United States last year, a.. experience with which they were highly gratified.

A dividend of 20 p.c. was declared, and the results of the years business is all the more satisfactory when it is considered that the dividends are paid out of the interest upon the invested securities without touching the profits from underwriting.

The Canadian business under the management of Mr. Griffin, Montreal, and Mr. Woodland, Toronto, has very largely increased and gives promise of considerable development in the future.

CANADIAN FANK OF COMMERCE.

Branches of the Canadian Bank of Commerce have recently been opened at Quebec, W. H. Dunsford, manager, and at Weyburn, Sask., of which Mr. J. D. Bell is temporarily in charge.

The agreement for the purchase of the assets and business of the Merchants Bank of Prince Edward Island, took effect on the 31st ult., and the following branches of that bank are now branches of the Canadian Bank of Commerce, in P. E. I., viz., Alberton, Charlottetown, Montague, Souris, and Summerside.

FIDELITY FIRE INSURANCE COMPANY OF NEW YOFK.

We understand that the above company is being organized in New York, by those interested in the Continental Insurance Company, to be under the same management as the latter. The capital is stated to be $1,000,000, and surplus of $1,000,000 with a special fund of $250,000 to be credited to the unearned premium account.

THE SOVEREIGN BANK ABSORBS A PRIVATE BANK.

The Sovereign Bank has taken another step in its progress towards prominence amongst the banks of Canada.

It has acquired the business of Messrs. Telford & Co., private bankers, Owen Sound, the management of which will be in the hands of Messrs. W. N. Telford and P. C. Telford. The Sovereign Bank has now 68 branches.

The latest statement of the Dresdner Bank which is associated with the Sovereign Bank shows the capital paid up to be $40,000,000, of which the market value is $56,666,000, the reserve fund being $10,375,000, the deposits, $133,760,000, and the discounts and loans $195,000,000.

MR. J. H. PLUMMER ON THE STEEL SITUATION.

The directors of the Dominion Iron & Steel Company met at Montreal this week.

Mr. J. H. Plummer, the president of the company, made the following statement in response to enquiries as to the position and prospects of the enterprise.

"I am afraid that some people are expecting more to be done than is practicable. The earnings, though not what we hoped, show great improvement, and will leave a substantial margin over fixed charges for the past year. We did not, however, get much benefit from the rail mill till well on in the year, we have suffered this spring from a dull market in wire rods. The plant is generally in a satisfactory condition, and there has been much improvement in the work done and in our costs.

"Under the present law it must be remembered that the bounties will be much lower after July 1, and we should suffer accordingly, but we expect that they will be extended. I do no doubt that a reasonable extension of the bounties will have the desired effect of establishing the iron and steel industries on a sound footing, and so fulfill the purpose for which Parliament granted them.

The rearrangement of our finances has never yet come before the board, while as to arrears of dividend, their payment is out of our power, for we have not earned them.

"On the merits of the question I think we should move slowly until our earnings are independent of the underlying bounties on pig iron and steel. It would not be in the real interest of either class of our shareholders that we should allow the losses and lack of earnings of the past few years to add permanently to our fixed charges, if there is any possible way of averting it.

"I regard the outlook for business as highly satisfactory, with little probability of a check for some years to come. Since January the company has been producing over 20,000 tons of steel per month against an average of less than 14,000 tons in 1905. Shipments of all products last month were 21,000 tons, which is the largest on record. The rail mill turned out over 10,000 tons of rails in the month, and by next year the figure will probably exceed 20,000 tons."

He regarded the demand for rails for roads in Canada as hardly likely to be equal to the output capacity of the mills at Sydney, and the Soo, but, respecting this matter, some experts differ with the President of the Dominion Iron & Steel Company. Besides the main lines to be built, there are very large extensions of branch lines and double tracks besides the increasingly heavy demand for new and re-rolled rails for repairs and renewals.

THE MONTREAL LIGHT, HEAT & POWER COMPANY.

FIFTH ANNUAL REPORT, 1906.

The Montreal Light, Heat & Power Company's annual report submitted to the shareholders at the meeting on 6th inst., shows the gross earnings for the year to have been $3,186,102 and the net profits, after providing for fixed charges, interest, etc., to $1,278,486, which is a net increase over previous year of $149,697. The four quarterly dividends of one p.c. each amounted to $680,000, which left a balance out of the profits of $598,486. This being added to the surplus of $603,490 brought from last year, raised the surplus to $1,201,976.

Out of this surplus $50,000 has been transferred to the insurance fund, which stands at $150,000. There has been also appropriated $250,818 to pro-