

THE CANADIAN BANK OF COMMERCE

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., President
ALEXANDER LAIRD, General Manager JOHN AIRD, Ass't General Manager

CAPITAL, \$15,000,000 RESERVE FUND, \$13,500,000

SAVINGS BANK ACCOUNTS

Interest at the current rate is allowed on all deposits of \$1 and upwards. Careful attention is given to every account. Small accounts are welcomed. Accounts may be opened and operated by mail.

Accounts may be opened in the names of two or more persons, with drawings to be made by any one of them or by the survivor.

5% DEBENTURES

Capital Paid Up, \$2,000,000.00
Assets - - \$5,000,000.00

INTEREST
PAID
EVERY
SIX
MONTHS

Those who have the intention of making an investment, should write us for particulars of our five per cent. debentures. The safety of this security is easily explained and the splendid interest return makes them very attractive. Complete report for 1913 sent on request.

**STANDARD RELIANCE
MORTGAGE CORPORATION**
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THE INDEPENDENT ORDER OF FORESTERS FURNISHES A COMPLETE SYSTEM OF INSURANCE

Policies issued by the Society are for the protection of your Family and cannot be bought, sold or pledged. Benefits are payable to the Beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.

Policies issued from \$500 to \$5000
TOTAL BENEFITS PAID, 42 MILLION DOLLARS

For further information and literature apply to
FRED J. DARCH, S.S. E. G. STEVENSON, S.C.R.
Temple Building - TORONTO

National Trust Company Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend for the three months ending September 30th, 1914, at the rate of
TEN PER CENT PER ANNUM

has been declared upon the Capital Stock of the Company, and that same will be payable on and after October 1st next.

The Transfer Books will be closed from the 20th to the 30th September, both days inclusive.
By order of the board.

W. E. RUNDLE, General Manager

Toronto, September 2nd, 1914

Exchequer introduced a bill in the British Commons, on August 26th, of which the policy is to give the courts a little more authority in such matters, but that is about all that is aimed at, and from the Chancellor's statement it is evident that relief by the courts will be limited to cases where inability to meet such obligations is clearly due to the war. If that is as far as British legislation is necessary, Canadians, more remote from the immediate effects of the war, can scarcely need any greater legislative relief. There may well be a few cases of inability in this country directly attributable to the war where certain lines of business have practically ceased. But the mortgages so involved can form only an infinitesimal part of the total which would be affected by such legislation. There are two parties to a mortgage. Omitting the case of individual mortgagees who may depend on their payment of interest for living expenses, the general credit of the country may be involved through such legislation. Much of the funds loaned on mortgages has come from and will be repayable in Britain, which has been a good market for the debentures of our loan companies. Proposed legislation should be carefully framed not to endanger confidence in such issues. The Canadian Government blue book shows that during the current year leading loan companies had over \$8,000,000 of debentures maturing abroad. The usual dates of maturity are May and November. In normal times most of this amount would be renewed, probably 80 per cent. It is also probable that 50 per cent. has been cared for at the May maturity, leaving about \$4,000,000 to be met in November next. The fact that underwriters of the recent Canadian Northern loan have come forward with the funds promised, without making use of the privileges open to them under the moratorium, shows that British investors still have funds available. It is important to Canadian interests that as much as possible of this \$4,000,000 be renewed. Proposed legislation may well keep this factor in view. Besides, this amount is only the immediate debt. The basis of credit of the whole volume of such debentures is involved. So far as the larger loaning institutions are concerned, many of these companies have been following the policy of having mortgages call for instalments being paid on account of principal, with the result that the company's security is now in excellent condition, easily permitting leniency in cases of necessity. The attitude of the different loaning institutions in this matter will, of course, have an influence on their future business and most probably their course will be inspired by a desire to keep the goodwill of their clients. Any danger of imposition on mortgagors seems limited, in comparison to the injury which might be done the whole credit situation by any hasty legislation. Some method seems likely to be adopted of submitting the matter of mortgage proceedings to the courts under a low scale of fees which should result in protecting all interested without imposing hardship on either party to a mortgage. It is not against the fair, but against the unfair mortgagee that legislation is sought, but too much latitude must not be given to those who can pay but seek to hoard.

The language of the British Chancellor fully outlines the Government's attitude on general policy. He said, in part:

"It may be necessary to take stronger action. A good deal depends upon the banks. I think we have done for the banks as much as they ever could expect of us. But we did not do it in order to strengthen their position or to increase their dividends. We did it in order to enable them to finance the trade of the country during a crisis, and while the government and the country are prepared to take risks, the banks must take risks as well. I have no right on behalf of the House of Commons and the government to pledge the credit of the country to support the banks without seeing how they use that credit placed at their disposal. Some banks have not behaved well, and I think it is better that should be said. We must take it that this has been due to timidity and a good deal to over-precaution. They have had to think about their own depositors. I do not think they were considering their own shareholders. I do not believe that they were considering the price of their shares. They considered themselves to be trustees of their depositors and that they were not entitled to take very great risks. I think the time has come when they really ought to do it, having the credit of the State behind them. I have called their attention to complaints which have come to me, and said it would be my duty to report the decisions to the House of Commons that, unless the trade of the country receives the usual facility for its performance, and even greater facilities in the special emergencies, I had no doubt at all that the House of Commons will take some action to place behind the trade of the country the necessary credit in order to enable it to carry on. (Hear, hear.) I am very glad to be able to say that the banks are financing business much more liberally than they were in a position to do during the first fortnight. I hope that in the course of the next few days we shall receive reports which will show that this more liberal policy is having an effect in certain areas and in certain trades where the restrictions imposed by the banks have undoubtedly acted very prejudicially to business."

Dominion and Scotia Steel Pass Dividends

THERE is relatively small issue of preference shares of the Nova Scotia Steel and Coal Company, only \$1,030,000, compared with \$6,000,000 common stock. That the common dividend should not be paid caused no surprise. The common stock had fallen in the market with this expectation. But the profits of 1913 showed about fifty per cent. earned on the preference shares. It takes only \$20,600 to pay the quarterly dividend, so that the Street concludes the company is hard up when the directors decide not to pay this. The half-yearly dividend on the preferred shares of the Dominion Iron and Steel Corporation, due on October 1st, was admitted to be in jeopardy, even before the war. Hence there will be little surprise that it is now deferred. In both these cases dividends are cumulative, so that shareholders will all hope to receive them later on. At one time, before the amalgamation of the Dominion Iron and Steel Company with the Dominion Coal Company, the former was in arrears on its preferred dividend nearly \$40 per share, but this was all paid after the company's victory in its litigation with the Coal Company.

Lake Superior Corporation

ANNUAL reports for the year ending June 30th are being issued. None of them can have been affected by the war. They indicate the effect rather of last year's general slowness of trade. The Lake Superior Corporation is practically a holding company only. The income of its subsidiary companies was about the same as for 1913, \$2,511,000, but their interest charges had increased \$441,000, so that the amount received by the holding company was only \$437,880, a decrease of \$355,000.

Canadian Locomotive

THE Canadian Locomotive Company's profits for the year ending June 30th last fell below those of the previous year by \$44,000, and as some securities held had been sold and the proceeds turned into plant, the actual amount available for distribution was \$50,000 less. The accounts show a good margin over the amount required to pay the preferred dividend. But the president states that the company is practically out of orders. The additions to the plant which were under way are now about completed and will enable the company to turn out from fifteen to twenty locomotives monthly when orders do come.