

MONTREAL POWER ON TEN PER CENT. BASIS

Dividend and Price Reduction Record of the Company Has Been a Good One

Monetary Times Office,
Montreal, June 18th.

The long-expected declaration of the ten per cent. dividend on Montreal Light, Heat and Power Company has been made. The directors met in Montreal on Monday and declared a quarterly dividend at the rate of 2½ per cent., payable August 15th, to shareholders of record of July 15th. The price of the stock has already discounted the increase and when the declaration was announced, the quotation showed practically no change as a consequence.

It is only a few weeks since the annual meeting of the Power Company took place, when the shareholders authorized an increase in the company's capital stock of \$5,000,000. It was decided to issue \$1,700,000 of this amount to shareholders, at par, in addition to \$100,000 to employees, at the same terms as to shareholders.

Rights to Shareholders.

In this, alone, it was considered that shareholders were being given rights equivalent to \$10 per share of stock held by them, inasmuch as the current selling price of the stock is about \$210, and the new stock is being issued in the ratio of one new to each ten old shares held. If the value of the rights be deducted from the present selling price of the stock, it will be found that the cost of the stock per share is about \$200. As the dividend is now on a 10 per cent. basis, purchasers of Montreal Power stock at present prices will be receiving a return of 5 per cent. per annum on their money. This is a good return, when it is remembered that Montreal Power is a public utility company in control of the distribution of the great bulk of the electric current which comes to Montreal.

The company has for some years treated its customers more generously. Several voluntary reductions in the price of gas and electricity have been granted and the latest occurred just before the announcement of the new stock issue and the present dividend increase.

The record of dividend increases of the company is as follows:—Paid 4 per cent. from 1902 to 1906; paid 5 per cent. in 1906; increased to 6 per cent., beginning August 15th, 1907; increased to 7 per cent., beginning August 16th, 1909; increased to 8 per cent., beginning February 15th, 1911; increased to 9 per cent., beginning May 15th, 1912; increased to 10 per cent., beginning August 15th, 1913.

Price Record of the Stock.

In the recent market weakness, the stock fell as low as 205¼. Subsequently it recovered to 212. The high point was in 1912, when the stock sold at 242½. The low point of 1912 was 187. During this year, the price has been as high as 240. The general feeling is that at present prices the stock will return to purchasers a good profit, inasmuch as the company has the distribution of all the Shawinigan power which comes onto the Island of Montreal, in addition to which it has part ownership of the new Cedar Rapids Power, and has a close alliance with the Shawinigan Company.

MANITOBA INSURANCE RETURNS

The seventh annual report of Manitoba's energetic inspector of insurance, Mr. A. E. Ham, shows that at December 31st, 1912, there were 142 registered insurance companies and 68 licensed companies doing business under the Manitoba Insurance Act.

The registered companies were as follows:—Fire insurance companies, 66; fire and life insurance companies, 5; life insurance companies, 35; Guarantee, accident and plate glass insurance companies, 25; registered mail insurance companies, 2; fraternal societies, 4; steam boiler insurance companies, 1; weather insurance companies, 1; live stock insurance companies, 1; inland marine insurance companies, 2.

The results obtained by those companies registered in Manitoba and holding Dominion licenses were as follows:

	Premiums.	Losses.
Fire and Marine	\$2,260,572	\$933,579
Hail	2,278	2,043
Life	2,935,359	648,634
Guarantee and Accident	530,300	302,607
Live stock	6,905	3,473
Automobile	52,650	25,015
	\$5,788,114	\$1,913,341
The licensed companies results in Manitoba were	706,144	357,013
	\$6,494,258	\$2,270,354

GOOD NEWS FROM PRESIDENT PLUMMER

He Predicts Increase of Eight Hundred Thousand Dollars in Net Earnings This Year

Monetary Times Office,
Montreal, June 18th.

The annual meeting of shareholders of the Dominion Steel Corporation was held here to-day. Mr. Plummer announced that, in his opinion, the company would show an increase of \$800,000 in net earnings during the current year, as compared with the past year.

Although the above prediction was probably the most pleasing feature of the meeting, it was equally interesting to learn how President Plummer reached his conclusion. He said that for years the company had made extensions, the early provisions of the company being altogether inadequate to the demands which had arisen for its products. These extensions had been more costly than had been anticipated, owing to the advancing cost of construction. Construction had now been completed. All the departments were operating and no new building would be undertaken.

Suggests Tariff Change.

He contended that the Government should do something more for the industry, referring to the anomaly in connection with the manufacture of wire rods, which the company was compelled to turn into wire nails as it was unable to sell them in competition with foreign rods. There was enough nail machinery in the country to supply all demands and if some adjustment was not made in the tariff, it would force the company into competition with those to whom they would sooner sell the wire rods. He thought it would be better to encourage manufacturing in the country than to import the goods and thus swell the foreign indebtedness. Speaking of the manner in which the iron and steel imports had grown during the past few years, he said that in 1909, the total imports amounted to \$7,234,116, while last year they amounted to \$28,331,349. This included only the less finished goods.

The company has 29 steamers in operation and recently finished a new dock at Sydney Harbor. Hereafter, Mr. Plummer expected the company to make a better showing, the extensions and new construction of the past having been a disturbing factor. This is removed by the completion of the company's plant. The directors were re-elected.

Many New Cars Bought.

Mr. Plummer further said:—"A good deal of money has been expended on our railways for additional trackage and equipment—we have bought many cars for the coal service during the past three years—and the shipping and handling facilities have been improved. The increase in the total output is a distinct achievement. It is not merely a question of mining the coal, it must be taken away from the pit's mouth when mined, it must be taken promptly from the cars which move it, and water shipments must keep pace with production. If our supply of vessels outruns production beyond a reasonable margin of safety, our shipping costs go up; if it falls short some of the mines may be shut down. Any shortage of hauling power, of cars, or steamers, or any interruption in the moving of the coal, leads at once to reduced production and increased costs.

"As regards steel: we have now our six blast furnaces, of which we aim to keep five steadily at work from year's end to year's end, and we have coke ovens of sufficient capacity to supply the five fully. The steel plant, blooming mill and billet mill are commensurate with the amount of pig iron to be converted, and in the rail mill, rod mill, bar mill, wire mill, and nail mill we have power to finish in these forms all the steel which our present plant will produce. We have, in fact, reached the well-balanced position for which we have been working for the last three years."

CANADA LIFE'S NEW TREASURER

Mr. E. M. Saunders has been appointed treasurer of the Canada Life Company. This office which was rendered vacant by the death of Mr. H. L. Watt, will be assumed by a banker of experience, who in addition to his long training in financial matters, has had very exceptional opportunities for studying conditions in the Canadian West.

Mr. Saunders received his education at Dalhousie College. In 1886 he joined the staff of the Canadian Bank of Commerce. He spent fifteen years in eastern Canada in the service of the bank, and eleven years ago went to the west where he has represented the bank as branch manager at Moosomin and Moose Jaw, and, until the present time, at Calgary.

Under the direction of Mr. Saunders the company should have continued success in its investment matters.