

BRITISH FUNDS BUILT OUR RAILWAYS

Wheat Fields Feed Allies and Crop Returns Keep Eastern Factories Busy

In regard to the policies at the back of the construction of railways in Canada, a paragraph in the annual report of the Canadian Northern Railway is illuminating. This deals with the handling by the Canadian Northern Railway of some 132,000,000 bushels of grain destined chiefly for the feeding of the Allies overseas, and says:—

"Inasmuch as many of the security-holders invested their funds in the company's undertakings, believing that the heart of the empire would some day need to draw heavily upon the wheat fields of the Canadian west, it is with pride that the directors present these figures, illustrating the extent to which the prairies have been opened up, made productive and the produce marketable by the company's railways. There were probably few who thought that the crucial necessity would come so soon; but, having come, it must be considered fortunate that the Canadian Northern system and the country tributary to it, were sufficiently developed to take an important part in supplying the empire's food requirements."

Twenty years ago a new epoch commenced in Canada, and also apparently in the mother country. Earnest minds in Great Britain were occupied with the problem of feeding the people there. The policy seems to have been arrived at then, to rely upon the power of the British Navy to keep the seas open for the passage of cargo vessels, and also to rely upon the opening up of vast areas of wheat lands in suitable localities overseas, in order that an adequate supply of food products be produced to fill the holds of the ships for the people of Great Britain for all time to come.

Britain Supplied Funds.

Towards the close of the century, the people in the west began to clamor for rail facilities for the vast areas without railways lying to the north of the Canadian Pacific, and therein lay the cause of the origin of the Canadian Northern Railway system in 1896. Apparently the ability to grow wheat of the country it proposed to open up, and the backing of the people of Manitoba granted the enterprise, were sufficient inducements to the men directing Britain's surplus funds, so that the necessary requirements to complete the initial construction were forthcoming. Until the commencement of hostilities in Europe in 1914, British gold continued steadfast, and as the Canadian Northern extended its network of lines throughout the prairie provinces, before reaching out with its easy grade lines to the seaports on the east, and on the Pacific, a steadily increasing supply of wheat was moved out from the territory cultivated for the first time by the settlers who had poured in hard upon the heels of its construction gangs.

During 1915, when Canada harvested the largest crop in the history of the country, and incidentally the most valuable, the yield along the lines of the Canadian Northern in the west was enormous, and from this territory came the 132,000,000 bushels of grain that were handled over the lines of the system during 1916 as outlined in the report of the railway.

Buyers as Well.

But the effect of the investment of this British gold in the Canadian Northern Railway is not confined to the production of foodstuffs transported across the Atlantic to feed the war-occupied nations of Europe. Every settler in the vast regions opened up by the railway lines, has been a customer for the goods produced in the industrial establishments in eastern Canada, in the United States and in Europe. It would be almost impossible to compute the number of the army of working men who have drawn their wages in this indirect way from the western wheat bin, and no figures have been compiled to show the extent and value of the business provided the manufacturers of eastern Canada by the opening up of that vast western market. As the prospects of peace become brighter, the expectation is that there will be a movement from abroad to the fertile lands of western Canada greater than anything yet experienced. Should it develop, this potential development, made possible solely because the railways have furnished a network of lines serving the lands which will be developed by the incoming tide of humanity, will add enormously to the new business of the industries in Ontario and Quebec, and new armies of workmen will be

engaged upon the task of supplying the needs of the western people.

British funds, and since the war, United States funds have been the means of facilitating much of the development in Canada in other ways, but there can scarcely be any doubt that one of the greatest achievements in Canada, has consisted in furnishing funds for building railways, opening up unpeopled territories within the Dominion. For, upon the development of those territories hinges a large proportion of the prosperity of Canada's citizens.

OCCIDENTAL FIRE INSURANCE COMPANY

The Occidental Fire Insurance Company, of Winnipeg, in the annual report for 1916, shows premium income, less rebates and cancellations, of \$223,721, as compared with \$161,714 in 1915, or an increase of \$62,007. This increase was largely secured in eastern Canada, where the company commenced to transact business on July 1st, 1915, but progress was also made in the west, where the company has been established for years. In accordance with Dominion government requirements, the sum of \$11,943 was placed to reserve for unearned premiums. While losses were generally severe throughout Canada, the company's net loss ratio was 43.7 per cent. Expense ratio was 40.1 per cent. of net premiums written. This is slightly above the average expense ratio, accounted for largely by taxes and licenses. Development of the company's business in eastern Canada, it is hoped, will bring the expense ratio to a more normal basis in the current year.

The principal figures of the balance sheet, when compared with 1915 returns, are as follows:—

	Assets.	
	1916.	1917.
Total assets	\$395,636	\$462,523
Cash in bank	71,177	92,377
Bonds	124,577	161,266
Loans on mortgages	154,028	143,088
Interest	7,296	7,950
Agents' balances	32,011	47,633
	Liabilities.	
	1916.	1917.
Losses under adjustment	\$ 9,762	\$ 16,488
Amount retained for reinsurance	19,851	48,766
Reserve for unearned premiums	78,261	90,204
Surplus	107,248	129,625
Capital paid up	174,762	174,762
Investment reserve	8,844

The company invested \$25,000 in second Canadian war loan and has applied for \$40,000 of the third loan. All the company's securities have been written down to actual market value. The report shows that the company has made good progress during the year and has further enhanced its position.

Mr. Randall Davidson is president of the company, Mr. C. A. Richardson is vice-president and secretary, and Messrs. S. E. Richards, W. A. T. Sweatman and N. T. Hillary are directors.

To the recent war loan \$126,500 was subscribed through the Municipal Debenture Corporation, Limited, of Quebec and Montreal. Mr. Rene Dupont is president and manager of the company; Mr. Ernest Roy, K.C., is vice-president, and Mr. C. E. Taschereau, N.P., is secretary.

The following companies have changed their names:— Godin-Menard Printing Company, Limited, with Dominion charter, to the Godin Printing Company, Limited; United Smoke Shops, Limited, with Ontario charter, to Smoke Shops, Limited the Berlin Office and Fixture Company, Limited, with Ontario charter, to Art Furniture Company, Limited.

The Robert Craig Company, Limited, with Ontario charter, has increased their capital stock from \$40,000 to \$75,000; Chevrolet Motor Company of Canada, Limited, with Dominion charter, from \$500,000 to \$1,500,000; Fred. Thomson Company, Limited, with Dominion charter, from \$100,000 to \$250,000; the City Central Real Estate Company, Limited, with Dominion charter, has decreased its capital stock from \$1,000,000 to \$100,000.