

day occurred this week, a large amount of paper maturing, on March 4, though the total held by wholesale houses and banks has been below the average at the same date during the past two or three years. This has resulted naturally from reduced volume of business since the United States disturbance of October, 1907, started an already overdue trade contraction. High prices for farm products have helped greatly with remittances from Western and interior towns in connection with March commercial settlements, and on the whole the "fourth" passed satisfactorily and quietly, as had been anticipated.

Though some of the principal barometers—such as bank clearings at Montreal and Toronto, and railroad earnings—are now indicating more favourable trade conditions, it is certain that the activity is still considerably behind that shown two years ago. It is well known that stock market transactions on both the exchanges have been on an extended scale for some weeks back. Toronto clearings too have been swelled materially by the speculation in the Cobalt mining shares—a relatively larger proportion of this having taken place in that market.

It is altogether likely that an increased rate of production at Cobalt, increase of dividends from time to time by the principal mines, and the development of Gowganda, will keep the mining shares more or less active. On the other hand the uncertainty surrounding the iron industry here and in the States may restrict the trading in the general section of the market for a time—thus lessening the prospective demands on the home money markets.

CANADIAN BANKING PROFITS: II.

A week ago THE CHRONICLE dealt with the earning capacity of the various chartered banks of Canada. This week, the disposition of profits is considered. Each institution shows its certain balance of profits brought in. To it is added the ordinary earnings of the year, and premium on new stock issues, if any. The table opposite shows how the total thus arrived at, is disposed of. An examination of it shows that the dividends took up 63 per cent. of the ordinary earnings; another 10 per cent. was appropriated to write down premises; 3 per cent. was applied to write down securities and assets (in addition to the appropriations made before the declarations); 2 per cent. went into contributions to pension funds and the like; and, roughly 22 per cent. was taken, along with \$469,075 of premiums on new stock issues, and \$260,545 from the profit and loss balances, and added to the rests.

A marked tendency is now being shown to build up the profit and loss balances as a reinforcement

to the rests. That the former show a diminution this year is due to the transfer of some large round amounts from profit and loss account, where they had been accumulating for some time past, to rest account. The Bank of Montreal and the Canadian Bank of Commerce each added \$1,000,000 to rest, a considerable part being taken in both instances from profit and loss. Considered apart from these two cases, therefore, the profit and loss balances show a very substantial gain.

A gratifying feature of the exhibits is the steady increase from year to year of the amounts appropriated for pensions, etc. In 1903 there were 12 banks reporting appropriations for contributions to one purpose and another—mostly for officers' pension funds—and the aggregate of their appropriations was \$115,377. In 1904, 13 banks reported these appropriations, and the total was \$129,847. In 1906, there were 16 banks, and their contributions were \$189,533. In 1908, two of those—the Ontario and the Sovereign—disappeared from the list, but their places were taken by two new ones, and the total rose to \$231,166. No doubt, the appropriations under this head in 1908 would have been larger, had the year been more favorable in the point of earnings.

Next week, a concluding article will show what the tendency has been in the last few years, in regard to disposing of the profits.

THE MANUFACTURE OF CEMENT.

Recent moves towards the forming of a \$200,000,000 cement "trust" in the Eastern States have aroused public attention to the magnitude which the industry has now assumed in North America. According to the author of the latest and most complete book * dealing with the financial aspects of cement manufacturing, the total Portland cement production of the United States in 1907 was 48,785,390 barrels, valued at \$53,992,551. Ten years earlier the value of the annual output was less than \$4,500,000.

Canadian manufacturers of cement are also drawing closer together, though not in the way of organizing a trust. In Toronto, during this week, the Canadian Cement and Concrete Association has held its first annual convention. It will be remembered that this association was formed about a year ago, with the object of getting together all the interests in Canada engaged in the several branches of the cement and concrete industry, with a view of establishing standard specifications for concrete construction, and also for the purpose of securing a grant from the Dominion Government for the establishment of a Dominion testing laboratory.

*The Portland Cement Industry from a Financial Standpoint: by Edwin C. Eckel—published by Moody's Magazine, New York.