

BANKING & FINANCIAL NEWS.

ALBERTA KEEN ON RAILROADS.

Legislature Guarantees Bonds—Western Notes—Brantford Street Railway Affairs.

The Alberta Legislature's important railway programme has become law. The programme includes the guaranteeing of bonds of the C.N.R. and G.T.P. and other branch lines totalling 1,681 miles and total guarantee \$27,433,000, including 850 miles of Canadian Northern branches guaranteed at \$13,000 per mile—\$11,050,000; 491 miles of G.T.P. branches at \$13,000 per mile—\$6,300,000; and 350 miles Alberta and Great Waterways Company at \$20,000 per mile—\$7,000,000, with additional guarantee of \$400,000 for terminals at Edmonton.

Government Will Take First Mortgage.

As security for guaranteeing the bonds, the Government takes a first mortgage on the lines, rolling stock, equipment and tolls of all lines guaranteed.

The bonds of guarantee of the G.T.P. and C.N.R. will bear interest at 4 per cent., and on the line to Fort McMurray at 5 per cent., as the companies state they are prepared to commence construction this spring.

The Kootenay & Alberta Railway Company's application for a charter has been refused. Though from the decision of the committee it would appear that unless the South East Kootenay Company, which holds a parallel charter, builds by next session, the charter will be granted.

Three hundred and sixty-five miles of the Hudson's Bay Railway have been surveyed out of a total of 465 miles.

Street Railway Deposited Bonds.

Under the recent agreement the Brantford Street Railway Company was required to deposit with the city by March 1st a bond of \$25,000 as evidence of good faith that it will fulfill its obligations. These, in brief, consist of rebuilding the existing eight miles of street railway within one year from May 1st, and making eight miles additional extensions in the city within two years. Certain bonds were deposited by the company on Monday, together with personal guarantees on the part of the financiers, that the work will be completed. Had the company not deposited the bond the city could have revoked the franchise of the company, which still has forty-two years to run.

Bonds to the extent of thirty-five thousand dollars put up by the Street Railway Company proved later to be Grand Valley Radial Company bonds, whereas the agreement calls for twenty-five thousand dollars of bonds with a guarantee company. While it is likely these will be satisfactory to the city, as they are backed by the guarantee of the directors of the company and other capitalists, no announcement has been made.

The Minnesota & International Railway which is a part of the Northern Pacific Railway system, is to build a bridge connecting Fort Frances and International Falls, Minnesota, next summer.

ANNUAL MEETINGS AND STATEMENTS.

HAMILTON PROVIDENT LOAN SOCIETY.

A satisfied tone characterized the meeting of the Hamilton Provident Loan Society on Monday last. Nor could the proprietors reasonably have been other than pleased. The volume of business was well maintained, the character of the securities had continued satisfactory, repayments were good, and the profits were at the customary rate. The rate of net profit was 10.61 on the paid-up capital of \$1,100,000. This enabled the payment of business tax and the usual dividend, the carrying of \$45,000 to Rest and \$4,254 to Contingent Fund. The Rest is now at the handsome figure of \$575,000—a valuable item in the earning power.

Repayments by mortgagors, the report states, have been very satisfactory, indeed they were never better, and we cannot discover any unsatisfactory features in the year's business. Losses written off were trifling, the justifiable improvements made to the head office were written off, and the contingent fund was increased to \$18,453. It is observable that domestic money is being more largely used by this company in the shape of deposits, which amount now to \$603,663. But neither currency nor sterling debentures are increased as compared with the previous year. Debenture stock continues at about its usual amount.

Of the company's assets, a smaller proportion is held in cash—possibly there was such a good demand for loans

that the management hated to leave much unused. Relying upon the good character of its loans, it has not been the habit of the Hamilton Provident to hold a large amount in the shape of bonds or debentures owned. The two buildings it owns in Hamilton and Brandon are good value for the amounts at which they stand, and the \$197,000 held in cash is equal to 32 per cent. or more of the deposits.

LANDED BANKING AND LOAN COMPANY.

Totals of liabilities and assets are larger in the case of this company than a year ago. Mortgage securities are not quite so large but readily available assets, such as bonds loans on stock, and cash are about \$100,000 greater in amount. Among the assets now appear the new office building, which is completed. It gives great satisfaction to the staff, and is an ornament to the neighbourhood.

The balance sheet shows the cash value of mortgages to be \$2,192,000 and of other assets \$377,418 (including \$77,000 for the building), making the aggregate \$2,569,987. On the other side of the account are deposits, debentures and accrued interest \$1,458,000, while to shareholders is due \$700,000 on permanent stock and \$391,456 of reserved profits.

The year's business has resulted in a good profit, equal to the average of the last three years. After paying interest on deposits, expenses of management and inspection, and writing \$8,100 off head office premises, the customary dividend has been paid and \$40,000 added to reserve, which fund is thus swelled to \$390,000, equal to 55 per cent. of the amount of the paid-up capital stock.

The company's funds have been well employed in 1908, and repayments on mortgages met in a gratifying manner. Upon examination by the inspection committee all the securities were found in satisfactory condition. Steady headway has characterized the Landed Banking Company these thirty odd years. The former board of directors have been re-elected.

DOMINION PERMANENT LOAN COMPANY.

During 1908 the shareholders of the Dominion Permanent Loan Company received \$69,988 in dividends. The financial statement, presented at the company's annual meeting on Wednesday, showed a surplus of assets over liabilities of \$1,518,602. After payment of dividends, \$30,000 were transferred to the reserve funds. Allowing for this amount, dividends and for \$950 written off office furniture and premises there remains to the credit of profit and loss account for further distribution \$12,071. The reserve fund now stands at \$288,000.

The following directors were then elected: Hon. J. R. Stratton, President; Trusts & Guarantee Company; D. W. Karn, President Karn Piano and Organ Company, Woodstock; C. Kloeffer, Director Traders' Bank of Canada; William Findlay Director Winnipeg Fire Insurance Company; George H. Cowan, K.C., M.P., City Solicitor, Vancouver, B.C., and F. M. Holland, Toronto. At a subsequent meeting of the directors the Hon. J. R. Stratton was elected president and D. W. Karn vice-president.

Harry Vigeon, F.C.A., and Bryan Pontifex, C.A., were appointed auditors of the company for the current year.

GUELPH AND ONTARIO INVESTMENT AND SAVINGS SOCIETY.

The Guelph and Ontario Investment and Savings Society is rapidly approaching its semi-centenary, the thirty-third annual meeting of its shareholders having been held the other day. The net profits for the year 1908 amounted to \$55,220. That sum, together with \$9,400 brought forward from the previous year made a total of \$64,621. This was appropriated as follows: Two dividends, \$35,520; amount added to reserve fund (which now totals \$242,000), \$20,000; and amount carried forward \$9,101. The percentage of earnings to capital and reserve fund is more than eight, an unusually high and satisfactory rate. The reserve fund, it will be noted, is equal to more than 54 per cent. of the paid-up capital; the total assets are \$2,316,930. This is a good showing.

The directors' annual report states there has been a big increase in the amount invested by the public in the society's debentures, while sterling debentures, totalling \$37,716, have also been issued to British investors. Old Country investors