

CONDITION OF THE PROPERTY

An exhaustive inspection has recently been made of our company's property in connection with the readjustment of our fire insurance schedules, and this confirms the statements from our own engineers and managers as to the high standard of our construction and equipment and the excellent condition in which it is continually maintained. Should a valuation of our company's property by competent valuers be decided upon by the Public Service Commission, either for the purpose of arriving at a basis for the fixing of fares and charges or for the transfer of our property to the local authorities, we are certain that such valuation will amount to a sum equal to that which would be required to make a return to the stockholders of the full capital invested by them in the undertaking. A strong point also in this company's favor is that the issue of practically half its capital is in the shape of perpetual debenture stock on a 4¼ per cent. basis. This low rate of interest should assist in enabling the company to secure from the Commission conditions which will provide for a reasonable return to its preferred and deferred stockholders before long. I have already referred to the shipbuilding industry, which is responsible for much of the present improvement in conditions in British Columbia, but which is largely a product of the war, and may be considerably diminished now that the war is over and present contracts are approaching completion. British Columbia has, however, an almost unlimited supply of many of the raw materials of which all Europe is in need, and if the labor problem can be solved justly and satisfactorily and capital and enterprise be encouraged by just treatment, there is every reason why, with patience and sympathy between all classes, the period of readjustment should be successfully passed and the prosperity created by the shipbuilding industry be permanently retained and immensely supplemented by the prosperity of other industrial activities. In conclusion, I will venture to remind British Columbians that if they wish to see the natural resources of their country developed, if they wish to see new industries established and general commercial activity, they must have capital, and they must compete, to secure capital, with other parts of the world, offering guarantees of safety and liberal inducements to investors. Prosperity can only come to British Columbia by the free flow of capital into the province. The prosperity of the years before 1913 arose from the introduction of capital from Great Britain and other countries, and to-day capital for the creation of new enterprises is more necessary than ever before.

The Chairman: Ladies and gentlemen, I have now formally to move: "That the balance sheet as at June 30th, 1918, and the revenue account for the year ended on that date, together with the reports of the directors and auditors thereon, be, and are hereby, received and adopted."

Mr. E. L. Evan-Thomas seconded the resolution, and it was carried unanimously.

The Chairman next moved: "That the payment on November 30th, 1918, of the dividend at the rate of 5 per cent. per annum on the cumulative perpetual preference stock be, and is hereby, approved."

Mr. T. Blundell Brown seconded the resolution, which was unanimously agreed to.

The retiring directors (Messrs. E. L. Evan-Thomas and T. Blundell Brown) were re-elected.

Mr. Harold G. Brown, in proposing a vote of thanks to the general manager and staff in British Columbia, said that Mr. Kidd and all the other members of the staff in British Columbia well deserved the thanks of the stockholders.

Mr. Evan-Thomas seconded the motion, remarking that it was absolutely true that there probably never was a general manager who had had to bear so much responsibility as Mr. Kidd had during the last two years, and who had been most ably seconded by his assistants and the staff generally.

The chairman said he would like to endorse what had been said by the two previous speakers. Those who had been watching the correspondence from the other side had wondered how the staff could have kept going under the exceedingly difficult circumstances which had prevailed and do so well as they had done. Every possible credit was due to the general manager, who, under most difficult circumstances, had always acted with the greatest possible wisdom, and who had pulled the company through great difficulties during the past year.

The vote was unanimously accorded.

The London auditors (Messrs. Norton, Slade and Company) and the Canadian auditors (Messrs. Helliwell, MacLachlan and Company) were re-elected and the proceedings terminated.

MORTGAGE AND TRUST COMPANIES' ASSOCIATION

British Columbia Legislation Discussed—Election of Officers
—Representation at Dominion Association Meetings

THE annual meeting of the Mortgage and Trust Companies' Association of British Columbia was held in Vancouver on April 16th. About twenty-five delegates were present, representing institutions which are members of the association. The president, Mr. G. L. Smellie, was in the chair. The principal discussion was on the proposed new Municipal and Registry Acts, the former of which has already received its first reading in the provincial legislature. The various sections of the act will be taken up by special committees of the association, and a general meeting will be held later, at which the various recommendations will be considered, and it will be decided which changes, if any, should be asked for. The association is also interested in a new Registry Act. The effects of legislation upon investments of foreign money in Canada was also discussed at the meeting.

Mr. John Appleton, secretary of the Dominion Mortgage and Investment Association, was present and addressed the meeting. He intimated that when he left Toronto he was asked to convey the wishes of the Dominion Association that at their next annual meeting they would have one or more representatives of the British Columbia body. He said that eastern Canada was interested in British Columbia's institutions, and that the presence of British Columbia's representatives would have a salutary effect. In speaking of what had been done by the Dominion association, Mr. Appleton pointed out that it had now established a rule that no further charges would be created to rank ahead of first mortgages as exemplified by the recent seed grain legislation in the provinces of Alberta and Saskatchewan, and also by the regulations of the Department of the Interior with respect to seed grain distribution to holders of unpatented lands.

Other matters dealt with by Mr. Appleton included the suggested change to the Interest Act, which would provide for statutory recognition of a standard form of calculating interest on blended payments of interest and principal so as to remove all ambiguity as to the exact rate of interest paid by the borrower under long-term mortgages. He said that the general desire had sprung up for long-term mortgages, and a necessary corollary was a standard form of calculating interest, one which the courts would recognize. He also referred to the various proposed changes in the Ontario Loan and Trust Corporations Act, made at the recent session of the legislature of Ontario.

The officers elected to serve for the ensuing year resulted as follows: President, Mr. G. L. Smellie; vice-president, Mr. J. R. Waghorn; secretary-treasurer, Mr. George L. Schetky; executive committee, Messrs. A. C. Stirrett, R. Kerr Houlgate, A. E. Plummer, H. M. Forbes, G. H. Dorrell and H. R. Glass.

GRAIN INSURANCE AND GUARANTEE CO.

On April 16th the Banking and Commerce Committee of the House of Commons incorporated the Grain Insurance & Guarantee Company, of Winnipeg. Mr. F. H. Chrysler, K.C., Ottawa, explained that the purpose of the bill is to save dealers from loss if grain is destroyed after purchase from the farmers. The capital stock of the company will be half a million dollars, and the head office at Winnipeg. The provisional directors of the company are western grain dealers, including R. T. Evans, Frank O. Fowler, W. A. Anderson, H. Kaimer, and D. N. Potter, of Winnipeg.

The new company has been organized by the Northwest Grain Dealers' Association. The association had taken out a charter and formed a mutual insurance company among the members of the association. The Northwest Grain Dealers' Association has a large membership among the members of the Winnipeg Grain exchange and elevator owners and grain dealers throughout the three prairie provinces.