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ROBT. J. CHRISTIE, President THOS. ROBERTSON, Vice-President JAS. HEDLEY, Editor
EDGAR A. WILLS, Sec'y-Treas. JAS. J. SALMOND, Advertising Representative

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TRUST COMPANIES AND BANKS.

The trust companies throughout the United States, as is well known, have gone extensively into commercial banking, in rivalry with the banks, and accept deposits, subject to withdrawal by cheque, and in some cases even buying commercial paper. The banks have, in many instances, suffered severely from this competition, and the result has been some friction between the banks and the trust companies, a recent manifestation of which, in this city, has been the withdrawal of trust companies from the Clearing House and the starting of a trust company association.

The trust companies, says the Wall Street Journal, in a recent issue, having to so large an extent invaded the field of the banks, the question has arisen as to whether the banks will now retaliate by invading the field of the trust companies. This question has been given a large significance by the action of the First National Bank of Chicago, one of the greatest credit institutions in this country, in annexing a trust company department to its business. This has been done in a way that is altogether novel and effective. Taking \$1,000,000 of its accumulated surplus, the bank paid this to the stockholders, and then took the money back from them in way of subscriptions to the capital stock of a trust and savings bank. Instead of issuing separate certificates to represent the shares of this trust and savings institution, the First National took the certificates which had been issued to its own stockholders and stamped on their backs a statement that these certificates also represented a proportionate share in the capital stock of the trust and savings bank. In this way it made it impossible for the trust stock to be ever separated from the bank stock. A stockholder could not sell his bank stock without selling his interest in the trust company. Then the trust company stock was put in the hands of trustees, who are officers of the bank. In this way the trust and savings institution is, for all time, tied up to the bank, and becomes, in effect, one of its departments. The First National of Chicago, with its large business and extensive connections, is able to obtain much business which would naturally go to trust companies, and is also able to attract large savings deposits. President Forgan, of the First National, who is one of the ablest bankers in the country, is credited with having originated and put into effect this remarkable method of uniting a trust company and a savings institution with a National bank.—Trust Companies.

—The National Association of Master Plumbers held their annual convention in Toronto this week. They discussed business, made some trips to outside places, held a successful banquet, at which some two hundred and fifty guests were present, and had a very enjoyable time generally, members of the city council helping them.

—Contracts for the construction of the James Bay Railway from Toronto to Parry Sound have been let to Angus Sinclair, C.E., and the firm of A. R. Mann & Arch. Mackenzie. These parties have been engaged until recently on contracts on various portions of the Canadian Northern Railway in the North-West. The new contracts call for the completion of the work by September, 1905.

—In referring to the opening of the new stock exchange in this city recently, says the London Financial Times, a Montreal newspaper, in the exuberance of its admiration for the architectural beauties of the building, exclaims: "The new Stock Exchange is not a bee-hive, but a shrine." The Times adds: "The illustration published by our contemporary strongly suggests the gateway of a cemetery, and if business in Montreal be no brisker than in London the design is extremely appropriate."—Mail.

—Armstrong & Co., the English gun and ammunition manufacturers, have made arrangements with the Dominion Government to establish at or near Ottawa a cartridge factory with a capacity of 20,000,000 rounds annually. The capacity of the Government factory in Quebec is about 24,000,000. Provision is made for the establishment of similar factories in Manitoba and British Columbia when found to be needed. The company, in accordance with the wishes of the Government, will also manufacture cordite at their Canadian factory.

—A syndicate of North-West American capitalists has submitted to the Canadian Pacific Railway Co. a proposition to build a beet sugar factory at Calgary at an approximate cost of \$800,000, and to bring upon the lands which are tributary to the C.P.R. irrigation system in Southern Alberta from 500 to 900 families. At the head of the scheme is Senator G. Theden, of Minneapolis. Such proposals as this are illustrative incidents in the progress of our Canadian North-West. It is likely that the people whom Senator Theden intends to place are among the kinds of settlers that Canada should welcome.

—The report of the British Tariff Commission on the iron and steel trades, appointed at the instigation of Mr. Joseph Chamberlain, has issued a lengthy report, giving a mass of evidence on industries in Germany and the United States, besides many statistics. In its opinion the decline of the British iron and steel industry is due to the fact that the manufacturers of America and Germany have secured control of the home markets by means of high tariffs and an organized system regulating their export trade; that they are in a position to dump their surplus products on the British and other markets irrespective of cost, and that the dumping could not be carried on except for the British system of free imports. The committee expresses the opinion that the situation can only be remedied by a system of tariffs arranged as follows: (a) A general tariff, consisting of a low scale of duties for foreign countries, admitting British wares on fair terms. (b) A preferential tariff, lower than the general tariff for the colonies, giving adequate preference to British manufacturers, and framed to secure freer trade within the British Empire. (c) A maximum tariff, consisting of comparatively higher duties, but subject to reduction by negotiation to the level of the general tariff.

CLEARING HOUSE FIGURES.

The following are the figures for the Canadian Clearing Houses for the week ended with Thursday, July 21st, 1904, compared with those of the previous week:

	July 21st.	July 14th.
Montreal	\$21,431,378	\$20,589,392
Toronto	16,044,618	16,736,602
Winnipeg	5,704,549	6,270,587
Halifax	1,823,372	1,971,206
Hamilton	1,115,559	1,177,936
St. John	1,005,288	1,081,674
Vancouver	1,710,568	1,626,820
Victoria	753,162	931,132
Quebec	1,607,464
Ottawa	2,180,249	2,097,415
London	860,137	949,380

\$55,039,608