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MONEY AND MAGNATES

Sometimes Insiders Get Fooled.

SO it happens that insiders as well as the mere trading element sometimes get their disappointments. Mention is made of this because a great many Montreal brokers and traders have been poking a good deal of fun at some of the directors and officials of the Richelieu & Ontario Navigation Co. because the Board of Directors at a recent meeting failed to live up to expectations and instead of increasing the dividend to a 6 per cent. rate, declared a quarterly dividend at the old 5 per cent. rate.

Ordinarily such matters would not attract so much attention but just in the present instance there has been so much merriment over it as far as the outsider is concerned, that it has got to a point where it is not safe to mention the word dividend to some of the Richelieu directors. The main reason for this merriment is that it is claimed that some of the directors and a few of the leading officials of the company have recently been the largest buyers of Richelieu in the expectation that the dividend would be increased, and as it was not, they have been landed with the stock up around the top level.

It was common gossip in Stock Exchange circles in Montreal, that a few of the directors had even stated that the dividend was to be increased, and it was these practically official statements that evidently resulted in some of the local brokerage houses going a little further than usual in their recommendation to some of their clients that Richelieu was an attractive buy for an immediate advance. It was even hinted that one of the directors of the company was a member of a local pool that had recently been picking up a considerable amount of the stock, and if there is anything that is impressive to the average man, it is to see inside buying of this kind. Naturally there was consternation when the word came from the board room that the directors had declared the dividend at the old rate, and it is reported that a few of the directors had received so many calls on the 'phone asking for explanations, that they decided to take an early train for the woods. Some local brokers also felt so keenly about the matter, after having recommended the stock so strongly to their clients, that they immediately notified the latter that they would take the stock off their hands at the price at which it had been purchased. Of course this action was not taken with a view of establishing any precedent, but only as confirmation of the fact that they had had the information from the very best possible source.

The very next day the directors of the Minneapolis, St. Paul and Soo Railway, more commonly known as "Soo," the stock of which is so largely held both in Toronto and Montreal, gave the market a pleasant surprise by increasing the dividend on Soo Common from 6 to 7 per cent. This increase had been looked for so often for the past couple of years that traders had become very sceptical as to whether it was ever going to be increased or not, but the information that it surely would be was first received in Montreal after the Soo interests had a conference with Sir Thomas Shaughnessy, and naturally Toronto quickly got the tip over the wire from Montreal.

Mr. Robert Meighen, the president of the Lake of the Woods Milling Co., fairly startled the Montreal market when he recommended to the board of directors that the company for the half year ending January 31st, should pay a very attractive bonus of 5 per cent. in addition to the regular dividend of 6 per cent. per annum. This will mean a dividend of 16 per cent. per annum on Lake of the Woods Common, and when a milling company gets to paying such dividends as that, it will not be long before the average man makes up his mind that our milling concerns have something to do with the high cost of living.

* * *

Where a Policy was Conservative all the Way Through.

IT is not often that any Canadian industrial concern adopts such a conservative policy as that which President Harris of the Nova Scotia Steel & Coal Co. will announce to his shareholders at the annual meeting in March in connection with the expenses that resulted from the redemption and premium on the old bonds, and the issue of the new bonds. The financing in this connection placed the company in a very much stronger financial position than it previously had been, and the usual course that is adopted in connection with such expenses is to charge them up almost entirely to the property account. The Nova Scotia statement to be submitted at the annual meeting, however, will show that the entire amount, aggregating something over \$180,000, has been written right off out of the profits of the year and not a single dollar of it has been charged up to the property account.

The whole plan of financing in connection with the Scotia Company during the past year seems to have been handled in the most careful and conscientious way by Mr. Harris and his associates and the shareholders will naturally be greatly pleased when they find out that the closing action in connection with it was just in line with the conservatism that had been shown right along.

* * *

To Spend a Million and a Half on Hotels Alone.

THINK of it! The Canadian Pacific Railway will during the year 1910 spend close to a million and a half dollars in simply making additions and extensions to the different hotels it now has stretched out like a chain across the continent. Even buildings that were erected a few years ago are proving altogether too small for the demand for space that is made on them during certain months of the year, and as the great secret of the hotel business seems to be in handling the maximum number of people when the rush is on, new wings and additional floors have been suggested by the company's architect. It is only a few years ago since the C. P. R. established a new summer resort at St. Andrew's by the Sea, and notwithstanding the fact that the company has the large Algonquin Hotel and several cottages, it will erect an additional building during the next few months that will practically double the capacity of the hotel.

Then at the Chateau Frontenac at Quebec, it was only last year that the company completed the erection of a new wing that supplied some two hundred additional rooms, but for a number of weeks last summer guests had to be turned away almost daily. A new St. Louis Street addition is now planned.

At Montreal, it is the intention of doubling the capacity of the Place Viger Hotel, notwithstanding the fact that it is situated a considerable distance from the English section of the city, and what has been said of these may also be applied to almost every hotel and chalet situated through the

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