

## DOMINION'S PURCHASES FOR ALLIES

Public Accounts for Past Fiscal Year—Increase in Debt  
—Department's War Expenditures

Canada's public accounts as presented by Sir Thomas White, minister of finance, show total receipts on account of consolidated fund of \$172,147,838, while the total expenditure for the ordinary expenses of administration amounted to \$130,350,726, the surplus being \$41,797,112. Capital account expenditure totalled \$38,566,950 on public works, including \$7,078,000 on the National Transcontinental; \$7,635,000 on the Intercolonial; \$4,887,000 on the Hudson Bay Railway, and \$4,909,000 on the Welland Ship Canal. The railway subsidies paid during the year totalled \$1,400,000. The war expenditure was \$166,197,755. The total expenditures under all headings were \$209,350,000. The increase in net debt of the Dominion was \$165,780,000, or practically the same as the amount set down for war expenditure.

## Department's War Expenditures.

Under the heading of war expenditure, the militia and defence department was responsible for \$160,433,000, the justice department for \$1,287,000, the naval department for \$3,274,000, and the Dominion police for \$201,000. Pay allowances and sustenance of the troops cost \$100,788,000, transport \$8,686,000, clothing \$13,194,000, small arms and ammunition \$7,766,000. The war expenses of the justice department include, of course, the cost of looking after the interned prisoners.

The consolidated fund expenditure for the fiscal year ended March last was a little over \$5,000,000 less than the expenditure for 1915. The capital account expenditure decreased by nearly three millions.

## Purchases for Allies.

The details of receipts and expenditures show the huge transactions which the Canadian government has put through for the Allied governments in connection with war purchases for Canada. There was received from the imperial government during the twelve months \$148,000,000, while there was expended on the imperial government account \$186,000,000. From the French government there was received \$1,670,000 and expenditures on French account totalled \$2,018,800. Russian and Italian governments receipts and expenditures handled by the Canadian government totalled about \$1,000,000 each, while for the New Zealand government Canada spent nearly four million dollars.

## NORTHERN MORTGAGE COMPANY

The net profits of the Northern Mortgage Company of Canada for the past year totalled \$113,056. While proportionately this sum is not quite so large as in the preceding year, it is considered satisfactory in view of the fact that all charges, expenses and government taxes, together with interest on debenture stock, have been provided for and all properties acquired have been written down to what is considered their minimum value. Out of the net profits the usual half-yearly dividends at the rate of 5 per cent. per annum have been paid, leaving a balance to the credit of profit and loss account of \$24,540, and bringing that account up to a total of \$142,650.

Mr. George V. Hastings, the company's president, reported at the recent annual meeting that notwithstanding the fact that no calls have been made on capital stock and no organized effort made for the sale of debenture stock, the former has increased during the year by \$77,000, and the latter by \$78,000. This is considered substantial evidence as to the company's stability.

An average rate of interest of 7.88 per cent. was earned on all of the company's investments during the year just ended. The investments continue in first mortgage securities on improved properties. Interest payments for the most part have been promptly met and the amount overdue is not unduly large. The directors have adopted the policy of writing down all properties acquired to an amount that is considered by them and by the management as absolutely safe.

## GREAT-WEST PERMANENT LOAN COMPANY.

Mr. E. F. Hutchings and others asked last week for a mandamus to compel the officers of the Great-West Permanent Loan Company, Winnipeg, to register the transfer of certain shares on the books of the company.

It was represented to the court that 62 fully paid-up shares had been transferred to E. F. Hutchings by the holders, and that the company was refusing to register these transfers at the present time.

It is understood, according to the Manitoba Free Press, that the company maintains that no transfers can now be registered until after the annual meeting, which will be held this month. The matter was heard before Judge Curran and was adjourned.

## WESTERN EMPIRE LIFE ASSURANCE COMPANY

A comparison of the statements of the Western Empire Life Assurance Company, Winnipeg, for the past two years shows changes in capital as follow:—

	1915.	1916.
Authorized capital .....	\$1,000,000	\$1,000,000
Subscribed capital .....	623,700	564,600
Called capital .....	155,025	141,150
Paid up in cash .....	135,773	130,232
Calls on capital in course of collection .....	20,151	10,917
Premiums on capital in course of collection .....	76,170	51,737

In addressing the shareholders at the recent annual meeting Mr. William Smith, the managing director, dealt with this matter in the following words: "Shareholders' notes represent calls upon capital and premium upon capital, amounting to \$62,654. This item is \$110,000 less than it was two years ago. I would affirm the absolute validity of this asset. Over 92 per cent. of our capital has been paid in cash; over 70 per cent. of the premium upon capital has been paid in cash, and the makers of the individual notes composing this amount of \$62,654, have already paid to the company in cash on account of their shares over \$66,000. In view of this you will believe with me, that the asset is a good one. Two years hence this item (stock notes) will have disappeared entirely from our assets. The money will be collected and invested in first-class interest-bearing securities."

In this connection he also mentioned that while the total assets show a decrease as against the total assets of a year ago, this is owing to writing down the value of certain assets. For instance, 591 shares of stock have been cancelled, resulting in \$20,000 of notes being removed from the assets. Outstanding and deferred premiums have also been written down to a minimum. The decrease in assets is not due to losses in the year's operations, Mr. Smith pointed out. The reverse is the case as the year's operations have yielded a surplus.

Last year, the Western Empire Life issued and revived insurance of \$616,968 and had in force at the end of the year \$2,703,768. The net amount received for premiums was \$60,277 and interest \$12,269. Management expenses totalled \$49,273, slightly higher than a year ago. The total assets are \$285,940; the liabilities, excluding capital stock, are shown at \$139,569. The company appears to be making satisfactory progress, and as indicated by the managing director, is taking steps to remove the stock notes as soon as possible from the assets. That is a desirable policy.

"A wonderful system for getting in subscriptions," is the way Sir Thomas White described the chartered bank organization of 3,500 branch banks, speaking with reference to our war loan issues. "The success of our loans was due in considerable measure to the fact that we have had the branch banks, the brokers and the press working for us in introducing the securities to the attention of the public."

The Canadian Surety Company, of which Mr. W. H. Hall is general manager, is applying to parliament for powers to enable it to transact automobile, accident, sickness and fire insurance, in addition to its present class of business, namely, guarantee. The company has a subscribed capital of \$200,000, the whole of which is paid up, plus \$40,000 of premium on stock. The premium income in 1915 was \$47,260.86, and the company reported a surplus over all liabilities and capital of \$28,619.48.