

the United States, it contends, would be for the speedy resumption of civil law and order, so that trade would be unimpeded; and if this end could be gained by an open favouring of the more powerful nation in a complete absorption of the weaker, Peru would find that Uncle Sam had little sympathy with sentimental ideas about patriotism in another people.

What, then, can Peru do in the face of this situation? It is foolish to believe that so poor a nation can make any pretense of keeping up an adequate army and navy in these days of prodigiously expensive armament and continual change and advance in the art of warfare. So far as cultivating a real friendship for the United States goes, that is an idle dream. On the one side, the "Colossus of the North" (as the "Gaceta" calls the United States) has no capacity for genuine friendship untouched by desire for gain. President Roosevelt's statement that it is the blood of the Pilgrim Fathers still running in American veins that makes them eager to help and succor the weaker republic of the south is laughed at, and it is claimed that the descendants of the Pilgrim Fathers are now speculators in Wall Street, and that they regulate their lives according to that ideal.

PERUVIANS HAVE "NO REAL SYMPATHY FOR YANKEES."

On the other hand, the Peruvians, like other South Americans, have no real sympathy for or understanding of the Yankees. There can be no talk on either side of more than a purely interested friendship. What the Peruvians can do,—and although it is a feeble arm, it is the best they have,—is to make their commercial relations with the United States so steady, profitable, and considerable that it will be for the best interests of the great republic to protect the political integrity of Peru. In addition to this, Peru should study the causes which have retarded the flow of European immigration to her shores and remedy them as far as possible. With respectable commercial relations that would be injured by a war, and with large numbers of the sons of stronger countries living on her soil, Peru would be safe from aggression.

The article in the "Gaceta" closes with this pessimistic prediction: "It is probable that the Monroe Doctrine, manipulated by the North Americans to obtain the monopoly of commercial advantages, will some day lead the United States into a war with all the other nations of the world."

PEOPLES' BANK OF NEW BRUNSWICK.

In our last issue we referred to the probability of the absorption of the above institution by the Bank of Montreal.

We now understand that the deal has been practically consummated.

QUERIES' COLUMN.

In order to furnish our readers with information we propose to devote this column to replies to correspondents. Letters should be addressed to "THE CHRONICLE, Enquiry Department, Montreal."

Answers will only be given to such communications as bear the writer's name, not for publication, but as evidence of good faith, and only to questions referring to matters of general interest in regard to which the Editor of Queries' Column will exercise his own discretion.

1579.—A. J. B., Montreal.—Montreal Power sold ex-dividend on Tuesday, the 31st July. As your stock was purchased on the 3rd August, you are not entitled to the dividend paid on the 15th inst. The next dividend will be due on the 15th November.

1580.—R. G. M., Fredericton, N.B.—The company you mention was foreclosed by the bondholders and the common stock is worthless. The rise in Southern Pacific is in anticipation of the inauguration of dividends.

CANADIAN PACIFIC ANNUAL REPORT.

The annual report of the Canadian Pacific for the fiscal year ending June 30, makes a good showing, gross gaining \$11,187,876, of which amount \$7,498,224 was saved for net. An increase in fixed charges of \$396,479 was about offset by a gain in other income of \$384,783. The surplus available for dividends was \$16,012,214, or the equivalent of about 12 p.c. on the common stock after providing for the 4 p.c. on the preferred.

The comparative income account is as follows:

	1906.	1905.	Increase.
Gross earnings.....	\$61,609,758	\$50,481,882	\$11,187,876
Operating expenses.....	38,696,446	35,006,794	3,689,652
Net earnings.....	\$22,973,312	15,475,088	7,498,224
Other income.....	1,969,447	1,584,664	384,783
Total income.....	\$24,942,759	17,059,752	7,883,007
Fixed charges.....	8,350,545	7,954,066	396,479
Balance.....	\$16,592,214	9,105,686	7,486,528
S. S. and pension fund....	\$ 580,000	230,000	350,000
Balance for divs.	\$16,012,214	8,875,686	7,136,528
Dividends.....	7,744,132	7,091,133	652,999
Surplus.....	\$8,268,082	1,784,553	6,483,529

Contrary to expectation in some quarters the directors of the road declared only the regular semi-annual dividends of 2 p.c. on the preferred and 3 p.c. on the common stock. It had been hoped that an extra disbursement would be made out of land sales, which have been very heavy the past. Thus for July the comparative sales were as follows: