

Small Sums

Investors having moderate amounts to invest should exercise care in their choice of security. We give particular attention to the needs of such buyers.

Correspondence from the moderate investor invited.

A. E. AMES & CO., Limited
Investment Agents
KING ST. E. - TORONTO

PELLATT & PELLATT

(Members Toronto Stock Exchange)
401 Traders Bank Building, Toronto

**BONDS AND STOCKS
also COBALT STOCKS
BOUGHT AND SOLD
...ON COMMISSION...**

Private wire connections with
W. H. GOADBY & CO., Members
New York Stock Exchange.

\$71,114,368.27 invested in Debentures of Canadian Loan Corporations in 1907 represents an absolutely safe and popular form of investment. The Association issues Debentures in sums of \$100 and upwards, for a term of from one to five years, with interest coupons attached thereto, payable half yearly, at the rate of $4\frac{1}{4}\%$ to $4\frac{1}{2}\%$ according to term.

Write for further particulars and 16th Annual Report.

THE PEOPLES BUILDING & LOAN ASSOCIATION
THE PEOPLES BUILDING - LONDON, ONTARIO

The Merchants' Bank

of Canada

President, SIR H. MONTAGU ALLAN
Vice-President, JONATHAN HODGSON, Esq.
General Manager, E. F. HERDEN

Paid-up capital, - \$6,000,000
Reserve Fund and
Undivided Profits, - 4,400,000
Deposits. (March 31) - 39,915,055
Assets, " - 55,460,251

130 Branches in Canada

General Banking Business transacted

SAVINGS DEPARTMENT at all Branches.
Deposits of \$1.00 and upwards received and interest allowed at best current rates.

TORONTO OFFICES:

13 Wellington St. West 1400 Queen St. West
Parliament and Gerrard Sts. (Parkdale)

McEuaig Bros. & Co.

MEMBERS MONTREAL STOCK EXCHANGE

Studies of leading corporations published weekly in circular form. General market review also given.

COPY MAILED ON APPLICATION

157 St. James St. - Montreal

National Trust Company

18-22 King Street East, Toronto. LIMITED.

CAPITAL - - - \$1,000,000
RESERVE - - - 550,000

TRANSACTS A GENERAL TRUST BUSINESS.

J. W. FLAVELLE, President.

W. T. WHITE, Gen. Mgr

Lorsch & Gamey
LIMITED

Members Standard Stock and Mining Exchange.
Cobalt Stocks
A Specialty
36 Toronto Street
TORONTO

YOUR VACATION

will not be complete without the *Courier*. Kindly send us your change of address before going away and give the old as well as new address.

CANADIAN COURIER
12 Wellington Street East Toronto

Chief Office for Canada: TORONTO

ALFRED WRIGHT, Manager



IRISH & MAULSON, Limited
Toronto General Agents

MONEY AND MAGNATES

NEW ASBESTOS MERGER.

RENEWED attention to the importance of the asbestos fields of Canada will be given shortly by the formation of the Black Lake Consolidated Asbestos Company, which will take over the Union Asbestos Mines, the Southwark or Bells Mines, the Black Lake Chrome and Asbestos Company and the controlling interest in the Imperial Asbestos Company. The new company will control 5,385 acres in the Black Lake district and will have a capital of \$5,000,000, of the amount \$1,000,000 will be in bonds, \$1,000,000 in preferred stock and \$3,000,000 in common stock.

SURPRISING HOW CANADIANS LIKE TRACTION.

CANADA, for a young country, has taken a surprisingly large interest in electric traction concerns. Not content with controlling almost all the electric tractions in the different Canadian cities, Canadian capitalists, from the very first, were large purchasers of American electric traction stocks and besides established and still run a very large number of the electric traction concerns in the West Indies and Cuba. It seems astonishing why almost the controlling interest of such concerns as the Detroit United Railway and the Toledo Railway and Light Company should be held in Montreal and throughout the Province of Quebec. Of course, the majority of the Canadian shareholders are sorry they ever had anything to do with them, but in the meantime they have the stock and must stay with it in order to come out as well as possible on it.

The reason why the securities of the Illinois Traction Company are so largely held in Montreal is accounted for by the fact that the Sun Life Insurance Company underwrote a great proportion of the bonds of the company and it was through this concern that the preferred stock of the company was listed on the Montreal Stock Exchange.

It was a group of Halifax and Maritime Province capitalists who first recognised the opportunities offered by electric tramway concerns in the West Indies and they in turn founded and established the Porto Rico Railway Company, the Trinidad Electric Company and the Camaguey Electric Company. While not particularly large concerns, they have all made good money for the insiders who saw to it that a good block of bonus stock was set aside for themselves. Montrealers for a long time were largely interested in the Havana Electric but recently sold out to Havana interests. It was also a group of Montreal men who organised and still control the West India Electric Company, which operates in the town of Kingston, Jamaica.

THE MERGER WAVE IS ON US.

THERE is no denying it. The merger wave is on us. The principal reasons for them seems to be that the banks are anxious for them and capitalists find it very easy to make a good deal of money out of them. We have, as it were, taken a leaf out of the American book for most of the mergers that have been effected here have been along similar lines to those across the border.

First among the big mergers effected here was that of nearly all the largest cotton companies that are now included in the Dominion Textile Company. Then along came the merger of a number of the principal Canadian rubber concerns now included in the Canadian Consolidated Rubber Company. Then came the period of depression, which rather accentuated the necessity of more mergers but the plans for them had to be deferred because money, for the time being, was so scarce that the plans for carrying them were not feasible. With the return of more prosperous times negotiations were immediately opened up and it was not long before the public heard the announcement that a number of the principal shirt, cotton waists and whitewear concerns had been included in the Canadian Converters Company. Attention being drawn to the business being done by a number of the asbestos concerns out in the Black Lake district in the Eastern Townships of Quebec, it was not long before the plans for the formation of the Amalgamated Asbestos Company were announced, and it was seen that it comprised a number of the asbestos companies of the district. Now it was the turn of the Canadian Cement Companies, as the managements found that the continual competition was only resulting in prices being cut so low that there was scarcely any profit left and the best way would be to get together and put an end to it all. A merger, with a Consolidated Cement Company with a capital of \$25,000,000 was the result. At the same time negotiations were being carried on for a merger of all the leading brewery companies in the Province of Quebec and the National Breweries, Limited, with a capital of \$10,000,000 was the result. In addition prominent interests are now at work closing up a merger of a number of the principal lumber concerns in the Ottawa Valley district and it will not be long before other industries are approached with a view of eliminating competition as much as possible.

The reason why the banks are so keen in having most of the mergers effected is that they find it very much more profitable to do business with one large prosperous concern than with a number of smaller ones, whose profits are greatly reduced by the competition they have to contend against. Some idea of just how vitally the banks are concerned may be judged by the relations that existed between the bank of Montreal and a number of the cotton companies before the Textile merger was put through. The indebtedness of a number of the companies, such as the Dominion Cotton Company, the Merchants' Cotton Company, the Montmorency Cotton Company, together totalled the very large sum of \$3,000,000 and yet when the Textile Company had been in operation for a few years it was able to practically pay off the entire debt and in the meantime the bank was making a fair amount of profit from handling its account. Where the capitalists make a great deal of money out of the mergers is from the stocks of the various concerns. With one big concern, it is very much easier to have the stocks listed on the regular stock exchanges and gradually the public are educated up to believing in their attractiveness and to invest their savings in a little of the stock the insiders are always willing to feed out to them.

For instance, the insiders paid \$10 a share for Dominion Textile common and it is now selling at \$75 a share. The insiders in the Rubber merger got their common stock as a bonus and it is now selling around \$95 a share. With such enormous profits an accomplished fact is it any wonder the "merger wave" should be on us?

COUPON.