

SEAPORT TRUSTS CORPORATION

A federal charter is being sought for the Seaport Trusts Corporation, with headquarters at Vancouver, and authorized capital of \$2,000,000. The provisional directors are Messrs. Geo. H. Cowan, K.C., R. S. Lennie, barrister; James G. Forrester, liquidator of the Canadian Home Investment Company; Andrew Stewart, C.A. (Scot.), F.C.A. (Can.), liquidator of the Dominion Trust Company; and Charles F. Millar, accountant, who will be the manager. There are several sections in the company's bill which are not included in the model bill. These sections have been suggested by Mr. Millar's investigation into the affairs of the Dominion Trust Company, now in liquidation. Mr. Millar, who will manage the new trust company, has had charge of the Dominion Trust investigation for Messrs. Marwick, Mitchell, Peat and Company, chartered accountants, for evidence of misfeasance. The new sections, 6 to 11, in the bill of the Seaport Trusts Corporation are as follow:—

"6. The company shall not invest trust moneys or its own funds, including money forming part of its capital or reserve or accumulated profit thereon, in or upon the security of bonds or debentures of any municipal corporation, or the bonds or debentures of any school district, in which the population is less than two thousand, or the general rate of taxes exceeds two cents on the dollar, based on the assessment of both land and improvements, or three cents on the dollar, based on the assessment of land only.

"7. The company shall not guarantee repayment of the principal or payment of the interest of any moneys entrusted to the company for investment under sub-clause (c) of sub-section 1 of section 63 of the Trust Companies Act.

"8. Sub-section 2 of section 63 of the Trust Companies Act shall not apply to this company.

"9. The company shall not invest its own funds, including money forming part of its capital or reserve or accumulated profit thereon, in or upon the security of the debentures, bonds, stock or other securities (except first mortgages or hypothecs upon improved freehold property in Canada) of any chartered bank or incorporated company.

"(b) The company shall not lay out or expend in amount more than fifteen per cent, of its unimpaired paid-up capital in the manner provided by sub-section 2 of section 66 of the Trust Companies Act, and such expenditure may be made only out of the company's funds forming part of its reserve or accumulated profit.

"(c) The company shall not loan any of its funds or any trust moneys to any of its directors, officers or employees, or to any company controlled by them or in which any of them are active in the management.

"10. The following information shall be obtained by the directors of the company in each month, made up as at the last day of the last preceding month, and shall be furnished to them by the manager of the company:—

"(a) Statement of the individual assets of the company on capital account, showing principal and interest separately, and the dates of authorization of each investment by the directors, divided under the following heads, showing the total amount of each, and in the case of first mortgages showing the estimated value of the properties held:—

"(1) First mortgages;

"(2) Government and municipal securities;

"(3) Office premises at cost, less depreciation; and

"(4) Cash on hand and in bank;

also the amount of the company's paid-up capital, reserve and accumulated profit and other capital liabilities, exclusive of current profits.

"(b) Statement of the individual assets held by the company on trust account for moneys entrusted to it for investment, showing principal and interest separately, and the dates of authorization of each investment by the directors, divided under the following heads, showing the total amount of each, and, in the case of first mortgage, the estimated value of the properties held:—

"(1) First mortgages guaranteed by the company;

"(2) First mortgages not guaranteed by the company;

"(3) Government and municipal securities;

"(4) Special securities authorized by the terms of the trusts for which they are held; and

"(5) Cash on hand and in bank;

also the amount of the company's liability in respect thereof, showing principal and accrued interest separately, and the amount in respect of which the company has given guarantees;

"(c) Statement of cash receipts, divided under headings which are properly descriptive, showing capital and earnings separately;

"(d) Statement of cash disbursements, divided under headings which are properly descriptive, showing capital and expenses separately;

"(e) Statement of arrears of collections, divided under headings which are properly descriptive, showing capital and earnings separately, and showing in respect of which loans compulsory proceedings have been taken;

"(f) Statement of the company's earnings since the end of the previous year, under headings which are properly descriptive, showing separately the total amount thereof received and the total amount thereof outstanding; and

"(g) Statement of new business assumed by the company during the previous month;

provided that nothing herein shall be held to limit or restrict or lessen the amount or change the character of the information that should be furnished to the directors to enable them to fully discharge the duties of their office.

"(2) The directors of the company shall each year appoint a committee of three of their number, which shall at least once in each year check over the securities of the company and initial the record of each security in the securities record.

"11. The company may pay dividends only out of its net earned profits received."

RAILWAY REGULATION

Production and transportation are matters receiving much consideration in Canada, so that the presentation in a recent volume of an analysis of the leading problems in railway economics, from the standpoint of government regulation in the United States, will be of interest to Canadians.

The author traces the growth of railway transportation, discusses rate-making, competition, state and federal regulation, and concludes with this statement: "Finally, since the railway service is national in scope and influence, being co-extensive with the national development of commerce and industry, the supremacy of the federal government in railway regulation must be vigorously safeguarded and uniformly maintained."

Railway Regulation. By I. L. Sharfman, A.B., LL.B.
\$2. La Salle Extension University, 2550 Michigan Avenue, Chicago.

TO FOSTER EXPORT TRADE

The Export Association of Canada, Limited, embracing over one hundred of the larger Canadian manufacturers, is actively engaged in a campaign to create a favorable position in world markets for Canadian industry as a whole. Mr. R. J. Younge, one of its joint general managers, tells *The Monetary Times*.

The association, which has been assisted and encouraged by the prime minister of Canada, the minister of trade and commerce, the Canadian Manufacturers' Association, the Canadian Pacific Railway, Grand Trunk Railway, and many others who recognize to what extent the future welfare of the Dominion depends upon the building up of a sound and profitable export trade, has already opened offices in Montreal, London, Eng., Auckland, New Zealand, and Melbourne, Australia. Representation is about to be established in South Africa.

Through the connections which it has made for manufacturers the association has placed regular shipments for Australia and New Zealand. The association has been appointed purchasing agents in Canada and the United States for the crown agents of the colonies. Important orders are being received from this source.

One of the joint general managers of the association is in London placing the association in touch with important buying channels in France, Russia, Italy and Belgium, so that at the conclusion of the war Canadian firms may have knowledge of the requirements of these markets.

The association is preparing for large business abroad when the scarcity and high rates of ocean tonnage have been overcome.

The London "Times" has truly stated that the Export Association of Canada is the most definite form which has been given so far to the resolution prevailing in all the countries of the Allies that the trade of Germany captured by them during the war shall be retained in time of peace.