

Sixteen at rates varying from 15 to 20 per cent. per annum.

Twenty-five at rates varying from 10 to 15 per cent. per annum.

Six under 10 per cent., or 61 dividends in all.

The Bank does not now pay 51 per cent. dividends, or even 25 per cent., but it still is a good dividend-paying bank, and last year added two per cent. of its capital to the reserve fund. In 1852-53-54, the bank quadrupled its capital out of profits, and in the eighty-seven years of its existence has never missed paying a dividend, which payments have, from first to last, absorbed close upon ten millions sterling. The panic of 1903 brought up the banks with a round turn. In 1902 two banks paid 10, one 12½, two 15, two 17½, and one 25 per cent. dividends. To-day two pay 10, one 7½, one 4, one 3½, and three nothing for ten years. There was reckless management on the part of men who thought the old golden days would never cease. It is by no means certain that some managers are not yet hopeful that they will return. But they will not.

A good deal of the folly of former times was due to the fact that so much of the stock was owned abroad, and these non-resident stockholders were always demanding the highest possible dividends.

A small lot of British Columbia apples have arrived by the "Miowera." They were carried in cool storage and arrived in beautiful condition. They brought from fifteen to eighteen shillings a box, and first dealers are asking four and five shillings a dozen for them. The sale at these figures is not extensive, but I am not going to withdraw my figures in my previous letter.

The Arbitration Court affairs are in a muddle. That court has given a decision sometimes which a law court upsets, but last week a decision, which the State law courts upheld as good, was upset by the Federal High Court. What with the Unionists paying no attention to the Arbitration Court when its judgment does not please them, and the uncertainty whether some one will not carry the case through the law courts, employers in New South Wales are on a grid-iron. It is no marvel that the banks look very shyly at industrial securities.

Sydney, New South Wales,  
10th December, 1904.

F. W.

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#### TRUST AND LOAN COMPANY OF CANADA.

Editor Monetary Times:—

Sir,—I have read with a good deal of interest in your issue of 23rd ulto., the letter signed "Queen City," on the subject of certain remarks made by the president of the Trust and Loan Company at the last general meeting, and your editorial comments thereon.

As another shareholder of this company, and one who has the privilege of knowing well a good deal of Ontario I would like to point out the manifest unfairness of this letter and of your remarks.

"Queen City" speaks of "the display of ignorance" on the part of the chairman of the Trust & Loan Company, and bases his remark on the following sentence: "It may interest you to know that we have closed our Toronto office as we consider that we have practically exhausted the business in Ontario." But why does "Queen City" quote part of a sentence and omit the balance, which makes the true meaning of the speaker's words apparent?

The omitted part of the sentence shows clearly that the chairman was merely speaking as regards the remunerativeness of the business of the Trust and Loan Company; and that he was quite right in saying that this company had exhausted the business in Ontario from an English loan company's point of view is very easy to demonstrate.

Let us turn to the report of the Registrar of Loan Corporations for Ontario. I have only the copy before me of 1902, and you will find there reported that the average rate secured on mortgages of realty by all Ontario loan companies, (with a permanent stock), was for the years 1901 and 1902, 5.58 per cent. This is a rate which could never

be attractive or remunerative to any company obliged to have its head office in England. The present rate of interest on debentures in England for loan companies with the highest credit will average not far short of 4 per cent. It is worth no company's while to come from England to Ontario with moneys borrowed at 4 per cent. to lend them at 5½ per cent., as working expenses cannot be less than 1 per cent., and with some companies are as high as 1½ per cent. The field therefore in Ontario is exhausted as far as companies that have their head offices in England are concerned; and as a shareholder of the Trust and Loan Company, and one who would like to get a good dividend, I rejoice to see the money being removed to more remunerative fields.

I understand the Trust and Loan Company of Canada acts under a Royal Charter, which practically prohibits alteration in its constitution, and is deprived of using the revenue from its reserve fund to pay dividends. As a mere dividend earner therefore it labors under comparative disadvantages with a company like that which you refer to in your article on this subject; but its long record of, I believe, over 50 years with a steady dividend while building up a very substantial reserve fund, speaks volumes for the solidity of this company.

The fact that, except at low rates of interest, the field for loaning money in Ontario is exhausted, ought to be a matter of congratulation as it proves Ontario's acknowledged position in the financial markets of the world. The courts of Ontario, however, have I understand had to authorize your leading trust company to seek investments for its Ontario trust funds in Manitoba. If the field is as extensive as you infer for investments—why does Ontario send its own trust moneys out of its own Province? The answer is given you in the sense of the words of the president of the Trust and Loan Company.

Though I cannot agree with what I regard as "Queen City's" careless and inaccurate interpretation of Sir Vincent Caillard's words, I quite agree with his desire that this gentleman and all English gentlemen who endeavor to direct the affairs of companies in Canada should visit this country and try to learn something of the "Brightest Jewel in the British Crown." The way to attract them, however, is not by perverting into offensive language a few words evidently spoken with no such intention.

"ANOTHER SHAREHOLDER."

3rd January, 1905.

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#### OUR HALIFAX LETTER.

The lumber business in this province, as well as in New Brunswick, has been less extensive than usual owing to the low prices prevailing. Shipments of spruce fell off about six million feet, and of hardwood one million feet, as compared with 1903. It is expected that the cut this year will not be more than one-half of last year, but better prices are anticipated.

The imposition of the surtax, too, probably caused to come from the West Indies the four thousand and odd tons sugar which came from Germany in 1903. In molasses, on the other hand, there was a decrease in imports of nearly nine thousand packages (puncheons, tierces, or barrels), from the previous year. This, however, was not a falling below the average as imports in 1903 were unusually heavy.

The output of coal was about 4,650,000 tons, almost exactly the same as that of the previous year, and about three-quarters of a million tons less than estimated. The only company to show an increased output was the Nova Scotia Steel and Coal Co.; and this increase was small. There was, however, nothing to be secured by a greater output, as there was not a market for it. It is asserted that the Dominion Coal Company alone could increase their output to 5,000,000 tons if necessary. An authority reduces this estimate considerably, but gives the total possible output for all the Nova Scotia collieries at nearly 6,000,000 tons. The problem before the companies is to secure markets for this output.