

# The Insurance & Finance Chronicle.

Vol. XVI.

MONTREAL, JUNE 1, 1896.

No. 11.

THE  
**LIVERPOOL & LONDON & GLOBE**  
INSURANCE COMPANY.

1 DALE STREET, LIVERPOOL.

7 CORNHILL, LONDON.

**Extracts from the Report for the Year 1895.**

Fire Premiums, after deducting Re-insurances, .....	\$8,015,490
Life Premiums, .....	1,167,200
Interest derived from Investments, .....	1,762,170
Considerations for Annuities granted, .....	1,588,335
Net Income for the year, .....	\$12,533,195

Fire and Life Insurances effected on the most Favorable Terms.

**INCREASE OF FUNDS**

Amount of Funds Dec. 31, 1895—\$45,333,910 | Amount of Funds Dec. 31, 1885—\$35,260,700  
Increase in Ten Years, \$10,075,210

**FUNDS.**

After providing for the payment of the Dividend, and of all Outstanding Claims, Losses and Current Accounts against the Company, the Funds will stand as follows:—

Capital, paid-up, .....	\$1,228,200
Globe Perpetual Annuity Fund, .....	5,514,000
Life and Annuity Funds, .....	24,300,280
General Reserve Fund, \$6,500,000 } .....	10,200,000
Fire Re-insurance Fund, 3,700,000 } .....	
Balance to Credit of Profit and Loss, .....	4,093,430
Total Assets as per Balance-sheet, December 31, 1894, .....	<u>\$48,542,500</u>
The total Claims paid since its commencement, by the Company, after deducting Re-insurances, amount to.....	\$182,469,720

NOTE.—In the above figures, \$5 are used as the equivalent of £1.

JOHN M. DOVE,  
General Manager and Secretary.

T. I. ALSOP,  
Sub-Manager.

AUGUSTUS HENDRIKS, Actuary and Resident Secretary in London.

HEAD OFFICE FOR CANADA, 16 PLACE D'ARMES, - MONTREAL.  
G. F. C. SMITH, Chief Agent and Resident Secretary.

**HEAD OFFICE**  
FOR CANADA  
ROYAL BUILDING,  
MONTREAL.

# ROYAL



**WILLIAM TATLEY,**  
*Resident Director*  
**GEORGE SIMPSON,**  
*Manager*  
**W. MACKAY,**  
*Assistant Manager*

**INSURANCE**

ABSOLUTE SECURITY  
UNLIMITED LIABILITY.  
RATES MODERATE.  
LOSSES EQUITABLY ADJUSTED  
AND PROMPTLY PAID.

IN THE WORLD.  
THE LARGEST FIRE OFFICE

TOTAL NET FIRE INCOME  
\$10,162,250.  
CANADIAN FIRE  
INCOME  
\$568,971.

# NATION



# ASSURANCE COMPANY

OF IRELAND

*Incorporated by Royal Charter and Empowered by Special Act of Parliament.*

CANADIAN BRANCH  
OFFICE  
MONTREAL

**M. C. HINSHAW,**  
*Chief Agent.*

HEAD OFFICE  
3 COLLEGE GREEN  
DUBLIN

**H. ENGELBACH,**  
*Secretary.*

**ESTABLISHED**  
**1822**

**CAPITAL**  
**\$5,000,000**

ESTABLISHED IN CANADA 1863.

CANADIAN  
BRANCH,

# LONDON & LANCASHIRE

## LIFE

### Assurance Company.

HEAD OFFICE,  
MONTREAL

**EXTRACTS FROM ANNUAL REPORT, 1895:**

New Policies issued, 2319, for	....	....	....	....	83,837,850
Premium Income,	....	....	....	....	1,006,345
Total Income,	....	....	....	....	1,178,395
Added to Funds during Year 1895,	....	....	....	....	420,055
Total Funds,	....	....	....	....	5,345,700

**LOW RATES. ABSOLUTE SECURITY. PROMPT SETTLEMENTS.**

**B. HAL BROWN,**  
*Manager.*

**J. L. KERR,**  
*Assistant Manager.*

AMOUNT PAID POLICY-HOLDERS IN 7 YEARS,  
\$3,010,690.

ANNUAL INCOME 1,178,395.

INCREASE IN ASSETS IN 7 YEARS,  
\$2,342,745.

**UNION BANK OF CANADA.**

Established 1865. Paid-up Capital, \$1,200,000. HEAD OFFICE, Quebec.  
 DIRECTORS.  
 Andrew Thomson, President. E. J. Price, Vice-President.  
 Hon. Thor. McGreevy, R. Giroux, D. C. Thomson, E. J. Hale,  
 E. E. Webb, Cashier.  
 FOREIGN AGENTS.  
 London—The Alliance Bank Limited. Liverpool—Bank of Liverpool Limited.  
 New York—National Park Bank. Boston—Lincoln National Bank.  
 Minneapolis—First National Bank.  
 BRANCHES.  
 Alexandria. Iroquois. Merrickville. Montreal.  
 Ottawa. Quebec. Smiths Falls. Toronto.  
 Winnipeg. W. Winchester. Lethbridge, Alberta.

**LA BANQUE JACQUES-CARTIER**

1862—HEAD OFFICE, MONTREAL 1896  
 CAPITAL (all paid up) \$500,000  
 RESERVE FUND \$235,000  
 DIRECTORS:  
 HON. ALPH. DESJARDINS, President. A. S. HAMILIN, Esq., Vice-President.  
 A. L. DE MAITREY, Esq., DUMONT LAVIOLETTE, Esq., G. N. DECHARME,  
 TANCREDE BIENVENU, Manager.  
 E. G. ST. JEAN, Inspector.  
 BRANCHES:  
 Montreal (St. Jean Baptiste) St. Anne de la Perade Valleyfield  
 " (St. Genevieve) Edmonton, N.W.T. Fraserville  
 " (St. Henri) Quebec (St. Saviour) Hull, P.Q.  
 " (Rue Ontario) " (St. John St.) St. Hyacinthe  
 Beauharnois, P.Q. Victoriaville  
 SAVINGS DEPARTMENTS AT HEAD OFFICE AND BRANCHES  
 FOREIGN AGENTS:  
 LONDON, ENGLAND. Credit Lyonnais  
 Comptoir National d'Escompte de Paris.  
 PARIS, FRANCE. Credit Lyonnais.  
 Comptoir National d'Escompte de Paris.  
 NEW YORK, The Bank of America.  
 " The National Bank of the Republic.  
 BOSTON, MASS. The Merchants National Bank.  
 " The National Bank of the Commonwealth  
 " The National Bank of the Republic.  
 CHICAGO, ILL. Bank of Montreal.  
 Letters of Credit for travellers, etc., etc., issued and available on all parts of the world. Collections made in all parts of the Dominion.

**THE CANADIAN BANK OF COMMERCE**  
 HEAD OFFICE, TORONTO.

Paid-up Capital - - \$6,000,000 Rest - \$1,200,000  
 DIRECTORS.  
 GEO. A. COX, Esq., President. JOHN I. DAVIDSON, Esq., Vice-Pres.  
 W. B. Hamilton, Esq. Matthew Leggat, Esq.  
 Jas. Crathern, Esq. Robt. Kilgour, Esq.  
 John Hoskin, Q.C., LL.D.  
 B. E. WALKER, General Manager. J. H. PLUMMER, Ass't Gen. Manager.  
 A. H. IRELAND, Inspector. G. H. MELDRUM, Ass't Inspector.  
 New York—Alox. Laird and Wm. Gray, Agents.  
 TORONTO—Head Office: 19-25 King Street West. City Branches: 712 Queen Street East, 450 Yonge Street, 791 Yonge Street, 286 College Street, 541 Queen Street West, 399 Parliament Street, 163 King St. East.  
 BRANCHES.  

Ayr	Collingwood	Montreal	S. Ste. Marie	Walkerville
Barrie	Dundas	Orangeville	Seaforth	Waterford
Bellefleur	Dunnville	Ottawa	Simcoo	Waterloo
Berlin	Galt	Paris	Stratford	Windsor
Blenheim	Godorich	Parkhill	Strathroy	Woodstock
Brantford	Guelph	Peterboro'	Thorold	Winnipeg
Cayuga	Hamilton	St. Catharines	Toronto Jct.	
Chatham	London	Sarnia	Walkerton	

Montreal Branch—Main Office, 157 St. James St.,  
 A. M. Crombie, Manager, J. L. Harcourt, Asst. Manager. City Branches: 19 Chaboillez Square, and 276 St. Lawrence Street.

BANKERS AND CORRESPONDENTS.  
 GREAT BRITAIN—The Bank of Scotland.  
 GERMANY—Deutsche Bank.  
 INDIA, CHINA and JAPAN—The Chartered Bank of India, Australia and China.  
 PARIS, FRANCE—Lazard Freres & Co.  
 AUSTRALIA and NEW ZEALAND—Union Bank of Australia.  
 BRUSSELS, BELGIUM—J. Mathieu & Fils.  
 NEW YORK—The American Exchange National Bank of New York.  
 SAN FRANCISCO—The Bank of British Columbia.  
 CHICAGO—The American Exchange National Bank of Chicago.  
 BRITISH COLUMBIA—The Bank of British Columbia.  
 HAMILTON, BERMUDA—The Bank of Bermuda.  
 KINGSTON, JAMAICA—Bank of Nova Scotia.  
 DULUTH—First National Bank.  
 Commercial Credits issued for use in all parts of the world. Exceptional facilities for this class of business in Europe, the East and West Indies, China, Japan, South America, Australia, and New Zealand.

Travellers Circular Letters of Credit issued for use in all parts of the World.

**THE CANADA LIFE Assurance Company**

Head Office, Hamilton, Ont.

Established 1847

CAPITAL and FUNDS over \$16,300,000  
 ANNUAL INCOME over \$2,700,000

Sum Assured over \$70,500,000

President, A. G. Ramsay. Secretary, R. Hills.  
 Superintendent, W. T. Ramsay.

**THE MOLSONS BANK.**

INCORPORATED BY ACT OF PARLIAMENT, 1855.

Paid-up Capital . . . . . \$2,000,000  
 Rest Fund . . . . . 1,375,000

HEAD OFFICE, MONTREAL.

BOARD OF DIRECTORS:

JOHN H. R. MOLSON, President. S. H. EWING, Vice President.  
 HENRY ARCHIBALD. W. M. RAMSAY.  
 W. M. MACPHERSON. SAMUEL FINLEY.  
 J. P. CLEGGHORN.  
 F. WOLFFERTAN THOMAS, Gen. Manager. A. D. DURNFORD, Insp.  
 H. LOCKWOOD, Asst. Insp.

BRANCHES.

Aylmer, Ont.,	Meaford,	Owen Sound,	Tronton,
Brackville,	Montreal.	Ridgewood,	Waterloo, Ont.,
Calgary, N.W.T.,	" St. Cathar.	Smith's Falls,	Winnipeg,
Clinton,	MoSt. Branch.	Sorel, P.Q.,	Woodstock, Ont.
Exeter,	Morrisburg,	St. Thomas, Ont,	
Hamilton,	Norwich,	Toronto,	
London,	Ottawa,	Toronto Junction,	

AGENTS IN CANADA—Quebec—Eastern Townships Bank. Ontario—Dominion Bank, Imperial Bank, Bank of Commerce. New Brunswick—Bank of N.B. Nova Scotia—Halifax Banking Co's. Prince Edward Island—Merchants' Bank of P.E.I., Summers' Bank. British Columbia—Bank of B.C. Manitoba—Imperial Bank. Newfoundland—Commercial Bank. St. Johns.

AGENTS IN EUROPE—London—Pariss Banking Co., and the Alliance Bank Ltd., Cavan, Mills, Currie & Co., Morton Ross & Co., Liverpool—Bank of Liverpool. Cork—Munster and Limerick Bank, Ltd. Paris—Credit Lyonnais. Berlin—Deutsche Bank. Antwerp, Belgium—La Banque d'Anvers. Hamburg—Hesse, Newman & Co.

AGENTS IN THE UNITED STATES.—New York Mechanics' Nat. Bank, W. Watson and R. Y. Hebdien, agents; Bank of Montreal, Morton, Bliss & Co., National City Bank, Boston—State Nat. Bank, Portland—C. Co. Nat. Bank, Chicago—First National Bank, Cleveland—Commercial Nat. Bank, Detroit—Commercial Nat. Bank, Buffalo—The City Bank, San Francisco—Bank of British Columbia, Milwaukee—The Wisconsin National Bank, Butte, Montana—North Western National Bank, Great Falls, Montana—First National Bank, Toledo—Second National Bank, Minneapolis—First 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.

# SUN INSURANCE OFFICE,

FOUNDED A.D. 1710.

HEAD OFFICE:

Threadneedle Street. - - London, Eng.

Transacts Fire business only, and is the oldest purely fire office in the world. Surplus over capital and all liabilities exceeds \$7,000,000.

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.

## Ontario Mutual Life

Head Office, WATERLOO, Ont.

As at December 31st, 1895.

1894—Total Assets.....	\$2,866,559.89	1895—Int rest Income..	\$ 141,916.50
1895— " ".....	3,136,012.05	INCREASE.....	\$ 12,658.56
INCREASE.....	\$ 269,452.16	1894—Actual Death Losses	\$ 138,757.00
1894—Reserve.....	\$2,600,000.00	1895— " ".....	130,781.00
1895— " ".....	2,933,283.00	DECREASE.....	\$ 7,976.00
INCREASE.....	\$ 366,723.00	1894—Total Expenses..	\$ 117,459.25
1894—Total Income.....	\$ 659,389.52	1895— " ".....	116,701.39
1895— " ".....	733,079.74	DECREASE.....	\$ 957.86
INCREASE.....	\$ 73,690.22	1894—Ratio of Expenses	to Income.....17.79 per c.
1894—Premium Income..	\$ 627,131.18	1895—Ratio of Expenses	to Income.....15.81
1895— " ".....	690,162.84	DECREASE.....	1.85 per c.
INCREASE.....	\$ 63,031.66		
1894—Interest Income..	\$ 132,558.34		

Surplus on 4 per cent. basis..... \$196,735.66  
 " " 4 1/2 " " Gov't basis. 315,000.00

NET RESULTS OF 1895:

PROGRESS—In all items that pertain to growth and solidity.  
 RETRENCHMENT—An actual decrease in items of loss and expense.

L. E. ROWMAN, M.P., President. C. M. TAYLOR, Vice-President.  
 W. H. RIDDELL, Secretary. Wm. HENDRY, Manager.

Total Funds in Hand over \$18,000,000

Head Office for 507E DANE STREET.

Canada: INCORPORATED BY Montreal ROYAL CHARTER

## The London Assurance

A.D. 1720

Upwards of 175 Years Old

E. A. LILLY, Manager

## NORTHERN

Assurance Company of London.

ESTABLISHED 1836.

Capital and Funds, \$36,465,000. Revenue, \$5,545,000  
 Dominion Deposit, \$200,000.

CANADIAN BRANCH OFFICE:

1724 Notre Dame Street, - Montreal.

ROBERT W. TYRE, Manager.

G. E. MOBERLEY, Inspector.

## PROVIDENT SAVINGS LIFE ASSURANCE SOCIETY

OF NEW YORK.

CHARLES E. WILLARD, President.

ESTABLISHED 1875.

Income in 1894.....	\$2,249,398.12
Assets, December 31, 1894.....	1,787,181.85
Liabilities, Actuaries' 4% Valuation.....	960,930.53
Surplus, Actuaries' 4%.....	826,251.32
Policies issued in 1894.....	\$22,114,526.00

Active Agents wanted in every City and County in the Dominion of Canada.

Apply to

R. H. MATSON,

General Manager for Canada.

37 YONGE STREET, TORONTO.

1850

THE

1895

# United States Life Insurance Co.,

IN THE CITY OF NEW YORK.

This old and reliable Company now has the experience of forty-five years of practical Life Insurance, which has taught it that the *sine qua non* of success is the adoption of good plans of insurance, and the pursuit of a liberal policy towards both its Insured and its Agents. These essentials it possesses in an eminent degree, but judiciously tempered by that conservatism which is the best possible safeguard of the policy-holder. Its contracts are incontestable after two years. They are non-forfeiting, providing generally for either paid up policy or extended insurance, at the option of the policy-holder. It gives ten days of grace in payment of all premiums. Its course during the past forty-five years abundantly demonstrates its absolute security.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the Home Office, 261 Broadway, New York.

OFFICERS:

GEORGE H. BURFORD,	President.
C. P. FRALEIGH,	Secretary.
A. WHEELWRIGHT,	Assistant Secretary.
WM. T. STANDEN,	Actuary.
ARTHUR C. PERRY,	Cashier.
JOHN P. MUNN,	Medical Director.

FINANCE COMMITTEE:

GEO. G. WILLIAMS,	Pres. Chem. Nat. Bank.
JOHN J. TUCKER,	Builder.
E. H. PERKINS, JR.,	Pres. Importers' and Traders' Nat. Bank
JAMES R. PLUM,	Leather

**AGENTS DIRECTORY**

**R. C. LEVESCONTE**  
 Barrister, Solicitor, Notary, etc.,

THE MCKINNON BUILDING,  
 TELEPHONE 63, COR. JORDAN & MELINDA STS.  
 CABLE, "LEVESCONTE" TORONTO. TORONTO.

**MCCARTHY, OSLER, HOSKIN & CREELMAN,**  
 Barristers, Solicitors, Etc.  
 Freehold Buildings, - - Victoria Street,  
 TORONTO.

D'Alton McCarthy, Q.C., B. B. Osler, Q.C., John Hoskin, Q.C., LL.D.,  
 Adam R. Creelman, Q.C., F. W. Harcourt, W. B. Raymond,  
 W. M. Douglas, H. S. Osler, Leighton G. McCarthy.

**MUNTZ & BEATTY,**  
 GENERAL AGENTS,

**CALEDONIAN Ins. Co'y.**  
**QUEEN Ins. Co'y.**  
 TORONTO, 15 Toronto Street

**MEDLAND & JONES**  
 GENERAL INSURANCE AGENTS.

REPRESENTING  
 SCOTTISH UNION & NATIONAL INSURANCE CO.  
 GUARANTEE COMPANY OF NORTH AMERICA.  
 INSURANCE COMPANY OF NORTH AMERICA.  
 CANADA ACCIDENT ASSURANCE CO.  
 Tel. 1067. Offices: { Mall Building,  
 Corner KING and BAY STREETS, TORONTO.

**C. W. ROCHELEAU,**  
 General Insurance Agent,  
 THREE RIVERS, P.Q.

**H. D. P. ARMSTRONG,**  
 GENERAL AGENT  
**Gurdiann Assurance Co.,**  
**TORONTO.**

**WALTER I. JOSEPH**  
 MANAGER,  
 Western District, Province of  
 Quebec, for  
**Union Mutual Life Insurance Co.,**  
 Office: 162 St. James Street,  
 Telephone 2365. MONTREAL.

(J. A. FRIGON) (S. MARCHAND).  
**FRIGON & MARCHAND,**  
 General Insurance Agents  
 THREE RIVERS, P.Q.

**W. H. GODWIN,**  
 General Agent  
 Guardian Assurance Co.,  
 London Assurance Corp'n.  
 Agricultural, of Watertown  
 British America Assurance Co.  
 KINGSTON, ONT.  
 Agricultural adjustments a specialty.

**EDWIN P. PEARSON,**  
 AGENT  
 Northern Assurance Company,  
 AND  
 Connecticut Insurance Comp'ny.  
 OFFICES,  
 17 Adelaide St. East, TORONTO

**NAPOLEON PICARD,**  
 Insurance Agent,  
 1731 Notre Dame St.  
**Montreal.**

**E. A. SELWYN,**  
 Insurance & Loan Agent,  
 REPRESENTING  
 Northern Assurance Company,  
 Insurance Co. of North America,  
 Mercantile Fire Insurance Co.  
 of Waterloo.  
 Lloyd's Plate Glass Co., New York.  
 Globe Saving & Loan Co.  
 106 Sparks Street, OTTAWA.

**D. MONROE,**  
 General Agent for  
 ROYAL AND OTHER BRITISH  
 INSURANCE COMPANIES  
 CORNWALL, ONT.

**GEORGE McMURRICH,**  
 Fire and Marine Insurance Agent,  
 AGENT  
 Alliance Assurance Company,  
 OFFICES:  
 No. 34 YONGE STREET,  
 TORONTO.

**GEO. C. REIFFENSTEIN,**  
 AGENT  
 Hand-in-Hand Insurance Company.  
 Fire and Plate Glass.  
 Mutual and Stock Principles  
 160 Canal St., OTTAWA.

**G. H. ALLEN**  
 INSPECTOR  
 Standard Life Assurance Co.,  
 KINGSTON, ONT.

**GEORGE J. PYKE,**  
 GENERAL AGENT FOR ONTARIO  
 OF THE  
 Quebec Fire Assurance Company,  
**TORONTO.**

**PERCY R. GAULT,**  
 Special Agent,  
 Royal Insurance Co.  
 MONTREAL.

**EDWARD McMAHON,**  
 Agent at Ottawa.  
 Sun Fire Insurance Office,  
 OF LONDON, ENG.  
 OFFICE:  
 26 SPARKS STREET,  
 Russell House Block. OTTAWA.

**F. F. MACNAB,**  
 General Insurance Agent,  
 ARNPRIOR, ONT.

ESTABLISHED 1865.  
**W. F. FINDLAY,**  
 Chartered Accountant,  
 Adjuster of Fire Losses  
 47 St. James St. South,  
 HAMILTON, ONT.

**G. H. WEATHERHEAD,**  
 General Insurance Agent,  
 Representing the Leading English and  
 Canadian Fire Insurance Co's.  
 Also Agent for the  
 Sun Life Assurance Company and  
 Manager  
 BROCKVILLE LOAN & SAVINGS CO  
 BROCKVILLE, Ont.

**J. W. H. HOLTBY,**  
 General Insurance Agent,  
 REPRESENTING  
 Queen; Aetna; Western; British America;  
 London Assurance; Waterloo;  
 Federal Life and London Guarantee  
 and Accident Co.  
 BRAMPTON, Ont.

**KIRBY & COLGATE,**  
**WINNIPEG.**  
 General Agents for Manitoba and  
 the N. W. Terr. of the following  
 Companies,  
 British Empire Mutual Life Assurance Co.  
 Caledonian Insurance Co. of Edinburgh  
 Connecticut Fire Insurance Co.  
 Manchester Fire Assurance Company.  
 North British & Mercantile Insurance Co.  
 Norwich Union Fire Insurance Society,  
 American Surety Co.  
 British America (Marine) Assurance Co.  
 Canada Accident Assurance Co.

**J. F. RUTTAN,**  
 Real Estate and  
 Fire Insurance  
 PORT ARTHUR and FORT  
 WILLIAM.  
 P.O. Address: Port Arthur, Ont.

**WALTER KAVANAGH,**  
 CHIEF AGENT  
 SCOTTISH UNION & NATIONAL INSURANCE CO. of Edinburgh,  
 GENERAL AGENT FOR THE PROVINCE OF QUEBEC,  
 NORWICH UNION FIRE INSURANCE SOCIETY,  
 117 St. Francois Xavier Street, MONTREAL.

**BAMFORD & CARSON**  
 General Insurance Agents and Brokers,  
 REPRESENTING  
**LANCASHIRE FIRE INS. CO.**  
 SUN FIRE OFFICE.  
 Offices:  
 Temple Building, 183 St. James St., MONTREAL

ESTABLISHED 1809.

TOTAL FUNDS EXCEED  
\$60,614,635.00

Canadian Investments  
\$5,297,598.00

FIRE & LIFE

# NORTH BRITISH AND MERCANTILE

INSURANCE CO.

Directors, { HENRI BARBEAU, Esq.  
W. W. OGILVIE, Esq.  
ARCH'D MACNIDER, Esq.

HEAD OFFICE FOR THE DOMINION: 72 ST. FRANCOIS XAVIER STREET, MONTREAL.

Agents in all Cities and Principal Towns in Canada.

THOMAS DAVIDSON.  
Managing Director.

ESTABLISHED 1825.

## Standard Life Assurance Company OF EDINBURGH, SCOTLAND.

HEAD OFFICE FOR CANADA, MONTREAL.

INVESTED FUNDS, .....	\$39,500,000
INVESTMENTS IN CANADA, .....	11,300,000
DEPOSITED WITH CANADIAN GOVERNMENT, over .....	3,000,000

Low Rates, Absolute Security, Unconditional Policies.  
Claims settled immediately on proof of death and title.

No delays.

J. HUTTON BALFOUR,  
Superintendent.

W. M. RAMSAY.  
Manager for Canada.

# THE ALLIANCE Assurance Company

# The Insurance & Finance Chronicle.

Vol. XVI.

MONTREAL, JUNE 1, 1896.

No. 11.

## THE Insurance and Finance Chronicle

Published on the 1st and 15th of each month.

AT 1724 NOTRE DAME ST., MONTREAL.

R. WILSON SMITH, Proprietor.

Annual Subscription (in Advance) . . . . . \$2.00  
Prices for Advertisements on application

All Communications intended for THE CHRONICLE must be in hand not later than the 10th and 25th of the month to secure insertion.

Scripture and  
Life Insurance.

A CONTEMPORARY points out how inconsistent are those who use the text "take no thought for the morrow" as an excuse for not having their lives insured. Such persons take thought of the morrow in all business matters; indeed as society is now organized forethought not for the morrow but a length of time ahead has become an absolute necessity and duty. It points out that a corrected reading is, "Be not anxious for the morrow," the true meaning being, be not distrustful of God's Providence. This is manifest enough from other inspired sayings such as "Go to the ant, thou sluggard," "Lay up treasures in Heaven," which involve continuous thought of the exigences of the future. But a text more directly bearing upon the duty of life assurance, which indeed reaches close upon a divine command in its favor, is this, "whoso careth not for his own, especially they of his own household, hath denied the faith and is more than an infidel." Now no man can claim to have shown reasonable care for his own family, for his wife and children, until he has taken care of their welfare in the event of his own removal by death. The only release from this obligation can be claimed on the ground of absolute incapacity to make provision for the event. Whoso then careth not for his own sufficiently to protect them from the distress, the poverty, and the want, which he knows may befall them any moment, falls, we submit, under the Divine censure of being worse than an infidel, for even those who are not Christians are often humane enough to care for the future protection of their "own" from the terrible calamities liable to afflict a bereaved family. As to the excuse of not being anxious for the morrow, it is a dishonorable plea. A man, who is indeed a man in brain and heart, is instinctively anxious for his family's morrow, every day, and if he has

insured his life to protect them, he has done much to remove a just cause of anxiety, having done his duty he can then, and then only, with honor and justice, leave the future in the hands of Providence. Life assurance has a strong ally in inspired teaching.

The Czar's  
Coronation.

THE daily papers have given us a series of descriptions of ceremonies and functions incident to the crowning of the Czar of Russia such as must have satisfied the most rapacious appetite for that class of literature. No one cognisant of the condition of the vast mass of the people in Russia, and of the moral or immoral ideas prevalent in official circles, can have read these descriptions without feeling some repulsion at such magnificent ceremonials being observed over the mere coronation of the ruler of a country so far in the rear of civilisation. The very gorgeousness indeed of the displays of barbaric splendour made in Moscow was only possible in a land which is not in line with modern civilisation. The show of jewels, and of other similar signs of wealth, was, to some extent, no doubt intended to strike the imagination of oriental visitors, who would be awed by the glitter and pomp. All this display reminds us of the shimmer of phosphorescent lights on stagnant and polluted water. The mass of the Russian people can neither read nor write, nor have any knowledge of what is passing outside their village communities. The practice of bribing officials of all ranks is a recognised institution in Russia. Public life is practically unknown, political meetings being banned by law, and private ones even of commercial bodies, being subject to police espionage, as are all newspapers, native and foreign, and newspaper editors are very especially looked after. The land is honeycombed with atheism and political conspiracy. The Russian throne is usually a step to a violent death. The lack of humanity in the present Czar was painfully shown by his direct opposition to the efforts of other European powers to stop the massacres in Armenia. Had he even stood neutral those wholesale murders would have been prevented, as the Sultan would have been compelled to protect his Christian subjects from outrage. It was not agreeable, however, for the Czar to have the power of England, France and Germany exhibited so near his own domains, hence he

interfered to shield the Sultan, and toward off protection from the Armenian victims of Turkish slaughterers. Reading of the magnificent ceremony of his self-crowning, the mind turned away to reflect upon the horrible, story of Armenian massacres, for which the Czar is responsible, and the ceremonies and the gilt we concluded to be the outcome and expression of that barbarism which still blights the Russian Empire. Still we say long live the Czar! may he live long enough to realise his responsibilities as a Christian monarch, and immortalise himself by raising his country to the same plane of civilisation as that occupied by England, and other Christian nations. He will then have a crown so brilliant as to make his diamonds dull and worthless in comparison.

**Life Assurance Statistics.**

The *Spectator* gives a table showing the business and results of fifty-four American life assurance companies from their commencement to close of 1895. The total insurance issued by those companies from organization to above date was \$14,554,297,668. To help in forming an idea of the magnitude of these figures we may use this illustration. Suppose that sum were provided in dollar bills, and they were placed end on end, their length would make a ribbon long enough to go round the Globe sixty times. If distributed amongst the people of Canada, the above sum would furnish every family in this country with \$17,668. The death claims paid aggregated \$930,530,167, and endowment and annuities paid were \$184,507,945. The present number of policies now in force issued by the fifty-four American companies is 1,940,824, the amount in force is \$4,931,458,926. Their total assets were \$1,162,164,675, and surplus on 4 per cent. standard \$163,675,007. The enormity of these figures makes their realization impossible, we seem in reading them to be in the same region of vastness which staggers the imagination as when studying astronomical statistics. No one can read of 930 millions having been paid to the widows, families and other heirs of deceased persons who were policyholders, without being profoundly impressed with the incalculable benefits conferred on the whole community by the system of life assurance.

**Two Life Assurance Evils**

The general manager of a Canadian life assurance company is reported by the *Insurance Times* to have written a letter, not for publication, in which he speaks of certain "evils attending the prosecution of the life insurance business, requiring immediate attention." The general manager writes, "Of these the greatest is, to my mind, the misrepresentations by agents of the results of policies. Some apparently will do or say anything to secure business. Generally the life companies are too ready, I think, to employ anybody who can write business, and tacitly tolerate agents' misrepresentations, if in some instances they do not encourage them." Another evil he deprecates is the obscure wording of insurance documents, of which he thinks the public will get tired sooner than some think. An contemporary remarks, "Here, in the States, the agent expects a little misrepresentation on

the part of competing agents, although he makes it a point not to use any himself." As to alleged obscurity in the wording of documents, the *Times* is very sarcastic, sayings: "As for giving policies names that mean something, or not naming them at all, and making them clearer, that is unnecessary, as many of them already are as clear—as mud." Our esteemed contemporary should have given the companies some suggestions as to more intelligible names for policies, and have stated the points in them that are obscurely worded, with corrections of their defective phraseology.

**Fire Loss Statistics.**

The fire losses of four European cities compared with their population are officially stated to be as follows for 1890, the latest year of which complete returns are available:—

	Population.	Losses.	Loss per head.
Paris.....	\$2,424,000	\$1,845,000	76 cts.
Berlin.....	1,553,000	348,000	23 "
St. Petersburg.....	580,000	146,000	25 1/2 "
Dublin.....	234,000	50,000	20 "
Average, about....			50 "

In New York the losses showed an average of \$2.81 per head. Superintendent McCall, in reference to the high percentage of losses, reports: "The eagerness to supply a \$5000 policy on a \$4,000 risk is more than matched by the willingness of the owner to sustain a loss at the agent's value of the insured property." The Superintendent gives the following summary showing premiums received and losses paid with loss percentage of all the companies doing fire insurance business since organization:—

	Premiums.	Losses.	Percentage
New York companies.....	\$376,993,698	\$194,169,939	51.05
Other U. S. companies.....	572,094,882	313,782,778	61.03
Foreign companies.....	193,964,020	114,171,290	59.02
Losses to premiums.....			57.04
The average of expenses is..			33.00

The average loss per head by fire in six of the largest cities of the United States is estimated at \$2.80 yearly, while cities of the some rank in Europe have a per capita fire loss of about 50 cents.

**What is meant by "cheap money."**

A CONTEMPORARY says: "Money is becoming a very cheap commodity, and yet people are working themselves into the grave to secure it." This is carrying the conventional phrase "cheap money" too far. Money itself is not spoken of in the current phrases indicating its market value. What is meant by "cheap money" is that, the temporary use of money is to be had at a low price, in other words, that the rate of interest is low. "People are working themselves into the grave to secure" the ownership of money, not its use for a brief term. It is refreshing in those days when such fantastic ideas are entertained in regard to the nature of money, and the measures which might be adopted to manufacture it so as to give everybody a good supply, to see the Investigator speak of money as a "commodity," a clear grasp of which fact would dissipate the silver craze as a fog is by a brisk breeze. Although money is plentiful enough to exceed the demand, hence its cheapness, its absolute ownership is far more difficult to secure than when it was less abundant in comparison to the demand.



**THE TREND OF LIFE INSURANCE  
IN THE UNITED STATES.**

With the advent of the official report of the New York Insurance Department for 1895 on the business of life insurance, and which includes all the principal companies doing business in the United States, we are able to make comparisons with former years and to see the trend of the business. Considered in its various aspects there is much which is encouraging, though big commissions still hold first place and big expenses generally still prevail. The tendency, however, even in this regard, are apparently for the better, while the discarding of the absurd fiction of reporting as new business a lot of "not taken" insurance by two of the largest companies is a move in the right direction. The enormous percentage of lapses in the past, while still large, has materially decreased, indicating a better class of business, obtained through more rational methods. In order to show what the record of the past ten years has been as to lapses and surrendered policies we append the following table, compiled from the New York Report :

YEAR.	Insur. Issued and paid for.	Death Claims and Endowments Paid	Ratio	Lapses and Surrenders.	Ratio
1886...	\$383,307,479	\$36,166,115	9.4	\$125,930,415	32.8
1887...	449,183,591	39,786,526	8.9	139,756,409	31.1
1888...	530,275,309	46,019,376	8.6	175,106,798	33.2
1889...	652,949,993	47,344,175	7.2	195,894,742	30.0
1890...	723,193,701	53,599,310	7.4	238,998,293	33.0
1891...	750,419,332	56,438,525	7.4	326,582,068	43.6
1892...	782,903,037	64,167,295	8.3	354,27,689	45.2
1893...	836,257,708	67,279,402	7.3	402,290,996	48.0
1894...	751,193,495	66,639,649	8.8	470,140,564	62.5
1895...	708,617,750	72,589,253	9.4	417,791,290	54.3
Totals..	6,683,306,395	550,029,426	8.3	2,846,978,274	42.9

From the above it will readily appear that since 1890 the lapses and surrenders have steadily increased until 1895, when, as compared with 1894, there was a considerable decrease—something over eight per cent. of the insurance issued and paid for. From 1886 to 1894 the lapse and surrender ratio combined had almost doubled, the lapse ratio, considered by itself, having more than doubled, for in 1886 it was 21 per cent. of the insurance issued and taken, while in 1894 it had gone up to 44.4. In 1895 the lapses alone were 36.8 of the insurance, an improvement of 7.6 over the previous year. The surrenders showed a decrease of about two-thirds of one per cent. It will be noticed that the terminations from deaths and matured endowments were slightly increased in 1895, though only a little above the average for the ten years, and exactly the same as in 1886. The terminations from "expiry" and "change" were \$66,326,160 in 1895, or 11.9 per cent. of the total terminations. In order to further show the comparison on the basis of terminations for the two years past, we may summarize as follows :

	Total Terminations.	Deaths and End., per cent.	Lapses, per cent.	Surrenders, per cent.	Expiry and Change, per cent.
1894	\$603,312,685	11.04	55.37	22.56	11.03
1895	556,706,703	13.04	50.81	24.25	11.90

It will be seen that the total terminations in 1895

were \$4,663,982 less than in the preceding year, although the insurance issued was more by \$17,424,255, and of course the amount of insurance in force was considerably larger than in 1894. We have seen that terminations from deaths and endowments were proportionately larger last year than for several former years, and that, as compared with 1894, expiry and change together show practically the same ratio. Surrenders increased nearly one and three fourths per cent., and yet the gain in insurance in force was a good deal larger proportionately than in 1894. We find that after deducting all terminations from insurance issued and taken, the net gain for 1895 was \$211,911,047, while in 1894 it was only \$147,886,810. This more favorable showing for the former year is due to a lower lapse ratio, as above shown. In 1895, on an increased amount of insurance issued, the lapses were \$51,279,773 less than in 1894. We interpret this fact as indicating the beginning of a more conservative policy on the part of the American companies, which for some time past have indulged in methods which to a good extent have sacrificed every interest to the one consideration of volume in new business. The official reports show that during the past two years, and notably last year, there was a decided falling off in new insurance actually issued on the part of those companies which have in the past been famous contestants for first place as business-getters, a state of affairs that we chronicle with great pleasure. We have repeatedly pointed out in these columns during the past five years and more the mischievous tendencies of the high pressure, big commission methods which have prevailed in life insurance, and have demonstrated that the enormous lapse ratio and the mania for "big business" necessarily stand in the relation to each other of cause and effect. Under the stimulus of before unheard of commissions and bonuses, an army of agents in the field, backed by cartloads of showy literature, including "estimates" of results to the policyholder as seductive as a mining prospectus, have, by combined persuasion and rebating, induced thousands of men to insure for large amounts as "a flyer," a large percentage of whom never intended to pay a renewal premium. Other thousands have been persuaded to take policies double their ability to carry permanently, as the agents well knew, but the business all counted for a big commission aggregate or a fabulous bonus. A permanent interest in the persistence of the policyholder through an extended renewal commission to the agent has come to be the exception where once it was the rule. The natural result was just such as ought to have been expected, and reached its most striking phase in 1894, when, with legitimate terminations of insurance (from deaths, endowments, expiry and change) amounting to a little more than \$133,000,000, the companies only saved on the books less than \$148,000,000 out of more than \$751,000,000 issued and taken. All the rest went off by lapse and surrender. We believe, however, that the day of padded new business returns, of buying policyholders with rebates, and of methods which belong only to the traveling showman, has passed. The practical aban-

donment of the tontine feature lately by its chief exponents, and the advertisement of policy forms which give straight life insurance, non-forfeitable and understandable, together with the announcement of conservative methods generally, in addition to the improved condition already apparent from the 1895 reports, as above indicated, constitute the grounds for our belief. There is still abundant room for improvement in the management of the business, but we believe that it will gradually come.

#### THE MUTUAL RESERVE FUND LIFE ASSOCIATION.

The reserve fund of a life assurance company to be in a healthy condition must be enlarging as the claims for which it is reserved gradually increase in amount, and the period in which they mature shortens. The inevitable effluxion of time brings the two latter conditions. As the average age of a company's policy-holders increases, the death claims increase in an ascending ratio, and the average period in which the whole of the claims will mature proportionately decreases. The average interval before maturity, if the basis of the company is sound, will be amply long enough to provide all the funds necessary for meeting all the claims that are liable to mature in that interval. A serious condition then arises when the reserve fund shows signs of decreasing while the necessity for its increasing is growing year after year. Nothing could be more clearly demonstrative of a company's basis being unsound than its reserve falling off, while the amount of its contingent claims is being enlarged. The *Underwriters Review* calls attention to the Mutual Reserve Fund Life Association making a desperate effort to persuade the public into believing that its affairs are in a satisfactory state. Not one dollar has been carried to the reserve fund since June, 1895. On the contrary, in the Association's bi-monthly statement, dated July 19, 1895, printed in connection with Call 81, the total cash and invested reserve is given as \$5,928,479. In the statement for January 17, 1896, the reserve is stated as \$3,435,025, showing a depletion of the reserve fund in less than six months of \$493,453. We may fairly suppose there were some special circumstances at work to cause so serious a reduction in the reserve. Whatever they were, they need to be met, or the entire reserve will be wiped out in three or four years. It seems evident from this, that the increase made in the assessments of those who had become members previous to 1890 was not sufficient to stop the drain caused by the increasing death claims. Another unpromising condition is pointed out. The new business accepted in 1895 amounted to 60 millions, but the increase in 1895, as shown by the statements, was only \$15,293,265. This gives a lapse ratio of 74.50 per cent.—that is, the Association was charged with the expenses of acquitting sixty millions of new business, of which it lost nearly forty-five millions in course of the first year. The position of the Mutual Reserve is one which is causing anxiety to many who are interested in its fortunes.

#### MORTALITY FROM CASUALTIES.

Dr. Marsh, medical director of the Mutual Life, has compiled an elaborate statement relating to the mortality from casualties, deaths from which inflict unexpected and serious losses on life assurance companies. Comparisons with earlier years in this connection cannot be made with accuracy until those are reached during which the life assurance companies were operating on a scale large enough and wide enough to afford reliable data for comparisons of one period with others. The element of locality, though not alluded to, in such matters is an important one. Railway accidents, drowning, and other casualties are much more frequent in some localities than they are in others. It is therefore not feasible to draw out any general average results from the statistics relating to mortality from casualties, the averages must be localized to have any approach to accuracy. Take for instance the cities built on the shores of lakes or bays which are liable to be storm swept suddenly, but which are very popular resorts for boating parties, in such places the number of drowning casualties will exceed those of a number of other localities where such danger does not exist. So with building trade accidents, they will be numerous where constructive work is being extensively carried on, and few or none where the trade is stagnant. A year of hard times will also reduce those casualties, and so vitiate comparisons with other years.

Dr. Marsh gives the following analysis of 759 deaths from casualty between 1884 and 1893:

Railway accidents.....	120	Heat, cold, etc.....	35
Falls and falling bodies..	119	Burns and scalds....	31
Drowning.....	118	Machinery.....	25
Horse and wagon, etc....	84	Unclassified.....	31
Homicide.....	76		
Firearms.....	72	Total.....	759
Poisons.....	48		

Out of 17,375 deaths from all causes, those from casualties were 4.37 per cent. Classified according to ages, we find the percentages to be as follows, worked out from Dr. Marsh's data:

Ages.	Total deaths.	Total casualties.	Percentage of casualties.
20 to 29	757	82	10.42
30 to 39	2,112	168	7.95
40 to 49	2,941	198	6.05
50 to 59	4,064	169	4.15
60 to 69	4,312	97	2.25
70 and over	3,159	45	1.42

The ages during which the largest number of railway accidents to passengers occur are those from 30 to 39, a natural result of the greater activity as travellers of persons of those years. The years in which the accidents are most numerous from trains at crossings are those from 50 to 70, most of which arise from running imprudent risks. Of the 120 deaths from railway accidents, 11 per cent occurred among employees of the road. The data given by Dr. Marsh shows the great hazard of this class, over 40 per cent. of their insurance having become claims in less than 10 years. The short period in which the policies run of homicidal victims is very remarkable, no less than 80 per cent. having become claims in from 1 to 5 years. The moral hazard seems to have been overlooked in most of these cases as their violent deaths arose from their vicious lives.

Since 1873 the proportion of homicides to total casualties has risen from 5 to 10 per cent., the total number having enormously increased. The percentage of deaths from casualties from 1844 to 1873 was 6.66, and from 1884 to 1893 4.37. This reduction was chiefly owing to the greater safety in railway and steamboat travelling, the risks of which have been brought down to a minimum. It is thought too that more care is now taken to obviate the dangers of machinery, and probably, as the ages of the insured who furnished the data for these comparisons were more advanced, they were more careful in running risks.

The accidents from fire-arms suggest and would amply justify more stringent regulations for their use. The law in Canada in respect to revolvers is now practically a dead letter. Dr. Marsh points out that many hazards are compensated for by their healthfulness, and therefore restraints upon certain sports and amusements which involve risk are not, on the whole, advisable in the interests of life assurance. The pamphlet under notice is interesting, and some of its statistics are curious. The general impression conveyed is, that against a large number of casualties the life assurance companies have no protection. But they are vitally interested in every effort to reduce the risks of travelling, to make our streets safer, to raise the standard of medicine compounders, to enforce more care in building and more zeal in suppressing the indiscriminate use of fire-arms. The chief lesson of such an exhibit of fatal casualties to the public is, the wisdom and urgency of holding an accident policy.

#### LIVERPOOL AND LONDON AND GLOBE INSURANCE COMPANY.

The statement of the above Company for 1895, which will be found on the front page of this issue, is one to which we have especial pleasure in inviting attention.

The Liverpool and London and Globe, as a general rule, presents the bright side of the insurance business for the past year. If this company has done well, it usually follows, that there has been at least a satisfactory year for others; if it has had ill-luck from some unusually severe conditions, then there has been indeed a hard time all round. The company is in such a financial position, and enjoys such a prestige, all over the world, that business comes to it as naturally as steel filings to a magnet. The company stands indeed very often in the reverse position to that so generally occupied by business firms, it is not the solicitor of business, but the chooser of what is offered. Even in so disastrous a year as 1893, which brought losses unprecedented save those by the Chicago fire, the Liverpool and London and Globe managed to secure a fair margin of profit, the expenses being reduced in order to offset the exceptional losses as far as economy would allow. The company has achieved this eminence and financial strength by its whole attention being bent upon acquiring business attractive from its safety, and profitableness, rather than its extent. Hence it has no hesitation in decreasing its premium income when such a restriction is dictated by

the exigences of sound underwriting. Last year, for instance, by selecting risks so cautiously, its premiums were \$75,650 less than in 1894, the result being such a reduction in losses as to bring their ratio to the premiums lower than in any year since 1886, being only 54.7 per cent. the figures were, premiums \$8,015,000 and losses \$4,390,000. The expenses of management were \$1,156,000, commissions \$1,208,000, contributions to fire brigades at home and abroad \$76,630, and taxes to foreign governments \$118,000. After meeting all fire losses, and paying the above expenses and charges, the Company carried \$1,064,380 to Profit and Loss; to which also were placed receipts of \$841,280 for interest on investments. Wholly apart from premiums the Company last year had an income equal to close upon 20 per cent. of its total losses after deducting insurances. Its Canadian investments are very large, but its most valuable one is the unlimited confidence it has inspired in the public mind by its record of 45 years in this Dominion, the honorable character of which is being maintained and enhanced by the sound judgment and skill of Mr. G. F. C. Smith, the Chief Agent and Resident Secretary for Canada.

#### SOUND ADVICE TO MUTUAL FIRE COMPANIES.

The Insurance Superintendent of the State of Illinois has some excellent remarks in his Report for 1895, just to hand, in regard to organizing and conducting mutual fire insurance companies. He would have the law provide that not less than 500 risks should be secured, aggregating at least \$1,000,000, no one of which risks should exceed \$2,000, nor be less than \$500, and the premium for one year be paid for in cash by the subscriber previous to issuing a charter to such company, all applications for risks to be accompanied by the note of the subscriber covering the contingent liability of the applicant, and the same, together with all cash payments, verified by the oaths of the corporators of such company, in such form as prescribed by the Insurance Superintendent. Mutual fire insurance companies should not be permitted to issue a policy covering on any one risk or hazard in excess of five per cent. of its cash assets and contingent liability combined. He deprecates as certain to lead to disaster the issuing of policies for \$5,000 and over, when based on a small capital, and condemns the prevalent evil of incurring heavy expenses. An eagerness to obtain business regardless of results, leads to the payment of excessive commissions and other heavy expenses, and the payment of commissions on gross premiums to the manager or secretary, or whoever passes upon all risks, is an invitation to such person to make a slop bucket of the company, which will soon become water logged under such a policy. It should be strictly forbidden by law. It is one of the unfortunate conditions that exist to-day in all corporations, that directors do not seem to realize that they are trustees appointed by the stockholders or policyholders to look after their interests, and as such trustees have a moral as well as a business duty to perform, in closely looking after the trusts committed to their care. Many of them seem to think that

their duties begin and end when they are inducted into office, and wear the title of director of one or more great corporations as the vain-glorious schoolboy wears a rooster's feather in his hat. "The man who accepts a position of trust should attempt to fill the position to the best of his ability, or resign at once, and if loss should occur through his indifference to his duties, or through his criminal neglect, he should be made personally responsible."

#### CALEDONIAN INSURANCE COMPANY.

The statement of this old and highly reputable company for 1895 we have the pleasure to publish in this issue. Owing to some part of the business having been in a transition state during 1895, it is not feasible to make complete comparisons with the preceding year. The Company has been effecting changes in its United States business, having no longer a joint arrangement with the Niagara Insurance Company, in connection with which a sum of \$20,000 appears in its outlay column. The changes made in order to consolidate its American business, and prune off a number of undesirable risks, led to the premium income being reduced \$468,500, the net amount being \$1,971,000. The guarantee fund and reserves at close of 1895 amounted to \$2,680,000. Besides this large sum there stands \$260,491 as a balance in profit and loss, so that the total funds available amount to \$2,940,761. Besides its premium income it received \$105,920 for interest on investments, which furnish a handsome percentage of the dividend fund, which last year required \$129,000 to pay 24 shillings per share, an increase of 4s. in excess of 1894, and for this very handsome return on the capital there was only \$23,080 taken from the underwriting profits.

The amount of reserves now stands much higher in proportion to unexpired risks than before the changes were made in its United States business. That is, the Caledonian has recently strengthened its position materially, and occupies one which gives its policyholders unexceptional security in ample resources. It can also point to a record of nearly a century during which the Caledonian has stood for reliability, for probity, and business-like methods. The losses in Canada in 1895 were considerably below the average over the whole field occupied by the Company, which speaks well for the management of Mr. Lansing Lewis, the Manager for Canada, in whom the Caledonian has a valuable representative.

#### THE CHICAGO FIRE RECALLED.

An esteemed correspondent asks a number of questions relating to the destruction of Chicago by fire, the lessons of which he considers to have value even after the lapse of so many years. As others share his curiosity and his opinions, we recall the more prominent features of that terrible calamity. The origin of the greatest fire on record is attributed to the upsetting of a lamp in a stable, an incident which has caused hundreds of fires. The local fire brigade must have been seriously defective or the fire could not have spread so extensively. The conflagration raged from the 8th to 10th of October, 1871. In three days about 20,000

houses and buildings were destroyed, a large number of them frame structures. So dangerous were these considered that in 1868 the *Spectator* of New York asked these prophetic questions: "What elements of security are there in a city in which there are next to no walls to prevent the spread of flames, and no supply of water adequate to quench them? Is there any improbability in the supposition that thirty thousand wooden buildings crowded together will some day be burned? What is to hinder Chicago from burning up?" The warning is said to have caused the Imperial and the Queen of Liverpool to cancel all their risks in Chicago. But Chicago had a fire brigade of 196 men, 21 hose carriages, 17 steam engines, a fire patrol, hydrants, telegraph service and a pressure of 50 lbs. of water, which, for its population of 300,000, was fairly adequate, and would have saved the city had there not been so many wooden buildings. Besides these being wholly burnt up, there were over fifteen hundred substantial business structures turned into ashes, or debris, together with vast stores of all kinds of merchandise, clothing, furniture, plate, books, and works of art. The grain destroyed was 1,600,000 bushels, 50,000,000 feet of lumber were burnt, 80,000 tons of coal. A month's supply of the food necessities, the dry goods and other needs of over 300,000 people went up in smoke. The area burnt over measured 2,500 acres, and the total values of the properties destroyed are estimated at from 150 to 300 millions of dollars. In about 60 hours one of the most prosperous, wealthy and largely populated cities in the United States was utterly laid waste, its site, extending over four square miles, being a waste of ashes and desolation.

The amount of insurance effected on the properties burnt at Chicago was never fully ascertained. It was estimated at about 100 millions. A number of small local companies were utterly obliterated, their offices, books, and records, both of the insurers and the insured, being wiped out of existence. Seven of such local companies, doing business only in Chicago, had losses aggregating \$20,300,000, their total assets being \$2,870,000. As the stockholders were all overwhelmed in the common ruin and part of the assets of these concerns were rendered valueless, they make a sorry return to those who had trusted them. But they have left an invaluable legacy for the public benefit by affording so striking an illustration of the danger of relying upon an insurance company whose business is restricted within a narrow area. Besides the local fire insurance companies there were 126 American and 5 British offices whose losses were heavy. The losses of 26 of the American companies exceeded their cash capital, and in some cases swept away nearly all their assets. Hence over 67 suspensions of insurance companies are recorded as immediately following the fire, with losses aggregating about 26 millions. In most cases the impairment of capital caused no loss to policy-holders, and in not a few of them the impairment was promptly made up by new subscriptions. The Massachusetts companies were badly hit, as they had a total loss of \$56,000,000. The aggregate of new capital

raised by the Massachusetts companies was \$12,311,000, and some of the companies were re-organized, paid the losses, and started anew, being aided by the prestige accruing from the payment of old claims. The comments made by the *Review* for November, 1871, on the British companies are interesting reading. "We are happy to say that the English offices come out with flying colors from the dense gloom which has overshadowed the insurance world. The Liverpool and London and Globe assets amount to \$19,295,000 and the life and annuity reserve to \$11,480,000, leaving \$7,815,000 available for fire losses, or nearly three times the reputed losses at Chicago. The North British and Mercantile has a fire reserve of \$3,611,900, and \$1,250,000 capital. Its losses are estimated at \$2,000,000. The Imperial has \$5,250,000 of assets, its losses are about \$150,000. The Royal and Commercial Union losses are very trifling for companies of such strength." The immense losses of the English fire offices were met with a promptitude which produced a profound impression on the American people. Although their losses ran into millions the Illinois agents of the Liverpool and London and Globe and the North British paid every loss as fast as it was possible to adjust them, so also the local agents of the Royal and other companies whose losses were comparatively small.

The British Companies lost an enormous sum of money by the Chicago fire, but they gained an enormous amount of prestige and the unlimited confidence of the American people. In recalling this unparalleled fire we are reminded that in December, 1835, New York lost 648 of its best warehouses, which ruined nearly all

the local insurance companies, in April, 1838, 1158 buildings were burnt in Charleston, in 1845, 1,000 were destroyed in Pittsburg, in July, 1845, 302 of the best stores and houses in New York, again ruining the local companies. In 1848, 1849, 1850, Albany, St. Louis and Philadelphia had each about 400 buildings burnt; in 1851 San Francisco lost 3,000, and later Portland had losses of \$10,000,000. It is a remarkable fact that these conflagrations followed upon a serious reduction of rates, which left the companies very scanty means to meet the losses, and drove many into insolvency.

Naturally on reading of the Chicago and other great city fires the question arises, In what position would the inhabitants of those places been in had they adopted Municipal Insurance? One answer alone is possible, which is, that had they put their trust in such a scheme the disasters which befell them would have been incomparably more crushing, would indeed have left them bereft of their all, without any resources, and without hope or courage to face so fearful a calamity.

What position, too, would Chicago have been in but for those British and American companies whose business is so broadly based, and so distributed, that local losses do not shake their solidity? Chicago rose literally from its ashes by the aid of insurance money drawn from an area wider than this continent. In these days, when the fundamental source of stability of insurance companies is so little understood by many who are endeavoring to revolutionize the whole system a study of the Chicago Fire will be instructive, and corrective of the fallacious ideas upon which the scheme of Municipal insurance is based.

BRITISH AND CANADIAN FIRE COMPANIES IN THE UNITED STATES.

Table showing their business since commencement in the States, and in 1895.

COMPANY.	Total Premiums reserved up to Dec. 31, 1895.	Total Losses up to Dec. 31, 1895.	Per cent. of Premium.	Premiums received during 1895.	Losses, 1895.	Per cent. of Premium.
<b>British Companies.</b>						
Liverpool & London & Globe.....	\$ 104,316,167	\$ 64,749,731	62.1	\$ 5,600,129	\$ 3,130,893	55.9
Royal .....	63,326,506	36,313,713	57.7	4,875,373	2,723,862	54.2
North British & Mercantile.....	43,785,285	29,600,135	67.8	2,268,851	1,364,164	60.2
Commercial Union.....	41,728,774	25,889,874	62.0	2,708,283	1,641,105	60.6
Lancashire .....	28,380,875	18,982,971	66.9	1,896,651	1,113,680	58.7
Imperial.....	23,329,977	15,291,469	65.5	1,169,302	625,670	63.5
Phoenix of London.....	23,305,112	14,649,865	62.7	2,043,397	1,100,125	56.8
London & Lancashire.....	23,819,192	13,815,929	60.5	1,859,007	985,670	53.0
Sun.....	19,404,677	12,089,952	62.3	1,591,465	910,626	57.5
London Assurance.....	17,928,407	10,919,063	60.9	1,211,417	765,958	63.2
Northern.....	16,079,507	10,170,487	63.3	1,241,324	737,119	59.3
Norwich Union.....	16,007,714	9,700,628	60.6	1,525,426	897,984	58.9
Scottish Union & National.....	10,224,775	5,632,247	55.1	1,528,797	809,380	52.9
Lion.....	6,800,162	4,206,242	61.8	538,656	320,965	59.6
Caledonian.....	8,083,997	4,615,362	57.1	1,307,561	986,161	75.4
Manchester.....	7,268,056	4,488,696	61.8	1,524,152	1,019,740	66.9
Palatine.....	8,446,741	4,829,361	57.2	3,045,085	1,733,175	58.3
Union.....	2,423,318	1,007,019	41.5	863,162	385,872	44.7
Atlas.....	1,917,366	1,043,398	54.4	580,840	319,110	54.9
<b>Total British Companies .....</b>	<b>\$465,636,608</b>	<b>\$288,282,142</b>	<b>61.9</b>	<b>\$37,376,378</b>	<b>\$21,631,259</b>	<b>57.9</b>
<b>Canadian Companies.</b>						
British America.....	12,962,400	\$ 8,335,162	64.3	1,172,149	739,772	63.0
Western.....	21,850,351	14,526,075	67.3	1,819,822	1,164,423	64.0
<b>Total Canadian Companies .....</b>	<b>\$34,812,751</b>	<b>\$22,861,237</b>	<b>65.7</b>	<b>\$2,992,271</b>	<b>\$1,904,195</b>	<b>63.6</b>
<b>Recapitulation.</b>						
British Companies.....	465,636,608	288,282,142	61.9	37,376,378	21,631,259	57.9
Canadian Companies.....	34,812,751	22,861,237	65.7	2,992,271	1,904,195	63.6
<b>Total British and Canadian Companies ...</b>	<b>\$500,449,359</b>	<b>\$311,143,379</b>	<b>62.1</b>	<b>\$40,368,649</b>	<b>\$23,535,454</b>	<b>58.3</b>

# STOCK LIST

Reported for THE CHRONICLE by J. TRY-DAVIES, 23 St. John St., Montreal.

BANKS.	Capital subscribed	Capital paid up.	Rest or Reserve Fund.	Percentage of Rest to paid up Capital.	Par value of one share.	Market value of one share.	Dividend for last half year.	Revenue per cent. on investment at present prices.	Closing prices (per cent. on par.)	When Dividend payable.
	\$	\$	\$		\$	\$ c.	Per cent.	\$ c.		
British Columbia	2,250,000	2,250,000	1,144,666	39.17	100	125 00	4	6 40	125	.....
British North America	4,866,666	4,866,666	1,338,333	27.50	243	257 00	2	3 70	109	.....
Canadian Bank of Commerce	6,000,000	6,000,000	1,300,000	20.00	50	67 80	3 1/2	5 18	131	131 April
Commercial Bank, Windsor, N.S.	500,000	289,420	100,000	31.55	40	43 00	3	5 45	110	115
Dominion	1,500,000	1,500,000	1,500,000	100.00	50	118 00	3*	5 04	240	242 May
Eastern Townships	1,500,000	1,500,000	720,000	48.00	50	70 00	3 1/2	4 83	137	148 January
Halifax Banking Co	500,000	500,000	300,000	60.00	20	27 00	3 1/2	5 04	138	142
Hamilton	1,250,000	1,250,000	675,000	54.00	100	151 00	4	5 26	153	154 June
Hochelaga	800,000	800,000	350,000	40.00	100	.....	4	6 00	120	124 March
Imperial	1,983,000	1,983,000	1,156,500	58.39	100	182 50	4	4 26	133 1/2	184 June
La Banque Jacques Cartier	500,000	500,000	235,000	47.00	25	23 00	3 1/2	7 00	90	.....
La Banque Nationale	1,200,000	1,200,000	.....	None	20	.....	.....	.....	70	75 May
Merchants Bank of Canada	6,000,000	6,000,000	3,000,000	50.00	100	164 00	4	4 82	161	165 June
Merchants Bank of Halifax	1,500,000	1,500,000	975,000	65.00	100	161 00	3 1/2	4 35	164	165 February
Melsons	2,000,000	2,000,000	1,375,000	68.75	50	86 50	5	5 74	171	180 April
Montreal	12,000,000	12,000,000	6,000,000	50.00	200	436 00	6	4 58	217	221 June
New Brunswick	500,000	500,000	550,000	110.00	100	253 00	5	4 74	254	.....
Nova Scotia	1,500,000	1,500,000	1,375,000	91.67	100	188 00	4	4 25	183	192
Ontario	1,500,000	1,500,000	40,000	2.67	100	84 00	2 1/2	6 00	75 1/2	60 June
Ottawa	1,500,000	1,500,000	1,000,000	66.67	100	180 00	4	4 44	180	182 June
People's Bank of Halifax	700,000	700,000	175,000	25.00	20	.....	3	4 76	.....	126
People's Bank of N.B.	180,000	180,000	120,000	66.67	150	.....	4	.....	.....	126 January
Quebec	2,500,000	2,500,000	500,000	20.00	100	115 00	2 1/2	4 35	117	118 June
Standard	1,000,000	1,000,000	600,000	60.00	50	80 00	4	4 35	163	165 April
Toronto	2,000,000	2,000,000	1,800,000	90.00	100	234 00	5 1/2	4 17	234	243 June
Traders	700,000	700,000	85,000	12.15	.....	.....	3	.....	.....	126 June
Union Bank of Halifax	500,000	500,000	185,000	37.00	50	61 50	3	4 88	123	126 March
Union Bank of Canada	1,200,000	1,200,000	280,000	23.34	60	58 20	3	6 00	100	110 February
Ville Marie	500,000	479,620	10,000	2.08	100	35 00	3	6 00	75	.....
Western	500,000	453,571	100,000	26.32	100	.....	3	.....	.....	126 June
Yarmouth	300,000	300,000	70,000	23.34	75	88 12	3 1/2	5 13	117	120
<b>LOAN COMPANIES.</b>										
Agricultural Savings & Loan Co.	650,000	626,742	130,000	22.79	50	54 00	3	5 10	108	.....
Brit. Can. L. & Inv. Co. Ltd.	1,937,500	388,500	120,000	29.11	100	.....	3 1/2	6 24	.....	112 Jan.
British Mortgage Loan Co	450,000	314,765	84,000	26.67	100	.....	3 1/2	.....	.....	112 Jan.
Building & Loan Association	750,000	750,000	112,000	14.93	25	.....	2 1/2	6 67	.....	75 Jan.
Canada Term. Loan & Savings Co.	5,000,000	2,600,000	1,450,000	55.77	50	72 00	4	5 56	140	145 Jan.
Canadian Savings & Loan Co.	750,000	722,000	125,000	16.53	50	55 00	3	5 45	109	.....
Can. Land & Nat'l Inv't Co. Ltd.	2,000,000	1,001,000	320,000	31.86	100	107 00	3	5 60	107	108 Jan.
Central Can. Loan & Savings Co.	2,500,000	1,250,000	375,000	27.00	100	119 00	1 1/2	5 04	119	121 Jan.
Dominion Sav. & Inv. Society	1,000,000	882,962	10,000	1.07	50	39 50	2 1/2	6 41	76	79 July
Freehold Loan & Savings Co.	3,223,500	1,319,100	639,550	50.00	100	109 00	2 1/2	5 50	109	112 June
Farmers Loan & Savings Co.	1,057,250	611,420	162,479	26.73	50	.....	3	5 82	.....	100 May
Huron & Erie Loan & Savings Co.	5,000,000	1,400,000	700,000	50.00	50	83 50	4 1/2	5 39	167	.....
Hamilton Provident & Loan Soc.	1,500,000	1,100,000	356,027	30.55	100	.....	3 1/2	5 83	.....	118 Jan.
Imperial Loan & Inv't Co. Ltd.	810,000	716,020	100,000	12.35	100	103 50	3 1/2	6 56	103	108 Jan.
Landed Banking & Loan Co.	700,000	674,381	155,000	22.98	100	113 00	3	5 31	113	.....
London Loan Co. of Canada	650,000	650,000	74,000	11.25	50	51 00	3	6 87	102	.....
London & Ont. Inv. Co. Ltd.	2,750,000	550,000	100,000	29.09	100	.....	3	5 45	.....	110 Jan.
Land & Can. Inv. & Ag. Co. Ltd.	7,000,000	700,000	410,000	58.57	50	110 00	4	7 27	.....	98 Jan.
Land Security Co. (Ont. Legsl.)	1,382,500	548,498	450,000	82.01	100	.....	3	6 00	.....	100 March
Man. & N.-West L. Co.	1,500,000	373,000	111,000	29.60	100	100 50	3	5 82	105	.....
Montreal Loan & Mortgage Co.	.....	.....	.....	.....	.....	.....	3 1/2	5 28	125	132 July
Ontario Loan & Deb. Co. London.	2,000,000	1,200,000	450,000	37.50	50	62 25	3 1/2	5 62	124	126 Jan.
Ontario Loan & Savings Co. Oshawa	300,000	300,000	75,000	25.00	50	62 13	3	4 83	124 1/2	124 Jan.
Ontario Industrial Loan & Inv. Co	450,000	314,386	150,000	47.72	100	121 50	3	4 83	124 1/2	.....
People's Loan & Deposit Co.	600,000	600,000	115,000	19.17	50	.....	.....	.....	40	.....
Union Loan & Savings Co.	1,000,000	600,000	200,000	28.61	50	.....	3	5 45	.....	110 Jan.
Western Canada Loan & Savings Co.	5,000,000	1,500,000	750,000	51.33	50	72 00	4	5 55	144	150 Jan.
<b>MISCELLANEOUS.</b>										
Bell Telephone	3,168,000	3,618,000	800,000	25 1/2	100	.....	4	5 13	153	156
do New Bonds	.....	.....	.....	.....	.....	.....	.....	.....	.....	107
Canada Col. Col. Mills Co.	2,700,000	2,700,000	.....	.....	100	.....	.....	.....	50	60
Dom. Col. Mills	.....	.....	.....	.....	.....	.....	.....	.....	50	96
Montreal Telegraph	2,000,000	2,000,000	.....	.....	.....	.....	4	4 91	163	167 1/2
Montreal Gas Co	5,000,000	2,498,000	.....	.....	40	.....	6	6 00	185	.....
Montreal Street Railway	4,000,000	1,800,000	.....	.....	40	.....	4	3 70	208	.....
do Bonded Debt	1,000,000	.....	600,000	.....	.....	.....	.....	.....	.....	.....
Montreal Cotton Co.	1,400,000	1,400,000	.....	33 1/2	50	.....	4	6 25	125	130
Richellen & Ont. Nar. Co.	1,370,000	1,350,000	250,000	78 1/2	100	.....	3	6 00	85	90
Toronto Street Railway	6,000,000	6,000,000	.....	.....	10	.....	.....	.....	68	.....
do Bonded debt	2,500,000	.....	.....	.....	.....	.....	.....	.....	.....	Jan. July
Canadian Pacific	65,000,000	15,000,000	.....	.....	.....	.....	3	1 30	62 1/2	.....
Duluth S.S. & Atlantic	12,000,000	12,000,000	.....	.....	100	.....	.....	.....	4 1/2	6
do Pref.	10,000,000	10,000,000	.....	.....	100	.....	.....	.....	10	11 1/2
Commercial Cable	10,000,000	10,000,000	.....	.....	100	.....	3 1/2	4 42	160	160 1/2
Postal Telegraph	15,000,000	15,000,000	.....	.....	100	.....	.....	.....	86	86 1/2
Royal Electric	1,270,000	1,250,000	.....	.....	100	.....	4	6 15	110	125
North-West Land, Com.	1,475,000	1,475,000	.....	.....	100	.....	.....	.....	.....	.....
do Pref.	5,200,000	5,200,000	.....	.....	.....	.....	.....	.....	40	70
Diamond Glass Co.	500,000	500,000	.....	.....	.....	.....	6	9 00	125	148
Intercolonial Coal Co	500,000	500,000	.....	.....	100	.....	.....	.....	20	30
do Preferred	250,000	219,700	.....	.....	100	.....	.....	.....	50	70
Canada Central	.....	.....	.....	.....	.....	.....	.....	.....	100	115

\* Quarterly.

PRICES OF STOCKS IN 1865, 1878, 1896.

A stock report is before us dated Montreal, March 24, 1865, one also, dated Toronto, March 19th, 1878. The contrasts between the prices in those years and those of to-day afford a very striking proof of the great advances made by this country since those lists were issued. We group the quotations so as to show at a glance the changes made in the periods referred to.

STOCK EXCHANGE REPORTS.

	March, 1865.		March, 1878.		March, 1896.	
	Divd. per cent. for 6 mos.	Price of Stock.	Divd. for 6 months	Price of Stock.	Divd. for 6 months	Price of Stock.
Bank of Montreal.....	4	108	6	101	5	223
Commerce.....	.....	.....	4	115	3½	136
Ontario Bank.....	4	97	4	91½	2½	80
Bank of B. N. A.....	3	92	.....	.....	2	108
Dominion.....	.....	.....	4	122	6	258
Molson's Bank.....	4	98	4	.....	5	177
Bank of Toronto.....	4	100	4	136	5½	250
Bank Jacques Cartier...	4	103	4	.....	3½	90
Merchants' Bank.....	4	99½	.....	63	4	167
East. T. Bank.....	3½	85	.....	.....	3½	148
Hamilton.....	.....	.....	4	100	4	151
Quebec Bank.....	3½	.....	.....	.....	2½	125
Standard.....	.....	.....	3	78	4	162
Nationale.....	4	107	.....	.....	.....	75
Imperial.....	.....	.....	4	105	4	184
Montreal Tel. Co.....	5	116	.....	.....	4	170
Richelieu Nav. Co.....	5	126	.....	.....	3	93
City Passenger Ry.....	6	103	.....	.....	3	220
City Gas Co.....	4	115	.....	.....	6	200

	Rate of Int'rest		Rate of Int'rest		Rate of Int'rest	
Govt. Debts, 1872.....	6	101	6	102	4	115
" " 1885.....	5	86½	5	99	3½	111
Montreal Harbor bonds	7	101	.....	.....	4	102
" " " "	6½	100	.....	.....	.....	.....
Quebec Harbor " "	7	100	.....	.....	.....	.....
Montreal Corp. " "	.....	89½	.....	.....	5	108
" " Water Wks. " "	.....	91	.....	.....	.....	.....
Toronto City bonds.....	.....	.....	6	98½	5	117
Canada Life.....	.....	.....	7½	184	7½	675
British America.....	.....	.....	5	113	3½	120
Western Assurance.....	.....	.....	7½	141	5	163
Toronto Gas Co.....	.....	.....	5	139	5	200

federation was established in July, 1867, more confidence began to prevail as to the future of the Dominion, and manufacturing enterprises were entered upon by the aid of new capital coming into the country, so that, as the table for prices of bank stocks in 1878 shows, there were considerable advances in some of them over these in 1865, although their dividends had not increased. The Bank of Montreal went up between 1865 and 1878 from 108 to 161, Bank of Toronto from 100 to 136. After 1865 several new banks were organized which rapidly advanced in public confidence. In 1869 the Bank of Commerce was established, in 1871 the Dominion, in 1873 the Bank of Hamilton and the Standard, and in 1875 the Imperial, all of which have been successful, the average advance in the value of the stocks since they were established having been 68 per cent. The following shows the aggregate values of the leading banks whose stocks are quoted in the 1878 Report, at par, as above quoted in March 1878, and as they stood in March 1896.

	Par values.	Values at prices in 1878.	Values at prices in 1896.
Montreal ..	\$12,000,000	\$19,320,000	\$26,760,000
Toronto...	2,000,000	2,720,000	5,000,000
Merchants..	6,000,000	3,780,000	10,020,000
Commerce..	6,000,000	6,900,000	8,160,000
Dominion..	1,500,000	1,830,000	3,870,000
Hamilton..	1,250,000	1,250,000	1,920,000
Standard..	1,000,000	780,000	1,620,000
Imperial...	2,000,000	2,100,000	3,680,000
Molson's...	2,000,000	1,800,000	3,540,000
Total values at par.....	\$33,750,000	at 1878 prices...\$40,480,000	at 1896 prices...\$64,570,000
Total advance on par values in March 1878.....			\$ 6,730,000
Total advance on par values in 1896.....			\$30,820,000
Total advance in 1896 over values in 1878.....			\$24,090,000

It will be noted that the aggregate value of the stocks of the above banks to-day is nearly double the amount at par, and that the advance in last 18 years has been over 60 per cent. Yet their dividends have not increased, so that it is evident there has been such an accumulation of money seeking investment since 1878 as to have raised the values of bank stocks close upon 50 per cent. In other words it takes about \$150 to bring the same return now as \$100 brought in 1878, and stocks purchasable then to yield on an average 6 to 8 per cent. will now only return 4 to 4¾. As one consequence of the fall in value of money the stocks of all the mortgage loan companies are now lower than in 1878, in that year their market price was based upon an expectation of yielding 7 per cent. at least. Ten of them that paid dividends of from 9 to 12 per cent., now are content with from 5 to 8. The relief to farmers of a reduction in rates for mortgage loans from 9 to 10 down to 5½ to 6½ has been of enormous benefit to them, and is one reason for their deposits in the chartered banks being so large. Looking at the two reports before us in conjunction with the bank and trade returns for the same years we cannot avoid the conclusion that in the last twenty years Canada has been making remarkable progress. Her wealth as represented by deposits on the chartered banks, has increased from 60 millions to 182 millions; the volume of the

In the 1865 Report the Commercial Bank is quoted at 91; Bank of Upper Canada, 40; City Bank, 90. Gold is quoted in 1865, sales being made of drafts on New York at 33 discount.

The comparative values of securities of all kinds in 1865 and 1896 show a complete revolution in the financial condition of Canada since the earlier date. It will be noted that although the banks paid, on an average, dividends of eight per cent. their stocks were on an average quoted under par. The only banks quoted above par in 1865, were, Bank of Montreal, 108; Jacques Cartier, 103; and Nationale, 107. A buyer in those days of bank stocks evidently was not satisfied with less than 8 per cent. for his investment. Even Government debentures of long date bearing 6 per cent. interest were at par, and those at 5 per cent. at a discount, being quoted at 86½. Our Harbor bonds carrying 7 per cent. were procurable at par not being as high as they are to-day, when 4 per cent. is the rate. The country was comparatively stagnant and undeveloped; Confederation was beginning to be generally discussed as a cure for the manifest evils of division; the credit of Canada was low, and capital was scarce. After Con-

trade represented by discounts has increased from 122 to 211 millions; her foreign trade has grown from 254 to 337 millions; her people have enlarged their life assurance from 84 millions to 308 millions; and their fire insurance from 454 millions to 836 millions; and the value of her bank stocks has increased by over 30 millions. We take these as indicative evidences of their being a magnificent future before this Dominion.

#### THE APRIL BANK STATEMENT.

As the bank statement for April came out in the midst of the political excitement, it has been used for electioneering purposes. One feature in particular has been interpreted to indicate alarm being felt in the country at some possible outcome of the present agitation. This feature is, the decline in Circulation since March. It is a pity to go so far afield for an explanation of this change in the amount of the note issues when no explanation is needed. The circulation decreased from \$30,789,457 in March to \$29,654,973, which is considerably less than what has frequently occurred in prosperous and quiet times. April is usually a month of contraction, and is anticipated to be so by the banks. This year therefore merely follows routine.

Whether this contraction results to any extent from the policy of the banks being influenced by a desire to make as good a showing as possible in the annual statement, which so many of the banks present at this season, is not clear. There is a good deal of "clearing up" done in preparation for the Report, but this does not affect the general course of business. There is a strong desire on the part of bankers to make their business appear as small as possible in order to create a favorable impression on the shareholders and the public. The temptation is in the other direction, so that we do not regard the contraction of their business in April as arising from a voluntary policy pursued for the purpose of dressing up the annual statement. The utmost efforts of bankers, so far as contraction goes, at this season, as they have been for some time past, are directed to the reduction of overdue debts, and of all possible sources of loss, so as to make the net profits as large as possible. This difficult work, which is the most anxious a banker is troubled with, and the one calling for the utmost skill, persistence and business tact, is always pushed as vigorously as prudent towards the close of the year.

The total of overdue debts on March 31st last was \$4,344,192; at the close of April this was reduced to \$3,706,184, a contraction of \$638,008. Of this, however, \$291,000 occurred in the overdue debts of La Banque du Peuple, and \$202,000 in those of the Bank of Montreal, leaving only \$145,008 for the rest of the banks, some of whom indeed increased this item in April. The reduction of overdue debts in April has then very little significance. But their total, apart from those of the People's Bank, being only \$2,168,867, which is \$874,118 less than at same period last year is very satisfactory. The reduction of current loans in April by \$1,311,631, was not caused by any general restrictive movement. The banks whose head offices

are in Ontario increased their current loans in April, so also did those of Nova Scotia, and so did eight of the Quebec banks. But the Bank of Montreal drew down these loans by \$1,855,659, so, as a matter of fact, the general tendency in April was towards an expansion of current loans, as, apart from the change in one bank, there was an increase of \$544,028; so, when the returns are analysed, the contraction theory falls to the ground. The pressure for money of late has caused the withdrawal of money from American agencies during the year to extent of \$3,514,151, and from the Call loans market of \$3,195,199, making a total reduction of \$6,709,350. These funds have been directed into the channel of Current Loans, or Discounts, which since April, 1895, have increased by \$7,018,587. As a general rule, for some years past, the deposits have increased more rapidly than the demand for loans. Since the spring of 1895 the deposits of both classes have only increased by \$1,468,885, while from 1894 to 1895 the increase was \$6,895,423, and in previous year, 1893 to 1894, \$4,933,774.

The movement of the main source of supply, and the use made of funds in past four years shows as follows for the month of April:

	Current Loans.		Deposits.	
1893.....	\$206,789,141		\$168,759,094	
1894.....	205,051,675		173,361,106	
	Decrease	1,737,476	Inc.	4,602,012
1895.....	203,273,500		180,035,660	
	Decrease	1,778,175	Inc.	6,674,554
1896.....	210,292,087		181,504,545	
	Increase	7,019,587	Inc.	1,468,885

The foregoing amply accounts for money having increased of late in loaning value, as in the past year the current loans have far outrun the supply of funds from deposits, entirely reversing the order of the preceding three years. We note a considerable increase in the holdings of railway securities by the banks, their stock of them being now \$3,327,092 more than in 1895. The policy of extending investments of Canadian money held by the banks in American railway securities is open to some objection. These securities are decidedly not such as represent stable values. They are liable to, and are frequently experiencing considerable fluctuations, and the data upon which their value is, or must in the long run be based, are certainly also liable to manipulation of which outsiders are only made aware, as in the case of the Baltimore & Ohio, when disasters arise. We therefore deprecate any enlargement of their investments in railway securities, as being too uncertain in value, and too uncertain also in marketableness to form any material portion of a bank's reserve, or what should be, immediately available assets.

The London Clearing House returns for week ending 29th April, were \$733,450,000, the Manchester were \$17,360,000, and Liverpool, \$10,295,000. The two latter were largely in excess of same date 1895, the London clearings were less.



STATISTICAL ABSTRACT OF THE CHARTERED BANKS IN CANADA.

Comparison of the Principal Items.

Assets.	30th April, 1896.	31st March, 1896.	30th April, 1895.	Increase and Decrease for month.	Increase and Decrease for year.
Specie and Dominion Notes .....	\$21,336,934	\$20,535,095	\$22,020,504	Inc. \$ 830,939	Dec. \$ 654,470
Notes of and Cheques on other Banks .....	6,356,607	6,341,636	6,915,332	Inc. 14,971	Dec. 558,725
Due from American Banks and Agencies .....	16,935,069	16,400,267	19,949,220	Inc. 34,802	Dec. 3,514,151
Due from British Banks and Branches .....	5,036,575	4,417,380	4,448,161	Inc. 619,195	Inc. 588,414
Canadian Municipal Securities and Brit., Prov. or } Foreign or Colonial, other than Dominion .....	8,400,113	8,854,878	8,955,388	Dec. 454,765	Dec. 555,275
Railway Securities .....	11,404,313	11,023,015	9,077,221	Inc. 381,298	Inc. 2,327,092
Loans on Stocks and Bonds on Call .....	13,371,072	13,849,628	16,566,271	Dec. 478,556	Dec. 3,195,199
Current Loans to the Public .....	210,292,087	211,603,718	303,273,500	Dec. 1,311,631	Inc. 7,018,587
Overdue Debts. ....	3,706,184	4,344,192	2,928,751	Dec. 638,008	Inc. 777,433
Total Assets .....	315,410,893	315,691,276	312,740,834	Dec. 270,383	Inc. 2,670,059
<b>Liabilities.</b>					
Bank Notes in Circulation .....	29,654,973	30,789,457	29,152,152	Dec. 1,134,481	Inc. 502,821
Due to Dominion Government .....	3,460,264	3,301,221	6,004,027	Inc. 168,043	Dec. 2,534,763
Due to Provincial Governments .....	2,271,315	3,015,580	2,412,019	Dec. 744,265	Dec. 140,704
Deposits payable on demand .....	60,859,928	59,874,493	65,578,633	Inc. 985,435	Dec. 4,718,705
Deposits payable after notice .....	120,644,617	120,699,562	114,457,027	Dec. 54,945	Inc. 6,187,90
Do made by Banks .....	2,229,816	2,502,104	2,415,699	Dec. 272,288	Dec. 185,883
Due to American Banks and Agencies .....	165,531	135,817	237,263	Inc. 29,714	Dec. 71,732
Due to British Banks and Branches .....	5,858,794	5,052,394	4,711,184	Inc. 806,400	Inc. 1,147,610
Total Liabilities .....	225,666,491	226,070,832	225,570,990	Dec. 404,341	Inc. 95,501
<b>Capital.</b>					
Capital Stock paid-up .....	62,198,413	62,196,536	61,699,493	Inc. 1,877	Inc. 498,920
Reserve Fund .....	26,463,799	26,458,799	27,328,174	Inc. 5,000	Dec. 864,375
<b>Miscellaneous.</b>					
Directors' Liabilities .....	7,942,639	7,936,789	8,443,637	Inc. 6,850	Dec. 500,998
Greatest amount of notes in circulation at any time } during the month. ....	31,828,032	31,521,232	30,755,003	Inc. 366,800	Inc. 1,073,029

Deposits with Dominion Government for security of note circulation being 5 per cent. on average maximum circulation for year ending 30th June, 1895—\$1,814,621. Bank of Nova Scotia reduced \$1,387.

THE GOLD RESERVE AGAIN DRAINING AWAY.

The attempt made to stop the gold reserve in the United States Treasury from falling below the legal minimum, by supplies of gold being obtained by large loans, is based upon no sound economic principle. What the American authorities need is a thorough knowledge of the causes of, and conditions under which the Treasury gold reserve is so persistently drawn down below the limit of \$100,000,000. They seem to be like a physician who persists in administering a certain medicine in spite of the patient showing no permanent benefit to have been derived from the physic, or like the magpie that tried to fill up a hole which was merely the top opening of a pipe which let everything put in slide through. Enough money has been borrowed for the purpose of stopping the leak in the Treasury to fill up the gold Reserve several times over. Up to date the reserve has fallen so steadily as to indicate the limit being reached at an early date. The old sore is the cause of the trouble. The star of Mr. McKinley is fast rising, he is likely to be President Cleveland's successor. Now Mr. McKinley is known to be a sort of financial Gallio; he cares for none of these things, such as gold standard, silver monetization, or any other currency question. He declines to commit himself for or against sound money. He is between two attractions; he would be happy with either, were there only one to woo. He needs the votes of both the silver party and the gold standardites. Mr. Cleveland, who has taken so decided a stand in favor of sound money, is a Democrat; he has also Free Trade leanings. His pro-

bable successor is a Republican who seems without any decided convictions upon financial questions, but is in danger of being committed to the silver party by political exigencies. The situation is thus made one of grave anxiety, distrust is again developing amongst the holders of American securities abroad, who look with natural alarm upon a President being elected who would favor a policy adverse to the gold standard being maintained. The gold reserve during May fell from \$125,498,000 to \$105,400,000, with the tide still setting outwards. This is giving rise to the discussion of another bond issue, and a strong movement is afoot in the Senate to prevent any new issue without its sanction.

The gravity of this can be judged by the strong condemnatory language used by the New York *Journal of Commerce*, which says: "The action of the Senate in supporting the bill of a North Carolina Populist to prevent the Treasury from selling bonds for gold for the reserve is one more notification to the business men of this country that a majority of the United States Senators are public enemies, determined on wrecking the business of the country in the hope that they or their constituents may gain something out of the wreckage. A majority of the Senate is determined to deprive the Government of the means of redeeming the promissory notes of the United States." What with European distrust this possibility hanging like a threatening cloud on the financial horizon, and the uncertainty as to the tariff which any new President would favor, the situation in the United States is having a most depressing influence on all forms of commercial activity.

## PLAIN WORDS TO A FREE SILVER ADVOCATE

The Chicago *Independent* says in a recent issue: "In its paper of the 15th April the INSURANCE AND FINANCE CHRONICLE, of Montreal, has an editorial entitled, 'A Fiat Money Fallacy.' While the *Independent* does not agree with the writer in his point of view of the great question now exciting the people of this country, the article is the best of its kind it has ever seen in an insurance journal." We appreciate the compliment of our Chicago contemporary, but much regret our inability to reciprocate. The *Independent* thinks one of our points ought to be carefully weighed by true patriots in America. The point we made was that, no money will be lent to the States by Europe on securities liable to repayment in silver, even if its parity of value be fixed and guaranteed by the Government stamp. To this it is replied: "That the States have accepted the willingness of European money lenders has been the curse of this country. If the re-monetization of silver would destroy forever the disgraceful relations between our (the United States) Government and the Shylocks of Europe, the free coinage of silver would be a blessing to this country." The smoke of the writer's patriotic fire here has obscured his common sense." The relations called "disgraceful," are simply those of the lender of capital to the borrower. When the United States needed money, needed it very urgently, needed it as a necessity to the very existence of the nation, the money so necessary was provided by the capitalists of Europe. It would be a very interesting study to find out how much European money was supplied to carry on the Government of the United States during the troubles of 1812, 1813, 1814, and later, when large loans were floated to meet war expenditures undertaken to maintain the integrity of the Republic. In view of what European capital has done to furnish the States with the money essential to its development, it is strange indeed to read in our contemporary, "We do not need, and never have needed, a dollar of European money." It is also very strange to read that, "The United States is richest in real wealth of any country on the globe," when, at any hour, its whole commercial and financial business can be thrown into ruinous alarm and confusion by Europe withdrawing its confidence from the national and other public securities of that country. The *Independent* says: "A Government that cannot establish a financial system independent of the money-changers of Lombard St., is not fit to exist on this continent." How is this possible? The United States sells England some hundreds of millions of dollars' worth of goods yearly and buys from her a large quantity. The settlement of all this trade cannot possibly be done independently of "the money-changers of Lombard street." The financial system the *Independent* requires establishing would therefore involve the destruction of the foreign trade of the United States; the repayment of the many hundreds of millions borrowed in Europe; and the entire isolation of the States from all outside countries in money matters. The free silver party talk lightly of such a tremendous revolution as though their success in carrying out their

crude, irrational, unworkable theory of currency would be ample compensation for the whole commercial and financial business of the United States being overwhelmed with ruin, and the vast mass of its people reduced to the direst poverty.

Insurance journals of all others should stand firm on the sound-money plank. Insurance companies have investments in securities to extent of hundreds of millions, which would be seriously depreciated under the rule of the free silver party. Policyholders would be very justly alarmed at the prospect of their policies being payable in a heavily depreciated currency. Were the fear once to become general, as it very properly would were the silver party to get into power, that policies were liable to be reduced far below their face value on a gold standard basis, the life assurance companies would suffer a severe check to business. The monetary isolation of any country is a very costly curse. National prosperity, development, enrichment, are all promoted by the monetary system of a nation being so arranged as to facilitate foreign trade. As then the free-silver scheme would be adverse to and complicate foreign exchange, and seriously disturb confidence in American honor, and reliability, we regard it as a most dangerous proposal, and as one fraught with mischief to the trading and financial interests of Canada.

## SOME BANK OF ENGLAND CHANGES IN 10 YEARS.

The changes in the leading items in the Bank of England statements for end of April, 1886, 1894 and 1896 are very remarkable.

We give them in currency:—

	1886.	1894.	1896.
Circulation .....	\$123,900,000	\$124,292,700	\$131,050,000
Public deposits.....	36,115,650	41,033,200	71,363,450
Other deposits ... ..	113,658,350	142,733,580	251,550,200
Securities.....	175,000,000	156,000,000	215,000,000
Reserve of notes and coin.....	62,161,210	116,650,000	190,214,000
Ratio to liabilities....	39	63	59½
Coin and bullion.....	107,313,000	156,980,000	237,219,200
Bank rate.....	3 p. c.	2 p. c.	2 p. c.
Price of consols.....	100.75	100¼	111
Price of silver per oz..	46¼ pence	29 pence	31 pence
Price of wheat.....	30s. 10d.	24s. 7d.	24s. 6d.

There is no difficulty in understanding the low rate ruling for money in view of such a statement as the above. The weekly account of the Bank of England for a recent week was as below the amounts being in sterling:—

ISSUE DEPARTMENT	
Notes issued.....	£61,815,000
Govt. Debt.....	£11,015,000
Other securities..	5,785,000
Gold coin and bullion.....	45,015,015
	£61,815,000
BANKING DEPARTMENT.	
Proprietors capital.	£14,553,000
Gov't. securities...	£15,261,000
Res.....	3,133,000
Other " .....	28,162,000
Public deposits....	14,151,000
Notes.....	35,511,000
Other " ....	49,559,000
Gold and silver coin	2,607,000
7-day bills. ....	145,000
	£81,541,000
	£81,541,000

### STRICKEN ST. LOUIS AND VICTORIA.

The horrible, heart-rending catastrophes, which last week befell the cities of Victoria, B.C., and St. Louis, will, we trust, ever maintain their unrivalled prominence in the record of disasters. In the former city over one hundred persons were drowned by the collapse of a bridge, involving, we fear, human responsibility; in the latter some five hundred were struck down by a cyclone which swept a wave of destruction over that beautiful city. For this latter devastation, man is in no way responsible; in both the afflicted cities the stricken ones must submit to an inscrutable Providence, saying, "Shall not the Judge of all the earth do right?" To the bereaved and the injured in both cities the CHRONICLE extends its sincerest condolences and sympathy.

### THE LANCASHIRE INSURANCE COMPANY

The statement of the Lancashire Insurance Company for 1895 will be found on another page, by which it will be seen that the past year was a very profitable one. The process of winnowing the business which was carried on by Mr. Digby Johnson so vigorously in 1894, resulting in a diminished premium income, seems to have had the intended effect, as the losses of 1895 were less than in previous year, although the premiums were increased by \$36,660. The losses amounted to \$2,175,690, compared with \$2,203,400 in 1894. The result of the year's operations was that \$210,050 was carried to Profit and Loss, being \$56,280 in excess of what was transferred to that account in 1894. The fire insurance and reserve funds at close of last year amounted to \$1,290,500, which shows an increase since the close of 1893 of \$450,000, which is striking evidence of successful and prudent management. Besides the premium income the Lancashire enjoyed one of \$65,150 from interest and dividends on investments specially appropriated to its fire department. The policy of the Lancashire in retaining a large and experienced staff of inspectors, though costly, is commendable; extreme economy in such a department is liable to be expensive. The Chairman at the annual meeting said, "It would have been very easy indeed for us to have greatly increased our premium income, but our policy is to steadily hold up our business on the most careful lines, not neglecting any opportunity of development in the right direction, but placing profit before mere volume of premium." The policy of building up the reserves is one to which Mr. Digby Johnson has strenuously devoted himself since assuming the management, and will be until they reach such a figure as will "place the Company in a position to smile at any blow it may get from any quarter of the world." At the annual meeting in Manchester on 15th May, the Chairman pointed out that each of the branches in the States had made a profit, and in Canada the Company had done well in spite of the incendiary conflagrations in Toronto. Mr. J. G. Thompson, the manager, efficiently and zealously watches and advances the interests of the Lancashire in Canada.

### REBATING AND THE REBATER.

*Written for THE INSURANCE AND FINANCE CHRONICLE, by Wm. T. Standen, Actuary.*

#### III.

It will be very helpful to us to clearly bear in mind the illustration, or line of argument, used in my last contribution. Therein I showed that in one sense the soliciting agent acts as the agent of the Company for the purpose of purchasing, on behalf of the Company, continuous or limited annuities in exchange for its policy contracts.

Every Company makes a very clear distinction between the amount of commission it is willing to pay on a single premium, and the amount of commission it is willing to pay on continuous or limited payment policies. So great is the distinction in fact, that while the latter may be, say 50 per cent. or even more, the former is rarely more than 5 or 6 per cent. Regarding the consideration for the insurance in the light in which I am now putting it, the Company that is willing to pay 50 per cent. clearly does so, not for a single premium, but in order to receive a continuous or limited annuity, and it justifies itself *not* upon the ground that it could afford to pay that commission if only one instalment of the annuity be paid, but it can afford to pay that commission out of the first instalment of the annuity, because of the less cost that will be attached to the collection of the future remaining instalments of the annuity.

In other words the higher commission would not be justified on one payment equivalent to a single premium, but is justified as a charge against and payable out of the first of a series of payments which are to be made to the Company, if the balance of such payments entail a very much lower cost of collection. If but a single premium is to be paid to the Company, then the Company would only be willing to allow such commission as it ordinarily offers for single premium insurances, namely, 5 or 6 per cent., or thereabouts, and if any trick is resorted to, by which, under false pretences, the Company is deluded into paying 50 per cent. for that which, knowingly, it would not be willing to pay more than 5 or 6 per cent., then evidently the agent practicing such a trick, and so deluding the Company, fails to treat it in good faith.

Still following out the idea of the purchase by the Company of continuous or limited annuities, it is manifest that the applicant who only makes one premium payment and then ceases, does not pay to the Company either a continuous or limited annuity, but does pay to it virtually a single premium for benefits enjoyed and enjoyable only for one year; and any negligence or error of commission or omission on the part of the agent, or any trick or device resorted to by him, either independently or in collusion with the applicant, which destroys the effect of the continuous or limited annuity and makes it simply a single premium for an insurance terminable at the end of the first year by reason of default in payment of the second premium, is simply an unworthy evasion or subterfuge to enable the agent to obtain 50 per cent. commission for that for which the Company would only be willing, knowingly, to pay 5 or 6 per cent.

Of course many of such cases will occur where absolutely no evidence of bad faith can be traced. Indeed, in the ordinary conduct of the business many of such cases will occur in the business of an agent who is absolutely incapable of exhibiting bad faith towards his Company; but I hope to be able to show before I get through with this subject, that rebating contributes to the production of precisely such a result as this, and that therefore the agent, who wilfully practices it, is guilty of an unworthy trick upon his Company and affords conclusive evidence of bad faith on his own part.

The fact that on most plans of insurance the payment of even only annual premium covers something more than one year's simple cost of insurance, and the normal contribution to the expense account, does not invalidate this argument, because the first year's expense upon the business is not normal and is never assumed to be cast upon the premium of the first year only, but is distributed over subsequent years' premiums; and, therefore, again it appears to me to be quite plain that any trick or device which entails upon the Company the whole of this abnormal expense, while contributing to the Company but one premium payment incapable of liquidating that expense, is very wrong and unjustifiable.

This of course happens in thousands of cases where not the slightest suspicion of bad faith rests either against the agent or the applicant. In such cases it is one of the misfortunes of the business—one of the business risks that it is necessary to run. People are over-sanguine and apply for more insurance than they are really able to carry, and at the end of the first year, perhaps, feel compelled to discontinue. The Companies are quite prepared to take their chances on all such cases, because although they are the losers by them, they are not able to prove bad faith on the part of the other persons concerned; but it is very distinctly different where plans or methods are resorted to by the soliciting agent, the logical consequence of which may reasonably lead the Company to infer the absence of any intention to renew or pay anything more than the first year's premiums.

Rebated business is notorious for its lack of persistency. Not only does it appeal to men of lower moral tone than the average, and thus react against the quality of the business that the Company receives, but the receipt of a rebate by any applicant is a standing invitation to him to refuse to pay the second premium without a similar concession, and thousands of men are made by unscrupulous agents to run the gauntlet of a number of companies in order that this advantage may be enjoyed. It is contemptible breach of faith, however it may be considered, and is a fraud against the interest of life insurance as a system rather than against any one particular company, because it tends to a more and more complete degeneration of the average tone of all the business.

Whatever a man may say in justification of his offence of rebating, I have never yet heard an intelligent agent claim that he believed rebated business to be of equal persistence or continuousness with the business legiti-

mately obtained. Indeed it is openly boasted by many that they consider the practice justified, because out of a large number induced to insure by promises of rebates, some few perhaps may hang on and pay second, third or subsequent premiums. However that may be, it is quite sure that rebated business unjustly victimizes the Company that writes it—unless indeed it is made acquainted beforehand with the fact that rebates are to be allowed—and it is made to pay the larger commission which the business is extremely unlikely to warrant, and therefore we are entirely justified in charging bad faith against the agent who engages in the practice of rebating in any form, or to any extent whatever.

That we are clearly justified in adopting precisely this line of argument is easily susceptible of proof. Theoretically, and as the basis of all life insurance contracts, the obligations of the Company issuing the policy, and expressed therein, are offset by the single premium which is ascertained to be the mathematical equivalent or the present money value of such benefits; and, of course, if such single premiums were payable, only the smaller commission of 5 or 6 per cent. thereon would be allowed. For the convenience of the insured, however, the theory goes a step further, and substitutes for that single premium the equivalent annuity which becomes the measure of the amount of the corresponding annual premium. If, therefore, while an annual premium policy be applied for, some subterfuge, or evasion, or trick be resorted to, whereby it is that only one annual premium will be paid the Company is really in the position of receiving only a fractional portion of a single premium, and should therefore pay no more than the single premium commission rate.

Precisely this idea was recognized and acted upon in the infancy of life insurance, but the practical necessities of the agent had to be taken into account, and it was recognized that on the basis of substituting an annuity for the single premium rate, the agent would have to wait too long for an adequate compensation for that portion of his work which resulted in the securing of the application. Therefore a higher rate was agreed upon, to be based upon the first year's premium, and a smaller renewal commission to be paid upon the renewal premiums which was fairly in keeping with the commission that could be paid on single premium rates; and this was done in anticipation of the persistency of the business, and because, if persistent, policies so issued would, during their renewal years, repay the Company for the excess of commission allowed on the first year.

#### FINANCIAL ITEMS.

The Bankers' Association Committee is now engaged in judging the Essays sent in in competition for prizes of \$100 and \$60, on the subject, "The future of banking," also Essays, on, "The best method of book-keeping for a country bank agency, with suggestions for returns to head office," the prizes being \$60 and \$40. It is believed the competitors are few, as both subjects are somewhat controversial, and need delicate handling in view of the views of superior officers being probably adverse to those of essayists.

The plethora of money in London is shown by an issue of India two and a half per cent. stock having just fetched £103 os 6d, the average price by tenders, and over three times was applied for.

The world's gold supply has been increasing at such a rate for years as disproves the theory that it has appreciated in value. The returns are as follows:

	1887, ounces.	1891, ounces.	1895, ounces.
United States.....	1,596,375	1,604,840	2,273,580
Australia.....	1,290,202	1,518,090	2,212,000
Africa.....	28,754	727,912	2,119,023
Russia.....	976,656	1,108,764	1,250,000
Other Countries.....	1,174,503	1,206,029	1,798,000
Totals.....	5,061,490	6,286,235	9,053,203

The percentages of the increases of 1895 over 1887, 1891, and 1894 were as follows:

	1895 over 1887.	1895 over 1891.	1895 over 1894.
United States.....	42.00	41.00	18.90
Australia.....	71.10	45.60	9.50
Africa.....	700.00	190.00	13.00
Russia.....	25.00	7.00	7.00
Other Countries.....	53.00	42.00	6.00
Average increase of 1895 over 1887.	90.00	.....	.....

The London and Universal Bank, which recently stopped payment, is said to have had only liabilities to extent of \$280,000. It had an unpaid subscribed capital of \$750,000, which might have been called up to pay off the depositors. It had paid dividends of 8, 10, 11, and 12 per cent. The business seems to have been rather a queer class of banking, such as lending money on security of furniture, always a very risky class of loans. The name is so pompous a one for an institution of the "note-shaving" order, it has misled many into speaking of the "Universal" as though a regular London joint stock bank had failed. It was only a pawnshop any way.

The Dominion Bank. The twenty-fifth annual general meeting of the Dominion Bank was held at Toronto, on May 27th, 1896.

The annual statement of the affairs of the Bank gives the following as results of the past year's business.

Balance of profit and loss account 30th April, 1895.....	\$15,890 31
Profit for the year ending 30th April, 1896, after deducting charges of management, etc, and making full provision for all bad and doubtful debts.....	189,862 12
	<hr/>
	\$205,752 43

According to a return prepared by Mr. G. B. Waldron, M.A., New York, there are 4,135,530 families in the States with an income under \$400, 2,622,516 with from \$400 to \$600, 1,871,848, with \$600 to \$900, 1,382,210 with \$900 to \$1,200, 1,147,399 with \$1,200 to \$1,800, and 903,976 with \$1,800 to \$3,000, making 95 per cent. of the population with incomes under \$3,000. Over that sum they range as follows: 455,673, with from \$3,000 to \$6,000, 139,718, with \$6,000 to \$15,000, 27,235 with \$15,000 to \$60,000, and 4,047, with \$60,000 and upwards. Those with incomes under \$3,000 constitute 95.06 of the population, and those with over \$3,000 amount to 4.94 per cent. of the population. Judged by average incomes the people in the States are not as well off as those in Great Britain. A millionaire in the States is a far more conspicuous figure than he is in the old country.

## Correspondence.

We do not hold ourselves responsible for views expressed by Correspondents

### TORONTO LETTER.

*Cutting down the Fire Appliance estimates.—Toronto Public School Insurance.—Danger signals out.—The Bicycle in fire insurance.—An insurance agent tries a new hazard.—The Toronto Board.—Moral quotations.*

DEAR EDITOR,

The fire insurance representatives in Toronto cannot view with unconcern the recent action of the Board of Control by which the estimates of the Fire and Light Committee for the year have been cut down by some \$5,000. Recognising as we all must the pressing necessity for the strictest economy in our civic expenditure, it is still questionable, "whether it is a real economy and for the ultimate advantage of rate payers to cut down the estimates of the officials entrusted with the management of the Toronto Fire Department. The discussion at the Board centred on the question of properly equipping the new Waterous Fire Engine shortly to arrive, and known as "No. 4." It was decided for the present not to fully fit out this engine in the usual way, but to give it in charge of one of the firemen. This means I suppose that a competent engineer, horses, etc., will not just now be allotted to this engine; consequently its readiness for service and efficiency, in an emergency, will necessarily be impaired. The saving effected in this detail is said to be \$2,900. Estimates for fire hose were pared off \$1,000, and some other minor items reduced, making a total saving (?) of \$5,100. If the Board of Control felt really obliged to do this, I must express my regrets that they found themselves in such a position. It was plain from the tone of the debating in this matter, that the members felt they were discussing affairs of more interest to the fire insurance companies, than to the citizens. Each year in June certain sections of the fire insurance on public schools falls due for renewal. The placing of this insurance is under the control of the Toronto School Board, and the annual recurrence of this event develops lively competition, wire pulling, and the exercise of "sweet influences" of one kind or another, voluminous enough for a more valuable catch in the premium way. The trustees I think receive the impression, as others in like office and circumstance do, that there is a bonanza in this fire insurance for the agents, else they would not strive so earnestly for it. It now appears that these School Trustees, in the rightful exercise of a pretty patriotism and loyalty, most becoming in the guardians of our public schools, have decided to accept only the policies of Canadian and British offices. In this connection I observe Mr. Malcolm Gibbs has secured for the Keystone Fire, which he represents, \$15,000. Malcolm says it is not enough, but true to his professional caste he would say it was not "enough" if he had been allotted \$50,000.

Cautionary signals are hoisted by the Dominion Insurance Bureau with reference to two classes of risks. Underwriters will please note them as *livery stables*, and lumber and lumber manufacturing plants.

Bicycles having come into so much favor, the use and sale of these machines has greatly depreciated the value of the livery business. Also in the cities and towns the electric cars are another depreciatory factor. As to lumber, it is reliably stated that there is an over-production of all grades, and slow sales; this too just at the opening of the sawing season. Low prices prevail, and forced sales where necessary will not improve things. If, as has been forecast, we are to have a hot, dry summer, "look out for trouble in this direction," says the man in the watch-tower. The moral for managers, is: "Look after cash values, watch service, clear spaces, co-insurance, and, generally, send your inspectors round to look into these matters, and give the moral and physical hazards close scrutiny. There may be money in it.

Talking of bicycles the other day with a friend in the insurance line, he remarked that scores of men in his business attended to their outside work and used the bicycle almost exclusively, and do not see how they could get round the city, make collections, get renewals, canvass, etc., without this useful friend. Of course these machines are more available for city and town work, but even the country agents, when they have good roads in their vicinity, use the bike largely.

I have been informed that one of our well-known insurance men was lately seen at the Woodbine "playing the races," whatever that may mean (perhaps Mr. Laurier knows). He was arrayed too in the latest fashionable colors, a suit of "Skeeter grey" and an "elephant breath tie."

As to the Toronto Board and its doings I desire to maintain for the present a discreet silence. I may say, however, that a solemn hush pervades that institution. In your ear—linen is being washed which you know must not be done in public.

After a while things will besweeter, thanks to a liberal use of sunlight soap, and a timely energy. "Truth crushed to earth will rise again and knock the stuffing out of the agent who sells poor insurance,"—and again, "Before you classify your neighbor's character as extra hazardous, make a complete diagram of your own, showing all exposures."

TORONTO, May 28, 1896.

Yours,

ARIEL.

## Notes and Items.

The Sun Life of Canada has opened in Colorado with a manager for that State at Denver.

The Commercial Union has declared a dividend which with interim amount paid is made up to 25 per cent. for the year.

St. Paul's Cathedral, London, is insured for \$475,000. It would take only a short time to wipe that out in such an edifice.

Mr. A. J. Flitcraft is thanked for a copy of his Life Insurance Manual, which is well compiled and very nicely bound.

Mr. Hamilton Disston, of Philadelphia, recently died, leaving life assurance policies for \$1,091,825, divided amongst 34 companies.

The Mercantile Mutual of Philadelphia has changed its name to the Iron & Steel Manufacturers' Mutual Fire Insurance Company.

Germany and Russia had each a disastrous year in 1895 for fire insurance. The number of fires largely increased and conflagrations of a serious character were numerous.

English printers are considering a scheme of mutual insurance for printing offices only. The mutuality sentiment will be severely strained before the scheme has been long at work.

Isn't it about time the Batterson-Dennis matter was dropped? Personal squabbles make a weary dish for one course, but served up frequently—well it is too monotonous for our palate.

The Keystone Fire Insurance Company, of New York, has been organized by Temple & Son of St. John, N.B. It is stated the new company has a paid-up capital of \$300,000. A. Temple is first vice-president and J. L. Temple second vice-president. The business is to be managed from New York, but the St. John, N.B., and other agencies will be continued.

The Palatine Insurance Company reports a satisfactory business for 1895, with the exception of Canadian, in regard to which the directors have taken steps which they trust will lead this year to a marked improvement. A valuable United States connection has been obtained by purchase. The net fire premiums were \$4,540,600, and losses incurred \$2,986,900, the ratio being 65.70 per cent, and the expense ratio 31.70 per cent.

The Commercial Insurance Company of Ireland has been started with a nominal capital of \$500,000. The Company will do all kinds of insurance, except life and such as are incidental to it. There is a decided national flavor in the prospectus, it being pointed out that \$5,000,000 goes out of Ireland annually for insurance premiums. The Commercial of Ireland has our good wishes. We trust it may be well managed, and secure a large business.

The Fire Marshal of Massachusetts, Mr. C. H. Whitcomb, declares in his last report that, "40 per cent. of the insurance defrauding fires were the work of parties with a record," that is who were looked on or should have been regarded with suspicion. In one case a large amount of insurance was being carried by a man who had been in jail 5 years for arson! This seems incredible; it is certainly a reproach to those companies who did business so recklessly.

A handy pamphlet on the installation of electric light, where the current is used at a pressure not exceeding 250 volts, has been issued by the Liverpool & London & Globe Insurance Company. The principal sources of danger and the proper means to avoid them are dealt with, such as defective work and materials, diet, moisture, neglect of regular inspection. The pamphlet will be of much service, if its instructions are attended to, in making electric lighting safer.

Insurance business is getting down to the level of the peanut stand, if not lower. Persons in London are insured against results of being drunk and disorderly, the fine being paid by the underwriter. In Germany the defence of persons guilty of, or charged with, any offence is undertaken at the cost of an insurance company which does that class of business. An English accident company furnishes a special policy to a soap maker who gives them away to anyone who brings him a certain quantity of the covers of his soap cakes.

The *Review*, London, England, vigorously protests against insurance against disease being mixed up with accident insurance. From a metaphysical point of view, it remarks, it may be argued that swallowing the cholera bacillus is as much an accident as swallowing a tin tack, but this reasoning has only a humorous, not a practical character. Let there be insurance against cholera, diphtheria, smallpox, or any kind of virus, but it must be scrupulously kept apart from accident insurance. The *Review* has reason on its side.

A sharp lesson on the wheat salvage question is being given the underwriters interested in the elevator fire at Minneapolis. There is a common impression that wheat does not burn, but is only liable to damage by water, or smoke in case of fire. Wheat and other grains however can be so roasted by a fire as to become a total loss. At Minneapolis the underwriters have been advised that expenses to amount of \$52,775 have been incurred, while only \$48,428 has been realized from the damaged wheat. This is quite a new phase of fire insurance, there is likely to be not only a total loss, but beyond that an outlay for expenses!

St. Hyacinthe, Que., was badly injured by fire on 27th May, by which, unhappily, two lives were lost. The flames started in a tannery and spread until 13 houses were consumed. Insurance as follows: Commercial Union, \$3,300; British America, \$2,300; Imperial, \$1,100; Western, \$1,100; United, \$1,100; Union, \$1,100; Phoenix, \$1,100; Total, \$11,000.

Science has progressed so far that the inner deformities of ill-made people are visible to the eye of a physician. "Ere long," says the *Weekly Statement*, "we shall perhaps be able to discover what a man who refuses to insure his life has in place of a heart." The head of such a person is also worth investigating to see, "what he calls his brains," as a satirist said, amount to, if they can be found.

The Guardian Fire and Life Assurance Company has been effecting great improvements in its offices on St. James street, which evidence excellent judgment on the part of Mr. Heaton, the manager, by whom they were arranged. The dingy, dark, barn-like rooms in the rear, suggestive of poverty and sleepy ways, have been transformed into bright, well-lighted, handsome offices up to date in style and appointments, worthy of a company of such high rank as the Guardian. These will serve until it rebuilds its own offices.

Our acknowledgments and thanks are due for bound volume, Part 1, Wisconsin Insurance Report 1896, which is got up in an exceptionally attractive style by Mr. W. A. Fricke, the Commissioner, who also has compiled a volume entitled, "Insurance Laws of Wisconsin and Supreme Court Decisions." We are obliged by Twenty-third Annual Report of the Insurance Commissioner of Pennsylvania; the Forty-first Insurance Report for Massachusetts; the Thirty-first Report for Connecticut; and the 26th Report for Michigan.

**PERSONALS.**

MR. A. M. NAIRN, Inspector of the Caledonian, has left for a visit to Scotland, which we trust he will enjoy.

MR. S. G. FAULKNER has been recently appointed manager of the North American Life Assurance Co. for British Columbia, in which position we wish him success.

MR. THOMAS F. GOODRICH, ex-President of the Niagara Fire, has become a director of the Legal Surety Co. of the United States, which commences business in New York this month.

MR. T. G. MCCONKEY, who for the last three years has been in a responsible position with the New York Life in Toronto, has been appointed assistant local manager of the North American Life in this city.

MR. GEO. W. WENSLEY has been appointed manager of the Eastern Department of the Manchester, embracing New England, Middle, South Eastern States and Texas. Mr. Wensley has been connected with the Norwich Union and has an excellent record.

WE HAVE RECENTLY HAD THE PLEASURE OF A CALL from Mr. J. H. Brock, managing director of the Great West Life; Mr. J. Boomer of Toronto, manager of the Manchester; Mr. Wegenast, actuary of the Ontario Mutual; Mr. W. G. Fee, of "Money and Risks"; and Mr. Stewart Browne, of New York; Mr. T. Nossé, His Japanese Imperial Majesty's Consul, Vancouver, B.C.; Mr. A. K. Blackadar, Insurance Department, Ottawa.

MR. JOHN A. KELLY, general agent of the Scottish & Lion in Hartford, the notice of whose marriage last month appeared in a previous issue, continues his honeymoon trip by a two months' tour in Europe, sailing from New York on SS. "Umbria" on the 30th ult. The CHRONICLE wishes Mr. and Mrs. Kelly bon voyage.

**Wanted**—GOOD ACCIDENT Insurance Agents for Montreal and elsewhere. Satisfactory terms to the right men.

Employers Liability Assurance Corporation,

P. O. Box 2411, Montreal

LOVELL'S  
**MONTREAL DIRECTORY**  
FOR 1896-97.

The publishers respectfully inform the public that their agents have finished taking the NAMES of the citizens for the Directory of 1896-97. It being exceedingly difficult to arrive at absolute accuracy in the spelling of names in consequence of the difficulty of securing agents speaking the two languages, they earnestly request those who are anxious to have their names, address and business printed correctly, to call at their office, 25 St. Nicholas Street, before the 30th May, and see the proof sheets, in order to their final correction. No order for a subscription will be received after June 15. Any copies remaining on hand after publication will be sold at 5¢ each.

JOHN LOVELL & SON

Montreal, May 26, 1896.

Publishers.

**NOW IN THE PRESS**

NEW AND ENLARGED EDITION

... OF THE ...

**Life Agents Manual**

(By J. D. HOUSTON)

... CONTAINING ...

**ALL THE PREMIUM RATES**

... AND A ...

SYNOPSIS OF CONDITIONS OF THE

**Policies and Applications**

Of all the Life Assurance Companies actively doing business in Canada.

BROUGHT RIGHT UP TO DATE

New Rates, New Policies, New Reserves.

Hm.	4½	per cent.	Reserve Tables
Hm.	4	per cent.	do do
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INTEREST TABLES, DISCOUNT TABLES, &c., &c.

Indispensable to all interested in Life Assurance

ORDERS SHOULD BE BOOKED AT ONCE

POST FREE, - \$1.50

PUBLISHED BY

**The Insurance & Finance Chronicle**

MONTREAL

ESTABLISHED 1852

ENTERED CANADA 1864

# LANCASHIRE

INSURANCE COMPANY

**FIRE**

**LIFE**

Head Office :—Lancashire Building, Exchange St., MANCHESTER, Eng.

**DIGBY JOHNSON, GENERAL MANAGER.**

Extract from 44th Annual Report, Dec. 31st, 1895:—

. . . INCOME . . .		
Net Fire Premiums after deducting Re-Insurances,	.. ..	\$3,662,725
Net Life Premiums " " "	.. ..	462,162
Interest and Dividends	.. ..	235,377
Total Income,	.. ..	<u>\$4,360,264</u>
. . . FUNDS . . .		
CAPITAL PAID UP,	.. ..	\$1,364,930
LIFE RESERVE,	.. ..	4,883,925
FIRE RESERVE,	.. ..	1,307,545
Total Invested Funds,	.. ..	<u>\$ 7,556,400</u>
Subscribed Capital uncalled,	.. ..	<u>12,284,370</u>
		<u>\$19,840,770</u>

INCREASE IN RESERVE FUNDS OVER 1894

**\$ 295,186.00**

NOTE.—The above figures are calculated at 55 to the £1 Stg.

Canada Branch, Head Office, \* 59 Yonge Street, TORONTO

J. G. THOMPSON, MANAGER.



FOUNDED 1805.

THE OLDEST SCOTTISH INSURANCE OFFICE.

THE  
**CALEDONIAN INSURANCE COMPANY**

OF EDINBURGH, SCOTLAND.

**Extracts from the 91st Annual Statement,  
being for 1895:**

Fire Premiums, after deducting Re-Insurances . . . . .	\$1,971,410
Life Premiums " " (including annuities) . . . . .	923,675
Total Interest Income . . . . .	344,840
Net Income from Premiums and Interest . . . . .	<u>\$3,239,925</u>

The Fire Funds and Capital as below now exceed \$2,680,000.

The Life Funds exceed \$6,680,000, and are on the scale required by a valuation on the 3 per cent. Hm Table.

**FUNDS.**

Capital, Paid-up . . . . .	\$ 537,500
Guarantee Fund, Fire Branch . . . . .	1,350,000
Reserve Premium Acc't. " . . . . .	792,770
Balance Forward . . . . .	260,490
Life and Annuity Fund . . . . .	<u>6,687,465</u>
Total Funds, December 31, 1895 . . . . .	<u>\$9,628,225</u>
The Total Funds at the close of 1886 were . . . . .	\$5,774,045
showing a gain in nine years of . . . . .	4,084,405
Total Assets on Dec. 31st, 895 . . . . .	\$9,858,450

NOTE.—In the above, \$5 are taken as equivalent to £1 Sterling.

HEAD OFFICE:  
19 George Street, Edinburgh.

LONDON OFFICE:  
52 King William Street, E.C.

GENERAL MANAGER—DAVID DEUCHAR, F.I.A., F.F.A.

CANADIAN BRANCH OFFICE:  
TEMPLE BUILDING, ST. JAMES STREET, - - - MONTREAL.  
LANSING LEWIS, Manager.

**MUNICIPAL DEBENTURES.**

**GOVERNMENT AND RAILWAY BONDS.**

**INVESTMENT SECURITIES**

BOUGHT AND SOLD

Insurance Companies requiring Securities Suitable for deposit with Dominion Government or other purposes can have their wants supplied by applying to

**R. WILSON SMITH,**  
British Empire Building, MONTREAL.

Debentures and other desirable Securities purchased.

Those of our correspondents who know of such securities in their immediate neighborhood will greatly oblige by communicating as above.

FIRE.

LIFE.

MARINE.

**COMMERCIAL UNION**

Assurance Company Ltd. of London, Eng.

Capital and Assets, - - - - - \$31,752,440  
Life Fund (in special trust for Life Policy Holders) 8,237,615  
Total Annual Income, - - - - - 8,196,925  
Deposited with Dominion Government, - - - 374,246

HEAD OFFICE CANADIAN BRANCH:

1731 Notre Dame Street, - MONTREAL.

**J. MCGREGOR, Manager.**

Applications for Agencies solicited in unrepresented districts.

THE LARGEST FIRE INSURANCE COMPANY  
IN THE WORLD.

LOSSES ADJUSTED PROMPTLY AND LIBERALLY  
RATES MODERATE.

**Liverpool and**

**London and Globe**

**Insurance Co.**

Assets, \$48,542,500.

**E. J. BARBEAU,**  
CHAIRMAN.

**G. F. C. SMITH,**  
CHIEF AGENT & RESIDENT SECRETARY.

WM. M. JARVIS, ST. JOHN, N.B., GENERAL AGENT FOR MARITIME PROVINCES.

**The Imperial Insurance Company Limited**

ESTABLISHED 1803.

OF LONDON, ENG.

Subscribed Capital, - \$8,000,000 Paid-up Capital, - \$1,500,000 Assets, - \$8,000,000

Branch Office for Canada : Imperial Building, MONTREAL.

**E. D. LACY, Resident Manager for Canada.**

**GUARDIAN**

FIRE & LIFE

ASSURANCE COMPANY, LTD.  
OF LONDON, ENG.



Head Office for Canada  
Guardian Assurance Building, 181 St. James St.,  
**MONTREAL.**

**THE GUARDIAN**

has the largest Paid-Up Capital of any Company in the World transacting a FIRE Business.

Subscribed Capital, - - - - - \$10,000,000  
Paid-Up Capital, - - - - - 5,000,000  
Invested Funds Exceed - - - - - 22,500,000

Established 1821.

**E. P. HEATON,**  
Manager

**G. A. ROBERTS,**  
Sub-Manager

Maritime Province Branch,  
HALIFAX, N.S.

**CHARLES A. EVANS,**  
Resident Secretary.

**E. F. DOYLE,**  
Assistant Secretary.

**QUEEN INSURANCE CO. OF AMERICA**

ASSETS UPWARDS OF \$3,000,000  
DOMINION DEPOSIT, - 250,000

.... Ontario, Quebec, Manitoba and North West....

**H. J. MUDGE, Resident Manager, MONTREAL.**

**P. M. WICKHAM, Inspector.**

ST. JOHN, N.B.

**C. E. L. JARVIS,**  
General Agent.

TORONTO.

**MUNTZ & BEATTY,**  
Agents.

The QUEEN paid \$549,462 for losses by the Conflagration at St. John's, Nfld., 8th July, 1892.

# LANCASHIRE

INSURANCE COMPANY OF ENGLAND.

CAPITAL AND ASSETS EXCEED \$20,000,000

CANADA BRANCH, HEAD OFFICE, TORONTO

J. G. THOMPSON, MANAGER

INSURANCE COMPANY

Organised 1792. . . . OF . . . . Incorporated 1794

## North America,

FIRE . . . PHILADELPHIA. MARINE.

Capital, - - - \$3,000,000  
 Total Assets, - - - \$9,452,673

ROBERT HAMPSON & SON, Gen. Agts. for Canada  
 Corn Exchange, - MONTREAL

AGENTS WANTED IN UNREPRESENTED DISTRICTS.

### STANDARD WORKS FOR SALE

. . . AT THE OFFICE OF . . .

The Insurance & Finance Chronicle,  
 MONTREAL.

Garlands Banks Bankers & Banking	..	Price, \$ 3.00
Griswold's Fire Underwriters Text Book,	..	" 15.00
Griswold's Fire Agents Text Books,	..	" 2.00
Griswold's Handbook of Adjustments,	..	" 1.50
Life Agents Manual, (contains rates of all the Companies)	..	" 1.50
Relton's Fire Insurance Companies and Schemes,	..	" 6.50
Tabor's Threo Systems of Life Insurance, \$2.00	\$2.50, 3.00	

Every Agent should have a Copy of the above.

Full list of Insurance Publications free on application

## Radford & Walford,

Accountant, Auditors & Trustees.

No. 59 Imperial Buildings, St. James St., Montreal.

F. W. RADFORD, Chartered Accountant and  
 Commissioner for the Provinces.

. . . THE . . .

## MERCANTILE FIRE

INSURANCE COMPANY

INCORPORATED 1875

Head Office, - - - WATERLOO, ONT.

SUBSCRIBED CAPITAL - - - \$200,000.00  
 DEPOSITED WITH DOMINION GOVERNMENT - - - 50,079.78

All Policies Guaranteed by  
 The LONDON & LANCASHIRE FIRE INS. CO.  
 with Assets of \$15,000,000.

W. A. SIMS, President, JOHN SHULL, Vice-President  
 JAMES LOCKIE, Man. Director, T. A. GAL, Inspector.

## City of Winnipeg Debentures.

SEALED TENDERS, marked "tenders for debentures," addressed to the undersigned, will be received at the office of the City Comptroller, City Hall, Winnipeg, up to 4 o'clock p. m.,

ON FRIDAY, THE 5th DAY OF JUNE NEXT.

for the purchase of \$70,634.21 of City of Winnipeg Local Improvement debentures, bearing interest at the rate of Five Per Cent. per annum payable half-yearly. Interest and principal payable at the Bank of Montreal, Winnipeg.  
 \$45,066.72 having 7 years to run;  
 \$10,216 having 10 years to run; and  
 \$14,751.49 having 15 years to run.  
 Delivery to be made here ex. accrued interest.  
 Tenders to be for the whole or part. No tender necessarily accepted.  
 Further information can be obtained from the City Comptroller.

Winnipeg, Manitoba,  
 24th April, 1896.

J. C. SPROULE,  
 Chairman Finance Committee,

## City of Winnipeg Debentures.

SEALED TENDERS, marked "tenders for debentures," addressed to the undersigned, will be received at the office of the City Comptroller, City Hall, Winnipeg, up to 4 o'clock p. m., on

FRIDAY, THE 14th JUNE NEXT

for the purchase of \$40,500 of City of Winnipeg debentures having 35 years to run and bearing interest at the rate of 4 per centum per annum, payable half-yearly. Interest and principal payable at the Bank of Montreal, Winnipeg.

Delivery to be made here ex. any accrued interest.  
 Tenders to be for the whole or part. No tender necessarily accepted.  
 Further information can be obtained from the City Comptroller.

Winnipeg, Manitoba,  
 24th April, 1896.

J. C. SPROULE,  
 Chairman Finance Committee,

### HALF

A CENTURY . . . . .

. . . . . of business integrity has placed upon a substantial foundation the

Its Policies contain  
 .. LIBERAL PROVISIONS...  
 or Incontestability:  
 Grace in payment of premiums:  
 Extended Insurance under terms of the  
 Maine Non-Forfeiture Law.

It issues an admirable  
 INSTALMENT POLICY...

PRINCIPAL @ 162 St. James Street, MONTREAL, P.Q.  
 CANADIAN @ 17 Toronto Street, TORONTO, Ontario.  
 AGENCIES @ 103½ Prince William St., ST. JOHN, N.B.



**UNION  
 MUTUAL  
 LIFE  
 INSURANCE  
 COMPANY,**

Portland, Me.

**BRITISH AND FOREIGN MARINE INSURANCE CO.**  
 Capital and Surplus Assets, \$7,000,000.  
 Issues Open Policies to Importers and Exporters.  
**EDWARD L. BOND, General Agent for Canada,**  
**MONTREAL.**

THE  
**OCEAN ACCIDENT & GUARANTEE CORPORATION**  
 (LIMITED.)

HEAD OFFICES 40 to 44 Moorgate St., LONDON, Eng.

**RICHARD J. PAULL, General Manager.**

Authorised Capital.....\$2,000,000  
 Subscribed Capital.....1,318,600  
 Paid-up Capital.....500,000  
 Reserve at December 31st, 1895.....\$14,864  
 Deposited with Receiver General in Canada .\$75 000

**BUSINESS TRANSACTED.**

**Accident and Employers Liability**

**The Ocean offers the most Liberal Policy.**

CANADA HEAD OFFICE: Temple Building, MONTREAL.

**ROLLAND, LYMAN & BURNETT, Managers.**

Advisory Board, { **W. M. RAMSAY,**  
**E. B. GREENSHIELDS**

Agents Wanted in Unrepresented Districts.

... THE ...

**Keystone Fire Insurance Co.**  
 OF SAINT JOHN, N.B.

INCORPORATED A.D. 1889. CAPITAL, \$250,000.

Home Office, - 128 Prince William St., Saint John, N.B.

**DIRECTORS.**

**HOWARD D. TROOP, President.** **HON. A. F. RANDOLPH, Vice-President.**  
**THOS. A. TEMPLE, Managing Director.** **E. J. TEMPLE, Secretary.**  
**JOHN BERRYMAN, M.D.** **ALEXANDER MACAULAY.**  
**MAJOR A. MARKHAM.** **H. H. McLEAN.**  
**A. P. BARNHILL.**

Toronto Office, Canada Life Building, Malcolm Gibbs, Gen. Agent.

ESTABLISHED 1797.

**The Norwich Union Fire Insurance Society.**

CAPITAL - - - \$5,500,000.00

LOSSES PAID - \$52,500,000.00

Head Office for Canada:—TORONTO.

**JOHN B. LAIDLAW, Manager.**

**WALTER KAVANACH, MONTREAL, General Agent for QUEBEC PROVINCE.**

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 Truro, N.S.

**T. H. & H. D. ROBISON, General Agents,**  
 St. John, N.B.

**ALEXANDER DIXON, General Agent,**  
 Toronto.

**FIRBY & COLGATE, General Agents,**  
 Winnipeg, M.



THE  
**Sun Life**  
 ASSURANCE COMPANY  
 of Canada.

Head Office, - Montreal

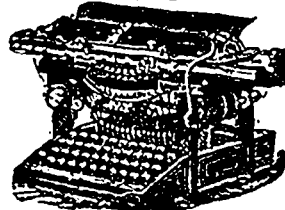
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**HON. A. W. OGILVIE, Vice-President**  
**T. B. MACAULAY, Secretary.**  
**IRA B. THAYER, Sup't. of Agencies.**  
**G. F. JOHNSTON, Asst. Sup't. of Agencies**  
**GEO. WILKINS, M.D., Medical Referee.**

	INCOME.	ASSETS.	LIFE ASSURANCE IN FORCE.
1888	\$ 525,275	\$1,536,816	\$11,931,316
1892	1,131,867	3,403,700	23,901,046
1895	1,628,051	5,367,770	31,751,840

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Up to 18 inches wide for Insurance Companies, etc.

**MONTREAL and TORONTO.**

**SPACKMAN & ARCHIBALD,**

The Stock Investor's

**HANDY BOOK OF RATES**

A set of tables showing what rate of income is derivable from investments in stock paying any rate of dividend from 3 to 16 per cent when bought at any price from 50 to 200. Price in Cloth 50 cents.

**MORTON, PHILLIPS & CO.**

Stationers, Blank Book Makers and Printers.  
 1755 and 1757 Notre Dame St., MONTREAL.

**WE** print EVERYTHING, from the largest book to the smallest business card.  
 We bind Account Books for Merchants, Banks and Railway Companies, and Law Books and Part Books, in the most Expensive and the Cheapest Styles. No order is too large or too small.

**John Lovell & Son**

19 to 25 St. Nicholas Street,

**MONTREAL**

Reliable Agents wanted at unrepresented points

**PHENIX INSURANCE COMPANY**

(Of Hartford, Conn.)

ESTABLISHED IN 1851

**CANADIAN BRANCH.**

Full Deposit with the Dominion Government.

HEAD OFFICE: 114 St. James Street, - - - Montreal

O. M. SMITH.) **SMITH & TATLEY,** (J. W. TATLEY.  
Applications for Agencies solicited, MANAGERS FOR CANADA

THE

**GREAT = WEST  
Life Assurance Co.**

"The more liberal a policy is made, consistent with safety, the more policies are to be issued. And this the Great West folks seem to believe." *Vide Monetary Times, April 17th, 1895.*

The above undoubtedly refers to the Great West Collateral Security policy which gives to policy holders:—

- The LARGEST Cash Value;
- The LARGEST Guaranteed Loan Value;
- The LARGEST Guaranteed Paid Up Insurance;
- Freedom from restriction as to residence or occupation.

All these guarantees are backed by a Reserve calculated on the 4 per cent. basis.—The Great West Life being the first and only Canadian Company that has, from its inception, provided this security for its policy holders.

What takes well with the insuring public is a good thing for Agents to have.

For particulars as to territory and terms address

**JAS. LYSER**, Manager for Quebec,  
Mechanics Institute Building, MONTREAL, QUE.

**JAS. McLENACHEN**, Resident Director, Ontario, 12 King Street East, TORONTO.  
**J. H. BROCK**, Managing Director, WINNIPEG, MAN.

THE

**CANADA ACCIDENT  
ASSURANCE COMPANY.**

Writes all approved forms of Accident business, including  
**PERSONAL ACCIDENT. EMPLOYERS' LIABILITY.  
ELEVATOR LIABILITY. PLATE GLASS.**  
Largest Assets in Canada of any Company doing business in Canada.

**T. H. HUDSON, Manager.**

HEAD OFFICE:

20 St. Alexis Street, (corner Notre Dame St.)  
MONTREAL.

**The Temperance and General  
LIFE ASSURANCE COMPANY.**

**S**ATISFACTORY GAINS in every respect, and NOT A DOLLAR OF INTEREST IN ARREARS OR A DOLLAR'S WORTH OF REAL ESTATE on our hands on Dec. 31, in either 1894 or 1895, is the report made by The Temperance and General Life Assurance Company.  
Report for '95 mailed to Ottawa, Dec. 31, 1895.

HEAD OFFICE, Globe Building, TORONTO

**H. SUTHERLAND,**  
Manager.

AGENTS WANTED.

THE  
**WESTERN**

Assurance Company.

**FIRE AND MARINE.**

INCORPORATED IN 1851.

Head Office, - - - TORONTO.

Capital Subscribed ..... \$2,000,000  
Capital Paid-up ..... 1,000,000  
Cash Assets, over..... 2,320,000  
Annual Income, over..... 2,400,000

LOSSES PAID SINCE ORGANIZATION, \$22,000,000

DIRECTORS:

**GEORGE A. COX**, *President.*

HON. S. C. WOOD	W. R. BROCK
GEO. R. R. COCKBURN, M.P.	J. K. OSBORNE
GEO. McMURRICH	H. N. BAIRD
ROBERT BEATY	

**J. J. KENNY**, *Vice-President and Managing Director.*

Agencies in all the principal Cities and Towns in Canada and the United States.

The British America  
INCORPORATED 1833.  
ASSURANCE COMPANY

HEAD OFFICE - - - TORONTO.

OLD RELIABLE PROGRESSIVE

FIRE AND MARINE INSURANCE.

Cash Capital, - - - \$750,000.00  
Total Assets, - - - 1,450,537.45

Losses paid since organization, \$15,095,188.88

DIRECTORS:

**GEO. A. COX**, *President.* **J. J. KENNY**, *Vice-President.*

HON. S. C. WOOD	JOHN HOSKIN, Q.C., LL.D.
S. F. MCKINNON	ROBERT JAFFRAY
THOMAS LONG	AUGUSTUS MYERS

H. M. PELLATT.

**P. H. SIMS**, *Secretary.*

**C. R. G. JOHNSON**, Resident Agent,  
42 St. John Street, - - - MONTREAL

# NEW YORK LIFE INSURANCE COMPANY

JOHN A. McCALL, President

HAVE YOU SEEN OUR

## NEW ACCUMULATION POLICY

WITH GUARANTEED CASH SURRENDER VALUES?

It provides for a Cash Surrender Value, Cash Loans at 5%<sup>o</sup>, Term Extension and Paid up Insurance.

IT IS AUTOMATICALLY AND ABSOLUTELY NON-FORFEITABLE AFTER THREE FULL PREMIUMS HAVE BEEN PAID.

The following illustration of a whole Life Policy for \$10,000, issued at age 35, shows its advantages when compared with the policies issued under the Massachusetts Non-Forfeiture Law, which heretofore has been regarded as giving very liberal guarantees to retiring policyholders.

Illustration of Guarantees, \$10,000. Ordinary Life. Age 35. Annual Premium \$281.10

At End of	N. Y. Life Cash Value.	Mass. Law Value.	N. Y. Life Paid-up Insurance Guaranteed.	Mass. Paid-up Value.	N. Y. Life Loan Guaranteed.	N. Y. Life Extension Given.
3rd Year.	\$ 160 00	\$ 180 00	\$ 660 00	\$ 495 00	\$ 290 00	2 yrs. 8 mo.
4th "	320 00	305 00	950 00	820 00	500 00	4 " 1 "
5th "	550 00	435 00	1330 00	1142 00	600 00	5 " 5 "
6th "	660 00	569 00	1590 00	1459 00	710 00	6 " 6 "
7th "	780 00	707 00	1850 00	1772 00	820 00	7 " 6 "
8th "	910 00	850 00	2110 00	2081 00	940 00	8 " 6 "
9th "	1040 00	997 00	2360 00	2384 00	1180 00	9 " 5 "
10th "	1310 00	1149 00	2750 00	2651 00	1320 00	10 " 2 "
11th "	1460 00	1303 00	3000 00	2971 00	1460 00	10 " 10 "
12th "	1620 00	1461 00	3260 00	3252 00	1620 00	11 " 4 "
13th "	1780 00	1622 00	3510 00	3526 00	1780 00	11 " 10 "
14th "	1940 00	1785 00	3750 00	3792 00	2100 00	12 " 2 "
15th "	2330 00	1951 00	4200 00	4050 00	2330 00	12 " 5 "
16th "	2520 00	2120 00	4450 00	4301 00	2520 00	12 " 8 "
17th "	2700 00	2292 00	4690 00	4544 00	2700 00	12 " 10 "
18th "	2890 00	2465 00	4920 00	4779 00	2890 00	12 " 11 "
19th "	3080 00	2641 00	5150 00	5007 00	3080 00	12 " 11 "
20th "	3280 00	2819 00	5370 00	5227 00	3280 00	13 " 0 "

For Rates and Agencies in Canada apply to

DAVID BURKE, GENERAL MANAGER,

COMPANY'S BUILDING, MONTREAL

# UNION Assurance Society.

Instituted in the Reign of Queen Anne, A.D. 1714.

HEAD OFFICE, 81 CORNHILL, LONDON, E.C.

Subscribed Capital,	- - - -	\$2,250,000
Total Invested Funds exceed	- - - -	14,840,000
Capital Paid up	- - - -	900,000
Annual Income,	- - - -	4,122,440

CANADA BRANCH:

HEAD OFFICE, Cor. St. James and McGill Sts., MONTREAL

T. L. MORRISEY, - - - MANAGER.

J. E. E. DICKSON, Sub Manager.

# Scottish Union & National

Insurance Company of Edinburgh, Scotland.

ESTABLISHED 1824.

Capital,	- - - -	\$30,000,000
Total Assets,	- - - -	40,506,807
Deposited with Dominion Government,	- - - -	125,000
Invested Assets in Canada,	- - - -	1,415,468

M. BENNETT, Manager North American Department.

J. H. BREWSTER, Asst. Manager.

HARTFORD, Conn.

WALTER KAVANAGH, - Resident Agent,  
17 St. Francois Xavier Street, MONTREAL.

THE

# CALEDONIAN

Insurance Co. of Edinburgh

Funds \$10,000,000.

Chairman,	- - - -	Sir George Warrender
General Manager,	- - - -	David Deuchar, F. I. A.
Canadian Manager,	- - - -	Lansing Lewis
Toronto Agents,	- - - -	Muntz & Beatty

# THE WATERLOO

MUTUAL FIRE INSURANCE COMPANY.

ESTABLISHED IN 1863.

Head Office, - - - WATERLOO, ONT.

TOTAL ASSETS - - - - \$353,184.00

POLICIES IN FORCE, 22,582

Intending Insurers of all classes of insurable property have the option of insuring at STOCK RATES or on the Mutual System,

GEORGE RANDALL, - - - C. M. TAYLOR,  
President. Secretary.

JOHN KILLER, Inspector. JOHN SHUH, Vice-President

ESTABLISHED  
A.D. 1837.



Capital Represented  
over \$35,000,000

267 ST. JAMES ST., MONTREAL.

# THE MANCHESTER FIRE ASSURANCE COMPANY.

CAPITAL - \$10,000,000.

ESTABLISHED 1824.

HEAD OFFICE, MANCHESTER, ENG.

Canadian Branch Head Office, TORONTO.

JAMES BOOMER, Manager.

R. P. TEMPLETON, Assistant Manager.

JOHN W. MOLSON, Resident Manager, MONTREAL

A. DEAN, Chief Inspector.

NOTE.—This Company having absorbed the Albion Fire Insurance Association, assumes all its liabilities from 12th December, 1893.

# PHOENIX

Assurance Company of London, England.

ESTABLISHED 1782.

Agency Established in Canada in 1804

PATERSON & SON,

—GENERAL AGENTS FOR DOMINION.—

HEAD AGENCY OFFICE,

35 St. Francois Xavier Street, MONTREAL.

# FIRE INS. \*HARTFORD\* COMPANY

ESTABLISHED - - - - 1810.

HARTFORD, CONN.

CASH ASSETS, \$9,229,213.

Fire Insurance Exclusively.

GEO. L. CHASE, President P. C. ROYCE, Secretary  
JOHN W. MOLSON, Resident Manager, Montreal.

# CONNECTICUT

Fire Insurance Company

OF HARTFORD, CONN.

CASH CAPITAL, - - - ONE MILLION DOLLARS.  
CASH ASSETS, - - - THREE MILLION DOLLARS

J. D. BROWNE, President.

CHARLES R. BURT, Secretary. L. W. CLARKE, Ass't Secretary.

DOMINION GOVERNMENT DEPOSIT, \$100,000.00.

C. R. G. JOHNSON, Resident Agent, MONTREAL.

# PHENIX INSURANCE COMPANY,

OF BROOKLYN, N.Y.

JAMES C. SINTON, Agent,

MONTREAL, Que.

J. W. BARLEY, General Agent,

NEW YORK.

# THE GUARANTEE CO.

OF NORTH AMERICA

ISSUES BONDS OF SURETYSHIP.

Capital Authorized,	- - - -	\$1,000,000.00
Paid Up in Cash,	- - - -	304,800.00
Resources, over	- - - -	1,400,000.00

HEAD OFFICE—MONTREAL.

EDWARD RAWLINGS, - - - WM. J. WITHALL,  
President and Managing Director. Vice-President

ROBERT KERR, Secretary and Treasurer.

SELKIRK CROSS, Q.C., Counsel. RIDDELL & COMMON Auditors

# CONFEDERATION LIFE ASSOCIATION

HEAD OFFICE, - TORONTO

PAMPHLETS in either English or French, giving particulars of the Company's Unconditional Accumulative Policy, will be sent on application to the Head Office, or to any of the Company's Agents.

Hon. SIR W. P. HOWLAND, C.B., K.C.M.G., President.

W. C. MACDONALD, Actuary.

J. K. MACDONALD, Managing Director.

PROVINCIAL AGENCY STAFF

Maritime Provinces and Newfoundland:

F. W. GREEN, Manager ... } HALIFAX  
A. ALLISON, Secretary ... }

Manitoba and British Columbia:

D. McDONALD, Inspector... } WINNIPEG  
C. E. KEHR, Cashier... }

Ontario and Quebec:

J. TOWER BOYD, Superintendent... } TORONTO  
H. J. JOHNSTON, Manager... } MONTREAL

**F. STANCLIFFE,**  
Gen. Manager for Canada.  
Office, MONTREAL.

FOR SOLE BENEFIT OF  
Canadian + Policy + Holders.

GOVERNMENT DEPOSIT, - \$125,000  
IN THE HANDS OF TRUSTEES, 632,500

## - British Empire - MUTUAL

General Agents Maritime Provinces.  
McGhee & Temple,  
HALIFAX, N.S.

A. W. SMITH,  
General Agent,  
TORONTO.

### LIFE ASSURANCE COMPANY OF LONDON, ENGLAND.

Assets over \$8,900,000. Income over \$1,380,000.

## Federal Life

### POLICIES WORLD WIDE

After one year from issue.

Assurance  
Company,

Head Office,  
HAMILTON, Ont.

Capital and Assets, - - \$1,000,000.00  
Surplus to Policyholders, - 704,141.26

ACCUMULATION POLICIES  
COMPOUND INVESTMENT POLICIES  
GUARANTEED INSURANCE BONDS

JAS. H. BEATTY, - - President.

DAVID DEXTER, - Managing Director.