## HISTORY AND GROWTH OF CANADIAN FINANCIAL AND INDUSTRIAL INSTITUTIONS

### No. 15 --- THE ALLAN LINE

For ninety-six years the Allans, as a family, have in Quebec, they gave their town a set-back from been connected with the Canadian shipping trade, but which it will never fully recover. Hugh Allan, a the Allan line of steamships, as it is known to the man of great energy, enterprise and force of characworld of travel to-day, did not come into existence ter, threw himself into the commercial life of Montuntil a matter of sixty-three years ago. When Captain real, assuming a position as clerk in the office of Alexander Allan, a shipowner-mariner of Glasgow, Millar, Edmonstone and Company, ship agents and early in the nineteenth century, commenced trading shipbuilders. For some time he was employed in between Glasgow and Montreal, there were no the Eastern Townships, purchasing grain for export. St. Mary's current by oxen, and the vessel's cargo its name to Messrs. Millar, Edmonsto

MR. HUGH A. ALLAN.

was, discharged on the beach over long planks. Tothe steamers which enter the harbor of Montreal from all parts of the world, find themselves supplied with wharfage of the most commodious type and afforded facilities for transhipments unsurpassed in any quarter of the globe.

To say that the Allans in their efforts as shipowners have kept pace with the growth of Montreal as a port is only a mild tribute to the tenaciousness which has characterized their achievements. Capt. Alexander Allan commenced his career by the operation of a brigantine of 175 tons, whose first duty was to carry stores to Wellington's army in the Peninsula and his initial service to Canada was inaugur-

55. Alsatian, one of the fast modern liners belonging to the Allan fleet.

"Calgarian" and the "Alsatian"-have a gross ton-

Liverpool and Montreal, entered into a contract with

Messrs. Hugh and Andrew Allan. In this way was

with the Mother Country required. To serve

ng machinery of about 1,800 indicated horse

ing a speed in the neighborhood

secured just what the passenger and cargo busi-

this purpose steamers of 3,000 tons were secur-

From that time on steady progress was m

size and speecd. The "Buenos Ayrean," built in

of in steel. Another notable ship was the Parisian;

she was the first ocean ship fitted with blige keels. Two other conspicuous vessels of the line are the "Victorian" and the "Virginian." the first ships to

trade in the Atlantic fitted with Parsons turbines. Sc

that it will be seen that the Allans, while prospering

in their own particular work, have also done much to extend the resources of the shipbuilder. And along with this has come wonderful development in Can-

ada in which they have had no inconsiderable part

tention of railway lines could be profitably undertak

en. The one has reacted upon the other, facilitating the movements of emigrants who have been attract

ed to these shores not less by the admirable trans-portation facilities afforded than by the wide ex-

opened up to the enterprising settler.

nse of productive soil which, in recent years, has

1879, was the first Atlantic steamer to be construc

of 11 knots per hour.

ated in 1819 by a ship of corresponding size to the accidents. These were due to a number of causes

steel and in the aggregate represent a quarter of a gating officials; in the difficulties afforded by the million gross tons. Two of the largest vessels—the

The Allan Line, in its early stages, was carried on rents; in the absence of proper lighting facilities and

400 tons. Later iron was adopted, and by 1845 the tennage of the ships had risen to 710 tons. Seven years later, the Government of Canada, in order to

secure the establishment of a line of high-class which, up to that time, had been affected by the steamers for the purpose of conveying mails between attraction on the other which was attracted to destruct the contraction on the other which was attraction on the other which was attraction.

ed. To-day the Allan ships are built of having their origin in the incompetence of the navi-

vessels of from 300 to qualified pilots. Finally all these objectionable fea-

n Montreal. His brig was assisted up the In 1835 he became a partner, the firm then changing

The other brother, Andrew, afterwards joined Hugh in Montreal and they married sisters, daughters of Mr. John Smith, a wealthy importer. After the death was re-elected a director of the Mutual Life Assur of Mr. Millar in 1838, Andrew in turn became a part-ner, the firm becoming Messrs. Edmonstone, Allan loo a few days ago. This is the only corporation in and Company, and as such it continued until the re-tirement of Mr. Edmonstone about 1860, when it be-came Mesers. Hugh and Andrew Aller

Allan decided that the time had arrived for iron screw steamships to replace sailing ships in the Montreal trade, especially as they could run all year to Port-land and connect with Montreal by rail. Capital was secured from a number of wealthy Montrealers and two steamers were built to order containing staterooms for about eighty first-class passengers. The firm retained most of their sailing ships and afterwards added many larger, built at Quebec, St. John, parently at last in process of regeneration. At least

The Allans came to the conclusion that a weekly ser- and to lighten Denver & Rio Grande's Western Pacific vice was essential, and, the Government concurring, an burden. ncreased subsidy of \$208,000 per amum was promised. The string of properties left by the late Jay Gould This worked out at \$4,000 per round voyage. premature, the Messrs. Allan bought them out and has apparently passed out of the Gould hands ecame sole owners. A branch of the firm was then The list of Missouri Pacific shareholders filed refour new steamers were purchased. In the severe disclosed the fact that out of the total of 827,000 000 a year. Stringent terms as to speed and penal- 5,026 shares.

ties for delays in delivering the mails were imposed.

The history of the Alian Company for the first de-Eight ships were lost in eight years besides minor open market, but this was not seriously credited in

ficult than that pursued to Southern ports; in the

presence of sunken reefs, thick fogs and adverse cur-

attraction, on the other, which was attributed to de

MR. ANDREW A. ALLAN.

posits of iron in certain localities. The Government

which, up to that time, had been affected



SIR WILFRID LAURIER,

### and St. Lawrence Railway between Montreal and Portland, seeing the success of a screw steamship, the "City of Glasgow." in the New York FOUR GOULD ROADS IN PROGRESS

Control Has Almost Disappeared.

Boston, Mass., February 13.—The Gould roads, for the current fiscal year, which ends June 30.

Sev- have passed through many vicissitudes and in one eral of the other partners deeming a weekly service instance at least, that of Missouri Pacific, control

established in Quebec. To carry out the contract cently with the public service commission of Missouri anic of 1857 trade was affected on both sides of the shares, only 10 stood in the name of George Gould. Atlantic and an appeal was made for an enlarged 4.418 in the name of Helen Gould Sheppard, and subsidy. The Government, being unwilling to loose amounts ranging from 1 to 300 shares were held by the mail service, doubled the subsidy, making it \$416,- other members of the family. The aggregate was

There was recently a rumor in Wall street when Missouri Pacific rose rapidly in price to the effect ade of its career was marked by a series of disasters. that George Gould was buying back control in the well-informed quarters. The more plausible reason for the strength was the probability that Kuhn, Loeb would step in as bankers for the road and the prospect for the infusion of new blood into the directorate. Another Gould road is also making efforts in the direction of capital readjustment to put itself on a in force for four years. The company is under no ments of 19 or 20 per cent. in dividends annually in direction of capital readjustment to put itself on a firmer base. Denver & Rio Grande directors are obligation to set up this fund, it being established at the next three years would still allow the company discussing a plan for scaling down Western Pacific's the discretion, of directors. As of Jupe 20, 1914, the to add to its undivided surplus on the basis of esticapital obligations. Western Pacific has so far proved rather a "white elephant" for the Denver. Last year bonds held for the sinking fund totalled \$632,555.

In the fiscal year 1918, the it earned "a comfortable and commodious deficit" of \$4,420,798 after fixed charges. Through its guarantee is 10 per cent., which enables Inter-Met. to pay interest by estimated that Interborough Rapid Transit will care of Western Pacific bonds, Denver & Rio Grande has on the collateral bonds, and provide for their yearly about 11 per cent, or 1 per cent, more than western Pacific money for construction purposes from extra dividends so often in the last three years that time to time. The Denver management has stated some disbursement above the 10 per cent. rate has gations on the \$156,000,000 bonds are particles. that it proposes to draw no further on its treasury cash to pay unearned interest on Western Pacific securities. One of the plans now under discussion is o scale down Western Pacific's \$50,000,000 first mortgage bonds outstanding to \$25,000,000, and to give bondholders in return adjustment income bonds which will be a consolidated security on both properties and a lien on earnings of both.

With the exception of Missouri Pacific the other Gould properties do not show a disproportion of fixed interest bearing obligations to total capital. In the case of "Mop." however, there is a very large preponderance of bonds, funded debt being 78 per cent. of total capital. The chief difficulty with Western Pacific has been the fact that it lacks feeders and run through a sparsely settled country. The burden has. of course, fallen upon Denver to meet the financial

The following table shows the funded debt and stock capitalization of the Gould roads and the margin of earnings over fixed charges for the year ended June

|             |                | PREST TO SECTION 5. | bonds<br>total | Earnings<br>margin |
|-------------|----------------|---------------------|----------------|--------------------|
|             | Funded debt.   | Stock.              | cap.           | over chgs.         |
| Mis. Pac.   | x\$305,062,620 | \$82,702,585        | 78             | \$74,692           |
| D. & Rio Gi | 123,644,000    | 87,775,670          | 58             | 1,400,375          |
| West Pac.   | 75,017,800     | 75,000,000          | 50             | 24,420,798         |
| Tex & Pac.  | 56,687,713     | 38,763,810          | 59             | 1,485,847          |
| x Deficit.  |                | St. Louis           | ron Mt.        | & So. Ry.          |

### SECURITIES AUCTION WILL RESUME.

The Montreal Securities Auction will hold its first ession since the summer on Tuesday next. Offerings, as in the past, will exclude securities listed on the Montreal Stock Exchange.

the Montreal trade." Mr. Fry adds: "He lived to see the size of his own grow to 5,300 tons and to form one of the most efficient, regular and successful lines in the world; to be knighted by his Sovereign for his eminent services to Canada, and the Empire; to be the president of a great bank and a great telegraph company; to become a millionaire and to live in a palatial mansion on the beautiful mountain which overlooks Montreal. Such was one of the results of Scotch-Canadian pluck and perseverance.

When Hugh Allan died at Edinburgh from an attack of the gout (up to that time he had never known a day's sickness). Andrew Allan became president of the Allan Line, as well as of the Merchants' Bank and the Montreal Telegraph Company. The Allan Line in recent years has consisted of Hugh and Andrew A sons of Andrew, and Hugh Montagu and Bryce J sons of Hugh. Mr. Andrew A. Allan now manages the Canadian end of the business from Montreal while Mr. Hugh Allan is manager in London. Mr. Bryce J. Allan has for some years acted for the firm in Boston. Sir Hugh Montagu Allan some time ago retired from active participation in the affairs

been opened up to the enterprising settler.

Sir Hugh Allan, the founder of the Canadian branch of the founder of the Canadian branch of the family, was born at Saltcoats in Ayrehire, on September 29th, 1810. Sixteen years later he salled from Greenock for Canada with his father in the brig "Favourite". There was some thought of locating at Three Rivers, and an effort was made to do so. But the ecclesiastical authorities could not be induced to part with any of the waterfront propert, and, as was the case with the longshoremen.



Funding of Company's Notes Regarded as Definate Step Toward Payments on Preferred Shares— Company's Income Record,—Outlook When Subways Being Operated.

New York, February 13.-When Interborough-Metropolitan at the beginning of 1915 funded its outstanding notes with an issue of \$3,000,000 ten-year 6 standing notes with an issue of \$3,000,000 ten-year 6 per cent. notes, and paid off \$1,000,000 6 per cent. it was possible for the company to command. In second tes which would have matured July 1 next, it was generally regarded as a step toward the resumption of dividends on the preferred stock.

dividends paid by the Interborough Rapid Transit Co., the policyholders. has gradually cut down its note issues outstanding from almost \$8,000,000 to \$3,000,000. The new notes carry a ten-year maturity, with a requirement that they be retired through a sinking fund at the rate of \$300,000 a year. A reduction of \$5,000,000 in temporary obligations means smaller interest charges, which on the full \$3,000,000 new notes will only be \$180,000 a year. In 1912 almost \$500,000 was the annual interest payment on account of notes. Even with the \$300,000 sinking fund provision the charges will be smaller than they were in 1912, and at the same come to be expected. In estimating what the chances time a definite plan for the gradual wiping out of all are for dividends on Inter-Met.'s preferred stock it is no the notes is in effect.

red stock of Inter.-Met. that it has come to take ther String of Properties Left by the Late Jay Gould Have with the well known grain of salt. There has bee no official statement that payments will be resume but guarded predictions to the effect that stockholder may hope to receive some payment near the close of

wards added many larger, built at quebec, of some parenty at last in process of regeneration. At least in process of regeneration.

N.B., and Glasgow, the later ones being iron ships.

definite efforts are being made to establish the Mis
whose \$35,000,000 stock it owns \$34,000,000. This is of \$300,000 on the collateral trust bonds, which is not Early in 1858 another forward movement was made, souri Pacific financial structure on a sounder basis illustrated by a comparison of the income account of included in the above. the holding company for the past four fiscal years: Receipts:-

| Yr. to June 30: 1914.     | 1913.       | 1912.       | 1911.       |
|---------------------------|-------------|-------------|-------------|
| Divs. from                |             |             |             |
| I. R. T\$5,086,920        | \$4,060,536 | \$5,426,048 | \$3,052,152 |
| Div. rate 15%             | 12%         | 16%         | 9%          |
| Int. on loans             |             |             |             |
| & bank bal 375,982        | 358,701     | 327,783     | 324,293     |
|                           |             |             |             |
| Total rcts 5,462,902      | 4,429,238   | 5,753,831   | 3,376,445   |
| Disbursements:-           |             |             |             |
| Int. on 41/2s.\$3,052,125 | \$3,052,125 | \$3,052,125 | \$3,052,125 |
| Tax & admin               |             |             |             |
| expenses . 95,886,        | 117,208     | 124,869     | 116,220     |
| Int. on note 454,126      | 471,391     | 451,530     | 400,901     |
| Total disbts 3,602,137    | 3,640,724   | 3,628,524   | 3,569,246   |
| -                         |             |             |             |
| Surplus . 1,860,765       | 7.88,514    | 2,125,307   | x192,801    |
| x Deficit,                | 2 8000 0    |             | and the fi  |
|                           |             |             |             |

No deduction is made for sinking fund on the col- of June 30, 1914, the company's profit and loss surplus lateral trust bonds. Properly \$300,000 a year should was \$15,214,403. This at least should be kept intact be reserved for this fund which was created at the As a matter of fact, it will, in all probability, be added eginning of 1911 and up to June 30, 1914, had been to in the next three years. As before suggested pay-

a to-day's paper, has just closed a very satisfactor, ear. The past year was a trying one to all kind of corporations, but the life insurance companies, and the strain better than most companies, and it is safe to predict that life insurance is more populate.

The Mutual of Canada last year wrote \$14,525,000 of new business, as compared with \$14,400,000 in 1513. The total insurance in force amounts to \$94,477,000. The most notable feature in the experience of the Mutual during the past year was the amount of sur-plus earned. The large increase is probably due to it was possible for the concern gratification for all the policyholders of the company, because it is upon good results in this respect that the company's ability In the past two years Inter-Met, by grace of extra rests to continue the payment of liberal dividends to

### OPERATIONS AT CARTWRIGHT.

Cobalt, Ont., February 13.—The Cartwright Gold-leids Mining Company is going to start operations again. This company, which was formed a year of two ago to work some claims in the Munro and Beaty district tributary to Matheson, has been dormant for some time.

cessary to figure the company's absolute 

| OF. | The state of the s |
|-----|--|
| r-  | Bond interest  |
| m   | Note interest  |
| n   | Note sinking fund  |
| d,  | Taxes and admin. fand  |
| rs  | ** E   |
| of  | Total \$2 6571   |

Dividends of 11 per cent. yearly by Interborough Rapid Transit would cover this outlay, and 12 per cent. would take care of the additional sinking fund

Until the new subways go into operation in 1918, no one will question the ability of the subway and elevated line to pay more than 10 per cent. dividends. A careful estimate has placed the surplus earnings of the Interborough Rapid Transit Co. in the next th fiscal years, including the present one, from 2212 to 26 per cent., the high figure occuring in 1916. With such possibilities in front of the operating company its dividend rate could well be as high as 19 or 20 per cent, which would allow Inter,-Met, to pay at least 5 per cent. upon its preferred shares. When the new subways are opened the inte

charges of Interborough Rapid Transit Co. will inrease from the present rate of about \$11.316.000 t \$17,810,000 due to full interest on the \$156,000,000 \$ per cent, bonds with which the new work is being financed.

To meet the contingency of a deficiency interborough Rapid Transit must keep a strong reserve

. In the fiscal year 1918, the first of the expected

## The Mutual Life Assurance Company of Canada

**HEAD OFFICE** 

WATERLOO, Ont.

Financial Statement for Year Ended December 31st, 1914

### CASH ACCOUNT

| INCOME.   | DISBURSEMENTS.  |
|---|---|
| Net Ledger Assets—       \$21,156,534.48         December 31, 1913       \$21,156,534.48         Premiums (Net)       3,281,885.28         Interest, Rent, &c.       1,257,187.71 | Death Claims         \$ 520,219           Matured Endowments         357,629           Surrendered Policies         275,639           Surplus         420,013           Annuities         8,947 |
|   | \$1.591.446   \$1.591.446   Expenses, Taxes, Etc.   771.535   Balance Net Ledger Assets—  |
| \$25,695,607.47   | \$25,695,607  |

### BALANCE SHEET

| Separative   Sep | rve, 3½% and 3%. \$10.628.810.  al Investment Reserve 3.56.033.  mider Vaules Claimable on Lapsed icles 101.000.  al Claims unadjusted 101.000.  to of year. 10.000.  10.000.  10.000.  10.000. |
|--|---|
| Ma Divid Divid Pol Divid den Prem Taxes Due cou  | nt Value of amounts not yet due on tured Instalment Policies  |
| \$24,642,314.32  | \$24,642,314.8  |

Audited and found correct. J. M. SCULLY, F.C.A. Auditor . Waterloo, January 18th; 1915.

GEO. WEGENAST. Managing Director

RECORD FOR THE YEAR 1914

|  |                          |          |            | 19.00     |
|--|--------------------------|----------|------------|-----------|
| rance in Force, December 31st, 1914  Business written in 1914 ts. December 31st, 1914 lus earned in 1914 | 14,525,411<br>24,642,314 | Increase | over 1913. | 2,389,589 |

action is Accountable to Causes; Larger Country Offe Foreigners Re-selling

ILLIES MAY USE RUSSIAN

alues and Restrict aver, is Not Surprising as May Has N Doubled in Value.

od Wire to The Jou ago, February 13.—There has been inge in the wheat market during th pared with conditions for several w place of a wild market with prices es high records almost daily, trading he wn to a normal basis with the tone distinct m the high record on this movement shel for May wheat, established last Ic rice broke to \$1,59%, off 7% cents a bus wheat in same time has dropped from 135, a decline of 8% cents a bushel.

There have been several factors causing ak in wheat prices. In the first place arger country offerings of cash wh ere has been re-selling of wheat by foreig na has commenced shipping wheat, ted the Allies are arranging to bring eat into Western European by a rou

nce depressing the price o American market was the German shi e which naturally tended to restrict fo In fact there were reports of some ing steps to cancel or re-let ocean char As May wheat has nearly doubled in p last July to \$1.67 recently it is not s it there should be a considerable setba ing feature, however, is the firm to orn and oats market during the sharp of at. May corn for instance is only th r the recent high price following an ac cents a bushel from 54 1/2 last July, to

In the same period, May oats has advan cents to 62 cents, a gain of 23% cents a

had during the past week in the grai Wheat and corn were subject to fluctuations ere more subdued than has been the case d

Export buying eased off materially, althoras evidence that it would be renewed showers to any great extent. Winter wheat rere regarded as fair, particularly as an in 000,000 acres in planted territory was acco The Texas and Oklahoma crops will be June and available in July, this being the ution to the new crop. Exports for the week in wheat and flour

ss of 9,000,000 bushels.

The outstanding feature of the week was l rise in price of bread throughout the ot only were 5 cent loaves raised to 6 e her products advanced in a corresponding it predictions were also made that if wh ther bread prices would also be raised aga

# THIRTY-EIGHT POINT BREAK

York, February 13 .- After advance high for the present movement of 5.02 ce he past week, raw sugar broke 38 point ents at the close of the wek. Purchases by Conditions, however, are not yet norm was the regular rate before the shortage freight situation which prompted heavy s

This caused nervousness on the part of sp had purchased some afloats and they idated their holdings. The freight situa on to show signs of clearing up. About 3 partered at Cuba at 22 cents, while a ing of the week 35 cents a hundred pour Conditions, however are not yet norm was the regular rate efore the shortage

The refined sugar market was not effected t is not believed the Il decline for a week or more. Refiners p ces for their stocks of raws, and would nably suffer large financial loss by lower ns before the expensive stocks were Standard granulated was advanced to hree large refiners during the week, an firm at 5% cents.

TOUGH OAKES MINE:

Cobalt, Ont., February 13.—The annual repo Tough Oakes Mining Company shows that t een a total operating loss of \$74,223 for ne has been operated. Total earnings to \$142,844, while the balance sheet show

duction to date has consisted of 21.150 of an average value of \$350.51 to the ton mces in silver, making a total of \$74,55



A SESSION OF THE COURT OF KING'S olding criminal jurisdiction in STRICT OF MONTREAL, will be hel CITY OF MONTR MY, the FIRST DAY OF MARCH N o'clock in the forer

sequence, I give PUBLIC NOTICE to ad to proceed against any prisoners now amon Jail of the said District, and all oth must be present then and there; and I at to all Justices of the Peace. Corone ers, in and for the said District, t be present then and there with their in indictments and other Documents, in lase things which belong to them in their

, 10th February, 1915. L. J. LEMVEUX,