

In trade and finance the year has been one of steady progress without excitement. The deposits in the Canadian banks at the end of December, 1911, amounted to \$1,006,666,000—an increase of no less than \$110,990,000 during the year. This increase is, I think, a record, and is evidence of increasing prosperity. You must not, however, regard this increase of \$110,990,000 in the resources of the banks as arising entirely from the internal prosperity and thrift of the people, for it is evident that imported capital has contributed largely to this result. During the year 1911 Canada's public borrowings in London amounted to \$189,809,000, the principal item in this total amounting to \$82,733,333, subscribed for the railroads. Government borrowings were unusually small, amounting to \$9,246,666, but Municipal borrowings show a constant tendency to increase—a condition which is inevitable when we review the rapid progress of the principal cities of the Dominion. Excellent as these securities undoubtedly are, it appears to me that owing to the frequency of Municipal borrowings a lower basis of values—that is, a higher return of interest—will have to be established if they are to continue to attract investors. There was also in 1911 a very large increase in the capital subscribed for industrial enterprises. The total exceeded \$34,066,666, being an increase of no less than \$24,333,333 over the preceding year. When I had the pleasure of addressing you two years ago, I spoke a few words on the subject of investments in Canada and I must not entirely ignore this subject to-day. The Dominion of Canada, in my opinion, affords one of the best, if not the very best, field for investment, but it is not logical to accept every investment which is brought out under the heading "Dominion of Canada" as though it must be beyond question. It is most important that investors should examine and criticize for themselves, and if they have not the local knowledge which enables them to form a correct opinion, that they should make enquiries from the many sources that are now open to them before subscribing to new issues. The importance of this warning to the investor is evident, but it is equally important to the Dominion of Canada. Development is proceeding rapidly—far more rapidly than Canada can finance from her own resources—and therefore it is of the first importance that the London Market for her securities should be safeguarded so that the popularity which her securities now enjoy should be preserved. In addition to this large total \$189,809,000—there have been other channels of investment, such as purchase of real estate and mort-

gage loans, which have attracted to Canada very large sums of capital. You must also add to these totals the amount taken into the country by immigrants, for many of these entering the country—especially farmers from the United States—bring with them quite substantial sums. Immigration shows a large increase over 1910, the figures for the year 1911—not the fiscal year—being stated as 350,000, compared with 303,000 in 1910. It is noticeable that Great Britain was in 1911 the largest contributor to this total, whereas in 1910 emigrants from the United States exceeded those from Great Britain by about 12,000. The iron manufacturers have suffered from considerable competition through the importation of pig iron from the United States, where production exceeded a somewhat slack demand; but notwithstanding this, the results appear to have been satisfactory. The conditions of the lumber trade were not favourable. The rainfall was unusually light during the early part of the season, and consequently the water in the streams was too low to enable the lumbermen to get out their last winter's cut. The market, too, has been dull, both in the United States and Great Britain; but later in the year both markets showed some improvement. It is, however, to the harvest that we principally look for the evidence of Canada's prosperity, and especially to the three Central Provinces. I cannot do better than quote from a cablegram addressed by the Minister of the Interior to the High Commissioner on this subject. He says: "The harvest was late and the quality of crops in some places poor, but the total crop was abundant, and the relatively high prices have on the whole given the farmer a good, though not a bumper, year. The crop will bring £20,000,000 to Western Canada." That summary coincides entirely with the reports received from our own Prairie branches in 1911.

Mr. G. D. Whatman seconded the motion.

After some remarks of a congratulatory character by shareholders, the resolution was put and carried unanimously.

The following directors who retired by rotation and offered themselves for re-election were unanimously re-elected:—Mr. G. D. Whatman, Mr. J. J. Cater, and Mr. Henry J. B. Kendall.

Mr. G. Sneath and Mr. N. E. Waterhouse were re-elected as auditors.

A vote of thanks having been passed to the chairman, the proceedings terminated.

The ore shipments last week from Cobalt showed a decided increase over those of the week previous, a noticeable feature of this week's shipments being the high proportion of high-grade ore. Shipments totalled 491 tons, bringing the total for the year to date to 5,760 tons. Bullion shipments for the year to date are 1,527,249 ounces of a value of \$860,771.

The statement is made that the Dominion Steel Corporation's issue of six per cent. preference stock to the amount of seven million dollars has been successfully placed with the Speyers, La Banque de Paris et des Pays Bas and the Dominion Securities Corporation. The forthcoming statement of the company's financial year, if reports as to the large earnings of the coal company are borne out, it is also anticipated will be of a satisfactory character.

The bondholders of the Amalgamated Asbestos Corporation will meet again to-day, when the committee will submit a resolution in part as follows: "That the plan of Messrs. Aldred, Fuller, and McCarter, as approved by the bondholders on the 29th February last, be modified by providing that out of the total authorized bond issue of \$5,000,000, bonds to the par value of \$3,000,000 be issued, and that the total authorized issue of common stock be increased from \$2,875,000, to the sum of \$3,000,000, the difference between the said amounts and the amounts indicated in the plan of Messrs. Aldred, Fuller and

McCarter being authorized to provide for the payment of certain outstanding liabilities of the Amalgamated Corporation, and for general expenses and unforeseen contingencies to such extent as may be deemed necessary by the committee or by the new company."

Announcement is being made of an increase in the capitalization of the Imperial Tobacco Company of Canada, under which the company's total issue will be six million common shares of \$5 each, and 1,999,995 preference shares of one pound sterling each. In all probability the additional capital will be provided on a pro rata basis by the shareholders. For some years the 6 per cent. preference shares have been quoted on the London and Bristol Exchanges at a high premium. The shares are very largely and widely held in England, at the present moment, the shareholders numbering over two thousand. Mr. Mortimer B. Davis, president of the company, in discussing the increase in capital, stated that the company was under the necessity of procuring additional capital to take care of increased business due to the general prosperity of the country and to the progressive methods of the company in developing the tobacco business in Canada. He stated that one reason for its increased business was that the company was now manufacturing in Canada and employing Canadian labor in producing many of the popular American and English brands formerly manufactured abroad and imported into this country.