

at the same time last year. The circulation stood at \$14,429,494, some \$410,600 more than in 1912. Total assets had increased from \$240,222,955 to \$254,435,044, of which \$120,512,081 was in the form of liquid or quick assets.

That under exceptionally stringent circumstances, the Bank of Montreal was able to make so good a showing, proves the excellence of its management, no less than the esteem in which it is held in its broad constituency.

CANADA'S BUTTER INDUSTRY.

Canada is an importer of butter. Such is a startling feature of the latest report of the Dairy Commissioner, Ottawa. The following table shows that, while Denmark was the enviable exporter to the United Kingdom of 177,649,136 pounds for the year ending November 30, 1912, Canada's meagre contribution was 4,256 pounds. This contribution was merely incidental, as this country's imports of butter during the same period amounted to nearly 7,000,000 pounds. The bulk of it came from New Zealand. We have imported before during the last twenty years, but earlier importations were significant compared with 1912. All Canada's exports went to Britain.

Following is a table of the imports of butter into the United Kingdom in 1912 and 1911, in pounds:—

	1911.	1912.
Russia	71,534,624	77,019,152
Sweden	40,681,256	37,195,760
Denmark	193,914,496	177,649,136
Netherlands	11,992,960	12,499,648
France	20,309,072	26,543,440
United States	2,611,392	290,864
Argentina	1,500,912	6,733,216
Australia	99,467,648	65,211,328
New Zealand	35,971,936	36,817,536
Canada	6,934,928	4,256
Germany	26,880
Others	9,404,080	5,597,424
	494,287,184	445,561,760

This table would seem to indicate that the butter industry of this country is on the decline. But such is not the case. We produce more, but are consuming a great deal more. It is estimated that Canadians are using in one way or another about \$40,000,000 worth more a year of dairy products than they were a decade ago. In 1903 the Prairie Provinces produced about 300,000 pounds of creamery butter, and last year 4,000,000 pounds. Their requirements in 1903 were 500,000 pounds against 20,000,000 last year. That is, requirements have been multiplied about 40 times. Altogether, Canada now consumes close to \$100,000,000 worth of milk, and its products, in the course of a year. The increased needs are due chiefly to the rapid increase in population, but in large measure to the increased use of sweet cream and ice cream. It is estimated that the ice cream manufactured in 1912 was equivalent to 2,000,000 pounds of butter, and the sweet cream used to 6,000,000 pounds.

The Prairie Provinces are developing the dairy industry in a scientific manner. In the east farmers are quickening their efforts. If, however, Canada is to maintain her export trade in cheese, in competition with other growing commercial countries, if she is to meet her own needs in butter, if she is to equip herself for that wider market which the United States promises to offer her immediately, the industry must surely be extended indefinitely all over Canada.

FOREIGN SECURITIES ON THE PARIS BOURSE.

Foreign securities other than Government bonds, "fonds d'Etat," when quoted on the Paris Bourse are subject to the same fiscal regulations as French securities, viz., that the following taxes are deducted from the dividend or interest coupon by the paying agent; Taxe d'abonnement on the nominal capital, 0.06 per cent; droit de transmission (based on the average price of the security for the previous year), 0.25 per cent; income tax on the revenue, 4 per cent. These are the total taxes to be deducted annually and handed over to the French fiscal authorities.

In the case of foreign securities a representative domiciled in France must be appointed by the company and accepted by the authorities, which agent is responsible to the fisc for the proper payment of such taxes. The Government estimates the proportion of the foreign shares or bonds actually circulating in France, and the agent is responsible for the taxes on that fixed proportion, which cannot be less than 10 per cent of the whole in the case of shares of 20 per cent in the case of bonds. This is known as the "abonnement au timbre." The engagement to pay such taxes is made for three years, after which it can be repudiated, in which latter case, however, the stock exchange quotation would cease and the securities could no longer be negotiated or handled in this country under the above mentioned regime. At the end of each period of three years the authorities have the right to revise their appreciation of the proportion of the shares or bonds circulating in this country. Foreign securities which are not "abonne au timbre" cannot be negotiated or handled here unless they bear the French stamp, and only securities that are "abonne au timbre" can obtain a stock exchange quotation.

It may be mentioned that the introduction of a foreign security, or rather a certain proportion of such security, upon the Paris Bourse, under the regime of the "abonnement au timbre" is apparently in principle favourably regarded by the fiscal authorities, inasmuch as securities so introduced pay the French taxes, whereas if similar securities were brought and retained in other countries by French subjects or others the French taxes would not, of course, come into question. It may also be mentioned that during 1912 the law governing the prescribed publicity for new securities, foreign or domestic, has been made more stringent, and the responsibility of the sponsors of such securities has been considerably increased. The idea undoubtedly is to protect the small investor against unscrupulous financiers, but in the opinion of bankers the new regulation may embarrass to some extent legitimate and desirable business.

The total issues of new securities placed on the French market during 1912 amounted to 4,628,000,000 francs (\$893,004,000) as compared with 4,475,000,000 (\$863,675,000) in 1911 and 6,041,000,000 (\$1,165,913,000) in 1910. The transactions of 1912 included 2,201,000,000 francs of French and 2,424,000,000 francs of foreign securities.

The values of French bank shares were more or less seriously disturbed by the Balkan war, but recovered gradually toward the end of the year as the prospect of general European complications became less acute, and December closed with a satisfactory advance. A comparison of the stocks of leading French banking institutions at the end of the past three years shows the following quotations for shares having a face value of 500 francs:—

	1910.	1911.	1912.
	— Francs. —		
Banks—			
Bank of France	4,510	4,215	4,230
Credit Foncier	853	810	822
Credit Lyonnais	1,585	1,535	1,492
Societe Generale	750	820	817
Banque de Paris	1,860	1,780	1,721
Franco-American Bank	490	505	522
Comptoir Nat. d'Escompte	941	950	1,002