Partly Secured—		
Guaranteed First Mortgage Investment Certificates Issued	775,638.65	
Less Mortgages held in trust as security	620,162.65	
		155,476.00
Unsecured—		
Deposits	933,933.41	
Trust, Clients and Agency Funds	1,000,648.66	
Amount uncalled on shares in other companies	137,604.98	
Accounts Payable (estimated)	30,000.00	
		2,102,187.05
		$2,257,663.05
Estimate of claims anticipated in respect of losses arising from unauthorized investment of trust funds. Contingent liabilities in respect to guarantee of debentures, first and second mortgages, etc., $1,496,721.92		742,336.95
		$3,000,000.00
Liability to Shareholders—		
Subscribed Share Capital	$2,500,000.00	

Subject to my report of December 9th.

(Signed) C. R. DRAYTON,
Provisional Liquidator.

Vancouver, B.C., Dec. 10, 1914.

(It should be remarked, in connection with the above statement, that the figures are not guaranteed to be finally accurate. They are as approximately correct as can at present be established, but the examination is still proceeding and likely to go on for some time to come.)

ST. JOHN'S NEW DOCK OPENED

Mr. G. M. Bosworth, vice-president, told of the purchase of two steamers and the charter of two others by the Canadian Pacific Railway and Allan line when the government docks at West St. John were opened by Hon. R. Rogers, minister of public works. He promised enough business to keep the port busy during the winter.

Sir Robert L. Borden had expected to be present for the opening of the docks, but was prevented by the pressure of public business.

BANK OF TORONTO REPORT

The Bank of Toronto has a reputation for being a very conservative institution, a reputation which is an asset of incalculable value to a bank. This institution has been doing business in Canada for nearly sixty years, during which period it has weathered many severe financial and economic storms which have raged around it. The present year is testing the mettle, merits and strength of institutions and individuals, and the Bank of Toronto is clearly seen in its latest balance sheet, to have come through this critical period without damage to its financial position or to its high reputation.

The shareholders received this week a statement regarding the bank's operations during the year ended November 30th, 1914. The net profits were $829,538, less than in the two previous years, when high profits were regarded almost as a matter of course in every kind of business. The profits of the bank last year are very gratifying, and have resulted from the careful business which the bank invariably handles. With a sum of $1,136,810 for distribution, the directors have made the following appropriations:—

Dividends at the rate of 11 per cent, $550,000; bonus, one per cent., making a total distribution of 12 per cent., $50,000; transferred to officers' pension fund, $25,000; Patriotic fund (first instalment of a subscription of $25,000), $5,000; Red Cross Society, $2,000; Toronto General Hospital, $2,000; and appropriation re depreciation in value of stocks and bonds held, $100,000. This left a balance to be carried forward to next year of $402,810, which compares with $307,272 carried forward in the previous year.

In the general statement, it is seen that bank premises remain at the same value as before, the sum of $100,000 having been written off in two previous years. The total assets are $60,929,000, of which $15,485,000, or about 25 per cent., are in liquid form. The liquid assets show an increase of almost $1,400,000 over the previous year. Holdings of coin and Dominion notes increased to $8,162,000. Deposits at the end of the year amounted to $45,000,000, a gain of $1,750,000. Prevailing business conditions are reflected in a shrinkage in discounts amounting to $800,000.

The annual meeting of shareholders of the bank will be held on January 13th. The bank's directorate management, shareholders and customers have every reason to be gratified at the result of the year's business.

RAILWAYS AND THEIR PROBLEMS

Costs of Operation Are Increasing—Railway Facilities Are Not Fully Used

That prices for railroad supplies had increased anywhere from 29 to 54 per cent. during the last 10 years, while wages during the same period had increased from 10 to 79 per cent., the average increase of all purchases, including labor, being approximately 35 per cent., was shown in an address before the Canadian Railway Club, by Mr. A. Price, assistant general manager of the Canadian Pacific Railway, who said:—An ordinary business institution would have simply increased prices, to make the public pay, but the railroads did not enjoy this privilege.

Railroad earnings per passenger per 100 miles since 1907 showed an increase of 6 cents, and per ton of freight a decrease of 5½ cents. But the freight ton mile units for 1914 were 23 billions and the passenger mile units only 3 billions. As a result had the passenger mile and ton mile earnings of 1907 been applied to the 1913 traffic the railroad earnings would have been increased by $11,000,000.

Problem of Maximum Efficiency.

The railroads, however, had to meet the demands of the public, and always be prepared to handle the "peak of the load" whenever unusual demands came along. Unfortunately there was no probability that existing railroad facilities would be taxed for some time to come, so it would be folly to advocate the lowering of transportation costs by improving road or operating facilities. Instead of this, the operating official had to face the problem of the maximum efficiency at the minimum cost.

In these items Mr. Price suggested cutting down the freight damage account of $2,000,000 in 1913. Another idea was the "safety first" principle. This was shown by the fact that last year 710 people were killed in Canada by the movement of trains and 2,966 injured, the different railways paying out over $1,500,000 in damages on this account, although almost half of those killed were trespassers, while most of the other fatalities and accidents might have been averted by ordinary prudence. The great necessity was for increased safety, in railroad operation.

Another important item was fuel, which cost the Canadian railways $28,000,000 last year. With regard to this Mr. Price said it did not pay to run trains at high speeds, since apart from the greater liability to costly accidents, the service was expensive. While competition made very fast trains necessary in some districts he considered that when possible the actual running speed should not exceed 45 to 50 miles an hour.

If Loaded to Capacity.

Last year the average number of passengers on Canadian railway trains was only 62, the average number of cars being 5.6. This meant that the minimum tonnage per passenger train mile should be handled, while the maximum tonnage per freight train mile should be hauled, so as to secure the most economical load for locomotives. An engine would burn almost as much coal per mile hauling 75 per cent. of its capacity as when fully loaded.

During 1913 the average car load on all Canadian railroads was only 19 tons while the average capacity was 32.14 tons. In this one item, if the cars could be loaded to capacity, the saving would be millions of dollars a year. This also involved the unnecessary movement of empty freight cars, which also involved large possibilities for saving, since the cost of hauling empty freight cars was at least 1½ cents per mile. Last year 24 per cent. of the freight car mileage on Canadian railroads was empty, and if this could be reduced even to 20 per cent., the saving would mean a large increase in the net earnings.

BRANDON INSURANCE COMPANY TO LIQUIDATE

The Central Canada Insurance Company, of Brandon, has applied for voluntary liquidation under the Manitoba insurance act. Mr. A. E. Ham, provincial superintendent of insurance, has been appointed provisional liquidator.