

large number of small local banks experience in individually controlling and carrying their cash reserve. "A reasonable adjustment of the rights of all the interests involved," he said, "would be accomplished by permitting the banks to issue new stock on such terms as are fixed by the directors. He would leave the fixing of the rates in the hands of the directors as now."

Mr. Forgan did not believe the Government should have anything to do with the question of bank inspection. It would have a tendency to shift the responsibility.

Difficult To Start.

Mr. W. F. Maclean asked if there was not a money trust in the United States.

"No," said Mr. Forgan. "I'll be honest with you, however. I am supposed to belong to the trust."

Mr. J. G. Turiff asked if in order to prevent two or three banks controlling the financial business of Canada, it would not be necessary to establish small banks.

Mr. Forgan stated that if amalgamation continued till it reached the danger mark, he could see the necessity for so doing. He believed, however, that it was difficult to start new banks in Canada. He did not believe that any system of external audit which could be organized could equal the internal system in force. He advised the Canadian government to keep its hands off bank supervision or anything approaching it. The minister's suggestion for a shareholders' audit seemed to be what was wanted.

He considered that the proposal to establish central gold reserve agents to which banks may issue their notes in excess of capital was a worse one. The proposal to tax circulation and money loaned in foreign countries was unwise.

Mr. Maclean asked if the American Government did not save the situation in the United States in 1907.

"The Government was not worth a hill of beans," answered Mr. Forgan with refreshing frankness.

Mr. Maclean then referred to the fact that in the recent run on the Montreal District and Savings Bank, the Canadian Government came to its assistance.

LA ROSE CONSOLIDATED MINES, LIMITED

Monetary Times Office,

Montreal, April 10th.

The shares of the La Rose Consolidated showed a tendency to sell down after the appearance of the annual report. Whether this was an indication that the report was not considered favorable or not is hard to say. Other mining stocks, such as Hollinger, Jupiter, Pearl Lake, etc., were all rather easier to-day, so that it might be that La Rose was only acting in sympathy. The street is commenting on the fact that the ore reserves are showing a marked falling off. It would almost seem from the report that no discoveries having the effect of adding greatly to the reserves had been made during 1912, the evidence of the following comparisons being that the reserves were not added to or maintained but that they fell off rather more than one-half the production for the year:—

	1911.	1912.	Decrease.
Ore reserves, December 31, given in ounces ..	4,250,861	2,796,650	1,454,211
Net value	\$1,643,938	\$1,083,655	\$ 560,283
Production, in ounces...	3,691,797	2,816,597	875,200

Production profits, 1912, \$1,023,142; surplus, \$1,578,592; dividends paid, \$936,642.

The surplus mentioned showed an increase of \$27,171, dividends-paid showed an increase of \$337,291. The profits for the year were only \$50,513 less than the value of the ore reserves remaining at the end of the year. The total of the ore reserves and the surplus had a value of \$2,662,247, or about 35 per cent. of the par value of the stock of the company. The par value of the shares is \$5 and the present market price is \$2.75.

There was a drop in the grade of the ore during the year, the contents of the high-grade ore falling from 1.731 ounces per ton to 1.307 ounces. Accompanying this was an increase in the cost of mining per ton, rising from 19.20 cents in 1911 to 25.93 cents in 1912. This would have been a more serious matter had it not been for the fact that the price of silver rose at the same time to 61.66 cents per ton. This rise of 8.11 cents in silver more than off-set the advance of 6.73 cents in the cost of mining.

The company was in a strong cast position at the end of the year, having at that time no less than \$500,000 out on call.

The results of the year have justified the policy of maintaining the surplus, adopted by President McGibbon many months ago. The only question now is as to what is to be done with the surplus. It has been maintained for the purpose of re-investment in some other mining property. As explained in the report, no satisfactory property has yet been presented.

ONTARIO'S ESTIMATES

Large Appropriation for Hydro-Electric Commission— Bridges and Roads—Additional Sources of Revenue

The total of the further estimates of the Ontario legislature tabled this week is \$3,264,327.13, and in addition to those brought down a few weeks ago of \$1,639,522 and the main estimates, which were introduced at the last session, total of estimated expenditure for 1913 will be \$13,784,345.88.

The largest item in the supplementaries is \$2,500,000 for the Hydro-electric Power Commission, which includes \$150,000 for a new office building to be erected in the vicinity of the parliament buildings, which will contain offices, laboratories and testing equipment to carry on work that now is scattered in several places.

There is another large item of \$95,000, representing a refund of timber dues to the Algoma Central Railway under an agreement dated December 7th, 1905.

Further appropriations are to be made to enable the immediate organization of the new judicial district of Timiskaming. The equipment of the registry office at Haileybury is to cost \$3,500. The registry office itself will cost \$8,000. The sum of \$20,000 is to be voted for a new court house for the district of Rainy River, and \$2,000 for a new registry office for the district of Kenora. A Hydro-electric underground service at the parliament buildings is to be installed at a cost of \$1,200 and a fire alarm equipment for \$3,500. New dormitories for the Deaf and Dumb Institution at Belleville and the Institution for the Blind at Brantford are to cost \$20,000 each. Hydro-electric installation in the Ontario Agricultural College runs into \$3,400.

For Bridges and Roads.

In the Public Works Department a sum of \$132,900 is set aside for new bridges and repairs to existing bridges in the unorganized districts, and \$337,432.42 for colonization roads, which make up a total for this branch of \$470,332.42. The grant for colonization roads is somewhat less than that of last year, due more or less to the work being conducted by Mr. J. F. Whitson under the \$5,000,000 appropriation, which will amount to about \$1,000,000 this year. The colonization road work is organized under four headings: North Division, \$150,592.55; West Division, \$35,073.87; East Division, \$100,766; Timiskaming, \$51,902.37.

For charges on Crown lands there is an additional vote of \$15,000; \$4,000 of this is for the purchase of launches for forest reserve work, and \$10,000 for investigation and purchase of lands, nursery work, replanting, labor, purchase of seeds and stock.

Under the charge administration of justice the Attorney-General receives an additional sum of \$16,292.19. Of this amount \$1,200 is for a police magistrate at Porcupine, and \$4,000 additional for the maintenance of prisoners; \$500 is to maintain a police magistrate at Matheson.

The additional amount required by the Department of Education is \$5,967.

Among the miscellaneous items there are a number of gratuities. Dr. Helen MacMurchy gets \$450 for a report on the feeble-minded, and a further amount of \$5,000 is to be voted for enforcing the liquor act.

Supplementary Revenue Act.

On the motion to go into Committee of Supply on the further supplementary estimates Mr. Rowell pointed out that the apparent debt, with the \$2,500,000 it was proposed to spend on the Hydro-electric, was \$6,000,000. He would like to know where the Acting Provincial Treasurer proposed to get the money.

Hon. Mr. Lucas explained that the estimates for 1913 showed an increased expenditure of \$437,902 as compared with last year. He intimated that a supplementary revenue act would be introduced by the government shortly. They were always on the lookout for additional sources of revenue, and proposed taxing interests which at present were not contributing their share to the province.

RAILROAD EARNINGS

The following are the railroad earnings for the week ended March 31st:—

	1913.	1912.	Increase or decrease
Canadian Pacific	\$3,557,000	\$3,442,000	+ \$115,000
Grand Trunk	1,626,172	1,429,340	+ 196,832
Canadian Northern	636,500	603,500	+ 33,000
Temiskaming and North- ern Ontario	36,209	42,482	— 6,273

The Quebec Bank, it is said, will open a number of new branches throughout the west during the coming months.