

serious losses in respect to certain investments. The letter continued:—

"The full extent of these is not yet known, but there is reason to fear that they may involve what may result in practically a total loss to both the preference and ordinary shareholders.

"An unfriendly large holder of the preference shares in Canada has applied to the courts for a winding up order on grounds which the trustees regard as unjustifiable. The order has just been granted with the right to appeal, which your trustees have taken advantage of, having a substantial expectation that if this action can be disposed of the loss to the shareholders can be avoided, for the reason that if the order can be set aside it will be possible for the corporation to successfully handle the affected assets.

"The trustees regret the delay which has taken place in notifying the shareholders of the position, but it has only been within the last few days that the situation has become so defined as to make possible a clear statement.

"Your trustees are hopeful that on the appeal the higher courts will decide in favor of the corporation, and as soon as any definite further information is known you will be notified."

This communication was signed "Yours faithfully, The Canada Provident Investment Corporation, per H.,"—a careless signature for such a document.

Regarding the position of the Canada Provident, the liquidators' report on Union Life affairs, says in part:—

"The state of the account discloses the general course of the company's affairs (Canada Provident) as a result of which it is now practically without assets beyond stock in the Imperial Loan Company, the National Land, Fruit and Packing Company and debentures of the National Agency Company, Limited, all of which are worth little or nothing. On the other hand, it is indebted to the Imperial Loan Company in approximately \$196,000, to the Union Life Assurance Company in \$340,000, and it owes obligations to other companies. The amounts of its liabilities are not in accord with the books of its creditors owing to the evident doubt at times as to which company money was received from or to whom it was paid."

The present position of the Canada Provident has probably brought home sharply to the shareholders the futility of investing money in companies, perhaps solely on the strength of the directors' names, however prominent those directors may be.

Speaking of railroad fashions, the National Trans-continental waste line must have been near the neck.

The Union Life's common round and daily task probably inspired "Every little movement has a meaning of its own."

The complaint is about the high cost of living, or the cost of high living, or the existing cost of living, or the living cost of existing, or the high price of goods, or the good, high price. They all simmer down to the popular remedy, mistrust the trusts and be extravagant with economy.

## COLONIAL LIFE INSURANCE COMPANY

Stock of the Colonial Life Insurance Company of Toronto is being sold in Ontario, New York State and probably elsewhere. This company is not in existence, although a prospectus has been issued and circulated. *The Monetary Times* understands that misrepresentation has been made in selling some of the stock at least, and advises prospective purchasers not to buy shares of this company.

## GOVERNMENT TEN DOLLAR BONDS

A proposal for a Canadian issue of Government four per cent. bonds of ten dollars and multiples thereof is contained in a notice of resolution of which Mr. E. N. Lewis, member for West Huron, has given notice in the House at Ottawa. Mr. Lewis believes that Canadians with small amounts to invest in safe propositions should be given a chance to lend to the Government at four per cent interest. Nearly all Canadian bonds are floated for large amounts in the London market. The interest rate on Government loans during the present period of tight money is over four per cent., and Mr. Lewis contends that an issue of bonds in small amounts at that rate of interest would be taken up in Canada readily. His resolution declares that the ten-dollar bonds should be redeemable on demand, and placed on sale at every money order post-office. The amount of the bond issue could be determined by the Government as circumstances require, the issue being restricted when Government loans can be obtained more cheaply in the London market.

Catering to the small investor is becoming a fine art. There should be a way of diverting the large aggregate sums which are thrown away, from the investor's viewpoint, into worthless fields. The objection being raised to the plan of Mr. Lewis is the same that has been advanced in opposition to municipal bond sales "over the counter"—that is, they tend to decrease the inflow of money from abroad, at the same time decreasing the existing Canadian funds loaned by the banks out of savings deposits for commercial and business extension in Canada.

It will be recalled that when Mr. Fielding was minister of finance, he experimented with Dominion loans among the small investors in Great Britain. In July, 1909, a Dominion 3½ per cent. loan of £6,500,000 was floated in London, and for the second time Mr. Fielding appealed to the small investor by allowing applications for amounts under £100. In connection with this loan, these small amounts aggregated £5,180. Sir Frederick Williams-Taylor, general manager of the Bank of Montreal, gave *The Monetary Times* the following details:—

Bonds.	Applications.	Aggregating.
For £10 . . . . .	25	£250
20 . . . . .	29	580
30 . . . . .	15	450
40 . . . . .	4	160
50 . . . . .	62	3,100
60 . . . . .	6	360
70 . . . . .	4	280
		£5,180

These figures compare with the £6,000,000 Canadian loan made in January, 1909, as follows:—

Bonds.	Applications.	Aggregating.
£10 . . . . .	126	£1,260
20 . . . . .	153	3,060
30 . . . . .	62	1,860
40 . . . . .	28	1,120
50 . . . . .	215	10,750
60 . . . . .	8	480
70 . . . . .	5	350
80 . . . . .	6	480
		£19,360

The "small investor" is often a difficult man or woman to entice into sound investments.

The coming of the parcels post system on Tuesday made a thud loud enough to make the express companies smile.

The Bank of England low rate influence is taking as long to get to Canada as the payment of the I.O. frequently does to U.