

chased shall have a 30-day first privilege of re-purchasing at his actual selling price without subsequent interest or taxes, and this privilege shall be one out of which he cannot contract himself. The withdrawal of the right to increase the price does not prejudicially affect the purchaser if his intention to improve is bona fide and the giving to the former owner the first privilege of repurchasing in the event of default being made in the making of the improvements, protects him against a speculator purchasing the land to the owner's disadvantage.

"11. In the calculation of the six months' period referred to in paragraphs 7, 8 and 9, the months of December, January, February and March shall be eliminated. It is proposed to eliminate these four months because they are months during which agricultural work cannot be carried on.

"12. All encumbrances shall be obliged to accept payment in the event of sale and the maximum bonus chargeable shall be one month's interest for each unexpired year of the encumbrance, and in no case shall the bonus exceed five months' interest. The bonus would apply only to encumbrances under which there is no privilege of prepayment, or under which any bonus provisions are more onerous than those defined in this section.

"13. The owner of the land shall be at liberty to sell the land either for cash or upon terms at a less price than that fixed under these provisions and he shall be at liberty to sell on terms at a higher price than that fixed hereunder."

UNION OF CANADIAN MUNICIPALITIES

At the convention of the Union of Canadian Municipalities in Victoria, the following officers were elected: President, Mayor Costello, of Calgary; 1st vice-president, Mayor Bouchard, of St. Hyacinthe; 2nd vice-president, Mayor Todd, of Victoria; 3rd vice-president, Mayor Fisher, of Ottawa; secretary-treasurer, W. D. Lighthall.

CANADIAN NORTHERN NOTES IN LONDON

An issue of £2,000,000 of Canadian Northern Railway 5 per cent. notes falls due on August 12th in London. They are to be replaced by three-year 5 per cent. notes, maturing August 2nd, 1921. The issue price of the new notes was fixed at 98½, at which they yielded over 5½ per cent. The new notes are guaranteed both as to principal and interest by the Canadian government. According to reports just received, about 67 per cent. of the new issue has been left in the hands of the underwriters.

GUARDIAN ASSURANCE COMPANY, LIMITED

Fire premiums totalling \$3,818,905 were received during the year ended December 31st, 1917, by the Guardian Assurance Company, Limited, of London, England. This compares with \$3,379,646 in 1916, an increase of \$439,255. This is an increase of about 13 per cent., whereas the net losses increased by less than 1 per cent. Expenses of management were 35½ per cent. of the total premiums. Provision was made out of the income for losses and expenses, for the additional premium reserve, and a profit remained of about \$400,000. Interest on the reserve funds brought in \$150,000, so that the total income was \$560,000. Deductions had, however, to be made for depreciation of securities, for bad debts, and debts in enemy countries treated as irrecoverable, and an increase was made in the general reserve fund.

In the life department new premiums amounted to \$145,000, and new insurance of over \$3,000,000 was written. The funds of the life department, including the investment reserve fund of over \$1,000,000, now amount to \$18,000,000. The reports from the accident, burglary, marine and general assurance department were also satisfactory. A balance of \$180,000 was transferred to profit and loss.

The company's trustees in Canada are T. Bienvenu, K. W. Blackwell and J. A. Gravel. The Canadian manager is Mr. H. M. Lambert, who is an underwriter of wide experience.

CANADIAN CAR AND FOUNDRY COMPANY

New Directorate Likely to be Formed Representing Both Interests

According to latest reports from Montreal, an understanding has been reached by the rival interests in the Canadian Car and Foundry Company and a directorate representing both sections is to be secured. It will be remembered that at the last annual meeting a new director, A. Hicks Lawrence, was elected to the board. Mr. Lawrence demanded full access to the books of the company, which access he claims was not granted. Some time ago a committee of shareholders, allied with Mr. Lawrence, circulated a letter of protest among the other shareholders and requested their assistance by proxies at the coming annual meeting, in order to secure control of the company. The board of directors issued a reply immediately afterwards, which elicited a second letter from the shareholders' committee, and a second reply was issued on the 8th inst., by the directors.

A statement of the company's earnings for the seven months ended April 30th, 1918, is to be submitted to the shareholders at the annual meeting which will be held on Monday, July 15th. This statement will show combined profits of \$2,917,004. Depreciation charges amount to \$313,223, interest on bonds \$298,998, bank interest \$127,748, and the net surplus of profits carried forward is \$2,177,034. The statement appears in full upon another page of this issue.

The surplus of the company, together with its subsidiaries is now \$2,840,063. As the profits for the past seven months, after making all deductions, were \$2,177,034, the financial position has, therefore, greatly improved. The invested assets, valued at cost, are now \$21,240,912, and the current assets \$14,429,492. The company also has \$100,000 deposited with the Montreal Trust Company towards the redemption of bonds, and other assets of \$866,267, making a total of \$36,636,672. The plant at Fort William now has sufficient orders to keep it busy for about two years.

In his reply to the second circular, Mr. Curry, the president, after remarking that the continuation of the controversy is useless, makes the following statement:—

"Our whole organization is now in a highly efficient state; our works are well managed and are all making money. The breaking up of this organization would be suicidal. Over 80 per cent. of our business is with governments: British, French, American and Canadian. To hold this business we must retain the confidence of the governments, which means that we must maintain a thoroughly efficient and experienced organization, and that our directors must work together in harmony. I was instrumental in organizing this company nine years ago, and was also instrumental in organizing 41 years ago one of its predecessors, the Rhodes, Curry Company, and have been the active head of these companies ever since. My life's work and business reputation is bound up in these concerns.

"Shareholders have been naturally anxious about dividends, but it is impossible for any company to earn dividends without business. The car companies of Canada were practically without business for three years, except some export orders of an unprofitable character. None of them made money during that period and most of them made large losses. This condition, however, has changed; our order books are now well filled with profitable business; the net profits for the first seven months of the present fiscal year amounted to over two million dollars, and the outlook for speedily paying off the accumulated dividends is particularly bright. I am attaching a letter signed by Mr. J. C. Scobie, a partner in the firm of Price, Waterhouse and Company, chartered accountants, with a world-wide reputation. Mr. Scobie for nearly three years has been in close touch with the affairs both of this company and of Agency of Canadian Car and Foundry Company, Limited, New York.

"You will be asked at the annual meeting to vote to add the following gentlemen to the board: Hon. Geo. G. Foster, director Canadian Bank of Commerce; Mark Workman, Esq., president Dominion Iron and Steel Company, Limited; William McMaster, Esq., director Bank of Montreal; H. W. Beauclerk, Esq., director Bank of Montreal; V. M. Drury, Esq., director Porto Rico Railways, Limited. I have asked and obtained the consent of these gentlemen to act as directors. It has been suggested that two prominent American business men should be added to the board to represent the American shareholders, and ex-governor E. C. Smith, president Central Vermont Railway, and Henry J. Fuller, Esq., vice-president Fairbanks, Morse and Company, have agreed to act in this capacity."