

### BANKERS ARE INTERESTED.

Next to the farmers the bankers are most interested in the unusual circumstances which have arisen this fall. To the Monetary Times this week, a well-informed bank manager at Ottawa said that it was quite evident that the Government meant to bring pressure to bear upon all concerned to move the Western crops, and upon the banks to give every possible facility for so doing. The banks, he added, would not finance the wheat speculator.

The big milling companies had necessarily to obtain much of the best wheat to keep up the quality of their fine grades. It was obviously the intention of the speculative fraternity to endeavor to "carry over" large quantities of this good wheat and thus "hold up" milling companies next spring.

Another prominent manager at Ottawa severely criticized the average bank critic. He instanced a complaint made to him that the Canadian banks had refused to finance a wheat shipment at Fort William. Inquiries were made and it was found that the transaction throughout was negotiated by United States parties and that the Canadian banks had no part whatever in the operations. "We do not mind criticism," he added, "but critics should make sure of facts."

### HOW THE CANADIAN BANKERS HANDLE THE WHEAT CROP.

Here, in brief, is the story of the movement of the Canadian crop in the fall:

(1) The farmer delivers his wheat at a near-by elevator, or he orders grain cars and ships to Winnipeg for inspection and sale.

(2) At Winnipeg the grain is either purchased by the milling companies and stored by them for future use, or it is sold to large dealers who carry wheat over from month to month, hoping to profit on the difference between the cash article and the price of futures. It is the latter class who are not being assisted by the banks in their speculations just now, and many of the complaints against the bankers emanate from this fraternity.

(3) Regarding the export business, those who send the wheat eastward are often the same firms who speculate in grain futures. The two functions of these houses are entirely distinct. As exporters these firms enter the Winnipeg market and buy wheat on the track and in the elevators.

(4) When shipment time comes they forward their goods down the lakes from Port Arthur or Fort William.

(5) Next, with the help of the Canadian banks an "inland draft" is drawn on a New York or other export house.

(6) This draft, with the inland bill of lading attached, is handed to the buyer of the draft, who sees the shipment made and negotiates a sterling or continental bill of exchange, to which is attached the bill of lading.

(7) When the grain is on the high seas en route to Europe, Canadian banks which financed the shipment at Winnipeg get their money back.

The Canadian banks thus advance the requisite funds to the shipper at Winnipeg. Their money is returned to them when the cargo is on the Atlantic. The funds thus released go back to Winnipeg and then finance more shipments.

### THE BANK OF MONTREAL STATEMENT.

The annual statement of the Bank of Montreal, issued this week, shows profits, after deducting charges of management and providing for all bad and doubtful debts, of \$1,980,138. Profits of the year represent 13.70 per cent. on outstanding capital of \$14,400,000, which compares well with the 12½ per cent. of 1906. There was the sum of \$2,139,969 available for distribution, of which the dividend of ten per cent. absorbed \$1,440,000 and left \$699,969 to be carried forward to profit and loss account. The rest remains at eleven millions. One finds that deposits of the bank not bearing interest have increased, compared with 1906, by over five million dollars, while the deposits bearing interest have decreased by nine million dollars. This, while it indicates that a good deal of money has been withdrawn for investment purposes, also shows that loans for ordinary commercial and industrial purposes are larger, since current loans are this year \$105,107,000 as against only \$101,814,000 a year ago. The statement is a strong and satisfactory one.

### COMMERCIAL MARKETS.

Retail dry goods payments were met much better on the 4th than was generally expected. The weather has not been productive to activity in trade, yet retailers report a very successful season so far. The shortage of money does not seem to have greatly affected the retail trade up to the present, but this may materially be influenced later by the inability of

considerable numbers who are being placed out of employment, to make purchases as previously. Wholesale grocers report a fair activity in trade, as do also boot and shoe and metal merchants. Trade during the coming winter will be as active as it was a year ago.

Said Mr. Holcombe, of the Phoenix Mutual, at the recent dinner of the Chicago Life Underwriters' Association: "True life insurance is not overdone. The aggregate value of the insurable lives in this country, lives upon whom others have a right to depend, is many times greater than all the insurance which is now or ever has been carried on them. It is for us to so conduct our affairs at the home office and in the field that we shall be recognized as the friends of the people and not their enemies."

### BANK OF WINNIPEG.

Western Men Will Seek Incorporation of New Bank this Session.

Monetary Times' Office,  
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A considerable amount of speculation has been caused in banking and financial circles regarding the announcement by Messrs. Chrysler, Bethune & Learmont, in the Canadian Gazette, of October 2nd, that an application would be made at the next session of the Parliament of Canada for the incorporation of a bank to be known as the "Bank of Winnipeg." Some two years ago there was a charter granted for the purpose of establishing this bank, but owing to the unfortunate demise of one of the parties closely identified with it at that time the promotion had to be abandoned, and it was only recently that the Monetary Times was favored with an advance copy of a private prospectus which has been issued under the names of the present applicants for the charter, and who are the provisional directorate until such time as there are shareholders in the undertaking. These gentlemen are Charles F. P. Conybear, K.C., barrister, Lethbridge; Walter E. Seaborn, barrister, Moose Jaw; Frank Denton, K.C., barrister, Toronto; Robert H. Matson, broker, Toronto; Horace Chevrier, ex-M.P.P., merchant, Winnipeg; and Clarence H. F. Bell, banker, Winnipeg.

#### Further Financial Facilities Necessary.

The prospectus outlines the phenomenal development of Western Canada in agriculture, commerce and industry, which has weighed upon the present applicants for the renewal of the charter of the "Bank of Winnipeg," as they believe there has not been a corresponding increase in the banking facilities to meet the existing demands to provide for further development; and to ensure continued progress they believe that further financial facilities are an absolute necessity, and they have every confidence in the West that it will heartily support another local bank. The great natural resources of the four western provinces of the Dominion have as yet only begun to be developed, and when increased transportation facilities have been provided, it will have much to do with the building up of new industrials and a rapid growth in population from the enormous stream of immigration now directed to the western prairies and British Columbia. These developments clearly point to the need of additional financial institutions to provide for the legitimate demands and promotion of sound and responsible enterprises.

#### Issue of Stock at Premium.

The prospectus further deals with Canada's growth, which has been greatest in the West, the wealth of British Columbia with its immense forests and fisheries, and also with the natural resources of the three fertile prairie provinces, which are rich, diverse and prominent, with millions of acres of yet uncultivated soil. The institution will be primarily a western one, and the prospectus speaks of its policy as being progressive, yet conservative, and decidedly western. The directors will be chosen from among the shareholders, and composed of men eminent in business and finance. The prospectus makes the statement that the promoters are determined to place the control of the bank among many rather than in the hands of a few capitalists, and the first issue of the stock is at a premium of 30 per cent. There will be no public flotation until the charter has been secured and the arrangements which are now in progress completed. The provisional directors have selected the bank's temporary offices at 603 MacIntyre Block, Winnipeg, with Mr. Bell as their secretary. Everything has been done in accordance with the Banking Act, and present indications point to the Bank of Winnipeg some day occupying a prominent position in western financial affairs, from the parties whose names are connected with the promotion and the manner of their flotation, along with what is understood as the assurance of the Minister of Finance that the charter will be granted at the coming session of Parliament.