

York were able to show in their Saturday statement a large gain in surplus reserve. Loans were reduced \$51,314,000; cash holdings decreased \$2,900,000; and surplus reserve increased \$8,641,000. The deficit of \$995,000 shown at the end of the preceding week was thus changed to a surplus of \$7,645,000. That was the showing made by all members of the clearing house. The banks taken by themselves showed loan contraction of \$36,656,000; cash loss of \$1,900,000 and increase of \$8,059,000 in surplus.

GOVERNMENT POLICY HAS DEEPEDED DEPRESSION.

The New York stock market has been exhibiting a better tone and shows some disposition to shake off the extreme pessimism in which it has been immersed. This may be the natural reaction from a state of unreasoning fear. There are some signs, however, that the Washington government and the politicians are at last beginning to recognize that the persistent attacks on big business of all kinds have had an important effect in producing trade and industrial depression. This depression though not entirely due to the government's policy, has unquestionably been deepened by that policy. And as the prospects of the party in power are usually affected to some extent by bad trade, some of the government officials are manifesting a disposition to reassure the business world and allay its fears. Apparently also the market thinks the chances of the railways winning their campaign for higher freight rates are growing brighter. The merchants and other shippers are by no means so active in opposing the move as they were on the last occasion on which a general increase was mooted.

THE LATE MR. DAVID BURKE.

The insurance fraternity has learned with much regret that the serious illness of Mr. David Burke terminated fatally last Friday morning, at his residence 886 Atwater Avenue, Montreal. Mr. Burke was one of the most highly respected members of the older generation of Canadian life insurance men. Born in Prince Edward Island in 1850, Mr. Burke entered life insurance in Montreal so long ago as 1869, being associated with his brother, the late Mr. Walter Burke, then general manager for Canada of the New York Life. In 1883, Mr. Burke was appointed to this position, which he continued to hold until 1897, when he retired in order to organise the Royal-Victoria Life of Montreal, with which he was associated until its absorption by the Sun Life in 1911. Mr. Burke was for many years a member of the Institute of Actuaries, and a fellow of the Royal Statistical Society of Great Britain, while for two years also Mr. Burke held the presidency of the Canadian Life Officers' Association. Universally esteemed by those with whom he was brought into contact, Mr. Burke will be much missed in the Montreal financial and insurance district where he was a familiar figure. Mr. Burke is survived by his widow, by two daughters and four sons.

SIR FELIX SCHUSTER FORECASTS REACTION.

Speaking recently in London, Sir Felix Schuster, the eminent English banker, said that there were now certain signs which appeared to indicate that a reaction was about to set in, and the prospect for next year's trade seemed hardly to be so promising. In Germany one heard of lessened trade and unemployment, although so far reports in Britain were highly satisfactory. In the United States reports showed that the outlook for trade was not considered very promising. One heard from many quarters in the United Kingdom that, while trade was still active, new orders were slow in coming in. For all that he could not help feeling that if only peace—industrial and international—were maintained the reaction need not be of long duration, for the development in the newer countries was so rapid that ample means of opening up new markets would be afforded. In conclusion he referred to Mr. Asquith's Guildhall speech and drew from it the deduction that it was in the excess of public and private expenditure that the greatest danger to the economy of perhaps all European nations lay, and he thought the time had arrived when the people should make their voices heard and listened to by the governments.

C.P.R. CREATES NEW TRUST FUND.

The creation of a special investment trust fund, based on the deferred payments due the company from land sales and securities in which the proceeds of land sales have been invested, was announced after a meeting of the C.P.R. directors on Monday afternoon.

The working out of the new trust fund will mean an early contribution in cash of \$41,600,000 to the treasury of the C.P.R. while shareholders of the company are offered subscription privileges which will probably be considered as equivalent to a bonus of \$10,400,000.

The new financial plan, aiming at a partial segregation of the company's extraneous assets, was indicated by Sir Thomas Shaughnessy in his annual report to shareholders a few months ago. It was tersely explained in the following official statement issued by the C.P.R. board at the close of Monday's meeting:

"It was decided to offer the holders of the ordinary capital stock of record December 23rd, 1913, in proportion to their respective holdings, \$52,000,000 Note-certificates carrying interest at the rate of 6 per cent. per annum, payable semi-annually, at the price of 80 per cent. of their par or face value.

"The Canadian Pacific Railway Company engages and promises that the interest on the note-certificates will be promptly paid, and that all of the note-certificates will be redeemed at their face value on or before March 2nd, 1924, but they may be redeemed in part by drawings at any time when the trustee has funds in hand for the purpose.

"The amounts accruing from time to time from deferred payments on land heretofore sold and the interest thereon, and from securities in which the proceeds of land sales have been invested, will be utilized by the trustee, in so far as may be necessary, or will be supplemented by the company if required, to effect the payment of interest on the note-certificates, and the re-payment of the principal on or before maturity."

The value of the rights is about \$4 a share.