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Banking, Insurance and Finance

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MONTREAL, JUNE 4th, 1920

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THE GENERAL FINANCIAL SITUATION

The April bank statement, which came out a few days ago, indicates that the banks' deposits during that month continued their failure to keep pace with current loans. The latter show an April increase of no less than \$25,000,000 from \$1,322,267,030 at the end of March to \$1,347,238,230, at the close of April while notice deposits concurrently increased by under \$12,000,000, from \$1,197,719,570 to \$1,209,574,990. By the end of April, of course, the results of the opening of navigation on the St. Lawrence were hardly reflected in the bank statements, and it is possible that exporting activities during last month may put a slightly different complexion upon the May figures when they become available. On the other hand, it is to be borne in mind that the April increase is shown at a time when the banks had begun to curb their credit facilities considerably, and there is no doubt that the increase of \$25,000,000, substantial as it is merely represents a tithe of the increase, which would have been shown had the banks been disposed to accede to all the demands made upon them. Within the last few days, a slight easing of the situation as regards Stock Exchange loans has been reported, and it is possible that during the summer months, as merchandise which has been held for export moves forward, that money will be somewhat less tight for Stock Exchange trading than it has been during the last three months. But it is hopeless to expect really easy money in the face of such figures as those given above. When notice deposits become equal to, or larger than current loans, some real easing may be expected, but not before. The calling of Stock Exchange loans during April is reflected in a decrease in that month of about \$2,600,000 in the bank's call loans in Canada from \$128,233,310 to \$125,644,859—still a very high figure.

Bond dealers locally have been naturally quick to take advantage of the announcement in the Budget speech of the Minister of Finance, that the era of Dominion Government borrowing has come to an end. Coupled as this was with an enlargement of the Income Tax, retroactive to 1919,

on incomes of over \$5,000, it constitutes a "bull point" for the tax-free Victory Bonds that could not be easily missed. It should be noted, however, that the advantage of holding the tax-free War Loan issues lies practically only with the individual wealthy investor. As regards the Life Insurance companies, which constitute the most important group of the large institutional investors, there is no advantage at all in their holding the tax-free bonds, since in any case the income of these companies is not taxable by the Dominion Government, except those profits which are transferred to shareholders accounts. It may therefore be expected that on any improvement in the market for Victory Bonds, there will be a tendency for them to gravitate from the hands of the Life Insurance companies into those of individual wealthy investors. It is interesting to note in this connection, that in New York it is generally believed that the bond market has now reached a stage where selling in anticipation of its going lower, is no longer likely to be profitable; in other words, that the market has about reached bottom. And it is also noted that there is in evidence a tendency on the part of large investors to pick up parcels of bonds around existing levels, before the market takes a definite turn upwards.

On the whole, the first reports of Western Canada's crop may be considered encouraging. The season is fully a month later than last year, but an ample supply of moisture, even in those districts where there was a severe drought in 1919, is a considerable compensation for this. The area under crop in the Western provinces will be about the same as that sown last year, but owing to the lateness of the season, the probabilities are for a decrease in the acreage of wheat, and an increase in that of oats, barley and flax. All three of the prairie provinces report a considerable increase in the number of tractors at work so that spring operations are proceeding more speedily than in former years. One of the most encouraging features in the whole situation this year is said to be the low percentage of wheat lost by winter-killing, less than 4 per cent. throughout the whole

BANK OF MONTREAL

Established Over 100 Years

CAPITAL PAID UP, \$20,000,000 REST. \$20,000,000 UNDIVIDED PROFITS, \$2,090,440
 TOTAL ASSETS \$571,150,138

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 Savings Department connected with each Canadian Branch and interest allowed at current rates.
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 is owned by the Bank of Montreal.)

Foreign Business

Much attention is being directed at the present time to export business. This Bank has a number of foreign branches as well as close working arrangements with banks of the highest standing in many other countries which enable it to offer special facilities in the financing of trade with foreign points.

**The Canadian Bank
 of Commerce**

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

THE MOLSONS BANK

Incorporated in 1855

CAPITAL AND RESERVE \$9,000,000

Over 120 Branches

Every business man needs a banking service that is rapid and efficient and affords him reasonable credit for ordinary requirements or special commitments.

Our Managers invite confidential interviews.

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The Chronicle

Banking, Insurance and Finance

Established 1881.

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F. WILSON-SMITH, Proprietor and Managing Editor

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MONTREAL, FRIDAY, JUNE 4th, 1920

THE GENERAL FINANCIAL SITUATION

(Continued from front Page)

Dominion has suffered from frost, chiefly because the depth of snow furnished a sufficient protection and because the more even temperature of March and April did less harm than the usual alternations of thawing and freezing.

It is now possible to appraise the price-cutting eruption at something like its true value. It does not signify, as was pointed out in these columns, some weeks ago, an immediate and general decline in prices, but it does indicate a certain amount of unrest and possibly, the fact that the steady unimpeded movement upwards of prices has about come to an end. Prices will probably go on moving upwards on certain lines, but in others will be uncertainty and unsettlement — in fact, uncertainty and unsettlement are already apparent in the United States. New England textile mills are beginning to curtail production, and manufacturers are frankly declaring that they expect to have a large portion of their machinery idle because of the break in prices, inability to book orders and conditions which make retrenchment in the cost of production absolutely necessary. On the other hand, it is pointed out, and this criticism holds good of Montreal as it does of American centres, that while goods have unquestionably been subjected in some cases to drastic cuts, it looks as if in most cases they were goods of the less desirable class. Merchants are apparently experimenting with the market, offering at reduced prices wares that have overstayed the season, or those which the experience of recent weeks has shown not likely to be in eager demand. It is yet too early to appraise the effect of the new "luxury taxes" in this connection, but their appearance at this time, when the public mind has become unsettled will, we should say undoubtedly be to cause the public to hold-off purchases to some extent. It is noted that already the effect of these taxes has been to secure some reduction from previously ruling prices of articles affected, and this tendency may be expected to continue. While a reduction in purchases means a lower revenue from these taxes, they have of course, a double object, and the Minister of Finance will probably be well satisfied

with only a moderate revenue if these taxes succeed in helping to some extent to put a stop to the extravagant spending of practically every class of the community.

Mail advices now to hand from Japan show that the financial panic in that country is an extremely serious one, and marks a definite ending to "war prosperity in the East. Wholesale prices of all commodities have slumped enormously, and in the case of rice, the staple food of Japan, the decrease in price has even reached the consumer. Many businesses have gone to the wall, and one of the big banks has been forced to suspend payments. The panic is the inevitable sequel to a wave of absolutely crazy speculation as a result of currency inflation in the island Empire. Its effect will probably be felt here at an early date in lower prices of Japanese raw materials and manufactured goods, and on that account, the course of events in Japan is of interest here.

LLOYDS BANK LIMITED

The sixty-second statement of Lloyds Bank Limited reveals the available profits for the year ending December 31st, 1919 at £2,876,302 after making full provision for bad debts, income tax, salaries, bonuses, annual contribution to Provident and Insurance fund, and charges of all kinds. To this has been added £472,755 brought forward from the previous year, making a total of £3,349,057.

Out of this total a dividend at the rate of $18\frac{1}{8}$ per cent. per annum, was paid for the half year ended June 30th, 1919, amounting to £572,377. The sum of £200,000 was placed to the Bank Premises account and £1,150,000 to the Special Contingency Account for writing down the Banks Investments; £50,000 was allocated to the Staff Widows and Orphans Fund; and £150,000 added to the Reserve Fund. After making these appropriations, there is a balance of £1,226,680 remaining, out of which it was decided to pay a dividend for the half-year ending December 31st, 1919, and a bonus of three shillings per share for the same period. The dividends and bonus together represent a distribution for the whole year of 20 per cent. The balance of £505,420 was carried to profit and loss, against £472,755 brought forward in 1918.

Lloyd Bank have a paid up capital of £9,420,544 and reserve fund of £9,675,105. Its total Assets amount to £377,113,928.

WINNIPEG BUILDING BRISK

An increase in building operations of over 100 per cent. is shown in the building permits issued since the first of the year. Approximately 1,000 permits have been issued, amounting to well over \$4,000,000 in value, which is an increase of 800 per cent. over last year in the amount involved.



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

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 J. D. Simpson, Deputy Assistant Manager.



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Liability Guaranteed by THE LIVERPOOL and LONDON and GLOBE Insurance Company Limited
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**The Globe Indemnity Company
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**CASUALTY Insurance including Accident, Sickness, Guarantee, Burglary
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 John Pinkerton, Assistant Manager
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 J.D. Simpson, Assistant Fire Manager

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INSURANCE COMPANY OF NORTH AMERICA

CAPITAL - - - \$5,000,000
 ASSETS IN EXCESS OF \$36,000,000

Issues specially desirable forms of Use and Occupancy, Rental and Leasehold Insurance
 Agents in all the principal Cities of Canada and the United States

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THE BRITISH GENERAL INSURANCE CO. LIMITED
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25 ST. SACRAMENT STREET
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IMPERIAL BANK OF CANADA

When a bank can at one and the same time expand in its business ramifications, increase its profits and improve its financial position generally it can with reason be taken as evidence of efficiency in its management as well as a sign of prosperity in the country.

That this has been the experience of the Imperial Bank of Canada during the fiscal year ending April 30th, last is quite apparent from the annual statement presented to the shareholders at their meeting in Toronto on May 26th.

Increase in Business.

Although the bank opened forty-two new branches during the year, or a total of seventy-six since the armistice was signed, the most satisfactory proof of the bank's expansion is, of course, the extent of the business done and the profits earned. In both these respects the statement of the Imperial Bank stands the test.

Current, or commercial loans, for example, increased during the year, by \$11,908,232 or 24.53 per cent., the total at the end of the fiscal year being \$60,452,943, as compared with \$48,544,711 for the corresponding period of 1919. The increase in total deposits was even larger, the gain being \$14,585,983—a total of \$97,784,217 against \$83,198,234 for the previous year and an improvement of 17.53 per cent. \$72,676,679 of this amount were savings or interest bearing deposits, an increase of \$10,964,535, or 15 per cent. Non-interest bearing deposits increased \$3,621,448, in note circulation there was an appreciation of \$1,483,489.

Profits Reach \$1,379,318.

The profits, after making the usual deductions, amount to \$1,379,318. This, compared with the previous year, is an increase of \$131,802 or 10.56 per cent.

As a result of the favorable experience in respect to profits the directorate has been able, in addition to the usual dividend of 12 per cent. to pay a bonus of 1 per cent. The total outlay for these two purposes was \$910,000, compared with \$840,000 the previous year. After contributing \$140,000 to the pension fund, \$125,000 in Dominion Government taxes, \$5,000 to repatriation campaign, and \$2,500 to officers' guarantee fund, there was carried forward a balance of \$1,062,278, which exceeded that of the previous by \$196,819, or 22.74 per cent.

Strong Position in Assets.

The Imperial Bank is to be congratulated on its strong position respecting assets. The total increased by no less than \$16,087,711, the figures being \$128,274,168, as against \$112,186,457 at the end of April 1919. Cash assets alone at \$30,170,982 equal to 32 per cent. of the bank's liabilities to the public, while the sum of \$60,499,726 immediately

available assets, represent 53.89 per cent. of the liabilities to the public.

While no addition has been made to either capital stock or reserve, the former standing at \$7,000,000 and the latter at \$7,500,000 yet, as already pointed out, the large sum carried forward is to all intents and purposes, an addition to the reserve.

INCREASED VALUE OF LAND

If the volume of emigration now being directed to Canada is to be satisfactorily assimilated, it is necessary that suitable agricultural land should be available at a relatively low price, within a moderate distance of railroad, educational and other facilities conducive to tolerable social comfort. The value of occupied farm lands in all parts of Canada has advanced to an average of \$52 per acre, as compared with \$40 per acre just prior to the war, or by 30 per cent. On the prairies, the average price per acre has advanced \$7, in Ontario and Quebec from \$12 to \$25, and in the Maritime Provinces from \$6 to \$13 per acre. Even with these advances the price remains relatively low, varying from \$29 in Alberta to \$72 in Quebec, and \$174 in British Columbia. These prices, however, are for improved lands, and particularly in the West, are much higher than those of wild lands, of which the Superintendent of Immigration says there are 128,000,000 acres awaiting development in the three prairie provinces. It is evident, therefore, that the opportunities for increased settlement and production are much more favourable in Canada than in other more densely settled areas of North America. In some parts of the United States, land prices have more than doubled and are still advancing. For instance, in the State of Iowa \$900,000 was paid in March for 2,322 acres, or \$387 an acre, while in May a year ago 1,571 acres was purchased for \$353,583 which were resold by August for \$457,647, the spread being \$104,064. A leading bank of that State says that in recent litigation involving a land-selling company, one salesman testified that he had received \$455,000 in salary and commissions for seven months' work, the high prices prevailing for agricultural produce being quoted as the justification for these conditions. In Canada, where the prices for produce vary but little from those in the United States, land values have advanced only moderately, and offer opportunities which should induce immigration. As this is again assuming large proportions, it is reasonable to hope for farm production on a larger scale, and present conditions in domestic manufacturing centres, and in those countries to which our trade extends, are such as to justify the expectation that the demand for food stuffs will maintain prices that will be profitable to the producer.

Bank of Commerce Monthly.

Commercial Union Assurance Company Limited

of London, England

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

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

Palatine Insurance Company Limited

of London, England

as at 31st Dec., 1918.

Capital Fully Paid.	\$1,000,000	Total Income.	\$3,402,515
Fire Premiums 1918.	3,305,020	Funds.	6,062,500
Interest Net.	157,495	Deposit with Dominion Gov't.	358,266

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

Applications for Agencies Solicited in Unrepresented Districts

Head Office: CANADIAN BRANCH

COMMERCIAL UNION BUILDING, 232-236 ST. JAMES STREET, MONTREAL

W. S. JOPLING, Manager

THE CANADA

ACCIDENT & FIRE
ASSURANCE COMPANY

Head Office, - - MONTREAL

T. H. HUDSON, Manager, Fire Department.
Policies Guaranteed by
Commercial Union Assurance
Company Limited

H. F. RODEN, Manager, Casualty Department
Local General Agents, (Fire)

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

FIRE - MARINE - HAIL
AUTOMOBILE



ASSETS EXCEED
\$93,000,000

EAGLE STAR AND BRITISH DOMINIONS INSURANCE COMPANY LIMITED

J. H. RIDDEL, Manager for Canada OF LONDON, ENGLAND E. C. G. JOHNSON, Assistant Manager
HEAD OFFICE FOR CANADA - TORONTO

DALE & COMPANY, LIMITED - GENERAL AGENTS - MONTREAL AND TORONTO

THE FIRE INSURANCE COMPANY OF CANADA MONTREAL

Authorized Capital, \$1,000,000 Subscribed Capital, \$500,000 Paid Up Capital, \$200,000

GENERAL FIRE INSURANCE BUSINESS TRANSACTED

President: Hon. R. DANDURAND Vice-President and Managing Director: J. E. CLEMENT

CALEDONIAN INSURANCE COMPANY

The 115th annual report of "the oldest Scottish Insurance Office," so well known as the Caledonian Insurance Company, reveals a continuance of the successful results, and great prosperity, recorded in the Company's Statement for the year 1918, and which latter were chronicled as being the best achieved from any one year's operations in the history of the Company. That this record has been well maintained during the year (1919) under review, is shown by the statement published on another page. The total funds of the Company are now \$25,128,855, as compared with \$23,066,193 in 1918, indicating a growth of \$2,062,662. The total balances transferred to Profit and Loss, from Underwriting and interest, amount to \$770,721 comparing with \$507,428 in the preceding year.

Fire Department.

For the third year in succession a record has been established in the increase in net fire premiums. For the year under review, the net fire premiums totalled \$3,527,755 showing an increase of \$425,060, following an increase of \$366,940 in 1918 over 1917. The increase in fire premiums for the past five years combined exceed \$1,275,000. The substantial growth in fire premiums for 1919, is accompanied by a satisfactory loss ratio of 45.3 per cent. This is more favourable than in 1918 when the loss ratio was 48.96 per cent. Commission Expenses and taxes absorbed the moderate ratio of 36.6 per cent. of the premiums compared with 35.9 per cent. in 1918,—a slight increase which accords with general experience. The 40 per cent. for unexpired risk on the increase in premium income amounted to \$170,025. The amount of fire insurance fund at the end of the year totalled \$1,411,100 including an additional reserve of \$1,000,000—an increase of \$356,185. This strengthening of reserves is most commendable in view of the rapid development which is taking place in the fire branch. The Caledonian has long enjoyed a high reputation for financial strength, its funds in all departments have been maintained on a scale affording the most complete security to policyholders.

Like other composite offices, the Caledonian operates in practically all branches of insurance. It however, confines its operations in Canada to fire insurance. The Company entered the Dominion as far back as 1883, and its high prestige for honourable and liberal dealings with its clients, is being well maintained under the very popular management of Mr. John G. Borthwick, who is also Canadian manager of the Caledonian-American Insurance Company of New York, (a subsidiary company which entered the Dominion during the present year) and whose advent will mean increas-

ed facilities in fire insurance for the influential organization throughout Canada of the Caledonian Insurance Company. The quality of the business written in the Dominion is indicated by the Company's unusually fine experience during the year 1919, when its loss ratio at 36.50 per cent., was more favourable than was recorded for the majority of Companies operating in Canada. This fine experience was preceded by a loss ratio of 49.19 per cent. in 1918. We understand excellent connections have been formed throughout Canada for the new arrival, "The Caledonian-American Insurance Company" whose contracts are guaranteed by the parent company, as above.

REDRAFTING OF CANCELLATION NOTICES

The Editor,

The Chronicle.

Sir:—

The case reported in your issue of 28th inst., Est. Patterson vs. North British & Mercantile, it is stated will have the effect of causing many companies to redraft their notices of cancellation. One would imagine the exercise of a little common sense would have rendered such redrafting unnecessary.

Where a premium is not paid the only safe course is to notify the policy holder that the policy is void "for non-payment of premium." It is rather an absurdity to suppose that a Company can go on contending that the assured owes it something and then attempt to evade liability. The premium is the consideration and if it is not paid there is no binding contract; if you sue for recovery of the premium it implies that you gave the assured credit, and if you agreed to trust him then it is equivalent to treating it as "consideration."

There are many practices equally childish that might well be revised, and because the companies have been following them "for a considerable period of time" does not remove them from that category.

"FIRST PRINCIPLES".

Montreal, May 31st, 1920.

BRITISH COLUMBIA'S LUMBER INDUSTRY

With the possession of the greatest stand of log timber of any area on the American continent, the province of British Columbia must inevitably play a large part in the rebuilding of the devastated regions of Europe, and in meeting the requirements of England, Oceania, India, South Africa and other portions of the British Empire. In addition to this Empire trade, the province's Douglas fir, cedar and spruce continue to be in great demand in the Orient, and there is a great field for future expansion in this direction.

Imperial Bank of Canada

Forty-Fifth Annual Meeting of the Shareholders

Held at the Head Office

Toronto, Wednesday, May 26th, 1920, at 12 noon

The forty-fifth Annual General Meeting of the Imperial Bank of Canada was held in pursuance of the terms of the Charter at the Head Office in Toronto on Wednesday, 26th May, 1920, at 12 noon.

THE REPORT

The Directors have pleasure in presenting to the Shareholders the forty-fifth Annual Report and Balance Sheet of the affairs of the Bank as on 30th April, 1920, together with Statement of Profit and Loss Account, showing the result of the operations for the year.

The balance at credit of Profit and Loss Account brought forward from last year was . . . \$ 865,549.66
 Net profits for the year, after deducting charges of management, auditors' fees and interest due depositors, and after making provision for bad and doubtful debts and for rebate on bills under discount, amounted to . . . 1,379,318.38

Making a total at credit of Profit and Loss Account . . . \$2,244,778.04

This amount has been appropriated as follows:—

Dividends at the rate of 12 per cent, per annum	\$ 840,000.00
Special bonus of 1 per cent for the year	70,000.00
Annual contribution to Officers' Pension and Guarantee Funds	42,500.00
Special contribution to Pension Fund	100,000.00
Contribution to Repatriation Campaign	5,000.00
Dominion Government Taxes	125,000.00
Balance of Account carried forward	1,062,278.04
	<u>\$2,244,778.04</u>

During the year Branches of the Bank have been opened at the following points, in addition to those referred to in last year's Report:

IN ALBERTA—Banalto, Bittern Lake, Cherhill; Edmonton: 124th Street, Norwood Boulevard, Griffin Creek, Gwynne, Lousana, Robinson's Crossing, Trochu, Westlock.

IN BRITISH COLUMBIA—Creston, Michel.

IN MANITOBA—MacGregor; Winnipeg—Portage and Colony Street.

IN ONTARIO—Toronto: Kingston Road and Balsam Avenue, Monarch Park Avenue and Danforth, Avon, Crampton, Hawkesbury, Hearst, Hinton, Mount Elgin; St. Thomas; Ross and Wellington Streets; Schomberg, Stamford, Sioux Lookout, Verschoyle, Walkerville.

IN SASKATCHEWAN—Cando, Edgeley, Foam Lake, Handel, Lebret, Phippen, Yorkton.

The following Branches have been closed:

IN ALBERTA—Robinson's Crossing, Rockfort.

IN BRITISH COLUMBIA—Kimberley.

IN ONTARIO—Mount Elgin.

It is with deep regret that your Directors have to record the death during the year of Mr. William Ramsay, who was one of the original founders of the Bank and a Director since its inception; also of Mr. Elias Rogers, who has been a Director since 1897 and Vice-President since 1914. The vacancy in the Vice-Presidency has been filled by the appointment of Dr. W. H. Merritt.

The vacancies on the Board have not been filled, and a By-law reducing the number of Directors to ten with power to increase the number to twelve will be submitted to you.

Mr. A. E. Phipps, who has been in the service of the Bank since 1891, and has until recently been Superintendent of Branches, has been appointed to the position of Assistant General Manager.

The Auditors appointed by you have made their examinations as required by the Bank Act, and their Report and Certificate is appended to the Balance Sheet. They offer themselves for reappointment. The Head Office and Branches have also been carefully inspected during the year in accordance with the usual custom.

The Directors again desire to testify to the satisfactory manner in which the Officers of the Bank have discharged their respective duties.

All of which is respectfully submitted.

PELEG HOWLAND,
President.

LIABILITIES.	
Notes of the Bank in circulation	\$ 13,654,212.00
Deposits not bearing interest	\$25,107,337.14
Deposits bearing interest, including interest accrued to date of Statement	72,676,679.95
	<u>97,784,217.09</u>
Balances due to other Banks in Canada	\$ 469,348.67
Due to Banks and Banking Correspondents in the United Kingdom	5,192.78
Deposits by and Balances due to Banks elsewhere than in Canada and the United Kingdom	320,519.61
Acceptances under Letters of Credit (as per contra)	498,400.00
	<u>1,293,461.06</u>
Total Liabilities to the public	\$112,431,890.15
Capital Stock paid in	7,000,000.00
Reserves, Fund Account, \$ 7,500,000.00	
Dividend No. 119 (payable 1st May, 1920) for three months, at the rate of 12% per annum	210,000.00
Bonus of 1% for the year payable May 1st, 1920	70,000.00
Balance of Profit and Loss Account carried forward	1,062,278.04
	<u>8,842,278.04</u>
	<u>\$128,274,168.19</u>

ASSETS.	
Current Coin held by the Bank	\$ 2,647,154.62
Dominion Government Notes	7,928,326.25
	<u>\$ 10,575,480.87</u>
Deposits in the Central Gold Reserves	7,000,000.00
Deposit with the Minister for the purposes of the Circulation Fund	401,897.03
Notes of other Banks	876,388.00
Cheques on other Banks	5,875,348.18
Balances due by other Banks in Canada	339,015.89
Due from Banks and Banking Correspondents in the United Kingdom	1,218,911.99
Due from Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom	3,689,940.38
	<u>\$ 30,170,982.34</u>
Dominion and Provincial Government, Securities, not exceeding market value	\$ 6,436,659.57
Canadian Municipal Securities, and British Foreign and Colonial Public Securities other than Canadian	11,304,227.15
Railway and other Bonds, Debentures and Stocks, not exceeding market value	412,046.82
	<u>18,152,933.54</u>
Loans to Provincial Governments	\$ 1,157,000.00
Loans to Cities, Towns, Municipalities and School Districts	5,279,714.11
Call and Short Loans (not exceeding thirty days) in Canada on Bonds, Debentures and Stocks	5,739,006.95
	<u>12,175,811.06</u>
	<u>\$ 60,499,726.94</u>
Other Current Loans and Discounts in Canada (less rebate of interest)	60,452,943.43
Liabilities of Customers under Letters of Credit (as per contra)	498,400.00
Overdue Debts (estimated less provided for)	514,921.72
Real Estate (other than Bank premises)	576,769.57
Mortgages on Real Estate sold by the Bank	517,306.56
Bank Premises, at not more than cost, less amounts written off	4,655,301.11
Other Assets, not included in the foregoing	558,792.86
	<u>\$128,274,168.19</u>

AUDITORS' REPORT TO SHAREHOLDERS.

We have compared the above Balance Sheet with the books and accounts of the Chief Office of Imperial Bank of Canada and with certified returns received from its Branches, and after checking the cash and verifying the securities at the Chief Office and certain of the principal Branches on 30th April, 1920, we certify that in our opinion such Balance Sheet exhibits a true and correct view of the Bank's affairs according to the best of our information, the explanations given to us and as shown by the books of the Bank.

In addition to the examinations mentioned, the cash and securities at the Chief Office and certain of the principal Branches were checked and verified by us during the year and found to be in accord with the books of the Bank.

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

G. T. CLARKSON, F.C.A.,
R. J. DILWORTH, F.C.A.,
of Clarkson, Gordon & Dilworth.

The customary motions were made and carried unanimously. Mr. G. T. Clarkson, F.C.A., Toronto, and Mr. R. J. Dilworth, F.C.A., Toronto, were appointed Auditors of the Bank for the ensuing year.

The Scrutineers appointed at the meeting reported the following Shareholders duly elected Directors for the ensuing year: Mr. Peleg Howland, William Hamilton Merritt, M.D. (St. Catharines), Sir William Gage, Sir James Aikins, K.C. (Winnipeg), John Northway, J. F. Michie, Sir James Woods, E. Hay, Frank A. Rolph, R. S. Waldie.

At a subsequent meeting of the Directors, Mr. Peleg Howland was re-elected President, and Dr. W. H. Merritt, Vice-President for the ensuing year.

PELEG HOWLAND,
President.

W. MOFFAT,
General Manager.



FIRE CASUALTY

The Northern Assurance Co. Limited

Of England

ACCUMULATED FUNDS, 1918 . \$75,229,660.00
Including Paid up Capital of \$4,010,100.00

Head Office for Canada: Lewis Building, 17 St. John Street, Montreal

ALEX. HURRY, Manager Casualty Department G. E. MOBERLY, Manager

FIRE



HEAD OFFICE FOR CANADA
17 ST. JOHN STREET
MONTREAL

G. E. MOBERLY,
MANAGER

THE

Royal Scottish

INSURANCE COMPANY LIMITED

of Glasgow, Scotland

This Company's contracts are guaranteed by
The Northern Assurance Company Limited, of England

FIRE

THE ST. PAUL FIRE AND MARINE INSURANCE COMPANY

INCORPORATED 1866 ASSETS OVER \$2,000,000

REPRESENTED IN MONTREAL BY

McADAM, SHERRITT & COMPANY

General Agents 26 Toronto Street

Executive Life Building

BRITISH TRADERS' INSURANCE COMPANY, LIMITED

ESTABLISHED 1865

Head Office: HONG KONG — — — Head Office for Canada: TORONTO

FIRE & MARINE INSURANCE

LOSSES PAID SINCE ORGANIZATION OVER \$40,000,000

JOHNSON-JENNINGS, Inc., General Agents, Manager for Canada, G. E. DRATTON
MONTREAL

THE STRATHCONA

FIRE INSURANCE COMPANY

HEAD OFFICE: MONTREAL,
90 ST. JAMES ST.

"For ten years the STRATHCONA has pursued a safe and steady course and is now beginning to gather the fruits of its wise and sound policy."

RAILWAY PASSENGERS ASSURANCE COMPANY

Great changes have taken place since the Railway Passengers Assurance Company first started on its useful career nearly three quarters of a century ago; and the title of the Company no longer indicates the scope and variety of its operations. Competition has become desperately keen, and the Companies with many departments—the modern insurance “stores” have to be reckoned with. The Railway Passengers, no doubt, must feel the full force of this competition, but the old Company, keeps well up to date, in the facilities it offers in its special domain, which include Accident, Health, Employers and Public Liability, Motor Car, Elevator, Teams, Plate Glass, Burglary, and Fidelity Bonding.. The Company has built up a great reputation for prompt and equitable dealings with its clients, and it may well be assumed that a continuance of public favour is assured to it.

The business transacted by the Railway Passengers has expanded considerably, and is retaining its old characteristic of excellent results. For the year ended 31st December, 1919, the net premiums amounted to \$3,438,640, as compared with \$2,908,455 in 1918 and \$2,384,385 in 1917. These figures indicate a growth in premium income during the past two years of \$1,054,255. The interest from investments for the year under review amounted to \$203,005. The business showed the excellent profits of 13.43 per cent. The Employers Liability and General Funds of the Company were substantially increased during the year. The Assets were increased during the year from \$5,757,715 to \$6,457,145, a growth of \$700,000, Insurance Funds total \$2,460,535 indicating an increase of \$689,870 as compared with 1918. The balance to Profit and Loss is \$2,603,255.

The Railway Passengers, under the conservative management of Mr. F. H. Russell has been operating in Canada for the past 18 years. Its business has been carefully selected, and the wise policy continued of looking more to quality of the risk rather than unduly expansion of income. This policy has been well justified by results. The popularity of the Company and its high prestige is well maintained throughout the Dominion as is evidenced by the satisfactory growth in its business recorded each year.

Marine Outlook Cloudy and Unsettled

The general slump in the marine insurance market was thus commented upon by F. W. Pascoe Rutter, general manager of the London & Lan-

cashire Fire, at the recent annual meeting in London of the Standard Marine, of which he is chairman:

“The war brought about a transitory prosperity, marine companies made unlooked-for profits, but this precipitated competition, and with 110 British companies now transacting direct marine business—as compared with 47 in 1914—it is perfectly logical that we should now be encountering reduced rates and weaker conditions. Simultaneously, the last 4 or 5 months have witnessed a series of important losses, happening in many cases to deteriorated hulls or to the inferior type of vessel hurriedly constructed during the war. Another adverse feature—part of the ‘flotsam and jetsam’ of the war—is the heavy incidence of loss due to theft and pilferage, which, with other abnormal conditions, must have an influence for some time to come. For the present the barometer of marine insurance business has gone back and one may accept as reasonable the forecast cloudy and unsettled; visibility indifferent.’”

Rate of Interest Earned by United States Life Companies

An interesting tabulation showing the rate of interest earned on mean invested funds of forty-four of the oldest life insurance companies in the United States is published by the Spectator, New York, for the year ended 31st Dec., 1919. It shows that the rate of interest earned by them was 4.85 per cent. While this is slightly lower than for the four years immediately preceding, it is nevertheless higher than in any year prior to the World War, and is higher than the general average for the twenty-year period from 1900 to 1919, inclusive which is 4.80 per cent.

The enormous investments by life insurance companies in Liberty Bonds, none of which yield as much as the average rate earned for the year, may be cited as one factor in the downward tendency of the general rate of interest earned. Then the default in interest payments on bonds of foreign countries in which a few of the large companies had investments, together with the subsequent elimination of such foreign business entirely from the books of those companies, had some effect on the combined rate. Lastly, the heavy writing of new business by most of the companies, particularly during the last three months of 1919, caused an accumulation of uninvested funds at the end of the year of which there was little or no time or opportunity to make satisfactory investments yielding a suitable rate of interest.

THE BRITISH AMERICA ASSURANCE COMPANY

Incorporated 1833

Fire, Marine, Hail and Automobile

HEAD OFFICE - - TORONTO

Old Reliable Progressive
ASSETS over \$1,300,000.00
 Losses paid since organization over **\$17,000,000.00**

DIRECTORS:

W. B. MEIKLE, President
 Sir John Aird D. B. Hanna
 Robt. Bickerdike, Montreal Miller Lash
 Lt.-Col. Henry Brock Geo. A. Morrow
 Alfred Cooper, London, Eng. Lt.-Col. the Hon. Frederic Nicholls
 H. C. Cox Brig.-Gen. Sir Henry Pellatt, C.V.O.
 John H. Fulton, New York
 E. Hay
 John Hoskin, K.C., LL.D. E. R. Wood
 W. B. MEIKLE E. F. GARROW
 Pres. and Gen. Man. Secretary
THOMAS F. DOBBIN, Resident Manager
MONTREAL

THE LONDON MUTUAL FIRE INSURANCE COMPANY

ESTABLISHED 1669

Assets \$819,069.05
 Surplus to Policyholders . . . 358,322.48



DIRECTORS:

A. H. C. CARSON, Toronto President
 F. D. WILLIAMS Vice-President
 A. C. McMASTER, K.C. W. T. KERNAHAN
 S. G. M. NESBITT H. N. COWAN
 W. H. HUNTER W. J. WILCOX

HEAD OFFICE - 33 SCOTT ST., TORONTO

QUEBEC BRANCH OFFICE

W. J. CLEARY,
 BRANCH MANAGER

17 St. John Street, - MONTREAL

NORWICH UNION FIRE INSURANCE SOCIETY, Limited

INSURANCE AGAINST

**Fire, Accident and Sickness
 Employers' Liability
 Automobile, Plate Glass**

AGENTS WANTED FOR THE ACCIDENT BRANCH.

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

F. A. TASKER, Branch Manager.

Established 1864
New York Underwriters Agency
A. & J. H. STODDART

Registered
 100 William Street - New York

PROVINCIAL AGENTS

Murphy, Love, Hamilton and Rascom
 R. Y. Hunter, Resident Partner, Montreal
 Osler Hammond and Nanton, Winnipeg
 Alfred J. Bell & Co., Halifax, N. S.
 White and Calkin, St. John N.B.
 Robert Dawe, St. John's Nfld.

H. A. JOSELIN, Supt. for Canada
TORONTO

THE NORTH EMPIRE FIRE INSURANCE COMPANY

Policies guaranteed by the London Guarantee & Accident Co., Limited, London, Eng.

HEAD OFFICE, PARIS BLDG., WINNIPEG
 TORONTO OFFICE: 218 CONFEDERATED LIFE BLDG.

J. E. HOUNSOM, Manager
 W. MAYNE McCOMBE, General Agent,
 Canada Life Bldg., Montreal.

Founded A. D. 1710
SUN INSURANCE OFFICE

Head Office: Threadneedle St., London, Eng.

THE OLDEST INSURANCE OFFICE IN THE WORLD

Canadian Branch:
 15 Wellington St. East
 TORONTO, Ont.

LYMAN ROOT
 Manager

LATE MR. M. C. HINSHAW

At a special meeting of the Montreal Committee of the Canadian Fire Underwriters Association, promptly convened on May 26th. Mr. John Jenkins, Vice-President in the chair, and there being a full attendance of members, the following resolution was moved and carried by a silent, standing vote:

"Whereas it has pleased Almighty God to remove from our midst our much esteemed and greatly respected confrère, Matthew Cochrane Hinshaw, who, as Manager for Canada of the Atlas Assurance Company, has had a seat at this Board for close upon thirty years, serving as President during the term 1905-6, this Meeting desires to place on record its deep sense of the loss sustained by our Association through the death of so valued a member, as well as an appreciation of the many sterling qualities of mind and heart possessed by our late lamented friend and colleague

"Mr. Hinshaw came to Canada in the year 1891, to assume the management of the Canadian Branch of the "Atlas," which Company he had previously served in a similar capacity in Glasgow, and during all these intervening years his ripe experience and wise counsel have ever been freely given in support of sound underwriting practice, and all that made for the advancement of the interests to which his life had been devoted.

"A strong personality with pronounced views, though tolerant of the views of others with whom he may have differed; unswervingly standing for what he believed to be the right, he made his influence felt in our deliberations and in shaping the policies of our Association. Through his death fire insurance in Canada is the poorer.

"In his social and personal relations with his fellow members Mr. Hinshaw was an outstanding figure. His bright and cheery disposition endeared him to all. To our older members who knew him intimately will occur many pleasant memories of days lang syne; to our younger members, the upright man:

"From scenes like these old Scotia's grandeur springs,

"That makes her loved at home, revered abroad;

"Princes and lords are but the breath of kings,

"An honest man's the noblest work of God."

"Be it resolved that a floral tribute be offered with an expression of deepest sympathy and that the members of this Association attend the funeral in a body:

"Be it further resolved that a copy of this resolution be handed Mrs. Hinshaw, and one also forwarded to the Atlas Assurance Company Limited, London."

The funeral which took place on the 28th ult.

from the late Mr. Hinshaw's residence, 4118 Western Avenue, was largely attended. The Montreal members of the C. F. U. A. were present in a body, to pay a last tribute of respect to one of their oldest and most highly esteemed confreres. Out of town insurance men present, included Mr. J. H. Riddel, Toronto, a relative of the deceased. In addition to the insurance fraternity the business section of Montreal was represented by the presence of many prominent men. The floral tributes which were numerous included one from Mr. S. J. Pipkin a member of the board of directors London, Eng., and Ex-General Manager of the Atlas. The San Francisco branch, and the Vancouver branch, also sent beautiful tributes as did also, the staff at the head office for Canada, Montreal.

LARGE SALARIES PAID INSURANCE BROKERS

The average fire insurance company official, who read the testimony in the suit of Thos. J. Prindville for dividends from Johnson & Higgins recently tried in the courts, and realized the big salaries, paid some of the leading officials of that well known firm of brokers, must have been forced to wish that he had taken to brokerage instead of the proud position of a company official. The evidence disclosed the following salaries paid some of the Johnson & Higgins officials:—President, W. H. Boyteaux, \$161,543 for 1919; Vice-President, the same, Chairman, of the Board, W. H. Cow, \$118,781; Vice-Presidents, Botsford, Davey Lowe Keegan and Hopkins, \$104,527, \$95,025, \$95,025, \$75,820, and \$56,865, respectively.

TRAFFIC RETURNS

Canadian Pacific Railway				
Year to date	1918	1919	1920	Increase
April 30.	\$45,161,000	\$48,570,000	\$57,972,000	\$9,402,000
Week ending	1918	1919	1920	Increase
May 7	\$3,033,000	\$2,856,000	\$3,520,000	\$664,000
May 14	3,109,000	2,959,000	3,576,000	617,000
May 21	2,847,000	2,957,000	3,632,000	676,000

Grand Trunk Railway				
Year to date	1918	1919	1920	Increase
April 30.	\$19,002,937	\$19,361,387	\$20,949,326	\$1,587,939
Week ending	1918	1919	1920	Increase
May 7	\$1,434,727	\$1,139,352	\$1,256,047	\$125,655
May 14	1,480,903	1,614,162	1,664,627	59,465
May 21	1,576,508	1,669,112	1,704,935	35,823

Canadian National Railways				
Year to date	1918	1919	1920	Increase
April 30.		\$27,159,550	\$29,492,425	\$2,332,875
Week ending	1918	1919	1920	Increase
May 7		\$1,664,679	\$1,806,391	\$231,628
May 14		1,848,536	2,073,563	225,227
May 21		1,591,532	1,916,107	54,575



THE EMPLOYER'S

Liability Assurance Corporation, Limited
of London England

Transacts
AUTOMOBILE INSURANCE, covering ACCIDENT, PROPERTY DAMAGE, COLLISION,
FIRE, THEFT and TRANSPORTATION
Personal Accident, Sickness, Passenger and Freight Elevator,
Burglary, Hail, Boiler, Plate Glass, Explosion and Fire
Insurance, Fidelity Guarantee and Contract Bonds..

OFFICES:
Temple Building, Toronto. Lewis Building Montreal

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

John Jenkins,
Fire Manager

Applications for Agencies Invited

Canadian
Government
Deposit
\$1,622,000.00

Stands First

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



TRANSACTS:

Personal Accident Automobile
Sickness Burglary
Liability (All Risks) Postal
Fidelity Guarantees. Plate Glass.

382 St. James Street, MONTREAL

ROBERT WELCH, General Manager

Applications for direct Agencies Invited.

The Ocean Accident & Guarantee Corporation Limited

AUTOMOBILE INSURANCE

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

The "OCEAN" can meet these requirements under one contract

Branch Office:
**MERCHANTS BANK BLDG,
MONTREAL**

JOHN W. WETHORE,
Superintendent.

W. T. FERRY,
Manager for Canada

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

The Dominion of Canada Guarantee & Accident Ins. Co.

**The Oldest and
Strongest Canadian
Casualty Company**

**ACCIDENT
BURGLARY
GUARANTEE BONDS**

TRANSACTS:

**SICKNESS PLATE GLASS
AUTOMOBILE INSURANCE
FIRE INSURANCE**

E. ROBERTS, Manager
221, LEWIS BUILDING, MONTREAL

G. A. WITHERS, General Manager
TORONTO

Branches: **WINNIPEG CALGARY VANCOUVER**

THE OLDEST SCOTTISH INSURANCE OFFICE

FOUNDED 1805

CALEDONIAN INSURANCE COMPANY

Extracts from the One Hundred and Fifteenth Annual Report

FIRE DEPARTMENT

Net Premiums for 1919 (an increase of \$425,000)	\$3,527,755
Interest on Fire Funds	90,255
	\$3,618,010
Deduct—Losses—45.90 per cent	\$1,598,225
Commission Expenses and Taxes—35.60 per Cent	1,491,220
	\$2,889,445
	\$ 728,565
Increase in Reserve for Unexpired Risk, being 40 per cent of above \$425,000	\$ 170,925
Surplus on Year's Trading Carried to Profit and Loss Account	\$ 558,540
The Balance at credit of Profit and Loss Account forward from last year after providing for Dividend was	\$ 771,625
To which has been added:—	
Surplus on Year's Trading as above	\$ 558,540
Transferred from:—Accident Insurance Account	10,000
Employers' Liability Insurance Account	20,000
General Insurance Account	5,000
Marine Insurance Account	125,000
Balance of General Interest Ac	52,185
	\$ 770,725
	\$1,542,350
Less—Income Tax and Excess Profits Duty	174,925
Provision for depreciation of Investments	100,000
Transferred to Fire Insurance Account to increase the unexpired Risk Reserve to 40 per cent of premiums	186,160
	461,085
	\$1,081,265

FIRE INSURANCE ACCOUNT, 1919

Amount of Fire Insurance Fund at the beginning of the year:—	
Reserve for Unexpired Risks	\$1,054,915
Additional Reserve	1,000,000
	\$2,054,915
Premiums	\$1,909,755
Less Re-Insurance Premiums	1,442,000
	3,527,755
Interest, Dividends and Rents (less Income Tax)	90,255
Transferred from Profit and Loss Account	186,160
	\$5,859,085

Claims under Policies paid and outstanding	\$1,598,225
Commission	684,755
Expenses of Management	595,935
Contributions to Fire Brigades	10,500
	\$2,889,445
Carried to Profit and Loss Account	558,540
Amount of Fire Insurance Fund at the end of the Year, as per General Balance Sheet:	
Reserve for Unexpired Risks, being 40 per cent. of Premium	1,411,100
Income for the year	1,411,100
Additional Reserve	1,000,000
	2,411,100
	\$5,859,085

FUNDS

Capital Paid Up	\$ 537,500
Fire Insurance Fund	2,411,100
Accident Insurance Fund	29,580
Employer's Liability Insurance Fund	218,500
Annuities Certain and Leasehold Redemption Fund	87,490
General Insurance Fund	185,345
Marine Insurance Fund	982,030
Balance Profit and Loss Account	1,081,265
Life and Annuity Fund	19,445,740
Heritable Property Reserve Account	150,000
Funds 31st December, 1919	\$25,128,855

(\$5 taken as equivalent of £1 Sterling).

Canadian Branch Office: Dominion Express Building, Montreal

JOHN G. BORTHWICK, Manager for Canada.



Security - - \$42,000,000
ONTARIO AND NORTH WEST BRANCH
 14 Richmond Street, East, TORONTO
PROVINCE OF QUEBEC BRANCH
 164 St. James St., Cor. St. John St., MONTREAL



PERSONAL ACCIDENT **PLATE GLASS**
SICKNESS **AUTOMOBILE**
FIDELITY GUARANTEE **GENERAL LIABILITY**

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

Mount Royal Assurance Company

SURPLUS and RESERVES, \$1,416,740.57 TOTAL FUNDS, \$1,708,120.67
TOTAL LOSSES PAID, \$3,180,308.63

Application for Agencies Invited

Head Office - - - MONTREAL

P. J. PERRIN - - - - - Manager

Established in Canada in 1821

1819 **AETNA (FIRE)** 1920
 HARTFORD, CONN., U. S. A.

Losses Paid over \$183,000,000

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

Union Assurance Society, Ltd.

OF LONDON, ENGLAND
 (Fire Insurance since A.D. 1716)

CANADA BRANCH, MONTREAL
 T. L. HOGGESSY, District Manager.
 NORTH WEST BRANCH, WINNIPEG
 THOS. BRUCE, Branch Manager.

Agencies throughout the Dominion

EXCELSIOR

INSURANCE LIFE COMPANY
A Strong Canadian Company
 FOR PROTECTION OF INVESTMENT
 BUY EXCELSIOR POLICIES
J. J. Robichaud, Prov. Man., Montreal

The Law Union & Rock

INSURANCE CO. LIMITED, LONDON. Founded in 1806
Assets Exceed - - - \$50,000,000
 Over \$10,000,000 invested in Canada
 FIRE and ACCIDENT RISKS accepted.
 Canadian Head Office: 277 Beaver Hall Hill.
MONTREAL
 Agents wanted in unrepresented towns in Canada.
 W. D. AIKEN, Superintendent, COLIN E. SWORD
 Accident Dept. Canadian Manager.

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

M. D. McPHERSON, Provincial Manager, 180 St. James Street, MONTREAL, P.Q.
THE CONTINENTAL LIFE INSURANCE CO.
 GEORGE B. WOODS, President TORONTO, Ont. CHAS. H. FULLER, Secretary

Increased Business Rather Than Increased Commissions

The question of increased commissions for fire agents which is arousing a great deal of discussion throughout the entire country, when placed before Manager Henry E. Hess of the Suburban Insurance Exchange of New York, was answered in the following terse comment which would seem to hit the nail pretty squarely upon the head. His summary is as follows:—

"Increased commissions would mean an increase in costs of acquisition of business and the Insurance Department, on a number of occasions, has not only opposed any increase of that kind but has expressed the opinion that acquisition costs should be reduced. Commissions represent a fixed percentage of the premiums and when more of the latter are obtained the income from the former increases in the same ratio. Therefore, the effort should be to obtain more premiums. That effort is not a difficult one to make because the enormously increased values of materials and products require similar increases in the amount of insurance to protect them. This feature calls for and is producing a heavy increase of premiums without any increase of rates and agents are receiving a corresponding increase of income. In the face of this increased income, for the agents to demand higher commissions is to invite criticism at the hands of the public and adverse legislation by the state.

Commissions, like other expenses, constitute a component part of our rates, and to change the present regulation would result in a general disturbance of rate levels difficult to explain or justify. Merchants and manufacturers can readily and quickly pass on to their customers any increase of

operating costs, but fire insurance companies can do so only by methods which produce results slowly and after long lapse of time. There is no quick turn-over of fire insurance business, and all outstanding commitments must be carried to maturity before they can be made the subject of increased costs. Meanwhile, conditions may change so as to require a recall of the increased charges, in which case a large proportion of even what has been realized has to be paid back. All this operates to the detriment of the agent, and, if possible, should be avoided.

"Comparison of agents' commissions with the salaries of company employes is not justified when it is borne in mind that income from the former is limited only by producing capacity, while the latter are fixed and do not increase along with greater production or larger business. There are many opportunities as yet largely unavailed of for live agents to increase the volume of their business and income. Companies are eager to assist in this, but an increase in commissions is not a feasible way to do so.

"It should not be overlooked that the same reasons advanced by local agents, for an increase of commissions, are urged by brokers as arguments for higher brokerage; and in the light of past experience, it is certain that if the request of the agents was granted their additional compensation on brokerage business would be passed on to the brokers, and no increase of net income from that source would result to the agents. The argument that companies are enjoying increased profits is more apparent than real, because the loss experience upon the business is still largely to be realized and is certain to be developed."

AN AGENT DOESN'T CARE

So much about the Assets of the Company he represents, when they pass four or five millions. What really interests him is

AN AI LOSS PAYING RECORD

A REAL AGENCY SERVICE

UP-TO-DATE BUSINESS GETTING METHODS.

HE KNOWS HE WILL RECEIVE THESE ADVANTAGES.

AS LONG AS HE REPRESENTS THE

Fidelity (Fire) Underwriters

OF NEW YORK.

HENRY EVANS, President.

Policies assumed half by the Fidelity-Phenix Fire Insurance Co. and half by the Continental Insurance Co. of New York.

FIRE TORNADO AUTOMOBILE HAIL PROFITS
CANADIAN HEAD OFFICE: 17 ST. JOHN ST., MONTREAL. **W. E. BALDWIN, Manager**

THE MOTOR UNION
INSURANCE COMPANY LIMITED

(INCORPORATED IN ENGLAND)



THE BEST IN
AUTOMOBILE INSURANCE

□ □ □

BECAUSE attractive premiums are quoted for first class risks.

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

Bonuses are allowed for no claims. Policies are simple and straight-forward.

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

WRITE TO
CHIEF OFFICE FOR CANADA
59 Yonge Street - - Toronto

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

VULCAN
Fire Insurance Company

of Oakland, California

ASSETS OVER \$1,500,000.00

Canadian Head Office :

VANCOUVER, B. C.

G. U. PRICE & CO., LIMITED

General Agents for Quebec

Bank of Toronto Building, **MONTREAL**

LONDON & SCOTTISH ASSURANCE CORPORATION
LIMITED, OF LONDON, ENGLAND

Formerly LONDON & LANCASHIRE LIFE & GENERAL ASSURANCE ASSOCIATION, LIMITED
ESTABLISHED IN CANADA 1863

Directors for Canada :

A. J. Dawes, Esq.

E. C. Pratt, Esq

H. B. Mackenzie, Esq.

D. C. Macarow, Esq.

ALL CLASSES OF LIFE ASSURANCE TRANSACTED

SCOTTISH METROPOLITAN ASSURANCE COMPANY
LIMITED

FIRE and MARINE
ACCIDENT and SICKNESS
GUARANTEE BONDS
ELEVATOR and GENERAL LIABILITY

AUTOMOBILE LIABILITY and FIRE
Individual or Combined Policies
EMPLOYERS' LIABILITY
PUBLIC and TEAMS' LIABILITY

Head Offices for Canada: **LONDON & SCOTTISH BUILDING, MONTREAL**

Total Funds and Assets Exceed \$25,500,000

Fire Manager, **C.E. CORBOLD** Casualty Manager, **J. UPTON FLETCHER** Secretary and Actuary, **W.H.R. EMMERSON**

Manager for Canada, **ALEXANDER BISSETT**

APPLICATIONS FOR AGENCIES INVITED

Railway Passengers Assurance Company

SEVENTY-FIRST ANNUAL REPORT

PROFIT AND LOSS ACCOUNT

<table border="0" style="width: 100%;"> <tr> <td>Balance of last year's account.. . . .</td> <td style="text-align: right;">\$2,434,240</td> </tr> <tr> <td>Transferred from—</td> <td></td> </tr> <tr> <td> Personal Accident Account</td> <td style="text-align: right;">\$231,615</td> </tr> <tr> <td> Employers' Liability</td> <td style="text-align: right;">191,465</td> </tr> <tr> <td> General Account</td> <td style="text-align: right;">102,530</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;">535,610</td> </tr> <tr> <td>Interest and Dividends not carried to other accounts.. . . .</td> <td style="text-align: right;">\$169,065</td> </tr> <tr> <td>LESS Income Tax thereon....</td> <td style="text-align: right;">44,615</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;">124,480</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">\$3,084,330</td> </tr> </table>	Balance of last year's account.. . . .	\$2,434,240	Transferred from—		Personal Accident Account	\$231,615	Employers' Liability	191,465	General Account	102,530		535,610	Interest and Dividends not carried to other accounts.. . . .	\$169,065	LESS Income Tax thereon....	44,615		124,480		\$3,084,330	<table border="0" style="width: 100%;"> <tr> <td>Dividends declared on account of 1919 ..</td> <td style="text-align: right;">\$ 175,000</td> </tr> <tr> <td>Bad Debts</td> <td style="text-align: right;">1,370</td> </tr> <tr> <td>Income Tax</td> <td style="text-align: right;">137,195</td> </tr> <tr> <td>Written off Investments</td> <td style="text-align: right;">167,510</td> </tr> <tr> <td>Balance carried forward</td> <td style="text-align: right;">2,603,355</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">\$3,084,330</td> </tr> </table>	Dividends declared on account of 1919 ..	\$ 175,000	Bad Debts	1,370	Income Tax	137,195	Written off Investments	167,510	Balance carried forward	2,603,355		\$3,084,330
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BALANCE SHEET

Liabilities.	Assets.
Shareholders' Capital—	British Government Securities .. \$2,925,820
100,000 Shares of \$50 each, paid up \$10 per share (now vested in the North British and Mercantile Insurance Co.)	Municipal and County Securities in the United Kingdom 18,475
Personal Accident Insurance Fund \$509,430	Indian and Colonial Government Securities 263,735
Employers' Liability Insurance Fund 839,370	Indian and Colonial (Municipal Securities 83,915
General Insurance Fund 1,111,735	Foreign Government Securities .. 294,630
	Foreign Municipal Securities .. 119,070
Profit and Loss Account.....	Guaranteed and other Indian Railway Stock 91,635
Other sums owing by the Company—	Railway and other Debentures and Debenture Stock (Home and Foreign) 626,095
Due to other companies \$ 81,115	Railway and other Preference and Guaranteed Stock 90,235
Sundry Creditors 298,695	Railway Ordinary Stock (Foreign) 8,085
Unclaimed Dividends, etc. . . . 13,545	Ground Rents 5,000
	Leasehold Premises partly used as offices and partly let 193,760
(£1 assumed as equivalent to \$5.)	Loans on Stocks and Shares .. 1,150,730
	\$5,480,185
	Note. —The values of the Stock Exchange Securities are inserted at or under cost price. Part of the above Assets has been specifically deposited under local laws in various places out of the United Kingdom as security to holders of policies there issued.
	Agents' Balances \$ 399,005
	Outstanding Premiums 11,130
	Interest Accrued 49,585
	Due from other Companies.. . . 154,875
	Sundry Debtors 75,065
	Cash—
	On Deposit 125,000
	In Hand and on Current Account 162,900
	976,960
\$6,457,145	\$6,457,145

AUDITORS' REPORT

We beg to report that we have, from time to time in the course of the year, audited the Accounts of the Company, and that we have verified the whole of the Investments at 31st December, 1919, with the Documents of Debt and other vouchers.

We have further to report that we have obtained all the information and explanations we have required, and that in our opinion the foregoing Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us and as shown by the books of the Company.

19th March, 1920.

LENDISAY, JAMIESON & HALDANE, Auditors.

Chartered Accountants.

**Head Office for Canada and Newfoundland
TORONTO**

**Manager
F. H. RUSSELL**


THE

**OCCIDENTAL FIRE INSURANCE
COMPANY**

HEAD OFFICE
 909-911 Paris Building. WINNIPEG

President, Randall Davidson

Vice-President & Secretary, C. A. Richardson

DIRECTORS

S. E. Richards

W. A. T. Sweatman

Robt. Campbell

	Dec. 31st, 1914	Dec. 31st, 1919
Capital Subscribed - -	\$500,000.00	\$500,000.00
" Paid Up - - -	\$174,762.70	\$174,762.70
Surplus on Policy-holders Account - - - -	\$250,856.35	\$423,803.07
TOTAL ASSETS - -	\$359,025.09	\$705,199.67

All Investments are in Canadian Securities

FULL DEPOSIT WITH DOMINION GOVERNMENT

THE CONTINENTAL INSURANCE CO. OF NEW YORK

is prepared to receive applications for young ladies in fyle department. Good opportunity for advancement.

Also re-insurance bordereau typist. Apply to,

MANAGER,

17 St. John Street,

Montreal.

WANTED

By large Casualty Company, man to take charge of Western business in Winnipeg. Write fully, giving experience and salary expected, to,

Casualty,

Care The Chronicle.

Montreal.

WANTED

By a fire insurance office mapping clerk. Apply to,

B. C.,

Care The Chronicle,

Montreal.

WANTED

A British Life Office invites applications for position of Inspector and Organizer in and for the City and District of Montreal. Liberal terms offered. Salary and commission. Applications, stating age, experience, with references, to be made in writing, to,

S. P.,

P. O. Box 1390,

Montreal.

CANADA'S WEALTH INCREASE

According to a return recently tabled in the House of Commons, the estimated revenue per capita for 1920 is \$36.11, comparing with \$7.98 in 1891. This is calculated on a population of 4,833,239 and revenue of \$28,579,310 in the latter year, and a population of 9,000,000 and estimated revenue of \$325,000,000 for the present year. In 1891, the total expenditure on current and capital account was \$39,459,427, or \$8.44 per capita; in 1920, the total expenditure, including war account, is given as \$675,125,000, or \$75.01 per capita. On ordinary expenditure, Canada is spending \$30.00 per capita at the present time as against \$7.50 in 1891.

In 1891, the capital invested in manufacturing plants was \$353,313,000; the number of employees, 369,595; the value of products, \$469,847,886. In

WANTED

By a well known and influential General Agency with head quarters in Edmonton, Alberta, young man with insurance experience to take charge of Insurance Department—must have canvassing ability—good prospects to right party. Apply, giving references and experience, to,

A. E. R.,

Care The Chronicle, Montreal.

WANTED

By a leading Fire Insurance Office, a young man having had previous experience in mapping and endorsements. Apply stating salary required,

Care The Chronicle Office.

NOTICE

NOTICE is hereby given that The Home Insurance Co. of New York, has received a License from the Government of the Dominion of Canada, to transact the business of Burglary and Property Damage Insurance in Canada, in addition to the classes for which it is already licensed.

FRED W. EVANS,

Chief Agent for Canada.

1915, the capital invested was \$1,994,103,272; the number of employees, 514,000; the amount of salaries and wages paid, \$289,711,505; the value of products, \$1,407,137,140.

Canada's Wealth Sixteen Billions

The total trade of the Dominion in 1891 was \$209,004,323, imports being \$111,533,954, and exports, \$97,470,369. In 1919, the total trade was \$2,235,928,072, imports being \$941,007,700, and exports \$1,294,920,372. Total trade in the former year was about \$40.00 per capita; last year it was \$248.00 per capita.

Deposits in Canadian chartered banks in 1891 totalled \$148,396,968, whilst at the present time they amount to \$1,807,096,862. Thus, although public expenditure and taxation have increased tremendously through the war, the national wealth has been multiplying at an even greater rate, until to-day the Dominion's wealth is estimated at \$16,000,000,000.



BRITISH COLONIAL

FIRE INSURANCE COMPANY, MONTERAL.

Canadian - Strong - Progressive

FIRE INSURANCE AT TARIFF RATES.

THE YORKSHIRE INSURANCE COMPANY, LIMITED

ESTAB. 1834

YORK, ENGLAND

ASSETS EXCEED \$39,000,000

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

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

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

CANADIAN DIRECTORS { Rt. Hon. C. J. Doherty, P.C., M.P.
G. M. Bosworth, Esq.

Alex. L. McLaurin, Esq.
Pamphile R. DuTremblay, M.P.

Canadian Manager,
P. M. WICKHAM, Montreal

APPLICATIONS FOR AGENCIES are invited from responsible persons.

DALE & COMPANY Limited

MARINE UNDERWRITERS AND BROKERS

General Agents for the CONTINENTAL CASUALTY CO. of Chicago
in Quebec and Maritime Provinces

We underwrite all classes of Casualty Insurance offering liberal contracts at reasonable rates

APPLICATIONS FOR AGENCIES SOLICITED

GET A GOOD START

Men who are aggressive and business builders can avail themselves of some excellent territory in the Province of Ontario. Our big expansion program for 1920 is well under way. Get a good start with a Company whose up-to-date policy contracts and reputation for stability combine to make National life policies easy to sell. Write for full particulars to

THE NATIONAL LIFE

Assurance Company of Canada

National Life Chambers

TORONTO

The Canada National Fire Insurance Company

HEAD OFFICE: WINNIPEG, MAN.

Total Assets - \$2,468,522.08

A Canadian Company Investing its Funds in Canada

APPLICATIONS FOR AGENCIES INVITED

THE NATIONAL FIRE INSURANCE COMPANY OF PARIS, FRANCE

Subscribed Capital. \$2,000,000

Total Funds. 7,491,390

Net Surplus. 1,857,150

J. E. CLEMENT, General Manager

J. A. Blondeau, Asst. Manager

L. C. Valle, Inspector

CANADIAN FIRE RECORD

Fire at Ottawa.—On May 30th a fire broke out in the lumber yards of Sheppard & Morse, Mason St. It is stated that over a million feet of lumber was destroyed. We are notified by our correspondent that the entire insurance was carried by American lumber insurance companies, and that the loss will not exceed \$75,000.

Fire at St. Joachim, P.Q.—On May 27th a fire destroyed five houses, three sheds, and the lumber mill of Mr. Joseph Coté, entailing a loss of about \$100,000. The saw mill was one hundred years-old.

Fire at Toronto.—On May 29th, a fire damaged three houses on Sackville St. Loss about \$1,500.

Fire at Windsor, Ont.—On May 23rd, a fire damaged the paint and paper stock of T. W. Brooks & Sons. Caused by defective wiring. Loss about \$5,000.

Fire at Walkerton, Ont.—On May 23rd a fire destroyed the Clarke Skating Rink, and lumber piles and stables of R. E. Truax & Company. Loss about \$20,000.

Fire at Kingston, Ont.—On May 29th, a fire destroyed seventeen automobiles and the third storey of the Blue Garages, corner of Queen and Bagot Sts. The loss is estimated at \$45,000, fully covered.

Fire at L'Etang, N.B.—On May 29th a fire destroyed four dwellings a store, and a sardine factory. Loss about \$18,000.

Fire at Elora.—On May 24th a fire destroyed the plant of the Elora White Lime Co. Loss heavy.

Fire at Newmarket, Ont.—On May 26th a fire damaged the town pumping station and power house. Loss about \$7,500.

Fire at Puslinch Lake, Ont.—On May 24th, a fire destroyed the Wayper Hotel and most of the contents. Loss considerable, is only partly insured.

Fire at Toronto.—On May 25th a fire damaged the fruit store of S. Badalato, 356 Richmond St. Loss about \$2,000.

Fire at Toronto.—On May 29th a fire broke out on the 4th floor of the Foy Building, Front St. which was quickly extinguished by the sprinkler system, considerable water damage is stated to have resulted on the floors below to-sugar, etc.

Fire near Cornwall.—On May 29th the barns of P. Leitch, Glenbrook were destroyed. Loss about \$3,000.

Fire at Moncton, N.B.—On May 26th a fire damaged the plant of the Record Foundry and Machine Company. Loss about \$60,000 fully covered.

Fire at Theriault, N.B.—Bush fires are reported as responsible for almost the entire destruction of village of Theriault.

Fire at Plaster Rock, N.B.—On May 24th the Baptist Church, parsonage and four stores were destroyed.

Forest Fires are causing great concern in the Maritime Provinces and other parts of the country and the situation is likely to remain critical until the arrival of heavy rains.

IN ALL INSURANCE BRANCHES

STRENGTH**REPUTATION****SERVICE****THE MONTREAL SECURITIES CORPORATION LIMITED**

Dominion Express Building - MONTREAL

GENERAL AGENTS FOR

The GLOBE INDEMNITY COMPANY of Canada

The CANADIAN FIRE INSURANCE COMPANY

Applications for Agencies Solicited

Prudential Trust Company

LIMITED

<p>Head Office 9 St. John St., Montreal</p>	<p>Trustee for Bondholders Transfer Agent & Registrar Administrator Executor Liquidator Guardian Trustee Real Estate and Insurance Department Insurance of every kind placed at lowest possible rates</p>	<p>Safety Deposit Vaults Terms Ex- ceptionally moderate. Correspond- ence invited.</p>
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B. HAL. BROWN, President and Gen. Manager

The Standard Life Assurance Co.

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

1870 - Our Golden Jubilee - 1920

NEW BUSINESS RECORD OF THE MUTUAL
The popularity of The Mutual Life of Canada with the insuring public is being demonstrated in the amazing amount of new assurances issued. The first four months of 1920 indicated an increase of no less than 46% over the amount of insurance underwritten in the corresponding period of 1919. Insurance is in greater demand to-day than it has ever been before in the history of the world. The people are impressed with the importance of securing life insurance and naturally their thoughts turn to The Mutual of Canada. The life agent is fortunate to-day owing to the increasing demand for insurance. And especially if he represents The Mutual Life of Canada which is expanding at a rate that surprises even its most optimistic friends.

The Mutual Life Assurance Co. of Canada

WATERLOO, - - ONTARIO
Hume Cronyn, M.P., Pres. Charles Ruby, Gen.-Man.

The Travellers Life Assurance

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

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

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

Phoenix Assurance Co. Limited

OF LONDON, ENGLAND (Founded 1782)

FIRE LIFE MARINE

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

AGENTS WANTED IN BOTH BRANCHES. Apply to

R. MacD. PATERSON } Joint Managers
J. B. PATERSON }

100 Francois Xavier Street - MONTREAL

WESTERN

Assurance Company

Incorporated in 1851

HEAD OFFICE, - TORONTO, Ont.

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

ASSETS - over - \$8,000,000.00

Losses paid since organization
of Company . . . over \$77,000,000.00

DIRECTORS:

W. B. MEIKLE, President

Sir John Aird	John Hoskin, K.C., LL.D.
Robt. Bickerdike, Montreal	Miller Lash
Lt.-Col. Henry Brock	Geo. A. Morrow,
Alfred Cooper, London, Eng.	Lt.-Col. the Hon.
H. C. Cox	Frederic Nicholls
John H. Fulton, New York	Brig.-Gen. Sir Henry
D. B. Hanna	Pellatt, C.V.O.
E. Hay	E. R. Wood

W. B. MEIKLE, C. S. WAINWRIGHT,
Pres. and Gen. Man. Secretary

A. R. PRINGLE, Canadian Fire Manager

ROBERT BICKERDIKE
Branch Manager for Province of Quebec
MONTREAL

A BRITISH COMPANY

Union Insurance Society of Canton, Limited

ESTABLISHED 1835

Head Office: HONGKONG

Assets over \$24,000,000

A combination of AGE, MAGNITUDE and EXPERIENCE
FIRE, MARINE AND AUTOMOBILE

Head Office for Canada, 36 Toronto Street, TORONTO

General Agent Montreal, JOSEPH ROWAT

Manager for Canada, C. R. DRAYTON

Mechanical Traction v. Insurance

A daily contemporary the other day had a long and very ably written engineering article on the future of the motor generally. It was pointed out that at present the street "peril" in towns and cities was mainly due to the mixture of wheel traffic and the fact that there were different speeds to be considered. Of course, there is something in that argument, but the writer proceeded to anticipate the fast coming time when the horse would be completely disestablished and nothing seen on streets and roads except motors of various forms. Then according to this very optimistic writer we should have a time of comparative safety. Such special pleading would be vastly amusing if it were not calculated to more or less blind those who do not think for themselves to the real facts of the case. The true reason why motor traffic has proved itself so very fatal, as in the case of motor omnibuses, is solely because of the weight of the vehicles and the greater speed at which they travel. Who can believe that the motor was not instituted for celerity? Obviously, the advance in the use of mechanically-drawn vehicles is for the sake of speed and nothing more. The horse had short limits, and, after all, within those limits a man could compete with a horse, but he is nowhere in physical conflict with an engine as those who have had the misfortune to see a man caught up by a driving belt well understand. Now we very well know, at least all observers of street traffic know, that at present a great check on the speed of the motor generally is just the fact that there are still horsed vehicles on the road, and so it does not answer to go full steam ahead at present. But once reduce the entire urban vehicular traffic to the locomotive principle, once put only engines on the streets, and who with any sense supposes that speed generally will not increase? No one who likes motoring cares to go slow if it can be helped, and the fact of motors only being on the road is sure to induce a uniform rate of speed up to and very often over the legal point. The motor is at all times much more a peril to persons in front of it than any horsed vehicle. Study the motor from some distance, take a front view and notice how little speed appears to be on when all the time it is sweeping forward at a very great rate. When you watch a horse, or horses thus, you see by their action whether they are going fast or not, but with the motor it is very much more difficult, and the better the motor, the higher the cost, the more smoothly and silently does it sweep along the road. Undoubtedly many of the fatal accidents that now occur to pedestrians from motors are due to an inability to rightly estimate the speed of the motor as viewed from a distance. It will

appear quite far off, indeed, and so it is in measurement of yards, but as to its celerity it is often only seconds away from one crossing when they imagine it is minutes off, as indeed it would be if a horsed vehicle seen at the same distance. In Canada and United States motors are already to be reckoned by millions, and ere long it will be so in the United Kingdom. There will now be an immense impulse given to motoring, and we predict that accidents will at once multiply. That of course will not make any difference to the general trend of public opinion, which is rarely in such matters prudential. The real moral, however, in this is that every pedestrian who is uninsured will incur a "risk" of a grave character. At present people insure against street accidents with some hesitation in many cases, for the sober, careful, able-bodied seem to have little cause for any fears, but when the era of motors once sets in, insurance against street accidents will be simply a necessity with every prudent person who ever ventures across a street or road.

MORAL HAZARD INCREASE

Archibald Kemp, secretary and manager of the Cleveland National Fire, makes some timely observations on changes in economic conditions, and how changing values and moral hazard affect fire insurance companies.

He said in part: "All signs of the times point to the near approach of the necessary readjustment of values in both real and personal property of all kinds. Everything indicates that the peak of high prices has been reached and there is no question in the mind of the writer that from now on there will be a decline in values and prices. The country will be fortunate if this decline is a gradual process, as present signs indicate it will be; but if labor strikes continue, with their consequent interference with transportation and distribution of raw materials and supplies, the shutting down first of manufacturing and later on wholesale and jobbing houses will mean sharp declines in values, including equally marked declines in the wages of labor by reason of unemployment.

"If the fire insurance companies are not to severely suffer from these changing conditions through increased moral hazard, which always develops when times are hard or general business conditions difficult, it is necessary for all fire insurance agents to keep careful watch of the way things are going with the businesses of the people in their community and to determine whether it is safe for the fire insurance companies to continue to insure their properties."



STRIDING AHEAD

These are wonderful days for life insurance salesmen, particularly North American Life men. Our representatives are placing unprecedented amounts of new business. All 1919 records are being smashed.

"Solid as the Continent" policies, coupled with splendid dividends and the great enthusiasm of all our representatives tell you why.

Get in line for success in underwriting. A North American Life contract is your opening. Write us for full particulars.

Address E. J. Harvey, Supervisor of Agencies.

NORTH AMERICAN LIFE ASSURANCE COMPANY

"Solid as the Continent"

HOME OFFICE . . . TORONTO, ONT.

SIZE, STRENGTH, LIBERALITY

The Sun Life Assurance Company of Canada, with over \$340,000,000 of business in force, has all the advantages that size can bring to a life company.

With assets of over \$97,000,000 and surplus of over \$8,000,000 it has decided strength and safety.

Its policy conditions and dividend record have earned for it an enviable reputation for liberality, while its record for fair dealing is unexcelled.

For information as to contracts, communicate with the nearest Division Office, or with the Company's Head Office in Montreal.

SUN LIFE ASSURANCE COMPANY OF CANADA

Head Office: Montreal.

T. B. Macaulay, President.



RAILWAY PASSENGERS ASSURANCE CO.
OF LONDON ENGLAND

DEPARTMENTS:

ACCIDENT, HEALTH, EMPLOYERS' AND PUBLIC LIABILITY, MOTOR CAR, ELEVATOR, TEAMS, PLATE C^r ASS, BURGLARY, AND FIDELITY BONDING

Head Office for Canada and Newfoundland . . . TORONTO

F. H. RUSSELL, General Manager

The Imperial Guarantee And Accident Insurance Co. of Canada

Head Office, 46 King St. W., TORONTO, Ont.

A Strong Canadian Company

Accident and Sickness Insurance
Guarantee Bonds

Plate Glass & Automobile Insurance

E. WILLIAMS, General Manager FRANK W. COLE, Secretary

METROPOLITAN LIFE INSURANCE COMPANY OF NEW YORK

Paid for new business in Canada during 1919.

Ordinary	\$61,559,058
Industrial	\$33,798,053
Total	\$95,357,111

Largest amount ever issued in Canada by any Company.

Amount of Insurance in force in Canada

December 31, 1919 \$336,193,990

Largest amount in force in Canada by any Company.

Number of Metropolitan policies held by

Canadians December 31, 1919 1,431,827

Largest number in force in any Company in Canada.

Investments in Canada exceed \$57,000,000

Subscriptions to Victory Loans \$24,137,550

The Company had nearly 1,500 employees in Canada at the end of 1919.

Home Office, 1 Madison Ave., New York City

THE LIFE AGENTS' MANUAL
THE CHRONICLE . . . MONTREAL

**NEW ASSISTANT MANAGER OF
IMPERIAL BANK**

Announcement is made of the appointment of Mr. A. E. Phipps, at present Superintendent of Branches of the Imperial Bank, to the position of Assistant General Manager. Mr. Phipps joined the Imperial Bank as a junior clerk at Brandon in 1891, and served in various capacities up to the position of Western Superintendent. Upon the retirement of Mr. Edward Hay, as General Manager, and the appointment of Mr. William Moffat as his successor, Mr. Phipps was transferred to the head office as Superintendent of Branches. He is regarded as an able banker, and his promotion is considered well deserved.

INSPECTION WORK

No inspector can ever know it all, and will do well not to attempt to give advice as to how a factory should be run, or to appear indifferent to information concerning a manufacturing process given him by a tenant. You are intrusted by the company to make a report so that the company can properly underwrite the risk, and your report will determine whether or not a policy should be written.

Inspection work grows on a man; the more he learns, the harder he will devote himself to his task, so that when he has inspected similar risks several times, he will be familiar with the process and know what hazards to look for. A plan followed by most experienced men is to make notes in a scrap book of all interesting things or hazards and thus build up a useful store of knowledge. The best inspectors are those who have had some underwriting experience. Generally speaking, the best underwriters are those having field experience. The inspector who has been an underwriter can more fully appreciate why he is asked to secure certain information, and contrariwise, the underwriter can more readily understand the inspector's report.

**Large Increase in Automobile Casualty
Losses**

A leading casualty company which has tabulated its 1919 experience on an earned premium basis by classes finds that the loss ratio on collision and property damage insurance increased 7 per cent. over that of 1918. While the volume done was not sufficient to be an accurate index of general experience, it serves as an indication of the general tendency which resulted in an increase in rates for 1920. This company reports that its agents are making no complaint about the new rates and that some of them express the opinion that the company can make no profit even at this year's rates on these classes.

**Trust & Loan Companies Under
Supervision of Department of
Insurance**

A change in the general law, not in the Insurance Act itself, involves the bringing of both trust and loan companies under inspection by the department of insurance at Ottawa.

Hitherto these companies have been in charge of what is known as the Treasury Board, a rather archaic organ for such a service. The department of insurance has a complete and most modern system of inspection, and it is felt that it can take on this new job with a minimum of expense and to the satisfaction of everybody. These bills went through the House without opposition and with a minimum of discussion. The smooth passage afforded them a high, even if unintended, compliment to the department of insurance, which, under Supt. G. D. Finlayson, is a most efficient organization.

**Great American
Insurance Company
New York**

INCORPORATED - 1872

PAID FOR LOSSES

\$105,437,708.58

STATEMENT JANUARY 1, 1919
CAPITAL

AUTHORIZED, SUBSCRIBED AND PAID-UP

\$5,000,000.00

RESERVE FOR ALL OTHER LIABILITIES

15,231,512.92

NET SURPLUS

10,619,509.09

ASSETS

30,851,022.01*

*Includes \$134,574.96 Excess Deposit in Canada

THE SECURITIES OF THE COMPANY ARE BASED
UPON ACTUAL VALUES ON DECEMBER 31st, 1918

United States Government Liberty Loan bonds owned
by the Company exceed its entire capital stock of
\$5,000,000—a striking indication of true patriotism

**Home Office, One Liberty Street
New York City**

Agencies Throughout the United States and Canada
ESINHART & EVANS, Agents
39 Sacramento Street
Montreal, Quebec
MURPHY, LOVE, HAMILTON
& RANSOME, Agents
Dominion Bank Building
Toronto, Ontario
WILLIAM ROBINS, Superintendent of Agencies
Dominion Bank Building, Toronto, Ontario

NIAGARA FIRE INSURANCE COMPANY

HEAD OFFICE, NEW YORK INCORPORATED 1850

Cash Capital Net Surplus 31st Dec., 1919

\$1,000,000.00 **\$3,393,907.58**

CANADIAN DEPARTMENT - - **22 ST. JOHN STREET, MONTREAL**

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