

Ogilvie Flour Mills Company: Important Issue of Bonds.

An important issue of industrial bonds is announced by Messrs. Hanson Bros., of Montreal, who have purchased and now offer to investors the entire issue of \$600,000 6 p.c. first mortgage, series "C," gold bonds of the Ogilvie Flour Mills Company, at par and accrual interest. These bonds are a first mortgage on the new Medicine Hat mill and elevator and on other properties of the Ogilvie Company including over thirty elevators throughout the prairie provinces. They are redeemable on June 1st, 1932, at the offices of the Royal Trust Company, Montreal, interest being payable on June 1, and December 1, at the Bank of Montreal, Montreal, while they are subject to call as a whole at 115 and accrued interest on any interest date on giving six months' notice.

The success and high position occupied by the Ogilvie Flour Mills Company are well-known. The net trading profits for the last five years after making due provision for depreciation and maintenance, but before allowing for bond interest were for 1909: —\$716,054; 1910, \$541,924; 1911, \$481,310; 1912, \$521,431, and 1913, \$576,734, or an average for the five years of \$567,490. The total bond interest required, including this issue, amounts to \$141,000, so that bond interest requirements are covered four times. The earnings do not include the profits of the new Medicine Hat mill, which was only completed in July, 1913. The cost of this plant, together with that of a number of interior elevators is being met partly out of the proceeds of the present sale of bonds, the balance being taken from profits.

After writing down goodwill, trademarks, patent rights, etc., to the nominal amount of one dollar, the Company's total assets, as shown by the statement of August 31, 1913 amounted to \$8,880,737. After deducting from this amount the entire ordinary or floating liabilities of the Company there remained assets almost equal to three times the bonded debt of the Company including this issue (\$2,350,000).

It will be seen from these figures that the present issue of bonds is substantially secured both as to principal and interest, and forms an attractive industrial investment.

SURETY BUSINESS UNDER A CLOUD

According to Mr. William B. Joyce, president of the National Surety Company, 1913 was a year of rigid accounting for the surety companies transacting business in United States. There were many abandonments of works by contractors, several banks closed their doors and fidelity defaults were especially high. It is surety history that fidelity salvage collections are materially affected by financial stringency. In good times defaulters can induce friends to endorse notes to raise the amount of shortages which banks, in good times, will discount, but not so in times of depression; likewise in good times friends of defaulters are willing to advance moneys of their own to help out defaulters, but a depression invariably affects the resources and loyalty of such friends. Hence a high fidelity bond loss ratio and the fact that 1913 goes down to history as an unsatisfactory year.

GREAT GROWTH IN ALL-CANADIAN CLEARINGS.

The complete record of bank clearings in Canada for 1913 shows a satisfactory increase over 1912, the total being \$9,262,606,864 against \$9,146,236,243, a gain of \$116,370,621, or about 1.3 per cent.

Of the total for the year \$3,279,628,632 was contributed by the West, an increase of \$14,778,724 over 1912. Five years ago total clearings in Western Canada amounted to only \$955,962,992. Comparisons for 1912 and 1913 are given in the following table:

	1912.	1913.
Montreal.	\$2,844,368,426	\$2,880,029,101
Toronto.	2,160,229,476	2,181,281,577
Ottawa.	244,123,451	207,667,006
Quebec.	158,759,585	165,654,745
Hamilton.	167,712,729	186,107,853
Halifax.	100,467,672	105,623,769
St. John.	88,969,218	82,665,827
London.	84,526,961	90,720,202
Brantford.	30,749,317	32,697,443
Total, East.	\$5,828,865,821	\$5,932,447,523
Winnipeg.	\$1,537,817,254	\$1,634,977,237
Vancouver.	644,118,877	606,899,710
Victoria.	183,544,238	176,977,074
Calgary.	275,492,303	247,882,848
Edmonton.	220,727,617	213,053,318
Regina.	115,727,647	132,087,453
Brandon.	32,877,875	32,186,498
Lethbridge.	115,898,467	96,034,717
Saskatoon.	115,898,467	96,034,717
Moose Jaw.	65,136,326	61,370,943
Fort William.	40,503,087	49,265,358
Total West.	\$3,264,849,908	\$3,279,628,632

DISTRUST OF OUR INDUSTRIALS.

With regard to Canadian industrial flotations, apart from those of the railways, they have not always been popular, notwithstanding the attractive terms offered and the general success which is known to usually attend the leading commercial undertakings in the Dominion. There is just a little distrust prevailing in this connection, especially with regard to a few of the newer enterprises—i.e., enterprises that have been established within the last few years, or have been reconstituted in some way or another in that period, and in which British capital is interested. Let us hope, however, that this feeling will soon pass away, and also that the lessons such concerns have afforded will be taken to heart and tend to prevent attempts at too rapid an expansion upon too little actual capital.—Lord Strathcona.

WESTERN RE-INSURES BUSINESS OF NEW YORK COMPANY.

The fire, lightning and tornado business of the Vulcan Insurance Company of New York has been reinsured in the Western Assurance Company of Toronto, and the automobile and sprinkler leakage risks in the Home Insurance Company of New York.

The World Assurance Company, with headquarters at Vancouver, B.C., will apply to Parliament at the forthcoming session for an act of incorporation in order to carry on the business of fire, burglary, plate glass, casualty and guarantee bond insurance. The Empire Life Insurance Company, Toronto, will apply for an act extending the time for obtaining a license to carry on business.