

**THE COMMERCIAL**

The registered authority on all matters pertaining to the stock and financial markets in Western Canada, including that part of Ontario west of Lake Huron and the Province of Manitoba and British Columbia, and the Territories.

**Twenty-First Year of Publication.**  
ISSUED EVERY SATURDAY.

Subscriptions—Canada and the United States, \$2.00 per annum in advance, \$2.25 when not paid; other countries, \$3.50 in advance. Changes for advertisements, or stops, should be made at least three days in advance. Advertisements purporting to be news material will not be inserted. The opinion of the journal will not be inserted.

The Commercial carries along a very large circulation among the business community of the vast region lying between the Rocky Mountains and the Pacific coast than any paper in Canada, daily or weekly. The Commercial also reaches the leading business, commission, manufacturing and financial centers of Eastern Canada. Office, 36 and 2 Merchants Bank Building, September 23.

**W. B. UCHIANAN, Publisher.**

WEDNESDAY, JUNE 27, 1906.

**THE COMMERCIAL DEATH RATE.**

Bradstreet's compilation of failure statistics in America is a useful work and as given in that journal make interesting reading. The May list, recently given, shows the smallest number in any month this year, and the lowest in ten years. Only 655 failures occurred in the United States and Canada with a total liability of \$3,047,755. But few of the failures were important. The failures in each month and for the five months of the present calendar year, with comparisons, were—

Year	Number	Assets	Liabilities
1906	1,113	\$4,438,243	\$19,529,372
1905	1,271	4,841,144	19,111,111
1904	1,472	4,758,417	18,363,983
1903	1,524	4,122,122	21,218,791
1902	688	3,739,022	7,984,753

From these figures it will be seen that May made a good showing and that 1902 has so far been anything but disastrous in a business sense. It is perhaps natural in view of the swelling good times in both the countries covered by these figures. Then the reaction from present conditions comes, as it inevitably will, there may be full penalty exacted for present exemption from business failures. Failures last month were small—by 10 per cent. than they were in May, 1902, 12 per cent. less than in 1901, 3 per cent. under the figures for 1903, 1904, and 34 per cent. below the total for May, 1897, the high point for present exemption from business failures. Assets for May this year also make a favorable showing, the total being \$3,730,022, only one per cent. less than those of May, 1902, when the failures numbered 72; while as compared with the like month in 1901 they were 100 per cent. less, but 11 per cent. in excess of the figures for May, 1900, and 36 per cent. above the assets for that month in 1899, when failures numbered 720. Liabilities for May of the current year are 15 per cent. less than they were in May one and two years ago, but 23 per cent. above May, 1899, the low point in this respect for the past 23 years.

The comparisons as to May for a side past are:—

Year	Number	Assets	Liabilities
1906	688	\$3,730,022	\$7,984,753
1905	789	3,758,941	8,609,075
1904	782	3,758,941	8,609,075
1903	710	3,231,904	8,529,749
1902	688	3,739,022	7,984,753
1901	1,472	4,758,417	18,363,983
1900	1,006	3,752,023	15,461,242
1899	720	3,047,755	17,529,372
1898	720	3,047,755	17,529,372
1897	1,009	3,699,072	20,067,811

and in the month of the month of this year number exactly 59. Then was reported for May last

year, while assets total \$142,095, 16 per cent. less than last year, and liabilities aggregate \$273,157, or 32 per cent. under the figures for May, 1902.

**IMPERIAL BANK STATEMENT.**

The annual statement of the Imperial Bank of Canada, as presented at the meeting of shareholders in Toronto last week, is given in another part of this issue of The Commercial. The statement is one which must have been satisfactory in every way to the shareholders, showing as it does a handsome profit upon their investment and a liberal allowance put by for the inevitable rainy day. The return to the shareholders during the year was 10 per cent., the profit and loss account was increased by \$76,890, and the rest account by \$109,000, besides which the new capital of \$2,000,000 was added to the total amount, making its total now \$2,633,312. This is equal to \$8.33 per cent. of the paid up capital. Six new branches were opened during the year, five of them being in the West. These are some of the good points in

loans amount to \$13,841,635. It has in all 56 branches, of which 16 are in the west.

The meeting heard with regret of the retirement of John Stuart from the presidency of the bank, and of A. G. Ramsay from the vice-presidency. Both these gentlemen have been in office since the establishment of the bank 30 years ago, and have, by their business capacity, added not a little to the prestige of this institution. These retirements met with genuine expressions of regret, as did also the loss sustained by the death of Hon. A. T. Wood, one of the directors. The retiring president was voted the handsome allowance of \$5,000 a year. Mr. Turnbull, the general manager of the bank was elected to the vice-presidency, a well deserved honor. Mr. Turnbull's address contained an interesting review of the bank's career with statistics showing its growth and progress. The forward policy adopted about a dozen years ago, which has led to the opening of many new branches, has been productive of highly satisfactory results. Some timely words were spoken by



MANITOBA FARM HOMES—ALEX. CUMMING, WILLOW RANGE.

this report. In presenting it, Mr. Wilkie, the general manager, impressed upon the shareholders his firm belief in the wisdom of the policy of building up strong reserves. His faith in the policy is evidenced by the way in which the reserves of the Imperial are being built. Not only is this a guarantee of the stability of the banks themselves, but it ensures the safety of the entire financial fabric of the country, which rests more upon the security of these chartered banks than upon any other thing.

It is only natural that the west should be gratified over the splendid results achieved by the Imperial during the year covered by this statement. This bank has been closely identified with the business life of the west for many years, and much of its success is no doubt due to the operations of its western branches.

**THE BANK OF HAMILTON.**

The full report of the proceedings at the annual meeting of the Bank of Hamilton, given on another page, is of special interest. The transactions of the year under review netted a profit on the paid up capital of 14.75 per cent., which is a splendid showing. Two five per cent. dividends were paid during the year, \$100,000 added to the rest account, and \$70,122 carried forward. The bank has now in its keeping deposits to the amount of \$15,760,578, and its discounts and current

Mr. Turnbull as to the danger to be guarded against, in a rapidly growing country like this, of a tendency to become over-sanguine and over-speculative. There is, without doubt, he says, "a real danger in this characteristic of ours, and it is the part of all prudent persons and those who have the best interests of the country at heart, to spare no effort to discourage such business methods and enterprises, and to try, by precept and example, and by any influence within the paths of moderate simplicity, careful living and good sense."

**THE UNION BANK OF CANADA.**

The shareholders of the Union Bank of Canada must have been gratified at the character of the financial statement presented to them at their recent annual meeting. The proceedings of the meeting and the statement are published on another page of this issue of The Commercial. They are worthy of perusal by every reader. The net earnings for the year, after making liberal provision for bad and doubtful accounts was 16 1/2 per cent. on the paid up capital. This capital was increased during the year to \$5,000,000 by the issue of 2,500 shares at a premium of 25 per cent. and of a like number at a premium of 30 per cent. The premiums thus received amounted to \$217,056, which has been added to the reserve. At the meeting the board took power to still further

increase the capital to \$4,000,000. If occasion should require it. Twenty-seven new branches were opened during the year, six of them being in Manitoba and six in the Northwest Territories. This gives the Union 275 new branches in all. Among the new projects now under way is a building at Winnipeg, which in addition to providing the Winnipeg branch quarters will give the city one of the finest office and business buildings. It will be ten stories high and equipped with everything that money can procure for the comfort and convenience of its occupants. Work on the building is now in progress.

**BEEF ROOT SUGAR.**

The production of beef root sugar has grown to be an important industry in Ontario, including as it does the entire productive process, from the cultivation of the sugar beets to the production of white granulated sugar. The Statistical Year Book for 1902, just issued, gives a brief history of the industry in Canada. In 1867 a treatise on beet root cultivation for sugar-making was written by Mr. Quisset, of Quebec. Before this the department of agriculture had tried, with but little success, to introduce the sugar beet to the distribution of seed. In 1872 the department with Mr. Edward Beers, then in charge, made inquiries to Europe to make inquiries regarding the industry, and several pamphlets subsequently appeared dealing with the prospects of developing it in Canada. The Quebec legislature in 1870 passed an act granting \$5,000 a year for five years to aid in the establishment of a beet sugar factory, and the amount was increased in the following year to \$7,000 for ten years. A company was chartered by the Quebec legislature in 1878, with a capital of \$100,000, but it did not make any serious effort at establishing the industry. Another chartered in 1880, with headquarters at Farnham, agreed to manufacture 100 tons per day on condition that the Dominion government assign to it a subsidy granted in 1870. Still another company was organized in 1881, with headquarters in Paris and a local office in Montreal. In 1882 the Quebec legislature granted the Farnham Company \$7,000 a year for five years and made a further grant of \$2,000 to be distributed among the farmers at the rate of 70 cents per ton of sugar beets. The entire amount, \$70,000, together with \$800 for insurance premiums has been paid to the company. Another company, with headquarters at Coaticook, obtained a subsidy of \$3,500 in 1882, but does not seem to have done anything practical.

The Dominion government first came to the aid of the industry in 1891, the act of that year granting a bonus of one dollar per cwt. with three and one-half cents additional for every degree over 70 shown by the polariscope test. This was increased in 1895 when it was again renewed, but reduced to 75 cents per cwt., with an additional cent for every degree over 70. In all, Quebec paid \$122,410 and the Dominion \$86,288, making a total of \$218,702 in addition to the 1870 investment of the tariff, but none of the enterprises were successful. The Farnham Company was closed in 1895, and its rival three years later. The Ontario legislature in 1901 granted \$225,000 to encourage sugar beet production, the money to be paid in three yearly instalments of \$75,000. The rate was one-half a cent per pound on the first two years' operations and one-quarter of a cent on the output of the third year. Four companies have been organized to share in this subsidy, and have produced a total of 10,000 tons of sugar from 82,000 tons of beets. About 180 farmers provided the beets required for the factories and their average receipts were \$5.35 per acre. The Dominion government gave free admission to the factories and the factories, and the importations under the free entry clause were valued at \$650,781. It is not clear how far we decide the future of the industry. If we can produce sugar as cheaply as the southern states, and if our sugar cane grows it will certainly become one of our leading industries. The possibility of the amount of sugar demonstrated, and the only question is one of relative cost.—Globe.