

book-keeping which would have to be investigated in order to disprove the charges of neglect of duty against the defendants, that no jury could properly understand the course of the proceedings.

Opinion of the General Manager.

In support of the bank's contention, Mr. Braithwaite, general manager, has entered an affidavit, in which he says that the claim against the defendants is in respect of losses by the bank, (a) by dividends paid out of capital; (b) by speculative investments; and (c) by purchasing shares in the capital stock of the bank itself.

The first two points, he thinks, would be difficult to prove, while as to the third, it would only be necessary to refer to the books to show the amounts expended from time to time by the bank in respect of capital stock. Mr. Braithwaite does not consider that it would be difficult for a jury to follow and understand intelligently the various transactions, nor does he anticipate difficulty in selecting an independent and impartial jury. The liability of the defendants chiefly depends, he says, upon the question whether they used ordinary or reasonable care, or the exercise of the judgment of reasonable men in the discharge of their duties as directors; and what is ordinary or reasonable care is a question of fact fit to be decided by a jury. He has been advised by counsel that it will not be necessary to make any detailed or prolonged examination of the books of the bank or the proceedings of the directors' meetings.

Omission of Safeguards the Chief Point.

The omission of the directors to provide certain safeguards to do certain things will be the chief deciding factor. Mr. Braithwaite has been further advised by counsel for the bank that it is not the latter's intention to point out each of the losses which should have been ascertained, or to enter at all upon the losses which were made in the various branches of the bank or at the head office other than the operations by way of speculative investments on marginal transactions, the losses in respect of which, he thinks, it will be a comparatively easy matter to prove. In the concluding paragraph, Mr. Braithwaite expresses the opinion of counsel that the investigations made in the course of the McGill trial will materially expedite any future proceedings in court.

NEWS AND NOTES.

An Italian bank has been opened in Fernie, B.C.

"Banks in Parliament," the report of our Ottawa representative will be found on another page.

The head office of the Ontario Development Company, Limited is to be changed from Toronto to Windsor.

The committee of the Toronto Stock Exchange have placed upon the official list the new issue of Canadian Pacific Railway Company common stock \$24,336,000.

It has been announced in the House of Representatives, Washington, that for the first time the gold coin and bullion in the United States has reached and passed the sum of \$1,000,000,000.

The issue of £100,000 of "preferred ordinary" shares of the B.C. Electric Railway Company, which was offered at par to the present shareholders, has been oversubscribed by fully 100 per cent.

At the annual meeting of the shareholders of the Bank of British North America, held in London, the statement of earnings and expenses was adopted by a representative gathering of shareholders.

The statement of receipts and disbursements of the Temiskaming and Northern Ontario Railway on account of construction for the year, shows totals under the respective heads of \$2,617,940 and \$2,617,484.

The Bank of Hamilton will apply to the Ontario Legislature next session for an Act absolutely vesting in the bank, or confirming their title in fee simply, in certain lands in the township of Barton, now in the City of Hamilton, Ont., known as the Aikman property.

The business of the Sovereign Bank at Hensall and Zurich, Ont., has been taken over by the Molson's Bank. The Zurich branch is under the management of Mr. E. R. Youngs, late of the London branch, and formerly agent of the Molsons Bank at Williamsburg.

A New York journal finds by a comparison of earnings of chartered banks in Canada and the national banks of the United States that, notwithstanding the radical differences of the systems, the earnings are almost on a parity. But whereas only about 35 per cent. of the total resources of American banks are invested in advances to the mercantile community, 75 per cent. of Canadian banks' entire resources are utilized in mercantile discounts.

The first meeting of the shareholders of Malcolm's Western Canneries, Limited, has been held at Maple Creek. It was decided to move the head office from Winnipeg to Medicine Hat. The following board of directors were elected:—F. G. Foster, managing director; C. R. Mitchell, W. J. McLean, S. T. Miller, Alex. Shaw, Medicine Hat; John Dixon, Arthur Bennett, Maple Creek; C. Fowler, Winnipeg; and C. H. R. Palmer, Birtle, Man. We await developments.

Messrs. Wills and Company, brokers, Toronto, announce that they have sold their entire business to Messrs. Steward and Lockwood, who will continue a general brokerage business at their offices, 43 Exchange Place, New York City, and 18 Adelaide Street East, Toronto, the latter office being under the control of Mr. Lockwood. Mr. Wills will in future devote himself to the loan business and the interest of the different companies that he has promoted in the past.

Over 800 new companies were incorporated in Ontario last year, representing a capital of \$24,230,500. A large proportion of them were in connection with mining operations, particularly in Cobalt; the conversion of mercantile and manufacturing businesses into joint-stock concerns also helped considerably to swell the total. Mining companies accounted for 70.7 of the capital invested, and mercantile companies for 25.6 per cent.

Messrs. W. Graham Browne & Company, of Montreal, are offering for sale \$25,000 Tri-City Railway and Light Coll, first 5 per cent. bonds at 92½ and interest, yielding 5¾ per cent. The bonds are in denominations of \$1,000, and are due April 1st, 1923, coupons being payable on April 1st and October 1st. The Tri-City Railway & Light Company controls all the companies owning and operating the street railways and gas and electric lighting systems in the contiguous cities of Davenport, Iowa, Rock Island, and East Moline, with a total population of 100,000. The cities are manufacturing centres, and contain a number of large establishments of national reputation. The actual cash cost of the mortgaged property was about \$2,500,000 in excess of the bonded debt, this money having been provided by the sale of 6 per cent. cumulative preferred stock. The bonds are subject to a sinking fund, as provided by the mortgage indenture, and are secured by a first mortgage upon all the present and future property of the Tri-City Railway & Light Company. Net earnings for 1907 were almost twice the bond interest.

WM. A. ROGERS, LTD.

The Wm. A. Rogers Company did well in 1907, the net earnings showing an increase over those of any preceding year. They amounted to \$105,649, a sum equal to 2½ per cent. of the preferred stock, upon which a dividend of 7 per cent. is paid. Common stockholders receive an 8 per cent. dividend. After these payments there remains \$72,649 to be added to the balance of profit and loss account brought forward from the preceding year. A transfer of \$25,000 to the real estate and plant reserve brings this up to \$100,000, the total reserve being now \$400,000. The company makes a satisfactory showing as to the liquid condition of its assets, which exceed the total liabilities by \$811,000, being 90 per cent. of the total issue of preferred stock. If anything like the expected trade revival comes about, the company should have as prosperous a twelve months this year as last.

HAMILTON PROVIDENT AND LOAN SOCIETY.

This well-known mortgage loaning company has held its thirty-sixth annual meeting of shareholders, who were evidently pleased with the favourable statement of the business of 1907 laid before them. The society's funds were actively employed during the year, and payments well met. Earning power was slightly lessened by the keeping on hand a large cash reserve during the months of the financial stringency, but in spite of this the profits, both gross and net, were greater than the year before. After paying dividend and adding \$40,000 to reserve, bringing that fund up to \$530,000, an increased sum was placed to contingent fund, which stands at the comfortable figure of \$21,221.

The society's deposits are again lessened, and the sterling debentures increased. Currency debentures show reduction, but we assume only temporarily. Liabilities to the public are \$2,240,000, and those to shareholders bring the total up to \$3,924,000. Assets remain practically at the same figure and of the same character as a year ago, with the exception, already noted, of a larger sum of cash on hand and in bank. The Hamilton Provident and Loan Society, in common with most similar companies in Canada, has had a good year, and its affairs are in good shape.