

The London correspondent of the New York Journal of Commerce cables: It is now believed that the acute stage of the money strain is past. The extreme dullness in the speculative markets is regarded as a favorable sign for new security issues, as money will be available that otherwise would have been required in the markets.

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During recent years there have been introduced to our markets a number of 7 p.c. cumulative preferred stocks, chiefly of industrial and manufacturing enterprises. Those having behind them sound and conservatively valued assets covering at least the par value of the whole of the preferred capital; which are of companies whose management is successful and well proven, and conducting a class of business that has shown good operating results,—for example, earnings equal to at least twice the preferred dividend requirements, are generally held in high esteem. This is especially the case at the present time, as there has been a growing demand among investors for a type of security yielding more than 6 p.c., and offering attractive opportunities both in respect to dividend returns and possibilities. It is believed that some good preferred stocks which are now selling at a comparatively high yield will, in a later period of easier money, be quoted on a 6 p.c. basis.—A. E. Ames & Co.

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At the recent half yearly meeting of the Grand Trunk held in London, Mr. A. W. Smithers (chairman) said that the first glimpse of the "end in sight" would appear next year, when he hoped the Government would finish the line connecting the Grand Trunk Pacific with Cochrane, whence by the Grand Trunk's arrangement with the Temiskaming and Northern Ontario Railway they would reach North Bay and connect with the whole system of the old Grand Trunk, thus bringing the manufacturing towns in the east in new communication with the northwest. He hoped on January 1st next, to commence the weekly publication of earnings on the prairie section of the Grand Trunk Pacific Railway and on the Lake Superior branch, a distance of over 1,100 miles. They would not be in full working order until the Government line was opened to Cochrane, the date of which was uncertain to a month or two, and until navigation opened at Fort William.

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The Spanish River Pulp & Paper Mills will probably have the two additional paper machines ordered recently, in operation by the beginning of February, when the paper output of the company will run about 200 tons a day. It is stated, on good authority, that the company has contracts signed for the sale of its entire output, including that of the new machines, for the next five years. As the contracts have been made on the basis of the recent high prices, the highest in the history of the trade, they are considered particularly favorable. It is also understood that the Ontario Pulp & Paper Company, now part of the Spanish River Company, has nearly as long a contract signed for its output of 100 tons of manilla. In addition to their paper production both the Spanish River and Ontario companies will have a certain surplus of mechanical pulp from the Spanish River plant, and sulphite from the Ontario plant, to dispose of.

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With reference to the proposed amalgamation of the Bank of New Brunswick with the Bank of Nova

Scotia, the former's shareholders are called to meet on Tuesday, December 10, and those of the Bank of Nova Scotia on Wednesday, December 11.

In a statement to the shareholders of the Bank of New Brunswick the directors of that bank say: "Your directors in recommending this amalgamation desire to say that they are impressed with the fact that the Bank of Nova Scotia is a Maritime Province bank, as over 75 per cent. of its stock is held in the Maritime Provinces. Further, its traditions and methods have been similar to those followed by this bank, and our shareholders, customers and staff would under these circumstances feel assured of a continuity of the policy of the bank. If the agreement with the Bank of Nova Scotia is adopted, the amalgamation it is expected will be consummated on the first day of February next."

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The provisional statement up to October 26th, issued by the Hollinger Gold Mines Company shows:

Cash on hand and in Imperial Bank	\$33,496
Bullion on hand	27,570
Bullion shipped (not paid for)	89,489
Gold precipitates on hand	97,500
Gold in mill solutions	24,000
Gold in slags on hand	17,000
Materials and supplies on hand	30,659
Accounts receivable	7,407
Guarantee deposits	500
Imperial Bank, Toronto (Reserve for Dividend)	90,000
Insurance paid in advance	2,832
	\$420,464

Against this there are current liabilities for wages, salaries and accounts payable, amounting to \$57,976. The capital assets consist of mining properties at \$2,500,000, developments, \$302,556, and plant, \$593,728. Combining developments and plant, it appears that they entailed an outlay of \$895,684, thus far. Of that sum, profits totalling \$82,432, and the \$250,000 premium on shares sold, were diverted for capital expenditure—"reinvested in plant," and become part of the surplus. In this connection Mr. Robbins reports on October 5th, "all expenditures made previous to July 1, 1912, have been charged into capital account, under the headings 'Development' and 'Plant.'" Net profit accruing from operations since July 1 is \$500,000, a portion of this having been reinvested in plant.

It is possible that the action of the State of Wisconsin in going into the life insurance business may be tested in court. Many question the advisability of the State engaging in any form of business in opposition to private corporations, and ask why the State should not sell calico and other articles, as well as life insurance, and why, if it goes into the life insurance business, it should not sell fire and casualty as well. In addition to this general objection they raise the point that the law may be held to be unconstitutional because the benefits are limited to citizens in good health. A private company may make this distinction, but it is argued that an institution maintained by the State at the expense of the general public cannot differentiate between citizens, but should be required to furnish insurance to all, although it would be allowable to impose a much higher charge upon those whose physical condition is found to be impaired. Applicants for insurance who are denied could take the plan into court on the ground of discrimination.