

Russell Motor companies were somewhat riled when shareholders asked awkward questions and were bold enough to take a hand in the proceedings. There is no need to detail those questions here. It is necessary only to record the fact that if officers and directors obtain the money of investors for various enterprises, and those enterprises experience a bad time, are unsuccessful or mismanaged, the officers and directors must expect to arouse questions and the ire of the shareholder and to meet those questions and that ire in the flesh at the annual meeting. The shareholder has every right to legitimate information regarding the affairs of the company which he and his colleagues have helped to finance. If this point is not conceded, officers and directors may have to whistle for their new capital, much longer than they care.

NOT ALL CANADA'S FAULT

In these days when Canadian flotations are subject to so much criticism, often unfair, it is only right to record that Canada is not responsible for the desperate state of affairs of the British Columbian Fisheries, Limited. As our contemporary, "Canada," says: "This concern was entirely originated and controlled in Great Britain and it is not a Canadian-controlled company which has brought loss to the shareholders. There has been so much feeling aroused in consequence of some Canadian companies which have gone astray that it is only fair to make clear that this British Columbian Fisheries Company does not come under that category."

Some little blame in connection with Union Life affairs must also be placed in England. In the prospectus of that company's offering there is a report of Mr. E. A. Rusher, F.I.A., F.S.S., of the Prudential Assurance Company (of England), who was, according to the prospectus "invited to investigate the business of the company with special reference to the proposed increase of share capital." Much of the stock was probably purchased because of Mr. Rusher's glowing report, which was given considerable prominence in the prospectus. Here are two paragraphs from that report:—

"As bearing upon future prospects, I understand that the previously existing arrangement with the National Agency Company has been determined, and that a new arrangement has been entered into whereby that company accepts, in return for its services, an annual payment of £8,000 plus a sum equivalent to three per cent. upon the total premiums paid in the year.

"Taking this arrangement into consideration, and assuming that the same care as hitherto continues to be exercised in the management of the business, I am of opinion, after thorough examination of the facts placed at my disposal, that the existing business should be sufficient to provide an immediate dividend at a fair rate on the whole of the \$1,100,000 share capital, and that even if the business should not increase at quite so rapid a rate as indicated by the figures for 1909, the company will in a very short time be in a position to pay a dividend at a substantially higher rate."

It is obvious that Mr. Rusher did not investigate very deeply. Possibly he investigated only the facts, figures and literature given to him by Mr. Pollman Evans, or others connected with the Union Life Assurance Company. Now that the National Agency Company is being wound up, and the Union Life Assurance Company is dead, Mr. Rusher's opinions look somewhat sickly.

The Monetary Times has no wish to excuse the mismanagers of the Union Life, but merely desires to express a hope that Mr. Rusher feels a trifle sorry.

WILL CANADA BENEFIT?

There is not uniformity of opinion respecting the benefits the Panama Canal will give Canada. Many authorities have asserted that British Columbia particularly, and the western provinces generally, will be influenced favorably by the advent of the Canal. Last week Mr. W. E. Mullins, representing large United States interests in Central America, stated in a Toronto interview that as far as he could see, the opening of the Canal would have little influence upon Canadian trade, other than sending coarse commodities from Pacific ports without breaking bulk, instead of via the transcontinental routes. The greatest benefit will accrue to the Pacific coast of South America, where 15,000,000 people now reside, as well as to the Northern American coast to San Francisco and Seattle. Already the Hamburg-American Line have formed an American company, with large dock privileges upon the Pacific coast, in order to escape excessive tolls for foreign vessels.

Canada, in Mr. Mullins' opinion, can have but little local trade with Southern American ports and the West Indies unless she organizes direct steamship routes, and until such is accomplished the opening of the Canal will affect this country but little, except that the heavy timber of Vancouver will undoubtedly go south, where it is so much desired.

The central and northern South American countries, Mr. Mullins says, are rich with the soil only slightly disturbed, and the opening of the Canal will afford many investors ample use for spare capital.

It is to be hoped that the enthusiasm of Mr. Mullins for the future of the South American republics has merely dimmed his eyes when turned to the Canadian position. Broadly, it should be safe to prophesy that Western Canada will benefit from the operation of the Canal. As to the extent of the benefits, only the operation of the waterway can demonstrate.

On this point the New York Journal of Commerce says: "There is some evidence that the Panama Canal is being overworked both as a topic of commercial discussion and as a basis for immediate trade growth. It is interesting to note that one or more of the conventions that were to have been held for debating its possibilities have been abandoned and that the predictions of what will result from its operation are assuming a more moderate tone. This is in line with the results of further study. The canal will be an important avenue of commerce and will open new channels of trade not hitherto available, but its effects, whatever they may be, will become evident only after a time. Immediate transformation of conditions is not to be looked for."

WESTERN CANADA AND CRITICISM

The Monetary Times has frequently noticed the apparent dislike of Western Canada for criticism of the West in any shape or form. We have hesitated to write about it, but this week an Edmonton correspondent gives the lead. He says: "I have often wondered why the West is so touchy of criticism, even of helpful criticism. One would suppose that a country developing so rapidly as is the West, with so many new problems arising, upon which we have little in the way of experience or precedent, would be only too glad to give careful consideration to helpful criticism. It is inevitable that we will make mistakes, and that conditions will arise which were not intended or foreseen, producing results which were not anticipated, or which perhaps are not at once apparent to us who are so close to the work. We should, indeed, be ready to welcome suggestions, even if in form bordering on criticism, which may be offered by outside students of our economic conditions. If we have economic conditions which are undesirable, and not in the best in-