

The Chronicle

Banking, Insurance & Finance.

ESTABLISHED JANUARY, 1881

PUBLISHED EVERY FRIDAY

Vol. XXXIII. No. 3

MONTREAL, JANUARY 17, 1913.

Single Copy 10c.
Annual Subscription \$5.00

Bankers' Views.

The incidence of annual meetings of bank shareholders has made available within a week the views on conditions in Canada and the outlook, of the executives of three of the important banks. In passing it may be said that the attention which is widely given in Canada to the utterances of the bank executives at these annual gatherings is an interesting and important indication of the high place which the bankers hold in the esteem of the community. Possibly in no other country is attention more generally directed to utterances of this kind, and probably so, because they are recognised as being based not only upon the best possible information, but also upon the matured and deliberate judgment of the able men who make them. What is the purport of the views which have lately been expressed? Summed up in the briefest possible way, their purport may be said to be a sober optimism, with an undercurrent of caution. The outlook is fair but there are clouds on the horizon whose development is problematical, and it is necessary to be cautious in carrying sail lest they should develop into storm-clouds. Mr. Holt, the president of the Royal Bank, especially drew attention to the dependence of Canada as a borrowing country upon exterior developments. "The present outlook," he said, "could hardly be better. At the same time we should be cautious in our optimism. It must not be forgotten that the most influential factor in our progress is the investment of foreign capital, and that the interruption of this flow would have adverse results, especially if anticipated." Mr. Coulson, president of the Bank of Toronto, emphasised the point that prosperity caused by the expenditure of money borrowed from abroad is not always on a sound basis and warned prospective borrowers that in the present condition of the foreign financial markets they should proceed cautiously. Mr. Pease, the general manager of the Royal Bank, came out as a forthright advocate of economy. "While the outlook in Canada is exceedingly bright," he said, "there are evidences on many sides that we are straining our prosperity. There is too much inflation. It would be the part of prudence to retrench in our expenditure until we have harvested another crop." Mr. Laird, the general manager of the Bank of Commerce, thinks that the evidence affords excellent grounds for the assumption that the unusual prosperity we are now enjoying is on a sound basis. "There is, therefore, some warrant," he said, "for the belief that with reasonable care and judgment in measuring our commitments there will

be a continuance of prosperous conditions for the coming year." Finally, Sir Edmund Walker, the president of the Bank of Commerce, in his always interesting and suggestive annual survey, called attention, *inter alia*, to several failings which cannot be contemplated with equanimity, the extravagance that is prevalent in some quarters, the poor roads, inefficiency of labour, and waste of food which increase the high cost of living.

It will be seen that these bankers' reasons for caution divide themselves into two categories—those beyond our control, and those for which we are directly responsible. The condition of the financial markets abroad is not of our making. As a borrowing country, we can merely bow to the inevitable in that connection and endeavor to be careful (as we have not been always) to suit the convenience of those from whom we borrow and incline even to their whims. Inefficiency of labour, extravagance of expenditure and waste of food and other materials, on the other hand, are matters which it is for ourselves to deal with. It is gratifying to find a Canadian of the prominence of Sir Edmund Walker calling attention to evils which if allowed to continue and develop will in their growth strike at the root of our national prosperity. The problem of the provision of really skilled labour in Canada at the present time calls for immediate and grave consideration. In every direction we are handicapped by the utter inefficiency of the labour in our industries. Wages are high, and Trades Unions are careful to see that they keep going higher, but there is not apparent any corresponding improvement in the quality of the service rendered, as the wages move up. Habits of wastefulness, unfortunately, are not confined to the use of food—the point which Sir Edmund specifically mentioned—but are evident in other directions, notably in regard to loss by fire. It is true that at length a certain amount of interest in the fire prevention campaign is being aroused among certain classes, but the general public is still lamentably ignorant, and it would seem almost entirely indifferent to the great urgency of the matter of reducing the fire waste. Sir Edmund's reference to the fact that our imports are to some extent unwisely increased by the extravagance of an unusually prosperous people, suggests the thought that not a little of the free spending which is now going on is not only extravagant but foolish. The reason probably is that a certain number of people who in the present prosperous period have acquired wealth with great rapidity don't know how to spend their money.

Established 1817 **BANK OF MONTREAL** Incorporated by Act of Parliament
 Capital Paid Up, \$16,000,000.00 Rest, \$16,000,000.00 Undivided Profits, \$802,814.94

Head Office, MONTREAL

BOARD OF DIRECTORS

RT. HON. LORD STRATHCONA AND MOUNT ROYAL, G.C.M.G., G.C.V.O., *Honorary President.*
 H. B. ANGLU, *President.* H. V. MEREDITH, *Vice-President.*
 E. B. GREENSHIELDS. SIR WILLIAM MACDONALD. JAMES ROSS.
 HON. ROBT. MACRAV. SIR THOMAS SHAUGHNESSY, K.C.V.O. DAVID MORRICE.
 C. R. HOMER. A. BAUMGARTEN. C. B. GORDON.
 HUNTLY R. DRUMMOND. D. FORBES ANGLU.

H. V. MEREDITH, *General Manager.*
 A. MACNIDER, *Chief Inspector and Superintendent of Branches.*

C. SWENEY, *Supt. British Columbia Branches.* A. D. BRATHWAITE, *Supt. Ontario Branches.*
 P. J. COCKBURN, *Supt. Quebec Branches.* E. P. WINSLOW, *Supt. North West Branches.*
 D. R. CLARKE, *Supt. Maritime Provinces and Newfoundland Branches.*

BRANCHES IN CANADA

In all the important Cities and Towns in the following Provinces:
 PROVINCE OF ONTARIO. PROVINCE OF PRINCE EDWARD ISLAND.
 PROVINCE OF QUEBEC. PROVINCE OF NOVA SCOTIA.
 PROVINCE OF NEW BRUNSWICK. NORTHWEST PROVINCES.
 PROVINCE OF BRITISH COLUMBIA.

BRANCHES OUTSIDE OF CANADA:

LONDON, England, 47 Threadneedle Street, E.C., SIR FREDERICK WILLIAMS-TAYLOR, Manager.
 NEW YORK, N.Y., 54 Wall Street, R. Y. HERDEN, W. A. BOG, J. T. MOLINEUX, Agents.
 CHICAGO, Illinois, 184 La Salle Street. SPOKANE, State of Washington.
 ST. JOHN'S, Newfoundland. BIRCHY COVE, Newfoundland. GRAND FALLS, Newfoundland.
 MEXICO CITY, Mexico, D.F.

BANKERS IN GREAT BRITAIN

LONDON.
 The Bank of England,
 The Union of London and Smith's Bank, Limited.
 London County and Westminster Bank, Limited.
 The National Provincial Bank of England, Limited

LIVERPOOL, The Bank of Liverpool, Limited. SCOTLAND, The British Linen Bank and Branches.

BANKERS IN THE UNITED STATES

NEW YORK
 The National City Bank.
 National Bank of Commerce.
 National Park Bank.
 PHILADELPHIA, Fourth Street National Bank. BOSTON, The Merchants National Bank.
 BUFFALO, The Marine National Bank. SAN FRANCISCO, First National Bank.
 The Anglo and London-Paris National Bank.

Savings Bank Department connected with each Canadian Branch, and interest allowed at current rates.
 Collections at all points of the world undertaken at most 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.

The Bank of British North America

Established in 1836. Incorporated by Royal Charter in 1840.
 Paid Up Capital \$4,866,666.66 Reserve Fund - \$2,774,000.00
HEAD OFFICE - - - - - 5 GRACECHURCH STREET, LONDON, E.C.
 A. G. WALLIS, Secretary. W. S. GOLDBY, Manager.

COURT OF DIRECTORS

JOHN H. BRODIE, Esq. RICHARD H. GLYN, Esq.
 J. H. MAYNE CAMPBELL, Esq. E. A. HOARE, Esq.
 JOHN JAMES CATER, Esq. H. J. B. KENDALL, Esq.

FRED. LUBBOCK, Esq.
 C. W. TOMKINSON, Esq.
 GEO. D. WHATMAN, Esq.
St. James Street, Montreal.

Head Office in Canada:

H. B. MACKENZIE, General Manager.

JAMES ANDERSON, Superintendent of Branches, H. A. HARVEY, Superintendent of Eastern Branches, Montreal.
 J. McEACHERN, Superintendent of Central Branches, Winnipeg.
 O. R. ROWLEY, Chief Inspector. E. STONHAM, Assistant Secretary.
 J. H. GILLARD and N. V. R. HUUS, Assistant Inspectors, Montreal. A. S. HALL, Assistant Inspector, Winnipeg.

BRANCHES IN CANADA:

Montreal Branch: A. F. HAZEN, Manager.

Agnassiz, B.C.	Duck Lake, Sask.	Kingston, Ont.	Paynton, Sask.	Semons, Sask.
Alexander, Man.	Duncan, B. C.	Lampman, Sask.	Prince Rupert, B.C.	Toronto, Ont.
Ashcroft, B. C.	Edmonton, Alta.	Lillooet, B.C.	Punichy, Sask.	" Bloor and Lansdowne
Battleford, Sask.	Estevan, Sask.	London, Ont.	Quebec, P. Q.	" King and Dufferin
Belmont, Man.	Fort George, B.C.	" Market Square	" St. John's Gate	" Royce Ave.
Babcock, Ont.	Forward, Sask.	Longueuil, P. Q.	Queenel, B. C.	Trail, B. C.
Boucherville, P.Q.	Fredericton, N.B.	Lytton, B.C.	Raymore, Sask.	Vancouver, B.C.
Bow Island, Alta.	Girvin, Sask.	MacLeod, Alta.	Reston, Man.	Varennes, Que.
Brandon, Man.	Halifax, N.S.	Midland, Ont.	Rhels, Sask.	Verdun, Que.
Brantford, Ont.	Hamilton, Ont.	Montreal, P. Q.	Rossland, B.C.	Victoria, B.C.
Burdett, Alta.	" Westinghouse Ave.	" St. Catherine St.	Rotherham, Sask.	Wawlaw, Sask.
Calowville, Ont.	Hamilton, Victoria Ave.	" Rosemount	St. John, N.B.	Waldron, Sask.
Calgary, Alta.	Hedley, B.C.	North Battleford, Sask.	" Haymarket Sq.	Weston, Ont.
Campbellford, Ont.	Ituna, Sask.	North Vancouver, B.C.	" " Union St.	West Toronto, Ont.
Ceylon, Sask.	Kaslo, B. C.	" Upper Lansdale Ave.	St. Stephen, N. B.	Winnipeg, Man.
Darlington, Man.	Kellther, Sask.	Oak River, Man.	Saltcoats, Sask.	Wynyard, Sask.
Davidson, Sask.	Kerrisdale, B.C.	Ottawa, Ont.	Saskatoon, Sask.	Yorkton, Sask.
Dawson, Yukon				

AGENCIES IN THE UNITED STATES.

NEW YORK 52 Wall Street, H. M. J. McMichael & W. T. Oliver, Agents.
 SAN FRANCISCO, 264 California Street.—G. B. Gerrard and A. S. Ireland, Agents. BOSTON, Merchants National Bank.
 CHICAGO, Merchants Loan and Trust Company. MINNEAPOLIS, Security National Bank.
 SEATTLE, Dexter Horton National Bank.
 FOREIGN AGENTS: London, Eng. The Bank of England and Messrs. Glyn & Co. Liverpool, Eng., Bank of Liverpool Limited.
 Scotland, National Bank of Scotland Limited, and Branches. Ireland, National Bank Limited and Branches, Provincial Bank of Ireland Limited and Branches. Germany, Deutsche Bank and Branches. Paris and Lyons, Credit Lyonnais. Australia, Union Bank Limited and Branches. New Zealand, Union Bank of Australia Limited and Branches. India, China and Japan, Mercantile Bank of India Limited and Branches. West Indies, Colonial Bank and Branches.
 Drafts, Money Orders, Circular Letters of Credit and Travellers' Cheques issued negotiable in all parts of the world. Agents in Canada for the Colonial Bank, London and West Indies.

The Chronicle

Banking, Insurance and Finance

ESTABLISHED 1881.

PUBLISHED EVERY FRIDAY.

R. WILSON-SMITH,

ARTHUR H. ROWLAND,

Proprietor.

Editor.

Chief Office:

GUARDIAN BUILDING, 160 ST. JAMES STREET,
MONTREAL.

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

MONTREAL, FRIDAY, JANUARY 17, 1913.

INDEX TO PRINCIPAL CONTENTS

	PAGE
Bankers' Views	65
General Financial Situation	67
Canadian Bank of Commerce Meeting	69
Where British Capital went in 1912.....	71
Bank of Toronto.....	71
New York Life Insurance Company.....	73
Mutual Fire Companies of Quebec.....	73
The Late Mr. G. F. C. Smith	75
Montreal's Water Supply.....	75
Heavy Fire Loss at Calgary.....	77
Home Life Association of Canada.....	77
Workmen's Compensation in Ontario.....	77
Dominion Bank's Statement	79
Insurance Briefs	79
Personal Paragraphs.....	81
Canadian Fire Record	81
Market & Financial Paragraphs.....	92
Bank & Traffic Returns.....	95
Annual Statement and Meetings:	
New York Life.....	83
Bank of Toronto.....	86
Canadian Bank of Commerce.....	88
Home Life.....	93

THE GENERAL FINANCIAL SITUATION.

Most of the \$5,000,000 African gold offered in London on Monday was taken by the Bank of England. The official discount rate of the big English bank remains at 5 p.c. In the London market money is still in strong demand and rates have not fallen as much as expected. Call money is 3½ to 3¾ p.c.; short bills, 4 9-16; and three months' bills, 4 9-16. At Paris bank rate is 4 p.c. and market rate also 4; at Berlin bank rate is 6 and market rate 4¾.

* * * *

Europe has been much perplexed over the outcome of the peace negotiations. Turkey's refusal to surrender Adrianople, if final, threatens to cause a renewal of the war; and financial Europe has been feeling greatly depressed thereat, because the cost of the hostilities already has been very large. If the conflict is resumed, it may not come to a speedy end; as it is quite possible that the Turks may have more success than they had in the earlier stages. It would seem to be the part of wisdom for the allies to be forbearing in their demands. Their armies are far from the home bases; and the task before them promises to be much more difficult if the war is renewed.

In the meantime business conditions in Austro-Hungary and in other Southern European countries are deplorable. The Balkan States are still under moratorium—that is to say, the creditor classes in those countries and in other countries are debarred from collecting debts. Parties in outside countries having claims on merchants in these states for goods supplied, in many cases, will probably never get their claims paid. What has happened can be taken as a general repudiation of debt on a large scale. Needless to say this will react with the utmost severity against the nations or states which do not pay their debts. It will be some time before the merchants and business people of those states are able to secure any goods from abroad on credit. Foreign merchants will stipulate in most cases that the payment be in hand before the goods are shipped.

* * * *

In New York money rates are further reduced largely because of the continued heavy flow of currency from the interior and also because of the fears and nervousness engendered among holders of securities by the pernicious activity of certain legislators and legislative committees. With their mistaken notions that big business of all kinds is inimical to the public interest, they have been pursuing the railroads, banks, and other corporations until they have succeeded in awakening genuine alarm among the investment classes throughout the whole country. Even when the reforms they seek to effect are proper and desirable they are disposed to press for them in a manner that is injurious to the interests of the nation. The probable effect of these crusades will be to discourage the investment of new money in extensions, etc. Last year Canada built over 2,200 miles new railway mileage; the United States, with 12 times Canada's population, built only 2,000 miles. And the newer South Western states and the Pacific states need new railway mileage as much as Saskatchewan and Alberta need it.

* * * *

Call loans in New York have fallen to 2¾ p.c.; sixty day loans 4 per cent.; ninety days, 4¼ p.c.; and six months, 4½. The shipments of cash arriving in New York from the interior are enormous. The clearing house institutions on Saturday reported a cash gain of \$21,300,000. Owing to their extraordinary receipts of cash they have been enabled to take over a very large amount of loans which were shifted to outside institutions during the season of monetary strain. Hence a large loan expansion—it amounted to \$60,586,000. The increase of excess reserve was thus reduced to small figures—\$1,284,750. However, the excess stands at \$15,139,000, and as the banks have taken up the shifted loans they can presumably pass them over again to the interior banks if the occasion arises. The banks alone reported a loan expansion of \$50,887,000, and a cash gain of \$21,600,000. Their surplus reserve rose \$3,210,000—from \$12,193,750 to \$15,403,750. Aggressive bear attacks induced by the uncertain outlook served to effect extensive reductions in the quotations of Wall Street stocks and liquidation of accounts carried by the brokerage houses.

* * * *

In Canada business has proceeded in the ordinary manner except that the volume of transactions continues to be very large and profits are presumably eminently satisfactory. Call loans in Montreal and

THE CANADIAN BANK OF COMMERCE

Paid-up Capital - \$15,000,000
Rest - - - 12,500,000

HEAD OFFICE : TORONTO

Board of Directors

SIR EDMUND WALKER, C.V.O., D.C.L., LL.D., President.
 Z. A. LASH, Esq., K.C., LL.D., Vice President.

HON. GEO. A. COX	ALEXANDER LAIRD, Esq.,
JOHN HOSKIN, Esq., K.C., LL.D.	WILLIAM FARWELL, Esq., D.C.L.
SIR JOHN M. GIBSON, K.C.M.G.,	GARDNER STEVENS, Esq.,
K.C., LL.D.	G. G. FOSTER, Esq., K.C.
WM. MCMASTER, Esq.	CHARLES COLBY, Esq., M.A.,
A. KINGMAN, Esq.	PH.D.
SIR LYMAN MELVILLE JONES	A. C. FLUMERFELT, Esq.,
HON. W. C. EDWARDS	G. W. ALLAN, Esq.
J. W. FLAVELLE, Esq., LL.D.	H. J. FULLER, Esq.
E. R. WOOD, Esq.	F. P. JONES, Esq.
ROBERT STUART, Esq.	
G. F. GALT, Esq.	

ALEXANDER LAIRD, General Manager
 JOHN LAIRD, Assistant General Manager

Montreal Office .. H. B. WALKER, Manager
London, England Office, 2 Lombard Street, E.C.

H. V. K. JONES, Manager

New York Agency, 16 Exchange Place

WM. GRAY
 H. P. SCHELL, Agents

Mexico City: Avenida San Francisco No. 50

J. P. BELL, Manager

The Bank transacts every description of banking business, including the issue of Letters of Credit, Travellers Cheques and Drafts on Foreign Countries, and will negotiate or receive for collection Bills on any place where there is a Bank or Banker.

THE MOLSONS BANK

Incorporated by Act of Parliament, 1855.

Capital Paid up \$4,000,000
Reserve Fund 4,700,000

BOARD OF DIRECTORS

WM. MOLSON MACPHERSON, President, S. H. EWING, Vice-President
 GEO. E. DRUMMOND, D. MCNICOLL, F. W. MOLSON,
 W. M. BIRKS, W. A. BLACK.

JAMES ELLIOT, General Manager.
 W. H. DRAPEL, E. W. WAUD, T. BERTSFORD PEECE,
 Supt. of Branches, Inspector of Western Branches,
 H. A. HARRIES, Asst. Inspector J. H. CAMPBELL, Asst. Inspector,
 THOS. CARLISLE, Asst. Inspector.

BRANCHES:

Alberta	Ontario—Cont.	Ontario—Cont.	Quebec—Cont.
Calgary	Exeter	St. Thomas—	Montreal—Cont.
Camrose	Forest	West End Br.	Market & Har-
Diamond City	Frankford	East End Br.	bor Branch
Edmonton	Hamilton—	Teeswater	St. Henri Br.
Lethbridge	James Street	Toronto—	Maisonneuve
	Market Branch	Bay Street	Cote des Neiges
British Columbia		Queen St. W.	St. Lawrence
Revelstoke	Hessall	Trenton	Boul. Br.
Vancouver—	Highgate	Wales	Cote St. Paul Br.
Main Street	Froquois	West Toronto	Park & Bernard
Hastings St.	Kingsville	Williamsburg	Ave. Branch
Manitoba	Kirkton	Woodstock	Perreville
Winnipeg—	Lambton Mills	Zurich	Quebec
Portage Av.	Lucknow		Richmond
Main St.	Meaford	Quebec	Riviere du Loup
Ontario	Merlin	Athabaska	Roberval
Amherstburg	Morrisburg	Bedford	St. Cesaire
Ashter	Norwich	Chateaufort	Sorel
Belleville	Ottawa	Cowanville	St. Flavie Statn.
Brookville	Owen Sound	Drummondville	St. Ours
Chesterville	Petrolia	Knowlton	St. Therese de
Clinton	Port Arthur	Lachina Locks	Bainville
Contra	Ridgetown	Montreal—	Victoriaville
Dunbar	St. James St.	St. James St.	Ville St. Pierre
Dutton	South Falls	St. Catherine St	Waterloo
	St. Marys		

AGENTS IN ALL THE PRINCIPAL CITIES OF THE WORLD
 London, England, Agents, Paris Bank, Limited. New York Agents,
 Mechanics and Metals National Bank.

Collections made in all parts of the Dominion, and returns promptly remitted at lowest rates of exchange. Commercial Letters of Credit and Travellers' Circular Letters issued, available in all parts of the world.

THE MERCHANTS' BANK OF CANADA

HEAD OFFICE, MONTREAL
Capital Paid-up \$6,700,000 **Reserve Fund \$5,900,000**
 Pres.: SIR H. MONTAGU ALLAN. Vice-Pres.: K. W. BLACKWELL.

Directors:
 THOS. LONG, ALEX. BARNETT, F. ORR LEWIS
 ANDREW A. ALLAN, C. C. BALLANTYNE, A. J. DAWES
 E. HOWARD WILSON, GEORGE L. CAINS, FARQUHAR ROBERTSON
 A. B. EVANS

E. F. HERDEN, General Manager
 T. E. MERRITT, Superintendent of Branches and Chief Inspector.
BRANCHES AND AGENCIES.

Ontario	Quebec
Acton	Montreal (Head Office) St. James St.
Alvinston	" 1255 St. Catherine St., East
Athens	" 320 St. Catherine St., West
Belleville	" 1330 St. Lawrence Boulevard
Berlin	" 1866 St. Lawrence Boulevard
Bothwell	" 672 Centre Street
Brampton	Beauharnois Shawville
Brautford	Lachine Sherbrooke
Chatham	Quebec Ste. Agathe
Chatham	" St. Sauveur St. Jerome
Chatham	Rigaud St. Johns
Chesley	Owen Sound
Creemore	Perth
Delta	Prescott
Eganville	Preston
Elgin	Renfrew
Elora	Stratford
Finch	St. Eugene
Fort William	St. George
Galt	St. Thomas
Gananoque	Tara
Georgetown	Thamesville
Glencoe	Tilbury
Gore Bay	Toronto
Granton	" Dundas St.
Guelph	" Parl. St.
Hamilton	" Parkdale
Hanover	Walkerton
Hespeler	Walkerville
Ingersoll	Walkersburg
Kingsford	Watford
Lancaster	West Lorne
Lansdowne	Westport
Leamington	Wheatley
Little Current	Windsor
	Yarker
Saskatchewan	
Antler	Medville
Arvola	Moone Jaw
Battleford	Oxbow
Carnduff	Regina
Frobisher	Saskatoon
Gainsborough	Unity
Kisbey	Whitewood
Maple Creek	
	British Columbia
	Chilliwack New Westminster
	Elko Vancouver
	Nanaimo " Hastings St.
	Sidney Victoria
	Halifax, N.S.
	St. John, N.B.

Sub-Agency: **Ontario**—Addison, Desboro, Frankville, London South, Lyndhurst, Muirkirk, Newbury, Williamstown. **Quebec**—Bury, St. Jovite, **Manitoba**—Grissold, Sidney. **Alberta**—Big Valley, Botha, Chauvin, Donalds, Rumsey, Ryley.

IN UNITED STATES—New York Agency, 63 Wall Street.
BANKERS IN GREAT BRITAIN—The London Joint Stock Bank, Limited.

D. C. MACAROW Local Manager, Montreal.

IMPERIAL BANK OF CANADA

CAPITAL AUTHORIZED - \$10,000,000.00
CAPITAL PAID UP - 6,620,000.00
RESERVE FUND - 6,620,000.00
TOTAL ASSETS - 72,000,000.00

DIRECTORS:
 D. R. WILKIE, President. HON. ROBERT JAFFRAY, Vice-President.
 WILLIAM RAMSAY of Bowland, Stow, Scotland, ELIAS ROGERS,
 J. KEER OSBORN, PELEG HOWLAND, SIR WM. WHYTE, Winnipeg,
 CAWTHRA MULOCK, HON. RICHARD TUNNEY, Quebec,
 WM. HAMILTON MERRITT M.D., St. Catharines, W. J. GAGE.

BRANCHES IN PROVINCE OF ONTARIO.

Amherst-	Essex	Kenora	Ottawa	St. Cather-
burg	Perth	Listowel	Palgrave	ines
Belwood	Poultill	London	Porcupine	St. Davids
Bolton	Port William	Marshallville	Port Arthur	S. Ste Marie
Brautford	Galt	Nashville	Port Colborne	St. Thomas
Caledon E.	Hamilton	Niagara Falls	Ridgeway	Toronto
Cobalt	Harrow	New Liskeard	Port Colborne	Vineland
Cochrane	Humberstone	Niagara-on-the-Lake	South Porcu-	Welland
Cottam	Ingersoll	North Bay	South Woods	Woodstock
Davisville	Jordan			
Elk Lake				

BRANCHES IN PROVINCE OF QUEBEC.
 MONTREAL. QUEBEC.

BRANCHES IN PROVINCE OF MANITOBA.
 Brandon Portage La Prairie Winnipeg

BRANCHES IN PROVINCE OF SASKATCHEWAN.
 Balgonie, Broadview, Fort Qu'Appelle, Hague, Moose Jaw, North
 Battleford, Prince Albert, Regina, Roshera, Wilkie, Wynyard.

BRANCHES IN PROVINCE OF ALBERTA.
 Athabaska Landing, Banff, Calgary, Edmonton, Lethbridge, Redcliff,
 Red Deer, Strathcona, Wetaskiwin.

BRANCHES IN PROVINCE OF BRITISH COLUMBIA.
 Arrowhead, Chase, Cranbrook, Fernie, Golden, Kamloops, Michel,
 New Michel, Nanaimo, Revelstoke, Vancouver, Victoria, Wilmer.

Savings Bank Department.
 Interest allowed on deposits from date of deposit.

Toronto are quoted 6 to 6½ p.c.; and rates for mercantile discounts are 6 to 7 per cent. as theretofore. The easier tendency noted a week ago is perhaps more in evidence. When New York call loans are below 3 p.c., the Canadian markets are always affected to some extent. On the street it has been said that a considerable amount of private money has been placed at the disposal of local stock brokers, this week. One can easily understand that the big New York houses having branches in Montreal and Toronto, or some of them at any rate, would be disposed to take advantage of the 6 and 6½ p.c. rates prevailing here—particularly as the liquidation and declines in New York would have a tendency to leave them with a large amount of funds in hand, borrowed at 3 per cent. or thereabouts.

THE CANADIAN BANK OF COMMERCE MEETING.

Sir Edmund Walker, in his address to the shareholders of the Canadian Bank of Commerce on Tuesday, devoted himself mainly to suggestive consideration of cause and effect, as apparent in the present condition of affairs in Canada. What he said in that connection provides food for serious thought. But since adequate consideration of several of the subjects broached could only be given in individual articles, it is the present purpose merely to call attention to some of the more striking points made.

IMPORTS AND EXPORTS.

As on the occasion of his last address, Sir Edmund urged upon the country a course of action which will make our debts to other countries for expenditure made in anticipation of future development as little burdensome as possible. We are dealing with what is proportionately the largest immigration problem ever handled by any country, and in the excess of imports over exports and in the volume of Canadian securities sold abroad in order to settle that difference is seen the strain put upon Canada by this enormous accession of new people.

The total of our foreign trade for the fiscal year ending March, 1912, was \$874,538,000. Our imports were \$559,220,000, and our exports \$315,317,000, the balance against us being \$243,903,000, and the figures for the half year ending September, 1912, show imports on an even larger scale. The imports of iron and steel in various forms from raw material to highly complicated manufactures amount in value to \$95,000,000. Almost all these articles are already being made in Canada, but not in sufficient quantities, or not of high enough quality, to satisfy our requirements. It is to the last degree desirable that such articles should be made at home, and to the extent of say \$50,000,000 or \$60,000,000 they clearly should be. With the exception of motor cars and parts to the extent of \$7,387,000, and a few other items, the whole of this amount may be safely attributed to the erection of new structures or the opening up of new farm lands.

Sir Edmund emphasised that while our needs are mainly measured by our immigration, it is the investor in our securities who has the power to determine finally the pace of our expansion. We have, therefore, to consider not so much our needs as the opinion of the investor regarding our securities and the condition of the world's money market. "If we do this," said the Speaker, "we must conclude to restrict our building operations as much as possible for the moment, and we must expect to pay a higher rate of interest for our requirements." And he pointed out the folly of municipalities and reckless

promoters in incurring large obligations before they are sure of the necessary investor for the securities they propose to offer.

REASONS FOR THE HIGH COST OF LIVING.

That part of Sir Edmund's address referring to local as distinct from international reasons for the high and increasing cost of living, included many facts which it is well to have brought prominently forward. The condition of Canadian roads has long been a by-word, and although several of the Provincial Governments now appear to be waking up to the necessity for a more active policy in this connection, their progress seems to be at a painfully slow pace. The general inefficiency of most kinds of labour, the waste of food and a general tendency towards extravagance are all conditions obviously tending to an increase in the cost of living, but as Sir Edmund suggested, are too often overlooked, although practically everyone can help to moderate them if they choose.

THE BANK'S YEAR.

We have already alluded to the satisfactory character of the statement issued this year by the Canadian Bank of Commerce. The year's net profits reached \$2,811,806, a percentage on the average paid-up capital of 19.78 which compares with 19.70 per cent. in the previous year. The absorption of the Eastern Townships Bank with some \$28,000,000 of assets, precludes direct comparison of the newly-issued annual statement with that for last year. But that the Bank's operations have this year been on a much larger scale than formerly, the principal figures of the two years show:—

	1912.	1911.
	\$	\$
Capital Stock	15,000,000	11,697,275
Reserve	12,500,000	9,757,820
Circulation	16,422,865	12,004,650
Deposits (not bearing interest)	58,586,814	41,288,033
Deposits (bearing interest)	139,930,648	104,677,702
Total Liabilities to Public	217,768,281	166,440,532
Specie and Legals	27,454,966	25,829,694
Call Loans Abroad	9,003,590	8,420,602
Total of Quick Assets	77,229,029	67,386,578
Current loans and discounts	163,753,559	110,999,614
Total Assets	246,571,290	182,389,984

In his interesting address discussing the accounts, Mr. Alexander Laird, the general manager, stated that there was a considerable accession of special amounts in deposits, which would be withdrawn in due course, but that the ordinary deposits show a very handsome increase. While welcoming the establishment under the revised Bank Act of the new Central Gold Reserve, as ensuring that the business of the country shall not be embarrassed through lack of currency, Mr. Laird urged that as we have reached the time when the need of currency is beyond the present limits of the banks' power to supply, it is desirable that in addition to the adventitious aids so wisely provided in the new Bank Act, the banks should anticipate an increasing demand for bank-note currency by the issue of additional capital. A notable suggestion was also made by Mr. Laird with regard to the supervision of the banks:—"There can be no question," he said, "as to the importance of a strict supervision of all matters pertaining to our banks, and we should welcome any plan which makes for more efficient management and a proper recognition of the great responsibilities we are called upon to assume. We are disposed to believe that with the

THE BANK OF TORONTO

Incorporated 1855.

Head Office: TORONTO, Canada.

Paid-up Capital - - - \$5,000,000
Reserved Funds - - - 6,176,578

ACCOUNTS OPENED for Business people on favorable terms.

Letters of Credit issued for Travellers and Importers.
 Travellers' Cheques, Money Orders, and Drafts Sold.
 Sterling Exchange Bought and Sold.
 Banking Business of every description transacted.

DIRECTORS:

DUNCAN COULSON	President
W. G. GOODERHAM	Vice-Pres.
JOSEPH HENDERSON	2nd Vice-Pres.
Robert Reford,	LL. Col. A. E. Gooderham,
Hon. C. S. Hyman,	Nicholas Bawlf,
William Stone,	LL. Col. Frank S. Melghen,
John Macdonald,	J. L. Englehart

THOMAS F. HOW,
General Manager.

T. A. BIRD,
Inspector.

BANKERS:

LONDON ENG. London City and Midland Bank, Limited
 NEW YORK National Bank of Commerce.
 CHICAGO First National Bank.
 116 Branches in Ontario, Quebec and the West.

THE ROYAL BANK OF CANADA

INCORPORATED 1869

Capital Paid up \$11,560,000 Reserves \$13,000,000
 Assets \$180,000,000

HEAD OFFICE - MONTREAL.

305 BRANCHES THROUGHOUT CANADA

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

LONDON, Eng.
Princes St. E. C.

NEW YORK,
Cor. William & Cedar Sts.

SAVINGS DEPARTMENT

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

The Bank of Nova Scotia

INCORPORATED 1832.

CAPITAL \$4,734,390
 RESERVE FUND 8,728,146
 TOTAL ASSETS 71,279,298

HEAD OFFICE: HALIFAX, N. S.

DIRECTORS
 JOHN V. PAYEANT, President. CHARLES ARCHIBALD, Vice-President.
 G. S. Campbell, J. W. Allison, Hector McInnes
 Hub. N. Curry, J. H. Plummer, R. E. Harris
 General Manager's Office, TORONTO, ONT.
 H. A. Richardson, General Manager. D. Waters, Asst. Gen. Manager.
 Geo. Sanderson. C. D. Schurman. E. Crockett, Inspectors.

110 BRANCHES
 Branches in every Province of Canada, Newfoundland, Jamaica & Cuba.
 UNITED STATES: Boston, Chicago, New York
 Correspondents in every part of the World. Drafts bought and sold.
 Foreign and Domestic letters of credit issued. Collections on all points.

The Dominion Bank

SIR EDMUND B. OSLER, M.P., President
 W. D. MATTHEWS, Vice-President
 C. A. BOGERT, General Manager

Capital Paid Up : : : \$ 5,000,000
 Reserve Fund : : : 6,000,000
 Total Assets : : : 76,000,000

A MODERN BANKING INSTITUTION

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

Head Office, - - - Toronto.

The Metropolitan Bank

Capital Paid Up - - - \$1,000,000.00
 Reserve Fund - - - 1,250,000.00
 Undivided Profits - - - 181,888.26

Head Office - - - TORONTO

S. J. MOORE,
President

W. D. ROSS,
General Manager

A GENERAL BANKING BUSINESS TRANSACTED

The Bank of Ottawa

Established in 1874

Paid Up Capital and Rest \$8,150,960

HEAD OFFICE, OTTAWA, ONT.

An efficient Banking Service is furnished by this Institution to

CORPORATIONS MERCHANTS BUSINESS FIRMS

Geo. Burn,

General Manager.

co-operation of the Canadian Bankers' Association working through the various Bank Clearing Houses effective service could be rendered in the correction of abuses and the perfecting of methods for the encouragement of sound banking. We have possibly not taken advantage of our opportunities in this respect."

NEW DIRECTORS ELECTED.

The business transacted at the meeting included the enlargement of the board from 19 to 22 members, and the election of three new directors, Mr. H. J. Fuller, of Montreal, president of the Canadian Fairbanks Company, and formerly a director of the Eastern Townships Bank, Mr. F. P. Jones, general manager of the Canada Cement Company, and Mr. G. W. Allan, of Winnipeg.

Cordial recognition was made of the work of the officers and staff, of whom Mr. H. B. Walker occupies the important position of manager at the St. James Street, Montreal, branch.

WHERE BRITISH CAPITAL WENT IN 1912.

That new capital applications in the London market during 1912 aggregated £210,850,000 compared with £191,759,400 in 1911 and £267,439,100 in 1910—the highest figure of any year in the past decade—is shown by the London Economist's compilations. Of this total of £210,850,000, £46,983,200 came from Canada, compared with £41,214,700 in 1911, and £36,882,500 in 1910. The destination of the new capital raised in the London market during 1912 in comparison with two previous years is shown in the following:—

	1910. £	1911. £	1912. £
UNITED KINGDOM	60,296,500	26,145,900	45,335,300
BRITISH POSSESSIONS—			
CANADA	36,882,500	41,214,700	46,983,200
Australasia	13,385,200	3,332,900	13,462,400
India and Ceylon	17,991,600	5,171,100	3,708,200
South Africa	3,379,100	4,387,100	3,862,600
Other British Poss'ns	20,739,700	10,889,000	4,626,000
Total British Poss'ns.	92,378,100	64,994,800	72,642,400
FOREIGN COUNTRIES—			
Denmark	1,089,000	nil	2,425,000
Finland	143,000	970,000	nil
Norway	50,000	3,008,500	632,500
Russia	3,918,800	5,208,100	10,490,400
Sweden	200,000	nil	nil
Argentina	22,865,000	16,676,900	20,110,200
Brazil	11,813,900	19,210,600	14,353,100
Central America	35,000	291,000	1,016,700
Chili	4,684,600	8,270,700	2,252,200
Mexico	5,087,100	2,649,900	4,085,700
United States	39,590,100	21,314,300	23,634,700
Other South American Republics	3,141,500	2,413,600	100,000
China	1,610,100	7,434,500	5,950,000
Japan	nil	nil	3,230,800
Austria-Hungary	4,098,000	1,653,600	40,000
Bulgaria	3,603,600	215,900	nil
Greece	1,572,100	686,800	35,000
France	900,000	245,100	692,200
Turkey	1,431,000	300,000	nil
Germany and Poss'ns.	794,000	223,200	175,800
Dutch East Indies	4,382,000	568,500	153,500
Cuba	1,916,200	6,501,300	838,000
Philippine Islands	403,900	nil	nil
Persia	nil	1,506,200	nil
Other foreign countries	1,634,700	1,070,000	2,656,500
Total foreign countries.	114,764,500	100,618,700	92,872,300
TOTAL FOR WHOLE YEAR	267,439,100	191,759,400	210,850,000

It will be seen that in 1912, as in 1911, Canada's public and semi-public offerings in the London market were larger than those of any other single borrower. No wonder the British investor is inclined to stick out for more tempting terms.

THE BANK OF TORONTO.

The annual report of the Bank of Toronto, which appears in full on another page, indicates that this well known institution enjoyed last year a profitable period and that its operations are being steadily extended in consonance with the continued heavy demands for banking facilities throughout the country. Sixteen new branches were opened during the year ended November 30 last, the majority of them in the West, and it is remarked in the directors' report that the available resources of the Bank have been very fully employed, while the demand for loans has been constant throughout the year. As a consequence of these favorable conditions and of the ability of the management to utilise them to the best advantage, the net profits, after making the usual deductions, reached the handsome total of \$835,787 or 16.96 per cent. upon the average paid-up capital. These profits compare with \$677,964 in 1911 and \$589,657 in 1910; so that there was last year an increase of \$158,000 in profits and within two years there has been an increase of approximately \$250,000. Of the present profits, the eleven per cent. annual dividend together with a bonus of one per cent., making a total distribution for the year of 12 per cent., absorbs \$591,229; \$20,000 is transferred to the officers' pension fund, \$100,000 is written off bank premises, and the largely increased balance of \$176,578 against \$52,020 last year is carried. A sum of \$391,950 premium on new stock, also brought into the profit and loss account is transferred to rest, making this fund \$6,000,000 or 120 p.c. of the paid-up capital of \$5,000,000.

The following are the leading items of the bank's general statement in comparison with 1911:—

	1912.	1911.
Capital paid up	\$ 5,000,000	\$ 4,608,050
Rest	6,000,000	5,608,050
Circulation	5,474,917	4,862,432
Deposits (not bearing int.)	6,457,519	6,177,011
Deposits (bearing interest)	35,164,826	34,949,653
Total Liabilities to Public	47,838,671	46,602,145
Specie and Legals	4,870,833	5,568,860
Call and Short Loans	1,905,841	3,711,278
Total of Quick Assets	12,189,218	15,509,665
Current loans and discounts	44,763,603	40,634,759
Total Assets	59,226,549	57,067,665

The fact that the Bank last year increased its current loans and discounts by over \$4,700,000 is evidence that it has taken an effective part in providing for the continued needs of commercial borrowers. While the increase in deposits is apparently not large, this showing is accounted for by the fact that at November 30, 1911, the Bank held large temporary deposits which have since been distributed and the growth in deposits at the branches, especially savings deposits is on a satisfactory scale. The whole statement is such as to give satisfaction to all concerned and must be especially gratifying to Mr. Thomas F. How, the able general manager.

At the annual meeting on Wednesday, Mr. G. T. Clarkson was appointed auditor by the shareholders to exercise such powers as shall be given to auditors under the terms of the new Bank Act. Mr. Duncan Coulson, president of the bank, who was

Guardian Assurance Company

Limited, of London, England

Subscribed Capital, \$10,000,000 Paid-up Capital, \$5,000,000

Total Assets, over \$33,000,000

Deposited with Dominion Government, over \$600,000

Canadian Branch: Head Office, Guardian Building, MONTREAL.

CANADIAN TRUSTEES:

J. O. GRAVEL,
K. W. BLACKWELL,
TANCREDE BIENVENU.

H. M. LAMBERT, Manager.

BERTRAM E. HARDS,
Assistant Manager.



CANADA BRANCH HEAD OFFICE, MONTREAL.

DIRECTORS:

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



Head Office: 112 St. James Street, Montreal

DIRECTORS:

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



The Northern Assurance Co. Limited

"Strong as the Strongest"

Accumulated Funds, \$38,800,000

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

G. E. MOBERLY, Supt. of Agencies.

ROBERT W. TYRE, Manager.

ROYAL EXCHANGE ASSURANCE

Founded A. D. 1720

Losses Paid Exceed \$235,000,000

Head Office for Canada
Royal Exchange Building
MONTREAL

ARTHUR BARRY, Manager

Correspondence invited from
responsible gentlemen in un-
represented districts re fire and
casualty agencies.



Head Office: Royal Exchange, London

.. THE .. London Assurance CORPORATION OF ENGLAND.

INCORPORATED BY ROYAL CHARTER A.D. 1720

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

Head Office for Canada, MONTREAL

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

subsequently re-elected to that position, in the course of an interesting survey of the Canadian situation, emphasised a point which needs to be well borne in mind at the present time, viz.:—that prosperity caused by the expenditure of money borrowed from abroad is not always on a sound basis, and it is only to the extent that this money is being expended in enterprises that are stable and profitable that the country can hope to bear the heavy interest charge that is being laid upon it. While, in Mr. Coulson's opinion, fundamental conditions are satisfactory, the necessity for caution is imperative.

Mr. H. B. Henwood is manager of the important branch of this Bank in St. James street, Montreal.

NEW YORK LIFE INSURANCE COMPANY.

The annual report of the New York Life Insurance Company for the year 1912 shows that, in the matter of new business, the company is still beating against the barriers which in the State of New York, limit the new business of life companies. The amended law of 1910 made this limit an elastic one, to be determined by the amount of business done in previous years and the economy with which it was done. Under this rule the New York Life pushed up its limit from 150 millions in 1909 to nearly 199 millions in 1912, and wrote it all. During October, November and December, 1912, it was obliged to send out policies deliverable in 1913. Its limit in 1913 will be about 222 millions.

The figures of the company's balance sheet make an impressive exhibit. It is only necessary to recite the chief items to indicate clearly the vast scale of the operations carried on by the great organization of which President Darwin P. Kingsley is the head. New insurances for the year were \$108,381,400; insurance in force, end of year, \$2,169,798,993; income for the year, \$119,243,366; assets end of year (market values), \$719,657,050; payments to policyholders during the year, \$57,922,557; reserves to cover legal liabilities, \$611,407,979; reserves for dividends and contingencies, \$108,

249,071. The dividends declared, payable in 1913, are \$15,364,714, as compared with \$11,690,143 for 1912. The number of death-losses paid in 1912 was about nine thousand, the total amount being \$25,788,714; the amount paid living policyholders in matured endowments, annuities, dividends and surrender values was \$32,133,843.

A considerable development in the earning power of assets—amounting in 1912 alone to nine one-hundredths of one per cent.—is accompanied by strict economy in expenditure. Only 91 p.c. of the amount allowed by the New York law to be expended on new business was actually spent, and only 63 per cent. of the amount allowed by the law to be spent for all purposes. The figures show that a great insurance business can be handled economically.

MUTUAL FIRE COMPANIES OF QUEBEC.

Statistics regarding the 1911 operations of the insurance companies transacting business under the aegis of the Province of Quebec have only lately been issued. The mutual and cash mutual fire companies, whose operations are summarised in the statistical table below, differ very widely, as has previously been pointed out, in character. There are companies like the Missisquoi and Rouville and the Stanstead and Sherbrooke which have maintained a steady course for nearly eighty years and have large holdings of high class securities among their assets. The figures show that at December 31, 1911, the Missisquoi and Rouville held high class investments of a market value of \$108,821, and the Stanstead and Sherbrooke similar high class securities of a market value of \$148,450. For the most part, the purely mutual companies are content to look for reserves to unassessed notes. At December 31, 1911, of their total assets of \$1,060,430 (excluding the two companies which have been already mentioned), \$890,191 is represented by unassessed notes. The tangible assets of some \$161,000 are offset by liabilities amounting to \$115,504.

MUTUAL AND CASH MUTUAL FIRE COMPANIES OF QUEBEC AS AT DECEMBER 31, 1911

(Compiled by The Chronicle.)

Company	Deposit Notes un assessed	Total Assets (including deposit notes)	Liabilities	Income 1911	Expenditure 1911	Amount of Policies in Force	Amount issued during Year	Losses for Year
	\$	\$	\$	\$	\$	\$	\$	\$
Bea tharnois (Huntingdon)	55,219	68,095	*	9,686	8,457	4,274,510	1,485,515	4,066
Beurreries et Fromageries (St. Remi)	93,722	96,217	10,954	9,589	19,401	1,154,935	133,665	†14,693
Commerce (St. Hyacinthe)	437,138	477,511	7,997	56,206	52,898	4,456,345	1,518,390	30,938
Equ'able (Montreal)	92,508	113,915	5,521	39,095	38,840	3,236,418	960,676	†19,930
Industries (Quebec)	63,799	93,802	27,736	12,291	15,378	375,400	344,350	7,234
Lotbinière and Megantic (Lyster Station)	9,784	10,913	176	925	867	289,440	13,650	800
Maskinongé (Louiseville)	19,668	19,985	None	637	519	983,397	983,397	†330
Mercantile (St. Hyacinthe)	71,375	91,809	19,698	9,768	11,829	454,475	376,675	8,111
Missisquoi & Rouville (Frelighsburg)	84,999	221,151	27,049	85,323	79,713	9,894,827	4,867,572	54,445 (a)
Pontiac & Ottawa (Papineauville)	24,975	29,389	6,407	28,591	32,074	2,951,725	1,442,700	16,700
Richmond, Drummond & Yamaska (Richmond)	31,003	59,694	37,075	15,676	17,355	1,463,650	318,450	11,195 (b)
Stanstead & Sherbrooke (Sherbrooke)	331,258	575,623	19,863	107,302	94,216	11,193,431	5,428,851	56,784
Totals	1,315,448	1,857,204	162,476	375,089	371,550	40,728,553	17,874,071	225,146

*Not stated. †Includes \$2,785, losses of previous year. ‡Includes \$9,822 net losses of previous years. §Includes \$15 losses of previous year. (a) Includes \$4,269 losses of previous year. (b) Includes \$800 losses of previous years.

COMMERCIAL UNION

ASSURANCE COMPANY LIMITED
of LONDON, England

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

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—
**Commercial Union Building,
MONTREAL**

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

PALATINE

INSURANCE COMPANY LIMITED
of LONDON, England

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

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

APPLICATIONS FOR AGENCIES SOLICITED
IN UNREPRESENTED DISTRICTS.

Head Office: Canadian Branch:—
**Commercial Union Building,
MONTREAL**

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

SUN INSURANCE OFFICE

FOUNDED A.D. 1710.

Head Office:
Threadneedle Street - London, England
The Oldest Insurance Office in the World

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

Canadian Branch:
15 Wellington Street East, Toronto, Ont.
H. M. BLACKBURN, Manager

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

ESTABLISHED 1809

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

FIRE AND LIFE

North British and Mercantile

INSURANCE COMPANY

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

Head Office for the Dominion:
78 St. Francois Xavier Street - MONTREAL.
Agents in all the principal Towns in Canada.
RANDALL DAVIDSON, Manager.

ANGLO-AMERICAN FIRE INSURANCE COMPANY

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

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

INSURANCE

Phœnix of Hartford Company

Total Cash Assets : \$10,737,657.32
Total Losses Paid : 67,969,830.79

J. W. Tatley, Manager.
MONTREAL.

Applications for Agencies Invited.

The MONTREAL-CANADA FIRE INSURANCE COMPANY

ESTABLISHED 1859.

Head Office: 59 St. James St., Montreal

THE LATE MR. G. F. C. SMITH.

In the person of Mr. G. F. C. Smith, there passed away last Saturday at an advanced age, one of the best known of an earlier generation of Canadian fire underwriters. Known and esteemed indeed by insurance men from the Atlantic to the Pacific, Mr. Smith was yet respected most in the city where he was known best, and many friends mourn their loss by his death. A resident of Montreal from boyhood, he touched many sides of the city's life. Business activities of steadily developing importance over a long term of years were supplemented by social interests and much charitable and philanthropic work. Almost to the last, he was actively engaged in furthering the interests of the numerous institutions with which he was associated.

Born at Nassau in the West Indies, and educated at the Montreal High School, Mr. Smith enjoyed a remarkable business career, which it would probably be difficult to parallel in the annals of insurance. He entered at an early age, the office of the Britannia Life Insurance Company, Montreal, under the agency of the late Captain J. H. Maitland. When the latter became resident secretary of the Liverpool and London and Globe in 1851, Mr. Smith accompanied him as assistant and wrote the first policy issued by the Company in Canada. On Captain Maitland's death in 1863, Mr. Smith was appointed to fill the vacancy with the title of chief agent and resident secretary. Thus began a tenure of office which lasted forty years and was only closed at the end of 1903 when, having become the Nestor of Canadian fire underwriting, and spent more than half a century in the service of his great company, Mr. Smith retired from active business cares. An illuminated address presented to him on his retirement together with a service of silver, by the Canadian directors, officers, agents and staff of the Liverpool and London and Globe aptly summarises the qualities which those who had the privilege of Mr. Smith's acquaintance or friendship found that he exhibited." It is in no perfunctory sense," read this address, "that we assure you of how much we shall miss your considerate and courteous leadership, your wise counsel and ever ready assistance in our efforts to promote the interests of the great company we represent; and we shall ever cherish in happy memory our long and pleasant relationship. Your unswerving devotion to duty, your unflinching courtesy and your kind consideration for the rights and privileges of both friends and rivals, have not only endeared you to all, but have proved an uplifting influence, especially to those engaged in similar pursuits."

Mr. Smith was one of the founders of the Canadian Fire Underwriters' Association, and its president during the first four years of its existence. In 1859 Mr. Smith married Laura, daughter of the late Alfred Gough, who survives him. He had eleven children, of whom five survive; Mr. F. Napier Smith, of the Bank of Montreal, New Westminster, B.C., Mrs. F. W. Frith and Mrs. A. R. Howell, the Misses Nora and Lilian Smith, residing in Montreal.

RESOLUTIONS OF CONDOLENCE.

At a meeting of the Canadian directors of the Liverpool, London and Globe Insurance Company on Wednesday, the following resolution was passed:

"The Board desires to record its very sincere regret at the death of Mr. G. F. C. Smith, who rendered such long and faithful service to this company, ex-

teding over a period of fifty-three years. He was universally esteemed for his upright conduct, genial disposition and the many qualities of head and heart that endeared him to his associates. As a citizen he was held in high regard, especially in view of the great interest he took in numerous philanthropic and charitable institutions by all of which he will be greatly missed."

TRIBUTE BY CANADIAN FIRE UNDERWRITERS' ASSOCIATION.

At a special meeting of the Montreal Branch of the Canadian Fire Underwriters' Association, held on Monday, Mr. H. M. Lambert, president, in the chair, the following memorial was ordered to be inscribed in the minutes of the Association:

"In fulness of years Mr. G. F. C. Smith has passed away, leaving behind an honored memory, not only in insurance circles, but as a citizen of Montreal, he being associated with many public and benevolent institutions, taking a most active interest in same since his retirement from business.

"Mr. Smith was one of the principal organizers of the C. F. U. A. and its president for the first four years; he was again elected president upon the Association attaining its majority, which event was coincident with his retirement from the service of the Liverpool & London & Globe Insurance Company, of Liverpool, of which he had been Canadian manager for forty years.

"The progress and success of the Association in its early years were largely due to the wise counsels and direction of Mr. Smith; his memory will be held not only in esteem for the service he rendered in being always ready and willing to give his time and energy to extent its usefulness, but with affectionate regard for the friendliness and good nature which so characterized his intercourse with his confreres, and for his unvarying kindness to and interest in the welfare of others, especially experienced by the junior members of the Association.

"The members of the Association desire to record this tribute to his memory and to convey to his widow and family their heart-felt condolences in the loss they have sustained."

MONTREAL'S WATER SUPPLY: ALDERMEN AND CONTROLLERS AT CROSS-PURPOSES.

Whether or not the Canadian Fire Underwriters' Association, the Montreal Board of Trade, and the Montreal branch of the Canadian Manufacturers' Association will get that enquiry into the administration of the city water department, which they asked for after the Point St. Charles fire in November does not yet appear. At the last Council meeting, the Aldermen decided not to receive a report by the Controllers re-affirming their previous opinion than an enquiry is not necessary. They passed the following resolution:—

"That the said report be not adopted, as the council is convinced, as it has already declared in a resolution adopted on November 12, 1912, that the city should not, in view of the numerous complaints of the public and in view of the accusations of bad administration attributed to the city water department by the Canadian Fire Underwriters' Association and by the Board of Trade, refuse to appoint a committee of inquiry in order to enable those who made accusations to prove their assertions, and in order to remove any doubt as to the competence of those in charge of the water department."

The next move lies apparently with the Controllers.



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



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

The Yorkshire Insurance Co., Limited

of YORK ENGLAND.

Established 1824.

ASSETS, \$13,000,000

FIRE INSURANCE granted on every description of property at Tariff rates.

LIVE STOCK INSURANCE. This Company has a large Live Stock business in England and elsewhere, and is the FIRST COMPANY, licensed by the FEDERAL GOVERNMENT, to transact Live Stock Insurance in the Dominion.

APPLICATIONS FOR AGENCIES are invited from responsible persons.

ACCIDENT DEPARTMENT.—Personal Accident, Sickness, Employers' Liability, Elevator Liability, Teams Liability, Public Liability, Plate Glass.

CANADIAN DIRECTORS.—Hon. C. J. Doherty Alphonse Racine, Esq. G. M. Bosworth, Esq. Alex. L. MacLaurin, Esq.

Canadian Manager, P. M. WICKHAM, Montreal.

The WESTERN

Assurance Company

Incorporated in 1851.

ASSETS ovcr \$3,000,000.00

LOSSES paid since organization of Com-
pany over \$55,000,000

DIRECTORS

Hon. GEO. A. COX, President. W. R. BROCK, Vice-President.

W. B. MEIKLE, Managing Director.

ROBT. BICKERDIKE, M.P.

Z. A. LASH, K.C., LL.D.

D. B. HANNA

E. W. COX

JOHN HOSKIN, K.C., LL.D

GEO. A. MORROW

ALEX. LAIRD

FREDERIC NICHOLLS [C.V.O.]

AUGUSTUS MYERS

COL. SIR HENRY M. PELLATT,

JAMES KERR OSBORNE

E. R. WOOD

HEAD OFFICE TORONTO

FOUNDED 1792.

INSURANCE COMPANY OF NORTH AMERICA

PHILADELPHIA, PA.

CAPITAL, \$4,000,000.00

SURPLUS TO POLICY HOLDERS 7,743,980.17

ASSETS 16,001,411.66

LOSSES PAID EXCEED 149,374,312.55

ROBERT HAMPSON & SON, LIMITED

GENERAL AGENTS FOR CANADA, MONTREAL

THE LAW UNION & ROCK

INSURANCE CO. LIMITED, LONDON. Founded in 1806

Assets Exceed - \$45,000,000.00

Over \$6,000,000 invested in Canada.

FIRE and ACCIDENT RISKS accepted.

Canadian Head Office: 112 St. James Street, Corner Place d'Armes
MONTREAL.

Agents wanted in unrepresented towns in Canada.

W. D. AIKEN, Superintendent,

J. E. E. DICKSON

Accident Dept. Canadian Manager

The Life Agents' Manual

Price, \$3.00

THE CHRONICLE, MONTREAL

HEAVY FIRE LOSS AT CALGARY.

The year 1913 has begun inauspiciously from the point of view of the fire underwriter in Canada with an enormous loss at Calgary, Alberta, the packing plant of P. Burns & Company being destroyed last Sunday, January 12. The plant was situated across the Bow River and occupied four or five acres. The water pressure was not good, presumably owing to the fact that quite recently after exceptionally mild weather a rapid drop in temperature had effected the formation of frazil ice, reducing the supply from the intake water main. We understand that had a normal pressure of water been available, the plant would probably have been saved from total destruction.

At the present writing, the indications are that the insurance loss on this fire will be nearly \$1,000,000, a good deal of it falling on the non-tariff companies and Lloyds. The loss on stock is said to be total and on buildings and machinery 75 per cent. The following list of companies and underwriters interested in only given subject to correction:—

INSURANCE ON BUILDINGS AND MACHINERY.

Caledonian	\$ 7,500
Continental	5,000
Canadian Fire	5,000
Delaware	5,000
Germania	10,000
General Fire	10,000
London Assurance	5,000
Law Union & Rock	8,000
North British	20,000
National of H.	15,000
Nova Scotia	5,000
Norwich Union	10,500
Springfield	15,000
Sun	10,000
Western	8,000
Yorkshire	10,000
Central Can. Mfrs.	5,000

Loss 75 p.c.

INSURANCE ON STOCK.

Aetna	\$ 7,500
Continental	5,000
Globe & Rutgers	50,000
Germania	5,000
General	10,000
London Assurance	5,000
Law Union & Rock	10,000
Nova Scotia	5,000
National Fire	5,000
North British	15,000
National of H.	20,000
Norwich Union	4,500
Rochester German	5,000
Stuyvesant	5,000
"	40,000
Sovereign	3,000
Sun	5,000
Springfield	5,000
Western	23,500
Yorkshire	10,000
American	5,000
Anglo-American	2,000
American	5,000
Anglo American	1,000
British Empire	3,000
British General	10,000
Central Canada	
Brandon	6,000
Colonial	2,500
Car & General	10,000
Canada National	5,000
Central Canada	
Mfrs.	5,000
Canadian	2,500
Dominion	4,000
Factories	20,000
Factories	8,000

Loss, total

Central Canada	
Brandon	\$ 6,000
Dominion	5,000
Factories	30,000
Fidelity Undrs.	5,000
Fidelity-Phoenix	10,000
London Mutual	20,000
Lloyd's	48,000
Lloyd's Factories	
Underwriters	60,000
Lumber	12,000
New York Fire &	
Marine	25,000
Rimouski	5,000
Royal London	
(non-tariff)	20,000
Royal Scottish	5,000
Sovereign	10,000

Total \$415,000

Federal Under-	writers \$ 4,500
Firemans	3,000
Gladback	5,000
Insurance Under-	writers 8,500
Inter-State	1,500
Lloyd's	5,000
Lloyd's	50,000
Lloyd's	35,000
Lloyd's	35,000
Lloyd's	17,500
Lloyd's	20,000
Lloyd's	15,000
Lloyd's (Factories	Undrs) 16,500
Lloyd's (Factories	Undrs) 14,000
Lumber Undrs	7,500
Law Fidelity &	
General	1,500
London Mutual	5,000
Lumber	8,000
London Mutual	5,000
Montreal-Canada	2,000
Montreal-Canada	1,000
North River	15,000
North River	10,000
New York Fire &	
Marine	15,000
Ontario	4,000
Royal London	
(non-tariff)	10,000
Rimouski	5,000
Winnipeg Fire	2,000
Phoenix (? which)	15,000
Other Companies	15,000

Total \$679,000

THE HOME LIFE ASSOCIATION OF CANADA.

The financial statement of the Home Life Association of Canada as at December 31, 1912, shows that this company continues to enlarge steadily its assets and its security to policyholders. The net invested assets which at the close of 1911 stood at \$1,330,549 were raised in the course of the twelve months to \$1,441,033. Of these invested assets, \$528,780 comprise holdings of bonds, debentures, stocks and real estate, \$789,284 are represented by loans on collaterals, first mortgages on real estate, policy loans and accounts receivable, and there is \$122,969, cash in banks and on hand. The total security to policyholders is further increased to \$2,282,579, against \$2,141,363 last year. This security comprises reserves and net surplus on policyholders' account, \$1,501,779, and capital subscribed, subject to call, \$780,800. Mr. H. Pollmann Evans is the president of this company, and Mr. J. K. McCutcheon, managing director. The company received cash premiums last year of \$203,830, and cash interest and rents, \$60,878, and paid out in claims, annuities and expenses, \$154,224.

WORKMEN'S COMPENSATION IN ONTARIO.

From the mass of evidence, argument and discussion placed before Sir William Meredith, the outlines of what are likely to prove leading features of the new Workmen's Compensation Act for Ontario are beginning to emerge. Points which have become clear at recent sittings are that no right of lump sum payments of compensation will be allowed. "This legislation is social," Sir William declared at one sitting, "there is no disguising the fact. The very basis of it is to prevent the injured workman becoming a charge on the community. If this were not so one of the primary objects of the scheme would be defeated. If we allow compensation in a lump sum it might be squandered, and if that were permitted it would defeat our primary object."

Farm labourers are apparently not to be included in the new Act. Railways will not be grouped with other industries but will stand by themselves although in line with the general principles of the Act. The matter of classification will be left to the administering Commission, the law merely laying down the broad lines of classification. The compensation schedule will allow 60 per cent. of the monthly wage as the maximum compensation.

Among those who have given evidence this week are Mr. F. W. Hinsdale, who is connected with the administration of the new State of Washington Workmen's Compensation Act and Mr. B. L. Cease, a railroad man, and a member of the Federal Commission on Compensation appointed by President Taft. Mr. F. W. Wegenast has stated that what the Canadian Manufacturers' Association wish is a collective system on a current cost plan recognizing contributions from the workingmen in some form. The enquiry will probably be closed shortly, so that action can be taken at the next session of the Legislature.

Bell Telephone announces a new stock issue of \$3,000,000 at par, in the proportion of one new share for every five held. Payments for the stock are due at the quarters of the current year, the right to subscribe expiring February 28.

THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated : 1833.

HEAD OFFICE : TORONTO

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

DIRECTORS :

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

W. B. BROCK, Vice-President
 W. B. MEIKLE
 GEO. A. MORROW
 AUGUSTUS MYERS
 FREDERIC NICHOLLS
 JAMES KERR OSBORNE
 SIR HENRY M. PELLATT

E. R. WOOD

W. B. MEIKLE, General Manager

EVANS & JOHNSON, General Agents

26 St. Sacrament Street : : MONTREAL



INSURANCE AGAINST :
FIRE ACCIDENT AND SICKNESS
EMPLOYERS' LIABILITY PLATE GLASS
 Head Office for Canada . . . TORONTO
 Head Office for Province of Quebec, . . . MONTREAL
 JOHN MacEWEN, Superintendent.

L'UNION FIRE INSURANCE COMPANY, Limited

Head Office : PARIS, France.
 Established 1828

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

Canadian Branch :
 94 NOTRE DAME ST. WEST, MONTREAL

Manager for Canada :
MAURICE FERRAND

First British Insurance Office Established in Canada, 1804

INTENDING ASSURERS

Should read the " THREE MINUTES " Leaflet

of the

PHOENIX ASSURANCE CO., Limited,
 OF LONDON, ENGLAND (Founded 1782)

Copies of this and full information regarding the Company's system, its equitable principles and liberal policies, may be obtained at the Head Office,

100 ST. FRANCOIS-XAVIER STREET, MONTREAL
 The Company offers to the Public every advantage which

LIFE ASSURANCE

conducted under the most favourable conditions is capable of affording:

At the **BONUS DIVISION** for the five years ending 31st DECEMBER, 1910

(1) A UNIFORM ADDITION of \$85 per \$1,000 was declared on all classes of Full-Bonus Policies.

(2) A GUARANTEED BONUS was also declared of \$12.50 per \$1,000 per annum on Full-Bonus Policies becoming claims by death, and \$17 per \$1,000 per annum on Endowment Assurances maturing before 31st December, 1915. These bonuses apply to new as well as existing policies.

H. B. F. Bingham, R. MacD. Paterson, } Joint
 Life Superintendent. J. B. Paterson, } Managers

Agents Wanted

Established 1864.

New York Underwriters Agency.

Policies secured by Assets - \$24,363,635

PROVINCIAL AGENTS.

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

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

LONDON MUTUAL FIRE INSURANCE CO.

HEAD OFFICE TORONTO
 ESTABLISHED 1859

Assets on December 31st 1911 . . . \$926,906.76
 Liabilities on December 31st, 1911 . . . \$337,306.07
SURPLUS on December 31st, 1911 \$589,600.69
 Security for Policy Holders . . . \$967,910.97

F. D. WILLIAMS,
 Managing Director

THE DOMINION BANK'S STATEMENT.

The Dominion Bank's statement just published in anticipation of the annual meeting on January 29, is the best that has yet been issued by this Bank. The net profits for the calendar year, 1912, after making the usual allowances were \$901,529, or at the rate of 18.38 p.c., an increase of no less than \$197,000 over those of 1911, which were \$704,046. A sum of \$500,116 was brought forward from 1911, and the inclusion in the profit and loss account of \$297,201, premium on new stock, makes a total in this account of \$1,698,846. In addition to the 12 per cent. dividend the Bank has given to its shareholders a bonus of 2 per cent. making a total distribution for the year of 14 per cent. This absorbs \$688,536, \$25,000 is contributed to the Officers' Pension Fund, the premium on new stock, \$297,201, is transferred to the reserve fund, making this fund \$6,000,000, equal to 120 per cent. of the paid-up capital of \$5,000,000, and the largely increased balance of \$688,109 is carried forward.

Following are the leading items of the balance sheet in comparison with last year:—

	1912.	1911.
Paid-up Capital	\$ 5,000,000	\$ 4,702,799
Reserve	6,000,000	5,702,799
Circulation	5,256,368	4,649,068
Deposits	59,342,436	53,547,865
Total Liabilities to public . .	67,094,506	58,980,976
Specie and Notes	9,077,884	8,253,890
Call Loans	6,040,075	6,448,429
Quick Assets	29,241,840	27,011,053
Current Loans	46,415,842	40,492,726
Total Assets	79,224,680	70,179,553

It will be seen from this statement that the Bank's operations have been largely extended during 1912. Circulation has advanced \$600,000; deposits by \$5,800,000, while the total assets at \$79,224,680 are over \$9,000,000 larger than at December 31, 1911. The Bank is indeed in a strong position, the cash assets, approximately \$16,000,000, being 23.80 p.c. of the liabilities to the public and the assets immediately available, \$29,241,840, being 43.58 per cent. of the liabilities to the public.

The Montreal branch of this Bank is making rapid progress under the management of Mr. M. S. Bogert.

Insurance Briefs.

Christy Mathewson, the baseball player, has cast his lot with the Ætna Life, opening an office in New York City, where he intends to pitch in for business.

The Prudential Insurance Company of America is said to be considering a plan for mutualizing itself, although no formal statement has yet been issued.

The head office of the Canada Life Assurance Company for the United Kingdom, which has hitherto been at 14 King William Street, London, E.C., has been moved to "Canada Life Building," 15 King Street, Cheapside, London, E.C.

A severe blow was dealt the Royal Arcanum in a recent decision handed down by the New York Court of Appeals, which settles a lawsuit now nearly three years old. Samuel Green, a Brooklyn lawyer, instituted the action because he ob-

jected to the increase of his assessment as a member of the Royal Arcanum. According to the decision of the Court of Appeals, which of course, affects the members of the Royal Arcanum in New York State only, the by-laws of a benevolent association cannot be so changed as to increase the assessment rate of old members. It is generally admitted, says the Insurance Press, that the decision is a critical one for the Royal Arcanum, owing to the fact that there is a very good chance that numerous suits will be instituted as a result of the decision in the Green case by persons seeking to recover excess due on assessments already paid. Whether it will be possible, however, to recover this money, using the Green case as a precedent, is a matter which is already puzzling fraternal lawyers. It is stated that the Green case is likely to be taken to the United States Supreme Court. Thomas I. Crane, grand vice-regent of the Supreme Council of the State of New York, is quoted as saying that if all the members were to be enabled to secure insurance from the Royal Arcanum at the rate at which the Court of Appeals decided that Mr. Green could secure his protection, the order would have to go into bankruptcy.

As showing the actual working of the theory that convertible term insurance would be useful in inducing men to insure their lives and then to change their insurance for a more permanent form, the Northwestern Mutual cites its own experience which bears out the theory only to a limited extent. The company says:

On January 1, 1912, the Northwestern had in force 43,033 policies for \$153,289,103 of term insurance carrying the privilege of change or conversion without medical examination. During the first nine months of 1912 there was issued \$16,423,380 of new term policies (individual). In spite of the heavy increase in total new business during 1912 this was a smaller aggregate of new term insurance than was written the first nine months of 1911. The record would be much more satisfactory if the comparatively small number of conversions did not throw some doubt upon our original expectations, that men induced to insure on this cheap temporary plan would soon see the advantage of conversion to permanent insurance. The facts are that in spite of considerable campaigning in that direction only 1,597 term policies for \$5,767,000 were converted during the first nine months of 1912.

The fire losses in the United States as divided between the cities and country for 1911 show a per capita loss of \$2.62 for cities having 20,000 population and over. This is an increase of twenty-three cents over the per capita loss for 1910. In the group of eleven cities having a population of 400,000 or over, St. Louis had the largest per capita loss, with Boston second, while Chicago was third, with a loss of \$2.59 per capita. Baltimore, which received a salutary warning from its conflagration in 1904, made the best showing of the cities in this group, with Cleveland next. The average per capita loss of this group of the eleven larger cities is \$2.27, which is thirteen cents higher than in 1910.

The proportion on losses supposed to be under first-class fire protection as compared with cities and country shows a large increase, while the losses on property with little protection have fallen off. This is explained by the superior protection of cities being offset by the multiplicity of municipal hazards, which are absent in the country, and with the fact that a conflagration once started makes a big showing on the loss ratio.

GRESHAM

Life Assurance Society, Limited
 Founded 1848

Funds : FIFTY MILLION DOLLARS.

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

ADDRESS :

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

The announcement was made officially on Thursday, that the negotiations going on for some time past between Mr. Charles A. Barnard, K.C., on behalf of the so-called Pellatt syndicate, and Mr. W. J. Green, representing the Home Bank, had been brought to an end by the Home Bank purchasing the assets of the Banque Internationale du Canada. Mr. Godfrey Bird, general manager of the Internationale since its inception will be Supervisor of Branches for the Home Bank in the Province of Quebec.

It is also stated officially that two resident Montreal directors will be appointed by the Home Bank in the near future. It is said that the syndicate were in a position yesterday to hand over 75 p.c. of the Banque Internationale's shares to the Home Bank. The Banque Internationale has nine offices in Montreal and three outside—Quebec, Murray Bay and Paris, France.

The Imperial Guarantee

AND ACCIDENT INSURANCE CO., OF CANADA

Head Office : 46 King Street W.,

TORONTO, Ont.

A Strong Canadian Company.

ACCIDENT AND SICKNESS INSURANCE
 GUARANTEE BONDS

PLATE GLASS AND AUTOMOBILE INSURANCE

E. WILLANS,

FRANK W. COX,

General Manager.

Secretary.

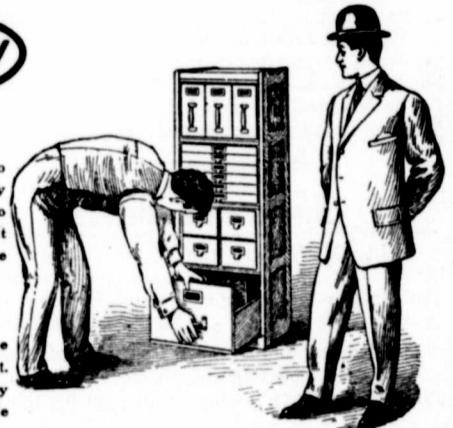
PUTTING IN FIRST INTERIOR



Filing Cabinets
 can be changed to
 suit your ideas any
 time you wish to
 change them. It
 only takes a minute
 to do the trick.

With Others
 you have to change
 the entire cabinet.
 "Macey" is the only
 interchangeable
 system.

PUTTING IN LAST INTERIOR



THE PICTURES TELL THE STORY

It does not require an expert to make any changes. Any clerk in the office can do it even the office boy. There is nothing to get out of order, nothing to bind, nothing to give trouble.

Write for "Catalogue
 M." and
 Get Wise to the Be

CANADA FURNITURE MANUFACTURERS
 LIMITED

General Offices : : : : WOODSTOCK, ONT.

We can put YOUR
 Office
 on a Modern Basis

Personal Paragraphs.

Sir Lomer Gouin, Premier of Quebec, has been elected a director of the Royal Trust Company, in succession to the late Sir Edward Clouston, Bart.

Mr. Alexander Laird, general manager of the Canadian Bank of Commerce, has been elected a director of the Imperial Life Assurance Company.

Hon. N. Curry and Mr. James McGregor (manager for Canada, Commercial Union Assurance Company, Limited), have been elected directors of the Canada Accident Assurance Company.

Mr. J. G. Richter, manager and secretary of the London Life, was recently elected for the fourth time an alderman of London, Ontario.

Mr. Gerald R. Stewart, formerly of the Sun Life of Canada, has been appointed inspector of agents for the City of Montreal, of the Mutual Life of Canada.

New and additional directors of the Canadian Bank of Commerce are Mr. H. J. Fuller, president of the Canadian Fairbanks Company, Mr. F. P. Jones, general manager of the Canada Cement Company, and Mr. George W. Allan, of Winnipeg.

The Canadian Fire Record.

PORTAGE LA PRAIRIE, MAN.—St. Cuthbert's R. C. church destroyed, January 12. Loss, \$12,000.

SOUTH BATTLEFORD, SASK.—Gaiety Theatre, Occidental Hotel and a pool room destroyed, January 6.

ALLAN, SASK.—Northern Crown Bank, three general stores and real estate office destroyed, January 13. Loss, \$30,000.

HAZELTON, B.C.—Hudson Bay Company's store burned, January 2. Loss \$50,000. Supposed origin, incendiary.

BELMONT, MAN.—Bank of British North America destroyed, January 6. Loss estimated at \$10,000 covered by insurance.

ORILLIA, ONT.—Main building of Canada Refining and Smelting Company's plant burned, January 7. Loss heavy, including much valuable machinery.

BRODERICK, SASK.—Post office, telephone exchange and Graham's store destroyed, January 6, and Rudy's garage partially burned. Loss about \$15,000.

NIAGARA FALLS, ONT.—Ontario Power Company's transformer building burnt, January 4. Loss \$100,000. Cause, short circuit brought about by violent storm.

BRANTFORD, ONT.—Warehouse of Brantford Cordage Company containing 800 tons of twine destroyed, January 13. Loss, \$100,000 partly covered by insurance.

ST. JOHN, N.B.—American Steam Laundry, Charlotte street, destroyed, and G. S. Fisher & Co.'s building damaged, January 4. Loss, \$25,000. Origin, unknown.

SASKATOON, SASK.—Building of Western Foundry & Machine Company destroyed, January 12. Loss \$25,000 partly covered by insurance. Supposed origin, boiler explosion.

WINNIPEG.—House owned by P. Minuk, 57 Schultz street, occupied by Mr. Labovitch, destroyed, January 10. Building loss, \$500 with \$700 insurance in National Fire. Furniture loss, \$1,000.

WELLAND, ONT.—C. Cameron's clothes cleaning and dyeing premises, East Main street, burned out, January 10. Upstairs tenants lose by smoke and water, and Mills' barber shop wrecked. Origin, ignition of gasoline.

EDMONTON, ALTA.—Reed's Bazaar destroyed, January 11, and adjoining premises damaged. Reed's loss, \$10,000 covered by insurance. Origin, defective chimney. Owing to break down in power plant, there was no water for an hour after fire broke out.

BELLEVILLE, ONT.—E. Baveridge's dwelling just outside city limits destroyed, January 12. Loss about \$1,000, very little of contents being saved. Origin, unknown. Stone barns and stables owned by Mrs. McMahon, and operated by W. Ore, burned January 12. Loss on building, \$1,500; \$1,000 insurance in Queen. Loss on contents \$700; small insurance.

ARCOLA, SASK.—J. R. Mears' hardware and furniture store burned, January 4. Fire spread to Standard Aerated Water Company's building, which was heavily damaged. Loss:—Mears' store building \$8,000, contents \$15,000, insurance \$12,000, Standard Aerated building \$3,000, machinery \$3,000, contents \$2,000; building insurance for \$2,500; most of the machinery saved.

TORONTO, ONT.—Bursting of the sprinkler system, January 13, did damage by water to the extent of \$10,000 to the stock of four firms in the Rogers building at 71 Wellington street west. The firms which suffered were: The Lincoln Paper Company, the Canada Cloak Company, the Barber & Ellis Company and George Borgfeld, chinaware importer. Fire at 38 Ontario Street, January 13, owing to overturned lamp. Damage small.

MONTREAL.—Premises occupied by Duchesneau & Duchesneau, Ltd., wholesale dry goods and small wares, 279 St. Paul Street, damaged, January 15. Smoke and water damage to adjoining premises of H. Fortier & Co., wholesale tobacconists. Loss heavy. Cartier Club, St. Vincent Street, damaged, January 15. Loss about \$6,000. Premises of Hughes-Owens Company, Ltd., Notre Dame Street West, damaged, January 10. Loss \$10,000. Suggested origin, incendiary.

TRURO, N.S.—Fire on January 12 caused following losses:—E. E. McNutt, building, total loss; insurance, \$4,000; insurance on stock, \$1,000, total loss; Pitkavitch & Company, total loss of stock, fixtures and player-piano, etc.; insurance \$2,100; Misses Davies, dressmaking, total loss, probably \$500; no insurance; Dr. Kinsman, partial loss of valuable instruments, library and stock, amounting to \$1,700; no insurance; Dr. McDonald, dentist, partial loss, amounting to nearly \$2,000, including valuable electrical equipment recently installed; insurance, \$500; Kent Block, owned by Estate J. H. Kent, damaged by fire and water; loss probably \$2,000; insurance, \$3,800; Roger's Novelty Stores, loss by fire and water probably \$500; insurance, \$2,100; A. G. Blonquist, furrier and ladies' tailor, loss by smoke and water covered by insurance; Dr. Randall, dentist, loss small; Allan McLennan, tailor, loss by water, smoke and removal of stock; F. C. Layton & Co., dry goods; loss by smoke fully covered by insurance.

THE CANADA LIFE

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

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

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

Canada Life Assurance Company,
Head Office : TORONTO.

BRITISH AND CANADIAN UNDERWRITERS

of NORWICH, ENGLAND.

GUARANTEED BY THE

Norwich Union Fire Insurance Society,
Limited, of NORWICH, ENGLAND.

AGENTS WANTED AT ALL POINTS IN THE DOMINION.

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

JOHN MacEWEN, Superintendent.

SOLICITING INSURANCE FOR THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK IS ONE OF THE MOST LUCRATIVE OF CALLINGS.

Are you in the business to stay? Choose a Company good enough for you to stay WITH, and strong enough to stay with YOU, during your whole career;

The oldest Company in America, which began business seventy years ago, is bigger, better and stronger now than ever before, and will be still bigger, better and stronger seventy years hence;

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

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

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

FOR TERMS TO PRODUCING AGENTS, ADDRESS:

George T. Dexter

2nd VICE PRESIDENT

34 Nassau Street

New York, N.Y.

Union Mutual Life Insurance Co.

Of Portland Maine.

FRED. E. RICHARDS, President.

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

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

Exceptional opening for Agents, Province of Quebec and Eastern Ontario.

WALTER I. JOSEPH, Manager,
151 St. James Street, Montreal.

GOVERNMENT, MUNICIPAL AND CORPORATION BONDS

Our list comprises carefully selected offerings of Canadian Municipal, Government and some of the best class of corporation bond issues suitable for the investment of the funds of banks, trust and insurance companies, estates and private investors. The securities we offer combine the two essentials of a satisfactory investment, namely, safety and good interest return.

WOOD, GUNDY & COMPANY.

LONDON, ENG.

TORONTO, CAN.

THE HOME BANK OF CANADA

ORIGINAL
CHARTER
1854

Head
Office

TORONTO

8-10 King
St. West

Seven Offices in Toronto.

BRANCHES AND CONNECTIONS
THROUGHOUT CANADA.

JAMES MASON, General Manager

The Royal Trust Co.

TRANSPORTATION BUILDING
CAPITAL FULLY PAID \$1,000,000
RESERVE FUND \$1,000,000

Board of Directors:

Right Hon. LORD STRATHCONA & MOUNT ROYAL, G.C.M.G.
PRESIDENT.

H. V. MEREDITH,
VICE-PRESIDENT

SIR H. MONTAGU ALLAN, E. B. GREENSHIELDS A. MACNIDER
R. B. ANGUS C. R. HOBBER DAVID MORRICE
A. BAUMGARTEN SIR W. C. MACDONALD, JAMES ROSS
A. D. BRATHWAITE HON. R. MACRAY
C. B. GORDON SIR T. G. SHAUGHNESSY, K.C.V.O.
SIR LOMER GOUIN SIR WILLIAM C. VAN HORNE, K.C.M.G.

A. E. HOLT, Manager

SAFETY DEPOSIT VAULTS:

Bank of Montreal Bldg., 109 St. James St.,
MONTREAL.

Montreal Trust Company

Incorporated 1889

CAPITAL \$500,000.00
RESERVE \$300,000.00

Our Booklet on Wills contains interesting and valuable information. It will be sent on application.

DIRECTORS

H. S. Holt, President	Hon. N. Curry	Hugh Paton
Robt. Archer, Vice-Pres.	Hon. R. Dandurand	E. L. Pease
Sir W. M. Aitken, M. P.	Geo. E. Drummond	James Redmond
J. E. Aldred	T. J. Drummond	F. W. Ross
A. J. Brown, K.C.	F. P. Jones	Hon. W. B. Ross, K.C.
Fayette Brown	Wm. Molson Macpherson	A. Haig Sims
Geo. Caverhill	C. E. Neill	

V. J. HUGHES, MANAGER

142 Notre Dame Street, W.

The Standard Loan Co.

We offer for sale debentures bearing interest at FIVE per cent per annum, payable half-yearly. These debentures offer an absolutely safe and profitable investment, as the purchasers have for security the entire assets of the company.

Capital and Surplus Assets \$1,400,000.00
Total Assets \$2,800,000.00

President: J. A. KAMMERER.

Vice-Presidents: W. S. DINNICK, Toronto. HUGH S. BRENNEN,
Hamilton.

Head Office: Cor. Adelaide and Victoria Sts., TORONTO

The Trust and Loan Co. OF CANADA

Capital Subscribed, \$14,600,000
Paid-up Capital, 2,920,000
Reserve Fund, 1,499,950
Special Reserve Fund 413,600

MONEY TO LOAN ON REAL ESTATE AND
SURRENDER VALUES OF LIFE POLICIES.

30 St. James St., Montreal

British Columbia Timber

The difficulty of obtaining impartial, reliable information regarding any special section of timber in British Columbia has led this company to install a department under the supervision of Mr. G. F. Gibson, devoted exclusively to timber.

The company acts solely as agent, and will neither purchase nor sell for itself, consequently its recommendations are impartial.

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

Correspondence solicited.

British Canadian Securities Limited

Dominion Trust Building - VANCOUVER, B.C.

Paid-up Capital \$250,000

Offices: Montreal, London (England) and various cities in Western Canada.

PRUDENTIAL TRUST COMPANY LIMITED

HEAD OFFICE

9 ST. JOHN
STREET
MONTREAL.

Trustee for Bondholders
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.

Safety

Deposit Vault
Terms exceptionally
moderate.

Correspondence
Invited.

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

Union Assurance Society Limited OF LONDON, ENGLAND.

(Fire Insurance since A.D. 1714)

Canadian Branch:

Corner St. James and McGill Streets, Montreal

T. L. MORRISSEY, - Resident Manager

Agencies throughout the Dominion

The LIFE AGENTS MANUAL, \$3.00
THE CHRONICLE - MONTREAL

THE BANK OF TORONTO

Report of the Fifty-Seventh Annual General Meeting.

The fifty-seventh Annual Meeting of the Stockholders of this Bank was held on 8th January, 1913, at the Head Office, on Wellington street East, Toronto.

The Chair was taken by the President, Mr. Duncan Coulson. Mr. Thomas F. How, the General Manager, acted as Secretary, and Messrs. George R. Hargraft and E. M. Chadwick were appointed Scrutineers.

The Secretary then read the following Report:

The Directors of the Bank of Toronto beg to present their Report for the year ending 30th November, 1912, accompanied by a statement showing the condition of the Bank on that date and the result of the operations for the year.

PROFIT AND LOSS ACCOUNT.

The Balance at credit of Profit and Loss, on 30th November, 1911, was	\$ 52,019.99
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	835,787.04
Premium received on New Stock	391,950.00
	\$1,279,757.03

This sum has been appropriated as follows:

Dividends at Eleven per cent	\$ 541,228.79
Bonus, one per cent., making a total distribution of twelve per cent.	50,000.00
	\$ 591,228.79
Transferred to Officers' Pension Fund	20,000.00
Written off Bank Premises	100,000.00
Transferred to Rest Account—Premium on New Stock	391,950.00
Carried forward to next year	176,578.24
	\$1,279,757.03

REST ACCOUNT

Balance November 30th, 1911	\$5,608,050.00
Premium on New Stock	391,950.00
	\$6,000,000.00

Average amount of Paid-up Capital for the fiscal year	\$4,926,906.00
Percentage of Net Profits to Average Paid-up Capital	16.96 per cent.

The business of the country continues to expand. Steadily increasing immigration, extension of railroad communication, growth of towns and cities, opening up and development of new territory, and increase in the number and capacity of manufacturing establishments have had the effect of stimulating every branch of trade. The volume of imports and exports has greatly increased, and the whole community has shared in the general prosperity thereby created.

The available resources of the Bank have been very fully employed, and the demand for loans has been constant throughout the year.

The following new Branches have been opened during the year making the total number of offices now 116:

ONTARIO.	MANITOBA.	SASKATCHEWAN.
Cobalt.	Logan Avenue, Winnipeg.	Assinibola.
Norwood.		Colonsay.
Stratford.	ALBERTA.	Gravelbourg.
	Oyen.	Lemberg.
QUEBEC.	Veteran.	Mortlach.
Atwater Avenue and St. Antoine	Youngstown.	Odessa.
Street, Montreal.		Springside.
		Summerberry.

Payments on new stock issued last year have been completed and the paid-up capital now amounts to \$5,000,000. The premium on new stock paid in has been added to the Rest, and this fund now amounts to \$6,000,000.

The new Head Office building of the Bank is approaching completion, and we hope early in the year to enter into active possession of a very dignified and commodious banking house.

The Bank Act, which has recently been introduced by the Minister of Finance, provides for the appointment by the stockholders of each Bank of an auditor who must verify and sign the balance sheet to be presented by the Directors at the Annual Meeting. In anticipation of this proposal becoming an enactment, the stockholders will be asked to appoint an auditor or auditors to represent them in making this examination, and to give in a report at the next Annual Meeting.

The Directors have, with the deepest regret, to record the death of their former President, Mr. W. H. Beatty. For over thirty years he had been a member of this Board, and his great ability, wide experience, and thorough loyalty to the Bank's interests were freely devoted to its service. The vacancy thus caused has been filled by the election of Mr. J. L. Englehart, Chairman of the Temiskaming and Northern Ontario Railway Commission, and a large stockholder of the Bank.

The Head Office and Branches of the Bank have undergone the usual careful inspection. At the Head Office a Committee of the Board have, as usual, verified the Cash, Securities and Loans at the Head Office, and have examined the returns received from all the Branches of the Bank and verified the figures contained in the balance sheet, which is herewith presented.

All of which is respectfully submitted.

D. COULSON, PRESIDENT.

Bank of Toronto *Continued.***GENERAL STATEMENT, 30th November, 1912****LIABILITIES.**

Notes in Circulation		\$ 5,474,917.00
Deposits bearing interest	\$35,164,826.38	
Deposits not bearing interest	6,457,519.42	41,622,345.80
		553,927.16
balances due to other Banks		
Quarterly Dividend, payable 1st December, 1912	137,279.14	
Bonus to Stockholders, payable 1st December, 1912	50,000.00	
Dividends unpaid	201.52	187,480.66
		\$47,838,670.61
Capital paid up	\$ 5,000,000.00	
Rest	6,000,000.00	
Interest Accrued on Deposit Receipts and Rebate on Notes Discounted	211,300.00	
Balance of Profit and Loss Account carried forward	176,578.24	11,387,878.24
		\$59,226,548.85

ASSETS.

Gold and Silver Coin on hand	\$ 825,792.26	
Dominion Notes on hand	4,045,041.00	
		\$ 4,870,833.26
Notes of and Cheques on other banks		2,862,840.02
Balances due from other Banks		1,168,510.92
Deposit with Dominion Government for security of Note Circulation		228,000.00
Government, Municipal, Railway, and other Debentures and Stocks		1,153,192.80
Call and Short Loans on Stocks and Bonds		1,905,841.49
		\$12,189,218.49
Loans and Bills Discounted	\$ 44,763,602.70	
Loans to other Banks secured	128,600.48	
Overdue Debts (estimated loss provided for)	174,774.47	45,066,977.65
		1,970,352.71
Bank Premises		\$59,226,548.85

THOS. F. HOW, GENERAL MANAGER.

After the Report had been read, the President moved, seconded by the Vice-President, that it be received and adopted.

This motion was carried and also a resolution expressing the hearty thanks of the Stockholders of the Bank to the President, Vice-Presidents and Directors for their management of its affairs during the past year.

A motion was also passed appointing Mr. Geoffrey T. Clarkson as auditor to represent the Stockholders of The Bank of Toronto, and to report to them (in accordance with such requirements as may be imposed upon Auditors by the Bank Act) upon the Statement to be presented by the Directors of the Bank at the next Annual General Meeting.

The following Directors were elected for the ensuing year: William George Gooderham, Robert Reford, Charles Smith Hyman, William Stone, John Macdonald, Albert Edward Gooderham, Nicholas Bawlf, Duncan Coulson, Joseph Henderson, Frank Stephen Meighen, Jacob Lewis Englehard.

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

VALUATION OF FUTURE COMPENSATION CLAIMS.

An examination of the rules laid down by the statutes of the various states for determining the value of the unpaid claims of liability companies, shows that companies which have not been in business for a certain number of years, are required to set aside for the first year 50 per cent. of the earned premiums less loss payments and modified by the suit experience, as the value of the unsettled claims. If we were to follow this rule for workmen's compensation, we should in all probability have to face the same deplorable conditions which we now find among the liability companies, for I seriously question whether 51 per cent., or 55 per cent. or 60 per cent. of the earned premiums, as now charged, will be sufficient to meet the claims in the future. In one or two years from now we may be in a better position to determine exactly what is to be the cost of furnish-

ing medical services. At present it is an unknown quantity, but it gives every evidence of becoming a heavy burden indeed.

For this reason I would like to bring to the attention of the accountants, the advisability of refraining for the present from attempting to use a percentage basis of determining for value of future compensation claims. In my opinion it would be preferable to assign to each individual claim a value composed of a combination of the known facts about it and the best judgment of the claim expert as to the length of the continuance of the disability and the probable disbursements for other causes. A percentage basis has the advantage of ease of application and eliminates entirely the individual estimates of the manager of the claim department who for obvious reasons is interested in showing a low loss ratio. But until some years have elapsed we cannot determine whether an assumed percentage is too high or too low.—S. H. Wolfe, before the Insurance Society of New York.

THE CANADIAN BANK OF COMMERCE

Report of the Proceedings of the Annual Meeting of Shareholders Tuesday, 14th January, 1913.

The forty-sixth Annual Meeting of the Shareholders of The Canadian Bank of Commerce was held in the banking house on Tuesday, 14th January, 1913, at 12 o'clock.

A large number of shareholders and others were present.

The President, Sir Edmund Walker, having taken the chair, Mr. A. St. L. Triggs was appointed to act as Secretary, and Messrs. W. Murray Alexander and A. J. Glazebrook were appointed scrutineers.

The President called upon the Secretary to read the Annual Report of the Directors, as follows:—

REPORT

The Directors beg to present to the Shareholders the forty-sixth Annual Report, covering the year ending 30th November, 1912, together with the usual Statement of Assets and Liabilities:

The balance at credit of Profit and Loss Account, brought forward from last year, was	\$ 203,394.89
The net profits for the year ending 30th November, after providing for all bad and doubtful debts, amounted to	2,811,806.42
Transferred from Rest Account of Eastern Townships Bank	2,400,000.00
Premium on New Stock	242,180.00
	\$5,657,381.31

This has been appropriated as follows:

Dividends Nos. 100, 101, 102 and 103, at ten per cent. per annum	\$1,418,622.43
Bonus of one per cent., payable 1st December, 1912	150,000.00
Written off Bank Premises	500,000.00
Transferred to Pension Fund (annual contribution)	2,500,000.00
Transferred to Rest Account	242,180.00
Transferred to Rest Account, premium on new stock	2,742,180.00
	771,578.88
Balance carried forward	\$5,657,381.31

All the assets of the Bank have been as usual carefully revalued and ample provision has been made for all bad and doubtful debts.

In accordance with an agreement entered into in December, 1911, this Bank took over on 1st March last, the business of the Eastern Townships Bank, with headquarters at Sherbrooke, Que., and ninety-nine branches and sub-agencies, chiefly situated in the Eastern Townships District of the Province of Quebec. In addition to fifty-two new branches and thirty-two sub-agencies in the Province of Quebec, the Bank thus acquired new offices at Coleman and Taber, Alberta; Grand Forks, Keremeos, Midway, Naramata, Phoenix, Summerland and Vancouver (two of- fices), British Columbia; and Winnipeg, Manitoba. The business of the Eastern Townships Bank branches at Leth- bridge, Princeton, Quebec and Victoria, was at once transferred to our own offices, and later in the year the busi- ness of their principal offices in Montreal and Winnipeg was also consolidated with our branches in those cities, the change at Winnipeg taking place as soon after the opening of our new building as it could conveniently be effected. The nine months' experience which we have had with the new business has given us every reason to feel satisfied with our purchase.

There were issued to the shareholders of the Eastern Townships Bank in exchange for their stock in that insti- tution 60,000 shares of new stock of this Bank, having a par value of \$3,000,000. This has increased the paid-up capital stock of the Bank to \$15,000,000. The by-law passed at the last annual general meeting increasing the au- thorized capital stock to \$25,000,000 received the approval of the Treasury Board on 26th February, 1912.

In addition to the offices acquired from the Eastern Townships Bank, the Bank has opened during the year the following branches: In British Columbia—Rock Creek, North Vancouver, Powell Street (Vancouver) and Oak Bay Avenue (Victoria); in Alberta—Athabasca Landing, Hanna, Tilley, Vulcan and Youngstown; in Saskatchewan—Blaine Lake, Laird and Lewvan; in Ontario—Brockville, Cornwall, Ingersoll, Niagara Falls, Port Colborne, Port Stanley, West End (Sault Ste. Marie), Smith's Falls, St. Thomas, Sudbury, Tillsonburg, Danforth and Broadview (Toronto) and Earls Court (Toronto); in Quebec—Fraserville, Maisonneuve (Montreal), Prince Arthur and Park (Montreal), Nicolet and Three Rivers; in New Brunswick—Fredericton; and in Newfoundland—St. John's. The sub- agencies at Keremeos, B.C., East Angus, Howick, St. Chrysostome, Ste. Elizabeth and Weedon, Quebec, have been equipped as branches. The branches at Bounty, Sask., and Stewart, B.C., and the sub-agencies at Midway, B.C., and St. Constant, Que., have been closed. Since the close of the year branches have been opened at Courtenay and Pandora and Cook (Victoria), B.C., Port McNicoll, Ont., Campbellton and Moncton, N.B.; the Dunham, Que., sub- agency has been equipped as a branch, and the Upton, Que., sub-agency closed.

In accordance with our usual practice, the various branches and agencies of the Bank in Canada, the United States, Great Britain and Mexico, and the Departments of the Head Office have been thoroughly inspected during the year.

The Directors again desire to record their appreciation of the efficiency and zeal with which the officers of the Bank have performed their respective duties.

B. E. WALKER,
President.

Toronto, 14th January, 1913.

GENERAL STATEMENT, 30th November, 1912**LIABILITIES.**

Notes of the Bank in circulation		\$ 16,422,864.68
Deposits not bearing interest	\$ 58,586,813.55	
Deposits bearing interest, including interest accrued to date	139,030,648.45	
		197,617,462.00
Balances due to other Banks in Canada		885,514.94
Balances due to other Banks in foreign countries		2,842,439.50
		<u>\$217,768,281.12</u>
Dividends unpaid		6,429.74
Dividend No. 103 and bonus, payable 1st December		525,000.00
Capital paid up	\$ 15,000,000.00	
Rest	12,500,000.00	
Balance of Profit and Loss Account carried forward	771,578.88	
		<u>28,271,578.88</u>
		\$246,571,289.74

ASSETS.

Coin and Bullion	\$ 11,273,485.39	
Dominion Notes	16,181,480.25	
		27,454,965.64
Balances due by Agents in the United Kingdom	\$ 2,082,538.49	
Balances due by other Banks in foreign countries	4,718,352.03	
Balances due by other Banks in Canada	28,645.40	
Notes of and Cheques on other Banks	10,092,360.90	
		16,921,896.82
Call and Short Loans in Canada		8,779,459.47
Call and Short Loans in the United States		9,003,590.37
Government Bonds, Municipal and other Securities		14,362,116.82
Deposit with the Dominion Government for security of Note circulation		707,000.00
		<u>\$ 77,229,029.12</u>
Other Current Loans and Discounts		163,753,559.28
Overdue Debts (loss fully provided for)		487,738.94
Real Estate (other than Bank Premises)		208,372.77
Mortgages		404,096.95
Bank Premises (including the balance unsold of certain premises acquired from the Eastern Townships Bank)		4,423,993.07
Other Assets		64,499.61
		<u>\$246,571,289.74</u>

ALEXANDER LAIRD, General Manager.

In moving the adoption of the Report, the President called on the General Manager to address the shareholders.

GENERAL MANAGER'S ADDRESS.

The General Manager then said:

We have closed another year with a record of uninterrupted prosperity, and we take pleasure in submitting a report which will compare favourably with any previous statement in the Bank's history.

In reviewing the business of the early part of the year we have to note a steady development. Great industrial activity, accompanied by large orders for manufactured goods of all kinds, gave an impetus to business which at once arrested our attention and produced a feeling of concern lest we should have difficulty in meeting the requirements of our customers. There was apparently a sound and healthy basis for this activity, and the money market was for a time comparatively easy, but we had to look forward to the harvesting of a large crop and were naturally desirous of doing our full share in moving it. The necessity for a close supervision of credits was never so obvious, and this period, usually one of dull and inactive business, proved to be a time for the exercise of great caution.

We had expected the gradual return of better conditions in the great financial centres which, by permitting the marketing of a large amount of first-class securities, would enlarge the supply of available capital, but untoward events in Continental Europe and the uncertainty surrounding an exciting Presidential campaign in the United States made this impossible. The latter half of the year was therefore a time of great stringency and consequent high rates for money, and it became increasingly difficult to satisfy legitimate demands, notwithstanding the inherent soundness of business generally.

With the amalgamation of the Eastern Townships bank

our capital was increased to \$15,000,000. The average capital employed during the year was \$14,210,437, and the net earnings on this amount were \$2,811,806.42, an increase of \$506,397 over last year, being at the rate of 19.78 per cent. This result was attained after making the usual provision for all bad and doubtful debts, and a thorough revaluation of the entire assets of the Bank.

We are pleased to report that an examination of the accounts of the Eastern Townships Bank leaves us no reason to doubt the value of our purchase, and we record our appreciation of the zeal and hearty co-operation of our associates in the difficult task incident to the adjustment of so important an acquisition.

We disbursed in dividends \$1,568,622.43, being at the rate of 10 per cent. per annum, and an extra bonus dividend of 1 per cent. for the year. The policy of paying bonus dividends until such time as we are confident of being able to maintain a higher rate would seem to be a wise precaution, in view of the extraordinary development of our business and the desirability of making ample provision for any contingency likely to arise.

We had expressed the hope that our building programme could be curtailed, but the acquisition of the large territory covered by our eastern branches, and the continued growth in the west, necessitated the opening of a considerable number of branches requiring the building and remodelling of offices on an extensive scale. We have also a serious problem to face in the changes absolutely essential for the proper accommodation of the Head Office and Toronto branch, our present premises having been for several years quite inadequate. Bank Premises account has been increased to \$4,423,993.07, which includes premises acquired from the Eastern Townships Bank, and we have written off \$500,000, keeping the account at approximately 50 per cent. of the value of our properties.

The increase of the staff, now numbering 3,000, required the appropriation of \$75,000 for the Pension Fund. We have

added \$2,742,180 to Rest account and carry forward a balance of \$771,578.88 in Profit and Loss. The Bank's Circulation account showed important fluctuations during the year, the minimum reached in January being \$10,403,322 and the maximum in November \$16,660,709. We had occasion to take advantage of the emergency provisions of the Bank Act amendment of 1908 early in October, and we closed our statement with a circulation of \$1,422,864 in excess of the amount of our paid-up Capital.

If the Bank Act introduced at this session of Parliament should be passed in its present form and a "Central Gold Reserve" established, there will be no apprehension of a scarcity of currency at a time when the emergency provisions are not operative; for with the deposit of gold or Dominion notes in the custody of trustees the banks will have the privilege of issuing their own notes to the full amount thus deposited. This will undoubtedly be a very important step towards ensuring that the business of the country should not be embarrassed through lack of currency. It is evident, however, that there will be no profit to the banks in availing themselves of the suggested privilege, and as we have reached the time when the need of currency is beyond the present limits of the banks' power to supply, it is desirable that in addition to the adventitious aids so wisely provided in the new Bank Act, the banks should anticipate an increasing demand for bank-note currency by the issue of additional capital.

During the year our deposits increased \$51,651,727. There was a considerable accession of special amounts which will be withdrawn in due course, and we received \$19,111,119 as a result of the Eastern Townships Bank amalgamation. The ordinary deposits show a very handsome increase. Current loans and discounts increased \$52,753,947 and call and short loans \$2,757,730, compared with last report. Investments in Government bonds, municipal and other securities were increased by \$2,821,024 and cash resources by \$1,625,271.

You will notice from the report of the Board of Directors the large increase in the number of our branches. We fully realize our responsibility in undertaking to control so many units in a great bank, and the importance of arranging for a complete organization of competent and loyal associates, with geographical divisions which thoroughly cover the field of our operations. We endeavour as far as possible to clothe our Superintendents and Managers with authority for a prompt discharge of the duties of management, and believe we have succeeded in perfecting a system which meets every reasonable requirement. The distribution of branches at the close of the year was as follows:—

Alberta	49
British Columbia	42
Manitoba	23
New Brunswick	2
Nova Scotia	13
Ontario	79
Prince Edward Island	5
Quebec	91
Saskatchewan	53
Yukon	2
<hr/>	
Total in Canada	359
Newfoundland	1
London, Eng.	1
United States	4
Mexico	1
<hr/>	
Total number of Branches	366

The number of the Bank's shareholders has increased during the year from 4,142 to 5,656, the increase being principally due to the taking over of the Eastern Townships Bank. The stock of the Bank is now quite widely distributed, not only in Canada but abroad, as will be seen from the following figures compiled as at the close of our year:—

	No. of Shareholders.	Amount held.
Ontario	1,388	\$4,087,500
Quebec	1,127	3,213,650
Maritime Provinces	702	1,544,450
Western Provinces	118	242,950
Great Britain	1,569	3,204,400
United States	669	2,549,950
Other countries	83	157,100
<hr/>		
	5,656	\$15,000,000

We have referred to the provisions of the new Bank Act for increased note circulation, and would like to advert to the proposal that is now being considered, of creating a system of independent audit to supplement what has always been regarded as complete and satisfactory in every well-organized bank. There can be no question as to the importance of a strict supervision of all matters pertaining to our banks, and we should welcome any plan which makes for more efficient management and a proper recognition of the great responsibilities we are called upon to assume. We are disposed to believe that with the co-operation of the Canadian Bankers' Association working through the various Bank Clearing Houses effective service could be rendered in the correction of abuses and the perfecting of methods for the encouragement of sound banking. We have possibly not taken advantage of our opportunities in this respect.

The Bank Act will probably sanction, under proper liens and assignments, the loaning of money to farmers and ranchers on the security of grain and cattle and other live stock in their possession. This will undoubtedly be a great advantage in many instances, and will at least legalize a practice already quite common, and probably tend to prevent hasty marketing of produce. As a matter of fact large advances are made to farmers on the security of notes, but actually upon what they possess in the way of products of agriculture and their reputation for honesty and ability, always an essential consideration when lending money. We have no hesitation in stating that our farmer customers are, almost without exception, satisfactory borrowers. Our aggregate advances to farmers run into large figures, estimated at \$15,000,000 for the western provinces.

Despite the money stringency during the closing months of 1912, and the fear that we may feel the pinch for some time to come, there are offsetting influences at work. The wonderful revival of trade in every branch, the bountiful harvests throughout the land and the consequent enormous increases in traffic on the railways, afford excellent grounds for the assumption that the unusual prosperity we are enjoying is on a sound basis. There is therefore some warrant for the belief that with reasonable care and judgment in measuring our commitments there will be a continuance of prosperous conditions for the coming year. We must of course reckon with the adverse circumstances prevailing abroad, for in conducting a world-wide business we are sensitive to these influences. We are hopeful that with the settlement of present difficulties in Europe and the return of trade to normal channels, any apprehension for the immediate future will be dispelled. We are likely to experience on the part of investors a very decided reluctance to pay fancy prices when we come to dispose of the securities now awaiting a favourable market, and we should be prepared for a revaluation which will probably mean a higher yield for the purchaser.

In moving the adoption of the Report the President said:—

PRESIDENT'S ADDRESS.

The area of Canada in which the Bank is directly interested has become so large that we have decided to present the information collected regarding its industrial position in a new form. We shall hereafter include in the statement made to our shareholders reports from those senior officers of the Bank who have charge under the General Manager of the various geographical divisions of the Bank and who are better qualified than we are to set forth the facts regarding such districts.

The year has been one marked, even in comparison with recent years of large expansion, by a continued increase in immigration, in building operations of all kinds, especially in connection with railroads, in foreign and domestic trade, in bank deposits, indeed in almost everything connected with the prosperity of a country. Our object in stating what is so well known is that we may consider the causes of our rapid growth and whether in the methods of our expansion there is anything which needs to be checked. Our financial requirements are mainly determined by the volume of immigration. It is because of this that we must build so largely, and this also is the main cause of the excess of our imports over our exports. The immigration for the calendar year, December being estimated, was 394,784, an increase over the record year of 1911 of 13 per cent. The immigrants came to us from forty-one countries and were divided as follows: British, 144,830; American, 140,456; from other countries, 109,498.

In order to transport them to their inland destination 800 passenger trains of ten cars each, averaging 50 persons to each car, would be required. In the last two years we have added nearly 10 new people to each 100 people already in Canada taken as a whole, but as over half of these immigrants have gone to the western provinces, the proportion of newcomers to these provinces in the same period has been about 20 to each 100. The population of Saskatchewan has increased five-fold in ten years. Clearly this is proportionately the largest immigration problem ever handled by any country. In order to house, settle, and arrange transportation for these people, we must borrow very largely, and as long as such streams of newcomers continue we are likely to be borrowers on a large scale, at least for many decades to come. In the excess of imports over exports and in the volume of our securities sold abroad in order to settle that difference, one can clearly see the strain put upon Canada by this enormous accession of new people. The total of our foreign trade for the fiscal year ending March, 1912, was \$874,538,000. Our imports were \$559,220,000, and our exports \$315,317,000, the balance against us being \$243,903,000, and the figures for the half year ending September, 1912, show imports on an even larger scale. The imports of iron and steel in various forms from raw material to highly complicated manufactures amount in value to \$95,000,000. Almost all these articles are already being made in Canada but not in sufficient quantities, or not of high enough quality, to satisfy our requirements. It is to the last degree desirable that such articles should be made at home, and to the extent of say \$50,000,000 or \$60,000,000 they clearly should be. With the exception of motor cars and parts to the extent of \$7,387,000, and a few other items, the whole of this amount may be safely attributed to the erection of new structures or the opening up of new farm lands. It is this large difference between our exports and imports which causes us to send so many securities to the London market, and if it were true that we are importing too many securities it would mean that we are importing too many goods or exporting too little, or both. Doubtless, some Canadian securities are offered which should not have been created, and doubtless our imports are unwisely increased to some extent by the extravagance of an unusually prosperous people, but the main cause each year is the same. We need more than ever new mileage of railways, vast quantities of new rolling stock, warehouse and port facilities, municipal expenditures in hundreds of new towns and an enlarged scale of improvements in all the older municipalities, the building of ordinary roads, bridges, etc., in many new areas of settlement, the creation of plants for new industries and the general increase of existing plants throughout all Canada, the erection of private dwellings in greater numbers and of more permanent construction than in the past, and many others forms of betterment which need not be detailed. But while our needs are mainly measured by our immigration, we are apt to forget that it is the investor in our securities who has the power to determine finally the pace of our expansion. For every dollar we wish to fix in permanent improvements somebody should have saved a dollar, and at this extravagant moment the borrowers throughout the world exceed those whose savings take the form of loanable capital. It is for us therefore to consider not so much our needs as the opinion of the investor regarding our securities, and the condition of the world's money market. If we do this we must conclude to restrict our building operations as much as possible for the moment, and we must expect to pay a higher rate of interest for our requirements. Men with business experience before entering upon building operations, large or small, assure themselves that the needed money is available. It is only our municipalities and reckless promoters who incur large obligations before they are sure of the necessary investor in the securities they propose to offer. Many of our towns and cities who have refused to consult the banks find themselves embarrassed as a result, and improvements which may be wise and much needed must be postponed for the moment. The existing securities will doubtless be absorbed in the near future, but at lower prices than heretofore in order to meet the investors' expectations of a higher return. Our municipalities, however, should seriously consider whether during periods of such rapid expansion the tax rate should not be largely increased. In the days of western expansion in the United States 25 and 30 mills on a fairly high valuation of property were not uncommon rates. Again, should we not pay for local improvements in a far shorter time than we do? The west-

ern cities of the United States make their local improvements by the issue of short term securities, the average life of which is usually not more than five years. Such securities often carry six per cent. interest and do not appeal to the same class of investor as do long-term municipal debentures. We can easily see the bad effect on the credit of our municipalities of adding the heavy cost of local improvements, spread over long terms, to the ordinary general debt. Such a system as that followed in the United States would probably not find favor with the subdivision promoter because it would be a powerful check on all speculative real estate schemes. At least a year ago it became generally known that there were many Canadian securities in existence which had not been absorbed by the investor and that real estate speculation was proceeding at too rapid a pace. Undoubtedly the knowledge of these facts has exercised some restraint upon our people. Transactions in inside city properties have probably been larger than ever but the subdivision promoter has not prospered. Direct investments of British capital in agricultural lands to be resold have been made in both the east and the west on a large scale.

In common with the rest of the world we are living in a time of high prices, and the incidence of these prices on those who have fixed incomes or earnings is so heavy as to constitute the greatest economic difficulty we have to face. I shall not attempt to deal fully with a subject which is being studied by government commissions in many leading countries and which will, let us hope, be referred to an international commission. There are some forces which affect the general trend of prices, others which may cause any particular commodity to go above or below the line of the general trend, and again others which are local and produce such apparent anomalies as higher prices for foodstuffs in cities nearer sources of cheap production as compared with more remote centres of consumption. Without, therefore, discussing the effect of an enlarged and cheapened supply of gold, the enormous increase of credit partly made possible thereby, and the effect of many other forces causing a general upward trend of prices, we may profitably consider some local causes which put the people of Canada at an unnecessary disadvantage. One of the most powerful and inexcusable local causes for the high price of food is the condition of our country roads. It must be clear that if a farmer has to travel ten or twenty miles to a city to sell his produce, every hour of delay to himself and his horses and wagon, every bushel or pound less he is able to carry, every day lost in the length of the life of his horses and wagon, cause just so much increase in the cost of the article he has to sell. To the extent that this needless and cruel loss might, if avoided, partly add to the farmers' profits and partly lessen the cost to the consumer, the state of our roads is little short of a crime. If the bad roads around a city cause the price of food to be much higher than it need be, one of the results is to enable producers hundreds, perhaps thousands, of miles away to enter into competition with the farmer in his own county, because the cost in transit over one mile of bad wagon road will cover the cost over many miles of good railroad. This competition may help the consumer by keeping prices from rising still higher, but it will not bring the price below the point fixed by the extra cost from the bad local roads. It will not do any good for those of us who live in well-paved cities to blame the farmers for bad roads. They cannot be expected to build good roads entirely at their own expense, and good roads will not come so long as we wait for anything as unfair as this. It is not that we do not know how to construct good roads. We know fairly well what we should do, but we hesitate to do it. In the excellent report on Highway Improvements in Ontario for 1911 there is a sufficient abstract of the systems adopted by the various countries of the world and by thirty-three states in the United States; of these, that in use in the State of New York seems to be the most complete. Under this system roads are classified as follows:

- (1) State roads built at the entire cost of the state.
- (2) County roads to which the state contributes one-half, the county 35 per cent., and the township 15 per cent. For maintenance the state collects from the townships \$50 per mile per annum, the remainder being contributed by the state.
- (3) Township roads, to which the state contributes one-third of the cost of construction.

Can the people of Canada be made to realize that every man, woman and child suffers from the evil of bad roads whether they use the roads directly or not? Have we

not as much intelligence as the citizens of these thirty-three neighbouring states?

Another cause of high prices is the general inefficiency of most kinds of labour. Employment is so easily obtained and the worker is apt to be so lacking in training for the particular calling it falls to his lot to occupy, that for this reason alone three men are often needed to do the work of two. The necessity of buying food for three families instead of two clearly raises the price of food and every two of two clearly raises the price of food and every non-producer of food in Canada therefore suffers from this inefficiency of labour. Still another evil, tending to high prices and growing rapidly in these extravagant times, is the waste in the use of food. As seen in a modern hotel or dining car this shocks most of us, but in countless families the waste is nearly as bad proportionately. If three animals are bought where only two are really needed, the price of meat is raised for everybody. I must apologize for repeating facts which are so palpable, but in our desire to blame someone else for the suffering caused by high prices, we often refuse to see local causes which largely contribute to it, and which we could at least moderate if we chose.

We have often spoken of the tendencies of modern life which increase the food consumers out of proportion to the food producers, and it is pleasing to see some slight evidence of a return to the land which may help to correct this disproportion, but while the quantity of fruit, vegetables and cereals grown may immediately be increased so as to affect prices, the state of the cattle industry of North America is so serious that some years must pass before we may hope for a return of normal conditions. It looks as if the United States would soon cease to export beef, and unless we at once change our course we may be in a similar condition. We must increase the number of beef cattle, sheep and swine on the land very largely if our annual consumption is to be supplied without depleting the herds. We shall hope the Commission regarding our cattle ranges will produce good results, and that the assurance of high prices for meat for some time to come may induce mixed farming to a degree not yet accomplished. Since 1908, while there has been a small increase in the number of horses in Canada, there has been a serious decline in the number of milch cows, beef cattle, sheep and swine. There should have been a very large increase, and unless

every possible effort to arrest the decrease is made, this class of food will grow steadily dearer in price. The falling off is most noticeable in Ontario, while the only important gains are in Saskatchewan and Alberta.

The Clearing House statements again give ample evidence of our rapid growth. The returns of twenty Clearing Houses for 1911 made a total of \$7,391,368,000 while for 1912 the figures were \$9,146,236,000, a gain of 23.74 per cent. Once more we have to record a gain in every Clearing House in Canada.

The building permits of the four chief cities were as follows:

	1911.	1912.
Montreal	\$14,580,000	\$19,642,000
Toronto	24,374,000	27,401,000
Winnipeg	17,550,000	20,475,000
Vancouver	17,652,000	19,388,000

The motion for the adoption of the report was put and carried. By-laws increasing the number of Directors of the Bank to twenty-two and increasing the amount available for the remuneration of the Board of Directors were then passed. The usual resolutions expressing the thanks of the shareholders to the President, Vice-President and Directors, and also to the General Manager, Assistant General Manager and other officers of the Bank were unanimously carried. Upon motion the meeting proceeded to elect Directors for the coming year and then adjourned.

The scrutineers subsequently announced the following gentlemen to be elected as Directors for the coming year: Sir Edmund Walker, C.V.O., LL.D., D.C.L., Hon. George A. Cox, John Hoskin, K.C., LL.D., J. W. Flavell, LL.D., A. Kingman, Hon. Sir Lyman Melvin Jones, Hon. W. C. Edwards, Z. A. Lash, K.C., LL.D., E. R. Wood, Sir John M. Gibson, K.C.M.G., K.C., LL.D., William McMaster, Robert Stuart, George F. Galt, Alexander Laird, William Farwell, D.C.L., Gardner Stevens, A. C. Flumerfelt, George G. Foster, K.C., Charles Colby, M.A., Ph.D., George W. Allan, H. J. Fuller, F. P. Jones.

At a meeting of the newly elected Board of Directors held subsequently, Sir Edmund Walker, C.V.O., LL.D., D.C.L., was elected President and Mr. Z. A. Lash, K.C., LL.D., Vice-President.

Market and Financial Summary

Edmonton has decided to pay 6 p.c. on a temporary loan of \$1,500,000.

A branch of the Bank of Montreal has been opened at Dauphin, Man., in charge of Mr. F. C. Cummins, with the title of acting manager.

Kaministiquia Power has raised its dividend from 4 to 5 per cent. The first quarterly distribution at the new rate is payable February 15 to shareholders of record January 31st.

The Bank of Toronto has opened a branch at Victoria, B.C., under the management of Mr. A. P. Boulbee. Mr. Boulbee has given the bank good service as manager at Coldwater, Wallaceburg and Port Hope, Ont., and for the past year has filled the position of assistant inspector at head office.

Directors of the Dominion Steel Corporation deny that their company has been approached by representatives of several United States steel companies for the purpose of forming a huge international steel merger. One of the directors admitted, however, that some such movement might be under way, but in so far as the Dominion Steel Company was concerned there was no truth in the rumor that a definite offer had been made to them.

Preparations are being made by the Montreal City Treasurer's department to float a loan of \$14,000,000 in London during the latter part of this month. The money is for permanent works and is made up of two equal sums of \$7,000,000, authorization for one of which was obtained in 1911 while the council will shortly be asked to sanction the other. The rate is to be 4½ p.c.

In the three Northwest provinces of Manitoba, Saskatchewan and Alberta the production of wheat is officially placed at 183,322,000 bushels compared with 194,083,000 bushels in 1911, of oats at 221,758,000 bushels compared with 212,819,000 and of barley at 26,671,000 bushels compared with 24,043,000 bushels. The wheat production of 1912 in Manitoba was 58,809,000 bushels from 2,653,100 acres, in Saskatchewan 93,849,000 bushels from 4,891,500 acres and in Alberta 30,574,000 bushels from 1,417,200 acres.

Net profits of 4.34 per cent. on the capital stock of \$5,000,000 are shown in the annual statement of Price Bros. & Co., Limited, for the year ended November 30th last. The general results of the year's business compare with those of the preceding year as follows:—

	1912.	1911.	Inc.
Profits	\$463,716	\$393,964	\$69,752
Bond interest	246,775	213,708	33,067

Net profits \$216,941 \$180,255 \$36,686
Net profits in 1911 were equal to 3.65 on the capital stock. The amount at credit of surplus account was at November 30, \$852,463.

BUSINESS CARDS

CABLE ADDRESS "RYKERT"

E. G. RYKERT & COMPANY
Stocks Bonds and Investments
22 St. John Street,
MONTREAL.

W. GRAHAM BROWNE & CO.
Dealers in Bonds
222 St. James Street - - Montreal

S. CARSLY & CO.
Stock and Bond Brokers
Members Montreal Stock Exchange
151 Notre Dame Street West, MONTREAL
Phone Main 6548. Orders Executed in all Markets.

P. S. ROSS & SONS
Chartered Accountants and
Trustees, Etc.
142 Notre Dame St. West, Montreal
MONTREAL WINNIPEG ST. JOHN, N.B.

MACDOUGALL BROTHERS
Members Montreal Stock Exchange
Stocks and Bonds
9 St. Sacrament Street,
MONTREAL.

BRITISH COLONIAL
FIRE INSURANCE COMPANY
Office: Royal Building, 2 Place d'Armes, Montreal
Special Agents Wanted

British American Bank Note Co., Ltd.
Head Office: WELLINGTON STREET, OTTAWA, CANADA
Most modern and complete appliances for the production and
protection against counterfeiting of BANK NOTES, BONDS,
CHECK CERTIFICATES, POSTAGE and REVENUE STAMPS
and all Documents of a Monetary value.
The work executed by this Company is accepted by the
LONDON, NEW YORK, BOSTON and other Stock Exchanges
Branch Offices:
9 Bleury Street, Montreal
Traders' Bank Building, Toronto

THE BENALLACK
Lithographing & Printing
Co., Limited
80-82 Victoria Square - - Montreal

Telephone Main 2540

ROBERT MILLER & CO.
CHARTERED ACCOUNTANTS
Commercial and Municipal Audits and Investigations
Liquidations and Insolvencies.
ROBERT MILLER, C.A., F.C.A., (Can.) C.A. (Scot.)
Cable Address, Western Union Code, "Accuracy" Montreal
Quebec Bank Building MONTREAL

PUBLICATIONS OF THE CHRONICLE
MONTREAL.

FIRE AGENTS' TEXT BOOK (Griswold) \$2.00
FIRE INSURANCE EXPIRATION BOOKS (Magum)
50 cents. and \$2.00
LIFE AGENTS' MANUAL. \$3.00

DOMINION BOND COMPANY, LIMITED

MONTREAL, TORONTO, OTTAWA and LONDON, ENGLAND.

Dealers in

Municipal, Corporation and
Industrial Bonds

MONTREAL OFFICE:
Dominion Express Building.

Traffic Returns.

CANADIAN PACIFIC RAILWAY.				
Year to date.	1910.	1911.	1912.	Increase
Dec. 31.....	\$98,609,000	\$104,365,000	\$131,424,000	\$23,059,000
Week ending	1911.	1912.	1913.	Increase
Jan. 7.....	1,349,000	1,602,000	2,140,000	538,000

GRAND TRUNK RAILWAY				
Year to date.	1910.	1911.	1912.	Increase
Dec. 31.....	\$14,493,761	\$52,798,018	\$57,349,784	\$4,551,766
Week ending	1911.	1912.	1913.	Increase
Jan. 7.....	711,427	735,888	850,889	115,001

CANADIAN NORTHERN RAILWAY.				
Year to date.	1910.	1911.	1912.	Increase
Dec. 31.....	\$14,078,400	\$17,487,300	\$21,441,500	\$3,957,200
Week ending	1911.	1912.	1913.	Increase
Jan. 7.....	181,800	289,200	341,500	52,300

TWIN CITY RAPID TRANSIT COMPANY.				
Year to date.	1910.	1911.	1912.	Increase
Dec. 31.....	\$7,452,843	\$7,719,016	\$8,113,804	\$394,768
Week ending	1910.	1911.	1912.	Increase
Dec. 7.....	142,084	147,634	158,892	11,258
" 14.....	141,127	144,819	160,824	15,955
" 21.....	146,059	156,362	167,303	10,941
" 31.....	.....	212,984	228,599	15,614

HAVANA ELECTRIC RAILWAY Co.				
Week ending	1912.	1913.	Increase	
Jan. 5.....	50,210	53,645	3,435	
" 12.....	41,504	51,003	7,399	

DETROIT UNITED RAILWAY.

Week ending	1910.	1911.	1912.	Increase
Dec. 7.....	\$183,144	211,731	28,587
" 14.....	182,498	209,259	26,761

DULUTH SUPERIOR TRACTION Co.

Week ending	1910.	1911.	1912.	Increase
Dec. 7.....	20,754	21,256	21,668	412
" 14.....	20,456	20,385	21,759	374
" 21.....	21,015	21,530	22,481	951
" 31.....	.....	30,735	32,487	1,751

MONEY AND EXCHANGE RATES.

	To-day	Last week.	A Year Ago
Call money in Montreal...	6-7%	6-7%	5-5 1/2%
" " in Toronto....	6-7%	6-7%	5-5 1/2%
" " in New York....	2 1/2%	2 1/2%	2 1/2%
" " in London....	3 1/2%	3-3 1/2%	2 1/2%
Bank of England rate....	5%	5%	4%
Consols.....	75	75 1/2	76 1/2
Demand Sterling.....	8 1/2	9 1/2	9 1/2
Sixty days' sight Sterling..	9 1/2	8 1/2	9 1/2

CANADIAN BANK CLEARINGS.

	Week ending Jan. 16, 1913	Week ending Jan. 9, 1913	Week ending Jan. 18, 1912	Week ending Jan. 19, 1911
Montreal	\$59,567,196	\$60,878,243	\$47,559,457	\$42,938,098
Toronto	4,394,072	5,072,414	38,838,254	37,131,479
Ottawa	.....	5,933,979	5,259,469	3,797,903

Montreal Tramways Company
WINTER SERVICE TIME TABLE, 1912-1913

Lachine:

From Post Office: 20 mins. service from 5.40 a.m. to 12.00 midnight.
" Lachine: 20 " " " 5.10 a.m. to 12.45 midnight.

Sault au Recollet and St. Vincent de Paul:

From St. Denis Station:—
15 mins. service from 5.15 a.m. to 9.00 a.m.
30 " " " 9.00 a.m. to 4.00 p.m.
15 " " " 4.00 p.m. to 8.00 p.m.
30 " " " 8.00 p.m. to 12.00 midnight.

From St. Vincent:—

15 mins. service from 5.45 a.m. to 9.30 a.m.
30 " " " 9.30 a.m. to 4.30 p.m.
15 " " " 4.30 p.m. to 8.30 p.m.
30 " " " 8.30 p.m. to 12.00 midnight.

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

Mountain:

From Park Avenue and Mount Royal:—
20 mins. service from 5.40 a.m. to 12.20 midnight.

From Victoria Avenue:—

20 mins. service from 5.50 a.m. to 12.30 midnight.

Cartierville:

From Snowdon Junction:—
20 mins. service from 6.00 a.m. to 8.40 p.m.
40 " " " 8.40 p.m. to 12.00 midnight.

From Cartierville:—

20 mins. service from 5.40 a.m. to 9.00 p.m.
40 " " " 9.00 p.m. to 12.20 midnight.

Bout de l'Île:

20 mins. service from 5.00 a.m. to 9.00 a.m.
40 " " " 9.00 a.m. to 1.00 p.m.
30 " " " 1.00 p.m. to 8.00 p.m.
60 " " " 8.00 p.m. to 12.00 midnight.

Tetraulville:

15 mins. service from 5.00 a.m. to 6.30 a.m.
30 " " " 6.30 a.m. to 8.00 p.m.

(cont)
German American
Insurance Company
New York

STATEMENT MAY, 1911

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

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

AGENTS WANTED

Protector Underwriters

OF HARTFORD

ASSETS, JAN. 1ST, 1911, \$10,737,657.32
FIRE INSURANCE ONLY
CANADIAN DEPARTMENT, MONTREAL

J. W. TATLEY, Manager.

ATLAS ASSURANCE COMPANY

LIMITED, of LONDON, ENGLAND

Established in the REIGN of GEORGE III

Income \$ 6,916,365
Funds (excluding Uncalled Capital) 17,633,467

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

Head Office for Canada - MONTREAL

MATTHEW C. HINSHAW, Branch Manager

Active and Influential Agents Wanted

**RAILWAY PASSENGERS
ASSURANCE CO.**

OF LONDON,
ENGLAND

Established 1849.

OLDEST ACCIDENT COMPANY IN THE WORLD

**ACCIDENTS OF ALL KINDS
AND ILLNESS**
INSURED AGAINST

Also
ALL KINDS of
EMPLOYERS' AND PUBLIC
LIABILITY

(INCLUDING AUTOMOBILE.)

PLATE GLASS AND FIDELITY GUARANTEES.

Head Office for Canada, Confederation Life Building, TORONTO.

F. H. RUSSELL, Manager

The Equity Fire Insurance Co.
TORONTO, CAN.

WM. GREENWOOD BROWN, General Manager

GENERAL AGENTS:

A. B. Powell, Interim Branch Manager, Montreal
Brown Clarke Agency, Winnipeg
Young & Lorway, Sydney, B.C.
Faulkner & Co., Halifax, N.S.
W. S. Holland, Vancouver.
Geo. A. Lavis, Calgary
J. M. Queen, St. John, N.B.
McCallum, Hill & Co., Regina.

**The General Accident
Assurance Company**
of CANADA

Head Office, - - TORONTO, Ont.

Personal Accident
Health, Liability and Industrial
Insurance

J. J. DURANCE,
Manager for Canada

General Agents for PROVINCE of QUEBEC
ROLLAND, LYMAN & BURNETT, MONTREAL

**The WATERLOO
Mutual Fire Insurance Co.**

ESTABLISHED IN 1863

HEAD OFFICE : WATERLOO, ONT.

TOTAL ASSETS 31st DEC., 1911, \$772,000.00
POLICIES IN FORCE IN WESTERN ONTARIO OVER 30,000

WM. SNIDER, President, GEORGE DIEBEL, Vice-President,
FRANK HAIGHT, Manager, ARTHUR FOSTER, Inspector

The LIFE AGENTS' MANUAL
PRICE, \$3.00

Published by The Chronicle, Montreal

**THE DOMINION OF CANADA
GUARANTEE AND ACCIDENT INSURANCE COMPANY**

ACCIDENT INSURANCE SICKNESS INSURANCE GUARANTEE BONDS
PLATE GLASS INSURANCE BURGLARY INSURANCE
THE OLDEST AND STRONGEST ACCIDENT INSURANCE COMPANY

OFFICES:
MONTREAL TORONTO WINNIPEG CALGARY VANCOUVER
J. E. ROBERTS, President. C. A. WITHERS, General Manager. J. L. TURQUAND, Secretary-Treasurer.
E. ROBERTS, Manager, Montreal Branch.

THE FEDERAL LIFE ASSURANCE COMPANY
Home Office, HAMILTON, CANADA.

Capital and Assets	· · · · ·	\$5,316,968.65
Surplus December 31, 1911	· · · · ·	329,973.65
Insurance in Force	· · · · ·	23,887,141.41

The Contracts of this Company are free from unnecessary conditions and restrictions.

C. L. SWEENEY, District Manager,
Montreal District.