial increase. Non-interest-bearing deposits are up from \$11,473,721 to \$17,779,015, and interest-bearing deposits from \$34,818,843 to \$40,301,689. The year's growth in deposits is thus \$11,888,000, following a growth of \$3,200,000 in 1916. Liabilities to the public are accordingly increased to \$65,797,017, an enlargement of practically \$14,000,000 over last year's figures.

GROWTH IN SECURITY HOLDINGS.

On the assets side of the accounts, holdings of specie and Dominion notes are \$2,400,000 higher

than a year ago at \$11,623,115, and the deposit in the Central Gold Reserve has also been increased by a million to \$2,500,000, to cover the expansion in note issue already referred to. Bank balances abroad are \$457,000 higher at \$1,051,210, and call loans in Canada increased by \$390,000 to \$2,037,526. The Bank's assistance in war financing is reflected in the expansion of nearly \$5,000,000 in securities held to \$12,049,385, this total being somewhat reduced from the level reached prior to the repayment by the Government of some temporary loans out of the proceeds of the Victory Loan. The close relations of the Standard Bank with the industry and commerce of the country and the effect of current high prices are seen in a growth for the year of \$4,000,000 in current loans from \$35,892,085 to \$39,853,678. Total assets are \$73,990,907 against \$59,850,755, of which \$32,523,775 are quick assets, a growth of over \$10,000,000 and a proportion to liabilities to the public of 49.4 per cent. compared with 43.2 per cent. a year ago.

Mr. C. H. Easson, who succeeded the late Mr. G. P. Scholfield as general manager of the Bank, is to be congratulated on the quality of the first annual statement bearing his signature. Mr. E. C. Green is the manager of the important Montreal branch of this institution.

COMMON-SENSE VIEWS OF MUNICIPAL FINANCE.

Mr. Robert Baird, provincial inspector of municipalities for British Columbia, said some sensible things in a recent address dealing with various aspects of municipal finance. Mr. Baird was properly outspoken in regard to the recent tendency on the part to some municipalities to treat lightly the matter of sinking fund obligations, and the matter of meeting obligations at maturity. "In the matter of sinking funds," declared Mr. Baird, "I had been of the opinion that municipal councils and the public generally were by this time convinced that the protection of outstanding obligations is of the nature of a trust. I have, however, been surprised to hear expressions of opinion to the effect that municipal councils should be justified under the press of circumstances in taking liberties with their obligations. The sale of debentures involves a contract by the municipality to collect and to administer in a certain way the funds necessary for the protection of the obligation, and it is difficult to believe that any pressure of circumstances will justify a municipal council in stepping aside from a moral obligation. It is not a question of expediency. It is a question of business integrity, and I fail to see any reason why a municipality should be allowed greater liberty in a matter of business integrity than an individual."

Mr. Baird stated that short-term borrowing had been one of the most costly experiments tried by the British Columbia municipalities, having cost the municipalities at least \$750,000—"and the air is not entirely cleared yet."

ONE WAY OF RAISING VICTORY LOANS.

New Zealand, so states the British Board of Trade Journal, has passed a law requiring all taxpayers with incomes over \$3,500 to subscribe to the Dominion's war loan in an amount equal to three times the total land and income tax, to which they were subject under the law of 1916.

The Bank of British North America

Established in 1836. Incorporated by Royal Charter in 1840

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

Head Office:

3 GRACECHURGH STREET, LONDON, E.C. 3

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

COURT OF DIRECTORS

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 Lieut. E. Geoffrey Hoare, R.N.V.R.
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Head Office in Canada: ST. JAMES ST., MONTREAL

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SIR HERBERT B. AWES, M.P.
 W. R. MILLER. W. R. MACINNES.

H. B. MACKENZIE, General Manager

J. ANDERSON, Superintendent of Branches.
 O. R. ROWLEY, Superintendent of Eastern Branches, Montreal.
 J. McEACHERN, Superintendent of Central Branches, Winnipeg.
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This Bank has Branches in all the principal Cities of Canada, including Dawson (Y.T.), and Agencies at New York and San Francisco in the United States.

Agents and Correspondents in every part of the world.

Collections Made at Lowest Rates.

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

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

G. B. GERRARD, Manager,
 MONTREAL BRANCH

The Merchants Bank of Canada

Head Office - MONTREAL

Capital Paid-up - - - \$7,000,000
 Reserve and Undivided Profits 7,421,292
 Total Deposits - - - 103,000,000
 Total Assets - - - 136,000,000

BOARD OF DIRECTORS:

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

A GENERAL BANKING BUSINESS TRANSACTED

233 BRANCHES AND AGENCIES IN CANADA

Extending from the Atlantic to the Pacific
 SAVINGS DEPARTMENT AT ALL BRANCHES

Deposits received and Interest allowed at best current rates

New York Agency: 63 and 65 WALL ST.

IMPERIAL BANK OF CANADA

Head Office, - Toronto

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

PELEG HOWLAND,
 President

E. HAY,
 General Manager



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

Correspondence Invited

ADDRESS

THE MANAGER, BOND DEPARTMENT, TORONTO.

COMPARATIVE ABSTRACT OF THE BANK STATEMENT, JANUARY, 1918.

(Compiled by The Chronicle).

	Jan. 31, 1918.	Dec. 31, 1917.	Jan. 31, 1917.	Month's Movement, 1918.	Month's Movement, 1917.	Year's Movement.
Assets.						
Specie.....	\$ 82,443,676	\$ 82,032,863	\$ 69,121,450	+\$ 410,813	-\$ 2,050,719	+\$13,322,226
Dominion Notes.....	184,949,958	167,509,121	143,499,253	+ 17,440,837	+ 18,749,012	+ 41,450,705
Deposit in Central Gold Reserves.....	75,570,000	97,270,000	32,050,000	- 21,700,000	- 11,650,000	+ 43,520,000
Notes of other Banks.....	18,251,206	24,078,909	14,354,638	- 5,827,703	- 5,347,196	+ 3,896,568
Cheques on other Banks.....	72,740,080	95,598,932	63,918,116	- 22,858,852	- 12,917,612	+ 8,821,964
Deposit to secure Note issues.....	5,772,350	5,769,431	6,864,046	+ 2,719	+ 2,571	- 1,091,696
Deposits with and balances due other Banks in Canada.....	6,837,725	6,995,230	4,720,765	- 157,505	- 1,369,303	+ 2,116,960
Due from Banks, etc., in U.K.....	14,193,440	13,372,044	30,238,719	+ 821,396	+ 4,266,156	- 16,045,279
Due from Banks, etc., elsewhere.....	43,511,652	51,355,562	51,669,106	- 7,843,910	+ 1,220,413	- 8,157,454
Dom. and Prov. Securities.....	127,310,016	188,703,175	63,697,347	- 61,393,159	+ 32,605,266	+ 63,612,669
Can. Mun. Brit., etc. For. Pub. Securities.....	235,989,801	224,093,823	163,299,724	+ 11,895,978	- 4,279,064	+ 72,690,077
Rlwy. & other Bonds & Stocks.....	55,830,072	55,609,275	61,304,541	+ 220,797	- 2,802,999	- 5,474,469
Total Securities held.....	419,129,889	468,406,273	288,301,612	- 49,276,384	+ 25,503,203	+130,828,277
Call Loans in Canada.....	76,239,201	71,779,020	79,737,064	+ 4,460,181	- 2,832,919	- 3,497,863
Call Loans outside Canada.....	132,687,066	134,483,482	155,547,476	- 1,796,416	- 18,330,658	- 22,860,410
Total Call and Short Loans.....	208,926,267	206,262,502	235,284,540	+ 2,663,765	- 21,163,577	- 26,358,273
Current Loans and Discounts in Canada.....	855,506,506	858,533,298	806,479,147	- 3,026,792	- 13,899,410	+ 49,027,359
Current Loans and Discounts outside.....	116,220,343	111,581,098	85,989,511	+ 4,639,245	+ 9,592,791	+ 30,230,832
Total Current Loans & Discounts.....	971,726,849	970,114,396	892,468,658	+ 1,612,453	+ 4,306,619	+ 79,258,191
Loans to Dominion Government.....					- 3,970,000	
Loans to Provincial Governments.....	6,657,307	9,774,419	867,538	- 3,117,112	+ 1,100,205	+ 5,789,769
Loans to Cities, Towns, etc.....	40,015,466	36,353,039	24,487,273	+ 3,662,427	+ 430,476	+ 15,528,193
Bank Premises.....	51,716,972	51,484,586	49,317,635	+ 232,386	+ 471,305	+ 2,399,337
TOTAL ASSETS.....	2,237,867,216	2,323,163,783	1,933,516,347	- 14,703,433	- 14,527,909	+304,350,869
Liabilities.						
Notes in Circulation.....	\$ 171,674,464	\$ 192,923,824	\$ 133,358,187	-\$21,249,360	-\$15,427,100	+\$38,316,277
Due to Dominion Government.....	106,497,043	65,998,553	33,090,492	+ 40,498,490	+ 8,451,265	+ 73,466,551
Due to Provincial Governments.....	17,961,683	16,781,521	21,951,499	+ 1,180,162	+ 3,581,179	- 3,989,816
Deposits in Canada, payable on demand.....	559,777,237	569,441,871	427,308,526	- 9,664,634	- 30,899,891	+132,468,711
Deposits in Canada, payable after notice.....	900,314,256	995,978,013	864,163,344	- 95,663,757	+ 19,156,627	+ 36,150,912
Total Deposits of Public in Can.....	1,460,091,493	1,565,419,884	1,291,471,870	-105,328,391	- 11,743,264	+168,619,623
Deposits elsewhere than in Canada.....	169,581,106	174,779,104	159,494,048	- 5,197,998	- 3,366,566	+ 10,087,058
Total deposits other than Govt.....	1,629,672,599	1,740,198,988	1,450,965,918	-110,526,389	- 15,109,830	+178,706,681
Deposits & Bal., other Can. Bks.....	8,984,139	10,634,093	6,740,555	- 1,649,954	+ 2,196,732	+ 2,243,584
Due to Bks. & Correspts. in U.K.....	2,377,948	3,032,669	1,717,651	- 654,721	- 2,074,244	+ 660,297
Due to Banks & Correspts. else- where.....	23,775,825	19,841,884	19,332,968	+ 3,933,941	+ 1,737,914	+ 4,442,857
TOTAL LIABILITIES.....	1,993,179,080	2,081,733,392	1,691,037,174	- 88,554,312	- 15,911,394	+302,141,906
Capital, etc.						
Capital paid up.....	\$111,709,465	\$111,673,776	\$111,545,874	+\$ 35,689	-\$ 1,800,467	+\$ 163,591
Reserve.....	114,161,223	114,100,693	113,337,875	+ 60,530	- 45,468	+ 60,530
Loans to Directors & their Firms.....	8,282,811	8,221,400	8,073,660	+ 61,411	- 421,550	+ 209,151
Greatest Circulation in Month.....	193,567,911	208,753,337	149,425,864	- 15,185,426	- 12,174,123	+ 44,142,047

BANKS' DEPRECIATION APPROPRIATIONS.

With reference to the extensive appropriations by the banks in recent years for depreciation, which, as shown in our recent series of articles on Banking Profits, amounted to \$746,192 in 1917; \$920,000 in 1916; \$3,283,277 in 1915 and \$2,255,840 in 1914, it is pointed out that the total of these appropriations during the four years amounted to \$7,204,000 or over 6 per cent. on capital stock. Of this total about \$5,000,000 was stated as representing depreciation in securities, presumably bond investments.

In the same four years the banks in the United Kingdom, according to the London Bankers' Magazine, have written off the value of their security holdings to the extent of £19,600,000, or, say, \$95,000,000. The British banks, however, have always

carried a relatively larger amount of their assets in the form of bonds and debentures, and declining market values, therefore, affected them more adversely.

So long as the banks do not sell the bonds while they are depressed, it is pointed out, the depreciation shown is merely a paper loss; and if in the course of a few years the market recovers to the former level, the appropriation would then represent surplus profits just as if it had been added to the rest of the profit and loss balance. Many observers are confident that within a few years of the war's termination the general interest rate on high-class bonds will decline. Such decline in interest would signify a rise in market quotations; and there is thus substantial reason for expecting that a part at least of the amounts lately written off the book value of bonds will be recovered.

THE ROYAL BANK OF CANADA

INCORPORATED 1869
 Capital Paid up \$12,911,700 Reserves \$14,534,000
 Assets \$355,000,000

HEAD OFFICE - MONTREAL.

365 BRANCHES THROUGHOUT CANADA

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

BRITISH WEST INDIES

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

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

NEW YORK,
 Cor. William & Cedar Sts.

SAVINGS DEPARTMENT

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

Victory Loan Securities

Will be accepted for safekeeping from subscribers for moderate amounts for one year free of charge.

A special Savings Department has recently been opened. Deposits of \$1. and upwards received.

THE DOMINION BANK
 160 St. James Street, MONTREAL

M. S. ROBERT, Manager.

THE BANK OF TORONTO

Incorporated 1865.

Head Office: TORONTO, Canada.

Paid-Up Capital, \$5,000,000. Reserved Funds, \$6,555,306

Business men are offered in this Bank the satisfactory banking service provided by our complete facilities and extensive connections.

Bankers—NEW YORK—National Bank of Commerce.
 CHICAGO—First National Bank.
 LONDON, Eng.—London City and Midland Bank, Limited.

DIRECTORS.

- W. G. GOODERHAM, *President.*
- J. HENDERSON, *Vice-President.*
- WILLIAM STONE,
- JOHN MACDONALD,
- LT. COL. A. E. GOODERHAM,
- BRIG.-GEN. F. S. MEIGHEN,
- J. L. ENGLEHART,
- WM. I. GEAR
- PAUL J. MYLER,
- A. H. CAMPBELL,
- THOS. F. HOW, *Gen. Manager.*
- JOHN R. LAMB, *Assistant Gen. Manager.*
- D. C. GRANT, *Chief Inspector.*

THE BANK OF NOVA SCOTIA

INCORPORATED 1832.

CAPITAL \$5,000,000.00
 RESERVE FUND 12,000,000.00
 TOTAL ASSETS over 130,000,000.00

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

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

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

BOSTON CHICAGO NEW YORK

THE BANK OF OTTAWA

ESTABLISHED 1874

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

94 BRANCHES
 in
 CANADA

BOARD OF DIRECTORS.

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

RUSSELL BLACKBURN
 SIR GEORGE BURN
 SIR HENRY K. EGAN
 HON. GEORGE GORDON
 General Manager,
 D. M. FINNIE

ALEX. MACLAREN
 M. J. O'BRIEN
 HON. SIR GEORGE H. PFELE
 E. C. WHITNEY
 Asst. General Manager,
 H. V. CANN

W. DUTHIE, *Chief Inspector.*

A Bank well equipped to serve the public; Drafts, Money Orders and Letters of Credit issued.
 Interest added half-yearly to Savings Balances.

THE HOME BANK OF CANADA

Original Charter 1854.

Branches and Connections throughout Canada.

MONTREAL OFFICES:

Transportation Building, St. James Street

Hotelage Branch:

Cor. Davidson and Ontario Streets.

Parade Branch:

1315 Wellington Street.



POINTS FROM THE LIFE COMPANIES' REPORTS.

With the record of the Canadian life companies' reports for 1917 almost complete, it is possible to get a fair idea of the outstanding characteristics of their experience last year. It is obvious that on the whole the year was a most successful one for the companies, the one serious drawback being war claims, which were naturally encountered in considerably larger volume than in previous years. A minor drawback, that of the depreciation in securities, was met through a modification of the Dominion Insurance Department's customary requirements regarding valuations for the annual statement, market values as at December 31, 1916 being generally allowed, save in cases of obvious intrinsic depreciation, while for securities purchased during 1917, their book value as at December 31st last was allowed.

NEW BUSINESS IN LARGE VOLUME.

The aggregate of new business secured undoubtedly marks a very considerable advance over the total reported for the year preceding, which itself showed great growth over 1915. Industrial and trade activity, and the prosperity of the agricultural sections of the country, where in the last year or two, the growth in appreciation of life insurance has been very marked, are doubtless the main factors contributing to the forward strides made by the life companies last year. Among subsidiary factors may be mentioned an increasing use of life insurance by self-supporting women. Several of the companies specifically mention in their reports, development of business in this connection, and it seems that in this respect, a start has been made in what is likely to become, under the new conditions which will exist after the war, an increasingly important element in the business. Business insurance and monthly income policies have been pushed by some of the companies with considerable success. The year also was marked by an increased number of large policies taken out by wealthy men. One Montreal millionaire took out a \$1,500,000 policy during 1917, and by all accounts, there is a steadily increasing appreciation in Canada of the attractive possibilities of life insurance in providing for succession duties and other charges falling upon a rich man's estate, which charges under present circumstances, do not tend to become lighter.

What the effect may be on the new business of the companies of the commitments recently undertaken by a considerable proportion of the Canadian population in connection with the Victory Loan, remains to be seen. It appears, however, that the companies generally speaking, have made a good start for 1918, and the ultimate effects of present-day lessons in practical thrift should be most beneficial to them.

BUSINESS BETTER MAINTAINED.

Coincidentally with the brilliant record of the companies in the matter of new business, there was last year a marked improvement in the matter of lapses and surrenders. Practically all the companies show last year a gain in business in force as in a larger proportion to new business than in 1916, which in turn revealed an appreciable improvement over the preceding year. While the showing in regard to surrenders is not quite so uniform, on the

whole it seems that less insurance has been terminated in this unsatisfactory fashion than formerly. Favorable economic conditions naturally constitute the main factor in this improved persistence of business in force. But a number of the companies are devoting increasing effort to the conservation of their business, and while there are still signs of slackness in some quarters in regard to this matter, the tendency towards an increased efficiency is undoubtedly well marked.

WAR LOSSES AND INVESTMENTS.

The effect of war losses has been well summarised by Mr. J. B. McKechnie, general manager of the Manufacturers Life. He suggests that while some companies have been more fortunate than others, the 1917 death rate will average about 11 per cent. This compares with a fairly stationary rate up to and including 1914, of between seven and eight per 1,000, increased slightly in 1915 and 1916. The most serious effect which war claims can have, however, is to cut into profits to some extent. The financial strength of the life insurance companies is such, Mr. McKechnie points out, that a mortality of 100 per cent. could be experienced for many years, and still very fair dividends be paid to policyholders. An increased death rate may possibly have the effect of lowering the dividends to policyholders, but the reserve necessary to mature the policy is left unimpaired. Policyholders, therefore, may rest assured that the life insurance companies will continue to serve them as in the past, and that they will be able to carry out their obligations to the fullest extent.

(Continued on page 241.)

ESTABLISHED 1873.		
<i>The</i>		
Standard Bank		
of CANADA		
Head Office, TORONTO		
	Collections Business Houses will find our facilities for making collections particularly favorable.	
Montreal Branch: 136 ST. JAMES STREET E. C. GREEN, Manager.		



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

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



**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

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

FIRE INSURANCE



**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
Employers' Liability and Automobile

== FIRE INSURANCE ==

John Ermo Secretary and General Manager
Robt. Welch Assistant Manager
Lewis Laing Fire Manager
J. D. Simpson Assistant Fire Manager

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J. Gardner Thompson, President. Lewis Laing, Vice-President.
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 & LANCASHIRE LIFE
AND GENERAL ASSURANCE ASSOCIATION,
LIMITED**
of LONDON, ENGLAND

ESTABLISHED IN CANADA, 1863

ASSETS EXCEED \$22,000,000

DIRECTORS FOR CANADA:
A. J. DAWES, Esq. H. B. MACKENZIE, Esq.
E. F. HEDDEN, Esq. E. C. PRATT, Esq.
Manager for Canada: ALEX. BISSETT

BRANCHES THROUGHOUT THE DOMINION
HEAD OFFICE FOR CANADA:
LONDON AND LANCASHIRE LIFE BUILDING,
164 ST. JAMES STREET, MONTREAL, P.Q.

Our New Annuity Rates

are meeting with instant favor. This, coupled with the Special Plans and Rates offered Total Abstainers, gives our representatives an avenue of approach unsurpassed.

For men of character and ability, we have some very attractive openings.

R. JUNKIN,
MANAGER OF AGENCIES.

**THE MANUFACTURERS LIFE
INSURANCE COMPANY**
TORONTO - CANADA

BRITISH INSURANCE ASSOCIATION.

A project which has been germinating for some months past has now come to the birth, in the formation, at a meeting of officials of insurance companies in London, of the British Insurance Association. The chief objects aimed at are the protection, promotion and advancement of all classes of insurance business, including the taking such concerted measures as may be expedient whenever the business transacted by members of the Association may be affected by the action or proposed action of any Government or other authority at home or abroad. There is already a membership of 123 companies and it will be representative of Offices established in the United Kingdom and the British Empire. A further indication of its representative character is apparent in the Sectional Committees already recognised:—The Fire Offices' Committee, the Life Offices' Association, the Associated Scottish Life Offices, the Association of Industrial Assurance Companies and Collecting Friendly Societies, the Accident Offices' Association, the Institute of London Underwriters, and the Liverpool Underwriters' Association.

The Chairman of the new Association is Mr. E. Roger Owen (General Manager, Commercial Union), and the Deputy-Chairman is Mr. A. C. Thompson (General Manager, Prudential). The following, all of whom are general managers, actuaries or marine underwriters of leading companies, form the General Purposes Committee:—Messrs. O. Morgan Owen (Alliance), George Chappell (Royal) and G. E. Mead (Sun), Sir E. M. Mountain (Eagle, Star and British Dominions), Messrs. W. P. Phelps (Equity and Law Life), L. F. Hovil (National Provident), Leonard W. Dickson (Standard Life), Horace Duffell (Royal London Mutual), E. F. Nicholls (London Assurance), H. T. Hines (Royal Exchange), T. H. Harper (Thames and Mersey Marine), W. E. Gray (Employers' Liability), Arthur Worley (North British and Mercantile), and E. C. Hillier (National Boiler and General).

The Association bids fair to be able to co-operate in bringing a powerful cumulative influence to bear, both constructively and defensively, in keeping with the vast funds which it controls and the variety and scope of its activities.—*London Post Magazine.*

NEW DOMINION LICENSE.

A Dominion license has been issued to the Security Mutual Casualty Company authorizing it to transact in Canada the business of Employers' Liability Insurance and Workmen's Compensation Insurance, restricted to the issue of policies to the Swift Canadian Company, Limited, and allied interests in the Dominion of Canada.

POINTS FROM THE LIFE COMPANIES' REPORTS.

(Continued from page 239)

With regard to the companies' investments, mortgages show a further tendency to decline in volume, while bond holdings show large increases. The latter are, of course, a result of the extremely handsome subscriptions made by the companies to both War Loans issued last year, while issues made by the municipalities to carry on necessary work also received considerable support.

The Bank of England's official rate of discount is continued at 5 per cent.

THE LONDON MUTUAL FIRE'S REPORT.

It has been noted in connection with the recent annual reports of the London Mutual Fire Insurance Company, of Toronto, that the present management have pursued a policy of "combing out" the business. While there is, in consequence, a temporary reduction in premium income, the wisdom of increased care in the selection of risks is now seen in a report for 1917, evidencing a very satisfactory year's business. With net premiums of \$399,923, about \$2,400 more than in 1916, 1917's paid losses are some \$70,000 less than in the year preceding—\$209,757 compared with \$279,365. With the Company's subsidiary, the Canada Hail Insurance Company, also making a handsome profit for the London Mutual, of over \$20,000, and with expenses kept at slightly under their last year's level, after increasing the insurance reserve and making various allocations, there is a profit on the year's operations of \$40,656. Of this amount, \$15,000 has been set aside as a reserve against depreciation in investments, and the balance has been added to surplus.

Cash assets are reported as \$502,417. The cash surplus over all liabilities including capital is \$141,560, the total surplus to policyholders including paid-up capital and the unassessed portion of premium notes being \$411,809, a growth for the year of \$31,000.

The London Mutual's interests in Montreal are in charge of Mr. W. J. Cleary, who is actively developing the business of the Company in this territory. The London Mutual has been held for many years in good reputation among large sections of the insuring public for fair and prompt dealings with its policyholders, and the present management's policy of conservatism is certainly a commendable one.

AUTOMOBILE THIEVES GET OFF LIGHTLY.

The circumstances of a case of automobile theft, in which the National-Ben Franklin is interested, contain some curious features. A \$1,500 McLaughlin car, insured by this company, was stolen in Montreal last September. Some weeks later, it was discovered in a barn at Joliette, it having been used by the two men who stole it as a means of getting away with stolen goods, of which a store of some \$8,000 worth was found by the police at Joliette. Arrangements were made to have the prisoners transferred to Montreal for trial, and at the trial they pleaded guilty. Subsequently, however, instead of their receiving a good stiff sentence, they were released on suspended sentence, and were immediately enlisted in overseas forces. Protests to the military authorities by the owner of the stolen car against men of this type being placed in the ranks along with gentlemen, brought the reply that "the law allows men to be granted suspended sentence provided they join the ranks for overseas, and it has frequently happened that men of that kind make first-class soldiers."

This may be so, but in view of the difficulties which the insurance companies experience in securing convictions for automobile theft, the companies are not likely to view the course taken by the authorities in this case as satisfactory. A good stiff sentence would have acted as a warning to the many other crooks, who now make themselves a nuisance along the same lines.

<h2 style="text-align: center;">COMMERCIAL UNION</h2> <p style="text-align: center;">ASSURANCE COMPANY LIMITED of LONDON, England</p> <p style="text-align: center;">The largest general insurance company in the world (As at 31st December 1916)</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td>Capital Fully Subscribed</td> <td style="text-align: right;">\$14,750,000</td> </tr> <tr> <td>Capital Paid Up</td> <td style="text-align: right;">1,475,000</td> </tr> <tr> <td>Life Fund, and Special Trust Funds,</td> <td style="text-align: right;">76,591,535</td> </tr> <tr> <td>Total Annual Income exceeds</td> <td style="text-align: right;">51,000,000</td> </tr> <tr> <td>Total Funds exceed</td> <td style="text-align: right;">151,500,000</td> </tr> <tr> <td>Total Fire Losses Paid</td> <td style="text-align: right;">193,774,045</td> </tr> <tr> <td>Deposit with Dominion Government</td> <td style="text-align: right;">1,245,467</td> </tr> </table> <p style="text-align: center;">Applications for Agencies Solicited in Unrepresented Districts.</p> <p style="text-align: center;">Head Office: CANADIAN BRANCH</p> <p style="text-align: center;">COMMERCIAL UNION BUILDING, 232-236 ST. JAMES STREET, Montreal.</p> <p style="text-align: center;">J. McGREGOR, Manager. W. S. JOPLING, Assistant Manager.</p>	Capital Fully Subscribed	\$14,750,000	Capital Paid Up	1,475,000	Life Fund, and Special Trust Funds,	76,591,535	Total Annual Income exceeds	51,000,000	Total Funds exceed	151,500,000	Total Fire Losses Paid	193,774,045	Deposit with Dominion Government	1,245,467	<h2 style="text-align: center;">PALATINE</h2> <p style="text-align: center;">INSURANCE COMPANY LIMITED of LONDON, England</p> <p style="text-align: center;">(As at 31st December 1916)</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td>Capital Fully Paid</td> <td style="text-align: right;">\$1,000,000</td> </tr> <tr> <td>Fire Premiums 1916, Net</td> <td style="text-align: right;">\$2,566,130</td> </tr> <tr> <td>Interest, Net</td> <td style="text-align: right;">144,290</td> </tr> <tr> <td>Total Income</td> <td style="text-align: right;">\$2,710,420</td> </tr> <tr> <td>Funds</td> <td style="text-align: right;">\$5,248,690</td> </tr> <tr> <td>Deposit with Dominion Gov't</td> <td style="text-align: right;">\$276,900</td> </tr> </table> <p style="text-align: center;"><i>N.B.—In addition to the above there is the further guarantee of the Commercial Union Assurance Company Limited, whose Funds exceed \$151,500,000</i></p>	Capital Fully Paid	\$1,000,000	Fire Premiums 1916, Net	\$2,566,130	Interest, Net	144,290	Total Income	\$2,710,420	Funds	\$5,248,690	Deposit with Dominion Gov't	\$276,900
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Total Income	\$2,710,420																										
Funds	\$5,248,690																										
Deposit with Dominion Gov't	\$276,900																										



FIDELITY (FIRE) UNDERWRITERS

OF NEW YORK
HENRY EVANS, President

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

Combined Assets Exceed \$56,766,868

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

W. E. BALDWIN, Manager. F. K. RIDGE, Agency Superintendent

A BRITISH COMPANY

UNION INSURANCE SOCIETY OF CANTON, LIMITED

Established 1835

Head Office: HONGKONG Assets over \$17,000,000

FIRE, MARINE AND AUTOMOBILE

Head Office for Canada, 36 TORONTO STREET, TORONTO

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

C. R. G. JOHNSON, POIRIER & JENNINGS, INC.

AGENTS — INSURANCE — BROKERS

ÆTHA INSURANCE CO. OF HARTFORD 11 ST. SACRAMENT STREET
ST. PAUL FIRE & MARINE INS. CO. MONTREAL, P.Q.

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SERVICE TO OLD POLICYHOLDERS.

The following suggestions are made by Mr. G. Cecil Moore, assistant general manager of the Imperial Life, as to what service to old policyholders should comprise.

1. Call at least once a year. The agent should plan to see each of his policyholders at least once a year—oftener if deemed expedient. It would be well to call about one month before the assurance age of the policyholder changes, pointing out to him that he can buy additional assurance needed for less money just then than a month later. He will appreciate your thoughtfulness in thus reminding him of a particular opportunity which otherwise he would most likely have overlooked and your explanation of the visit may result at once in a new policy.

When calling, go over his old contract with him to refresh his understanding of the several provisions. This will go a long way towards preventing terminations. For one thing, you will want to determine whether or not the original beneficiary is still living and if not, whether a new one has been named. It is not unusual for a policyholder to neglect, or forget altogether to notify the Company of the original beneficiary's death, or to name a new beneficiary. Again, whenever you read in the newspapers or learn of a beneficiary's death, get in touch with the policyholder as soon as practicable, to the end that any needed changes in his contract may be made.

2. Half-yearly or quarterly premiums. If the assured is paying premiums on the quarterly or half-yearly plan, sound him out and ascertain whether conditions will not permit him to pay yearly. Point out the saving which this change would effect over a term of years.

CONVERTING TERM INSURANCE.

3. Changing to other Forms. Of course, if a policyholder is carrying Term Assurance, he should be urged to convert the same at the earliest possible moment. Often a policyholder becomes discontented with the plan of assurance he is carrying and when you find a policyholder in such a frame of mind, you can frequently change his discontent to satisfaction simply by refreshing his mind in regard to the benefits of the policy he has and pointing out to him the advantages of keeping it in force.

4. Policy Loans. Has the assured borrowed heavily on his policy, or has he neglected to pay back a loan which the Company made to him a long time ago? Show him the risk he is running and what a hardship the encumbrance upon his policy may ultimately prove to be to those dependent upon him. Urge him to free the policy from the loan, even if he has to sacrifice on something else, and call his attention to the fact that repayment in sums of ten dollars or more may be made at any time. Quite likely he does not realize this. Or if he is not in a position to repay any part of the principal of the loan, point out to him that his assurance is depleted by the amount of the loan, and endeavor to get him to take out additional assurance sufficient, at the very least, to cover the amount of the loan, and bring the assurance up to the original value.

DIVIDEND OPTIONS.

5. Dividend Distributions. The agent should always see the policyholder at the time a dividend distribution is made on his policy. At the first

distribution he should explain to the policyholder the various dividend options and help him to come to a conclusion as to the best option which would suit his own particular circumstances. Also when subsequent dividends are due, even although no options are available, a good opportunity is, nevertheless, presented for the securing of additional assurance. In the same way, if the assured is soon to mature an Endowment, or if he is about to pay the last premium on a Limited Payment Policy, make sure to see him and find out if he cannot be persuaded to continue paying the same premium on a new policy.

6. Annual Report. Another good time to see the old policyholder is when you have a new Annual Report at hand. By going over with him and explaining its different features you will renew his confidence in the Company, and his confidence in you. Perhaps you will in this way nip in the bud the activities of some other agent who, without your knowledge, has been trying to "twist" one or more of your policies. Tell your old policyholders of the claims the Company has paid in your vicinity, of cases of financial stress it has alleviated. In the case of policies issued before our interim dividend or new settlement privilege came into effect, point out to the policyholders that these valuable features were automatically extended to their policies the moment they were incorporated in the new policies. Remember, however, that the interim dividend applies only to five year distribution policies.

SETTLEMENT OPTIONS.

7. Options of Settlement. The settlement option which all our policies now contain and which was made retroactive so far as old policies are concerned, is a most valuable privilege and gives every agent of the Company a splendid opportunity to interest old policyholders. It is surprising, in view of the value of this privilege, what slight attention is paid by the policyholders to their beneficiaries to the options of settlement, and the reason is doubtless that its value has not been explained in such a way as to enable the policyholder and beneficiary to fully appreciate what the Company is prepared to do when the proceeds of a policy become due. This explanation can only be made by personal interview as few policyholders, indeed, will take the trouble to study a written explanation. The Company at the present time only infrequently receives written notification from the policyholder making choice in his lifetime of an option of settlement, under which the proceeds of the policy shall be payable to the beneficiary at his death. If he fully understood these options we feel that we should receive a hundred notifications where now we receive one. Even if he does not wish to make a choice of these options of settlement, he will, in any event, appreciate your courtesy in calling attention to a matter which is in his interest, not yours.

Also in explaining the special settlement privilege by which the principal sum assured is converted into income, a splendid opportunity is presented of bringing to the mind of the prospect the realization of how inadequate his policy would be to take care of even the extreme necessities of life, or to keep from his household the miseries of poverty after his death, and a splendid argument is thereby presented on which to secure additional assurance from him.

(Continued on page 249)

The Trust and Loan Co.

OF CANADA

Capital Subscribed. . . . \$14,600,000.00
 Paid-up Capital. . . . 2,920,000.00
 Reserve Funds. . . . 2,785,996.58

MONEY TO LOAN ON REAL ESTATE

30 St. James Street, Montreal.

PRUDENTIAL TRUST COMPANY LIMITED

HEAD OFFICE 9 ST. JOHN STREET MONTREAL.	Trustee for Bondholders	Safety Deposit Vault Terms exceptionally moderate. Correspondence invited.
	Transfer Agent & Registrar	
	Administrator Receiver Executor Liquidator Guardian Assignee Trustee Custodian	
	Real Estate and Insurance Departments	

Insurance of every kind placed at lowest possible rates.

B. HAL. BROWN, President and Gen. Manager

"MUTUAL" PROTECTION AGAINST DISABILITY AND DEATH.

Many Policyholders fear that a time will come when, owing to permanent disablement from illness or accident, they will be disqualified from earning an income and paying their premiums. The Mutual Life of Canada issues a policy which not only waives further payment of premiums but provides a monthly income of \$10.00 per thousand of insurance, should such a condition develop and be clearly proven. This is a policy which affords protection to the full amount of the policy at death for the beneficiary and protection for the assured while helpless.—Write for full particulars.

One of the most perfect Insurance Policies issued.

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

The Royal Trust Co.

EXECUTORS AND TRUSTEES

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

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 LIEUT.-COL. SIR H. MONTAGU ALLAN, C.V.O., *Vice-President*.
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 MCLENNAN, D.S.O.
 WILLIAM McMASTER
 MAJOR HERBERT MOLSON, M.C.
 LORD SHAUGHNESSY, K.C.V.O.
 SIR FREDERICK
 WILLIAMS-TAYLOR.

A. E. HOLT, MANAGER

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

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

WESTERN

Assurance Company

Incorporated in 1851

FIRE, EXPLOSION, OCEAN MARINE
 AND INLAND MARINE INSURANCE

ASSETS over \$5,000,000.00

LOSSES paid since organization of Com-
 pany over \$66,000,000.00

DIRECTORS

W. B. MEIKLE, President and General Manager

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ROBT. BICKERDIKE, M.P.	GEO. A. MORROW
ALFRED COOPER	LT. COL. THE HON. FREDERIC NICHOLLS
H. C. COX	BRIG.-GENERAL SIR HENRY
D. B. HANNA	PELLATT, C.V.O.
E. HAY	E. R. WOOD
JOHN HOSKIN, K.C., LL.D.	

HEAD OFFICE . TORONTO

A Fire Insurance Policy does not cover

Loss or Damage resulting from Explosion, War, Invasion, Insurrection, Riot, Civil War, Civil Commotion, Military or Usurped Power. Protection against these hazards is provided by a special policy issued by

NOVA-SCOTIA-FIRE

UNDERWRITERS AGENCY

Premium Rates may be had from

McBEAN & HILL, GENERAL AGENTS, Lewis Building, 17 St. John Street, Montreal, Que.

The Standard Bank of Canada

The 43rd Annual Meeting of the shareholders of the Standard Bank of Canada was held at the Head Office of the Bank, 15 King Street West, Toronto, on Wednesday, the 27th February, 1918, at 12 o'clock noon.

A large number of shareholders were present. The chair was occupied by the President, Mr. W. F. Cowan, and Mr. E. A. Bog, Chief Inspector, acted as Secretary for the meeting and read the following report:—

The Directors beg to present to the shareholders the 43rd Annual Report and Statement of the affairs of the Bank for the year ending the 31st of January, 1918.

The Net Profits, after making provision for bad and doubtful debts, rebate of interest on unmatured bills under discount, exchange, cost of management, etc., amount to \$649,546.44. This amount, together with the balance forward from last year and \$120,047.86 for premium on new stock issued, makes the sum of \$923,187.93.

This has been appropriated as follows:—

Four quarterly dividends at the rate of 13% per annum	\$442,782.77
Contributed to Officers' Pension Fund	20,000.00
Contributed to Patriotic Funds	31,250.00
War Tax on Bank Note Circulation to 31st of December, 1917	33,891.48
Transferred to Reserve Fund from Premium on New Stock	120,047.86
Reserved for estimated depreciation in securities	100,000.00
Balance of Profit and Loss Account carried forward	175,215.82

Your Directors deeply regret to record the sudden death, in March last, of our late general manager, Mr. George P. Scholfield, who entered the service of the Bank as a junior clerk in 1883; becoming general manager in 1905, and a director in 1912, under whose management the Bank made marked progress. Your Directors appointed as his successor, Mr. Charles H. Easson, formerly of the Bank of Nova Scotia. W. F. COWAN, *President*.

GENERAL STATEMENT

LIABILITIES.		
Notes of the Bank in circulation	\$40,301,688.95	\$ 5,484,383.00
Deposits bearing interest (including interest accrued to date)	17,779,014.95	
Deposits not bearing interest		58,080,703.90
Dividend No. 109, payable 1st February, 1918		112,094.17
Balances due to other Banks in Canada		1,160,942.63
Balances due to Banks and Banking Correspondents elsewhere than in Canada		1,000,951.10
Acceptances under Letters of Credit		70,036.80
Capital paid up		3,453,290.00
Reserve Fund		4,453,290.00
Balance of Profit and Loss Account carried forward		175,215.82
		\$73,990,907.42

ASSETS.		
Current coin held by the Bank	\$ 1,557,333.80	
Dominion Notes held	10,065,781.00	
Deposit in the Central Gold Reserves	2,500,000.00	\$14,123,114.80
Notes of other Banks	\$ 265,096.00	
Cheques on other Banks	2,822,442.85	
Balances due by Banks and Banking Correspondents elsewhere than in Canada	1,051,210.57	
Dominion and Provincial Government Securities not exceeding market value	3,963,591.66	
Canadian Municipal Securities and British, foreign and colonial public securities other than Canadian	7,192,950.65	
Railway and other bonds, debentures and stocks not exceeding market value	892,843.09	
Call and Short (not exceeding thirty days) Loans in Canada on bonds, debentures and stocks	2,037,525.70	
		18,225,660.52
Other Current Loans and Discounts in Canada (less rebate of interest)		\$32,348,775.32
Liabilities of Customers under Letters of Credit as per contra		39,853,677.77
Real Estate other than Bank Premises		70,036.80
Overdue debts, estimated loss provided for		16,000.00
Bank Premises, at not more than cost, less amounts written off		111,067.11
Deposit with the Minister for the purposes of the Circulation Fund		1,324,298.44
Other Assets not included in the foregoing		175,000.00
		92,051.98
		\$73,990,907.42

W. F. COWAN, *President*.

C. H. EASSON, *General Manager*.

AUDITOR'S REPORT TO THE SHAREHOLDERS.

I have compared the above Balance Sheet with the books and accounts at the chief office of The Standard Bank of Canada, and the 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 January 31st, 1918, 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 at another time 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, F.C.A.,

of Clarkson, Gordon & Dilworth, Toronto, Canada.

Toronto, February 18th, 1918.

The President referred to the satisfactory progress made during the year, and the Vice-President, Mr. Wellington Francis, K.C., and the General Manager, Mr. C. H. Easson, also addressed the meeting.

The usual motions were passed and the following Directors were elected for the ensuing year:—W. F. Cowan, W. Francis, K.C., H. Langlois, W. F. Allen, F. W. Cowan, T. H. Wood, T. B. Greening and James Hardy, F.C.A.


At a subsequent meeting of the Directors, W. F. Cowan was elected President and W. Francis, K.C., Vice-President. C. H. EASSON, *General Manager*.



LONDON & LANCASHIRE FIRE
INSURANCE COMPANY LIMITED

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		The NATIONALE FIRE INSURANCE COMPANY OF PARIS, FRANCE.	
PAID UP CAPITAL	\$250,000.00	SUBSCRIBED CAPITAL	\$2,000,000
TOTAL FUNDS	1,225,758.38	TOTAL FUNDS	7,491,390
SURPLUS AND RESERVES	765,305.14	NET SURPLUS	1,857,150

AGENTS WANTED IN UNREPRESENTED DISTRICTS.

HEAD OFFICE FOR CANADA MONTREAL.

J. E. CLEMENT, General Manager. H. H. YORK, Inspector for Ontario. L. C. VALLE, Inspector for Quebec.

ÆTNA INSURANCE COMPANY
Established in Canada, 1821

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

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

Union Assurance Society Ltd.
OF LONDON, ENGLAND.
[Fire Insurance since A.D. 1714]

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

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

Agencies throughout the Dominion

EXCELSIOR
INSURANCE LIFE COMPANY

A Strong Canadian Company
VICTOR ARCHAMBAULT, Provincial Manager.
Montreal Trust Building, 11 Place d'Armes, Montreal.

THE LAW UNION & ROCK
INSURANCE CO. LIMITED, LONDON. Founded in 1806

Assets Exceed - \$48,500,000.00

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

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

TO AGENTS WHO WANT MORE INCOME.

We have a number of important points where we can place men of character and ability. If you are a productive worker, and would like a personal interview, write, stating experience to

THE CONTINENTAL LIFE INSURANCE CO.
TORONTO, Ont.

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

(A. S.)

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GROWTH OF AUTOMOBILE INSURANCE.

(A. S. Matthew before Insurance Institute of Vancouver).

The extent and ramifications of the insurance business and its influence in the realms of production and finance are but dimly comprehended by the average individual. It has woven itself permanently into our social fabric. Like everything else, it started in a humble way, but it has kept pace with the growing needs of the human race and, to-day, it occupies so commanding a position that it might well be termed the bridesmaid of commerce.

Whenever a new invention has brightened the pages of historical achievement the insurance pioneers have always been ready to extend their protection into the new field so that the development of the enterprise might not be hampered by the hazards which usually accompany industrial expansion. Automobile insurance has been no exception to the rule. As a matter of fact, the first policy was issued very shortly after the introduction of the motor car itself. But as the luxurious machine of the present time is the result of a process of gradual development, so also has this branch of the business been extended and improved in keeping with the rapid expansion of the traffic. Notwithstanding this fact, however, it must be confessed that the business of automobile insurance has not yet passed the stage of juvenility when compared with the mature and scientific principles which form the foundation of our fire and life insurance underwriting. The automobile industry itself is of

comparatively recent origin and sufficient time has not yet elapsed to enable us to compile reliable statistics. Furthermore, the changes in the car have been so numerous and so bewildering that the early figures do not form a very safe ground-work upon which to erect our present underwriting plans.

TWO CLASSES.

The business of automobile insurance might be subdivided into two classes, namely: (1) loss of or damage to the car itself by fire, explosion, self-ignition or lightning; while being transported by land or water; by theft, robbery or pilferage; by collision with any other automobile, vehicle or object; and in some cases by mechanical breakdown. (2) Pecuniary loss suffered by the owner as a result of claims made by the public for injuries or damage to property. In this latter category might also be placed injuries suffered by the owner himself and by his chauffeur.

A policy insuring the car against destruction or damage by fire was the earliest form of automobile insurance. In the initial stages the insurance offices pursued their way very warily. To speak frankly, there was little demand by the public, owing to the fact that the early car was unreliable, inconvenient and terribly expensive, and, as a consequence, the advantages of motor traction were not appreciated. In recent years, however, radical changes have been made resulting in the vast and startling growth of the automobile industry, and now the premiums in the automobile department have become a very important adjunct to the ordinary fire insurance business.

THE PREFERRED ACCIDENT INSURANCE COMPANY OF NEW YORK

Announces that it is extending its operations to the Dominion of Canada,— with Offices and Agencies at leading points throughout the Dominion.

Accident, Health and Automobile Insurance

The PREFERRED is the only Company that confines its accident business strictly to Preferred risks, and to parties whose occupations come within that classification it is prepared to give greater benefits than can be secured from any Company insuring all classes of hazards.

Assets -	-	-	-	-	-	-	-	-	\$4,800,000.00
Deposit with Canadian Government	-	-	-	-	-	-	-	-	\$75,000.00

Address Applications for Montreal Agencies
 J. W. McKENZIE, General Manager for Canada.
 P. O. BOX 1814, MONTREAL
 or Head Office for Canada.

CANADIAN PACIFIC RAILWAY BLDG., TORONTO, ONT.

73rd ANNUAL REPORT NEW YORK LIFE INSURANCE CO.

346 and 348 BROADWAY - - NEW YORK CITY

Income for the year 1917:		
Premiums.....	\$100,279,122.00	
Interest and Rents.....	39,957,422.00	
Other Income.....	5,881,618.00	
		\$146,118,162
Paid Policy-holders, 1917 (Exclusive of Disability Benefits):		
Death Losses.....	\$30,599,371.00	
Matured Endowments.....	13,566,409.00	
Surrender Values.....	18,527,170.00	
Dividends.....	22,807,762.00	
Annuities.....	1,387,241.00	
		\$86,887,953
Loaned Policy-holders during 1917		\$23,722,213
New Paid-for Insurance in 1917 (Exclusive of over \$16,000,000 increase by Policies revived and increased, and Additions by Dividends)		\$315,994,500
Paid for Insurance in Force Dec. 31.....	\$2,673,334,336	
Number of Policies in Force Dec. 31.....	1,301,989	
Admitted Assets, Dec. 31, 1917		\$934,929,381
<small>These assets are the property of over 1,000,000 people with their dependents (in accordance with their contractual rights). The Company is purely mutual; it has no capital stock.</small>		
Legal Liabilities		\$760,742,335
Reserved for dividends payable in 1918.....	\$26,561,063.64	
Reserved for dividends on deferred dividend policies maturing subsequent to 1918.....	107,041,778.00	
Reserved for Contingencies.....	40,584,204.36	
		\$174,187,046
Total		\$934,929,381

THE ANNUAL DIVIDEND RATE OF 1917 WILL BE MAINTAINED IN 1918

FOR THE YEAR 1917 THE COMPANY'S MORTALITY RATE WAS THE LOWEST IN ITS HISTORY

Average earning power of total Ledger Assets	{ Dec. 31, 1917, 4.59% { Dec. 31, 1916, 4.54%	A detailed statement will be sent to any person asking for it.
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DARWIN P. KINGSLEY, President.

EAGLE, STAR and BRITISH DOMINIONS INSURANCE CO. LIMITED

Assets over \$61,000,000 Premium Income over \$14,000,000

FIRE and MARINE

Canadian Managers: DALE & COMPANY, LIMITED, Coristine Building, Montreal
Branches at HALIFAX, TORONTO, WINNIPEG and VANCOUVER

THE YORKSHIRE INSURANCE COMPANY, LIMITED

ESTD. 1824

YORK, ENGLAND

ASSETS EXCEED \$23,000,000

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.

CANADIAN DIRECTORS { Hon. G. J. Doherty G. H. Bosworth, Esq.	Hon. Alphonse Racine, Alex. L. MacLaurin, Esq.	Canadian Manager, P. H. WICKHAM, Montreal
--	---	--

APPLICATIONS FOR AGENCIES are invited from responsible persons.

THREE GREAT CLASSES OF PROSPECTS.

There are two, possibly three, great classes of prospects to which life insurance companies and agents will do well to give particular attention during the coming year. These are farmers, workmen and women. They are three classes to whom the average agent has not in the past given enough attention. Only here and there, writes one authority, is to be found an agent who has mastered the peculiar difficulties of working among the farmers.

With regard to laboring men, workers in factories and shops, these have been considered as being in the special province of the industrial companies and the average life insurance agent has paid but little or no attention to them. Since the war wages in all lines have so greatly increased that it can hardly be said that there is a single line of industry in which the ordinary wage-earners are not receiving sufficient pay to justify them in considering an ordinary life policy. Agents who have specialized in writing small ordinary policies have discovered that it does not pay them to solicit clerks in stores or employes in the so-called genteel occupations, because they do not make enough to justify them in carrying life insurance; but the laboring men and all workers in shops and factories are making such large wages that they are easy and willing prospects for life insurance. They are also willing and easy spenders and it is the observation of at least one agent that if the life insurance man can get to them before they have spent their wages it is not a difficult matter to secure their applications.

CANADIAN FIRE RECORD.

LAKEFIELD, ONT.—Cavendish stable used as canoe and motor-boat storehouse, destroyed with 100 new canoes, several launches and an automobile.

KITCHENER, ONT.—Weseloh-Gondie's departmental store, damaged, March 3. Loss placed at \$65,000.

WINNIPEG.—Basement of Grand Theatre, Main Street North, damaged, March 6. Loss \$15,000.

MONTREAL.—Home of H. White, 843 Gertrude Street, Verdun, damaged, March 6.

D'Allard Mngf. Co's. premises, St. Lawrence Street and Laurier Avenue, damaged, March 1.

AURORA, ONT.—Salvation Army barracks, Mosley Street, damaged, March 3.

SERVICE TO OLD POLICYHOLDERS.

(Continued from page 243)

SERVICE MEANS SUCCESS.

The foregoing are some of the ways in which you can render service to policyholders and by so doing open up avenues of new business. You have not finished with the policyholder the moment the policy is issued; on the contrary, your duty to him is continuous so long as the policy remains in force. Your policyholders will appreciate this display of unselfish interest on your part. They will remember you whenever they are ready for new assurance, and will save you the humiliation that always comes when you discover that another agent has written business with your old policyholders that might just as well have been yours. They will talk favorably about you to their relatives and neighbors and will provide you with many excellent "leads." By effective and faithful service to all of your old policyholders, whether they are or are not in a position ever to give you new business themselves, you will soon realize the full significance of the precept, "A satisfied customer is the best asset of any business and its greatest advertisement."

PERSONALS.

We regret to announce the death of Mr. William Cairns, insurance broker, 10 St. John Street, Montreal, in his 64th year. Mr. Cairns was connected with the business of fire and marine insurance for the past 25 years, and was much respected. We understand the business will be continued by his two sons, Messrs. Morris and George Cairns, who have been connected with the firm for some time.

Captain G. C. Coles, the well known insurance agent, Collingwood, Ont., and Stayner, Ont., writes us that he has taken his son Henry into the business. Mr. Henry Coles was formerly with the H. O. of the British America at Toronto, and has spent some time fighting for the Empire in France, where he endured many hardships, being eventually gassed, and is now honourably discharged.

Mr. C. S. Howard, lately of the foreign department of the Dominion Bank, head office, Toronto, has been appointed assistant manager of the Montreal branch in place of Mr. L. H. Seale, resigned.

Mr. John W. Ross, Montreal, has been elected a director of the Sun Life of Canada, following the retirement from the board of Mr. H. W. K. Hale, of Philadelphia.

WE SPECIALIZE—

AUTOMOBILE INSURANCE

Fire, Theft, Property Damage, Collision, Third Party.
Separate or Combined Policies as desired.

FAVOURABLE RATES

LIBERAL CONTRACTS

AGENTS AND BROKERS WANTED

THE CANADA ACCIDENT ASSURANCE COMPANY

Head Office: Commercial Union Building, MONTREAL

H. F. RODEN MANAGERS T. H. HUDSON



THE EMPLOYERS' Liability Assurance Corporation, Limited

of LONDON, England.

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

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

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

APPLICATIONS FOR AGENCIES INVITED

Canadian Government Deposit

\$1,342,455.00

Stands First

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



THE LAST WORD

IN ACCIDENT AND SICKNESS INSURANCE IS

THE DOMINION GRESHAM'S NEW "GRESHAM MAXIMUM" POLICY

AGENTS WANTED EVERYWHERE

Applications in Ontario should be addressed to

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



Founded 1871

AUTOMOBILE INSURANCE

A Comprehensive Policy covering ACCIDENT, PROPERTY DAMAGE, COLLISION, FIRE, THEFT and TRANSPORTATION is what the public demands.

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

Branch Office, MERCHANTS BANK BUILDING, MONTREAL

ARTHUR JAMES, Superintendent.

H. GORDON WARING, Inspector, Automobile Department.

Canadian Head Office: Ocean Insurance Building, TORONTO.

THE DOMINION OF CANADA GUARANTEE & ACCIDENT INS. CO.

The OLDEST and STRONGEST CANADIAN CASUALTY COMPANY

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

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

C. A. WITHERS, General Manager
 TORONTO

Branches: WINNIPEG CALGARY VANCOUVER

FIFTY-EIGHTH ANNUAL REPORT

The London Mutual Fire Insurance Co. of Canada

DIRECTORS' REPORT

To the Shareholders and Members of the London Mutual Fire Insurance Co. of Canada.

Your Directors herewith submit the Fifty-eighth Annual Statement and Balance Sheet, duly certified by the Auditor, showing the receipts and expenditures for the year, as well as the Assets and Liabilities of the Company as at December 31st, 1917.

The operation of the Company for the year 1917 resulted in a profit of \$40,656.06 after providing for all bad and doubtful debts and outstanding liabilities. Of this amount \$15,000 has been set aside as a reserve for possible future losses on investments, and the balance, \$25,656.06, has been added to the surplus.

The net premium income for the year was \$399,923.15, an increase of \$36,239.26, while both the loss and expense ratios have been satisfactory.

The reinsurance reserve, full Government Standard, stood at \$279,095.52, an increase of \$6,763.07; the Cash Surplus \$141,559.57, an increase of \$25,656.06, and the Capital Stock paid up at \$19,250.00, an increase of

\$1,750.00. The total Cash Security for Policyholders was \$502,417.97, an increase of \$31,301.14, in addition to which there is the unassessed portion of premium notes, which amounts to \$250,999.09, an increase of \$3,507.16, making the total Security to Policyholders \$753,417.06, an increase of \$34,808.30, and a total Surplus to Policyholders of \$411,808.66, an increase of \$30,913.22.

The retiring Directors are A. H. C. Carson, R. Home Smith and A. C. McMaster, all of whom are eligible for re-election.

Your Directors desire to thank the Agents of the Company for their support, and they also wish to express their appreciation of the work of the field and office staffs during the past year.

All of which is respectfully submitted,

A. H. C. CARSON, *President.*

Toronto, 23rd of February, 1918.

FINANCIAL STATEMENT as at DECEMBER 31st, 1917

ASSETS	
Bonds, Debentures and Shares with	
Accrued Interest	\$238,844.96
Mortgages Receivable with Accrued	
Interest	14,893.78
Call Loan	700.00
Rents Accrued	420.00
Due by Reinsurers	685.08
Agents' Balances	54,828.52
Cash on hand and on deposit	58,529.49
	<u>\$368,901.83</u>
Office Furniture and	
Good's Plans	\$27,218.92
Less Reserve for Depre-	
ciation	17,218.92
	<u>\$ 10,000.00</u>
Real Estate and Build-	
ings	\$166,576.22
Less Reserve for Depre-	
ciation	4,849.14
	<u>\$161,727.08</u>
Less Mortgage Payable	
and Accrued Interest	38,210.94
	<u>123,516.14</u>
Unassessed Portion of Premium Notes	250,999.09
	<u>\$753,417.06</u>

LIABILITIES	
Unadjusted Fire Losses	\$27,810.56
Government Taxes Accruing	5,566.94
Due for Reinsurance	9,480.11
Sundry Accounts Payable	1,155.27
Provision for Agents' Bonuses	3,500.00
	<u>\$ 47,512.88</u>
Reserves:	
For Investments	\$ 15,000.00
For Reinsurance, Full Govern-	
ment Standard	279,095.52
	<u>294,095.52</u>
Capital Stock Paid Up	\$ 19,250.00
Surplus Account	141,559.57
Unassessed Portion of Premium	
Notes	250,999.09
Surplus to Policyholders	<u>411,808.66</u>

INCOME AND EXPENDITURE ACCOUNT YEAR ENDING DECEMBER 31, 1917

To Losses	\$345,547.12
Less Salvage and Reinsurance	
Recovered	135,790.53
	<u>\$209,756.59</u>
To Commissions, Agency and Management	
Expense, etc.	163,262.91
To Increase in Reinsurance Reserve	6,763.07
To Securities Written Down	2,858.50
To Appropriations,	
Reserves:	
Real Estate and Buildings	\$1,147.63
Office Furniture and Good's	
Plans	3,622.15
	<u>4,769.78</u>
Balance, Net Profit, Transferred to Surplus	
Account	40,656.06
	<u>\$428,066.91</u>

By Gross Premiums	\$698,948.53
Less	
Cancellations	
and Rebates	\$ 87,687.30
Reinsurance Pre-	
miums	211,338.08
	<u>299,025.38</u>
By Transfer Fees	\$399,923.15
By Income from—	
Sale of Securities	\$ 280.46
Interest, Dividends and Rents	7,479.34
	<u>7,759.80</u>
By Proportion of Profit due on Canada Hail	
Shares	20,250.00
	<u>\$428,066.91</u>

CERTIFICATE

We have audited the books of the London Mutual Fire Insurance Company for the year ending December 31, 1917. We find the books to be in order and all the information asked for has been cheerfully given.

Our examination has included the Cash and Bank

Books, Premium Registers, Agents' and Branch Balances and the securities held by the Company.

We certify that the above Balance Sheet is in accord with the books, and in our opinion is a full and fair statement of the position of the Company on that date.

EDWARDS, MORGAN & CO.,

Toronto, February 16, 1918. Chartered Accountants.

CANADA PERMANENT MORTGAGE CORPORATION

QUARTERLY DIVIDEND

NOTICE is hereby given that a Dividend of TWO and ONE HALF PER CENT, for the current quarter, being at the rate of

TEN PER CENT PER ANNUM

on the paid-up capital Stock of the Corporation, has been declared, and that the same will be payable on and after

WEDNESDAY THE SECOND DAY OF APRIL,

next, to Shareholders of record at the close of business on the Fifteenth day of March.

By order of the Board,

Toronto, February 27th, 1918.

GEO. H. SMITH, Secretary.

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

**THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.**

For terms to producing agents address

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

34 Nassau Street New York City

.. THE ..

London Assurance CORPORATION OF ENGLAND.

INCORPORATED BY ROYAL CHARTER A.D. 1720

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

Head Office for Canada. MONTREAL

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

ATLAS ASSURANCE COMPANY LIMITED of LONDON, ENGLAND

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

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

and at
31st DECEMBER, 1916 7,980,685 20,730,010

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

Agents wanted in unrepresented districts.

Head Office for Canada:

260 St. James St., MONTREAL

MATTHEW C. HINSHAW, Branch Manager



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

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

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

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 Reserve Funds 5,539,000.00

Available Balance from Profit
and Loss account. 111,521.46

Net Premiums in 1916 5,630,376.43

Total Losses paid to 31 Dec., 1916 - 100,942,000.00

Canadian Branch:

LEWIS BUILDING, 17 ST. JOHN STREET, MONTREAL

Manager for Canada: MAURICE FERRAND.

GASOLINE ON THE FARM.

The increasing use of gasoline on the farm for various purposes is markedly increasing fire hazards to the farmer's home. Modern farmers are adopting gasoline engines for pumping water, operating cream separators and washing machines. A dangerous hazard is the habit of farmers leaving automobiles in sheds adjoining barns and adjacent to the house. This is a dangerous practice; automobiles should be kept in specially built garages at a safe distance from other buildings.

Although the general use of gasoline is increasing, little has been done by the farmer to minimize the gasoline fire hazard. The farmer usually buys in large quantities and keeps his gasoline supply in a shed nearby and sometimes in the barn itself.

This is a dangerous practice and may lead not only to a fire loss but also to loss of life. The safest method is to adopt some underground storage system, but if this is found impracticable at least store gasoline away from all other buildings.

PREFERRED ACCIDENT OF NEW YORK.

As previously announced, the Preferred Accident Insurance Company, of New York, is commencing operations in Canada, under the management of Mr. J. William McKenzie, transacting accident, health and automobile insurance. Confining its accident business strictly to preferred risks, the Company issues an attractive "Special" accident policy, under which, in addition to the doubling of indemnity for travel accidents, etc., the weekly indemnity for total and partial disability is increased 10 per cent. yearly up to 50 per cent. above the original weekly indemnity, and hospital and other indemnities are also provided. The premium is a very moderate one.

SMALL SAVINGS.

People fail to realize the possibilities invested in small sums, perhaps best illustrated by the general attitude toward small change. Nickles and dimes are cheap to the constitutional spender. To the street car corporation, the cigar stores, the condy manufacturers, the five and ten-cent stores, the amusement houses and savings banks these little bits of metal are pure gold. Fortunes constantly flow from the many hands to the few in thin streams of little coin.

To appreciate the value of small change, one should learn to think of small squanderings in terms of interest on invested capital, remembering that a nickle is a whole year's earnings of an invested dollar; that a carelessly spent half-dollar throws away the year's work of ten dollars, and that a half-dollar a day poorly spent consumes the income for an invested sum of \$3,650.

There is no greater medium in the world for the accumulation of small savings than that offered by life insurance. No other institution can bestow equal potentialities upon small sums—the single deposit of say \$25 may create an estate of \$1,000. It is a form of savings which is free from the numerous objections common to other media.—*North American Life.*

EAGLE, STAR AND BRITISH DOMINIONS.

The enterprising Eagle, Star and British Dominions Insurance Company, which is always to the fore in advertising novelties, has issued a new and attractive war blotting book and blotters, admirably got up, and illustrating various aspects of the War. The new blotters are both useful and interesting.

**The Cost of Smoking**

Do you know that the cost of your two or three cigars—say a quarter a day—will maintain about \$4,000 of life assurance for a man between 25 and 30?

You can afford to smoke, sure! But you can also afford an Imperial Life Policy to provide for your wife and little ones should death call you suddenly. For particulars write to

THE IMPERIAL LIFE
Assurance Company of Canada
HEAD OFFICE · TORONTO



The Northern Assurance Co. Limited of England.

ACCUMULATED FUNDS, 1916 \$39,935,000.00

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

**Head Office for Canada: No. 88 NOTRE DAME ST. WEST, MONTREAL.
G. E. MOBERLY, Manager.**



RAILWAY PASSENGERS ASSURANCE COMPANY

OF LONDON, ENGLAND

*All kinds of Personal Accident and Sickness Insurance
Employers and Public Liability
Burglary, Plate Glass and Fidelity Guarantee*

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F. H. RUSSELL, General Manager.

**Oldest Accident
Office**

MONTREAL BRANCH

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HEAD OFFICE: WINNIPEG, MAN.

SURPLUS TO POLICYHOLDERS - \$1,976,156.08

A Canadian Company investing its Funds in Canada

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The Strathcona Fire Insurance COMPANY

HEAD OFFICE MONTREAL

CAPITAL. Subscribed - - - - - \$300,000

By over 500 Notaries of the Province of Quebec

DEPOSITED with the Provincial Government \$64,000

TOTAL ASSETS, December 31st, 1916 - \$342,395

90 ST. JAMES ST. - Main 7544

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.

Your Health, Sir!
—should be your first consideration, and which no business man can well afford to neglect.

To insure bounding health and improved mental vitality—every morning take a glass of this invigorating and pleasantly refreshing

Abbey's Effer-Salt
ALL DRUGGISTS SELL IT

For Nerves, Impure Blood—try
ABBAY'S VITA TABLETS
50 Cents a Box

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BEWARE OF VAPOURS IN EMPTY GASOLINE CANS.

An instructive report upon the hazard arising from gasoline vapours from old cans and cavities in machinery and engines has been issued by the U. S. Bureau of Mines of the Department of the Interior, from which the following is an abstract:

These seemingly empty gasoline cans or tanks are probably more dangerous than those filled with gasoline. Usually the can will not be entirely emptied but will contain a little liquid gasoline that did not run out. This gasoline will vaporize, the vapour will mix with the air in the can, and the mixture may easily be explosive. When the can is being filled this mixture of gasoline vapour and air is forced out by the gasoline and may explode if it is ignited by a flame or spark near the opening.

Many engines are built with cavities or enclosed spaces in the crank case, base, or some other part; these may be full of gasoline vapours. Many men, when inspecting or making repairs with an open light, have been severely burned when these vapours have been ignited.

To guard against such accidents all cavities should be blown out with compressed air or steam. If neither of these is available the cover should be removed, the vapours should be fanned out, and a lighted lamp or candle attached to a long stick should be passed around inside the cavities to burn out any vapours that may remain before the workman puts his hands or face near them.

Unless an ample current of air at considerable velocity is passing, gasoline should not be used to clean oil and dirt of an engine or other machinery.

LIFE UNDERWRITERS' MEETING.

The Life Underwriters' Association of Canada held their mid-year executive meeting in Montreal last week, there being a large and representative attendance from the various Eastern Canadian centres. The visitors included Messrs. Lawrence Priddy, of New York, president of the National Association of Life Underwriters of the United States, and Neil D. Sills, of Richmond, Virginia, ex-president. A large amount of business was transacted, including the organisation of arrangements for the joint convention of the American and Canadian associations, to be held in New York in September next.

Mr. J. T. Wilson, of Halifax, president of the Canadian Association, will begin next month a coast to coast trip, accompanied by Mr. Castle Graham, general secretary, occupying about two months. In the course of this trip practically all the local associations will be visited.

THE ROYAL ARCANUM.

Insurance Commissioner Hardison of Massachusetts has issued a report prepared by the insurance departments of Massachusetts, Connecticut and New York, in which it is declared that the Royal Arcanum of Massachusetts is 99 per cent. solvent. The investigators find that there is no justification for proceedings for the dissolution of the society, nor justifiable grounds for application for the appointment of a receiver by any court.

The one security outside of government securities that is absolutely stable and unchanging in dollar-for-dollar value is life insurance.—*New York Life Bulletin.*

TRAFFIC RETURNS.

CANADIAN PACIFIC RAILWAY.

Year to date	1916	1917	1918	Increase
Jan. 31,	\$8,380,000	\$9,941,000	\$10,570,000	\$629,000
Week ending	1916	1917	1918	Increase
Feb. 7,	1,876,000	1,890,000	2,096,000	206,000
14,	1,912,000	2,180,000	2,306,000	126,000
21,	1,796,000	2,225,000	2,435,000	210,000
28,	2,537,000	2,482,000	Dec. 55,000

GRAND TRUNK RAILWAY.

Year to date	1916	1917	1918	Decrease
Jan. 31,	\$4,257,416	\$4,677,388	\$4,083,362	\$594,026
Week ending	1916	1917	1918	Increase
Feb. 7,	937,937	928,462	675,115	253,347
14,	868,432	828,671	752,861	Dec. 75,810
21,	853,582	956,487	980,013	Inc. 23,526
28,	1,139,386	1,133,392	Dec. 5,994

CANADIAN NORTHERN RAILWAY

Year to date	1916	1917	1918	Decrease
Jan. 31,	\$2,086,800	\$2,832,600	\$2,715,300	\$117,300
Week ending	1916	1917	1918	Increase
Feb. 7,	429,400	493,600	634,600	141,000
14,	312,700	602,000	688,000	86,000
21,	336,600	598,700	652,800	54,100
28,	664,300	715,600	51,300

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By strong American Insurance Company,
GENERAL AGENT for the City of Montreal, for
its Automobile Department. Address

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INSPECTOR and SUPERINTENDENT
of AGENCIES. Gentleman is open to represent
progressive Company in the field. Well-known
throughout Ontario and elsewhere. Competent
Organiser. Address

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c/o THE CHRONICLE,
MONTREAL

WANTED.

INSPECTOR, for Province of Quebec, by
strong Non-Tariff Company. Must be capable,
energetic, and speak both languages. Address,
giving full particulars, to

INSPECTOR,
c/o THE CHRONICLE,
MONTREAL

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Incorporated 1833

FIRE, HAIL, OCEAN MARINE AND INLAND MARINE INSURANCE

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Old Reliable Progressive
 Assets over - - \$2,750,000.00
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TOTAL RESOURCES, over - - \$84,000,000.00
 LOSSES PAID - - 490,000,000.00

DEPOSITS with Federal Government and Investments in Canada, for security of Canadian policyholders only, exceed 3,000,000.00

AGENTS WANTED IN BOTH BRANCHES. Apply to
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in Life Insurance are many.

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The LONDON MUTUAL FIRE INSURANCE COMPANY

Established 1859
 Assets - - \$753,417.06
 Surplus to Policyholders - - 411,808.66
 Losses Paid, Over - - 8,000,000.00

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