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ATLANTIC OCEAN FREIGHTS

There is trouble in the North Atlantic Steamship Conference. The Canadian Pacific Railway has withdrawn from that shipping pool, having failed to agree with it as to a division of business. The Canadian government has established under contract with the Austrian Pacific a direct line between Austria and Canada. This will begin to operate on March 20th. The Canadian Pacific Antwerp Line withdrew from the conference last year, and at the recent meeting the conference is said to have requested the Canadian company to surrender its contract with the Austrian government. The company feels that the pool offered in exchange is not a substantial recompense, if any at all. A Montreal dispatch says that the Allan Steamship Company also will withdraw from the conference. A rate war is predicted. Actual steamship rate wars, however, can almost be counted on the fingers of one hand, while the predictions of such wars are innumerable. When the Canadian Northern Steamship Company was inaugurated a year or so ago, it was said they would remain outside the conference, but the steamship pool was too strong. The history of steamship combines shows that breaches therein are usually healed quickly, as rate-cutting is not remunerative to the combine adherents or to its forsakers. The present dissension may remain, but most probably it will be dissolved, even if the Canadian Pacific Railway wins the point.

The incident is not likely to have any far-reaching effect on Atlantic ocean freights between Canada and Great Britain. That subject has been the cause of many discussions by commercial bodies throughout the Do-

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minion, particularly the Toronto and Montreal Boards of Trade, who consider they have a strong grievance in that direction. The dry goods section of the Toronto board have presented a memorial to a special meeting of that organization. In it they tell of the increase in ocean freights on several staple lines, and anticipate further advances. They cite discrimination against British bought goods and in favor of similar goods purchased in France and Germany so much so, they assert, that a large saving is made by some importers having their British bought goods sent to Havre for reshipment from that point via Liverpool by Canadian vessels.

The principle of these statements was confirmed by Mr. J. G. Colmer, C.M.G., chairman of the Canadian section of the London Chamber of Commerce at the recent Empire Commerce Commission. He referred briefly to the question of higher rates on British goods to Canada, as compared with the rates from the Continent, and gave the following illustrations, adding that the London Chamber intended to make further enquiry into the matter, and might ask to submit further evidence to the Commission. No evidence has yet been taken from British shipowners.

"I have two illustrations which I can give you," said Mr. Colmer. "A consignment of six bales of raw Persian lamb skins, packed into three cases, were sent from this country to Toronto, I think at the end of July last, and the freight charged was 1 per cent. on the value, which is about £1,086, and the freight was £10 17s. 2d. This rate was considered rather exorbitant, and endeavors were made to get a reduction, but the steamship company said that was their rate, and that no reduction could be made. About the same time, or a few weeks afterwards, a precisely similar consignment

was sent from Hamburg to Toronto, and the freight then was 1.70 dols. per 100 pounds, which worked out for the whole consignment at 17 dol., equivalent to £3 10s., a compared with the charge of £10 17s. 2d. in the case of a similar consignment from the United Kingdom."

The entire matter is one of great interest, and it will be a brave David that slings a stone successfully at the transportation Goliath. And then, too, the steamship companies have a say in the matter. In the meantime, the officials of the Department of Trade and Commerce at Ottawa are investigating the matter.

RIGHTS OF CAPITAL

The famous case respecting the disputed bond money in connection with the Alberta and Great Waterways Railway has come to an end. The Privy Council last week gave judgment in favor of the Royal Bank of Canada and the Railway against the province of Alberta. It is interesting to review briefly the history of the matter, the beginning of which dates back to 1909.

An issue of \$7,400,000 5 per cent. fifty-year first mortgage bonds of the Alberta and Great Waterways Railway, guaranteed by the provincial government, was made in London at 110 by Messrs. J. S. Morgan & Company, in December, 1909. The proceeds were placed on deposit in three Canadian banks. The route and length of the road were: Edmonton, north-east of Athabasca River to Fort McMurray, 350 miles. The government pressed the railroad agreement, a crisis occurred, and the provincial cabinet was dissolved.

A royal commission was appointed to investigate the deal. Their report was of little value, material witnesses not having been summoned to give evidence. The provincial government cancelled the railroad agreement, alleging that the company had defaulted bond interest. The provincial government sought the proceeds of the bond sale from the banks which had the money on deposit. The banks refused to hand it over without an order of court.

The provincial government commenced action against the company for the money, and judicial decision was made in favor of the province. An appeal was lodged. The Supreme Court of Alberta, in April, 1912, dismissed the appeal of the Royal Bank from the decision rendered in the lower court. An appeal was then made to the Privy Council, which has just rendered judgment in favor of the bank and the railway.

The *Monetary Times* intimated some time ago that the English bondholders were not likely to view with equanimity the proposal of Premier Sifton of Alberta, to use in other channel money subscribed specifically to build a railroad. In their judgment, the Privy Council state that "Lenders in London remitted their money in New York to be applied to carrying out a particular scheme. . . . The money claimed in the action was paid to the bank as one of those designated to act in carrying out the scheme. . . . The special account was opened at the bank solely for the purpose of the scheme, and when the action of the Alberta Government in 1910 altered its conditions, the lenders in London were entitled to claim from the bank the money which they had advanced solely for the purpose which had ceased to exist." The judgment is given in some detail on another page.

One of the lessons to be learned by our provincial governments, some of which have shown a slight inclination to allow politics to supplant the rights of capital, is that the rights of the investor in Canada must be respected at all costs, even at the sacrifice of politics. The Royal Bank, in fighting this action to the final tribunal, must be congratulated in having had that principle endorsed by the highest judicial authority in the world. At the same time, we think the entire incident proves the value of Canada's right to submit its cases to the Privy Council, where political and local bias have no sway or consideration whatever.

A QUESTION FOR SIR RODOLPHE

Does Sir Rodolphe Forget consider, in view of the recent publicity respecting his bank and other enterprises, that it is good taste for him to remain as a member of the parliamentary banking and commerce committee, which shapes the financial legislation of this country?

REGULATION OF TRUST COMPANIES

It is pleasing to learn that Honorable W. T. White, Minister of Finance, will introduce next year a general act governing the operation of trust and loan companies providing for closer regulations. No uniform law exists, and charters are granted by both the provincial and Dominion governments. Every year new companies seek new powers and existing companies want extended powers. During a discussion in the banking and commerce committee at Ottawa last week, Mr. White intimated that if trust companies were allowed to receive deposits, their investments should be limited to first mortgages or municipal bonds, and the amount of guarantee should be in proportion to paid-up capital. Mr. F. B. McCurdy, of Halifax, agreed that the proposal to adopt a model trust company bill to apply to all existing companies and to apply to all future applications for charters.

Steps, he thought, should immediately be taken to define whether the power of granting such charters rested with the Dominion or the Provincial legislatures, and legislation shaped accordingly. The name "trust" company was being used to-day in some parts of Canada in a way calculated to mislead, if not to deceive, uninformed investors and others requiring the services of such a company. He said a trust company's operations should be confined to the functions which properly belong to a trust company, and such a company should be, in fact, a trust company, and the capital of such companies should be reserved for the protection of the interest of those people who had entrusted the company with trust business. A large mass of capital had been placed in the hands of trust companies acting under wills and agreements, much of it tied up for very long periods and held for the benefit of widows and orphans, and it was injudicious that under those circumstances such companies should be permitted to engage in speculative ventures, endangering the margin of safety which the company possessed at the time it accepted these trusts.

The regulation of trust companies in Canada is long overdue. There are many companies, using the word "trust," which are transacting business entirely foreign to that of legitimate trust companies. New legislation is badly needed, and it is likely to be such that reputable trust companies will be benefited, while their imitations will be eliminated. *The Monetary Times* proposes to discuss this matter at length in these columns in the near future.

SMALL CHANGE

The arson trust should be given its own medicine.

* * * *

Lemieux—Forget: "After you, my dear Sir Rodolphe."

* * * *

Montreal is talking of a 10 per cent. dividend on Power—more elbow to Power.

* * * *

The latest problem novel—"What the London Underwriters Took."

If they made a flotation of Suffragettes in London, what percentage would be left with the underwriters?

* * * *

Tariff revision anxiety has the thickness of a London fog.

* * * *

There will be a race for the nearest place to Emerson's "twenty-three."

* * * *

This is a good time of the year to pound a little paper into real money.

* * * *

While Montreal's civic employees patiently wait for a salary increase, the cost of living continues to make merry.

* * * *

Something for the rest of us oozes through the fingers of the twenty-three whom Mr. Emmerson says control our finance and industry.

* * * *

Mr. Stefansson, B.A., explorer, does not want the new-found Eskimo tribe modernized. Canadian company promoters please note.

* * * *

The fire losses in Canada last month were nearly \$4,000,000. In other words, property was burned at the rate of \$126,225 per day.

Hon. W. T. White advised Mr. Clark, of Red Deer, to a further study of Solomon. Meantime, it keeps the government busy to study Mr. Clark.

* * * *

During the naval discussion at Ottawa, an honorable member inquired, "Where are the Rainbow and the Niobe?" and echo answered, "Not there, my child."

* * * *

The member at Ottawa who complains of the payment of thirty dollars to feed fourteen cats for a year, must thrive on a diet of nuts and fresh air.

* * * *

Of the Edmonton, Dunvegan and British Columbia issue of £738,000 4 per cents. in London, 98½ per cent. was left with the underwriters—enough to chill the spine of the most ambitious promoters.

* * * *

What joy must have come to the hearts of the native of Swaziland, Basutoland, Bechuanaland, etc., when they heard of the extension of the British preference to them by Canada!

* * * *

A Montreal paper said that the big Chinese loan was settled, and continued: "The loan is for fifty years, but the Chinese government msahntn . . . 6 . . . 6"—which may explain the cables next day stating there had been a hitch.

The vote for French River improvements is raised from \$100,000 to \$500,000.

Mail and Provincial Subsidies.

The appropriations for mail subsidies includes \$229,500 for a service between Canada and the West Indies, an increase of about \$80,000. A Government exhibit of fresh and cured food fish is to be made at the Toronto Exhibition, for which there is a sum of \$10,000.

The subsidies to provinces show very slight decreases in Ontario, Quebec, Nova Scotia, and Alberta. Manitoba gets an increase of \$617,114, and Prince Edward Island an increase of \$100,000. Miscellaneous votes include amounts for the National Battlefields Park and a grant of \$15,000 to the Medical Council of Canada. The Customs estimates include increases of \$600,000 for salaries and contingent expenses at the several ports.

In the estimates of the Department of Agriculture are increases of \$70,000 for experimental farms, \$50,000 for branch stations, \$200,000 to enforce the Meat and Canned Foods Act, and \$60,000 for cattle quarantine stations.

CANADIAN FIRE INSURANCE COMPANY

Since the Canadian Fire Insurance Company commenced business in June, 1895, it has paid losses of \$1,775,147. The balance sheet for the year ended December 31st, 1912, does not show how the company fared in that respect last year, but whatever the losses were the surplus to policyholders at the end of the year stood at the substantial sum of \$815,431. The heaviest item in its assets are investments in the shape of first mortgages on real estate, bonds and debentures amounting to \$906,938. Cash on hand and on deposit with bankers totals \$118,695. There are net balances totalling \$45,264 due by agents.

Funds held by the company in trust as reserve for unearned premiums of re-insuring companies amount to \$28,514. The reserve for outstanding losses is \$19,737 and for unearned premiums on the Dominion government basis \$214,628.

An idea of the progress of the company in the past few years may be gathered from the fact that the premium income in 1897 was \$50,425, and last year \$425,547. During the same time the net assets increased from \$106,611 to \$1,052,202. The company's capital stock fully paid is \$500,000.

Lethbridge board of trade new officers are:—President, Mr. W. C. Ives; vice-president, Mr. A. B. Stafford; secretary, Mr. D. J. Hav; industrial committee, Mr. G. B. McKay; finance, Mr. G. R. Tinning; entertainment, Mr. Fred. W. Downer; railways, Mr. John Taylor; municipal, Mr. Alvin Ripley; agricultural, Mr. O. T. Lathrop; publicity, Mr. J. B. Wilkie; membership, Mr. A. Rafton-Canning; wholesale, Mr. John Horne; building and contract, Mr. H. I. Goode; grain and milling, Mr. G. W. Green; lumber, Mr. Joseph Jackson; professional, Mr. R. E. McArthur.

DOMINION'S ESTIMATES ARE HEAVY

Minister of Finance Tables the Figures—Railways and Canals Swell the Total.

The growth of the country is reflected in the main estimates for the financial year 1913-14, tabled by the Minister of Finance this week. The amount may be summarized as follows:

Expenditure.	Amount.	Increase.
Consolidated fund account	\$125,850,338	\$8,031,856
Capital account	53,310,845	1,893,959
	<u>\$179,152,183</u>	

The sum of \$9,720,043 is required for the redemption of debt. The revenues this year will probably exceed \$170,000,000.

The largest increase under the consolidated fund is shown under railways and canals, amounting to \$3,045,815, but on the other hand the capital expenditure on railways and canals decreases by \$2,558,527.82. The drop is made possible in the appropriation for the Transcontinental Railway, amounting to \$19,000,000, as against \$25,000,000 last year. There are large increases for the Intercolonial and Hudson Bay Railways, the appropriation for the Intercolonial Railway being \$7,239,650, and for the Hudson Bay Railway \$4,500,000.

New Welland Canal.

The construction of the new Welland Ship Canal is provided for in an initial appropriation of \$2,000,000. The estimated expenditure for militia and defence is \$10,500,665, an increase of \$1,604,268. There is an increase of \$760,000 for customs, and \$1,346,687.09 for the post-office, made up largely in salary increases.

The votes for public works amount to \$684,400 under revenue, and \$12,202,000 under capital, the latter being an increase of \$3,869,487. The votes for the naval service show a decrease of \$570,500, accounted for in the smaller sum required for the maintenance of ships, naval college, and dockyards.

Soldiers and Railways.

The militia increases include a half million for ordnance lands and equipment, \$250,000 for cadet corps, \$200,000 for training areas, \$252,000 for engineer services and works, and \$155,000 for pay for the permanent force. The appropriation for construction of armories is increased from \$100,000 to \$250,000, and there is a vote of \$100,000 for the new Connaught ranges at Ottawa. For purchases of training areas generally there is \$200,000.

The railways estimates provide \$2,500,000 to begin work on the new terminals at Halifax, and there are increased appropriations for the Intercolonial under various heads, and the increased to \$1,000,000. The Public Works Department is asking for two millions for the new departmental buildings at Ottawa, and \$750,000 for new Dominion buildings at Toronto. There is also a half million for harbor improvements at Toronto, and a million for a dry dock at Levis, these being new votes.

WEST KOOTENAY POWER AND LIGHT COMPANY

Annual Financial Statement—Growing Market for Power Produced

Monetary Times Office,
Montreal, Feb. 5th.

The financial statement of the West Kootenay Power and Light Company, published in connection with the recent listing of the stock on the Montreal stock exchange, shed some light on the earnings of a company which has not been well known to the investing public.

During the financial year ending August 31st, 1912, the gross receipts of the company amounted to....	\$332,865	
Operating expenses, including maintenance, etc....	110,257	
Interest on bonds and sinking fund.....	\$104,400	
Interest on bonds of Cascade Company and sinking fund	17,564	
Premium on bonds purchased for sinking fund	1,913	
Preference dividends	\$14,000	
Common dividends	50,000	
		64,000
Adjustment	14,206	
		202,083

Surplus for year

Surplus for year	\$ 20,525
Brought forward on August 31st, 1911.....	153,029

Total surplus

Total surplus	\$173,554
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As the common stock of the company amounts to \$2,000,000, it will be seen that the surplus for the year, over and above all charges including dividends paid on the common stock, is about 1 per cent. on the common stock.

Financial Situation Satisfactory.

A further statement is given for the months of September, October and November, in which the gross revenue is given as \$100,328, the operating expenses at \$26,636, the fixed charges at \$30,491, and the dividends on the preference stock at \$5,250, making a total of these charges amounting to \$64,377. This, deducted from the gross revenue, left surplus earnings of \$35,951 for the three months, being at the rate of \$143,804 a year. This applied to the \$2,000,000 common stock gives earnings at the rate of about 7 per cent. per annum. The statement of liabilities as at 31st of August, 1912, shows bonds of \$1,500,000, preference shares of \$300,000 and common shares of \$2,000,000. Accounts payable only amounted to a little over \$14,000, and other small liabilities only reached \$2,500. In the assets were about \$40,000 in cash, \$36,000 in accounts receivable. Altogether the financial situation of the company was very satisfactory.

Operations and Prospects.

This company carries on its operations in British Columbia, the principal market for its power being in the mining regions, more especially in Rossland, Granby and Nelson. Such of the lumber companies in the vicinity as can make use of electrical power take their supply from the West Kootenay Electric Company. For some years the organizers of the company have been looking forward to the electrification of the Canadian Pacific Railway through the mountains as a possible means of increasing the amount of power consumed. The Canadian Pacific, it is understood, is interested in the company to a considerable extent, and plans for the electrification of the road have been prepared and may be carried out at some later date. The company is now developing somewhere between 20,000 and 25,000 horse-power, and is in a position to add two or three more units. Altogether, the concern owns sites with a possible development of 100,000 horse-power. The power site is at Bonnington Falls, nine miles outside of the city of Nelson, and Nelson Lake forms an excellent storage reservoir. The company has now been in operation for some years, but the failure of the Rossland mining section to make good deprived it of what would otherwise have been a large consumer of its product.

Officers of the Vernon, B.C., board of trade elected for this year are: President, Mr. G. A. Henderson; vice-president, Mr. W. Scott-Allan; secretary-treasurer pro tem., Mr. G. C. Johnston.

The Canadian Fire Underwriters' Association in its report on Portage la Prairie, suggests the following improvements in its fire prevention facilities. The fire brigade should now number twenty firemen; fire alarm boxes should be indicated by red lights; separate telephone in fire hall for alarms; city's water storage capacity increased to 1,500,000 gallons; building by-law to extend first-class fire limits.

PRACTICES OF THE WORLD'S BANKS.

Their Most Important Functions and Influences—Organization and Note Circulation.

[Below is printed the first of a series of four articles which comprise a synopsis of the practices of the principal banks of the world in respect to several of their most important functions and influences. They are specially contributed to The Monetary Times by Mr. M. P. Langstaff, A.I.A., F.A.S., of Waterloo, Ontario.

The headings selected by him are:—

- I. Organization, Powers, How Controlled, Liability of Shareholders, Monopoly, etc.
- II. Note Circulation.
- III. Redemption of Notes.
- IV. Reserves.
- V. Branch System or Otherwise.
- VI. When a Stringency, Crisis or Panic Occurs.
- VII. In Relation to the Money Market.

The first two headings are dealt with this week.—Editor The Monetary Times.]

I.—Organization, Powers, How Controlled, Liability of Shareholders, Monopoly, etc.

(a) The Bank of England.

The Bank of England was founded in July, 1694. It is a central bank, controlled by private shareholders, the government having no voice whatever in its management. It has a partial monopoly of the right of issuing notes, which, in theory, is destined to become complete; its notes are the only paper legal tender in the United Kingdom; it is the chief depository of a government that maintains no public treasury; and it is charged with the duty of keeping the registry of the public debt and of paying the interest thereon.

Its shareholders have no liability beyond the ownership of their shares.

(b) The Banks of Scotland.

The banks of Scotland are controlled entirely by private shareholders, who have no liability in addition to the ownership of their shares. No bank has any monopoly of note issue.

(c) The Bank of France.

The Bank of France is a bank of the simplest type, that is, it is authorized to practise discount, deposit, and the issue of notes, but without any special provision for the safety of one class of liabilities rather than another.

The monopoly of the bank was established in 1848, by making all the independent banks, branches of the Bank of France. It now has a monopoly of note issue but numerous competitors in the field of deposit and discount.

It is a private corporation but largely under State control. It performs the same duties in the management of the public debt that the Bank of England performs in that country.

(d) The Reichsbank of Germany.

The Reichsbank of Germany was established in 1875 as a central bank under the immediate supervision of the government. In fact, in Germany all the other banks of issue are subject to a uniform set of regulations, and also to imperial supervision, and the Reichsbank, although owned wholly by private shareholders, is under the exclusive control of the government.

The bank is required to conduct financial operations for the Imperial treasury without compensation, and also to manage, free of cost, receipts and payments of the several States of the Empire. It is thus in everything except ownership a national bank on a large scale.

It has no exclusive right of issue, but there is a provision for transferring any right of issues which may be surrendered by other banks.

(e) The National Banks of United States.

A National Bank of the United States is owned and controlled by shareholders, who are responsible for the debts of the bank in accordance with the double liability clause.

The capital stock required before a bank can be organized varies with the size of the place. No national bank can be organized with a capital smaller than \$25,000, and banks of this size can be organized only in places of 3,000 inhabitants or less. In places of 50,000 inhabitants or more, the bank must have a capital of at least \$200,000.

The national banks have a monopoly of the note issue, as State banks are prevented by the ten per cent. federal tax from issuing circulating notes.

There is a provision made for designating banks as depositories of public money when occasion should require, and for their employment as financial agents of the government upon their giving satisfactory security by the deposit of United States bonds and otherwise, for the faithful discharge of these functions.

(f) Canadian Banks.

In Canada, no new banks can be established with less than \$500,000 subscribed, of which at least \$250,000 must be paid up before beginning business.

The banks are private corporations and shareholders are responsible for debts in accordance with the double liability clause.

II.—Note Circulation.

(a) The Bank of England.

By Peel's Act, 1844, the Bank of England was divided into two departments, the issue department and the banking department. The former is charged exclusively with the issue and redemption of notes; the latter is charged with the other functions of banking, including the ordinary business of discount and deposit; and in all dealings with each other, the two departments are as independent as if they belonged to distinct corporations. The currency principle is in operation, the issue department being required to hold either government securities or coin or bullion for all notes issued by it; and the amount of securities which it can hold being limited to the average amount which it is believed will remain in circulation, it has been unnecessary to fix any limit to the issue of notes.

The notes of the Bank of England are legal tender at all places in England and Wales, except at the bank itself. No notes can be issued smaller than £5.

(b) The Banks of Scotland.

The principles embodied in Peel's Act of 1844 were applied to Scotland in a modified form. It was enacted that each bank should have an issue of notes equal to the amount of notes and coin then (1845) issued and held by it. This is called the "fixed" circulation. For any additional notes, it was to hold an equal additional amount of coin, but it was not required that this coin should be held specifically for the redemption of the notes; nor was there any provision for ascertaining whether the law was complied with in this particular. No deposited security for bank notes has ever been required in Scotland, but note-holders have a prior lien on the assets and the liability of shareholders for note issues is unlimited. For these reasons, the note issues of insolvent banks in Scotland are always accepted at par by the other banks and are never depreciated.

(c) The Bank of France.

It was stated above that in its system of note issue, the Bank of England was an example of the "currency principle." The Bank of France, on the other hand, is a conspicuous example of the "banking principle." It has no special provision to make for the safety of its note issue, the security for which rests upon the bank's assets and the moral character and business sagacity of its managers. The amount of notes issuable is fixed by law from time to time but the demands of commerce usually anticipated by extending the limit before the maximum is reached. It will be seen, therefore, that the restriction upon its issues is more apparent than real. Both notes and deposits rest upon the same security and the volume of both is determined by the wants of trade.

(d) The Reichsbank of Germany.

In the German system, the notes are secured by salutary regulation, rather than by the actual devotion of specific property, either in the hands of the government, as under the national banking system of the United States, or left in the charge of the bank itself as is the case of the Bank of England. The system is, therefore, a development of the conception of a note circulation resting upon a mixed basis of securities and specie, but with the important change that the law contents itself with requiring the maintenance of this basis, without specially pledging it for the payment of the notes.

In the case of the Reichsbank no limit has been fixed for the aggregate circulation, but the possible aggregate of notes which could be issued without being covered by cash in hand was fixed. The German law, however, gives the power to increase the uncovered issue beyond the limit, subject to payment of the tax of five per cent., thus securing a certain degree of elasticity at the point where, under the English law, the rigidity of the line drawn by Peel's Act has sometimes brought about precarious conditions.

(e) The National Banks of United States.

Three limitations are put on the ordinary issue of circulating notes:—

- (1) They must not exceed in amount the capital stock of the bank;
- (2) United States government bonds have to be purchased by the bank in amount sufficient to equal, dollar for dollar, the quantity of the notes issued, and these bonds have to be deposited with the treasurer of the United States as security for the redemption of notes;
- (3) Each bank must maintain in the United States treasury a redemption fund in "lawful money" equal to five per cent. of its note issue.

These notes are not legal tender, except with other national banks, but they may be used in all payments to the government except custom duties.

The Aldrich Act of 1908 authorizes, in two different ways, the issue of national bank notes additional to those heretofore existing, but owing to certain conditions attached to such excess issue, banks have not thought fit to make use of this privilege.

(f) Canadian Banks.

Each bank is allowed to issue notes to an amount equal to its paid-up capital, but competition and the prompt return of the notes for redemption have generally kept the circulation

below the authorized amount. A law has, however, been enacted by the Dominion Parliament providing that during the crop-moving season (October 1 to January 1) the banks may issue notes to the amount of fifteen per cent. of their combined capital and surplus in addition to the amounts outstanding at the beginning of the season. There is a five per cent. tax on this emergency issue.

The Canadian system of note issues is based upon the "banking principle." It supplies an "elastic" currency, expanding and contracting with the variations of the seasons and the wants of trade.

Canadian banks are not allowed to issue notes below \$5 or for any sum which is not a multiple of \$5.

MUTUAL LIFE ASSURANCE COMPANY OF CANADA.

Progress, honesty and substance have for many years been firmly imprinted upon the records of the Mutual Life Assurance Company of Waterloo, Ontario. These three were well upheld during the past year. The company's statement for 1912 shows that its assets now total \$20,071,344. In 1900 they were about \$5,000,000. At the end of the year the business in force had reached \$77,921,143, a creditable record.

The company's investments are of a conservative character, as should be those of all life insurance companies. The funds are all invested within the Dominion, and no speculative securities of any kind are carried. Since its foundation not one dollar of the policyholders' funds has been lost.

Regarding the mortality experienced during the previous year, the ratio of actual to expected was low. Last year it was 54%, which, while higher than that of 1911, is still quite favorable.

The expense ratio last year was also pleasingly low. In view of the fact that the large new offices of the company were completed and furnished during the past year, it was to be expected that the expense ratio might rise. To general satisfaction it was found that, on the contrary, it had fallen by almost ½ per cent.

It is good to know in these days of prosperity that our reputable life insurance and other financial institutions are not only making excellent progress, but are also, as in the case of the Mutual Life of Canada, strengthening their fabrics in such a manner as to be able to withstand the adverse economic gales which sweep all countries from time to time.

SASKATCHEWAN GENERAL TRUSTS CORPORATION.

The Saskatchewan General Trusts Corporation was incorporated under special acts of the province of Saskatchewan with an authorized capital of \$1,000,000 of ten thousand shares of \$100 each, of this \$669,700 has been subscribed for and calls of 15 per cent.—\$100,455 paid thereon, the bonuses received in connection with the sale of this stock—\$26,177 has been set aside to form a reserve fund; and the balance carried forward to the credit of profit and loss, as at the 31st of December, 1912, was \$715.

The officers and directors are as follows: president, Mr. W. T. Mollard, building inspector for the Dominion Government, Regina; vice-president, Mr. George H. Barr, barrister, etc., Regina; directors, Dr. D. Low, Regina; Messrs. W. H. Duncan, lumber merchant, Regina; Chas. Willoughby, contractor, Regina, and H. E. Sampson, J.L.B., barrister, etc., Regina.

The company was organized with a view of supplying a strong trust company, managed by directors resident in Saskatchewan, and whose interests are therein, and who have a knowledge of the conditions and prevailing values.

The company has been approved by the Lieutenant-Governor-in-Council as acceptable to the courts of the province for all trust company purposes, and is the only trust company organized in Saskatchewan that has complied with the rules set by the Lieutenant-Governor-in-Council before such approval is given.

The company is to be fully provincial in character, and steps are being taken to increase the directorate by appointing directors at the principal points in the province.

This company is prepared to handle trust and trustee business, and a financial agency business in all legitimate lines.

The company is limited under its act of incorporation to the amount of real estate it may hold, restricting the use of such holdings for its business alone, or as may come to it under foreclosure of mortgage, or the administration of estates or trusts. The company has no real estate holdings and will be unable at any time in the future to purchase or hold real estate for speculative purposes or even for investment except as required in the carrying on of its business.

Mr. J. T. Franks, the company's general manager, was eighteen years with the Manufacturers Life Insurance Company, at Toronto, as investment clerk and assistant secretary and as treasurer. Mr. Franks went to Saskatchewan for the Manufacturers Life Company in 1908 and remained with them until September, 1912, during which time he placed about \$2,500,000 in mortgages in Saskatchewan, and purchased upwards of \$500,000 of school and municipal debentures.

REVIEW OF THE MONTH

Flotations in London—Investment Offerings—Bank Branches Opened and Closed

BANK BRANCHES OPENED AND CLOSED DURING JANUARY

Thirty-four branches of Canadian chartered banks were opened during January, and five closed. Houston's Bank Directory gives the following particulars:—

Branches Opened.

Aurora, Ont.	Imperial Bank of Canada.
Cowansville, Que.	Moisons Bank.
Courtenay, B.C.	Canadian Bank of Commerce.
Dauphin, Man.	Bank of Montreal.
Empress, Alta.	Quebec Bank.
Fort Fraser, B.C.	Bank of Vancouver.
L'Ange-Gardien, Que.	La Banque Nationale.
Lillooet, B.C.	Union Bank of Canada.
Limoilou, Que.	Royal Bank of Canada.
Medicine Hat, Alta.	Dominion Bank.
Matsqui, B.C.	Royal Bank of Canada.
Montreal, Que., Ontario and Aylwin Street ..	Banque d'Hochelaga.
Montreal, Que., Ontario and Fullum Street ..	Banque d'Hochelaga.
New Westminster, B.C.	Dominion Bank.
New Westminster, B.C.	Union Bank of Canada.
Perce, Que.	La Banque Nationale.
Quebec, Que., St. Sau- veur	La Banque Nationale.
Regina, Sask., North End	Bank of Nova Scotia.
Regina, Sask., North End	Royal Bank of Canada.
St. John, N.B.	Quebec Bank.
St. Lambert (Chambly) Que.	Royal Bank of Canada.
St. Roch L'Achigan, Que.	Royal Bank of Canada.
St. Stephen, N.B.	Royal Bank of Canada.
Schreiber, Ont.	Bank of Montreal.
Somerset, Man.	Union Bank of Canada.
The Pas, Man.	Union Bank of Canada.
Vancouver, B.C., Fair- view	Dominion Bank.
Vancouver, B.C., South Hill	Royal Bank of Canada.
Victoria, B.C.	Bank of Toronto.
Victoria, B.C., Pandora and Cook Streets ...	Canadian Bank of Commerce.
Westport, Ont.	Union Bank of Canada.
West Toronto, Ont., Union Stock Yards ..	Bank of British North America.
Winnipeg, Man., Kelvin Street	Canadian Bank of Commerce.
Winnipeg, Man., Sar- gent and Arlington ..	Union Bank of Canada.

Branches Closed.

Brant, Alta.	Bank of Hamilton.
Montreal, Que., Bonse- cours Branch	Banque Internationale du Canada.
Osage, Sask.	Bank of Hamilton.
St. Cyrille de Wendover, Que.	Banque Provinciale du Canada.
Springside, Sask.	Bank of Toronto.
Stewart, B.C., (opened in error January edi- tion)	Union Bank of Canada.

SPECULATIVE AND INVESTMENT OFFERINGS

The following speculative and investment offerings were among those made in Canada during January:—

- Crow's Nest Pass Trust Company, Limited.**—Offering of shares.
- Consolidated Milk Company, Limited.**—\$300,000 7 per cent. preference stock at par with a bonus of 50 per cent. common stock.
- Independent Tire Company of Toronto, Limited.**—Offering of 7 per cent. preferred cumulative participating shares at par.
- Bell Telephone Company.**—\$3,000,000 8 per cent. common stock to shareholders at par.
- Robin, Jones and Whitman, Limited.**—\$100,000 6 per cent. cumulative preference stock at 85 with a bonus of 25 per cent. common stock.
- J. B. Baillargeon Express, Limited.**—\$200,000 7 per cent. non-cumulative preference stock at par, with bonus of 25 per cent. common stock.

Canadian Cottons, Limited.—\$865,000 6 per cent. preferred stock issued for use in part payment of acquisition of Cornwall and York mills.

Wallace Sandstone Quarries, Limited.—\$800,000 6 per cent. bonds.

Eastern Rubber Company, Limited.—\$400,000 8 per cent. cumulative preference stock at par, with bonus of 30 per cent. common stock.

Domestic Brick and Tile Company.—\$200,000 7 per cent. cumulative preference stock at par, with 40 per cent. bonus of common stock.

Mexican Mahogany and Rubber Corporation.—\$50,000 6 per cent. collateral trust sinking fund gold bonds at par, with 25 per cent. bonus of common stock.

J. H. Ashdown Hardware Company, Limited.—\$1,000,000 5 per cent. first mortgage 15-year sinking fund gold bonds at 90.20.

Cedar Rapids Power Company.—\$8,400,000 5 per cent. 40-year first mortgage bonds at 90, with 25 per cent. bonus of common stock.

Tuplin Silver Black Fox Corporation.—\$200,000 6 per cent. bonds at par, with bonus of 40 per cent. common stock.

Stanley Mineral Springs and Brewing Company, Limited.—2,500 shares capital stock at \$60 per share, fully paid, and \$350,000 6 per cent. bonds at par, with 25 per cent. common stock bonus.

Canadian Bioscope Company, Limited, Halifax.—Offering of shares at \$8. Capital authorized and issued, \$50,000; par value of shares \$10.

Alberta Electric Protection Company, Limited, Edmonton.—\$75,000 worth of stock at par.

Saskatoon Trussed Wall and Building Company, Limited.—Offering of shares at par. Capital, \$100,000; par value of shares, \$100.

Chas. Dalton Silver Black Fox Company, Limited.—\$200,000 worth of stock at par, \$100 a share.

British Columbia Cafes, Limited, Victoria.—Offering of shares. Authorized capital, \$25,000, divided into shares of \$1 par value.

Banff Lithia Water Company, Limited.—1,000 shares of capital stock at par. Authorized capital \$200,000.

Salvator Silver Mine.—Shares at 15 cents. Capital, \$1,000,000; par value of shares, \$1.

William Currie, Limited, Montreal.—\$50,000 capital stock at \$50 per share. Authorized capital, \$250,000.

NEW LISTINGS

The following securities of the Western Canada Power Company have been listed on the Montreal Stock Exchange: \$4,000,000 5 per cent. 40-year first mortgage bonds due July 1st, 1949, £205,400 sterling, interest payable January 1st and July 1st.

Five thousand additional shares of the Quebec Bank have been listed on the Montreal Exchange.

The Montreal Exchange has listed 865 additional shares of Canadian Cottons preferred.

One million dollars common and \$1,000,000 preferred stock of the Canada Interlake Line have been listed on the Toronto Exchange.

The following securities of the West Kootenay Power and Light Company, Limited, have been listed on the Montreal Exchange:—20,000 shares common; 3,000 shares preferred stock; and 308,219 first mortgage 6 per cent. 35-year sinking fund gold coupon bonds.

The Brazilian Traction Light and Power Company have listed 1,045,000 shares of common stock on the Montreal Exchange.

CANADIAN FLOTATIONS IN LONDON

The following flotations of interest to Canadians were made in London during January:—

British Columbia Electric Railway.—£750,000 4¼ per cent. perpetual consolidated debenture stock at 98.

Grand Trunk Pacific Railway.—£479,300 4 per cent. first mortgage guaranteed bonds at 94.

City of Quebec.—£400,600 4½ per cent. debentures at par.

Quebec Government.—£400,600 4½ per cent. registered stock at 102.

Toronto Power Company.—£616,438. 4½ per cent. consolidated guaranteed debenture stock at 97.

City of Toronto.—£1,075,000 4 per cent. consolidated debentures at 92½.

Edmonton, Dunvegan and British Columbia Railway.—£738,356 first mortgage 4 per cent. guaranteed debenture stock at 92.

Canada Southern Railway Company.—£411,520 consolidated guaranteed 50-year 5 per cent. gold bonds at 106¾.

Canadian Farms, Limited.—£5,000 shares of £1 at 87½.

Terminal Cities of Canada.—\$3,300,000 three-year 6 per cent. notes at 97. The notes are secured upon land valued at \$5,250,000.

The following flotation was omitted from the December list:—

Caledonia British Columbia Mortgage Company, Limited.—£100,000 at par.

An unusual Canadian issue in London was made last month in the flotation of £3,300,000 three-year notes of Terminal Cities of Canada. They bear interest of 6 per cent. and were offered at 97. The notes are secured upon land with an estimated value of \$5,250,000.

JANUARY DIVIDEND CHANGES.

The Muskoka Navigation Company, after having failed to pay any dividend for thirteen years, have declared a dividend of 5 per cent.

The Bank of Hamilton have increased their dividend from 11 to 12 per cent. per annum.

The directors of the Farrer Transportation Company have declared a dividend of 10 per cent. and a bonus of 5 per cent. on the business of 1912.

The Kaministiquia Power Company has increased its dividend from 4 to 5 per cent.

A dividend at the rate of 2½ per cent. for the quarter ending December 31st, 1912, has been paid by the Guarantee Company of North America, with a bonus of 2 per cent. on stock.

The Dominion Cannery, Limited, has declared a dividend of 6 per cent. on its common stock for the whole of 1912, payable February 1st.

In addition to the regular dividend of 6 per cent. per annum, a bonus of 4 per cent. has been paid by the Canadian Fire Insurance Company.

A dividend of 1½ per cent. payable March 1st, has been declared by the Granby Consolidated Mining, Smelting and Power Company. The former dividend was 1 per cent.

HAMILTON FIRE INSURANCE COMPANY

The annual statement of the Hamilton Fire Insurance Company, with head office at Hamilton, Ontario, shows that despite the heavy fire losses throughout Canada, the company managed to make a good showing. Its income for 1912 amounted to \$68,816, of which \$51,056 represented cash system premiums and \$5,424 mutual system premiums. Losses totalled \$29,942; re-insurance, \$7,226; return premiums and rebates, \$6,393; commissions and bonus, \$7,949; and general expenses, \$10,463. The total expenditure, therefore, was \$56,973. The surplus amounted to \$11,842, a substantial sum. A conservative policy distributed the surplus as follows:—Written off organization expenses, \$1,589; office furniture account, \$84; dividends paid, \$1,200; transferred to re-insurance reserve, \$7,846; transferred to surplus account, \$1,123.

The company's assets include \$14,362 of debentures deposited with the Ontario government. Other debentures held, shares of the Dominion Permanent Loan Company and deposits with the Mercantile Trust Company account for about \$11,000 of the assets, while mortgages and cash on hand and in bank are represented by \$26,000. The total assets are \$63,092.

The subscribed capital stock is \$170,900, and the stockholders' surplus, \$3,639. In 1906 the company had at risk an amount of \$1,389,292. Last year that sum had expanded to \$7,743,713, an increase of \$6,354,413. In the same period the number of policies in force has increased from 1,615 to 8,848, a gain of 7,233. The policyholders' security in 1906, \$100,000, which by 1912 had increased to \$216,357, a gain of \$116,357. The statement is a good one.

LAKE SUPERIOR CORPORATION

The Lake Superior Corporation propose to expend a large sum of money—\$12,000,000 is mentioned—to extend its plant at Sault Ste. Marie, Ontario. Mr. J. F. Taylor, vice-president and managing director of the company has been in New York in consultation with his associates, and states that the company has determined to meet the Canadian demand for steel rails. Sixty-seven acres of land have been purchased for the proposed extensions. Another blast furnace and a new steel rail mill will be erected and large additions made to the open heart hand coke plants.

Mr. Taylor states that when the new works are completed the corporation will be in a position to turn out six hundred thousand tons of steel rails per year, or a daily average of two thousand tons, and he estimates that that will be sufficient to meet the requirements of the country. The maximum output of the present steel mill is about three hundred and sixty thousand tons a year.

CROWN LIFE INSURANCE COMPANY

At the beginning of last year, the Crown Life Insurance Company set forth with determination to write new business in the twelve months amounting to \$4,000,000. That was accomplished before the end of December and when the books were closed for the year the total in new applications for insurance was \$4,006,020, an increase of 47 per cent. over 1911. This satisfactory result contributed largely to the total amount of insurance in force, which at the end of the year was \$10,015,879, a gain of 30 per cent. compared with the same account at the close of 1911.

Not only was progress made during 1912 but a large proportion of the old business in force was retained on the books. The company's total revenue was \$388,631. Premiums paid in cash amounted to \$319,832, which was \$68,976 more than the preceding year. An examination of the company's figures reveals a commendable feature in the shape of a decrease in expenses. Full provision was made for all liabilities on policyholders' account, special reserves, etc., and after that the company was able to increase its surplus to \$204,337.

Both policyholders and shareholders have benefited considerably. Payments to policyholders amounted to \$89,081. The company was able to pay on its first maturing endowments the full amount of profits originally estimated. The policyholders' security in excess of the net insurance reserve fund of \$964,984 amounts to \$702,705, giving the policyholders a total security of \$1,667,689. The dividend to shareholders was increased last year to 7 per cent. per annum upon the paid-up capital stock of the company.

The total assets amount to \$1,283,967, having been increased during the year by 25 per cent. The investments of a life insurance company are important items. The assets of the Crown Life include \$428,046 invested in first mortgages on improved farm and central city property, each loan being well within 50% of a conservative valuation and earning a good rate of interest; \$205,578 invested in city, town and school district debentures and bonds; \$170,170 in loans on the company's policies; and \$210,567.70 in real estate. The financial statement and operating results will prove gratifying to all those interested in the company's progress and welfare.

WESTERN EMPIRE LIFE ASSURANCE COMPANY

One of the most interesting announcements at the annual meeting of the Western Empire Life Assurance Company held at Winnipeg was that an offer had been received from London, England, for the balance (5,000 shares) of the company's capital stock at an increase in premium of \$10 per share. The matter was the subject of considerable discussion among the shareholders and was finally rejected. This shows at least that the shareholders have confidence in the future of their enterprise.

The first annual report of the company was presented, and showed that policies totalling \$1,008,500 were issued and placed with an annual premium of \$27,244. There were no death claims, which fact, to some extent, is a tribute to the selection of risks, although naturally no life insurance company can expect to enjoy such a record every year, however good is its selection. After making provision for all liabilities the surplus to policyholders amounts to \$209,402. The assets total \$223,821, which with uncalled capital provides a total guarantee to policyholders of \$540,821.

The company's investments have been confined to first mortgages on improved revenue-bearing real estate, with the exception of the amount of the deposit with the government, which, to comply with the Insurance Act, is in the form of 20-year bonds, which are yielding about 4.10 per cent., the interest being guaranteed by the Manitoba government. The demand for money to develop the resources of the country has enabled the directors to select investments affording ample security and at the same time yielding a remunerative rate of interest, the average rate realized exceeding 8 per cent.

The authorized capital of the Western Life Assurance Company is \$1,000,000, of which half is subscribed and \$125,000 paid up. The directors and officers are as follow:—L. J. Hallgrimson, Winnipeg; G. N. Broatch, B.A., LL.B., Moose Jaw; S. D. Hannah, Waskada; R. J. Spratt, B.A., Vancouver; G. E. Graham, Vancouver; William Smith, president and managing director; W. P. Rundle, vice-president; H. F. Tench, vice-president; A. J. Fraser, medical director; J. H. Charnley, secretary; and F. C. O'Brien, treasurer.

BANK OF SASKATCHEWAN NOT READY

The Bank of Saskatchewan will apply to the Dominion Parliament at the present session for permission to extend the time for the completion of its organization to July 1, 1913.

RECENT FIRES

Monetary Times' Weekly Register of Fire Losses and Insurance

- Dauphin, Man.**—January 24.—Pollon block. Loss \$7,000. Cause, supposed furnace.
- Ninga, Man.**—January 24.—Mr. Smith's farmhouse. Loss and cause unknown.
- Battleford, Sask.**—January 17.—Mr. J. Prince's residence. Loss and cause unknown.
- Ivermay, Ont.**—January 24.—Mr. J. M. Kilbourne's barn. Loss and cause unknown.
- Lucknow, Ont.**—January 29.—Lucknow furniture factory. Loss \$1,000. Cause unknown.
- London, Ont.**—January 31.—443 Ridout Street. Loss \$800. Cause, overheated stove.
- Pincher Creek, Alta.**—January 24.—Masonic Hall, Bridge Street. Loss and cause unknown.
- Kelfield, Sask.**—January 7.—Chinese Laundry, restaurant, etc. Loss and cause unknown.
- Quebec, Que.**—January 28.—Franciscan Convent, Grand Allee. Loss \$30. Cause unknown.
- Sydney, N.S.**—January 27.—Mr. Boyd's confectionery store. Loss \$100. Cause unknown.
- Okotoks, Alta.**—January 23.—Metcalf block. Loss \$3,500. No insurance. Cause unknown.
- Walkerville, Ont.**—January 30.—Dominion Stamping Works. Loss \$6,000. Cause unknown.
- Lucan, Ont.**—January 28.—Mrs. Garbett's residence, Alice Street. Loss and cause unknown.
- Rockland, Ont.**—January 28.—Mr. J. Beaton's residence. Loss slight. Cause, overheated stove pipe.
- Blairmore, Alta.**—January 19.—Western Canadian Collieries Mine fan. Loss and cause unknown.
- Grand Forks, B.C.**—January 26.—Messrs. Trache Brothers' greenhouses. Loss \$5,000. Cause unknown.
- Ottawa, Ont.**—January 29.—Oil storehouse, Ottawa and New York Railway. Loss \$3,000. Cause, gasoline.
- Chelsea, Ont.**—January 29.—Mr. P. Lefevre's residence and barns. Loss \$700. Cause, overheated stove pipes.
- Revelstoke, B.C.**—January 22.—Mr. W. H. Pottraff's greenhouses. Loss unknown. Cause, heating apparatus.
- Toronto.**—January 30.—Underwood Typewriter premises. Loss, building, \$1,000; contents, \$1,500. Cause, overheated furnace.
- London, Ont.**—January 29.—Mr. J. E. Wilson's automobile, 721 Colborne Street. Loss \$150. Cause, engine back-firing.
- Winnipeg, Man.**—January 27.—Mr. W. Mitchell's residence, 512 Bannantyne Avenue. Loss unknown. Cause, gasoline.
- Malbare, Que.**—January 28.—Messrs. N. Coature and E. Villeneur's residences. Loss unknown, partially insured. Cause unknown.
- Campbellton, N.B.**—January 30.—Mr. T. Ellsworth's store, Gerrard Street. Loss \$25,000. Mr. Lavellee. Loss \$200. Cause unknown.
- Edmonton, Alta.**—January 24.—Edmonton Club. Loss and cause unknown; Chown Hardware Store. Loss slight. Cause, dropped match.
- Hamilton, Ont.**—January 30.—Malcolm and Souter's furniture factory, Elgin and Barton Streets. Loss slight. Cause, disconnected pipe.
- Ottawa, Ont.**—January 29.—Blackburn Brothers' mica factory. Loss \$15,000. Cause unknown. Ottawa Pattern and Foundry Company's factory. Loss \$4,000. Cause unknown.
- Cull Lake, Sask.**—January 30.—Mr. G. A. Currie's departmental store, Morrison's drug store, the Dominion Land Office, and other stores and offices. Loss \$75,000. Cause unknown.
- Brandon, Man.**—January 26.—Mr. J. McClean's fowl pen, north of Canadian Pacific Railway tracks; Windsor Hotel, corner Fourth Street and Rosser Avenue. Loss \$5,000. Insured. Cause, defective flue.
- Haileybury, Ont.**—January 30.—Messrs. R. W. Woods, Jamieson Meat Company, Jory and Youngs, druggists, and R. T. Shillington, M.P.P., Ferguson Avenue block. Loss \$5,000. Cause, supposed heater.
- Kerrisdale, B.C.**—January 13.—Mr. A. G. Andrews' residence. Loss, building \$1,500; contents \$1,000. Insurance, building, Commercial Union, \$1,200; contents, Commercial Union, \$900. Cause, electric wiring.
- Montreal, Que.**—January 28.—Kingsbury Footwear Company's factory, 679 La Salle Avenue, Maisonneuve. Loss \$1,500. Cause unknown.
- North Vancouver, B.C.**—January 6.—Howe Sound Timber Company, cook house. Loss, building, \$200; contents, \$328. Insurance, building, Commercial Union, \$150; contents, Commercial Union, \$750. Adjusted by J. S. Rankin, Vancouver.
- Saskatoon, Sask.**—January 21.—Mrs. Blowers' residence, 813 7th Avenue North. Loss slight. Cause, sparks from smoke stack.
- January 23.—Messrs. Logan and Finlayson's premises, 332 20th Street West. Loss \$1,800. Cause, gasoline explosion.
- January 24.—612 Broadway. No damage. Cause, furnace pipe ignited coal.
- Vancouver, B.C.**—December 27th, 1912.—Mrs. Heffron's residence. Loss \$1,900. Insurance, Montreal-Canada, \$1,500. Cause, defective chimney. Adjusted by J. S. Rankin, Vancouver.
- January 11.—Mr. C. Freeman, gents' furnishings. Loss, building \$300; contents, \$1,175; fixtures, \$122. Insurance, contents, \$1,300; fixtures, \$200. Cause, defective stove. Adjusted by J. S. Rankin, Vancouver.
- January 12.—Mrs. M. Roedde's residence. Loss, building, \$1,025; contents, \$1,330. Insurance, building, Hartford, \$5,000; Fidelity Phoenix, \$1,000; British America, \$500; contents, \$1,000; Insurance Company of North America. Cause, upsetting Christmas tree on lighted candle. Adjusted by J. S. Rankin, Vancouver.
- January 13.—Messrs. Lambert and Fraser's laundry. Loss, building \$2,200; contents, \$2,400. Insurance, building, Occidental, \$800; British Empire, \$800; Firemen's Underwriter, \$800; contents, Occidental, \$1,200; British Empire, \$1,200; Firemen's Underwriters, \$1,200. Cause, sparks from fire box. Adjusted by J. S. Rankin, Vancouver.
- January 18.—Mrs. A. McDonald's residence, occupied by Mr. A. F. Paddon. Loss, building, \$220; contents, \$240. Insurance, building, Svea Insurance Company, \$2,000; contents, Caledonian, \$1,500. Cause, oil heater.
- January 19.—Mr. S. Perrish's store, owned by Messrs. Lewis and Sills. Loss, building \$2,000; contents, \$840. Insurance, contents, \$1,000; fixtures not insured. Cause unknown. Savinar Brothers' stores, owned by Lewis and Sills. Loss, building, \$2,000; contents, \$5,800. Insurance, building, Phoenix of London, \$1,200; contents, Citizens, \$1,000; Colonial Fire Underwriters, \$1,000; Ontario, \$2,000. Cause unknown. Adjusted by J. S. Rankin, Vancouver.
- January 20.—Mr. Robinson's residence, owned by Mr. B. Dempsey. Loss, building, \$2,200. Insurance, building, \$2,100. Cause, match thrown in basement.

FEBRUARY FIRES.

- Halifax, N.S.**—January 30.—North Atlantic Fisheries. Loss and cause unknown.
- Bannockburn, Ont.**—January 29.—Central Ontario station. Loss and cause unknown.
- Fort William, Ont.**—February 3.—Steamer "Butler." Loss unknown. Cause, hot ashes.
- Scotstown, Que.**—February 3.—Mr. Roberge's store and residence. Loss \$60,000. Cause unknown.
- Welland, Ont.**—February 2.—Canada Forge Company's building. Loss \$30,000. Cause unknown.
- Sherbrooke, Que.**—January 31.—Mr. G. N. Borque, Rue Du Pont. Loss \$600. Insured. Cause unknown.
- Lindsay, Ont.**—February 5.—Mr. W. Hamilton's barn, township of Fenelon. Loss and cause unknown.
- Sandwich, Ont.**—February 3.—Mr. W. Rochleau's residence. Loss \$30,000. Cause unknown. One death.
- Owen Sound, Ont.**—February 2.—Dominion Transportation Company's steamer "Manitou." Loss and cause unknown.
- South Vancouver, B.C.**—January 27.—Stainsbury Apartment block, Stainsbury Avenue and Victoria Drive. Loss and cause unknown.
- Bassano, Alta.**—January 23.—Mr. I. C. Lee's bakery. Loss \$250. Cause, stove pipes parted; Canadian Pacific Railway Company coal chute. Loss \$10,000. Cause unknown.
- Prince Albert, Sask.**—January 29.—City automobile Loss \$200. Cause unknown.
- February 5.—Hospital at Big River. Loss and cause unknown.
- North Bay, Ont.**—February 3.—Capron business block, including Mr. J. Murdock's fruit store, and Mr. Adam's barber shop. Loss, Mr. Murdock, \$1,000; Mr. Adam, \$300; building, \$1,000. Insured. Cause, unknown.
- Vancouver, B.C.**—January 28.—Gordon Drydale, Limited. Loss slight. Cause unknown.

January 29.—549 Main Street. Mr. I. Laff's loss \$2,000; Mr. J. Kettleman's loss \$500. Cause, gasoline ignited.

Bancroft, Ont.—February 3.—Craigmont corundum mills. Loss \$125,000. Insurance \$108,000; Atlas, \$33,000; Central Canada Manufacturers', \$11,000; York, \$5,000; remainder with Dominion, London and Lanchashire and other companies. Cause unknown.

Orillia, Ont.—February 4.—Premises owned by Thompson Estate. Loss \$48,000, fully insured; contents owned by Mr. C. Moore. Loss \$18,000. Insurance \$16,000. Cause unknown. Messrs. Ross and Wright, Toronto, adjusters for insured.

Fredericton, N.B.—February 3.—Provincial Chemical Fertilizer Company, and Coles and Kitchen's premises. Loss \$2,500. Insurance, Messrs. Coles and Kitchen, \$1,600, Queen Fire; Mr. Minto's stock, \$1,000, German American Fire; Mr. Wilkinson's furniture, \$500, Canadian Fire. Cause unknown.

Winnipeg, Man.—January 27.—Harrison block, 818-20 Main Street. Loss \$15,000. Cause unknown.

January 31.—Waldoff Court, suite 5. Loss and cause unknown.

February 1.—22 Osborne Street. Loss slight. Cause unknown.

Toronto, Ont.—February 1.—Garage, 130 Balsam Avenue. Loss, building, \$300; Mr. J. Loudon's 2 automobiles, \$1,800.

February 3.—Shack at Sun brick works, Todmorden. February 4.—Davisville Avenue Public School. Loss, building, \$1,000; contents, \$3,000. Cause, overheated furnace. Stanley Barracks. Loss \$4,000. Insured. Cause unknown.

Brantford, Ont.—February 1.—Mr. A. E. Faulkner's workshop. Loss \$1,000. Cause unknown. Messrs. Brewster and Company's store, 144-6 Colborne Street. Loss, building, \$3,000; contents, \$20,000; fully insured. Cause, explosion of gas at furnace. Messrs. Cauldwell and Beckett's loss from smoke and water, \$3,750. Fully insured. Messrs. Ross and Wright, Toronto, adjusters for insured.

Montreal, Que.—February 2.—Mr. J. B. Farier's residence, 6 St. Ferdinand Street, St. Henri. Loss unknown. Cause, children playing with matches. Mr. G. Hall's coal sheds, Wellington and Basin Streets. Loss unknown. Cause, spontaneous combustion.

February 3.—Messrs. W. J. O'Leary and Company, 40 Recollet Street. Loss \$2,000. Cause, lighted torch.

TORONTO GENERAL TRUSTS CORPORATION

"I again repeat the unalterable decision of this corporation rigidly to confine itself to purely trust and agency business, and the investment, either as agent or guarantor, of funds committed to its care, but only in securities authorized by the Trustee Investment Act, unless otherwise directed by the investors, together with the transaction of other business of a purely fiduciary character." These statements were made by Mr. J. W. Langmuir, general manager and vice-president of the Toronto General Trusts Corporation at the annual meeting of shareholders this week. Their importance is emphasized by the fact that by having initiated and continued for many years that rigid and proper policy, the company is in the forefront as a respected, reputable and prosperous trust company. This is confirmed in the thirty-first annual statement, which shows net profits of \$233,915 for the year, after payment of all expenses. To this amount the net profit on the sale of the corporation's old head office premises, corner of Yonge and Colborne Streets, Toronto, amounting to \$95,618.74, must be added, together with the premium of \$213,746.50 received from the sale of the new stock of \$250,000 issued during the year, and the balance of \$71,237.37 brought forward to the credit of profit and loss from 1911, making a total of \$614,518.54. This was dealt with by the board as follows:—

Payment of four quarterly dividends at the rate of 10 per cent. per annum, \$110,892.38; total cost of office furniture, and equipment for treasury and filing vaults in new head office building written off, \$17,155.08 reserve fund (increasing this fund to \$1,100,000), \$400,000; amount carried forward to the credit of profit and loss, \$86,471.08.

The total assets in the hands of the corporation amount to \$53,852,564, an increase over 1911 of \$8,765,904. The volume of executorships, administrations, trusts and work of a kindred character which came into the hands of the corporation during the year amounted to \$10,424,764, which exceeds the amount of new work assumed by the corporation in any one year since its inception.

The interesting address of Mr. J. W. Langmuir, the company's vice-president is printed in detail on other pages, as are also particulars of the excellent financial statement.

The name of the Dominion Rubber Company, Limited, has been changed to Eastern Rubber Company, Limited.

TORONTO RAILWAY COMPANY

The gratification of a shareholder who was present at the annual meeting of the Toronto Railway Company this week, at the excellent financial statement presented by the directorate, was apparently disturbed by prospects of civic competition. Mr. Fleming, the general manager, however, quieted those fears, merely pointing out the heavy loss at which the short existing civic lines were being run. Every street railway is trailed by an army of critics. Mr. Fleming told his shareholders, and incidentally the army, that the Toronto system is one of the best on the continent, and we think that fair-minded critics will agree with the statement.

The gross earnings last year amounted to \$5,448,050. Deducting therefrom charges of \$2,866,550 for operating, maintenance, etc., the net earnings were \$2,581,500. Several substantial payments were made from that sum, the heaviest being to the city and amounting to \$942,048, while \$879,595 represented dividends to the shareholders. Bond interest, etc., absorbed \$190,992. The payments to the city were greater by \$119,815 or 14.6 per cent. than in the previous year.

The progress of the company in recent years is shown in the following table:—

	1902.	1908.	1912.
Gross income	\$1,834,908	\$3,610,272	\$5,448,050
Operating, maintenance, etc.	1,015,361	1,889,046	2,866,550
Net earnings	819,547	1,721,226	2,581,500
Passengers carried	44,437,678	89,139,571	135,786,573
Per cent. of charges to passenger earnings .	55.3%	52.9%	58.4%

The Toronto and York Radial Railway Company report that their earnings continue to show satisfactory increases, the gross earnings amounting to \$492,922, compared with \$449,059 for the previous year—an increase of 9.76 per cent.

OTTAWA ELECTRIC RAILWAY.

The shareholders of the Ottawa Electric Railway Company have every reason to be pleased with results of operations for the year ended December 31st, 1912. The gross earnings were \$934,397, an increase of \$93,717 over the previous year. The net earnings were \$400,059. Out of that sum, four quarterly dividends of 3 per cent. and a bonus of 3 per cent. were paid, being a distribution to shareholders of \$255,947. The gratification of the shareholders was further strengthened by the prediction of Mr. T. Ahearn, the president, that the prospects for the coming year are of the brightest character.

The growth of the company in the past few years is clearly shown in the following table:—

	1893.	1903.	1912.
Gross receipts	\$110,071	\$348,888	\$934,397
Total expenses	70,221	254,346	578,540
Net income	39,850	94,541	355,856
Passengers carried	2,394,504	7,911,718	21,815,798
Per cent. of operating expenses to receipts ...		61 4-5%	57 1-5%

After the payment of dividends and bonus last year, the substantial sum of \$69,000 was placed at the credit of contingent account to be applied to the reduction of track renewal, car equipment and other accounts. Interest on bonds and loans absorbed \$21,303; mileage payments, \$13,435, and taxes, \$9,463. There remained a sum of \$30,908 for transference to credit of profit and loss account. The balance at credit of that account is now \$138,264 and at the credit of rest account \$200,000. Several important improvements were made to the company's system last year, by which the earning capacity and facilities for handling the increasing traffic will be greatly augmented.

The capital stock of the Walter M. Lowney Company of Canada, Limited, has been increased from \$250,000 to \$500,000, such increase consisting of 2,500 shares of \$100 each.

The capital stock of the Texas Prairie Lands, Limited, has been decreased from \$10,000,000 to \$3,500,000, such decreasing consisting of 6,500 unissued shares of \$100 each.

The attempt of the Dominion Express Company to exercise its privilege to carry on an express business over the whole system of the Intercolonial Railway, under an agreement which came into effect on February 1, has so far proved ineffectual so far as the Montreal terminus of the Intercolonial is concerned. The latter railway uses the Grand Trunk rails from St. Rosalie to the Bonaventure Station, having held running rights for a number of years, but on the eve of the new arrangements coming into effect, steps were taken by the Grand Trunk officials to prevent the handling of any express matter by the Dominion Express Company over the Grand Trunk Railway tracks or in the Bonaventure Station.

ST. JOHN DISTRICT IS ACTIVE

Good Roads Organization—Harbor Improvements—Manufacturers Recognize its Facilities.

(Special correspondence.)

St. John, N.B., Feb. 5, 1913,

A provincial good roads association was recently organized at St. John, and resolution adopted urging that trunk roads of a permanent character be constructed between leading centres in the province, and that the government secure the service of a competent highway engineer. A strong delegation will present the resolutions to the legislature. Every county was represented at the convention.

Messrs. Norton Griffiths & Co. have submitted a proposition to the effect that if the St. John municipal council and the New Brunswick Government will together guarantee \$65,750 for 35 years, they will enlarge the new dry dock to 1,150 feet in length, and establish in connection with it a ship building plant, their total expenditure on the whole plant being \$7,000,000.

Messrs. Norton Griffiths' agent, who made a tour of New Brunswick last year, has notified the provincial government that he will bring twenty British families to settle on ready-made farms in the province in the spring, and if more farms are available, he will bring more families. The immigration agent of the provincial government in London anticipates a large increase in immigration this year.

Lumbering and Transportation.

One lumber exporting firm have expressed the opinion that there will be as much lumber available for export as was exported last year, as this winter's cut will be supplemented by quite large quantities held over from last year, because of the almost prohibitive rate of ocean freights. Others fear that the available quantity will be considerably less. While the British deal market has recently been higher than at any time since 1884, there has been a decline because of the heavy receipts of white wood from the Baltic. The port of Riga is usually frozen up all winter, but this year an open season has prevailed as in this province, and as a result heavy shipments have been made to British ports. Recent advices received in St. John told of the receipt of 14,000,000 feet of white wood from Riga at Manchester, causing a drop of ten shillings in the price of New Brunswick spruce. The American lumber market is fairly promising. The shipments of New Brunswick spruce and pine to Montreal and Eastern Ontario are said to have more than doubled in the last year, and this market will continue to grow. The New Brunswick shingles are shipped as far as Toronto.

There were eleven ocean steamships in St. John harbor taking cargo at one time last week. The week's exports of grain alone through the Canadian Pacific Railway and Intercolonial Railway elevators amounted to more than a million bushels. Traffic both to and from transatlantic ports is heavy, and many immigrants are expected from now until the end of the season.

The Canadian Pacific Railway is considering the establishment of a fast service between St. John and Halifax by the Bay of Fundy route. It is proposed to put a twenty-two knot steamer on the bay and shorten the journey to Halifax to six hours.

Industrial Enterprises Locating.

The city engineer of St. John estimates that it will cost half a million dollars to reclaim the area at the south end of the city, comprising nearly 45 acres, as a site for new industries. Messrs. T. McAvity & Sons have submitted to the council complete plans for an iron, brass and steel site when it is reclaimed. Messrs. Haley Bros. & Co. are prepared to erect a large wood-working plant on the same area.

The Noyes Machine Company, of Portland, Maine, manufacturers of propellers and brass specialties, will establish a factory in St. John for their European business during the winter season. The manager of the company, who was in St. John last week, said they had chosen this port because of its splendid shipping facilities, and he was surprised that more American manufacturers did not locate in St. John.

The Maritime Motor Company have commenced manufacturing and expect to have the factory in full operation in a few weeks. Its estimated output is 1,000 cars per year.

Edmonton's city commissioners are inviting tenders for 35,500 square yards of street paving, about fourteen miles cement walks and twenty miles plank sidewalks. This is only a portion of the paving and walk construction to be done this season.

Trenton, Ont., board of trade officers for 1913 were elected as follows:—Hon. President, Mr. Robert Weddell; president, Mr. Arthur E. Cuff; vice-president, Mr. B. H. Siddall; secretary, Mr. P. A. Thompson; treasurer, Mr. H. F. Whittier; council, Messrs. P. J. O'Rourke, J. Funnell, E. V. Illsley, Eben James, W. H. Matthews, Dr. Jacques, E. L. Marsh, and S. Hooley.

WESTERN PROSPECTS ARE BRIGHT

General Commercial Conditions—Transcona Shops Start Work—Medicine Hat Societies Merge.

Monetary Times Office.

Winnipeg, February 4, 1913.

The business outlook in the West is becoming brighter, the merchants are satisfied and there has been few failures in the West this season.

The financial situation is also encouraging and the reports being presented by many of the leading Winnipeg companies are satisfactory.

There is a good demand for loans in the country, but the money is limited. Financial houses are hopeful that the eastern situation will soon be such that there will be funds for legitimate purposes.

Collections are improving, although they are behind anticipations. In this connection the explanation given recently in The Monetary Times describes conditions accurately. Payments will come forward all right, even if they delayed more than the trade would wish. There is a large amount of the crop to be marketed yet, and it may be added that slightly better prices of grain are being obtained.

Anticipations Are Being Realized.

The Grand Trunk Pacific shops at Transcona are opened and have started work. Since the work on these shops was started Transcona has grown until it now has a population of 2,000 people.

The shops are large and cover a big acreage and containing one of the largest and best equipped locomotive works in either Canada or the States.

Two hundred and fifty mechanics and two hundred assistants arrived in Transcona from Rivers last week and started to work.

The Dominion Chemical Works, employing about 150 men all the year round, is located on Oxford street, and the site for the Manitoba Bridge and Iron Works is on the same street. Several other manufacturing concerns have or are locating at Transcona.

Medicine Hat After Industries.

The amalgamation of the Medicine Hat board of trade and the industrial bureau of that place was effected at the annual meeting of the board of trade. Mr. L. Y. Birnie, chairman of the industrial bureau, was unanimously elected president of the board of trade, and Mr. Arthur M. Grace, vice-president, together with a council of eight. Meantime the industrial bureau decided to accept the invitation to join with the board of trade, and recommended the selection of Mr. W. B. Wilcox, secretary of the industrial bureau for some months, as secretary of the consolidated organization.

It was decided to carry on more vigorously the work that has been done by the industrial bureau for the last year under the title of the industrial bureau of the board of trade. This work will be looked after by a large committee of leading citizens, to co-operate with the officers and council of the board of trade.

STEEL AND RADIATION COMPANY'S STRONG DIRECTORATE

The following are the directors of the Steel and Radiation Company, Toronto:—President, Sir Henry Pellatt; first vice-president, Sir John Gibson, Lieutenant-Governor of Ontario; second vice-president, F. Nicholls, general manager, Canada Foundry Company; Sir William Mackenzie, Toronto; Gordon Perry, manager National Iron Works, Toronto; Captain Reginald Pellatt, Messrs. Pellatt and Pellatt, Toronto; Grant Hugh Browne, London, England; Thomas W. Southworth, vice-president of the Deloro Mining and Reduction Company; H. H. Macrae, manager, British and Colonial Land and Securities Company, Limited, Toronto; and Samuel Trees, leather merchant, Toronto. The company's annual meeting will be held on March 3rd.

CANADIAN PACIFIC RAILWAY BUYS IN CHICAGO

The Canadian Pacific Railway, through the Central Terminal Railway Company, which is owned by the Soo, has completed purchase to date of about three blocks of real estate in Chicago, on the west side of the city, near Canal and Sixteenth Streets, representing a total investment of \$2,480,681. The property will ultimately be used for freight terminals.

In addition to this, the Canadian Pacific Railway Company, through the same agency, is purchasing land in the neighborhood of Harvard Street and West Forty-eighth Avenue, for auxiliary yards, to be used in connection with the operation of the Chicago Belt Railway Line, the facilities of which are increased.

FIRE UNDERWRITERS' LABORATORIES

General Opinion of Fire Insurance Men is in Favor of Branch Establishment.

The report on the underwriters' laboratories at Chicago made to the Imperial Board of Trade by Mr. C. Hamilton Wickes, the British Trade Commissioner in Canada, continues to attract considerable attention in fire insurance circles on this continent. A synopsis of the report was printed recently in *The Monetary Times* and last week the opinions of various fire insurance managers were published. Mr. Wickes discussed the effect of the operation of the laboratories on the importation of British manufactures into Canada. He suggested several solutions for his complaints and favored the establishment of a laboratory in England, to be practically an offshoot of the underwriters' laboratories, Chicago, run on similar lines, utilizing the experience gained at Chicago, employing equally competent, but British consulting and technical engineers.

Mr. John A. Robertson, secretary of the Western branch of the Canadian Fire Underwriters' Association, thinks that the English manufacturers and the Trade Commissioner in complaining of the requirement of the insurance companies for an examination of such English made goods as have a bearing on losses by fire, entirely overlook the reason for this requirement having been instituted and its continual necessity. "They are not familiar, as we unfortunately are," he says, "with the tremendous annual loss suffered on this continent from fire and they consequently cannot appreciate the value we put on any machinery evolved to check this. The National Fire Protection Association, made up of manufacturers, private individuals, boards of trade, architects' associations, contractors' associations, creditmen's associations, insurance organizations and others, is the leader in this work, and the Underwriters' Laboratories at Chicago is the branch of that association which does the practical work of examining, testing and approving or disapproving of the numerous articles or devices which may directly or indirectly aid in the starting or spread of fires or their limitation or extinction. There can be no doubt that the laboratories, in standardizing materials and devices, have performed a work of the utmost value to the community, and the insurance companies know they would be failing in their duty both to themselves and the public if they neglected to appreciate and support this work.

Says Companies Are Satisfied.

"The laboratories are, it is true, located in the United States, but the insurance companies are thoroughly satisfied as to their independence and reliability, and these qualifications are as fully admitted by manufacturers here as they are known to ourselves. Then also the location of the laboratories at Chicago is very suitable, as this city is probably as central as any point for the principal manufacturing industries of North America, and the insurance companies have always felt and known that it was better to have one good institution, qualified and equipped in the highest degree, rather than more numerous testing and examining stations where the equipment and staff could not hope to be so complete or capable and which would not therefore have the full confidence of the manufacturers.

"It is evident that we cannot give privileges to English manufacturers that we do not give to our own, and referring to the articles Mr. Wickes speaks of more particularly, viz., electrical devices and wiring, we have felt compelled, owing to the poor quality of much of the latter material made and used here, to assist the laboratories in requiring a better standard, so that now all wiring that is approved has been submitted and passed by the laboratories, and the output of the Canadian factories is examined regularly by our local inspectors and not labeled as approved unless equal to the fixed standard. Examination by local inspectors of goods made in England could be carried out either there or here, as the laboratories and the insurance companies are quite willing to assist the English manufacturers in any way possible to have their product marketed here and offered to the public on exactly equal terms with the same articles made in this country, but at the same time our English friends must be reasonable and not expect us to be otherwise.

Conditions in the Dominion.

"Conditions in the Dominion have shown that the style of buildings, methods of construction, class of work done and the habits of the people generally require a more rigid standardization of materials than is called for in Europe. We have therefore asked our own manufacturers, in their own interests as well as ours, to adopt certain methods and submit to a regular examination of their goods, which, on approval, are labeled and then accepted as satisfactory by dealers, inspectors and the public. This, of course, involves extra trouble and expense, which, however, all here admit to be required, and I do not think it is asking too much of the English manufacturers to require them to conform, for articles they want to sell here, to the rules and practices that obtain in this country.

Mr. J. E. E. Dickson, Canadian manager of the Law Union and Rock Insurance Company, Limited, of London, England, says it is a well-known fact that the Underwriters' Laboratories of Chicago have done excellent work, work that

has been of great value to the premium payers in both the United States and Canada, as well as being advantageous to the "fire insurance companies" and to the American manufacturer carrying on business in the United States, "but however much we in Canada may sympathize with Mr. Wickes in his efforts on behalf of the British manufacturer," he adds, "yet we can scarcely be expected to allow uninspected goods to be used, whether from Great Britain or elsewhere, simply on the assurance of someone interested in selling them that they are as good or superior to those which have been tested and passed by qualified experts.

Establish Laboratory in England.

"It seems to me that the most feasible solution of the difficulty would be to establish in Great Britain a laboratory similar to the Underwriters' Laboratory at Chicago and either affiliated with or separate from the Chicago laboratories, but of such a high character that its reports, after tests and inspections, would be accepted everywhere. I am sure that there is no desire on the part of the underwriters in Canada to put difficulties in the way of the British manufacturers, but our first duty is to safeguard the interests of the insurance companies."

Mr. Alfred Wright, manager for Canada of the London and Lancashire Fire Insurance Company, Limited, of Liverpool, England, says he has not had time to go carefully into the subject, but he has not heard of any Canadian manufacturers complaining of unfair treatment or discrimination of any kind. "On the other hand," he adds, "there could be no objection, excepting on the ground of expense, to the maintenance of a laboratory, either in Canada or the United Kingdom, provided the standards were kept sufficiently high to meet the exigencies of climatic and other conditions obtaining on the North American continent, the requirements for which must necessarily be more stringent than those of Great Britain."

OUR MUNICIPALS AT HOME AND ABROAD

Saskatoon Has Placed Six Months Bills—Edmonton Has Big Issue for Disposal.

The city of Saskatoon has placed in London an issue of six months bills at 5½ per cent.

Underwriting is proceeding in London for Winnipeg city's £750,000 4½ per cent. loans, at par.

The underwriters of the Toronto city loan of £1,075,000, took eighty-five per cent., which confirms previous cables of the Canadian Associated Press, concerning the attitude of the London market and a probably poor public response.

Success of Quebec City.

The success of Quebec city's 4½ per cent. debenture issue of £400,600, which was oversubscribed when offered by the Bank of Montreal in London, is satisfactory when compared with the reception accorded issues made since. The general attitude is unfavorable to new flotations, according to the London financial correspondent of the *New York Journal of Commerce*, who cabled towards the end of the week as follows:—"British investors are hanging back. New capital issues are being very indifferently subscribed, underwriters themselves being compelled to take most of the offerings. There is a strong demand for money, the requirements of short-term notes, war bills, etc., easily absorbing the surplus funds of the banks and insurance companies."

Edmonton Had One Offer.

The city of Edmonton has for sale two bond issues, one for \$1,250,000 and the other for \$5,500,000. Tenders were called for these and among the offers was one from a London firm to underwrite the issues for 90 if the rate of interest is 4½ per cent. This offer was refused.

The Imperial Bank will handle the smaller issue.

The city of Guelph proposes to purchase city of New Westminster debentures to the amount of \$19,000, payable in 1917, for the sinking fund, as the money will be needed at that time.

No Bids for These.

The St. Agnes Roman Catholic School District, No. 22, Saskatchewan, has for sale \$50,000, 5 per cent. debentures, maturing in forty years. The money is required to purchase a site and erect a school. Although this is the second time tenders have been called, no bids were received. An offer, however, was made by a Toronto bond house at 96 for \$30,000 6 per cent. bonds, but the authorities refused to sell at that figure.

Mr. D. L. Clink was elected president of Battleford, Sask., board of trade: Mr. W. W. Smith was elected vice-president, and Mr. J. Chivers, secretary. For the executive committee the following gentlemen were chosen, Messrs. F. G. Atkinson, L. P. O. Noel, D. B. White, A. J. MacCormack, A. G. Cunningham, J. Nicoll, J. Hoover, L. E. Schaefer, and L. H. Good.

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

Merchants Bank.—The Merchants Bank is calling for tenders for 2,411 shares of the new issue of stock authorized by the shareholders in December, 1909. The shares offered comprise the unaccepted allotments and the fractions which under the bank act were not allowed.

Hudson Bay Company.—For the nine months ended December 31, 1912, the total revenue of the Hudson Bay Company was \$2,911,000, an increase over the same period in 1911 of \$1,602,500. Probably for the year ending March 31, 1913, there will be in the neighborhood of \$1,000,000 available for dividends.

Nova Scotia Steel and Coal Company.—The output of iron and steel by the Nova Scotia Steel and Coal Company for January is less than usual owing to the furnaces being repaired. The January output is as follows:—Coal mined, 69,000 tons; ore mined, 38,500 tons; pig iron, 4,800 tons; steel made, 5,800 tons.

British Columbia Packers, Limited.—It is stated at Montreal that over 60 per cent. of British Columbia Packers "A" preferred stock has been exchanged for common stock. Interests close to the company have been recommending the exchange in view of the larger dividends it is intended to pay on the common stock.

Montreal Tramways Company.—Messrs. N. W. Harris and Company, of Boston, who have already loaned the Montreal Tramways Company between eleven and twelve million dollars, are prepared to increase this to seventy-five or one hundred millions. The money, which would go towards betterments and extensions, is to be spread out over a period of thirty years.

Ritz-Carlton Hotel Company.—The annual meeting of the Ritz-Carlton Hotel Company of Montreal, Limited, was held at the hotel recently, when accounts and reports were submitted. The following officers were elected:—President, Mr. C. R. Hosmer; vice-president, Mr. William Harris; directors, Sir H. Montagu Allan, Messrs. C. B. Gordon, G. W. Farrell, T. J. Drummond, Hon. Lionel Guest, Messrs. H. V. Higgins, Charles Meredith; secretary-treasurer, Mr. L. W. Just; assistant secretary-treasurer, Mr. H. W. Norton.

Canada Landed and National Investment Company.—Directors of the Canada Landed and National Investment Company have decided to increase its dividend rate from 8 to 9 per cent. per annum. The dividend will be paid quarterly instead of half-yearly, as heretofore. Earnings of the company for last year were at the rate of 14 per cent. on the paid-up capital. Mr. G. Tower Ferguson was appointed a director of the company in succession to the late Hon. James Young.

Ottawa Electric Railway Company.—The Ottawa Electric Railway Company at its annual meeting re-elected the old board of directors, consisting of Messrs. T. Ahearn, W. Y. Soper, Thomas Workman, Elbert W. Soper, T. Frank Ahearn, G. P. Brophy and J. D. Fraser.

The company had a successful year and the shareholders were paid a dividend of 12 per cent. and 3 per cent. bonus. Many extensions are contemplated this year and considerable equipment is to be added to the rolling stock.

The dividend is the same as the preceding year.

Canada Iron Corporation.—The Canada Iron Corporation, with works at Nictaux, N.S., will ship 100,000 tons of hematite ore to the United States, Germany, Scotland and elsewhere very shortly.

Mr. T. J. Drummond is president of the concern. About 150,000 men are now employed. The docks are at Port Wade, in the Bay of Fundy. The Dominion government recently expended \$125,000 on the harbor, where there is now 26 feet of water at low tide, and where ships took a full cargo as late as December 26.

The Canada Iron Corporation has erected ore receivers holding 8,000 tons on the wharves, and has loading facilities for 100,000 tons an hour into steamers.

Detroit United Railway.—The annual report submitted at the meeting of the Detroit United Railway stockholders showed an increase of nearly a million and a half in the gross earnings from operation during last year, which amounted to \$11,695,530. Passenger earnings were \$10,932,686 compared with \$9,615,117 the previous year. Net earnings from operation were \$3,965,121, as against \$3,673,092 last year. Operating expenses, it was claimed, increased over \$1,000,000. Net earnings from sources outside of operation amount-

ed to \$208,856, against \$178,812 last year. A dividend of 1 1/2 per cent., payable March 3, was declared. Messrs. A. J. Ferguson of Montreal, vice-president, and J. M. Wilson, Montreal, the two Canadian directors, were re-elected.

International Engineering Works, Limited.—This company purchased the assets of the Robb Engineering Company, Limited, at the public sales held by order of the court on the application of the trustees for the bondholders. These assets were transferred to them free and clear of all amounts due by the Robb Engineering Company to creditors.

Numerous enquiries have been received by the International Engineering Works, Limited, from creditors in respect to their position under the sale, and they have, therefore, decided to make known their position in the matter.

After purchasing the assets they were approached by Mr. Robb, who asked that they would endeavor to make some arrangement whereby the old creditors might receive some consideration, and eventually the International Company decided to issue to all the creditors of \$100 one share of common stock in the International Engineering Works, Limited, and for larger amounts shares in the same proportion. They find it impossible to do anything for creditors under \$100.

Belding, Paul, Corticelli, Limited.—The net profits for the first year's operations of this company were \$134,470. The sales for the twelve months ended November 30 aggregated \$1,435,493, which was quite up to the management's expectations. A surplus of \$6,366, or equal to about one per cent. on the common stock, was reported, after reductions had been made for depreciation, sinking fund, debenture interest and preferred dividends.

The policy of the management is clearing out all the old stock in hand, while attended by temporary loss, leaves the company in excellent shape to start the year's business. An improvement in the ribbon branch of the industry was also forecasted by the president.

The net results for the past year were as follows:

Net profit for year to 30th of November, 1912	.....	\$134,470
Depreciation on plant, etc.	.....	\$21,931
Sinking fund	.....	8,750
Interest on debentures	.....	37,613
Dividend on preferred stock	.....	59,808
		128,103
Surplus for 1912	.....	\$ 6,366

The board of directors was re-elected as follows: Messrs. Frank Paul, president; William McMaster, vice-president; W. M. Doull, Fred Birks, A. Haig Sims, C. A. Reynolds, and B. G. Winans.

Consolidated Mining and Smelting Company, Limited.—The Consolidated Mining and Smelting Company of Canada, Limited, ore receipts at the Trail Smelter for the weeks ending January 17 and 23, 1913, and from July 1, 1912, to date in tons were:—

	Week ending Jan. 17,	July to date.
Company's mines—		
Centre Star	2,299	88,727
Le Roi	874	24,661
Sullivan	361	16,797
Richmond-Eureka	33	778
St. Eugene	32	801
Molly Gibson	14	1,115
No. 1	.....	153
Other mines	1,486	42,317
Total	5,099	175,349
	Week ending Jan. 23,	July 1 to date.
Company's mines—		
Centre Star	2,540	91,267
Le Roi	841	25,502
Sullivan	458	17,255
Molly Gibson	34	1,149
St. Eugene	.....	801
Richmond-Eureka	.....	778
No. 1	.....	153
Other mines	1,955	44,272
Total	5,828	181,177

The name of the Alaska Securities, Limited, has been changed to that of Alaska Ideal Beds, Limited.

BOND TENDERS INVITED

Monetary Times' Weekly Register of Information for Bond Dealers and Municipal Officials

Cuelph, Ont.—The waterworks commission asked council to submit a by-law to issue \$8,535 debentures.

Redcliff, Alta.—By-laws to issue \$50,000 and \$20,000 waterworks debentures will be voted on February 28th.

Mariposa R.M., No. 350, Sask.—Until March 15th for \$15,000 5½ per cent. 20-year debentures. A. M. Carlile, secretary-treasurer, Kerrobert.

Shoal Lake, Man.—Until February 15th for \$12,000 5 per cent. 20-year municipal and fire hall debentures. Frank Dobbs, secretary-treasurer.

Hamilton, Ont.—Until February 20th for \$190,000 4½ per cent. 20-year debentures. John Allan, Mayor. (Official advertisement appears on another page.)

Port Alberni, B.C.—Until February 25th for \$115,000 50-year waterworks, \$30,000 20-year electric light and \$10,000 20-year street improvement debentures. R. F. Blandy, city treasurer.

Lethbridge, Alta.—A \$100,000 by-law, 30-years 5 per cent. debentures, to make up shortage in current account due to discounts on debentures sold the past three years was carried.

Morinville, Alta.—Until February 17th for \$10,000 6 per cent. 20-year general improvement debentures. J. A. Nantel, secretary-treasurer. (Official advertisement appears on another page.)

Ottawa, Ont.—Tenders may be invited by the city of Ottawa for the following debentures: \$9,000 sewerage, \$50,000 for swimming baths and \$30,000 to acquire scavenging equipment.

National Park S.D., No. 102, Alta.—Until February 20th for \$30,000 5 per cent. 20-year debentures. Wm. Mather, secretary-treasurer, Banff, Alta. (Official advertisement appears on another page.)

Wadena, Sask.—Until February 20th for \$15,000 6 per cent. 40-year electric light and power plant, \$15,000 6 per cent. 30-year sidewalks and street improvement debentures. J. F. T. Saith, secretary-treasurer.

Pincher Creek, Alta.—Until February 24th for \$30,000 6 per cent. 30-year municipal building; \$15,000 6 per cent. 20-year sidewalk debentures. G. D. Plunkett, secretary-treasurer. (Official advertisement appears on another page.)

Estevan, Sask.—Until February 12th for \$50,000 5 per cent. 30-year high school; \$35,000 5 per cent. 30-year waterworks; \$25,000 5 per cent. 25-year manufacturing establishments debentures. L. A. Duncan, secretary-treasurer. (Official advertisement appears on another page.)

Edson, Alta.—Until February 25th for \$45,000 20-year electric light and power; \$12,500, 10-year, street grading; \$42,000, 30-year, town hall; \$14,000, 5-year, plank walks, and \$9,000, 15-year, cement walk debentures; interest, 5½ per cent. George M. Phillips, secretary-treasurer. (Official advertisement appears on another page.)

Collingwood, Ont.—Authority will be sought by the council to issue debentures for \$16,079.98, divided as follows: \$2,730.12 on account of fire hall; \$2,302.95, deficiency arising out of sale of \$94,000 of debentures; \$2,500 on account of sewer from Hurontario Street to Birch Street, and \$5,085.50 for roads and bridges destroyed by floods.

At the annual meeting of the Western Navigation Company held in Fort William, Mr. James Murphy was elected president, E. R. Wayland vice-president, and H. W. Robinson secretary-treasurer. The reports as read showed an excess in business operations over that of any previous year in the history of the company and a stock dividend of thirty per cent. was passed.

The annual general meeting of the shareholders of the Mount McKay and Kakabeka Falls Railway Company was held in Fort William recently. Mr. W. F. Hogarth was re-elected president and Mr. Harry James secretary. This company had a successful year. During the past season over 2,500 cars of sand and gravel were delivered in Fort William over the tracks of the Mount McKay and Kakabeka Falls Railway Company.

The Fredericton, N.B., board of trade has issued an illustrated book dealing with Fredericton as a coming industrial and distributing centre of the province. It describes the many railways which branch out from Fredericton, its proximity to the coal fields of Queens County, the opportunities for developing hydro-electric power, the rich orchard and agricultural lands which surround it, and other advantages which the board claims should appeal to capitalists, manufacturers and artisans.

SOVEREIGN BANK'S AFFAIRS

All Shareholders Must Subscribe to Stock of Holding Company, Otherwise Bank Will be Liquidated and Double Liability Call Faced.

All but twelve per cent. of the Sovereign Bank shareholders have subscribed for stock in the holding company, International Assets, Limited, to the extent of their double liability. If the balance of the shareholders do not follow their example, the company will be obliged to put the bank into liquidation, and they will have to pay their double liability without any chance of getting it back.

This was the statement of Mr. A. Bruce, vice-president of the bank, at a meeting of shareholders this week. "The bank has no assets which will at present produce any money," said Mr. Bruce, "so that if it is put into liquidation there will be only one object in view, that of collecting from these twelve per cent. the amount of their double liability, and the only way by which this can be avoided is by these shareholders subscribing and paying at once for an equivalent amount of preferred stock in the company."

How Stock is Held.

The present holding of stock in the bank is as follows:—

International Assets, Limited	\$2,427,825
Stock in dispute	216,200
Shareholders who have not subscribed to stock in International Assets, Limited	355,975
Total	\$3,000,000

The total payment made by shareholders who transferred their stock to International Assets, Limited, is \$2,146,272, and the company expects to receive \$33,000 more.

Assets and Liabilities.

Since 31st July, 1911, the liabilities of the bank have been reduced by \$436,384.38, and they now stand at \$3,711,478.77, of which \$27,865 is represented by notes outstanding, the balance, except a trifling amount, being due to International Assets, Limited.

Apart from certain contracts with the company which are not tangible assets, the assets consist of \$29,490 on deposit with the Government as security for the notes outstanding, and \$1,000,000 of common stock of the company.

The deposit with the Government cannot be touched, and the common stock of the company has no present market value, and no money could be raised on it.

The bank, therefore, as a corporation, has no means of raising any money, and anything done must be done by the shareholders as individuals.

Mr. M. McCulloch has been appointed as general municipal manager at Fort William.

The number of directors of the British Columbia Breweries, Limited, has been increased from five to nine.

The head office of the Vanderhoof-Gunn Company, Limited, has been changed from Winnipeg to London, Ont.

The capital of the Georgian Bay Canal Company will be increased from \$100,000,000 to \$175,000,000, and the time for the completion of the enterprise has been extended to 1922.

Carter's Ink Company, of East Cambridge, Mass., will establish a branch factory at St. Lamberts, Quebec. The company has been operating in Canada for several years.

At the annual meeting of the Portage la Prairie board of trade, Mr. J. J. Garland was elected president and Mr. R. J. Long vice-president. The new council comprises Messrs. R. H. M. Pratt, J. O'Brien, H. Stephens, F. G. Taylor, G. Gillam, W. Richardson, W. F. Lunn, E. A. McPherson, F. L. Newman, J. H. Metcalfe, J. H. Morrison, and J. W. McDonald.

Sir Donald Mann, vice-president of the Canadian Northern, at the Pacific coast, declared that his line will have cars running through British Columbia to Vancouver within a year. This railway is making rapid progress, and though started a long time after the Grand Trunk Pacific will be completed much sooner. The vice-president came West to confer with Sir Richard McBride in regard to proposed extensions of his company on Vancouver Island.

Summerside, P.E.I., board of trade officials for 1913 are: President, Mr. John Grady; vice-president, Mr. J. LeRoy Holman; secretary, Mr. R. H. Macdonald; auditors, Mr. W. K. McGougan and Hugh McInnis; council, Messrs. A. E. Arsenault, Creelman McArthur, J. A. Brace, Hugh McInnis, W. H. McKie, Neil McLeod, William Stewart, A. A. McLellan, I. A. Morrison and M. Bradshaw; arbitrators, Dr. Alex. McNeill, Messrs. Charles Hensley, R. H. McDonald, Thomas Johnston, John E. Campbell, R. B. Richardson, H. W. B. Stavert, and Hon. James A. McNeill.

POSITION OF THE UNION LIFE

Much of the New Business Obtained Was Term Insurance—Impairment of Capital—Investments of the Company

From a sense of duty towards the community and the good name of Canadian life insurance, we feel impelled to furnish some information as to the position of the Union Life Assurance Company of Canada, and the Home Life Insurance Company of Canada, especially as considerable interest attaches to the possible future of these companies since Mr. Pollman Evans, president of the Union Life, secured control of the Home Life a couple of years ago and was appointed president thereof. We believe it will be found to be in the best interests of the companies themselves that an impartial statement be made at the present time, when a good deal is being said among life insurance officials, agents and others as to the course these companies are likely to follow in the near future.

As is generally known, the Union Life is a Canadian industrial life insurance company, started in 1902, through the instrumentality of Mr. H. Pollman Evans, then an agent of the North American Life Insurance Company and he has continued to be its guide since its origin.

National Agency Corporation.

To overcome the well known difficulties of securing financial success in an industrial company in its earliest years, Mr. Evans organized the National Agency Corporation to act as financial buffer in the organization and the securing of business for the new industrial enterprise. The story of this agency company was laid bare before the Royal Insurance Commission and makes interesting reading, but we do not dwell upon that now, except to remark that it would be interesting to know the views of the National stockholders as to the present value of their stock and their prospects of future dividends.

President Evans has however shown no little enterprise and courage in rolling up a large volume of new business, and also in securing additional capital for the hungry business that industrial insurance is known to be.

The following table shows the new business written in each of the last five years 1907 to 1911 and also the lapses and business in force:—

Year.	New Business Paid for.	Business Lapsed.	Business in Force 31 Dec.
1907	\$ 7,980,841	\$ 6,136,463	\$11,234,956
1908	9,166,567	6,967,410	13,295,478
1909	9,645,985	7,343,549	15,367,426
1910	10,777,565	8,210,179	18,015,302
1911	19,333,496	12,875,475	25,116,959

Much Term Insurance Sold.

The new business is certainly large and is almost entirely "industrial," but the business lapsed is also surprisingly large and it is to be accounted for probably by the fact that in order to show large figures of new business and to lessen the reserve liability the management appear to have resorted to the cheap and easy method of selling term insurance in place of the usual life and endowment policies as in other industrial companies, for out of some seventeen millions' dollars of industrial business written in 1911 over thirteen millions was nothing more than term business. Industrial business even on the level premium plan is notoriously non-persistent but when term insurance is resorted to it is evident the elements of stability and profit-making are largely absent.

Mr. Pollman Evans with prophetic vision evidently gazed with longing heart upon entering the industrial promised land, as such commanding geniuses as President John R. Hegeman, of the Metropolitan and President John F. Dryden, of the Prudential had done years ago in America. If only the financial provider would hold out while President Evans was guiding the enterprise through the early desert days "until the corner had been turned" and the promised land entered, then ease and glory and large financial reward lay just ahead. Whether Canada was not ripe for such an enterprise or whether President Evans was not another Hegeman or Dryden the fact remains that the Union Life does not at present after twelve years' experience seem to be drawing much nearer to the land of promise.

Company's Financial Position.

Turning now to the financial position of the company, an examination of the Government blue books shows that up to 1909 the paid-up capital was \$100,000 of which about 98 per cent. was held by the National Agency Corporation. Evidently the drain upon the resources of the company became so great it became necessary in 1910 to enlist more capital in the enterprise as the following table will show:—

year.	Paid-up Capital.	Assets less Liabilities.	Impairment of Capital.	Premium Income.	Expenses.
1907	\$ 100,000	\$ 29,422	\$ 70,578	\$ 301,182	\$ 260,477
1908	100,000	15,349	84,651	356,002	287,200
1909	100,000	27,597	72,403	439,583	336,845
1910	628,515	420,923	207,592	530,419	532,806
1911	741,232	337,430	403,802	631,485	631,426

Stock Was Sold Abroad.

The method resorted to in order to enable the company to secure more capital and so to continue in business was ingenious. President Evans resolved to tap the pockets of English and Scotch investors in whose mind Canadian securities were becoming so rosy about 1909. To the metropolis of the British Empire accordingly sailed the president of the Union Life and succeeded in launching a stock proposition at which British investors appear to have bitten eagerly. It is necessary only to examine the list of stockholders in the Government blue book to see that President Evans swept Great Britain from Land's End to John O' Groats and succeeded in bringing back to Canada over half a million additional capital for his company. Just what were the representations on which this money was secured, we do not know.

The year 1911 shows still further paid-up capital was secured to the extent of over \$100,000, presumably from the same source, this bringing the paid-up capital up to \$741,232. The column in the foregoing table entitled "Impairment of Capital," is instructive. It shows that between 1907 and 1911 the impairment of capital has grown from \$70,000 to over \$400,000. To be sure the business of the company has also increased and if the business were regular level premium business in place of being largely term business, the result would be less disquieting. An examination of the expenses of management shows the extraordinary result that during the last two years these expenses have used up practically the whole premium income, so that during 1911 the impairment of capital increased about \$200,000.

Capital Secured at a Premium.

An interesting sidelight on the faith of the British investor is shown by the fact revealed by the Government returns, that the new capital was secured at a premium of about 20 per cent., for of the \$641,232 new capital secured in Great Britain in 1910 and 1911 the large additional sum of \$122,815 was paid as premium on capital. On the other hand the still larger sum of \$145,420 was spent in the effort to secure this new British capital.

Were the interests of the British investor properly safeguarded when this money was secured?

Before leaving the question of the present capital of the Union Life, it may be pointed out that on page 363 of the company's returns as published in the blue book for 1911, the paid-up capital is stated as \$722,800 and on page 365 it is stated as \$741,232.95, while on page 510 it is given as \$745,200. As only one of these can be correct, an explanation seems in order from some one.

If now we turn for a moment, to the latest blue book, we are rather struck with the character of the company's loans and investments. The loans on collateral securities amount to \$374,000 and this is made up almost entirely by one loan to the Canada Provident Insurance and Investment Company on the security of \$485,000 of the Imperial Loan and Investment Company stock. It would be interesting to know the whole story of this transaction and to be more assured of the wisdom of placing so many eggs in one basket—and that made of common stock.

How the Investments Look.

Turning to the investments, we are not a little surprised to see so much money invested in the stock of building societies, as the following indicates:—

Canadian Birkbeck Loan and Savings Company	\$ 6,900
Colonial Investment and Loan Company	86,258
Peoples Building and Loan Company	1,800
Reliance Loan and Savings Company	13,700
Standard Loan Company	15,165
Sun and Hastings Loan and Savings Company	21,700
Total	\$145,593

When so many excellent bonds and debentures can be now secured at good rates of interest and when it is so easy to loan money at high rates of interest on safe mortgages it seems somewhat perplexing to discover the reason why the management of the Union Life should have departed so far from the beaten track of approved life insurance investing. We venture to think President Evans would have increased the public confidence in his company and besides made better returns in the long run by following the practice set

(Continued at foot of next page).

JANUARY MUNICIPAL BOND SALES

Four Provinces Disposed of Debentures Worth One Million Three Hundred Thousand Dollars

The municipal bond sales in Canada for January, as compiled by The Monetary Times, amounted to \$1,337,500, compared with \$491,590 for December, and \$2,133,531 for the corresponding period last year.

Four provinces were in the market. The largest issue was made by Calgary School District.

The following are the particulars by provinces:—

Alberta	\$975,000
Ontario	231,000
Saskatchewan	123,500
Nova Scotia	8,000
	\$1,337,500

The following are the monthly totals during 1909, 1910, 1911, and 1912:—

	1909.	1910.	1911.	1912.
January ..	\$2,540,862	\$ 881,838	\$ 420,337	\$ 2,133,531
February ..	4,074,125	1,272,977	1,037,287	2,596,378
March	1,615,368	1,109,730	6,271,025	1,926,716
April	4,033,988	6,805,078	3,910,288	927,160
May	5,185,530	5,964,896	3,946,047	1,928,748
June	2,243,509	2,187,588	3,983,670	1,690,344
July	1,989,442	1,536,424	1,594,566	1,967,476
August ...	3,011,242	1,312,953	1,493,507	1,649,547
September ..	1,503,108	2,841,486	1,748,778	1,998,605
October ...	1,510,132	2,211,461	1,730,075	1,060,597
November ..	2,725,166	2,292,781	2,915,765	1,396,664
December ..	1,100,428	566,113	1,243,593	491,590
Total ..	\$31,532,960	\$29,043,325	\$30,295,838	\$19,767,356

The following are the details:—

Alberta.			
Calgary S.D.	\$975,000	4½	1923-53
Ontario.			
London	\$231,000	4¼	1923-28-43
Saskatchewan.			
Mantario R.M.	\$5,000	5½	1933
Moose Jaw	80,000	...	...
Delisle	3,500	6	1928
Otthon	2,000	6	1928
Prairie Dale R.M.	15,000	5	1933
Wynard	18,000	7	1943
	\$123,500		
Nova Scotia.			
Cumberland	\$8,000	5	1933

POSITION OF THE UNION LIFE

(Continued from previous page).

by other older and larger companies in the character and distribution of his investments.

But now the question arises what of the future? Rumors of amalgamation have been in the air. It is also stated that President Evans has been abroad, endeavoring to enlist further capital or other interest in his enterprise. Although the whole situation of the Union Life and Home Life demands his presence and efforts here, he is still abroad. In the meantime, we have confidence that the Government Insurance Department is keeping a close scrutiny on the operation of both companies so that the best interests of their policyholders may be maintained.

We submit, however, that President Evans owes it to himself and to the good name of Canadian life insurance to disclose his intentions as to the future of these two companies and what steps he and his co-directors are taking to conserve the grave interests committed to their care. The Monetary Times would like to have placed at its disposal a complete report of the statements submitted to foreign investors in England or France as a basis for investing in the stock of the Union Life; a statement of the movement in loans and investments for the past year in both companies; information as to the subsidiary companies in which Mr. Evans is interested and their relation, if any, to the Union Life and the Home Life; and an official statement as to what general policy is being formulated to place these two companies more fully in the public confidence, or otherwise to safeguard the security of the policyholders.

Work has commenced on the sea wall at Ogden Point, which is part of the Victoria Harbor enlargement work to be completed in 1915.

NO NEED FOR CENTRAL BANK

Says Finance Minister—As to Large Dominion Note Issue—Guarantee of Deposits.

During the discussion in the House at Ottawa last week on the Bank Act the Hon. W. T. White, Minister of Finance, stated he could see no public demand for a great national bank in Canada, such as suggested by Mr. W. F. Maclean, M.P. He thought that Mr. Maclean had lost sight of the fact that the Bank of England was the great regulator of London, and of the financial world. The Bank of England is not a government bank; it handles the Government business; but it is a private bank, privately owned and privately administered. Therefore so far as Great Britain is concerned, and London is the money centre of the world after all is said, they have not felt the need of a national bank. The Bank of England manages the Government business; and has a great deal to do for the Government; but it is not a government bank in the sense indicated by Mr. Maclean.

High Among World's Banks.

Mr. White thought that we had failed to realize the size of the banks that we have in Canada. So far as prestige, so far as financial strength is concerned, they stand high among the great banks of the world, that is, our greatest banks. In this country he thought there was no public demand for a great national bank administered by the Government, gathering up the savings of the people and using those savings on public works. He thought the opinion of the people in regard to public works, is that it is very much better that we should use our credit abroad, where capital exists among the lending nations, especially in Great Britain, for the purpose of obtaining that money, and that the savings of the people should be available for the commercial and other needs of the country which are expanding at such a great rate.

Large Dominion Note Issue.

He also dismissed the suggestion made by Mr. Maclean as to a large issue of two or three hundred million dollars of Dominion notes secured to the extent of twenty-five per cent. by gold. Mr. White did not think that would appeal to the sound judgment of the House. If the notes were unsecured by gold and were not made fiat money, they would not remain out; the Government would not be in a position to redeem them. Only twenty-one or twenty-two million dollars of notes are in the hands of the people. There are the bank notes, but two or three hundred million dollars of Dominion notes, secured to the extent of twenty-five per cent. by gold, would be very unsafe finance. In fact it would be an impossible situation to maintain; the money would not stay out; the Government would not be able to meet its liabilities, unless it were made fiat money, and fiat money means a depreciative currency and all that follows from that.

Guarantee of Deposits.

As to the proposal that all banks should guarantee the deposits of each, it meant that the credit of all the banks, the standing and reputation of all the banks should be equalized. It meant that all the banks were behind each, that no party would exercise or would require to exercise any discrimination as to where he should place his deposits. It meant that the bank that has been in business for a hundred years, or fifty years, and has an honorable record and is entitled to credit by its standing in the community, would have no more power, really, of attracting deposits than the bank that had not that standing. So, from that standpoint, it would be extremely undesirable.

It may be said that this relates to the bank, and if it were in the interests of the public, notwithstanding that the bank might lose the advantage of its standing and reputation, still some such provision should be adopted. But there is this to be said from the standpoint of the public: if a bank, especially a smaller bank or a new bank obtains money too rapidly, it is not likely to invest it very well. In other words, a bank must be in business some time before it is in a position to invest large sums of money wisely and well.

NORTHERN TRUSTS COMPANY

The assets under administration and the trust funds deposited with the Northern Trusts Company, with headquarters at Winnipeg, are assuming large proportions. The former now total \$7,835,725, an increase over last year of \$919,245; the latter amount to \$4,227,253. In 1905 they were \$97,422. The earnings as a result of operations have been eminently satisfactory. Seven years ago they were \$9,922; last year they had reached \$147,786. The company's shareholders after one year's business received dividends amounting to \$5,326; last year their share was \$96,420. There is a balance of \$225,604 in profit and loss surplus accounts. Capital and reserve investments amount to \$1,728,516. The amount of subscribed capital is \$1,500,000, of which \$1,452,980 is paid up.

FIFTY-FOUR COMPANIES INCORPORATED

Mining and Exploration Company Has Largest Capital —Hydro-Electric Tramways Have Headquarters at Victoria.

Company incorporation is a feature of Canada's development. Each week of this year has seen many companies chartered. This week's total is fifty-four and their capitalization amounts to \$11,344,000.

The largest companies are:—

Northern Quebec Goldfields & Exploration Company,	
Three Rivers, Que.	\$3,000,000
Corbeil, Limited, Montreal	1,000,000
Longueuil Riverside Land Company, Montreal.....	1,000,000
British Pacific Hydro-Electric Tramways, Victoria..	1,000,000

Grouping the new concerns according to the provinces in which the head offices are situated, we have the following results:—

Province.	No. of companies.	Capitalization.
Quebec	16	\$6,454,000
Ontario	23	2,700,000
British Columbia	14	1,690,000
Nova Scotia	1	500,000
	54	\$11,344,000

The following is a list of charters granted during the past week in Canada. The head office of each company is situated in the town or city mentioned at the beginning of each paragraph. The persons named are provisional directors:—

- New Westminster, B.C.**—City Grocery, \$15,000.
- Prince Rupert, B.C.**—Northern Laundry, \$25,000.
- Kamloops, B.C.**—Kamloops Theater Company, \$30,000.
- North Vancouver, B.C.**—Alexander Law, \$10,000 (architect).
- Vernon, B.C.**—Okanagan Valley Loan and Trust Company, \$250,000.
- Wellington, Ont.**—Prince Edward Cannery, \$40,000. R. L. Smith, E. McMahon, J. E. Lane.
- Amherst, N. S.**—Amherst Pianos, \$500,000. R. H. Murray, J. L. MacKinnon, Miss E. Hilton.
- Berlin, Ont.**—Battle Heights, \$65,000 (real estate). E. R. Riener, J. A. Scellen, J. J. A. Weir.
- Smith's Falls, Ont.**—M. Ryan & Son, \$200,000 (builders' supplies). M. Ryan, E. J. Ryan, J. Shanks.
- Lachute, Que.**—St. Catherine Heights, \$75,000. J. M. Dorion, Lachute; J. R. Collins, W. H. Moran, Fassett.
- Strathroy, Ont.**—Loyal Motor Car Company, \$500,000. D. W. Henry, J. M. McEvoy, C. S. Parker, London, Ont.
- Owen Sound, Ont.**—Owen Sound Rolling Mills Company, \$500,000. A. H. Macdonald, J. J. Drew, F. Watt, Guelph.
- Guelph, Ont.**—George E. B. Grinyer Company, \$75,000 (plumbers). G. E. B. Grinyer, H. E. Bates, H. Heather.
- Three Rivers, Que.**—Northern Quebec Goldfields and Exploration Company, \$3,000,000. J. S. Tebbutt, J. B. Tebbutt, H. J. Tebbutt.
- Hamilton, Ont.**—Centennial Park, \$40,000. G. H. Long, J. J. Markham, E. M. Faulkner.
- White Sewing Machine Company of Canada, \$40,000.** C. Touby, Cleveland; C. Stewart, W. C. MacBrayne, Hamilton.
- Victoria, B.C.**—Equitable Bond Corporation, \$100,000. Sage-Appleton, \$10,000. Graham, Warren and Company, \$25,000 (real estate). British Pacific Hydro-Electric and Tramways, \$1,000,000.
- Vancouver, B.C.**—Harbor Shipping Company, \$50,000. Pacific Coast Cable Company, \$25,000. Honig Stores, \$25,000. Dickie Creek (Lillooet) Power and Light Company, \$25,000. Booth Logging Company, \$100,000.
- Ottawa, Ont.**—Canadian American Land Company, \$100,000. G. D. Kelley, W. L. Scott, G. H. Maclaren. McDougall Creek Improvement Company, \$15,000. H. Robinson, H. K. Egan, Hon. W. C. Edwards. La Justice, \$100,000 (printers). L. H. Morisset, M. Morisset, B. Boutet.
- Quebec, Que.**—Compagnie Immobiliere Lauzon & Quebec, \$99,000. N. Gilbert, Quebec; J. Carrier, T. Carrier, Levis. Maison Canadienne de Finances et d'Immeubles, \$100,000. E. Roy, R. Langlais, O. Morin. Compagnie des Fermes Canadiennes de L'Ouest, \$50,000. J. C. Boulanger, F. X. Fafard, J. E. Legare.
- Montreal, Que.**—W. F. Myers Diamond Saw, Tooth & Tool Company, \$5,000. J. A. Mann, C. G. Mackinnon, T. B. Gould. Modern Joint of Montreal (founders), \$75,000. J. Galipeau, S. Langlais, T. Goulet. Short and Trower, \$500,000 (bond brokers). C. M. Johnston, G. R. Kappele, F. A. Sweet, Toronto. Perkins Electric Company, \$50,000. F. J. Parsons, P. S. Ferguson, W. R. Baillie.

- M. Melachrino & Company of Canada, \$50,000 (tobacco). A. C. Lorne, St. Lambert; R. B. Edwards, Miss J. L. Lawrence, Westmount.
- Canadian Griscom-Russell Company, \$50,000 (iron founders). J. W. Cook, A. A. Magee, T. J. Coonan.
- Corbeil, \$1,000,000 (boots and shoes). A. Corbeil, E. Corbeil, L. Blais.
- Financial Trust Company, \$100,000. H. E. Walker, H. N. Chauvin, G. H. Baker.
- Central Land Company, \$300,000. T. Rinfret, R. Genest, J. E. Bilette.
- Longueuil Riverside Land Company, \$1,000,000. W. K. McKeown, J. R. Law.
- Burnside Realty Company, \$100,000. W. L. Bond, R. L. H. Ewing, J. McBride.
- Toronto.**—Prince Albert Real Estate Corporation, \$25,000. H. C. Duff, H. P. Spragge, T. Moss. Maple Leaf Realty Company, \$100,000. J. S. Fullerton, J. J. Doran, C. J. Gibbon. National Holding Company, \$50,000 (advertising and commission agents). C. C. Osborne, C. H. R. Riches, H. A. Rice. Home Specialty Company, \$60,000. A. C. Coulson, F. J. Tracey, J. J. Kew. Porcupine Construction Company, \$40,000. C. M. Garvey, A. B. Nind, C. Jolliffe. Goldsmith Brothers Smelting and Refining Company, \$40,000. H. L. Nussbaum, Chicago; J. G. Maycock, Cincinnati; E. F. Singer, Toronto. Young Brothers, \$40,000 (fancy goods). C. H. Whitehead, Mrs. G. L. Young, Mrs. A. M. Whitehead. Bell-Field Manufacturing Company, \$40,000. J. H. Hunter, W. M. Cox, R. G. Roberts. Frank W. Robinson, \$50,000 (knitted goods). J. M. Burden, G. N. Shaver, A. R. Cochrane. Flor de Canada Cigar Company, \$40,000. E. P. Arcand, A. R. Cochrane, Mrs. L. Marcand. Toronto Paint Supply Company, \$40,000. C. H. Downes, G. C. Downes, A. E. C. Thomas. Chambers, McCuigge and McCaffrey Company, \$500,000 (contractors). W. C. Chambers, A. Spotton, H. Leighton, Hariston.

CANADA LIFE ASSURANCE COMPANY.

Another satisfactory year's statement is issued by the Canada Life Assurance Company, a well-known company. Its receipts for the year 1912 amounted to \$7,396,759, of which premium income yielded \$5,153,994 and interest \$2,242,765. The increase in surplus earned is due to an important gain in interest earnings, a gratifying rate of mortality and a low expense ratio. Any life company which can affirm these elements need not fear to meet its policyholders, and will be reasonably sure to attract new business.

The rate of interest earned on investments is a feature of the company's income which attracts attention. In five years the rate of earnings per cent. rose from 4.70 in 1907 to 5.03 in 1910 and 5.13 per cent. in 1912. The proportion of money lent on the security of mortgages is unusually large. It is \$16,856,000 out of a total of bonds, stocks, mortgages and loans on policies exceeding forty-two millions, equal to about 35 per cent.; the amount loaned on bonds, stocks and debentures being 39.46 per cent. and on the company's policies 14.4 per cent.

The amount of real estate which the company owns is very considerable, amounting to something over three millions of dollars. But it is a justifiable asset, inasmuch as it includes the company's office premises in ten cities of Canada and in London, England, and they are revenue-producing buildings. The amount loaned on bonds and stocks is trifling. The assets were increased from the year's business by the large sum of \$4,044,182 and their total is now \$48,301,523.

It is important to observe the low rate at which the company's assets have been valued. Over half are valued at three per cent. per annum and the remainder at three and a half. And the total surplus on policyholders' account is \$5,973,695.

Life companies have shared in the general prosperity of Canadian business institutions and increases in amount of policies written are this year common. The new paid-for policies for 1912 amount in the case of the Canada Life to the great sum of \$15,512,339, which is three millions above the largest previous year's writing. The aggregate of assurance in force now reaches \$144,877,970.

Holders of policies in this old company have no reason to grumble at the share of earnings distributed amongst them. Exclusive altogether of bonus additions they have received \$115,365 in dividends; their matured endowments came to \$380,026 (including \$39,930 bonus additions); \$86,441 was paid annuitants; surrender values of policies came to \$262,861; and the death claims paid reached \$1,618,269, which included \$119,337 of bonus additions. Thus altogether the sum paid policyholders reached \$2,462,964.

Representatives of the Montreal city council will join with the board of trade and the Montreal branch of the Canadian Manufacturers' Association in a request to the Federal government to subsidize a steamship line between Canada and the West Indies.

BANK BEATS ALBERTA PROVINCE

Famous Case as to Disposition of Proceeds of Railroad Bonds Goes Against Province, Privy Council Decides.

The Privy Council has allowed the appeal of the Royal Bank of Canada against the judgment against it in the Alberta provincial court in regard to paying over to the Provincial Government a sum involving \$6,000,000 held in connection with the Alberta and Great Waterways Railway project. The question argued before the Privy Council was the validity of an Act of the Legislature.

The Lord Chancellor, says a Canadian Associated Press cable, in delivering judgment, said that it was a question of great importance, and proceeded to review exhaustively the grounds for appeal, going on to speak of the public uneasiness shown in 1910 about the action of the Government in entering into arrangements concerning the railway. While a Royal Commission of Enquiry was sitting, there was a change of Government. The new administration introduced and passed two statutes, and on the validity of the first of these the question to be decided in appeal turned.

This statute, after setting out in the preamble that the railway company had made a default in payment of interests on bonds and in the construction of the line, and then ratifying and confirming the guarantee by the Province of the bonds, enacted that the whole of the proceeds of the sale of the bonds and all interest thereon, including such part of the proceeds of the sale as was then standing in the banks in the name of the treasurer of the Province or otherwise, and comprising inter alia the six million dollars and accrued interest in the appellants bank, should form part of the general revenue fund of the Province, free from all claim of the railway company, and be paid over to the treasurer without deduction.

Province Assumed Liability.

It was also provided that, notwithstanding the form of the bonds and guarantee, the Province should, as between itself and the railway, be primarily liable on the bonds and should indemnify the company against claims. By another statute, passed at the same time, any person claiming to have suffered loss or damage in consequence of the passing of the Act might submit his claim to the Government.

The Lord Chancellor went on to cite the steps subsequently taken in legal proceedings.

Continuing he said: "Their Lordships are not concerned with the merits of the political controversy which gave rise to the statute, the validity of which is impeached. What they have to decide is the question whether it was within the power of the Legislature of the Province to pass the Act of 1910. They agree with the contention of the respondents that in a case such as this it was in the power of that Legislature subsequently to repeal the Act which it had passed. If this were the only question which arose, the appeal could be disposed of without difficulty, but the Act under consideration does more than modify the existing legislation. It purports to appropriate to the Province the balance standing at special discounts in banks, and so change its position as regards a scheme to carry out which bondholders had subscribed their money.

Of the Fundamental Issue.

"Elaborately as the case was argued in the judgments of the learned judges in the courts below, their Lordships are not satisfied that what appears to them to be the fundamental question at issue has been adequately considered. It is a well-established principle of English common law that when money has been received by one person which in justice and equity belongs to another, under circumstances which render the receipt of it a receipt by the defendant to the use of the plaintiff, the latter may recover. As for money had and received to his use, the principle stands, and as to cases where the money has been paid for a consideration that has failed, the present case appears to fall within the broad principle on which judgments in the case of *Wilson versus Church* proceeded.

Lenders in London.

"Lenders in London remitted their money in New York to be applied to carrying out a particular scheme established by statutes in 1909 and Orders-in-Council and by contracts and mortgage of that year. The money claimed in action was paid to the bank as one of those designated to act in carrying out the scheme. The bank received the money at its branch in New York and the general manager then gave instructions from the head office in Montreal to the manager of the local branches for the opening of credit for special account. The local manager was told he was to act on instructions from the head office, which retained control.

Should Get Money Back.

"It appears to their Lordships that the special account was opened solely for the purpose of the scheme and that when the action of the Government in 1910 altered its conditions, the lenders in London were entitled to claim from the bank at its office in Montreal the money which they had advanced solely for the purpose which had ceased to exist. Their

right was a civil right outside the Province, and the Legislature of the Province could not legislate validly in derogation of that right.

"These circumstances distinguish the case from that of *King versus Lovett*, where the point decided was in reality quite a different one.

"In the opinion of their Lordships the effect of the statute of 1910, if validly enacted, would have been to preclude the bank from fulfilling its legal obligations to return their money to the bondholders, whose right to this return was a civil right, which had arisen and remained enforceable outside the province. The statute was on this ground beyond the powers of the Legislature of Alberta, inasmuch as what was sought to have been enacted was neither confined to property and civil rights within the province nor directed solely to matters of merely a local or private nature within it.

Is a Constitutional Question.

"Other questions have, as already stated, been raised in this appeal as to whether the statute of 1910 infringed the provisions of section 91 of the British North America Act by attempting to deal with a question relating to banking and by trenching on a field already occupied by the Dominion Banking Act. It was also contended that the appropriation of deposits to the general revenue fund of the province was outside the powers assigned to the Provincial Legislature for raising revenue for provincial purposes.

"The conclusions already arrived at makes it unnecessary for their Lordships to enter on a consideration of these questions, and of other points made during the arguments of counsel.

"Their Lordships will advise his Majesty that the appeal should be allowed, and the action dismissed. Respondents must pay costs here and in the courts below."

What the Royal Bank Says.

The following statement regarding the Privy Council's decision in the suit of the Royal Bank against the Province of Alberta was issued by the bank at noon to-day:

"It will be remembered that the money which formed the subject of this litigation was obtained from the sale of bonds of the Alberta and Great Waterways Railway Company, bearing the guarantee of the Province of Alberta.

"Subsequently, when Mr. A. L. Sifton retired from the Chief Justiceship and became Premier of the Province, he obtained the passing of an Act by the Legislature of Alberta confiscating this money to the general revenue of the fund of the province, thereby effectually preventing the carrying out of the railway enterprise for which the money was obtained.

"The Royal Bank having been advised that the money was the property of the bondholders refused to honor the cheque of the Government on presentation, whereupon the action just decided was instituted demanding payment of the amount to the Government. The judgment of the Privy Council justifies the Royal Bank in the position which it took in regard to this legislation. The action of the bank in taking the stand which it did for the protection of foreign investors is receiving general approval."

At the annual meeting of the Vancouver Life Underwriters' Association. The secretary reported that during the year 1912, 18 new members joined the association and five more applications for membership were made at the meeting. The new officers elected for the ensuing year were Mr. J. J. Roberts, honorary president; Mr. W. J. Twiss, president; Mr. H. A. Massey, vice-president; Mr. H. Cole Evans, secretary-treasurer, and Messrs. J. T. Brownlee, Jos. Waixel and S. J. Slack the executive committee.

The newly organized Eastern Rubber Company is making an offering of 8 per cent. preferred stock, carrying a bonus of common. They have acquired property on Eastern Avenue, Toronto, where a thoroughly modern factory will be erected. The capital is \$400,000 preferred, and common \$600,000; par value, \$50, of which 30 per cent. is being given as a bonus with the preferred. Mr. Roger Miller, Ingersoll, is president, and Mr. W. L. Horton, Goderich, vice-president, other directors being Messrs. James Playfair, J. J. Main, W. D. Tyrer, W. R. Blowers, Dr. A. H. Perfect, A. G. Gamble and W. J. Ingram, New York.

An order has been issued by the Dominion Railway Commission, cancelling proposed tariff changes by the Canadian Pacific Railway and Grand Trunk Railway abolishing stop-over privileges on international lumber shipments, except those destined exclusively to points in the United States. Consignees to whom lumber is shipped, from the United States to Canada or vice versa, often prefer to receive the timber in a partly manufactured state, planed or otherwise treated. Hitherto the railways have accorded the privilege of forwarding at the through rate raw lumber from the shipping point to some intermediate point where it is manufactured, and then shipping it on again to its destination for a slight advance over the regular tariff which would be charged for unbroken forwarding. The case will be argued in Toronto on February 7th.

LARGEST TRADE IN CANADA'S HISTORY

Imports and Exports Exceeded \$874,000,000—Analysis of Our Business With the World.

That the large increase of \$76,232,684 shown in the total trade of Canada for the fiscal year 1911 over that of 1910 would be exceeded when the fiscal year 1912 closed, was the prediction of Mr. F. C. T. O'Hara, Deputy Minister of Trade and Commerce. His prediction has been amply borne out by subsequent returns, the total imports and exports for the last fiscal year amounting to no less a sum than \$874,637,794, the largest volume of trade for any one year in the history of Canada. This was an increase over the fiscal year 1911 of \$105,193,889 or 13.67 per cent. It may be of interest to observe that the total trade of Canada for the last fiscal year was more than double the trade of Canada only ten years ago. The increase in that time amounts to \$450,727,350 or 106.33 per cent.

Again, this year, after a careful survey of every source of commercial information throughout the whole of Canada, it is once more apparent, in view of the unparalleled activity which abounds in every industry, that continued increases in Canada's trade may be expected for some time. In this connection it may be observed that the total foreign commerce of Canada for the twelve months ended October 31st, 1912, amounted to the splendid total of \$991,786,674, as compared with \$804,253,387 for the corresponding period of the previous year, showing an increase of \$187,533,287 or 23.32 per cent.

Increase in Imports and Exports.

The total imports for the fiscal year 1912 were valued at \$559,320,544, representing an increase over the year 1911 of \$87,073,004 or 18.44 per cent., while the increase over ten years ago was \$347,050,386 or 163.49 per cent.

For the fiscal year 1912, the total exports amounted to \$315,317,250,—Canadian produce accounting for no less than \$290,223,857 of this amount. In comparison with the year 1911, the increase in the export trade was \$18,120,885, while the increase over the total exports of ten years ago was \$103,676,964.

The excess of imports over exports in the year 1912 was \$244,003,294; in 1911, \$175,051,175; and in 1902, \$629,872.

Analysis of Import Trade.

An examination of the imports for the last fiscal year shows, with a few exceptions, large increases over the year 1911. Some of the principal increases are:—Animals, \$2,104,513; breadstuffs, \$2,534,084; carriages, \$4,554,982; coal and coke, \$8,554,578; flax, hemp and jute, \$1,072,146; fruits, \$3,501,494; gutta-percha, \$1,141,995; leather, \$1,082,374; metals, \$18,043,344; oils, \$1,400,046; provisions, \$2,870,114; settlers' effects, \$1,072,601; spirits and wines, \$1,039,913; tea, \$1,056,887; wood, \$3,373,989.

The total imports from the principal countries of the world for 1912 show increases over those of the preceding year. The imports from the United Kingdom amounted to \$117,192,431 against \$110,586,801 in 1911, and \$49,435,388 in 1902, showing an increase of \$6,605,630 or 5.98 per cent. over the year 1911, and over ten years ago, an increase of \$67,757,043 or 137.06 per cent. The imports from the United States were \$368,145,107, as compared with \$294,415,202 in 1911, and of \$129,794,147 in 1902, the increase over the year 1911 being \$73,729,905 or 25.04 per cent., and over ten years ago \$238,350,960 or 183.64 per cent. The percentage of increase in the

imports from the United States is thus greater than from the United Kingdom.

As a result of the operation of the Franco-Canadian trade treaty which went into force on February 1st, 1910, the imports from France have considerably increased. For the year ended March 31st, 1910, the total imports from France amounted to \$10,170,903, whereas the imports for the year 1912 were valued at \$11,885,706. Not only have the imports from France increased under the operation of the Franco-Canadian trade treaty, but the imports from those other countries entitled to the benefits of the said treaty have also largely increased.

The surtax tariff was imposed on dutiable imports from Germany on the 28th of November, 1903, and continued in force until the 1st of March, 1910. During the time the surtax was in operation the imports from Germany show a marked decrease each year with the result that the imports of dutiable goods for the year 1909 were only \$4,400,718, as compared with \$10,287,909 for the year immediately preceding the imposition of the surtax. The decreases were exceedingly large for the following classes of imports, viz.: glass, \$141,943; metals, \$1,272,968; paints, \$176,753; silks, \$271,461; sugar, molasses, etc., \$3,070,974; and wool, \$591,312,—a total decrease of \$5,523,411 for these classes of goods. From the day the surtax was imposed on German goods, the imports of German sugars gave place to sugars from the British West India Colonies. The removal of the surtax on the 1st of March, 1910, paved the way once more for the unrestricted entry of German goods. The dutiable imports for the fiscal year 1912 were \$7,998,886 against \$4,400,718 in 1909, showing an increase of \$3,598,177 or 81.76 per cent.

The exports for the fiscal year 1912 were larger than for any previous year in the history of the Dominion. An examination of the large divisions or classes of Canadian produce exported will show that the exports of the fisheries, \$16,703,678; agricultural products, \$107,143,375; and manufactures, \$35,836,248; are larger than ever before, and that the exports of the mine, \$41,324,516, are also larger than in any earlier year, except 1911. The exports of the forest, \$40,892,674, and animals and their produce, \$48,210,654, are smaller than in 1911. During the period under review the exports by large divisions or classes of Canadian produce to the United Kingdom, the United States and other countries with proportion of each class, were as shown in the table at the foot of this page.

Principal Classes Exported.

The principal classes of Canadian merchandise exported during the fiscal year 1912 show marked fluctuations when compared with similar exports in the year immediately preceding. The following classes of merchandise show increases, viz.:—Breadstuffs, \$21,604,265 (principally oats, \$1,674,796; wheat, \$17,069,429, and wheat flour, \$2,179,274); carriages, \$823,995; fertilizers, \$488,253; fish, \$595,678; fruits, \$3,497,633 (principally green apples, \$3,347,223); hay, \$3,650,299; hides and skins, \$456,373; metals, \$172,828; oils, \$581,464; provisions, \$1,826,957 (principally butter, \$1,333,628).

The following classes of merchandise show decreases, viz.:—Animals, \$4,878,972 (principally cattle over one year old, \$4,426,916); coal, \$1,675,967; furs, \$617,587; leather, \$145,493; paper, \$43,312; seeds, \$4,059,360 (principally flax seed, \$3,302,380); spirits and wines, \$31,466; vegetables, \$88,433; wood, \$5,164,619 (principally logs, \$425,759; lumber, \$3,769,309, and wood pulp, \$621,227).

The agreement concluded between representatives of Canada and certain of the West India Colonies on April 9th, 1912, has been approved by the various West India Colonies which are parties thereto. Upon approval thereof by Canada, the agreement will take effect on and after such date as may be agreed on by all the parties to the agreement.

Divisions or Classes.	To United Kingdom.	To United States.	To Other Countries.	Proportion of Total to		
	\$	\$	\$	U. K.	U. S.	O. C.
The Mine	5,555,599	33,259,580	2,509,337	13.45	80.48	P. C.
The Fisheries	5,132,047	5,378,664	6,193,967	30.72	32.20	6.07
The Forest	10,950,840	25,483,532	4,458,302	26.78	62.32	37.08
Animal Produce	36,923,024	9,864,524	1,423,106	76.59	20.46	10.90
Agricultural Products	81,784,731	11,685,611	13,673,033	76.33	10.91	2.95
Manufactures	6,852,710	16,312,751	12,670,823	19.12	45.52	12.76
Miscellaneous	41,462	56,560	13,654	37.13	50.65	35.36
Total	147,240,413	102,041,222	40,942,222	50.73	35.16	12.22
						14.11

Two industrial by-laws were carried at St. Thomas, Ont. One proposing to guarantee the bonds of Thomas Brothers, brush and broom manufacturers, to the extent of \$30,000 for additions to their factory, and a by-law to pay the moving expenses of the Snedicorr and Hathaway Company, shoe manufacturers, from Detroit to St. Thomas.

A securities company, with connections in the old country and Europe, is in process of formation at Toronto. The company will have a capital of \$1,000,000. The management of the new concern will be in the hands of Mr. Avern Pardoe, Jr., who has severed his connection with Messrs. Baillie, Wood and Croft. The company's head office will be in Toronto.

Government insurance for workmen in Manitoba was adopted as a principle by both employers and employees at a conference of representatives of the board of trade and the

builders' exchange, and the trades and labor council. It was decided to approach the provincial government at once, and solicitors of the three parties to the conference will at once draft a bill for submission to the legislature.

The first annual meeting of the Prince Rupert committee of the Mainland Fire Underwriters' Association of British Columbia was held at the offices of the Continental Trust, Prince Rupert, recently. The following officers for the ensuing year were elected:—Chairman, Mr. C. W. Peck; vice-chairman, Mr. T. D. Pattullo; secretary-treasurer, Mr. M. J. Hobin; investigating committee, Messrs. E. H. Mortimer, E. C. Gibbons, and W. S. Fisher; fire protection committee, Messrs. J. C. Halsey, J. Lorne McLaren and Lee Baker; rate schedule and commission committee, Messrs. M. M. Stephens, A. G. Forster and T. Brown.

LIFE INSURANCE COST AND THE AGENT

Australian Writer Says Commission System Keeps Premiums Unnecessarily High.

An interesting article on the life insurance agent appears in the Melbourne Age. It speaks of the large commissions earned by agents and inquires whether he can be eliminated. "The sphere of life insurance reform," says the writer in our Australian contemporary, "includes an examination of some of the most interesting byways of business, but none more interesting or extraordinary than that which leads to a knowledge of the price which the insured of the community as a whole pays for the existence of the insurance agent or canvasser. Upon its corps of insurance canvassers or agents—men who dedicate their working hours to persuading their fellow men to insure their lives—every insurance company depends for practically the whole of its 'new business' from year to year.

"Whether they like or dislike machinery which they discreetly admit in their candid moments is open to very serious objection, every one of the managers and secretaries of the great insurance corporations in this city recognizes that the commissioned agent is simply indispensable to his company's progress and prosperity.

Closed Doors Without Agents.

"If we eliminated the agent," said the general manager of one of the largest Australian offices this week, "we might as well close our doors. He is simply a necessity of our existence; for if the average man is not worried or persuaded into insuring his life he neglects it, or only thinks of it when in a panic—when perhaps he can only be insured at enormous cost." The 'direct business' of the insurance companies, that is, the business resulting from the insurer coming direct to the office of an insurance company, is so small that, except in the case of a few small but very sound offices in England, like the Life Insurance Office of London, it may be safely put down as considerably under 7½ per cent. of a given year's new insurances. In the case of the Victorian branch of the Australian Mutual Provident Society the direct business in 1911 did not exceed 5.3 per cent. of the whole. Other offices in Melbourne quote similar figures. In these circumstances it is hardly to be wondered at that the insurance companies cling to the commission agent method of increasing the volume of their business, and regard askance all proposals for weakening it as an institution. Some managers go so far as to say that they look with suspicion upon direct insurances, as experience has shown that many of those proposers who elude the net of the agents and come direct have something to hide.

Part of Modern Life Insurance.

"The insurance agent, therefore, is an integral part of modern life insurance in Australia as elsewhere. Few people outside the battalions of agents themselves and the inside staffs of insurance offices realize what a costly matter to the innocent insurer the existence of these parasites on a great business has proved to be. The amount of the commissions which the agents draw bears a relation to the first year's premium on every new insurance which would scarcely be believed were not the facts so well established.

"The commission ranges from 170 per cent. down to between 50 per cent. and 60 per cent. of the first year's premium, according to the terms which the various offices offer to their agents. The terms vary with the practice of the different companies; but owing to the competition for new business now existing in the Commonwealth, and to the entrance of several new competitors in the field within the last few years, they are in all cases made as tempting to the agent as possible.

How Commissions Eat Revenue.

"A few illustrations will suffice to show the extent to which the commission agency system eats into the revenue of the companies, and as a natural consequence loads the unfortunate insurers with high premiums. The National Mutual Life Association of Australasia pays on an ordinary life policy a commission of 1 per cent. on the sum assured. Thus an agent bringing in a man who takes out an ordinary insurance policy for £1,000 receives £10 for his services in the transaction. Other rates of commission are paid on other classes of insurance, the return to the agent varying according to the nature of the policy. During the year ended 30th September, 1912, new policies were issued by this company amounting to £3,593,800. Accepting the lowest rate of commission as a basis of calculation, this means that the agents secured no less than £35,938 out of the first year's premiums on these new policies.

"The probability is that they received a very great deal more, for the costs to the National Mutual Life Association of its new business in 1911-12, including medical fees, etc., was no less than 77.9 per cent. of the first year's premiums on that business; and in the previous year it was 81.4 per cent. of the premiums. The Australian Mutual Provident Society has an agency system which has for its most prominent feature the payment to agents for the bulk of the policies taken out a commission which is equivalent of 1½ per cent. on the sum insured. Thus an agent bringing in a proposal resulting in an insurance policy for £1,000 being issued would receive £15 out of the first year's premiums.

"Applying this 1½ per cent. commission arrangement to the society's new business in the year ended 31st December, 1911, it is soon seen how huge a bite out of the first premiums the agents secured. The new policies in the year named totalled £6,219,979. On the 1½ per cent. basis the commission would amount to, roughly, £93,200. As the annual premiums paid on the new business totalled £197,809, it will be seen that on this basis nearly half the first year's premiums would go into the pockets of the agent, and not of the society. The A.M.P. officials, however, say that the sum actually paid during the twelve months in commission was £81,055, and that £26,884 was paid in medical fees, so that the cost to the society of the new business in 1911 was £107,939, or a little over 50 per cent. of the new premiums. As, however, this sum does not include the proportion of the annual cost of the offices and the inside and inspecting staff expenses, properly debitable to new business under any really complete system of accountancy, it may be assumed that the cost of the A.M.P.'s new business in 1911 was much more than 50 per cent. of the premiums. The material point, however, is that on the society's own admissions £81,055 out of the new premiums received last year went into the pockets of the introducers.

"The commission paid in 1910 amounted to close upon £70,000. The Mutual Life and Citizens' Insurance Company Limited has its own commission plan. It pays its agents 40 per cent. of the first year's premiums on the new policies secured, plus a bonus, which may work out from £2 a month up to a very substantial salary, the agent's activity and success as an introducer of new policyholders being the basis of the amount of the total bonus. The company's new business expense rate last year was 58.9 per cent. of the premiums received on the new policies, the heaviest item being, of course, the remuneration of the agents.

"It is only fair to Australian offices to say that the costliness of their system of securing new business is not peculiar to them. Other great offices in England and other parts of the world pay away to agents a great proportion of the first year's income on new policies.

What Some Figures Show.

"The following figures, taken from 'Bourne's Insurance Directory, 1912,' tell their own tale:—

Company.	Percentage of First Year's Premiums Absorbed by the Expenses Incurred in Acquiring New Business in 1909.
English, Scottish and Law	101.4 per cent.
Law, Union and Rock	93.3 per cent.
Clerical, Medical and General.....	68.2 per cent.
Norwich Union	65.2 per cent.
Equity and Law	69.0 per cent.
Alliance	47.4 per cent.
Commercial Union	50.8 per cent.
Legal and General	49.5 per cent.

The figures do not, however, make the situation more palatable to the thinking policyholder, who is inevitably loaded with his share of the burden of maintaining a system which obliges him to foot an amazing bill year in and year out. Insurance managers say the public has only itself to blame, and that if men did not need wheedling into insuring their lives there would be no need to fee the agents to so large an extent. But the companies offer no inducements to the public to insure direct. They will give men who act as agents from 40 per cent. to 80 per cent. commission on the first year's premium to bring an insurer to them, but they decline to offer a penny commission or rebate to a man who comes to their offices voluntarily and says, 'I want to insure my life.' The companies freely admit that new business costs them about ten times as much in expenses as the cost of renewals, and they wring their hands, metaphorically speaking, over the fact. Yet they will neither encourage direct insurance by offering better first premium terms for insurance otherwise than through an agent, nor will they, if they can help it, countenance any rebate being given by their agents. Rebating is known to be done by smart agents in order to induce business on special terms. But it is performed sub rosa, and the secret of the transaction is known only to the parties directly concerned. The Australian Mutual Provident Society officials say they will sack any agent known to grant a rebate of the first year's premium to an insurer.

Less Extravagant Methods.

"There are visible symptoms, however, of a desire for some less extravagant and extortionate method of effecting insurances than the established commission agency system. A firm in Melbourne is now trying to break that system down by a device which really amounts to a sacrifice on its part of a portion of the commission it receives from the companies which consent to appoint it agent. The firm offers by advertisement to those who agree to make it their brokers half the first year's and 2½ per cent. reduction on each subsequent year's premiums. Some of the companies have flatly declined to appoint the firm as agent or to receive the propositions it submits; not because they doubt the firm's bona fides, but because they disapprove of rebating of any kind. Other companies have made contracts which enable the firm's clients to obtain the benefit of the rebates offered. The experiment is an interesting one, and is being watched with curiosity and no little anxiety by the Melbourne insurance world.

"The more cynical and worldly-wise of the company managers regard the whole effort as an impracticable tilting at windmills, which will remain as firm as ever after the impact. A searching public inquiry into the question of life insurance costs would reveal some surprising facts, and not the least interesting would relate to the commission system, which keeps premiums unnecessarily high, and makes life insurance unjustifiably dear."

GRAND TRUNK IN NEW ENGLAND

President Chamberlin Wants to Find Six Million Dollars—Questions Asked at Ottawa.

President Chamberlin of the Grand Trunk was asked by a representative of the Boston News Bureau: "Are you going to resume construction of the line to Providence?" He replied: "I can make no statement now, but if you can tell me where we can get \$6,000,000, I can answer your question."

To a question whether \$6,000,000 would complete the work, Mr. Chamberlin answered in the affirmative.

Mr. Charles S. Mellen and Mr. E. J. Chamberlin entered pleas of not guilty in the Federal District Court at New York to indictments charging them with violating the criminal clause of the Sherman Anti-Trust Law in connection with a "monopoly agreement" between the New York, New Haven and Hartford Railroad and the Grand Trunk Railway. They were given until Monday, February 10, to change or withdraw their pleas.

As each was under \$10,000 bail to which they were admitted under previous indictments for the same alleged offence, this bail was allowed to stand. No date was set for the trial. Both of the defendants were in court.

Mr. Alfred W. Smithers, of London, England, chairman of the Grand Trunk Board of Directors, jointly indicted with Messrs. Mellen and Chamberlin, was not in court.

The United States marshal served Messrs. Mellen and Chamberlin with an order requiring them to produce in the Federal Court in New York certain documents, including letters exchanged between Mr. Ezra Baker of the New Haven and Smithers of the Grand Trunk, and transmitted by Mr. Smithers to Mr. Chamberlin. The Government contends that these letters had reference to the traffic agreement between the two roads.

For the first time, the other day, the proceedings in the United States against the Grand Trunk Railway officials was the subject of inquiry in the House at Ottawa. The Government was asked whether they were aware that proceedings had been taken in New York against the Grand Trunk Railway Company or the Grand Trunk Pacific Railway Company for failing to extend their lines in New England or in other parts of the United States.

The Government replied that it is informed that proceedings have been taken in the State of New York but understands that such proceedings are against officials of the Grand Trunk Railway Company. It has no exact information but understands that the proceedings have been taken by way of indictment for alleged contravention of the laws of the United States respecting the regulation and control of railways.

Grand Trunk Obligations.

The Government was asked also what are the obligations and responsibilities of the two railway companies under the contracts and statutes providing for the construction of the National Transcontinental Railway and replied that they are set forth in the contractual and statutory provisions which are embodied in chapter 71 of the Acts of 1903 entitled "An Act respecting the Construction of a National Transcontinental Railway" and chapter 24 of the Acts of 1904 entitled "An Act to Amend the National Transcontinental Railway Act." Both companies are also subject to the provisions of the general statutes of Canada relating to railways under federal jurisdiction, that is to say, chapter 58 of the Acts of 1903 entitled "An Act to Amend and Consolidate the Law respecting the Railways" and the various Acts since passed by Parliament in amendment thereof. By the contract and amending contract which were ratified by the Acts of 1903 and 1904 above mentioned the Grand Trunk Railway Company assumed obligations in respect of the construction of the western division of the National Transcontinental Railway; and the Grand Trunk Pacific Railway Company undertook the construction of that division within a stated period, which has since been extended.

The Grand Trunk Pacific Railway Company also undertook to operate the eastern division of the railway under lease from the Government for a period of fifty years upon the terms set forth in the contracts and confirming statutes. Among other important obligations of the company are those contained in sections 42 and 43 of the contract of 1903, which are as follows:—

How the Contract Reads.

42. It is hereby declared and agreed between the parties to this agreement that the aid herein provided for is granted by the Government of Canada for the express purpose of encouraging the development of Canadian trade and the transportation of goods through Canadian channels. The company

accepts the aid on these conditions, and agrees that all freight originating on the line of the railway, or its branches, not specifically routed otherwise by the shipper, shall, when destined for points in Canada, be carried entirely on Canadian territory, or between Canadian inland ports, and that the through rate on export traffic from the point of origin to the point of destination shall at no time be greater via Canadian ports than via United States ports, and that all such traffic, not specifically routed otherwise by the shipper shall be carried to Canadian ocean ports.

43. The company further agrees that it shall not, in any matter within its power, directly or indirectly advise or encourage the transportation of such freight by routes other than those above provided, but shall, in all respects, in good faith, use its utmost endeavors to fulfil the conditions upon which public aid is granted, namely,—the development of trade through Canadian channels and Canadian ocean ports.

What Dominion Government Says.

Replying to a question as to what extent, if any, will those obligations or responsibilities be probably effected by the pending proceedings in the courts of the United States, the Government has no information at present that they will be in any way affected. The Grand Trunk Railway Company holds the capital stock of the Grand Trunk Pacific Railway Company and controls the undertaking of the last named company. The Government recognizes its duty to take all appropriate and available steps for the purpose of preventing any violation or disregard of the provisions of the above mentioned contracts and statutes, whether by diversion of traffic from Canadian ports and routes or by any such undue or improper diversion of the companies' resources as would delay or interfere with the completion and operation of the National Transcontinental Railway in accordance with the companies' obligations to the people of Canada.

REGINA'S FIRE LOSS WAS HEAVIER

Regina's fire department responded during 1912 to 135 alarms. This exceeds the number of the previous year by 34, states Fire Chief White in his annual report. The total loss by fire during the year amounted to \$139,120.41, being \$33,086.22 more than in 1911.

Total loss on buildings and contents, \$139,120.41.

Total insurance on buildings and contents, \$689,600.

Estimated value of buildings and contents to which the department were called and used either water or chemicals was \$3,249,350.

Calls received included 52 to residences, 14 to offices and store buildings, 11 to rubbish, electric light poles, etc., 10 to stables, 10 to office buildings, 9 to fire alarm boxes that were false, 7 to warehouses, 5 to apartment houses, 4 to rooming houses, 3 to cars, railway and street railway, 2 to departmental stores, 1 to lumber yards, 2 to hotels, 1 to garages, 2 to bakeries, 2 to automobiles, 2 to cafes; and the causes of fires: Chimney fires, 16; chimney and stove pipes, 14; furnace pipes, 2; supposed incendiary, 2; false alarms on fire alarm by mischievous persons, 9; thawing frozen water pipes, 1; carelessness with gasoline, 6; cigar or cigarette stubs, 6; hot ashes put close to wood, 5; hot coals from stove, 3; unknown causes, 4; coal oil stoves, 6; chimneys filling house with smoke from being dirty, 3; sparks from chimneys, 5; carelessness with lighted matches, 3; sparks from hand forge, 1; children and matches, 6; rheostat, articles close to, 2; fire crackers, 2; re-kindling of previous fires, 2; electric light lamp, 1; rubbish fires, 2; struck by lightning, 3; caused by cyclone, 5; reflection of light, 2; filling lamp while lighted, 1; fires caused by hobos or tramps, 3; escaping steam taken for smoke, 3; defective fire places, 2; dust in hot air pipes, 1; ignition of grease, 2; drying clothes close to stove, 1; defective hot air and furnace pipes, 2; smoke scares by heavy smoke from chimneys, 3; sparks from furnace, 1; coal oil lamp explosions, 2; chemical explosions, 1.

A bill increasing the authorized capital of the Ottawa Terminals Company, a subsidiary of the Grand Trunk, from \$3,000,000 to \$6,000,000, has been passed by the railway committee of the federal government, at Ottawa. This legislation was rendered necessary by the heavy expenditure for the construction of the central station, and Chateau Laurier, which was considerably in excess of the estimates.

Increases approximating ten per cent. in the wages of railway conductors, trainmen and engineers, together with improvements in certain general conditions under which the men work, are being demanded of all the railroads in the Eastern Association, including the Canadian Pacific and Grand Trunk. Delegates from three great labor organizations, the Order of Railroad Conductors, the Brotherhood of Railroad Trainmen, and the Brotherhood of Locomotive Engineers, have arrived in Montreal for a preliminary conference with a view of presenting new wage schedules.

CRITIC OF OUR ISSUES IN LONDON.

Canadian Municipalities Should Get Money for Less Than Five Per Cent.—Not Enough Information Given to Investor in Our Industrials.

A critical and fair review of Canadian industrials and their relation to British investors appears in the London Economist. The article recalls the fact that some Canadian newspapers have been complaining lately of the coldness of the British investor towards Canadian securities generally, and more particularly in the case of Canadian industries. As a matter of fact, the writer continues, the British capital found for Canada of late years has been and still is on a prodigious scale. But still the complaints existed, and they are seemingly founded upon the theory that the investment has been very profitable for all parties, and that the British investor ought not to exercise any discrimination in developing the Empire.

"Let us try to examine the matter fairly," says our contemporary. "The prices of high-class Canadian issues have certainly fallen, but so have all first-class investments. Other colonial governments and municipalities have had to borrow at much higher rates than they have paid on previous occasions—the Australian States have renewed loans at four per cent. But there has been a very striking advance in the rates which Canadian municipalities have been willing to pay in London. Moose Jaw and Saskatoon, which about a year ago were offering 4½ per cent. stock, have issued additional loans at 5 per cent.

Less than Five Per Cent.

"It is said that Canadians themselves have put much capital into Canadian industry; if, therefore, there is money in Canada available for investment, surely a Canadian municipality ought to be able to get money at less than 5½ per cent., for a 5 per cent. issue in London means that approximately this rate is paid by the borrowers. We sometimes fear that in their anxiety to "get big" quickly the small Western towns are basing their calculations on increases of population as rapid in each of the next ten years as in the past two or three, and are equipping themselves with roads, sewers, lighting and water plants, and schools, on a too generous scale.

"The share that the British investor has taken in Canadian industrials is not very large as compared with the total amount of British capital invested in Canadian securities as a whole, the proportion having been estimated at about one-fifth. Canada has had its slumps in the past, though it is not the memory of these which may be keeping the investor away from Canadian industrials; rather is the cause to be found in the low average quality of the industrial investments which have been offered over here. Some of them, of course, have been very good, and have been able to secure funds on very favorable terms indeed. But too frequently have their prospectuses been lacking in real information as to the security offered, while indications have frequently pointed to the employment of the vicious system of finance associated with the early history of some of the American railways.

Too Much Watered Capital.

"They have been floated with a large capital in ordinary shares, conveying to the unsuspecting investor the idea of stability for the bonds or debentures for which he is asked to subscribe, while in reality all this capital was so much water, being taken by the promoters for the value of their services, the bondholder having to provide all the money for capital expenditure, and sometimes for the promotion expenses as well. The bonds in such a case have no more security than if they were the real ordinary stock of the concern, and the price at which they are issued is out of proportion to their worth. It may be worth the while of promoters to pay the bond interest until either the company can earn it or has been proved a failure. If a failure, the bondholders lose everything; if it is a success, the paper capital becomes of substantial value—a 'heads I win, tails you lose' arrangement.

"To show how investors have fared as regards Canadian industrial securities issued during the recent boom years we may set out a few of them with their issue prices and present quotations. A fair selection of some large concerns is given in the following table:—

Issued in London.	Security.	Issue Price.	Present Price.
Oct., 1909,	Canada Cement 7% Pref.	93	96
Jan., 1910,	Do 6% Bonds	par	105
April, 1911,	Canadian Cottons 5% Bonds	94	84
May, 1909,	Canadian Mineral Rubber 6% Deb. Stock	98	77½
Nov., 1910,	Canadian North Pacific Fisheries 5% Deb. Stock	86	79
July, 1911,	Canadian Pacific Lumber 6% Bonds	93	83½
Nov., 1911,	Canadian Western Natural Gas 5% Deb. Stock	90	86½
April, 1911,	Columbia River Lumber 5% Stock	89	88½

Issued in London.	Security.	Issue Price.	Present Price.
June, 1910,	Dominion Sawmills and Lumber 6% 1st Mort. Deb.	95	30
April, 1910,	Canadian Western Lumber 5% Deb. Stock	88	89½
Jan., 1911,	Canadian Wheat Land Shares, 5%	par	13-16
Oct., 1906,	Southern Alberta Land Shares, 10%	par	1½
Oct., 1909,	Do 5% Deb. Stock	par	98
Feb., 1912,	South Winnipeg 5% Deb.	90	83½
Feb., 1906,	Western Canada Land Shares, 5%	par	1½
April, 1910,	Do 5% Deb. Stock	par	101
March, 1907,	British Columbia Electric Ry. 4¼% Deb. Stock	99	98½
Dec., 1908,	Do 4¼% Deb. Stock	99	98½
March, 1911,	Do 4¼% Deb. Stock	par	98½
June, 1912,	Do 5% Pref. Stock	105	106½
June, 1912,	Do 6% Pref. Ord. Stock	110	122
Feb., 1909,	Winnipeg Electric Railway 4½% Deb. Stock	97	101
April, 1912,	Canadian General Electric 7% 5% Bonds	103	118
March, 1906,	Electrical Development of Ontario 5% Bonds	96½	96½
July, 1908,	Toronto Power 4½% Cons. Gtd. Deb. Stock	98	99
Oct., 1911,	Toronto Power 4½% Cons. Gtd. Deb. Stock	96	99
April, 1905,	Montreal Light, Heat and Power Ord., 9%	92	239½
Feb., 1908,	Montreal Light, Heat and Power Ord., 9%	99	239½
Dec., 1908,	Montreal Water and Power 4½% Prior Lien Bonds	94	96
April, 1905,	Shawinigan Water and Power 5% Bonds	98	106½
June, 1907,	Do 4½% Deb. Stock	90	101½
Oct., 1908,	Canada Iron Corp. 6% Bonds	99½	99
Nov., 1909,	Canadian Car and Foundry 7% Pref.	95	117
Feb., 1910,	Do 6% Bonds	103	110½
May, 1910,	Canadian Collieries (Dunsmuir) 5% Bonds	95	86
July, 1909,	Dominion Iron and Steel 5% Mort. Bonds	93	100
April, 1912,	Dominion Steel Corp. 6% Cum. Pref. Shares	92½	95x
April, 1909,	Lake Superior Corp. 5% Gold Bonds	90	97½
Nov., 1910,	Lake Superior Iron & Chemical 6% Bonds	par	77
May, 1910,	Nova Scotia Steel & Coal 5% 1st Mort. Bonds	95	96
July, 1910,	Steel Co. of Canada 6% 1st Mort. Bonds	102½	101½

"It will be seen that in some cases the stocks stand higher than the prices at which they were issued, but a number have depreciated heavily. Of course, a certain amount of depreciation might be expected, because the average level of the fixed interest-bearing securities has been declining. But this cause does not account for the fall of 9 points in Canadian Collieries 5 per cent. bonds, 10 points in Canadian Cottons bonds, 7 points in Canadian North Pacific Fisheries bonds, 10 points in Canadian Pacific Lumber, and 23 points in Lake Superior Iron and Chemical 6 per cent. bonds. All these companies were formed in 1910 or 1911, either as new concerns, or to take over the property of older ones, investors having only estimates to guide them as to the security for their bonds.

Dominion Sawmills Was Nasty Shock.

"Holders of Dominion Sawmills and Lumber bonds had a nasty shock when interest payments stopped only eighteen months after the issue of the bonds and a drastic reorganization had to be adopted, bondholders accepting a reduction of 1 per cent. in the rate of interest. Another and more recent sensation is the slump in Southern Alberta Land shares, on the announcement of the failure of the irrigation scheme as originally presented, and on the strength of which the shares had been pushed up to 50s with the assistance of well-placed advertisements. Many of the present shareholders must have paid more than par for their holdings, and now see them at a heavy discount on the purchase prices. The shares of Canadian Wheat Lands, which was formed to acquire some of the Southern Alberta Land Company's holding, stand below their issue price. Some of the bonds issued by established companies, which are able to show a steady record of earnings, rightly command good prices.

"Thus the British Columbia Electric Railway has paid regular dividends on its capital, and has made several issues of 4¼ per cent. debenture stock at par or a point under. Even in this case, however, it is not possible to say whether enough is being put aside from revenue to depreciation and renewals. The great difficulty in the way of determining the positions of nearly all the companies, and particularly those of recent origin, is the lack of comparative balance-sheets and of proper information as to the value of the assets, which may be entered at fancy prices for all the investor knows. On

their good points and prospective advantages the British public is well enough informed by voluminous prospectuses and lengthy advertisements, which too often look like unpaid editorial notes. The concerns floated by honest promoters on sound property valuations may suffer with the rest when the extravagant promotion methods of the bad ones are revealed by some setback to Canadian prosperity. It is hard to see where the remedy may be found. The simplest lies in the hand of the investor himself. If all bad promotions are rejected the sound ones will enjoy the better credit. Canada has many strong points—an excellent banking law, and a sound system of local and central government. But the better the country and the greater its possibilities the more is caution requisite in the piling up of liabilities. The more London discriminates as a lender the better for Canada as a borrower."

JANUARY FIRE LOSSES

**They Were Very Heavy—Many Big Fires Occurred—
Carelessness is Prominent Amongst Causes**

The Monetary Times' estimate of Canada's fire loss during January amounted to \$3,913,385, compared with December loss of \$1,769,905 and \$3,002,650 for the corresponding period of last year. The following is the estimate of January losses:—

Fires exceeding \$10,000	\$1,921,506
Small fires	1,481,438
Estimates for unreported fires	510,441
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	\$3,913,385

This loss has only been exceeded twice during the last two years, viz., in July, 1911, when the Porcupine conflagration increased the loss to \$5,384,300, and in June, 1912, when the destructive Chicoutimi blaze sent the total for that month up to \$4,329,412.

During January there were twenty-two fires where the loss exceeded \$10,000, the largest being that which destroyed the Burns packing plant at Calgary.

The following are the monthly totals of the losses by fire during 1909, 1910, 1911 and 1912:—

	1909.	1910.	1911.	1912.
January ..	\$1,500,000	\$1,275,246	\$2,250,550	\$3,002,650
February ..	1,263,005	750,625	941,045	1,640,153
March	851,690	1,076,253	852,380	2,261,414
April	720,650	1,717,237	1,317,900	1,355,055
May	3,358,276	2,735,536	2,564,500	2,251,815
June	1,360,275	1,500,000	1,151,150	4,229,412
July	1,075,600	6,386,674	5,384,300	1,741,371
August	2,582,915	1,667,270	920,000	1,164,760
September .	1,615,405	894,125	1,123,550	883,949
October ...	2,208,715	2,195,781	580,750	1,416,218
November .	935,191	1,943,708	1,506,500	1,184,010
December .	1,433,813	1,444,860	2,866,950	1,769,905
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	\$18,905,538	\$23,593,315	\$21,459,575	\$22,900,712

Each Province Adds to Toll.

The fire waste in each province has been estimated as follows:—

Alberta ..	\$1,973,980
Ontario ..	584,999
Saskatchewan .	482,764
Manitoba ..	386,630
Quebec ..	167,152
British Columbia	153,629
New Brunswick	80,102
Nova Scotia ..	68,020
Prince Edward Island	16,100
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	\$3,913,385

The fires at which loss was estimated at \$10,000 and over were as follows:—

Arcola, Sask., business section.....	\$ 21,000
St. John, N.B., warehouses	10,000
St. John, N.B., laundry, etc.....	19,000
Brantford, Ont., cordage works	90,000
Truro, N.S., business block	12,306
Calgary, Alta., packing plant	881,000
Edmonton, Alta., business block	27,600
Broderick, Sask., business section	15,000
Belmont, Man., bank	10,000
Hazelton, B.C., store	50,000
Chatham, Ont., store	30,000
St. Boniface, Man., rolling mills.....	40,000
Niagara Falls, Ont., transformer building.	100,000
Abbotsford, B.C., business section	30,000

Wapella, Sask., business section	150,000
Portage, P.E.I., store	10,000
New Glasgow, N.S., business block.....	15,000
Fort Saskatchewan, Alta., business section	101,000
Montreal, Que., business block	37,000
Montreal, Que., warehouse	60,000
Toronto, Ont., business block	12,600
Edmonton, Alta., business block	200,000

Carelessness of Individuals.

The structures damaged and destroyed were 152 residences, 61 stores, 25 barns and stables, 17 factories, 14 hotels, 13 business blocks, 8 warehouses, 7 school and colleges, 6 halls, 5 sawmills, 5 garages, 5 foundries, 4 pool-rooms, 4 cafes, 4 laundries, 4 theatres, 4 office buildings, 3 club houses, 3 post-offices, 3 boarding houses, 2 power houses, 2 blacksmiths' shops, 2 banks, 2 churches, 2 green-houses, 1 convent, 1 elevator, 1 newspaper office, 1 bakery, 1 packing plant, 1 barracks, 1 picture theatre, 1 flax mill, 1 cook-house, 1 rolling mill, 1 water tank.

There were destroyed 61 horses, 29 cows, 6 calves, 4 pigs, 205 chickens, 7,500 bushels wheat, 7,300 bushels oats, 3,000 bags flour, 300 tons hay, 125 bags crushed grain, 800 tons binder twine, 4,000 carcasses meat, 35 cases honey, 3 buggies, 5 sets harness, 1 carload potatoes, 1 box car of ale, 13 freight cars, 1 refrigerator car, 1 baggage coach, 1 threshing outfit, 3 automobiles, 3 tents.

Of the presumed causes, 19 were attributed to overheated stoves, 15 defective chimneys and flues, 13 defective stovepipes, 12 overheated furnaces, 12 matches, 12 gasoline explosions, 9 overheated stovepipes, 7 hot ashes, 7 sparks, 5 incendiary, 5 electrical defects, 5 decorations set alight, 5 lamps upset and exploded, 4 defective furnaces, 3 curtains set alight, 3 tramps, 3 oil stove explosions, 3 thawing out water pipes, 3 heaters, 3 engine backfiring, 3 spontaneous combustion, 2 overheated molds, 2 defective grates, 2 gas fixtures, 2 mice eating matches, 2 car heaters, 1 cigarette, 1 upset lantern, 1 was ignited, 1 gas stove, 1 smoking in bed, 1 child carrying light, 1 hot stovepipe fell on matches, 1 coal stove explosion, 1 over-heated boiler, 1 wood in stove, 1 can of japan exploded.

List of Dead is Smaller.

The number of deaths from fire during January is fourteen.

The following are the monthly totals compared with 1909, 1910, 1911 and 1912:—

	1909.	1910.	1911.	1912.	1913.
January ..	16	27	27	27	14
February ..	8	15	12	11	..
March	16	20	18	24	..
April	18	37	20	15	..
May	21	15	28	18	..
June	16	52	13	6	..
July	4	15	110	9	..
August	17	11	22	16	..
September .	10	10	13	6	..
October	26	16	17	21	..
November .	34	19	20	22	..
December .	33	19	17	28	..
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Totals ..	210	256	317	203	14

The fires at which fatalities occurred were:—

Vancouver, B.C., burning building	1
Jonquiere, Que., exploded gasoline lamp.....	1
Strathroy, Ont., lamp explosion	1
Montreal, Que., burning building	1
Edgewood, B.C., burning building	1
Ryley, Alta., clothes set alight	2
Sydney, N.S., burning building	1
Fort William, Ont., burning building.....	1
Edmonton, Alta., burning building	1
St. Scholastique, Que., burning building.....	2
Cranbrook, B.C., burning building.....	1
Relfield, Sask., burning building	1
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	14

NORTHERN MORTGAGE COMPANY

Only two complete years of business have as yet been experienced by the Northern Mortgage Company of Canada, but it appears to be laying a good foundation for years to come. A balance, \$23,581, was carried forward at the end of last year to the credit of profit and loss. The debenture stock issued and paid for totalled \$519,462, an increase of \$317,262 during the year. The company's investments are all in first mortgages on improved properties. The average rate of interest earned is about 7 3/4 per cent. Dividends on debenture and common stock were paid to the amount of \$59,205. The company's authorized capital is \$10,000,000 of which \$3,000,000 is subscribed and \$1,091,848 paid up. The increase in paid-up capital last year was \$386,585.

PUBLIC UTILITIES AND MISCELLANEOUS BONDS.

Large Sales Were Made Last Year—Popularity of the Issues.

During the past year sixty-two miscellaneous companies issued securities aggregating \$55,191,000, as against \$54,580,500 by forty-eight companies in 1911, according to Mr. E. R. Wood's bond review.

Sales in Great Britain aggregated \$33,792,000, or 61.24 per cent. of the total, Canada absorbing \$18,524,000, or 33.56 per cent., and the United States \$2,875,000 or 5.2 per cent.

The general prosperity of Canada during recent years has placed our large industrial companies under the necessity of securing capital in some permanent form in order to meet the yearly increasing demands made upon them. Many have chosen bonds as the best method of financing.

Higher Rate of Interest.

The universal demand for a higher rate of return from investments has given to our miscellaneous company issues a popularity that otherwise could hardly have been attained. General confidence in the future of Canada has made the exploitation of new industrial concerns comparatively easy,

and it was natural that advantage should be taken of the situation.

Too often bond issues of this class are based on too largely earning power instead of net tangible assets readily realizable under stress. With but few exceptions, however, investors in this class of security will find their confidence amply justified, for the prosperity of Canada is bound to continue, notwithstanding occasional disappointments. Most Canadian industrial issues are secured against tangible assets, are backed by an ample earning power under capable management, and are sponsored by established financial houses.

New Record Created.

In 1912 Canadian investors put more money into industrial issues than into all other classes of securities combined, due in most cases to the larger income derivable therefrom. Many investors in Great Britain, desirous of sharing in the prosperity of Canada, were enabled to do so best by purchasing our industrial securities. This impresses the necessity of being scrupulously careful that our miscellaneous company securities be fundamentally sound in assets and earning power, so that they will remain unimpaired even if periods of depression should visit Canada from time to time.

The appended table shows in detail the miscellaneous enterprises floating bonds during the year and the sources of the capital they have obtained.

The tramway, light, heat, power and telephone companies issued bonds to the extent of \$21,565,000, as compared with

MISCELLANEOUS ISSUES.

Company.	Amount.	Canada.	United States.	Great Britain.
Algoma Steel Corporation	\$ 5,650,000			\$ 5,650,000
Trust and Loan Company of Canada	3,000,000			3,000,000
British Columbia Breweries	2,750,000			2,750,000
British Maritime Trust, Limited	2,500,000			2,500,000
Robert Simpson Company, Limited	2,250,000			2,250,000
St. Lawrence Sugar Refineries, Limited	2,000,000	\$ 2,000,000		
Canada Iron Corporation	1,765,000			1,765,000
Steel Company of Canada	1,700,000	600,000		1,100,000
Ontario Pulp and Paper Company	1,500,000	1,000,000		500,000
South Winnipeg, Limited	1,500,000			1,500,000
St. Maurice Valley Cotton Mills	1,500,000	500,000		1,000,000
Etordan Pulp and Paper Company	1,500,000	750,000		750,000
Cape Breton Coal, Iron and Railway Company	1,500,000			1,500,000
Gordon, Ironsides & Fares Company, Limited	1,250,000	1,163,000	\$ 25,000	62,000
Investment Corporation of Canada	1,250,000			1,250,000
Ontario National Brick Company	1,250,000	1,250,000		
Calgary Brewing and Malting Company	1,200,000	300,000		900,000
Canadian Car and Foundry Company	1,100,000			1,100,000
Nova Scotia Steel and Coal Company, Limited	1,040,000			1,040,000
Eastern Car Company	1,000,000	1,000,000		
City Realty and Investing Company	1,000,000	750,000		250,000
Vancouver Lumber Company	1,000,000		1,000,000	
Merrill and Ring Lumber Company	1,000,000		1,000,000	
Ritz Carlton Hotel Company	1,000,000	1,000,000		
Canadian Venezuelan Ore Company	850,000	850,000		
Columbia Valley Orchards, Limited	800,000			800,000
Upper Fraser River Lumber Company	800,000			800,000
Sawyer-Massey Company, Limited	750,000	650,000		100,000
British Columbia Fruit Lands, Limited	750,000			750,000
British Columbia Lumber Corporation	750,000		750,000	
Canadian Cottons, Limited	700,000	700,000		
Kindersley (Sask.) Farm Lands Company, Limited	575,000			575,000
Canadian Interlake Line, Limited	520,000	470,000		50,000
Toronto Paper Manufacturing Company	500,000	200,000		300,000
Rolland Paper Company	500,000	500,000		
British Canadian Cannery, Limited	500,000	500,000		
American Sales Book Company	500,000	400,000	100,000	
Dunlop Tire and Rubber Goods Company	500,000	492,000		8,000
Thomas Davidson Manufacturing Company	426,000	426,000		
Anglo-Canadian Land Company	400,000			400,000
Atlas Glass Works	350,000	350,000		
St. Lawrence Flour Mills Company	300,000	300,000		
Arena Gardens	300,000	300,000		
Price Brothers and Company	250,000			250,000
Hewson Pure Wool Textiles, Limited	250,000	250,000		
Service's Canadian Lands, Limited	250,000			250,000
Mitford Colliery Company	250,000			250,000
Chadwick Brass Company	250,000	75,000		175,000
McGregor and McIntyre Company	225,000	175,000		50,000
Dominion Realty Company	217,000			217,000
P. Burns & Company, Limited	217,000	217,000		
Ontario and Manitoba Flour Mills Company	200,000	200,000		
Dominion Marble Company	150,000	150,000		
Maritime Nail Company	150,000	150,000		
Anglo-Canadian Hotels, Limited	150,000			150,000
Nova Scotia Carriage and Motor Car Company	150,000	150,000		
Imperial Realty Company	125,000	125,000		
Dominion Sewer Pipe Company	125,000	125,000		
Ontario and Quebec Navigation Company	100,000	100,000		
Belgo-Canadian Steel Company	60,000	60,000		
Canada Tea Company	50,000	50,000		
McLellan Lumber Company	46,000	46,000		
	\$55,191,000	\$18,524,000	\$ 2,875,000	\$33,792,000
		33.50%	5.2%	61.24%

\$32,105,500 in 1911 and \$7,945,000 in 1910. Many public utilities in Canada are owned and operated by provincial governments and municipalities, and their financial requirements are met by the issuance of government and municipal securities. For this reason the figures do not indicate the entire annual expenditures on public utilities.

Readjustment and Expansion

During 1912 all the securities of this class were put out by existing and well established public utility companies for the purpose of readjustment and expansion. Not a single new company of this class was exploited—a marked contrast to former years. Public service corporations directly serving

Toronto, Montreal and Vancouver were responsible for issues amounting to \$16,740,000 or 80 per cent. of the year's total.

For some years the British Columbia Telephone Company secured funds for extensions by the sale of capital stock. During 1912 its needs were met by the issuance of bonds and preferred stock.

Both at home and abroad the securities of our public service corporations are well and favorably known and the demand for them at times is in excess of the supply. It is generally recognized that the position of these companies is particularly strong and bound to improve with the growth of the large centres of population. The several issues and their markets are set forth in tabulated form:—

TRAMWAY, LIGHT, HEAT AND POWER, AND TELEPHONE COMPANY ISSUES.

Company.	Amount.	Canada.	United States.	Great Britain.
Vancouver Power Company (guaranteed by British Columbia Electric Railway)	\$ 4,000,000	.....	.....	\$ 4,000,000
Montreal Tramways and Power Company	6,350,000	\$ 500,000	\$ 5,850,000	.....
Western Canada Power Company	2,000,000	1,000,000	.....	1,000,000
Calgary Power Company	150,000	.....	.....	150,000
Shawinigan Water & Power Company	500,000	.....	.....	500,000
Dorchester Electric Company	550,000	300,000	.....	250,000
Montreal Tramways Company	890,000	100,000	540,000	250,000
Toronto Power Company	3,000,000	.....	.....	3,000,000
British Columbia Telephone Company	2,000,000	.....	.....	2,000,000
Bell Telephone Company	1,750,000	875,000	875,000	.....
Ottawa Electric Company	375,000	285,000	60,000	.....
	<u>\$21,565,000</u>	<u>\$ 3,060,000</u>	<u>\$ 7,325,000</u>	<u>\$11,180,000</u>
		14.18%	33.96%	51.86%

STANDARD TRUSTS COMPANY

Another successful year has been recorded by the Standard Trusts Company, which has made its mark in Western Canada, especially as one of the progressive and conservative trust corporations of the Dominion. The net profits for the year, after making the usual deductions, were \$104,982. With a balance at credit of profit and loss there was for disposal the sum of \$108,601. Dividends at 8 per cent. per annum absorbed \$42,500 of that amount. A substantial contribution of \$62,500 was carried to the reserve fund which now totals \$262,500. The balance carried forward was \$3,600.

In the directors' report to the shareholders, Mr. J. T. Gordon, the president, stated it was felt by some of the shareholders that when the reserve reached fifty per cent. of the paid-up capital the company, earning as it has been, twenty-one per cent. on its capital, would go on a ten per cent. dividend basis, but the directors, actuated by a conservative policy, deemed it prudent that twelve per cent. (or 60 per cent. of earnings) be carried to reserve. They have considered it good policy, too, at this stage of its career, to increase its capital stock by fifty per cent., or in the proportion of one share for every two shares held, and that at a premium of twenty-five per cent. As authority was given to the company's executive committee at the annual meeting of the shareholders in 1905 to increase the capital stock to \$1,000,000, of which total ten thousand shares of \$50 each have been issued and paid for, it was not necessary to take power from the shareholders to issue the additional five thousand shares. The shareholders, however, endorsed that course and the following figures show the standing of the capital account and reserve, immediately after the proposed subscription had taken place:—

Capital stock, 15,000 shares of \$50 each	\$750,000
Reserve, as above	\$262,500
Premium of 25 per cent. on new stock....	62,500
Total reserve	325,000

Mr. Gordon went fully into the company's progress during the year. The premises at Winnipeg have been adapted to the requirements of the head office. A six story building at Saskatoon is being constructed. Both these buildings have been taken into the financial statement at actual cost only.

Sir William Whyte, vice-president, dealt at some length with the company's financial position. He stated that the investment feature of the company's business was more active than usual during the year 1912. During the twelve months the company loaned \$1,662,275 and received for investment from various sources \$1,200,000. As a result of the large amount of new loans made, the executive committee were kept busy passing upon them, but care was exercised and only business of the highest class was accepted either for capital funds or for trust funds. The percentage loaned to the value of security rarely exceeded 35%. The total investments are \$5,500,000. A further indication of the extent to which the investment business has grown may be gleaned from the fact that the collections during the last twelve months totalled \$1,050,000, of which \$289,500 represents interest and \$760,500 principal repayments.

CANADA PERMANENT MORTGAGE CORPORATION

It should be remembered that the loaning of money is a business which cannot be learned in a day, but requires a long apprenticeship and much experience if the investor or his agent has in view the permanent security of interest on what at present appears to be a fair security. These statements were made by Mr. W. G. Gooderham, president of the Canada Permanent Mortgage Corporation at its annual meeting this week. That this company has long since completed its apprenticeship is well known, and further proof of the fact is revealed in its financial statement for the past year. The balance sheet indicates unusual strength in every account. The reserve fund amounts to \$4,000,000, as compared with a capital stock of \$6,000,000. A sum of \$250,000 was last year's contribution to the reserve. A substantial balance of \$96,027 was carried forward at credit of profit and loss and dividends at the rate of 9 per cent. for the year absorbed \$540,000 of the \$886,027 available for distribution. Satisfactory profits were made on operations. After deducting management expenses, interest on borrowed capital, etc., they totalled \$826,799.

Deposits and accrued interest amounted to \$5,637,112. Sterling debentures and accrued interest total \$11,993,060. Despite the disturbed conditions in financial spheres last year, a gratifying increase was made in the company's sterling debentures. Currency debentures total \$3,000,525 and debenture stock \$427,541. The assets amounting to \$31,209,095 comprise chiefly mortgages on real estate, amounting to \$28,948,472. Advances on bonds and stocks were made to the extent of \$362,182. The company holds municipal debentures, bonds and other securities, totalling \$434,389. Office premises in various parts of the country are valued at \$621,855 and cash on hand and in banks stands at \$932,196.

Mr. Gooderham in addressing the shareholders recalled the progress of the corporation in recent years. It began the year 1906 with a reserve of \$2,200,000, and unappropriated profits amounting to \$44,708. At the close of the year 1912 the reserve had increased to \$4,000,000, and the company has \$96,027 of unappropriated profits. At the earlier date named the company was paying a dividend of six per cent., which during the seven years has been steadily increasing, till the shareholders will receive ten per cent. per annum beginning with the next dividend period, April 1st, 1913. Collections on mortgages were satisfactory during the past year. The amount collected for principal and interest on mortgages alone amounted to \$5,436,781. The company's statement is an excellent one. The next quarterly dividend will be at the rate of 10 per cent. per annum.

A resolution was passed at the meeting approving the formation of a trust company, the stock of which is to be owned by the Canada Permanent Mortgage Corporation. The trust company will be operated in connection with the mortgage company, and the directors will be as far as possible the same.

The American Can Company has purchased the interests of the Western Can Company, for a consideration stated to be in the neighborhood of \$200,000. The factory will be moved from East Burnaby to either Vancouver or Coquitlam to take advantage of better freight rates.

THE OTTAWA ELECTRIC RAILWAY COMPANY

Nineteenth Annual Report for the Year Ending December 31st, 1912.

Your Directors beg to present their Nineteenth Annual Report, with Statement of Assets and Liabilities on 31st December, 1912, and the Profit and Loss Account for the year.

The gross earnings for the year were \$934,397.77 compared with \$840,680.52 in 1911—an increase of \$93,717.25. 21,815,798 passengers were carried, compared with 19,270,521 in 1911—an increase of 2,545,277. The net earnings for the year were \$400,059.07, and have been disposed of as follows:—

Four quarterly dividends of 3% and a bonus of 3%	\$255,947.82
Interest on bonds and loans	21,303.66
Mileage payments	13,435.44
Taxes	9,463.16
Placed to the Credit of Contingent Account to be applied to the reduction of Track Renewal, Car Equipment and other accounts	69,000.00
Transferred to credit of Profit and Loss Account..	30,908.99
	\$400,059.07

The balance at credit of Profit and Loss Account is now \$138,264.83, and of Rest Account \$200,000.00.

During the year a new 1,000 H.P. substation was installed on Albert Street, and land has been purchased to install two more of the same capacity, one in Lower Town and the other in the Southern part of the City. A large addition to the Cobourg Street Car Sheds was completed, and the erection of a steam turbo generator of 4,200 H.P. on Middle Street was contracted for and is now under way. With these improvements and the delivery of twenty double track P.A.Y.E. cars, under construction by The Ottawa Car Company, our earning capacity and facilities for handling the increasing traffic will be greatly augmented.

Instead of erecting a new building for office accommodation, as proposed in last year's Annual Report, your Directors purchased the building No. 248 Albert Street which is now occupied by the Headquarters and Receiving Office Staffs.

The tracks along Sparks Street and the Plaza have been renewed with a 93-lb. rail, and a small portion of the new tracks on Queen Street from Elgin Street to Bank Street, authorized by the City, completed. The remainder of the latter work will be finished early in the Spring.

The new bridge over the canal on Bank Street is now approaching completion when we will be in a position to carry out the extension of our tracks to Ottawa South.

Prospects for the coming year are of the brightest character.

All of which is respectfully submitted.
T. AHEARN, President.
Ottawa, 3rd February, 1913.

STATEMENT OF ASSETS AND LIABILITIES, 31st DECEMBER, 1912.

Assets.	
Roadbed and Equipment, Water Power Property and Plant, Real Estate and Buildings.....	\$2,631,212.75
Cash	257,740.32
Stores	37,121.18
Insurance paid on account of period beyond December 31st, 1912	5,000.00
	\$2,931,074.25
Liabilities.	
Capital Stock	\$1,876,900.00
First Mortgage, 4% Bonds	500,000.00
Interest on Bonds, payable 5th January, 1913...	10,000.00
Dividend No. 75, payable 2nd January, 1913	107,517.47
Unpaid Dividends	520.67
Accounts Payable	18,871.28
Contingent Account	79,000.00
Rest Account	200,000.00
Profit and Loss Account	138,264.83
	\$2,931,074.25

Directors.
T. Ahearn - - - - - President.
Warren Y. Soper - - - - - Vice-President.
T. Ahearn
Warren Y. Soper
George P. Brophy
Thomas Workman
T. Franklin Ahearn
Albert N. Soper
James D. Fraser
James D. Fraser - Secretary-Treasurer.

The Monarch Life Assurance Company

Head Office - WINNIPEG

Financial Statement. Summary re Year Ending December 31, 1912

ASSETS		LIABILITIES	
Mortgage Loans	\$288,071.18	Reserve on Policies Om (5) 3½%.....	\$237,753.00
Bonds and Debentures	54,575.55	Premiums and Interest paid in advance and in suspense	\$2,177.56
Policy Loans	8,002.37	Policy Claims awaiting proofs	3,072.45
Cash in banks and on hand as at Dec. 31st, 1912...	4,094.85		
Total Ledger Assets.....	\$354,743.95	Taxes due or accrued.....	5,250.01
Outstanding and Deferred Premiums (full Reserve included in Liabilities), less Agents' Commissions	\$ 82,118.83	Medical fees payable	836.80
Interest due and accrued	16,496.28	Bank Overdraft re Investment Acct.	1,292.00
Office furniture and equipment (including Branch Offices)	4,527.89	Capital Stock paid up	100,735.04
	\$103,143.00	Total Liabilities	\$360,216.85
	\$457,886.95	Net Surplus—excess over and above Capital Stock paid up and all other liabilities	97,670.10
			\$457,886.95

FIVE YEARS COMPARATIVE DEVELOPMENT

	1908	1909	1910	1911	1912	Increase over 1911
ASSURANCES in force.....	\$1,334,000.00	\$2,213,266.00	\$3,009,746.00	\$4,006,145.00	\$5,519,348.00	38%
ASSURANCES issued.....	866,500.00	1,112,500.00	1,131,980.00	1,354,804.00	2,216,500.00	68%
POLICY CLAIMS reported	4,000.00	10,000.00	13,635.10	13,639.00	7,377.00	Decrease
ASSETS.....	183,560.69	254,152.18	302,497.15	362,431.73	457,886.95	26%
RESERVES.....	35,432.40	74,370.00	116,332.13	167,575.00	237,753.00	42%
CASH PREMIUM INCOME	33,964.33	55,001.48	75,294.85	97,461.48	122,343.31	25½%
NET SURPLUS	54,734.59	74,762.12	83,477.63	90,489.28	97,670.10	9%
AVERAGE RATE OF INTEREST earned on all investments	6.68%	7.08%	7.36%	7.75%	8+%	8%
Average rate of Interest earned on all investments by Canadian companies	5.30%	5.41%	5.45%	5.5%	not available	

OFFICERS AND DIRECTORS

President, J. T. GORDON
E. S. POPHAM, M.D., Winnipeg
G. F. CARRUTHERS, Winnipeg
R. G. IRONSIDE, Winnipeg
C. S. GZOWSKI, Vancouver
Vice-Presidents, NICHOLAS BAWLF, E. L. TAYLOR, K.C.
HON. R. ROGERS, Ottawa
JAS. MURPHY, Ft. William
G. A. CHARLTON, M.D., Regina
T. J. S. SKINNER, Calgary
C. E. GORDON, Winnipeg
H. W. ECHLIN, Winnipeg
D. E. SPRAGUE, Winnipeg
J. W. W. STEWART, Man'g Director
J. A. MACFARLANE, A.I.A., Secretary and Actuary
R. S. FLETCHER, Supt. of Western Agencies

COMPLETE REPORT FURNISHED UPON REQUEST

CANADA PERMANENT MORTGAGE CORPORATION

ANNUAL MEETING

The Annual Meeting of Shareholders of the Canada Permanent Mortgage Corporation was held at the Head Office of the Corporation, Toronto street, Toronto, on Monday, the 3rd of February, at twelve o'clock noon.

The chair was taken by the President, Mr. W. G. Gooderham. The Secretary, Mr. George H. Smith, was appointed Secretary of the meeting, and read the Report of the Directors for the year 1912, and the Statement of Assets and Liabilities, which are as follows:—

REPORT OF THE DIRECTORS.

The Directors have much pleasure in presenting to the Shareholders the Annual Statement of the business of the Corporation for the year 1912, duly certified by the Auditors.

The net profits for the year, after deducting interest on borrowed capital, expenses of management, and all charges and losses, amounted to \$826,799.32. This sum, with the unappropriated profits as at December 31st, 1911, \$59,228.60, made a total of \$886,027.92, which amount has been appropriated as follows:—

Four quarterly dividends of two and one-quarter per cent, each on the Capital Stock.....	\$540,000 00
Transferred to Reserve Fund.....	250,000 00
Balance carried forward at credit of Profit and Loss	96,027 92
	<u>\$886,027 92</u>

The Reserve Fund now amounts to four million dollars. All of which is respectfully submitted.

W. G. GOODERHAM, President.

Toronto, January 15th, 1913.

GENERAL STATEMENT

LIABILITIES.

To the Public.

Deposits and Accrued Interest.....	\$ 5,637,112 69
Debentures—Sterling—and Accrued Interest (£2,464,327 18s. 9d.)..	11,993,060 20
Debentures—Currency—and Accrued Interest	3,000,525 29
Debenture Stock and Accrued Interest (£87,850 19s. 11d.)	427,541 51
Sundry Accounts	9,827 94
	<u>\$21,068,067 63</u>

To Shareholders.

Capital Stock	\$6,000,000 00
Reserve Fund	4,000,000 00
Dividend payable 2nd January, 1913	135,000 00
Balance carried forward at credit of Profit and Loss	96,027 92
	<u>10,231,027 92</u>
	<u>\$31,299,095 55</u>

ASSETS.

Mortgages on Real Estate.....	\$28,948,472 19
Advances on Bonds and Stocks.....	362,182 55
Municipal Debentures, Bonds and other Securities	434,389 38
Office Premises (Toronto, Winnipeg, Vancouver, Saint John, Edmonton and Regina).....	621,855 11
Cash on hand and in Banks.....	932,196 32
	<u>\$31,299,095 55</u>

R. S. HUDSON,
JOHN MASSEY,
Joint General Managers.

We beg to report that we have made an audit of the accounts, and have examined the vouchers and securities of the Canada Permanent Mortgage Corporation for the year 1912. We certify the accompanying Statement is a true exhibit of the Corporation's affairs as shown by the books as at 31st December, 1912.

A. E. OSLER, A.C.A.,
HENRY BARBER, F.S.A.A. (Eng.),
Auditors.

Toronto, January 15th, 1913.

Mr. W. G. Gooderham, the President of the Corporation, then said:—

Before moving the adoption of the Directors' Report to the Shareholders for the year 1912, it gives me pleasure to state

that, as intimated in my remarks at the Annual Meeting last year, the dividend for 1912 has been increased to nine per cent., as conditions were sufficiently favorable to warrant the increase, and I am glad to say that the business for the year has been so satisfactory that we have been able, out of the earnings of the year, not only to pay the increased dividend of \$540,000, which was \$60,000 in excess of the previous year, but to add to our Reserve Fund another \$250,000 and to carry over to unappropriated profits a sum which brings that fund up to \$96,027.92. The Reserve Fund now stands at \$4,000,000. I trust every Shareholder will appreciate not only the wisdom, but also the necessity, of making substantial additions to our Reserve Fund, which forms an additional security to those who entrust their funds to us. I may say, also, that with conditions as they are, we feel warranted in further increasing the dividend at the next quarter to two and one-half per cent., being at the rate of ten per cent. per annum.

It will perhaps be of interest to the Shareholders to recall the progress of the Corporation in recent years. We began the year 1906 with a reserve of \$2,200,000, and unappropriated profits amounting to \$44,708. At the close of 1912 our reserve had increased to \$4,000,000, and we have \$96,027 of unappropriated profits. At the earlier date named we were paying a dividend of six per cent., which, during the seven years has been steadily increasing till, as I have stated, the Shareholders may now expect to receive ten per cent. per annum beginning with the next dividend period, 1st April, 1913.

Collections on our mortgages have been satisfactory during the past year. The amount collected for principal and interest on mortgages alone reached the substantial sum of \$5,436,781.62.

Notwithstanding the receipt of so much money from our mortgages, and although our borrowed money, including sterling debentures, has increased beyond the amount at the beginning of the year by \$955,680.07, we have still been unable to meet all the demands that have been made upon us, on securities that would have been readily accepted had it been possible to provide the money, and there has been no occasion for a reduction in the rates obtained. On the contrary, the rates of interest we have obtained during the year have been somewhat higher. While this is the case, and while the present indications are that lenders may continue to receive profitable rates of interest for some time to come, it is only reasonable to presume that any cessation of the wonderful progress which is taking place in the growth and development of the country may result in a lessened demand from borrowers, and a consequent reduction in the rates of interest obtainable.

I cannot refrain from commenting on the increase in our sterling debentures, notwithstanding the disturbed condition of the financial world. This is doubtless owing to an appreciation by investors of the excellent security we offer and to the valued services of our representatives in Scotland.

During the past year the usual critical inspection of our securities has been made, as your Directors feel the necessity of continually exercising the greatest possible care, not only in the selection of investments, but also in maintaining our margin of security. While this is always our policy, it is especially advisable in a time like the present, when the price of land—especially in cities and towns—is increasing so rapidly. While there does not appear to be any present indication of an early depression, should the condition of the real estate market change, our constant supervision places us in a position to meet any period of lessened activity with confidence. In view of the fact that the development of cities and towns has been much more rapid than that of agricultural sections, great as the latter has been—and consequently the selling prices of town properties have been increasing much more rapidly—it has been the policy of your Directors, in selecting our securities, to give the preference to moderate loans on improved farms which are occupied and cultivated by the owners, thus assisting the agricultural development of the country. The conditions which existed during the past year, when, as previously stated, the funds available were never quite equal to the demand, afforded an excellent opportunity for the pursuit of this policy. By a consistent method of discrimination in the acceptance of applications, and by reasonable increases in the rates of interest as the condition of the money market warranted, the land mortgage companies have been able to meet the moderate requirements of borrowers, and at the same time may have done something to retard too rapid expansion of building operations, and the natural tendency towards an increase in the selling price of lands in towns and cities which—if continued—might become unhealthy. For a time we discontinued loaning on city and town property, and have always been very guarded in

making advances in localities where the selling prices have shown signs of inflation. I suppose it is not necessary to say that we never lend on vacant or unproductive properties, either urban or rural.

A great deal of money is being sent into the Dominion, and particularly into the Western Provinces, by private investors who are attracted by the rates of interest obtainable and the many opportunities for investment. It should be remembered that the loaning of money is a business which cannot be learned in a day, but requires a long apprenticeship and much experience if the investor or his agent has in view the permanent security of his investment, and not merely the securing of a mortgage at a good rate of interest on what at present appears to be a fair security. Loans on real estate are made for a term of years, during which existing conditions may materially change, and a knowledge of the science of such investments, which can only be gained by long experience, is required, not only in their selection, but also in their subsequent management, if they are to stand the test of recurring periods of business depression. Even when financial institutions are formed for the purpose of embarking upon a line of business which, under other experienced management, has been profitable, are not always successful, and not infrequently in the hands of valuers possessed of only limited experience, have met with disaster. It is no guarantee that an enterprise will prove successful because similar institutions can be pointed to as having succeeded.

I regret to have to record the death of three of our Directors during the year—Mr. Samuel Nordheimer, Mr. Frederick Wyld, and Mr. W. H. Beatty. Mr. Nordheimer was identified with the Canada Permanent Building and Savings Society at its inauguration, and continued to be identified with the new Corporation up to the time of his death. No Company could have had a more loyal or staunch supporter than Mr. Nordheimer, and his wise counsel doubtless aided in bringing about the substantial condition in which the Corporation finds itself to-day. Mr. Wyld was one of the original members of the Board of this Corporation, and was held in high respect for his shrewd and sound judgment. Mr. Beatty, the last of the three to be called by death, was one of the original Directors of the Corporation, for some years Vice-President, and subsequently President, and took a prominent part in guiding the affairs of the Corporation. The places of the deceased on the Directorate have been supplied by the appointment of Mr. John Massey, one of the Joint General Managers; Mr. F. Gordon Osler, and Mr. E. R. C. Clarkson, whose appointments I trust the Shareholders will approve.

In conclusion I may say that your Directors are well satisfied with the undoubtedly sound condition of the Corporation, and I have much pleasure in moving "That the Report of the Directors be received and adopted, and, together with the General Statement, be printed and a copy be sent to each Shareholder," which will be seconded by the First Vice-President.

In seconding the motion for the adoption of the Report, Mr. W. D. Matthews, the First Vice-President, spoke of the

safe margins of security on the five to ten-year mortgage loans being made still more safe by the increased value of farm lands in recent years. He stated that on his regular and frequent visits to the Western Provinces, he found the staffs of our different branch offices enthusiastic in the Corporation's interests. This was very important, as so much depended upon the successful carrying out by the staff of the Directors' policies. As the President had stated, we were giving more attention to loans on improved farm properties than ever. Farm values were still on a very low basis, as contrasted with town and city values, so that it would need a serious setback indeed to put that class of securities in a precarious condition. He saw no reason to doubt but that the Corporation's business in the year 1913 would be quite as satisfactory as that of 1912.

The President's motion for the adoption of the Report was unanimously carried.

Mr. G. W. Monk, the Second Vice-President, said:—

As many of you are aware through the press, your Directors during the past year deemed it advisable to apply to Parliament for the incorporation of a Trust Company to undertake the duties of executors and trustees under wills, etc. We are but following the lead of some of the great Banks in Great Britain, and indeed that of many of the leading financial institutions in Canada as well.

We ought to have power to take care of the estates of such of our shareholders, debenture holders or depositors who might want us to administer their affairs in the interest of their families. We are not seeking, but are being sought after, in this regard. Already some shareholders have expressed their desire that we should take their estates in hand, and have been disappointed to learn that we have not the necessary legal powers.

The Company is to be known as the Canada Permanent Trust Company, and to be owned by the Canada Permanent Mortgage Corporation. The Directors to be, as far as possible, the same as the parent Company, and the profits of the new Company to accrue entirely for the benefit of the Shareholders of the Canada Permanent Mortgage Corporation, and I would move that the shareholders approve of the action of the Directors in inaugurating a Trust Company owned and to be operated for the benefit of the Shareholders of the Canada Permanent Mortgage Corporation.

Lt.-Col. A. E. Gooderham said: "Mr. Chairman, I have much pleasure in seconding that resolution, and in addition to what Mr. Monk has said, may I be permitted to say that this subject has had very careful consideration by the Directors and the support of a great many of the large Shareholders."

The motion was unanimously adopted.

The election of Directors, which was then held, resulted in the unanimous re-election of Messrs. W. G. Gooderham, W. D. Matthews, G. W. Monk, Lt.-Col. Albert E. Gooderham, J. H. G. Hagarty, John Campbell, S.S.C. (Edinburgh), R. S. Hudson, John Massey, F. Gordon Osler, and E. R. C. Clarkson.

At a subsequent meeting of the Board, Mr. W. G. Gooderham was re-elected President; Mr. W. D. Matthews, First Vice-President, and Mr. G. W. Monk, Second Vice-President.

QUEBEC PULP AND PAPER AND WASHINGTON

Whether the Province of Quebec has raised the manufacturing restrictions on certain wood cut from Crown lands merely as a "blind" in order to export the pulp and paper made therefrom free of duty into the United States under the reciprocity act is to be investigated by President Taft, says a Washington dispatch. There is a law in Quebec which prohibits the cutting of wood from Crown lands unless it is manufactured into pulp or paper in Canada. Such pulp and paper is prohibited free entry under the reciprocity act. It now appears that Quebec has raised this restriction on certain of the wood.

According to representatives to the United States government, Quebec's action amounts to a discrimination against United States holders of Crown lands, and to grant the free entry privilege, it is declared, would simply defeat the real intent of the wood pulp and paper clause of the reciprocity agreement. The United States State and Treasury departments have investigated the situation and will make a joint report to the President.

Complaints to the United States government declare that Quebec has removed restrictions only on the timber lands, where the province has received practical assurance that the timber will not be exported, but only the wood pulp and paper made from it in Canada.

It is also alleged that the province has refused to remove the restrictions from other Crown lands in the same province controlled by Americans.

Until the question is settled by the President, Secretary MacVeagh has issued a temporary order for the collection of duty.

The Bank of British North America has made the following staff appointments:—Mr. G. F. Laing to be manager at Toronto, Ont.; Mr. F. S. Long to be manager at Calgary, Alta.; Mr. P. Margetts to be acting manager at Prince Rupert, B.C.

GREAT WEST LIFE ASSURANCE COMPANY

For twenty years, the Great West Life Assurance Company has been transacting business in the Dominion. The results of its operations several months before the close of 1912, indicated that that year would be a good one for the company. The figures for the twelve months show that it was by far the most successful year in the company's history. Applications for insurance made a new record, the figures being \$25,155,166, an increase over the previous year of \$7,136,813. The company now has business in force amounting to \$83,978,739, a gain of \$16,009,307 for the year, and an increased gain of \$4,965,002 over 1911. At the same time the mortality was unusually favorable. The net death claims last year amounted to only \$328,615, a decrease from the figures of the previous year of \$6,651. This result can probably be divided between the company's conservative policy of selection and the health giving climate of Western Canada.

The expense rates were comparatively low, the fact being indicated in the size of surplus earnings which amounted to \$573,460. That was greater by \$313,386 than the amount earned in 1911. At the end of December, 1912, the company's assets amounted to \$12,251,981. Its income for the year totalled \$3,556,724 being an increase for the year of \$792,565. Substantial interest earnings were made, the average gross rate last year being 7.95 per cent., a gain of 0.23 per cent. for the year. The company's head office is at Winnipeg. Under an enthusiastic management and directorate it is making quick strides and is keeping pace with the general growth of the country.

A deputation of maple sugar manufacturers, representing the maple sugar industry in all the Eastern Provinces, waited on Hon. Martin Burrell and Hon. W. B. Nantel and asked that the industry be protected against the free use of compounds bearing the word "maple."

Visible Evidence of Western Progress

is seen in the 1912 Records of four prominent Winnipeg Institutions—unconnected save in location and the sound principles governing their progress. Their wide operations—rapidly expanding—and large Investments—highly profitable—have been important factors in the financial development of the West.

The Great-West Life Assurance Company

reports that 1912 has been by far the most successful of twenty successful years

The Applications received make a new record.
 Total for 1912..... \$25,155,166
 Increase for the year..... \$ 7,136,813

Largely increased Assets and Income evidence the Company's expansion.
 Assets, December 31st, 1912..... \$12,251,981
 Income for 1912..... \$ 3,556,724
 Increase in Income for the year..... \$ 792,565

Greatly Increased Gains indicate well-satisfied, persistent Policyholders.
 Business in force end 1912..... \$83,978,739
 Gain for the year..... \$16,009,307
 Increased Gain over 1911..... \$ 4,965,002

Interest-earnings are the highest yet recorded.
 The Average Gross Rate for 1912 being..... 7.95%
 Increase for the year..... 0.23%

The Mortality has never been so favorable.
 Net Death Claims 1912..... \$ 328,615
 Decrease for the year..... \$ 6,651

Low Expense Rates betoken due economy, and, with the two preceding items, find tangible expression in
 Surplus Exchange for 1912..... \$573,460
 Increase for the year..... \$131,386

0.24%
 Again proving that for low rates and high returns—the public increasingly choose Great-West Policies.

Head Office - WINNIPEG

The Northern Mortgage Company of Canada

CAPITAL AUTHORIZED \$10,000,000
 CAPITAL SUBSCRIBED 3,000,000

At the end of its second complete year of business, the standing of the Company was briefly as follows:

Paid up Capital \$1,091,848.12, an increase of \$386,585.29 for the year.

Debenture Stock issued and paid for, \$519,462.80, an increase of \$317,262.80 during the year.
 Investments \$1,601,680., all in first mortgages on approved properties; the average rate of interest earned being about 7¾%.

During the year Dividends on Debenture and Common Stock were paid to the amount of \$59,205.20 and a balance carried forward to the credit of Profit and Loss of \$23,581.31.

Directorate of
 The Great-West Life
 Assurance Co.

President
 ALEXANDER MACDONALD
 Vice-Presidents
 GEORGE F. GALT
 R. T. RILEY
 A. M. NANTON

A. KELLY
 F. NATION
 P. C. McINTYRE
 GEORGE W. ALLAN
 G. R. CROWE
 A. C. FLUMERFELT
 SIR DANIEL H. McMILLAN,
 K.C.M.G.

Managing Director
 J. H. BROCK

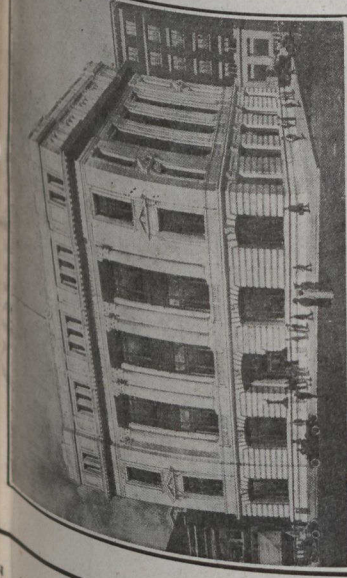
Directorate of
 The Canadian Fire
 Insurance Co.

President
 JAMES H. ASHDOWN
 Vice-President and Managing
 Director

R. T. RILEY
 J. A. M. AIKINS, K.C.
 R. J. CAMPBELL
 G. R. CROWE
 JOHN GALT
 G. V. HASTINGS

Manager and Secretary
 C. S. RILEY

Home of the Four



GREAT-WEST LIFE BUILDING
 Lombard St., Winnipeg

Directorate of
 The Northern Trusts Co.

President
 GEO. F. GALT
 Vice-President
 GEO. R. CROWE

J. A. M. AIKINS, K.C.
 GEO. W. ALLAN
 J. H. ASHDOWN
 J. H. BROCK
 P. BURNS
 D. K. BULLOTT
 G. V. HASTINGS
 A. W. McDONALD
 J. A. McDOUGALL
 R. D. McNAUGHTON
 D. W. NANTON
 J. ROBINSON
 F. W. STOBART
 Managing Director
 R. T. RILEY

Directorate of
 The Northern Mortgage
 Co.

President
 G. V. HASTINGS
 Vice-President
 D. K. ELLIOTT
 Managing Director
 R. T. RILEY
 J. H. ASHDOWN
 J. H. BROCK
 G. R. CROWE
 G. F. GALT
 A. W. McDONALD
 R. D. McNAUGHTON
 JERRY ROBINSON
 CAPT. Wm. ROBINSON
 F. W. STOBART

The CANADIAN FIRE INSURANCE COMPANY

(Commenced Business June 1st, 1895)

BALANCE SHEET as on December 31st, 1912

ASSETS	
Cash on Hand and on Deposit with Bankers at Head Office and Branches.....	\$ 118,695 78
Investments—First Mortgages on Real Estate, Bonds and Debentures.....	906,938 26
Accrued Interest to date on Investments and Bank Balances	1,072 53
Net Balances due by Agents.....	45,264 22
Office Furniture, Fixtures and Plans (less depreciation written off).....	8,746 07
	\$1,080,716 86

LIABILITIES

To the Public—	
Funds held in Trust as Reserve for Unearned Premiums of Reinsuring Companies.....	\$ 28,514 20
Employees' Profit Sharing Fund (Balance undistributed).....	2,404 83
Reserve for outstanding losses.....	\$ 19,787 82
Reserve for Unearned Premiums.....	214,628 15
(Dominion Government Basis)	
To the Shareholders—	
Capital Stock Fully Paid.....	\$500,000 00
Surplus.....	815,431 86
	\$1,080,716 86

Surplus to Policyholders..... \$ 815,431.86
 Losses Paid since Inception..... 1,775,147.52

A STORY OF PROGRESS ILLUSTRATED

YEAR PREMIUM INCOME
 1905 2,200,000
 1906 2,400,000
 1907 2,600,000
 1908 2,800,000
 1909 3,000,000
 1910 3,200,000
 1911 3,400,000
 1912 3,600,000

NET ASSETS
 1905 \$100,000
 1906 \$150,000
 1907 \$200,000
 1908 \$250,000
 1909 \$300,000
 1910 \$350,000
 1911 \$400,000
 1912 \$450,000

A STRONG CANADIAN REPUTATION FOR DOING BUSINESS RIGHT.

THE NORTHERN TRUSTS COMPANY

EIGHT YEARS OF PROGRESS

1. The amount of Subscribed Capital is \$1,500,000, of which \$1,452,980 is now paid up.
2. Assets now under administration total \$7,835,725.24, an increase over last year of \$919,245.82, or nearly a million dollars.
3. The amount of Trust Funds deposited with the Company for investment have increased from the small amount of \$97,422 in 1905 to \$4,227,253.16 in 1912.
4. The net earnings of the Company in 1905 were \$9,922.03, and for the year just closed the figure is \$147,786.05.
5. Dividends paid to the Shareholders after the Company had been in business one year amounted to \$5,326.31, and the amount paid on this account in the year 1912 was \$96,420.26.
6. Profit and Loss Surplus account now exhibits a balance of \$225,604.46, and in 1905 this account showed a balance of \$918.72.

CAPITAL AND RESERVE INVESTMENT.. \$1,728,516.41
 TRUST AND AGENCY INVESTMENT..... 4,227,253.16
 UNREALIZED ASSETS AND TRUSTS..... 1,879,955.67
 TOTAL UNDER ADMINISTRATION..... 7,835,725.24

Send for Booklet "Something about Trusts."

THE WESTERN EMPIRE LIFE ASSURANCE COMPANY

Head Office - - - Somerset Building, Winnipeg

FIRST ANNUAL REPORT

The first Annual General Meeting of the Shareholders of The Western Empire Life Assurance Company was held at the Head Office of the Company in the City of Winnipeg, on the twenty-fourth day of January, 1913. There was a large attendance. Amongst those being present were:

William Smith, W. P. Rundle, H. F. Tench, A. J. Fraser, M.D.; L. J. Hallgrimson, J. H. Charnley, F. C. O'Brien, C. W. Green, M.D.; T. W. O'Brien, B. R. Gypson, Peter Tully, Hugh Fraser, J. H. Grainger, P. J. Howard, S. H. Matheson, J. F. Stirling, D. M. Bruce, A. M. Herron, all of Winnipeg; S. D. Hannah, of Waskada; Theo. Sweet, of Portage la Prairie; G. A. Fish, J. W. Hardaker, of Moose Jaw; and John H. Hilton, of Waldron.

The meeting was a most enthusiastic one. The report submitted and the comments thereon being such as to give the greatest satisfaction. The President occupied the chair.

After the usual preliminaries had been disposed of, Mr. William Smith, the Managing Director, read the report of the Directors and the Financial Statement and Auditors' Certificate, as follows:

DIRECTORS' REPORT.

To the Shareholders, The Western Empire Life Assurance Company:

Gentlemen,—The Directors beg to submit the report and statement of accounts for the first year of the Company's operation.

The policies issued and placed total \$1,008,500.00, with an annual premium of \$27,244.15, which you will concede is a very satisfactory showing for the Company's first year.

We have followed out the policy set down, and have confined our investments to first mortgages on improved revenue-bearing real estate, with the exception of the amount of our deposit with the Government, which, to comply with the Insurance Act, is in the form of 20-year bonds, which are yielding about 4.10 per cent., the interest being guaranteed by the Manitoba Government. The great demand for money to develop the resources of the country has enabled your Directors to select investments affording ample security and at the same time yielding a remunerative rate of interest, the average rate realized exceeding 8 per cent.

There have been no death claims, a very gratifying feature, due, we think, largely to a judicious selection of risks in the first place by our agents and a careful revision by the Medical Director. It also reflects the fact that, while we have written a good volume of business, it has not been at the expense of quality.

Notwithstanding the ample provision for all liabilities, our surplus to policyholders amounts to the handsome sum of \$209,402.71; the assets amounting to \$223,821.49 plus the uncalled capital, provides a total guarantee to policyholders of \$549,821.49. It is also gratifying to note that there is a surplus of \$84,402.71 on Shareholders' account.

Your Directors feel the necessity of exercising the greatest care in all matters pertaining to the welfare of the Company. The result of the first year's operations, which is very gratifying to them, should prove equally so to Policyholders and Shareholders alike. It has enabled the Company to carry out every promise it has made, and we are satisfied that the Company is in a position to maintain the splendid record of its first year's operations.

Our report would not be complete if it did not make reference to those who secured the applications and collected the premiums. Life insurance to a very great extent always has been and always will be transacted by agents. The quality of the business, the persistency of the same, the satisfaction of Policyholders and to some extent the resulting mortality, reflect the character of the agents who make the representations under which the policies are taken. Upon the manner of their work depend, in no limited degree, the final financial results. The only inference that can be drawn from the splendid first year's achievements is that our agency staff is composed of men of not only exceptional ability, but of high moral character. Our policies have been placed fairly and honestly by fair and honest agents. This statement is warranted by the fact that there has not been a single complaint or a charge of misrepresentation laid by any Policyholder. Your Directors are of the opinion that the money expended in pursuit of business is money well spent, and our present enviable position is in a large measure due to those who are working so faithfully in the endeavor to add to our rapidly increasing volume of business.

FINANCIAL STATEMENT FOR YEAR ENDING DECEMBER 31st, 1912.

Authorized Capital	\$1,000,000 00
Subscribed Capital	500,000 00
Paid-up Capital	125,000 00

RECEIPTS.

Cash received from Shareholders	\$ 48,178 49
First Premiums	\$16,229 78
Less re-assurance	626 80
Renewal Premiums	15,602 98
Interest	346 45
	2,488 07
Total Receipts	\$66,615 99

DISBURSEMENTS.

Taxes and License Fees	\$ 776 48
Head Office Salaries	9,555 80
Consulting Actuary's Fees	900 00
Travelling Expenses	771 05
Rent	1,200 00
Bonds and Auditors' Fees	95 00
Commissions	\$9,107 52
Agency Expenses	522 79
Medical Fees	1,707 00
Advances to Agents	5,203 88
Printing, Stationery and Advertising	\$2,941 77
Postage, Telephone and Telegraph	328 94
Exchange	113 67
Stock Commissions	10,861 50
Organization and Legal Expenses	381 87
Miscellaneous Expenses	1,495 71
	16,123 46
Total Expenses	\$45,962 98

DISBURSEMENTS ON CAPITAL ACCOUNT.

First Mortgages	\$17,477 50
Office Furniture	1,151 95
	18,629 45
Total Disbursements	\$64,592 43

ASSETS.

Cash in Bank and on hand	\$ 2,584 74
Debentures (Government Deposit)	5,000 00
First Mortgages	17,477 50
Furniture	2,141 37
Agents' Balances	6,638 18
Accrued Interest	4,405 61
Shareholders' Notes (bearing 7 per cent.)	175,445 86
Deferred and Outstanding Premiums, less cost of collection	10,128 23
Total Assets	\$223,821 49

LIABILITIES.

Reserve and all other Liabilities	\$ 14,418 78
Surplus Policyholders' Account	\$209,402 71
Paid-up Capital	\$125,000 00
Surplus Shareholders' Account	\$84,402 71
Insurance in Force	\$1,008,500 00
Premium thereon	27,244 15
Total Assets	223,821 49
Uncalled Capital	375,000 00
Total Guarantee to Policyholders	598,821 49

AUDITORS' CERTIFICATE.

Winnipeg, January 11, 1913.
We have examined the books and accounts of The Western Empire Life Assurance Company for the year ended December 31, 1912; satisfactory vouchers were produced for all disbursements, and, in our opinion, the above statement exhibits a true and correct view of the Company's affairs as shown by the books of the Company at said date. The securities, excepting the debentures lodged with the Provincial Government, of which

we have seen satisfactory evidence, have been exhibited to us and found in order.

STIRLING AND RANKIN,
Chartered Accountants, Auditors.

Mr. Smith, in moving the adoption of the report, spoke briefly, drawing attention to the splendid position attained by the company in its first year of operation, and quoted figures which positively demonstrated that the Company in its first year had written a larger amount of business, at a good deal lower expense, than other Companies recently formed, operating under similar conditions. When the Company commenced business one year ago, it only had two agents under contract and the close of the year finds it with an organization capable of producing in the neighborhood of \$200,000.00 of business monthly, and in addition to writing \$1,044,000.00 of insurance, we have increased the subscribed capital of the Company by securing subscribers for an additional quarter of a million dollars' worth of stock. Valuable assistance has been rendered by the Directors; they have given a great deal of time to the Company's affairs, and the success attained by the Company in a great measure is due to their assistance, and their enthusiastic attention to the business of the Company.

Mr. W. P. Rundle, in seconding the motion, said: "It certainly gives me great pleasure to be present on an occasion like this. The Western Empire is the child of an idea, and that idea originated in our President's brain, so that The Western Empire Life Assurance Company is his child and it is up to him to see that it is well looked after. I think it is and will be well looked after. While the Company is but a year old, it has already 400 policyholders, 300 Shareholders, three Provincial Managers, and 125 agents, and in the year just ended our agents scattered between the Red River and the Pacific Coast have no doubt talked 'Western Empire' into the ears of thousands of Canadian citizens, approaching all classes." He remarked upon the responsibility resting on the Directors, stating: "There is entrusted to the Directors of any company a mighty and serious responsibility; they have large amounts of money entrusted to their care and keeping, the money of fathers, widows, young men and women. We have in our control, to some extent at least, the future good and welfare of these people and their children. I do not think there is any institution in the world better able to do this than a life insurance company, as a life insurance company, more than any other, must say, 'I am my brother's keeper.' We started with great hopes for this Company and with a great purpose; there must be no debasement of motive, we must not lower our standard of thought and action. What brains have done, brains can do again. A large business, a large bank account, a great name, are good things, but I think that a long list of loyal and satisfied Shareholders and Policyholders is a greater thing. I think when we hand over the Company to our successors, we must see that we hand it over as a vigorous and clean institution." Mr. Rundle read the following letter from Miles M. Dawson, the Company's Consulting Actuary, to the President:

MILES M. DAWSON,

Counsellor at Law, Consulting Actuary,
141 Broadway, New York, January 16, 1913.

WILLIAM SMITH, Esq., Managing Director,
701 Somerset Block, Winnipeg, Can.:

My Dear Mr. Smith,—I beg to congratulate your Company upon the handsome volume of business procured during the first year and the moderate rate of commission at which the same has been procured.

Wishing the Company even greater achievement in 1913, I am,

Yours sincerely,

(Signed) MILES M. DAWSON,
Consulting Actuary.

"It gives me pleasure indeed to second the motion for the adoption of the report."

Mr. Hilton spoke in favor of the motion, expressing the opinion that in consideration of the volume of business trans-

acted, the disbursements were very low, and that he considered the expenses moderate and reasonable.

Dr. Fraser, in supporting the motion for the adoption of the report, said: "The year has been a satisfactory one, the cost of the business has been moderate and in regard to the quality of the business from a medical point of view, I consider that it is of exceptionally high quality. The care exercised by the agents in selection of risks is well shown by the fact that out of \$1,044,000.00 of business applied for, we were able to issue \$1,008,500.00. As a Shareholder I am well satisfied with the financial statement, and I approve very heartily in the adoption of the report."

Mr. H. F. Tench, Mr. S. D. Hannah, and others, spoke in favor of the adoption of the report, expressing great satisfaction at the showing made. The motion to adopt the report was unanimously carried.

The President then announced to the meeting that an offer had been received from London, England, for the balance of the capital stock of the Company (5,000 shares), at an increase in premium of \$10 per share. The offer was made prior to the capital of the Company being increased, about one month since, and a deposit of \$50,000.00 was offered as a guarantee of good faith, if the Directors would agree to allot the shares after the capital was increased. While the Directors recognized the importance of this offer, and the advantages that would accrue to the Company from the sale of 5,000 shares of stock, thus securing \$300,000.00 in cash, they decided, in view of the meeting of the Shareholders being in sight, to let them deal with it. After a good deal of discussion it was decided to reject the offer and give the present Shareholders and other people in the West an opportunity to acquire stock that was so eagerly sought by men in London, England, who were accustomed to looking into projects of this kind and weighing the possible future profits accordingly. Upon the motion of Mr. B. R. Gypson, seconded by Mr. W. P. Rundle, it was resolved, "that the offer be refused."

On the motion of Mr. W. P. Rundle, seconded by Mr. J. H. Hilton, Messrs. Stirling and Rankin were appointed Auditors for the current year. A vote of thanks, on the motion of Mr. F. C. O'Brien, was accorded the Auditors. Mr. Stirling, replying, said: "There are three kinds of statements: those that require explanation, doubtful ones, and those that require no explanation. It is in the latter class that I place The Western Empire. I think the Shareholders have cause to heartily congratulate themselves on being connected with this company." He also remarked upon the very pleasant relations that had existed between the Company's officials and himself, stating that they had assisted him every possible way and that he had never, in all his experience, undertaken an audit that had given him such great satisfaction.

After the usual votes of thanks to the Directors, field and office staff has been passed, the meeting proceeded to elect a Board of Directors. The undermentioned were elected and at a subsequent meeting of the Directors and officers those named below were chosen:

DIRECTORS.

W. P. Rundle, Esq., Winnipeg.
A. J. Fraser, Esq., B.A., M.D., C.M., Winnipeg.
H. F. Tench, B.A., Winnipeg.
L. J. Hallgrimson, Esq., Winnipeg.
G. N. Broatch, Esq., B.A., LL.B., Moose Jaw.
S. D. Hannah, Esq., Waskada.
R. J. Sprott, Esq., B.A., Vancouver.
G. E. Graham, Esq., Vancouver.
Wm. Smith, Esq., Winnipeg.

OFFICERS.

Wm. Smith, President and Managing Director.
W. P. Rundle, Vice-President.
H. F. Tench, Vice-President.
A. J. Fraser, Medical Director.
J. H. Charnley, Secretary.
F. C. O'Brien, Treasurer.

HOME INVESTMENT AND SAVINGS ASSOCIATION

The shareholders of the Home Investment and Savings Association of Winnipeg will not complain of the earnings of that company for the past year. They were at the substantial rate of 14.55 per cent. on an average capital employed of \$851,167. The shareholders also participated to a marked degree in those earnings, receiving four quarterly dividends of 2 per cent. and a bonus of 1 per cent. After those payments there was still an amount for distribution of \$56,641. Of that \$50,000 was transferred to the reserve fund, a wise move, which now stands at \$375,000. The balance \$6,641 was carried to the credit of profit and loss account.

The largest item among the assets is first mortgages on real estate, amounting to \$2,275,446. The company holds municipal debentures valued at \$12,816 and real estate at \$15,000. Liabilities to the public total \$1,045,921, made up of debentures and accrued interest \$605,831; savings deposits \$436,799; and sundry accounts, \$3,291. Of the capital

stock \$864,000 is subscribed and \$856,510 is paid up. The interest earned during the year was \$161,459. Management expenses were comparatively light, being \$25,137. That item included salaries, office expenses, directors' and auditors' fees.

The directorate feels that the earnings of the company warrant the placing of the dividend on a nine per cent. basis, and recommend to their successors in office the payment of quarterly dividends to the shareholders at that rate, i.e., nine per cent. per annum, instead of the past custom of paying an eight per cent. dividend with a bonus of one per cent. after the books are closed for the year.

Edmonton's board of trade's nominating committee has selected the following officers:—President, E. H. Cooper, manager A. MacDonald Company; first vice-president, S. H. Smith, president Western Realty Company, and director of several industrial enterprises; second vice-president, A. W. Challand, manager J. J. McLaughlin, Limited; third vice-president, M. S. Booth, manager Hudson's Bay stores.

CROWN LIFE INSURANCE COMPANY

Head Office - Crown Life Building, 59 Yonge Street, Toronto

ANNUAL REPORT FOR 1912

The Directors have pleasure in presenting to the Shareholders and Policyholders their report on the operations of the Company for the year ending 31st December, 1912.

NEW BUSINESS, \$4,006,020—INCREASE, \$1,293,920.

The volume of new business which the Company hoped for during 1912 was \$4,000,000, and, when this was accomplished before the end of December, the books were closed for the year with a total of \$4,006,020 in new applications for insurance in the Company, an increase of \$1,293,920, or 47%, over 1911. The aggregate amount of policies issued and revived during the year was \$3,971,964, as compared with \$2,599,020 in 1911, or an increase of 52%.

INSURANCE IN FORCE, \$10,015,879—INCREASE, \$2,332,600.

The total amount of insurance in force at the end of 1912 was \$10,015,879, an increase of \$2,332,600, or over 30%, as compared with the total insurance in force at the close of 1911. This increase represents over 62% of the amount issued, so that the Company in 1912 not only made splendid progress in securing a large and profitable volume of new business, but was also successful in retaining an exceptionally large proportion of the old business in force on its books. The average amount of policy has again increased and now stands at \$1,817.

TOTAL REVENUE, \$388,631.38.

Premiums paid in cash to the Company in 1912 amounted to \$319,832.70, an increase of \$68,976.84 over the preceding year, while net premiums in course of collection and deferred amount to an additional \$83,020.75. Interest and rents collected in cash, and due and accrued at the end of the year, total \$72,664.19.

PAYMENTS TO POLICYHOLDERS, \$89,081.33.

The benefits paid to the policyholders and their beneficiaries, comprising matured endowments, annuities, surrender values and death claims paid and awaiting proof, amount to \$89,081.33. In this connection it is gratifying to note that the Company finds itself in a position to pay on its first maturing Endowments the full amount of Profits originally estimated.

TOTAL ASSETS, \$1,283,967.75—INCREASE, \$256,909.29.

At 31st December the total assets of the Company amounted to \$1,283,967.75, having been increased during the year by \$256,909.29, or 25%. The assets included \$428,046.96 invested in first mortgages on improved farm and central city property, each loan being well within 50% of a most conservative valuation and earning a good rate of interest; \$205,578.63 invested in city, town and school district debentures and bonds; \$170,170.80 in loans on the Company's policies; \$210,567.70 in real estate, the Company during the year having purchased and improved the property at the south-east corner of Yonge and Colborne streets, in the City of Toronto. The space therein not occupied by the Company for Head Office purposes has been leased to desirable tenants and will realize profitable returns on the investment.

RESERVES FOR POLICYHOLDERS, \$1,015,051—INCREASE, \$173,430.

The Company's total policy and annuity reserves now amount to \$1,015,051, an increase for the year of \$173,430. The net insurance reserve fund is \$964,984, while the policyholders' security over and above this amounts to \$702,705.34, making the total security to policyholders \$1,667,689.34.

SURPLUS INCREASED TO \$204,337.54.

A most gratifying feature of the year's operations is a very considerable decrease in the expense percentage of the Company. After making full provision for all liabilities on policyholders' account, providing special reserves, etc., the Company's surplus at the end of the year was increased to \$204,337.54. The dividend to shareholders was increased during the year to 7% per annum upon the paid-up capital stock of the Company.

GROWTH OF THE CROWN LIFE.

Year.	Insurance in Force.	Assets.	Revenue Income.	Payments to Policyholders.
1901.....	\$ 221,500 00	\$ 81,254 34	\$105,884 44	.....
1902.....	1,280,000 00	98,269 80	72,815 34	\$ 2,000 00
1903.....	2,126,850 00	112,605 87	84,972 12	5,537 50
1904.....	2,985,200 00	165,084 64	134,141 61	7,338 00
1905.....	3,684,204 00	258,084 80	185,752 19	19,209 20
1906.....	4,212,390 00	356,831 37	206,505 76	20,531 75
1907.....	4,515,566 00	433,828 58	191,150 04	31,918 27
1908.....	4,672,333 00	633,334 74	215,766 19	58,479 96
1909.....	5,312,390 00	721,893 72	233,872 56	23,431 49
1910.....	6,252,279 00	861,615 69	271,490 45	46,616 47
1911.....	7,683,279 00	1,027,058 46	314,727 83	50,654 22
1912.....	10,015,879 00	1,283,967 75	388,631 38	89,081 33

DIRECTORS AND OFFICERS.

- | | |
|---|---|
| G. T. SOMERS, Esq., President. | H. M. MOWAT, K.C., Second Vice-President. |
| J. GOWANS KENT, Esq., First Vice-President. | H. S. STRATHY, Esq., Chairman of Executive Committee. |
| E. B. RYCKMAN, K.C. | W. D. LUMMIS, Esq. |
| J. B. TUDHOPE, Esq. | R. L. McCORMACK, Esq. |
| F. R. McD. RUSSELL, Esq. | WM. GEORGESON, Esq. |
| JOS. CLARK, Esq. | H. R. STEPHENSON, A.I.A., A.A.S., Actuary. |
| WILLIAM WALLACE, General Manager. | DR. H. T. MACHELL, L.R.C.P., Edin., Medical Director. |
| A. H. SELWYN MARKS, Secretary. | |

Motions and petitions in behalf of the former stockholders of La Banque Internationale have been presented to the courts at Montreal. The petitions have for their object the quashing of the recent seizure before judgment, taken out by Sir Rodolphe Forget against the French stockholders, in order to tie up certain funds at present in the hands of Mr. J. E. Martin, K.C., Canadian representative of these ex-shareholders. The motions all call for particulars, and would have Sir Rodolphe Forget forced to furnish proof of certain allegations made by him in support of his petition for a seizure before judgment.

The number of directors of the Atlantic Sugar Refineries, Limited, has been increased from nine to eleven.

The executive body of Moose Jaw's board of trade for the year will consist of Mr. H. Davidson Pickett, president; Mr. Lewis Rice, vice-president; members of the council, Messrs. R. Bogue, R. Loney, J. H. Wellington, H. C. Speller, John Crawford, H. A. Davidson, W. F. Baker, C. E. Austen, E. J. Cregwin, J. H. Grayson, B. C. Crichton, J. Erratt, J. H. Rankin, G. H. Tyndall, R. H. Clark, Dr. T. Douglas, I. L. Woodley, T. J. McCammon, J. A. Caulder, and J. T. Cashman.

There has recently been organized in the Province of Alberta the

COMMONWEALTH TRUST COMPANY, Ltd.

With an authorized capital of

\$2,000,000.00

Head Office in Calgary

PROVISIONAL OFFICERS :

President :

HONORABLE CHARLES W. FISHER, Cochrane, Alta., Capitalist, Speaker in the Legislative Assembly of Alberta

Vice-Presidents :

MAJOR DUNCAN STUART, Calgary, Alta., Barrister-at-Law, Director Alberta Interurban Railway Company

J. R. SUTHERLAND, Esq., Calgary, Alta., Gentleman, Late Dominion Land Agent

GEORGE F. TULL, Esq., Calgary, Alta., Managing Director of Niblock & Tull, Limited

Managing Director :

D. J. YOUNG, Esq., Calgary, Alta., President of Young & Kennedy, Limited

Secretary and Treasurer :

E. W. McMULLEN, Esq., Calgary, Alta., Manager Merchants Bank of Canada, Calgary

Directors :

LT.-COLONEL JAMES WALKER, Calgary, Alta., Capitalist, Chairman South East Land Corporation, Limited

HAROLD W. RILEY, Esq., M.L.A., Calgary, Alta., President Riley's Limited

H. A. MacLEAN, Esq., Calgary, Alta., President of Alliance Investment Company (Canada), Ltd.

LOUIS M. ROBERTS, Esq., M.L.A., High River, Alta., Broker, of Roberts & Hunt

LT.-COLONEL G. E. SANDERS, Calgary, Alta., Distinguished Service Order, Police Magistrate of the City of Calgary

GEORGE PIRIE, Esq., M.D., Calgary, Alberta

Bankers :

THE MERCHANTS BANK OF CANADA

Solicitors :

Messrs. DUNCAN STUART & COMPANY, Bank of British North America Building, Calgary, Alta.

Auditors :

Messrs. EDWARDS, MORGAN & COMPANY, of Calgary, Toronto, Winnipeg and Vancouver

The Directors believe that the Stock of this Company is a good investment. The Capital of \$2,000,000 is divided into 2,000 shares, par value \$100 each, which is being sold at a premium of \$15, making the selling price \$115 per share.

The terms of subscription are \$40 per share, which shall include the \$15 premium, upon application and allotment, the balance subject to call of not more than \$10 per share in any one year. Purchaser has the option of paying in full at any time.

The Company, in addition to the usual powers of a Trust Company, can buy and sell agreements of sale, which at this time is a very profitable business. The main objects of the Company are loaning money on mortgages on improved farm and city property, and to act as Trustees and Executors.

Prospectus and application forms will be mailed on application to

D. J. YOUNG, Managing Director,
410 Maclean Block, CALGARY.

Financial Statement

OF THE

Mutual Life of Canada

HEAD OFFICE - WATERLOO, ONTARIO

For the Year ended 31st December, 1912

CASH ACCOUNT

INCOME		DISBURSEMENTS	
Net Ledger Assets, 31st December, 1911.....	\$17,301,687 83	Death Claims.....	\$440,453 96
Premiums (Net).....	2,692,199 27	Matured Endowments.....	335,867 00
Interest and Rent.....	1,007,311 31	Surrendered Policies.....	212,530 57
Suspense Account, etc.....	1,054 43	Surplus.....	277,631 29
		Annuities.....	9,403 62
			\$ 1,275,886 44
		Expenses, Taxes, etc.....	615,833 68
		Balance Net Ledger Assets, 31st December, 1912.....	19,110,532 72
	<u>\$21,002,252 84</u>		<u>\$21,002,252 84</u>

BALANCE SHEET

ASSETS		LIABILITIES	
Mortgages.....	\$11,051,716 34	Reserve, 3½% and 3%.....	\$16,161,753 55
Debentures and Bonds.....	5,058,053 96	Reserve on lapsed policies on which surrender values are claimable.....	5,294 93
Loans on Policies.....	2,516,639 88	Death Claims unadjusted.....	67,360 67
Premium Obligations.....	10,523 08	Matured Endowments unadjusted.....	4,566 00
Real Estate.....	229,351 59	Present value of amounts not yet due on matured instalment policies.....	114,317 81
Cash in Banks.....	280,961 83	Dividends due Policy holders.....	8,247 43
Cash at Head Office.....	2 151 01	Deferred Dividends.....	19,570 79
Due and Deferred Premiums (net).....	433,711 10	Premiums and Interest paid in advance.....	17,043 94
Interest due and accrued.....	488,236 01	Taxes due and accrued.....	18,505 01
		Due for medical fees and sundry accounts.....	15,063 81
		Credit Ledger Balances.....	38,864 97
		Surplus, 31st December, 1912.....	3,600,755 89
	<u>\$20,071,344 80</u>		<u>\$20,071,344 80</u>

Audited and found correct,

J. M. SCULLY, F.C.A.,

Auditor.

GEO. WEGENAST,

Managing Director.

Waterloo, January 28th, 1913.

New Business (Canadian) written in 1912.....	\$11,121,424	Increase over 1911.....	\$1,094,050
Assurance in force, December 31st, 1912.....	77,921,144	Increase over 1911.....	6,900,374
Assets, December 31st, 1912.....	20,071,345	Increase over 1911.....	1,909,498
Surplus, Government standard, Dec. 31st, 1912	4,388,361	Increase over 1911.....	735,238
Surplus earned in 1912.....	838,875	Increase over 1911.....	136,818

Surplus earnings for the year amounted to 31.16 per cent. of premiums received.

ANNUAL REPORT

British Northwestern Fire Insurance Company

Head Office - WINNIPEG

We have audited the Books of Account of the British Northwestern Fire Insurance Company for the year 1912, verifying the cash receipts and payments with the bank account, and the bank and cash balances on hand 31st December, and we certify the above to be a true statement of the affairs of the Company.

CLARKSON, CROSS & MENZIES, Auditors.
Winnipeg, 27th January, 1913.

Motion to adopt the Report was moved by the President, Mr. Edward Brown, who said: "In moving the adoption of the Directors' Report, allow me to say that I have great pleasure in again meeting the Shareholders of the Company.

"During the past year your Company has participated in the general prosperity of our country. The growth has not been phenomenal or spectacular—rather it has been normal and steady, in pursuance of the policy adopted by us at the inception of the Company's business. If this policy is strictly adhered to I look forward with the greatest confidence to the time in the near future when the policies of the Company will be regarded as being just as safe as Government bonds, and then we will not only have provided safe insurance for our customers, but will have added another to the already large number of successful Canadian organizations which lend strength and stability to our national credit.

"The volume of business secured in the year 1912 has increased three-fold over that of the previous year, while the total claims paid amount to only 14 per cent. of the net premium income, a very satisfactory showing indeed.

"Great credit is due to the management, and I again wish to compliment the Managing Director, Mr. Foster, on the good judgment which he has shown, not only in the general conduct of the business, but in the selection of agents. In his work he has been ably assisted by Mr. Kellam and the other members of the staff, who have shown entire devotion to the Company's interests.

"I further wish, on behalf of the Directors, to express appreciation of the services rendered the Company by its 374 agents. We wish these gentlemen to feel that they have a very important place in the organization of the Company, and share in the success which attends our joint efforts.

"As the subscribed capital of the Company has now reached the half million mark, I do not think it is necessary that this amount should be increased for the present."

Sir William Whyte, K.B., said that he rose with pleasure to second the motion for the adoption of the Annual Report, because if the standard of success of every business is to be measured by the volume of business done and satisfactory net results, then he was sure the Shareholders would agree with him that the operations of the British Northwestern Fire Insurance Company for the year 1912 fully measures up to that standard.

As proof of his statement, he referred to the copy of the Annual Report and Balance Sheet. The insurance in force increased during 1912 by over \$2,000,000.00, and the premium income by \$31,000.00.

He had every reason to believe that the success of the British Northwestern Fire Insurance Company will continue in the same marked degree in the future that it has in the past, because so long as there was a conservative, prudent and capable management, with a large and ever growing field, the opportunity is there.

He had much pleasure, therefore, in seconding the motion for the adoption of the report.

Mr. P. C. McIntyre referred to the pleasure he had in attending and reading the reports of the Annual Meetings of our local financial institutions.

Their steady growth spoke well for the sound basic principles upon which they were founded, and the ability of the men directing their policy. The success achieved and the position occupied throughout the Dominion by many of our local Loan and Trust Companies, Banks and Life and Fire Insurance Companies, makes one realize the important financial centre that Winnipeg is beginning to occupy. The report of the British Northwestern Fire Insurance Company before the meeting was a most satisfactory one, and with a continuance of the care and attention that the business of the Company was receiving, as evidenced by the results of the past year, he felt the success of the Company was assured and that one more institution was being added to the list of Winnipeg's successful Companies.

His Hon. Lieut.-Gov. Cameron expressed his pleasure in reading the satisfactory report, and had no doubt of the continued success of the Company.

The retiring Directors were unanimously re-elected the Directors for the current year:—Edward Brown, Sir William Whyte, K.B., Hon. D. C. Cameron, C. W. N. Kennedy, P. C. McIntyre, D. E. Williams, A. C. Flumerfelt, O. A. Robertson, James Balfour, E. P. Davis, K.C., T. J. S. Skinner, Thomas L. Wood, Joseph Stauffer and F. K. Foster.

At a subsequent meeting of the Board of Directors, Edward Brown was elected President; Sir William Whyte, K.B., and Hon. D. C. Cameron, Vice-Presidents, and F. K. Foster, Managing Director.

A representative gathering of the Shareholders of The British Northwestern Fire Insurance Company assembled at the Annual Meeting of the Company held on Wednesday, the 29th January, at 4 p.m., to receive and consider the Directors' Report and Financial Statement for the year ending 31st December, 1912.

The Directors' Report, which was received with much satisfaction, and favorably commented upon, was as follows:

The Directors have pleasure in submitting to the Shareholders the following report upon the business of the Company for the year ending 31st of December, 1912, accompanied by the Balance Sheet, duly audited and certified.

During the year the work of thoroughly establishing the Company in the four Western Provinces has been carried on, and with most satisfactory results, our agency staff now numbering 374.

The premium income, which in 1911 was \$18,086.57, was, in 1912, advanced to \$49,017.50.

We have now actually in force and on the books of the Company 2,561 policies, representing current contracts of \$3,398,158.00, an increase in the business in force of \$2,060,758.00.

The risks have been carefully selected, are widely distributed, the average of preferred business is being maintained, and the net amount at risk under any one policy does not exceed the sum of \$920.00.

The gross assets of the Company have increased from \$482,619.96 to \$554,970.85; the Subscribed Capital from \$461,000.00 to \$500,000.00; Paid-up Capital from \$101,625.00 to \$150,000.00.

Over \$10,000.00 has been carried to the credit of Re-insurance Reserve Account for protection of Policyholders (representing unearned premiums, government basis, on business in force).

Provision has been made for unadjusted losses, depreciation in office furniture and fixtures written off, and the balance on the year's operations to credit to Surplus Account is \$19,749.94. Out of this surplus a dividend at the rate of six per cent. per annum on the paid-up Capital has been declared and paid to the Shareholders.

During the year we were favored with the opportunity of adding to the Board of Directors Mr. Thomas L. Wood, of Brantford, Ontario, and Mr. Joseph Stauffer, of Galt, Ontario, and the Shareholders will be pleased to know these gentlemen have been added to the Directorate.

In accordance with the Act of Incorporation, the Directors retire and are eligible for re-election.

EDWARD BROWN, President.

FINANCIAL STATEMENT AS ON 31st DECEMBER, 1912.

Authorized Capital, \$2,000,000.00. Subscribed Capital, \$500,000.00. Paid-up Capital, \$150,000.00.

ASSETS.

Investments (First Mortgages on Real Estate and Loan Company's Debentures)	\$152,683 33
Cash on Hand and on Deposit	32,168 17
Balances due by Agents and others	4,137 00
Interest, but not due	3,734 60
Bills Receivable	7,892 00
Charter Account	1,500 00
Office Furniture, Fixtures and Insurance Plans	2,400 00
Government Licenses for 1913, paid in advance	455 75
Capital in course of collection	350,000 00
	<hr/>
	\$554,970 85

LIABILITIES.

To the Public:—	
Reserve for Unearned Premiums (Dom. Govt. basis)	\$ 18,800 00
Reserve for Outstanding Losses	2,000 00
Accounts owing	1,344 75
Surplus on Policyholders' Account	\$532,826 10
To the Shareholders:—	
Capital Stock Paid-up (subscribed \$500,000.00)	150,000 00
Capital Stock Subscribed and in course of collection	350,000 00
Surplus on Shareholders' Account	32,826 10
	<hr/>
	\$554,970 85

Security for Protection of Policyholders

\$554,970 85

The Home Investment and Savings Association.

Head Office - WINNIPEG, Man.

ANNUAL REPORT

The Twentieth Annual General Meeting of the Shareholders of the Home Investment and Savings Association was held at the Head Office of the Association, Farmer Building, 333 Main street, Winnipeg, on Monday, 3rd February, at 8 o'clock p.m.

In the absence of Mr. Bull, the President, Mr. P. C. McIntyre, the Vice-President, on motion, acted as Chairman, and the Manager, Mr. W. A. Windatt, as Secretary of the meeting.

The following report was submitted to the Shareholders by the Directors:—

Your Directors have much pleasure in presenting the Balance Sheet and Statement of Profit and Loss for the year ending December 31st, 1912, being the twentieth in the history of the Association.

We are pleased to be able to say that the business of the Association is in a very satisfactory condition.

The earnings for the year are at the rate of 14.55 per cent. on an average Capital employed of \$851,167.00. Out of the earnings four quarterly dividends of two per cent. and a bonus dividend of one per cent. have been declared. After the payment of these dividends there is still an amount of \$56,641.05 of Undivided Profits to be disposed of. From this amount your Directors have transferred \$50,000.00 to Reserve Fund, which now stands at \$375,000.00, and the balance, viz., \$6,641.05, has been carried forward to the Credit of Profit and Loss Account.

Your Board feels that the earnings of the Association warrant the placing of the Dividend on a nine per cent. basis, and would recommend to their successors in office the payment of quarterly dividends to the Shareholders at that rate, i.e., nine per cent. per annum, instead of the past custom of paying an eight per cent. dividend with a bonus of one per cent. after the books are closed for the year.

The business of the Association has been well maintained throughout the year as is evidenced by the figures the Directors are privileged to lay before you.

M. BULL, President.

BALANCE SHEET, DECEMBER 31st, 1912.

ASSETS.

First Mortgages on Real Estate.....	\$2,275,446 80
Municipal Debentures	12,816 52
Real Estate	15,000 00
Office Furniture	3,000 00
Cash on hand and in Bank of British North America	4,477 44
	<u>\$2,310,740 76</u>

LIABILITIES.

To the Public:	
Debentures and Accrued Interest..	\$605,831 69
Savings Deposits	436,799 62
Sundry Accounts	3,291 60
	<u>\$1,045,922 91</u>

To the Shareholders:

Capital Stock paid up (Subscribed, \$864,000.00)	\$856,510 60
Reserve	375,000 00
Dividend No. 62, payable Jan. 2, 1913	17,121 75
Dividend No. 63 (bonus), payable Jan. 25th, 1913.....	8,520 15
Unclaimed Dividends	46 40
Agents' Guarantee Fund.....	977 90
Balance carried forward at credit of Profit and Loss.....	6,641 05
	<u>1,264,817 85</u>
	<u>\$2,310,740 76</u>

We certify that the above Balance Sheet correctly sets forth the state of the affairs of the Home Investment and Savings Association as at December 31st, 1912. All our requirements as Auditors have been complied with.

MARWICK, MITCHELL, PEAT & COMPANY,
Chartered Accountants of Scotland, Auditors.
Winnipeg, Canada, January 29th, 1913.

PROFIT AND LOSS ACCOUNT, DECEMBER 31st, 1912.

	Dr.	Cr.
Jan. 2—By Balance brought forward...		\$ 2,548 25
Jan. 2—By Net Premiums on Stock paid during year		7,340 40
Jan. 2—By Interest earned for year..		161,459 81
Jan. 2—To Transfer to Agents' Guarantee Fund	\$ 500 00	
Apr. 1—To Dividend No. 59 of two per cent... \$16,887 30		
July 2—To Dividend No. 60 of two per cent... 16,995 60		
Oct. 1—To Dividend No. 61 of two per cent... 17,067 80		
Dec. 31—To Dividend No. 62 of two per cent., payable Jan. 2, 1913. 17,121 75		
Dec. 31—To Dividend No. 63, bonus of one per cent., payable Jan. 25th, 1913, making total dividend for year nine per cent. 8,520 15		
	<u>76,592 60</u>	
To Expense of Management, including Salaries, Office Expenses, Directors' and Auditors' Fees \$25,137 61		
To Rent of Office, Phone, Light, etc. 5,453 31		
To Advert'g, Books and Stationery.... 3,410 12		
To Inspection Expenses	1,202 60	
To Provincial and Municipal Taxes ..	1,535 45	
	<u>36,739 09</u>	
To Written off Furniture Acct. 875 72		
To Transferred to Reserve.... 50,000 00		
To Balance at credit of Profit and Loss	6,641 05	
		<u>\$171,348 46</u>
		<u>\$171,348 46</u>

The following Directors were re-elected for the current year: M. Bull, P. C. McIntyre, W. A. Black, F. H. Schofield, A. Black, F. W. Drewry, H. Byrnes, and R. J. Campbell. At a subsequent meeting of the New Board, Mr. Bull was re-elected President and Mr. McIntyre, Vice-President.

BRITISH NORTHWESTERN FIRE INSURANCE COMPANY

With a progressive management, an active directorate, and 374 agents, the British Northwestern Fire Insurance Company increased its volume of insurance in force during 1912 by over \$2,000,000 and the premium income by \$31,000. That income in 1911 was \$18,086 and last year advanced to \$49,017. There are 2,561 policies on the company's books representing current contracts of \$3,398,158. It is obviously important to select fire risks carefully. The directors of this company in their report state that that has been done, that the risks are widely distributed and the average of preferred business maintained. The net amount of risk under any one policy does not exceed \$920.

Last year about \$10,000 was carried to the credit of re-insurance reserve account for protection of policyholders. Provision was made for unadjusted losses, etc., and the balance on the year's operation, \$19,749, was placed to the cre-

dit of surplus account. Out of the surplus a dividend at the rate of 6 per cent. per annum on the paid up capital was disbursed to the shareholders. The subscribed capital totals \$500,000, of which \$150,000 is paid up. The company has authorized capital of \$2,000,000.

The gross assets have increased from \$482,619 to \$554,970. They include first mortgages on real estate and loan companies debentures amounting to \$152,683. Capital in course of collection amounts to \$350,000.

Sir William Whyte, one of the vice-presidents of the company, told the shareholders that he had every reason to believe that the success of the British Northwestern Fire Insurance Company will continue in the same marked degree in the future that it has in the past because so long as there was a conservative, prudent and capable management, with a large and ever-growing field, the opportunity is there.

The Dominion Rubber Company, Limited, has increased the number of its directors from three to nine.

THE CANADA LIFE

ASSURANCE COMPANY

IN 1912 ENJOYED
**A Record Year for Growth in
Strength and Size**

FINANCIAL STATEMENT

From the 66th Annual Report as at 1st of January, 1913

ASSETS		LIABILITIES	
Government, Municipal and other Bonds, Stocks and Debentures.....	\$19,060,604.52	Reserve Fund (Hm. 3½% and 3%).....	\$41,549,930.00
Mortgages on Real Estate	16,856,726.27	Death Claims in course of Settlement..	309,700.40
Loans on Policies	6,975,018.69	Instalment Claims Fund.....	180,346.50
Real Estate Owned — (including the Com- pany's Buildings in Toronto, Montreal, Hamilton, Ottawa, St. John, Winnipeg, Regina, Edmonton, Calgary, Vancouver and London, England).....	3,028,899.73	Dividends to Policyholders in course of Payment.....	25,751.75
Loans on Bonds, Stocks, Etc.....	152,505.77	Reserve for Policies which may be Revived	114,628.00
Premiums in Transit and Deferred (Net)	739,669.73	Other Liabilities	147,471.59
Interest and Rents Accrued.....	996,552.36	Total Surplus on Policyholders' Account (Hm. 3½% and 3%).....	5,973,695.25
Other Assets.....	310,164.00		
Cash on Hand and in Banks	181,382.42		
	<u>\$48,301,523.49</u>		<u>\$48,301,523.49</u>
RECEIPTS		PAYMENTS	
Premium Income (net)	\$5,153,994.79	Death Claims	
Interest, etc.....	2,242,764.95	(including \$119,337.50 for Bonus Additions)..	\$1,618,269.76
		Matured Endowments	
		(including \$39,930.15 Bonus Additions)....	380,026.15
		Dividends paid Policyholders	
		(exclusive of Bonus Additions)	115,365.72
		Surrender Values of Policies.....	262,861.50
		Paid Annuitants	86,441.67
		Total paid to Policyholders	<u>\$2,462,964.80</u>
		Commission, Salaries, etc.....	\$ 763,868.41
		Taxes, Gov't Fees, Stock Div'd, etc....	399,021.21
		Excess of Receipts over Payments	3,770,905.32
	<u>\$7,396,759.74</u>		<u>\$7,396,759.74</u>

The CONTINUED INCREASE IN SURPLUS EARNED by the CANADA LIFE in 1912 is due to these three factors:

- A SUBSTANTIAL GAIN IN INTEREST EARNINGS.
- A SATISFACTORY MORTALITY RATE.
- A LOW EXPENSE RATIO.

A FEW OUTSTANDING FACTS

THE SURPLUS EARNED in 1912 was \$1,530,667, the greatest in the Company's history. THE INCOME amounted to \$7,396,760, a material increase over that of any previous year. THE ASSETS were increased by \$4,044,182, the greatest growth in any year. TOTAL ASSETS \$48,301,523.

THE NEW PAID-FOR POLICIES amounted to \$15,512,339, exceeding the best previous year in the Company's history by over \$3,000,000. TOTAL ASSURANCES IN FORCE are for \$144,877,970.

THE INTEREST RATE was again improved and the Interest Income of \$2,242,765 was greater than that of previous years.

A copy of the complete Financial Statement and Report of Directors, together with the proceedings at the Annual Meeting, held February 6, 1913, will be mailed on request.

E. W. COX, General Manager.

The Standard Trusts Company

Makes a Good Showing

HEAD OFFICE . . . WINNIPEG

ANNUAL REPORT OF THE DIRECTORS

There was presented on Thursday, the 30th day of January, 1913, at 3 p.m., to the Shareholders of this Company, at the Tenth Annual Meeting, held at the offices of the Company, in the Standard Trusts Company's Building, 346 Main street, Winnipeg, the annual report of the Directors.

The following Shareholders were present:—Sir William Whyte, K.B., Messrs. J. T. Gordon, Wm. Harvey, P. C. McIntyre, C. H. Mansur, Wm. Cross, G. F. Stephens, W. A. Matheson, Dr. Popham, W. E. Lugsdin, Dr. Blanchard, Thos. Atchison, Geo. Anderson, H. Sandison, H. Mullins, John Stovel, A. H. Pulford, Thos. Bruce, Dr. J. R. Jones, and F. H. Schofield.

On motion, the President, Mr. J. T. Gordon, was called to the chair; the Secretary of the Company, Mr. W. E. Lugsdin, was requested to act as Secretary of the meeting, while Messrs. Bruce and Stovel were appointed Scrutineers.

Mr. Wm. Harvey, the Managing Director, read the notice calling the meeting, then the Directors' report and financial statement, and thereafter spoke as follows:—

Mr. Chairman and Gentlemen:

The statement and report which I have just read to you represent, as you can readily understand, the busiest year yet in the Company's comparatively short career. Practically each year of its history has witnessed giant strides forward, and I can promise you through our Chairman, our worthy President, as well as through our Vice-President, Sir William Whyte, some very convincing facts and figures this afternoon all bearing directly and indirectly upon The Standard Trusts Company's prosperity.

In previous years I have adverted to the reason why the average Trust Company conducted on the lines of a sane and sound policy can earn relatively higher earnings on its capital than the straight lending institution. The latter's source of profit is circumscribed between its borrowing and its lending rates. The difference, less cost of carrying on its business and providing for bad and doubtful debts, is its profit, without any other source of revenue. For the information of our Stockholders present, as well as those absent, I would explain that to earn the 21 per cent. which we show as our net return on capital we have at least three sources of revenue. First, the fees arising out of administration of estates, which is our primary function. Second, interest on our mortgage investments, some of which are of a guaranteed character, where the Company receives the difference between the rate we guarantee (necessarily lower than the unguaranteed investment) and the rate the mortgage itself bears; and those investments—usually the larger proportion—where we earn a yearly commission on the amount invested and the client takes the mortgage at its face and without involving the Company's guarantee; and third, commissions earned in our real estate department in buying and selling properties for clients, collecting rents and interest on their behalf, as Attorney and Agent; fees obtained in acting as Trustee for Debenture holders, Transfer Agent, Registrar of Stocks, Trustee for Mortgage Corporations and other credits received on miscellaneous business too numerous to mention, and yet which come strictly within the scope of a fiduciary Agent, such as the Standard Trusts Company is.

When we incorporated ten years ago we purposely struck out of our proposed charter the power which the Legislature was ready and willing to give us, authorizing us to receive deposits and conduct a semi-banking business, but your provisional Directors felt with me that to assume such a grave responsibility was tantamount to courting trouble when the first evidence of financial stress or panic appeared in the banking world. We are not bankers, although Trust Companies are so regarded in the United States, and do not want to be regarded as such, but we are first, last and always what we originally set out to be, a healthy, strong, legitimate Trust Company in the broadest sense of the term, inviting the public's fullest sympathy and support and extending in return an equally sympathetic helpfulness in the honorable discharge of a particularly high and sacred calling—Trustee for the living as well as for the dead.

I have thought it well to offer this explanation to you, as often the question is put to me, "How does your Company manage to put forth such satisfactory statements?"

Before our Chairman addresses you and puts his motion for the adoption of the Report, I shall be glad to answer in detail any question that may be asked regarding the Financial Statement, or the Company's affairs.

REPORT OF THE DIRECTORS.

Winnipeg, January 23rd, 1913.

To the Shareholders:

Your Directors beg to present their report for the year ended 31st December, 1912. While nominally it is their tenth Report, it, in reality, represents the result of business covering nine years and a fractional part of a year.

The Balance at credit of Profit and Loss Account on 31st December, 1911, was.....	\$ 3,618 71
The Net Profits for the year, after making all proper deductions, amounted to.....	104,982 42
	<hr/>
	\$108,601 13

This sum has been appropriated as follows:

Dividend No. 16 at eight per cent. per annum	\$20,000 00
Dividend No. 17 at nine per cent. per annum	22,500 00
Transferred to Reserve Fund.....	62,500 00
Balance carried forward	3,601 13
	<hr/>
	\$108,601 13

RESERVE.

Balance on 31st December, 1911.....	\$200,000 00
Added as above	62,500 00
	<hr/>
	\$262,500 00

From the above it will be seen that the Company has fully sustained the hope entertained by some of the Shareholders that a dividend in keeping with the profits earned and the Reserve created would be declared. It was felt by some that when the Reserve reached fifty per cent. of the paid-up capital of the Company, earning as it has been, twenty-one per cent. on its capital, would go on a ten per cent. dividend basis, but your Directors, actuated as they have always been by careful, conservative management, deemed it prudent that twelve per cent. (or 60 per cent. of earnings) be carried to reserve. They have considered it good policy, too, at this stage of its career, to increase its capital stock by fifty per cent., or in the proportion of one share for every two shares held, and that at a premium of twenty-five per cent. As authority was given to your Executive Committee at the annual meeting of the Shareholders in 1905 to increase the capital stock to \$1,000,000.00, of which total ten thousand shares of \$50 each have been issued and paid for, it will not be necessary to take power from you as Shareholders to issue the additional five thousand shares. Your Directors, however, desire to have you endorse a course which is eminently, in the Company's interest, advisable to follow. The Company's earning power is capable of paying and maintaining, even under adverse circumstances, a nine per cent. dividend, and placing to reserve a substantial sum each year, notwithstanding the proposed increase of capital, and your Directors heartily endorse this move. Assuming that the course appeals to you, the following figures will show the standing of the Capital Account and Reserve, immediately after the proposed subscription has taken place:

Capital Stock, 15,000 shares of \$50.00 each.....	\$750,000 00
Reserve, as above.....	\$262,500 00
Premium of 25 per cent. on New Stock	62,500 00
	<hr/>
Total Reserve	\$325,000 00

Your Directors beg to report the occupancy by the Company of its own premises, formerly occupied by the Bank of Montreal, and which, with some alterations, have been admirably adapted to the requirements of our Head Office.

The Company's building at Saskatoon, a six-storey structure, chaste in design and substantial in construction, is all but completed, and on the ground floor of which the Saskatoon branch will be comfortably located. The rest of the building will be rented on a basis to yield the Company a handsome return on its expenditure.

It is but right to add, for your information, that our Winnipeg and Saskatoon buildings have been taken in at actual cost only, notwithstanding that in the former the Company could have realized on a bona fide offer a net profit of \$50,000.00 on its original purchase. The site on which the Saskatoon building has been erected (and which, by profits realized from

sale of old site, practically cost us nothing) is worth to-day not less than another \$50,000. Neither of those sums appear in our Statement by way of write-up, your Directors preferring to ignore the profit.

Your Directors take pleasure in testifying to the loyalty of the staff of the head office and branches, to the painstaking care manifested by your Auditors, and to the general well-being of the Company.

J. T. GORDON, President.

**FINANCIAL STATEMENT FOR THE YEAR ENDED
DECEMBER 31st, 1912.**

LIABILITIES.

To Shareholders—	
CAPITAL ACCOUNT.	
Capital Stock, subscribed and fully paid.....	\$500,000 00
Dividend No. 17, payable January 2, 1913....	22,500 00
	<hr/>
	\$522,500 00
RESERVE.	
At credit December 31st, 1911....	\$200,000 00
Transferred from Profit and Loss	62,500 00
	<hr/>
	262,500 00
	<hr/>
	\$785,000 00
PROFIT AND LOSS ACCOUNT.....	3,601 13
	<hr/>
	\$788,601 13
To Clients and Estates—	
TRUSTS, ESTATES, GUARANTEED AND AGENCY ACCOUNTS, ESTATES AND TRUSTS	
	4,886,131 65
Assets under Administration.....	3,909,848 97
	<hr/>
	\$9,584,581 75

ASSETS.

CAPITAL ACCOUNT.	
Mortgages on Real Estate, ad- vances to Estates, etc.....	\$649,892 98
Office Premises, Winnipeg and Saskatoon	138,708 15
	<hr/>
	\$788,601 13
TRUSTS, ESTATES, GUARANTEE AND AGENCY ACCOUNTS.	
Mortgages on Real Estate and balances owing on sale agree- ments, etc.	\$4,836,353 87
Cash on hand and in Banks.....	49,777 78
	<hr/>
	4,886,131 65
ESTATES AND TRUSTS.	
Unrealized Assets under Administration....	3,909,848 97
	<hr/>
	\$9,584,581 75

N.B.—The Company is also Trustee for bond issues to the value of \$10,000,000.00.

PROFIT AND LOSS ACCOUNT.

Balance, December 31st, 1911.....	\$ 3,618 71
Net Profits for the year after deducting expense of Management, Directors' and Auditor's Fees, Commissions, etc.	104,982 42
	<hr/>
	\$108,601 13
Appropriated as follows:—	
Dividends Nos. 16 and 17 at the rate of 8 and 9 per cent. per annum respectively....	\$42,500 00
Transferred to Reserve Fund.....	62,500 00
Balance carried forward.....	3,601 13
	<hr/>
	\$108,601 13

WM. HARVEY, Managing Director.

AUDITOR'S CERTIFICATE.

Winnipeg, 22nd January, 1913.

I beg to report to the Shareholders of The Standard Trusts Company that I have audited the books and accounts of the Company at Winnipeg and Saskatoon for the year ending December 31, 1912, and hereby certify that the above balance sheet is in my opinion properly drawn so as to exhibit a true and correct view of the Company's affairs as shown by the books of the Company. All Loan Balances have been checked with the Mortgage Ledgers and the Mortgages securing such loans have, as in previous years, been duly inspected, while the Cash and Bank Balances have been verified by Certificates.

JOHN SCOTT, C.A.

The President, in moving the adoption of the report, said:—
“Gentlemen:—

This is our first Annual Meeting in the new offices of The Standard Trusts Company. I am pleased to see so many of our Shareholders here to-day. I want, on behalf of our Managing Director and the other Directors, to welcome you to our new home, and I desire to say that if any of you have not already

inspected the offices, we shall be very pleased to have you do so when this meeting adjourns. We are very proud of the new premises. The equipment is complete, and I think that probably there are few Trust Companies here more comfortable and more centrally located than The Standard Trusts Company at the present time.

Now, gentlemen, to-day I shall deal more particularly with the Directors' Report to the Shareholders. I am going to leave the financial side of the question, to a very great extent, to our Vice-President, Sir William Whyte, who is Chairman of our Executive Committee, and probably more familiar with the financial side of the Company than any other member of the Directorate outside of the Managing Director himself.

In the first place, I wish to make some reference to the Winnipeg Office, as well as to the Saskatoon and Edmonton Offices. Some two years ago your Managing Director strongly recommended to the Board of Directors the purchase of our present Winnipeg site. After looking into the matter carefully, we decided that the recommendation was a good one, and we purchased the property, but we did not occupy it until October of the past year, owing to the Bank of Montreal requiring the premises up till about that time. I am satisfied that the Shareholders will bear me out in what I say that the investment is a splendid one. The property as it stands to-day, including our improvements, cost us \$145,000. We have fully rented the two upper floors profitably, and therefore we are able to occupy the ground floor space at a very reasonable rental indeed. You will note that the building and site were taken in at actual cost. If the Shareholders wished to-day to dispose of the property, they would have no difficulty at all in selling it at, at least, one-third over that cost. Consequently I am sure the Shareholders will bear me out when I say that the investment is one in the interests of The Standard Trusts Company.

During the past year we let the contract for our new building in Saskatoon, in the Province of Saskatchewan. I presume the Shareholders are aware that we are the Official Administrators for the three Judicial Districts tributary to Saskatoon. The building, when completed, will cost in the neighborhood of \$90,000. It is a most magnificent structure, and one, I am sure, that any of the Shareholders will be proud of when they visit Saskatoon. The first storey is of stone, after that it is of brick, with stone facing on the sixth or top storey. The building is fireproof and modern in every respect. We went thoroughly into the cost of the building and the revenue that would be derived from it. We estimated the rental value at 50c a square foot less than what we were told we would be able to get for it, and it will net us about 7 per cent. upon the money invested, and give us the ground floor free for The Standard Trusts Company. I am sure, gentlemen, that you will approve of the Company's action in that respect.

I want to say further, gentlemen, that we are particularly fortunate in the selection of our Manager at Saskatoon. Our business has grown wonderfully. We have got a capable, energetic young man, who has the confidence of the people there. Saskatoon has grown wonderfully since we opened up that branch. I predict a splendid future for the Saskatoon office under the able management of Mr. T. F. Calder, our Manager there.

In the past year we have appointed a Manager at Edmonton, in the Province of Alberta, and I want to say to the Shareholders to-day that our Managing Director and the Board of Directors have been very much pleased indeed with our appointment in the person of Mr. H. R. Holland. He is a young man of splendid ability, or as you business men would say, he is, like our Saskatoon Manager, a good “mixer.” It is not an unusual thing for a Trust Company to call upon its capital to pay expenses for the first year, of a new Branch Office, but I am pleased to say that Mr. Holland has in the past year so satisfactorily transacted the affairs of The Standard Trusts Company at Edmonton, that he had a little on the right side after paying all legitimate expenses. So you will see, gentlemen, that as far as Edmonton is concerned, we have a splendid future there also. The success of the Company depends a good deal upon the management. We are very fortunate in the selection of our management, and as a result The Standard Trusts Company has no difficulty whatever in forging ahead. So far, therefore, as the business from our Branch Offices is concerned, the Stockholders may well feel satisfied it is in good hands, and I predict that for the year 1913 those two Branch Offices will do even better than they have done in the year just closed.

Now, probably it is quite in order that I should refer briefly to the conditions under which we have been carrying on our operations during the past year. The Shareholders will all agree with me that in no year in the history of this Dominion of ours, have we been more prosperous than in 1912. We have had prosperity from the Atlantic to the Pacific, and with the expansion and development that are taking place, the majority of us find it difficult to procure sufficient funds to carry on our individual business. The development is greater than the money at our command. Western Canada has prospered wonderfully, and in the three prairie provinces in which we are operating, there does not seem to be a cloud on the horizon for the year we have just entered into. That being the case, the Shareholders of this Company will expect us to bring in another splendid report at the end of 1913. I am satisfied that you will endorse the statement we have laid before you to-day as being a credit to any company, and a credit

to our Managing Director and those who have tried to look after your interests in the year just passed.

We have carried to reserve this year 60 per cent. of the net profits for the year. Our surplus to-day is \$262,500.

I think, gentlemen, we have taken pretty good care of our Shareholders in the years that have passed. We paid you 9 per cent. last year, and we carried \$62,500 to rest. We have paid 8 per cent.; we have paid you 7 per cent. and we have paid you 6 per cent. at various periods. The dividend rate has been growing gradually since the inception of the Company. The growth of The Standard Trusts Company has been a healthy growth from the beginning up to the present time, and I do not see any reason why it should not continue.

We have earned on the money that you have entrusted us with, in the past year, 21 per cent. This seems to me to be a splendid return for the Shareholders, and I do not know of anything else, gentlemen, that you could put your money into that is as safe or that you could get better return on. The Managing Director and the Directors of The Standard Trusts Company have tried to take the best of care of the funds you have entrusted them with, and I do not think I am saying too much when I say that they have, in every respect, succeeded.

Now, gentlemen, I wish to deal with that portion of the Report of the Directors to the Shareholders that refers to the issue of new stock. You will notice there, that in 1905 at a meeting held in this city, you authorized the Directors to increase the Capital Stock of the Company from \$500,000 to \$1,000,000, and it was expected by some of you that when the surplus reached 50 per cent. of the paid-up capital sum, the Company would probably go on a 10 per cent. dividend basis. There has been some reference in the past as to the amount of capital, paid up, of The Standard Trusts Company, not by people who are in the Company, or people who are in the Province, but by outsiders. I presume the Shareholders are aware that we get a large amount of money for investment from the Old Land, and other parts of Europe and even Australia, and we felt that it was in the interests of the Standard Trusts Company that, when we were in a position to do so, we should ask the Shareholders to subscribe \$250,000 more, which would bring up our paid-up capital to \$750,000. Now this seems to me to be a reasonable suggestion, and, if acted upon, a wise action, because we are in that position to-day that we can just as well have \$750,000 paid up as \$500,000, and it makes us stronger in the eyes of the outside world. We can, without effort, increase our capital to \$750,000, still pay you 9 per cent. thereon, and increase our reserve considerably in the year which we have now entered upon.

I want to say further, that the Board of Directors and the Managing Director felt that the men who put their money into The Standard Trusts Company in the beginning are the men who should have consideration shown them when there is a division of the new stock. When the proposal was first mooted the question was asked by one of the Directors, "How are you going to have this call paid?" As you know, for some people—and, in fact, for nearly all of us—money is not so easy to get to-day as it has been at other times. We decided that the Shareholders should have, at least, four months to buy in their shares in the proportion of one share for every two shares already held. I think the Shareholders will agree with me that this course is a reasonable and a fair one, and I fail to see where there could be any criticism on that score, and you will also agree with me that for every two shares that the Shareholders now hold, the allotment of one share of new stock is quite reasonable. We have gone further. If we had put our stock on the market, what would have been the result? We would have got at least \$175, ex rights for two shares of \$50 each, but we are giving it to the original Shareholders for \$125. The stock was quoted on the Exchange a few days ago at 200, and it is almost impossible to get a share. I think that the shares of The Standard Trusts Company, knowing as I do how conservative the annual statements are, are too cheap at 200. I would not let any share of mine be sold even at that figure.

You as Shareholders gave us this power to increase capital, and we come to you to-day to ask you to endorse our action. We believe we have done it in your best interests, and if you will scrutinize the statement in the Report of the Directors to you, you will find that, when the subscription of \$250,000 is paid in, plus the premium on it, we will have \$312,500 of new money for further development.

I have made the statement before on previous occasions (and I think I had better be a little bit more severe still on our Managing Director) that the following year would show up even better than the one just ended. Every year he has said I was too optimistic altogether. I want to say to you to-day, gentlemen, that with this extra \$312,500, it will just take \$50,000 more when this capital is paid in, to have 50 per cent. of the paid-up capital in reserve. I am not going to say that we will pay 9 per cent. on the additional \$250,000, and carry \$50,000 to rest, but I know it will be pretty close on it.

Now, gentlemen, I do not know that I have very much more to say to-day. The business of the Standard Trusts Company has been harmoniously conducted in the past year. The Board of Directors and the Managing Director have all had the usual crop of business problems to solve, but all have been loyal and faithful on all occasions in the discharge of their duties. I want to say on behalf of the Managing Director, as I have often before said, that The Standard Trusts Company has been particularly fortunate in having Mr. Harvey as its

Manager. There has been a continual growth right along. Our Secretary-Treasurer, Mr. Lugsdin, and the other members of the staff, have only one object in view, and that is, the best interests of The Standard Trusts Company. Mr. Harvey has loyalty, not only in the Head Office, but in the Branches, and loyalty means strength. The surroundings here are most satisfactory. Our offices are well lighted, well ventilated and well located, while the vault accommodation is ample for some years to come. Consequently I do not see any reason why the Shareholders of The Standard Trusts Company cannot look forward to the year 1913 with confidence and hope and expect splendid results at our next Annual Meeting.

I would like to add further, gentlemen (and I always take pleasure in referring to it) that another year has passed and the Board of Directors and the staff are without vacancy by death. These are things that I am sure every one of us feels grateful for. I know I am, myself.

The Vice-President, Sir William Whyte, will now deal more particularly with the financial side, and in conclusion I want to thank you, gentlemen, for your attention. I have great pleasure in moving the adoption of the report."

The Vice-President, Sir William Whyte, in seconding the motion for the adoption of the Report, said:—
"Mr. Chairman and Gentlemen:

The President has, in his address, dealt fully, clearly and capably with the Annual Report, and it is a great pleasure to me to be allowed to say something regarding the financial statement. I have had some facts and figures put together that may be of interest to you, and, with your permission, I will give you the benefit of them.

The Company has always managed to keep its funds profitably employed and last year was no exception to the rule, despite the fact that a considerable amount of capital was locked up in connection with the purchase of the Winnipeg Office premises and the erection of our building at Saskatoon. The interest earnings for the year were exceptionally good, 21 per cent. The investment feature of the business was even more active than usual during the year 1912. During the twelve months we loaned \$1,662,275.00 and we received for investment from various sources \$1,200,000.00. As a result of the large amount of new loans made, the Executive Committee have been kept busy passing upon them, but the usual care has been exercised and only business of the highest class has been accepted either for capital funds or for trust funds. The percentage loaned to the value of security rarely exceeds 35 per cent. The statement gives figures showing the volume of the investment end of our business, the total amount of our investments being now \$5,500,000. A further indication of the extent to which our investment business has grown may be gleaned from the fact that the collections during the last twelve months total \$1,050,000.00, of which \$289,500.00 represents interest and \$760,500.00 principal repayments.

While the year has been a very active one on the investment side of the business, the estate side has been no less active. Since the inception of the Company, less than ten years ago, we have taken in for administration over six hundred estates varying each in value from a few hundred dollars to over a million dollars. The value of the estates still in hand, in course of administration, is nearly \$4,000,000. Of course during the earlier years of the Company's history only a small proportion of these estates were taken in. The older and larger the Company grows, the greater are the number and volume of estates turned over to us for administration. The large experience which our officers have gained from handling such a large amount of estate business is a very valuable asset and should be a strong incentive for the appointment of the Company as the executor of wills. It is interesting to note the net earnings of the Company for each year since its inception and the growth of the reserve fund during that period. The following are the figures:—

Net earnings.	
1903.....	\$ 1,856.87
1904.....	5,954.36, of which \$4,000 was placed to reserve
1905.....	15,794.25, of which 8,500 was placed to reserve
1906.....	20,900.94, of which 12,500 was placed to reserve
1907.....	25,419.41, of which 15,000 was placed to reserve
1908.....	33,991.79, of which 20,000 was placed to reserve
1909.....	49,721.93, of which 30,000 was placed to reserve
1910.....	76,319.72, of which 50,000 was placed to reserve
1911.....	100,051.30, of which 60,000 was placed to reserve
1912.....	104,982.42, of which 62,500 was placed to reserve

The Paid-up Capital for the corresponding period is as follows:—

1903	\$ 52,762 50
1904	57,162 50
1905	138,886 07
1906	159,069 15
1907	172,174 11
1908	213,033 02
1909	300,000 00
1910	500,000 00
1911	500,000 00
1912	500,000 00
Present proposed incr. (\$250,000)	750,000 00

I have very much pleasure in emphasizing some of the statements made by the President regarding the success and prosperity of The Standard Trusts Company, and I have every reason to believe that the success and prosperity that have

attended The Standard Trusts Company in the past will continue in the future.

As the President has explained, the whole of Canada is undergoing a most rapid development, and that applies with special force, I think, to the three prairie provinces, in which this Company is doing a large volume of business. While this continues, money will always yield us good rates of interest, and, with the able, energetic and prudent management of The Standard Trusts Company, there is no reason whatever to doubt but that the success of this Company will continue with just as marked an advance in the future as in the past.

I am sure you are all pleased with our headquarters here. The President has explained to you how the purchase was made, and how much was paid for it, and that we could make 33 per cent. on the investment if we chose to sell; but I am sure that no Shareholder would be disposed to sell, even with a large amount of profit. I am not a real estate speculator, or a dealer in real estate, but I am quite satisfied in my own mind that the present price is not the highest price this property will be.

The President has also explained to you our venture in securing a site in Saskatoon, out of the profits that we made on a former investment. We have in that building a magnificent advertisement for The Standard Trusts Company, and when it is borne in mind, as the President explained to you, that we have several Judicial Districts in the Province of Saskatchewan, in which we act as administrators, and of which Saskatoon is the centre, it must be very satisfactory to the governing powers, that is, the Legislature of the Province of Saskatchewan, that the Company is performing its duties well, and these are all things that tend to make, and to draw, business to The Standard Trusts Company.

I have very much pleasure in seconding the motion for the adoption of the Annual Report."

The motion for the adoption of the Report was then put and carried unanimously, some of the Stockholders having first expressed their appreciation of the conduct of the Company's affairs.

It was moved by Mr. Stovel, and seconded by Mr. Schofield, that Mr. John Scott, C.A., be re-appointed Auditor of the Company for the ensuing year, his remuneration for the past year to be left in the hands of the Executive Committee.—Carried.

On the motion of Mr. Matheson, seconded by Mr. Atchison, the thanks of the meeting were tendered to the President, Vice-President and Directors, for their painstaking services during the past year.

On the motion of Mr. Mullins, seconded by Mr. Mansur, a similar vote of thanks was conveyed to the Managing Director, Secretary-Treasurer, Branch Managers and Staff.

Both motions were duly acknowledged.

The election of Directors was then proceeded with, and, on motion of Mr. Pulford, seconded by Mr. Schofield, the Scrutineers cast a ballot electing the following gentlemen Directors for the ensuing year:—

J. T. Gordon, Sir William Whyte, K.B., Wm. Harvey, N. Bawlf, E. S. Popham, M.D., J. A. Girvin, G. F. Stephens, P. C. McIntyre, M. Bull, R. J. Blanchard, M.D., John Perse, C. C. Castle, A. M. Fraser, K. Mackenzie, and Wm. Georgeson.

At a subsequent meeting of the Board held immediately after the General Meeting, Mr. J. T. Gordon was re-elected President; Sir William Whyte and Mr. Harvey, Vice-Presidents, and the Executive Committee composed of Sir Wm. Whyte, Messrs. Gordon, Harvey, Bawlf, Girvin and Dr. Popham, were re-elected with Sir William Whyte as Chairman.

ONTARIO LEGISLATURE OPENED.

The Ontario Legislature was opened this week. The speech from the throne referred to the agreement with the Minister of Agriculture for Canada covering the expenditure of Ontario's share of the Federal subsidy for agricultural purposes which amounted to \$175,000. This money is being expended for the benefit of the agricultural interests of the province, and the Government hails with satisfaction the announcement that the appropriation of Federal aid to agriculture in the provinces is to be made permanent.

The immigrants brought into the province during the year numbered more than 10,000. The production of minerals greatly exceeds in value that of any previous year.

Substantial progress were reported in the operations of the Hydro-Electric Commission, which a year ago was serving nineteen municipalities, and is now supplying thirty-five. In the same period the quantity of power delivered by the Commission has been more than doubled. In consequence, the revenue, after paying expenses and interest on the investment, shows a surplus, which has enabled the Commission to make a reduction in the rates to the municipalities. In addition to over 500 miles of transmission lines now in operation, the Commission has 108 miles under construction to provide for contemplated extensions.

A large sum of money will be spent by the province on good roads and a commission will probably be appointed to carry out a comprehensive scheme.

Under the instructions of the Ontario Government, Mr. J. B. Tyrrell, the well-known explorer, proceeded by way of Winnipeg to the mouth of the Nelson River, and selected and marked out the lands and terminals to which the province of Ontario is entitled. He was unable in the time at his disposal to complete the survey of the five-mile strip to which the province is entitled to its intersection with its westerly boundary. On his return trip Mr. Tyrrell passed through the territory recently added to the province known as the district of Patricia, and reports that this territory contains areas of agricultural lands and also mineral lands of promise. His report, together with a plan of the terminals selected by him, will be laid before the Ontario House.

WHY BONDS ARE SAFE INVESTMENTS.

In the old common law sense of the word, a bond signified an obligation to perform an act, and in the event of failure so to do, there was provision for the forfeit of something to compensate for damages sustained. This is true of investment bonds, which are secured by a lien against property which would be forfeited in case the obligation were not met. The return of the principal sum at a definite date and the regular payment of interest at a fixed rate are set forth in special agreements in the bond, which also usually provide penalties in case the agreements are not carried out.

So says the writer of an interesting booklet entitled, "Why Bonds are Safe Investments," issued by Messrs. N. W. Harris and Company, the well-known bond house. The pamphlet is well worth the perusal of those who at present hold bonds or who contemplate investing in them. Copies can be obtained from the Canadian branch office of the company at 157 St. James Street, Montreal.

STOCK AND BOND OFFERING.

An issue of 2,500 shares of the Stanley Mineral Springs and Brewing Company, Limited, is being made by Messrs. Playfair, Paterson and Company, members of the Toronto Stock Exchange. The capitalization of the company is as follows:—

	Authorized.	Being Issued.
Six per cent. bonds	\$ 500,000	\$350,000
Common stock	1,000,000	500,000

The money is required to furnish working capital. The head office of the company is at Winnipeg. An offering is being made also of \$350,000 six per cent. bonds, of which \$100,000 have already been taken up. The bonds are being issued at par with a bonus of 25 per cent. in common stock. The company was formed to take over the business of the Stanley Mineral Springs Company, Limited, with works near Port Arthur.

PERSONAL NOTES

Dr. Beattie Nesbitt, of Toronto, is dead.

Mr. J. W. Wilson has been appointed Toronto manager for Messrs. Matthews, Wrightson and Company, financial and insurance brokers.

Mr. A. H. Allen, manager of the Canadian Bank of Commerce at McLeod, Alta., has been re-elected president of the local board of trade.

Mr. David S. Kerr, C.A., has retired from the firm of Messrs. Marwick, Mitchell, Peat and Company, and also from the firm of Marwick, Mitchell and Company, chartered accountants, Montreal, New York, London (England), etc.

Mr. Geo. S. Walsh, manager of the Molsons Bank at Waterloo, has been transferred to Cowansville, Que., where a new branch of that institution has just been started and of which branch Mr. Walsh will have charge. A representative gathering of the principal business men recently gathered to express their regard for Mr. Walsh to the number of about 200 which included friends from Cowansville, Knowlton, Foster, West Bolton, West Shefford. Mr. Walsh was tendered an address and purse of money as an expression of the citizens' regard of himself and of his services.

The Dominion Gresham Guarantee and Casualty Company, of Montreal, has been licensed to carry on business in British Columbia. Mr. R. A. Welsh, Vancouver, has been appointed attorney for the company in British Columbia.

The Western Canada Power Company line of electric railway between Vancouver and Mission will be started in May next and will be completed before the end of 1915. Operation will be under the name of the Burrard, Westminster, Boundary Railway and Navigation Company. Locomotives will be used at first, since there is immediate traffic in sight, much log carrying offering. Eventually electric power from Stave River Falls will be used.

The Toronto General Trusts Corporation

REPORT OF THE PROCEEDINGS OF THE THIRTY-FIRST ANNUAL GENERAL MEETING

The Thirty-first Annual Meeting of the Shareholders of the Toronto General Trusts Corporation was held in the Board Room of the Corporation's Head Office, corner of Bay and Melinda streets, Toronto, on Wednesday, the 5th of February, 1913. There were present:—

Hon. Featherston Osler, K.C.; John Hoskin, K.C., LL.D.; Sir John M. Gibson, K.C.; Thomas Long, Sir Aemilius Irving, K.C.; D. R. Wilkie, Hon. Robert Jaffray, Sir Wm. Mortimer Clark, K.C.; Alexander Nairn, E. T. Malone, K.C.; G. A. Stimson, W. D. Matthews, H. S. Osler, K.C.; J. W. Langmuir, J. B. Holden, C. S. MacInnes, K.C.; J. Bruce Macdonald, Fred C. Jarvis, J. G. Scott, K.C.; C. W. Maclean, J. Harry Paterson, Edward Galley, A. L. Malone, D. A. Dunlap, A. D. Langmuir, G. F. Johnston, Hamilton Cassels, K.C., Sir Edmund Walker, Geo. Porter, G. A. Grover, G. L. Francis, W. R. Brock, Alexander Smith, Dr. D. King Smith, Geo. S. May, Sir Edmund B. Osler, M.P.; Wm. C. Brent, W. G. Watson, E. E. Argles, T. J. Maguire, W. N. Lonsdale, H. M. Forbes, F. R. Dymond, H. C. Hewetson, J. A. H. Burt, Fred L. Jarvis, James Lang, E. S. Dean, J. H. A. Byers, H. A. Calder.

The President, the Hon. Featherston Osler, took the chair, and Mr. A. D. Langmuir, the Assistant General Manager, acted as Secretary to the meeting.

The financial statements, showing the operations of the Corporation for the year ended 31st December, 1912, were submitted, and commented upon by the General Manager, Mr. J. W. Langmuir.

The report to the Shareholders was then read, as follows:—

THIRTY-FIRST ANNUAL REPORT OF THE TORONTO GENERAL TRUSTS CORPORATION.

Being for the Year Ended 31st December, 1912.

To the Shareholders:—

The Board of Directors have pleasure in submitting the Thirty-first Annual Report of the Corporation, accompanied by the Profit and Loss and Assets and Liabilities Statements for the year ended 31st December, 1912.

The net profits for the year, after payment of entire cost of management and all other fees and expenses, amount to \$233,915.93. To this amount the net profit on the sale of the Corporation's old head office premises, corner of Yonge and Colborne streets, amounting to \$95,618.74, must be added, together with the premium of \$213,746.50 received from the sale of the new stock of \$250,000 issued during the year, and the balance of \$71,237.37 brought forward to the credit of Profit and Loss from 1911, making a total of \$614,518.54, which has been dealt with by your Board as follows:—

To payment of four quarterly dividends at the rate of 10% per annum.....	\$110,892 33
To total cost of office furniture, and equipment for Treasury and Filing Vaults in new Head Office building written off.....	17,155 08
To Reserve Fund (increasing this fund to \$1,100,000).....	400,000 00
To amount carried forward to the credit of Profit and Loss.....	86,471 08

The Assets and Liabilities Statement for the year shows that the total assets in the hands of the Corporation amount to \$53,852,564.15, an increase over the year 1911 of \$8,765,904.16.

The volume of executorships, administrations, trusts and work of a kindred character which came into the hands of the Corporation during the year ended 31st December, 1912, amounted to \$10,424,764.20, which exceeds the amount of new work assumed by the Corporation in any one year since its inception.

The Board of Directors regret to announce that during the year no less than four members of the Board have passed away, viz.: Mr. John Laing Blaikie, Mr. Samuel Nordheimer, Mr. Frederick Wyld, and Mr. William Henry Beatty.

All which is respectfully submitted.

FEATHERSTON OSLER, President.

Toronto, January 28th, 1913.

THE TORONTO GENERAL TRUSTS CORPORATION. PROFIT AND LOSS STATEMENT For Year Ended 31st December, 1912.

By Balance brought forward from 31st December, 1911.....	\$ 71,237 37
By Commissions from management of Estates acting as Trustee for Bond Issues, Registrar and Transfer Agent, etc., Interest on Capital and Reserve, Profits on Guaranteed Funds, Net Rents from Office Buildings, Vaults, etc.....	\$449,923 15
To Management Expenses, including Directors' and Auditors' fees, salaries, advertising, rent, commissions paid agents for finding loans, etc.....	216,007 22
Net Profits for year.....	233,915 93
By Surplus re sale of Corporation's old office premises, corner Yonge and Colborne streets, Toronto.....	95,618 74
By Premium received on issue of \$250,000.00 of New Stock of the Corporation.....	213,746 50
	<u>\$614,518 54</u>
Appropriated as follows:—	
To Quarterly Dividends Nos. 63, 64, 65 and 66, at the rate of 10% per annum.....	\$110,892 33
To Amount of Office Furniture and Vault Equipment Account written off.....	17,155 08
To Carried to Reserve Fund.....	400,000 00
Balance carried forward.....	86,471 08
	<u>\$614,518 54</u>

ASSETS AND LIABILITIES STATEMENT FOR YEAR ENDED 31st DECEMBER, 1912.

ASSETS.	
Capital Account—	
Mortgages on Real Estate.....	\$ 1,219,557 40
Stocks and Bonds.....	81,600 00
Call Loans on Stocks and Bonds.....	300,897 99
Real Estate—	
Office Premises at Toronto and Ottawa, including Safe Deposit Vaults.....	820,498 48
Accrued rents, re Offices and Vaults at Toronto and Ottawa.....	4,197 38
Sundry Assets.....	2,964 37
Cash on hand and in Banks.....	50,673 74
	<u>\$2,480,389 36</u>
Trust, Guarantee and Agency Account—	
Mortgages on Real Estate.....	\$19,455,923 03
Government and Municipal Debentures.....	4,040,649 72
Loan Company Debentures.....	3,400 00
Stocks and Bonds.....	872,368 10
Loans on Stocks and Bonds and Debentures.....	903,666 86
Sundry Assets.....	3,041 08
Cash on hand and in Banks.....	943,889 41
	<u>26,222,938 20</u>
Trust Estates and Agencies—	
Unrealized original assets, including Real Estate, Mortgages, Debentures, Stocks and Bonds, etc., at Inventory Value.....	25,149,236 59
	<u>\$53,852,564 15</u>

LIABILITIES.	
Capital Account—	
Capital Stock.....	\$1,250,000 00
Reserve Fund.....	1,100,000 00
Dividend No. 66.....	30,854 89
Profit and Loss.....	86,471 08
Interest in Reserve.....	12,813 39
Balance of Auditors' Allowance.....	250 00
	<u>\$ 2,480,389 36</u>
Trust, Guarantee and Agency Account—	
For investment or distribution.....	\$26,222,938 20
	<u>26,222,938 20</u>
Trust Estates and Agencies—	
Inventory Value of unrealized Original Assets of Estates and Agencies under administration by the Corporation.....	25,149,236 59
	<u>\$53,852,564 15</u>

The President, Hon. Featherston Osler, moved the adoption of the report, seconded by John Hoskin, K.C., LL.D. The President then called upon Mr. J. W. Langmuir, Vice-President and General Manager of the Corporation, to address the Shareholders. Mr. Langmuir spoke as follows:— First, I may be permitted to congratulate the Shareholders and all associated with us on the completion and entire occupation of our new building. At our last Annual Meeting on 7th

February, 1912, we were able, by ejecting plasterers and painters, to occupy the Board Room in which we are now in session, for the day only, but our offices and vaults were not ready for occupation until Easter, at which time we took possession of our new Head Office home, and transferred, with a good deal of labor and not a little anxiety, the accumulated contents of our Safe Deposit, Treasury and Filing Vaults. You will be pleased to know that the transfer and lodgment of securities, documents, books and records, the accumulation of over thirty years, was effected without inconvenience to any of our clients, or the loss or misplacement of a single document.

A sale of our former premises was made shortly after we vacated at a net profit over the book value of \$95,618.74.

I have pleasure in reporting that after over nine months' occupation of our new offices we find them in all respects well suited for the Corporation's purposes, both in regard to location, interior arrangement and general equipment.

Although we have received excellent offers for the purchase of the premises on Melinda Street, east of our present building, and which were included in the original purchase by the Corporation, the Board decided to retain and rent this property, so that it might be available for any future extensions to the Head Office that may be required.

The Shareholders will doubtless be interested to learn that the Corporation has been successful in providing itself with a much-needed Head Office that in architectural beauty and construction is quite up to the best standards, either here or in the United States, and at the same time produces a fair interest return upon the capital expenditure. The entire space on the upper floors was readily leased to high-class tenants at a rent which, added to a sum equal to less than \$1.50 per superficial foot which we charge ourselves for the ground floor, basement and first floor, produces a net return of 5 per cent. on the investment, or a net return of approximately 6 per cent. if we include the rents derived from our Safe Deposit Vaults.

So much for our new building.

Coming now to a review of the general operations of the Corporation for the past year, after reviewing the very elaborate statements which have been laid on the table, it will, I think, only be necessary in my remarks to summarize the more salient points in connection with the year's operations.

The Corporation has now passed the fifty-million-dollars record in its assets as the residuum under its care, the actual amount being \$53,852,564.15, or an increase over the preceding year of close upon \$9,000,000.

During the year the Corporation made permanent mortgage and debenture investments authorized under the Act, or by the respective instruments appointing the Corporation, of over \$6,000,000, as against \$4,750,000 for 1912. It will be observed from the statements placed before you that there is close upon \$1,000,000 cash on hand in the various banks, only a portion of which, however, is subject to investment, and for this amount there were sufficient loans in the solicitors' hands at the end of the year.

The character of our loans in the Province of Ontario may be judged from the fact that out of mortgage investments aggregating \$14,081,723.21, 94.40 per cent. of the interest was paid as at 31st December, 1912, and a large portion of the 5.60 per cent. arrears has since been paid. Respecting mortgage investments in the Northwest Provinces, it will be obvious that they cannot be judged on the same lines as Ontario loans, for the reason that interest on farm loans is payable annually, and interest payments depend very largely upon weather conditions and means of transportation. Even with these conditions, out of \$6,331,067 invested in the Provinces of Manitoba, Saskatchewan and Alberta, interest to the amount of 73 per cent. has been paid as at 31st December, 1912, and large collections have been made since that date.

The interest, dividends, rents and general income collected by the Corporation on the assets under its care during the past twelve months amounted to close upon \$3,000,000 as compared with \$2,643,004.02 in the preceding year, or an increase of about \$350,000.

The compensation received for the management of estates for the year as fixed by the courts or by special arrangement with the beneficiaries, amounted to \$195,593, as against \$167,909 in the previous year, or an increase of \$27,684.14. While this compensation in the aggregate may appear considerable, it represents approximately only two-fifths of one per cent. of the value of the Trusts and Agencies under the control of the Corporation.

I think I can safely assert that there is no business of a monetary or commercial character which necessitates the employment on its staff of a larger percentage of skilled and properly-trained employees than a company having the care and management of estates and trusts. A trust company must at all times be prepared to take over and effectively administer assets of every description, which can only be properly done by having in the service men who have acquired through practical experience a thorough knowledge of almost every branch of industrial and commercial activity. During its career the Corporation has been called upon to conduct or supervise and wind up such businesses as, for instance, wholesale groceries, dry goods, general stores, timber limits and mills, cement plants, contracting enterprises of all kinds, manufactories, elevators, hotels, summer resorts, farms, drug stores, livery stables, stock broking, etc.

Keeping this in mind, I think it will be admitted that the cost, viz., \$216,007.22, of managing and administering the large

mass of business under the care of the Corporation (now amounting to over \$50,000,000) is quite moderate, it being considerably less than one-half of one per cent. on the business in hand. Of this amount the expenditures for the inspection and oversight of properties alone amounted to close upon \$20,000.

The foregoing figures as to compensation and cost of management very plainly indicate that the compensation allowed for the care and management of a trust company's assets of a fiduciary nature can only show a reasonably profitable return through the accumulation of a large volume of business. That, at any rate, is the experience of this Corporation, for, as a matter of fact, we are only now beginning to derive a fair profit from the management of our Trust and Agency business, apart from our investments of capital and guaranteed funds.

Owing to the large increase in the volume of business placed under the care of the Corporation during the past five years, the Board of Directors considered it necessary to increase the Capital Stock of the Corporation, and to that end a by-law was passed authorizing an additional capital issue of \$1,000,000 (making our total authorized capital \$2,000,000), which by-law received the sanction of the Shareholders at a special meeting called for that purpose on the 7th May, 1912. It was decided, however, to issue during 1912 only \$250,000 of the amount authorized, and to allot the same at a premium of 85 per cent., or \$185 per share, to the Shareholders as of record on the books of the Corporation on the 5th day of June, 1912. Effect was given to this resolution, and, as the statements show, the sum of \$213,746.50, representing premium, was credited to the Profit and Loss Account.

From the printed statements which have been placed in the hands of the Shareholders, it will be observed that the net profits for the year amounted to \$233,915.93, as against \$198,392.42 last year, and they further show that we have carried to Profit and Loss Account the surplus profit on the sale of our old office premises on Yonge street, namely, \$95,618.74; that we have credited that account with the premiums received on the new stock issue of \$250,000.00, amounting to \$213,746.50, making a total of \$614,518.54 appearing at the credit of Profit and Loss as at 31st December, 1912. Out of this amount your Directors declared and paid four quarterly dividends, at the rate of ten per cent. per annum, amounting to \$110,892.38; wrote off the entire indebtedness for office equipment, \$17,155.08; and carried to Reserve Fund the sum of \$400,000, leaving at the credit of Profit and Loss the sum of \$86,471.08. It will thus be seen that our paid-up capital now stands at \$1,250,000.00, and the Reserve and unappropriated profits at \$1,186,471.08, or a total of \$2,436,471.08.

Reviewing the operations for the past year as a whole, I feel assured that not only the Shareholders have reason to be satisfied with the results, but, what is perhaps of greater importance in a Trust Company, our clients, comprising many thousand beneficiaries of estates and trusts, and others whose interests we have in charge, will also be satisfied with the financial condition and strength of the Corporation.

At the risk of wearying the shareholders and the public generally with a repetition of the warning given at almost every Annual Meeting of the Corporation, of the great danger incurred in the indiscriminate granting of charters and licenses to companies designating themselves "trust" companies, but many of which are really brought into existence primarily for the purpose of selling their stock in order to obtain funds for speculation in real estate and the promotion of speculative enterprises generally, I must continue to place warnings on record. Were it not that many of these companies—more particularly in the northwestern Provinces—have equal, if not greater, powers conferred on them to act as Executor, Administrator, Trustee, etc., etc., than companies that are legitimately confining themselves to the performance of duties primarily and specially devolving upon trust companies, fault might not be found with the improper and misleading designation of "trust" companies. So long as they are not entrusted with the management of estates and the investment of trust funds, it perhaps would make little difference with a discerning man in the appointment of an Executor and Trustee. Unfortunately, however, with the marvellous growth and prosperity of the country we have reason to believe that many of these companies are using their charter powers in the flotation of land schemes and other purely speculative transactions of a more or less doubtful character, which undoubtedly will result in loss to many people who can ill afford to lose even the small sums that they are placing in such transactions.

So long as the Dominion and Provincial Governments cannot see their way to place more drastic restrictions on the work and duties of "trust" companies—so designated—I shall consider it my duty to place my views before the public. Speaking for The Toronto General Trusts Corporation, I again repeat the unalterable decision of this Corporation to rigidly confine itself to purely trust and agency business, and the investment, either as agent or guarantor, of funds committed to its care, but only in securities authorized by the Trustee Investment Act, unless otherwise directed by the investors, together with the transaction of other business of a purely fiduciary character.

Before closing I have much pleasure in expressing my appreciation of the excellent services rendered by the Advisory Boards of the Corporation at Ottawa and Winnipeg, and also the faithful performance of the duties devolving upon the respective members of the staff of the Corporation, both at the Head Office and its Branches.

AUDITORS' REPORT.

We, the undersigned, beg to report that we have made a full examination of the books, accounts and vouchers of The Toronto General Trusts Corporation to the 31st December, 1912, and find same to be correct and properly set forth in the above Statements of Profit and Loss and Assets and Liabilities. We have examined, and find in order, all the mortgages, debentures, bonds and scrip of the Corporation, as well as those negotiated for the Supreme Court of Judicature for Ontario, and Trusts, Estates and Agencies in the Corporation's hands, and we have checked same with the mortgage and debenture ledgers and registers. The bankers' balances, after deducting outstanding cheques, agree with the books of the Corporation.

We have also examined the reports of the Auditors of the Winnipeg and Ottawa Branches, and find that they agree with the Head Office books.

R. F. SPENCE, F.C.A., "Can."
GEO. MACBETH,

Auditors.

Toronto, January 27th, 1913.

The Report was unanimously adopted.

The Report of the Inspection Committee, as signed by the Hon. J. J. Foy, Sir Aemilius Irving and Mr. Hamilton Cassels, K.C., was also adopted.

The following Shareholders were elected Directors for the ensuing year:—W. R. Brock, Hamilton Cassels, K.C.; Sir Wm. Mortimer Clark, K.C.; Hon. W. C. Edwards, Hon. J. J. Foy, K.C., M.P.P.; Sir John M. Gibson, K.C.; A. C. Hardy, John Hoskin, K.C., LL.D.; Sir Aemilius Irving, K.C.; Hon. Robert Jaffray, J. W. Langmuir, Major R. W. Leonard, Thomas Long, W. D. Matthews, Hon. Peter MacLaren, J. Bruce Macdonald, Hon. Sir Daniel McMillan, K.C.M.G.; Sir Edmund Osler, M.P.; Hon. Featherston Osler, K.C.; J. G. Scott, K.C.; Sir Edmund Walker, D. R. Wilkie.

At a subsequent meeting of the Board of Directors Hon. Featherston Osler, K.C., was re-elected President, and Hon. J. J. Foy, K.C., and J. W. Langmuir, Vice-Presidents.

The Inspection Committee was re-elected, namely, Hon. J. J. Foy (Chairman), Sir Aemilius Irving, K.C., and Hamilton Cassels, K.C.

The following members were elected to the Advisory Boards of Ottawa and Winnipeg:—

Ottawa—W. D. Hogg, K.C. (Chairman), Sir Henry N. Bate, George Burn, Capt. J. L. Murphy, and Hiram Robinson.

Winnipeg—Hon. Sir D. H. McMillan, K.C.M.G. (Chairman), Hon. D. C. Cameron, W. H. Cross, A. L. Crossin, H. H. Smith and Frederick T. Griffin.

NATIONAL CAR LISTED ON TORONTO EXCHANGE.

National Steel Car shares have been listed on the Toronto exchange. The capital consists of \$1,500,000 7 per cent. preferred stock and \$2,000,000 common. The plant, which is located at Hamilton, has a capacity of thirty cars a day. The common sells at 38, preferred at 82.

MONEY MARKETS

Messrs. Glazebrook and Cronyn, Toronto, exchange and bond brokers, report exchange rates as follows:—

Buyers.		Sellers.		Counter.
N.Y. funds	3-64 pm	1-16 pm		3/8 to 1/2
Mont. funds	Par	Par		3/8 to 1/2
Sterling—				
60 days' sight	8 13-16	8 27-32		9 1-16
do. demand	9 3/4	9 25-32		10 9 3-16
Cable transfers	9 29-32	9 15-16		10 1-16
				10 10 3-16
Rates in New York:		Actual.		Posted.
Sterling—60 days' sight		4.83.45		4.84 1/2
do. demand		4.87.60		4.88 1/2

Call money in Toronto, 6 to 6 1/2 per cent.

Open market discount rate in London for short bills, 4 13-16 per cent.

JANUARY BANK CLEARINGS

The following are the returns of the Canadian Bank Clearing Houses for January, 1913, compared with January, 1912:—

	Jan., 1912.	Dec., 1912.	Jan., 1913.	Ch'g %
Brandon	\$2,498,257	\$3,856,038	\$3,025,814	+21.0
Brantford	3,178,805	3,000,861	2,891,098	-9.0
Calgary	18,599,428	25,772,859	21,680,900	+16.5
Edmonton	14,328,480	21,649,209	18,394,721	+28.3
Fort William	2,425,250	4,172,455	3,609,351	+48.4
Halifax	8,747,945	8,900,595	9,322,578	+6.5
Hamilton	12,670,922	16,567,587	15,936,304	+25.7
Lethbridge	2,669,025	2,996,445	2,469,794	-7.4
London	6,904,546	8,438,631	8,387,037	+21.4
Montreal	207,216,549	246,791,121	247,912,102	+19.6
Moose Jaw	3,979,906	7,714,608	5,996,706	+50.6
New Westminster			2,544,640	.....
Ottawa	22,028,048	17,490,546	19,292,073	-12.4
Quebec	11,631,964	15,448,261	13,576,582	+16.7
Regina	7,860,842	11,811,821	11,671,180	+48.4
St. John	6,918,209	8,721,000	8,383,391	+21.1
Saskatoon	7,010,084	12,141,084	9,010,084	+29.7
Toronto	175,019,906	184,900,901	196,761,436	+12.3
Vancouver	48,371,226	55,434,815	52,431,327	+8.3
Victoria	11,902,510	17,030,315	15,987,507	+35.1
Winnipeg	110,993,506	167,426,414	134,993,452	+21.6
Totals	\$684,955,507	\$840,263,566	\$804,364,150	+17.4

RAILROAD EARNINGS.

The following are the railroad earnings for the week ended January 21st:—

	1913.	1912.	Increase or Decrease.
Canadian Pacific	\$2,177,000	\$1,503,000	+\$674,000
Grand Trunk	884,424	760,575	+ 123,849
Canada Northern	301,500	249,300	+ 52,200
Temiskaming & Nor. Ontario	29,306	26,740	+ 2,566

MORE ANNUAL MEETINGS

The following are among the annual meetings to be held during February:—

Feb.	Company.	Time.	Place.
10	Acadia Fire Insurance Company	11 a.m.	Halifax.
10	Halifax Electric Tramway	3 p.m.	Halifax.
11	Canada National Insurance Co.	4 p.m.	Saskatoon.
11	Eastern Trust Company	11 a.m.	Halifax.
11	Maritime Telegraph and Telephone	.....	Halifax.
11	Security Life Insurance Co. of Can.	11 a.m.	Montreal.
12	Williams Manufacturing Company	11 a.m.	Montreal.
12	Canada National Fire Insurance Co.	4 p.m.	Winnipeg.
15	Mackay Companies	10 a.m.	Montreal.
17	Eastern Canada Savings & Loan	3 p.m.	Halifax.
19	Nova Scotia Fire	.....	Halifax.
19	Crown Fire Insurance	Noon.	Halifax.
21	Equity Fire Insurance Company	10.30 a.m.	Toronto.

BANK CLEARING HOUSE RETURNS

The following are the figures for the Canadian Bank Clearing Houses for the weeks of February 8th, 1912; January 30th, and February 6th, 1913, with percentage change:—

	Feb. 8, '12.	Jan. 30, '13.	Feb. 6, '13.	Ch'g %
Montreal	\$42,272,320	\$50,452,097	\$54,933,736	+29.9
Toronto	38,052,027	39,904,831	45,483,170	+19.5
Winnipeg	25,152,155	25,697,297	28,837,251	+14.6
Vancouver	10,749,267	10,151,168	15,627,010	+45.3
Calgary	4,297,778	4,171,452	4,768,317	+10.9
Ottawa	4,818,588	3,533,561	4,274,392	-11.2
Edmonton	4,208,745	3,744,968	3,863,159	-8.1
Victoria	3,035,952	3,450,533	3,206,902	+5.6
Hamilton	2,817,279	3,164,121	3,660,396	+30.2
Quebec	2,883,121	2,765,033	3,210,627	+11.3
Saskatoon	1,764,435	1,792,766	2,078,076	+17.7
Regina	1,929,323	1,925,349	2,387,754	+23.2
Halifax	2,004,166	1,733,356	2,159,885	+77.3
St. John	1,722,758	1,621,702	1,717,557	-0.3
London	1,549,785	1,364,920	1,812,818	+16.9
Moose Jaw	869,167	1,120,582	1,241,341	+42.8
Fort William	603,855	792,727	812,701	+34.4
Lethbridge	572,665	562,175	616,722	+7.6
Brandon	499,825	581,992	521,852	+4.4
Brantford	477,932	608,943	560,999	+17.4
Totals	\$150,280,243	\$159,199,582	\$181,783,665	+20.9
New Westminster	.....	595,309	510,636	.....

AGRICULTURAL BRITISH COLUMBIA

Needs of Producers of the Province—Utilities Development—Vancouver's Shipping Increases.

(Staff Correspondence.)

Vancouver, February 1st.

For some time past there have been conjectures as to what were certain steamship corporations' intentions with regard to Panama Canal traffic.

The Royal Steam Packet line will start a North Pacific service in May, coming via the Suez. By getting a start made it will then be in line for what turns up after the canal is opened. Some time ago an arrival from London told *The Monetary Times* that this company was building four new large boats, and it was believed these boats were for the new Pacific trade.

The Hamburg America liner *Sithonia* is due to arrive in Vancouver on February 1st on her first trip to this port, and thirty days afterward she will be followed by another of the same line, a new service being started.

These are round-the-world plans, but a coast project has been hinted at by Mr. E. H. Heaps. He is asking the Vancouver Board of Trade to support a line of steamers to ply between Montreal and Vancouver via the canal and Mexico, to be called the Canadian Panama Steamship Company. Mr. Heaps was interested in the Canadian Mexican service, and knows something of the possibilities of this side of the route.

It is noteworthy that Western Canadian ports are now connected with the principal countries of the world, with the exception of South Africa, and that during the last year or so important trade routes have been established. Two of the new lines to bring boats to Vancouver and Victoria are the Eastern Asiatic connecting with Denmark and other European countries, and the Maple Leaf line running from New York via the Horn.

Utilities and Increased Population.

The British Columbia Electric Railway Company is preparing for development on Vancouver Island and has purchased a block of land, which will be utilized as a site for offices and terminals. It is proposed to erect a building ten stories in height, and although it is not expected that all this space will be required from the first, it is anticipated that in time the company's business will so expand as to make its occupation necessary. In the meantime, surplus space will be rented.

Another big company movement is the construction in Vancouver of a new building to house four exchanges by the British Columbia Telephone Company. The business section and the peninsula portion of Vancouver is becoming so congested that one central exchange cannot handle the telephone traffic, although three suburban and two district exchanges, five in all, have been opened during the last two years.

To Assist the Farming Community.

In British Columbia agriculture is coming in for much notice. Farmers have not been going on the land, and the government has appointed a commission to see if some assistance cannot be devised. A fact that is being overlooked is that farmers quite close to New Westminster and Vancouver cannot satisfactorily market their produce. For instance, this week a rise in the price of potatoes will be announced. A farmer at Cloverdale, a few miles south of New Westminster, has stated that he has potatoes that he could not market, and two years ago he threw potatoes in the river, not being able to get rid of them, yet the price in the cities close at hand was almost twice what it is now, namely, \$15 a ton, with *Asherofts* \$25. This kind of complaint is made by growers of different kinds of produce, yet nothing is done to help bring the producer and the consumer together. A few years ago a steamer operated down the Fraser and around to Vancouver, but that service was given up a long time ago. If the government were to foster something of this kind, which would bring the farmer in touch with the New Westminster market and also that at Vancouver, it would be a practical assistance that would be appreciated. With people on the land will come provision for many people now in the cities and a surplus population will be provided that will be of benefit to industries. Until labor is here in sufficient quantities, capital will be shy. A larger population, too, means more traffic for the liners that are to dock here, in fact people on the land is the basic principle of a province's prosperity.

COBALT ORE SHIPMENTS.

The following are the shipments of ore, in pounds, from Cobalt Station for the week ended January 31st: McKinley-Darragh, 83,500; LaRose, 64,000; Chambers Ferland, 62,400; Cobalt Townsite, 82,000; Hudson Bay, 124,100; total, 416,000 pounds, or 208 tons. The total shipments since January 1st are now 3,315,771 pounds, or 1,657 tons.

In 1904 the camp produced 158 tons, valued at \$316,217; in 1905, 2,144 tons, valued at \$1,437,106; in 1906, 5,835 tons; in 1907, 4,850 tons; in 1908, 29,360 tons; in 1909, 29,941 tons; in 1910, 34,041 tons; in 1911, 25,089 tons; 1912, 21,509 tons.

DAY OF FOUR PER CENTS. IS OVER

London Will Not Take Them—Comment is Lively Overseas.

"Yesterday was a marked day in the history of the evolution of colonial securities," writes the financial editor in the *London Morning Post* of Tuesday. "Those of several leading municipalities took a long and probably a permanent step away from the 4 per cent. toward the 4½ per cent. type. Month by month the opinion has been gaining ground that the yield on this class of securities is becoming less and less acceptable, even to the most cautious investors. New issues must be made with a higher rate of interest. The price of old issues has yet further to fall.

Toronto Loan Adverse Factor.

"Yesterday dealers acted on that opinion, and were moved by the failure of the city of Toronto issue. The price of this stock was quoted first at 1½ discount, but there was such a marked disposition to sell that it fell to 2 discount. Dealers decided that the time had come to make substantial alterations in the prices of similar stocks. The outstanding Toronto fours were marked down 4 points. Vancouver and Victoria fours fell 2 points. Winnipeg fours fell a point. Winnipeg's new loan, now being offered, is of the 4½ per cent. type at par. Yesterday's reduction in prices was a nail in the coffin of 4 per cent. colonial municipal loans."

Consolation for Toronto.

The best consolation Toronto's friends offer for the failure of the loan issued in London is that the city's security is so high that the underwriters will not be compelled to play part nurse for long, says a cable message.

The immediate effect is to depress existing Canadian municipal fours, because it is believed that their day is over.

Some financial writers hope that the underwriters and Canadian banks will see the advisability of calling a halt to new municipal expenditures, or at least moderating their demands.

A delegation from Prince Albert has arrived in London to place a large municipal loan on the London market.

Montreal's expected issue also excites considerable interest, though nothing definite is known respecting it.

What Lord Faber Thinks.

Lord Faber, of the eminent London banking firm, addressing the Bradford Chamber of Commerce, referred to Canada's heavy borrowing in Great Britain. "I do not want to be an alarmist," he is reported in a cable to the *Montreal Star*, "and I have a great opinion of Canada, but there should be moderation in all things. Some time ago, we, in the way of our business, had a bill for £400 or £500 to collect from a Canadian corporation which had been raising money in England. The bill came back with the answer: 'Present again, after we get the proceeds of our new loan from England.' So far, the proceeds do not seem to have arrived. We have many millions invested in one country. We ought to go slowly now."

NEW STEAMER ORDERED.

The Collingwood Shipbuilding Company has been awarded a contract for a combined passenger and freight steamer by the Pelee and Lake Erie Navigation Company, which operates between Pelee Island and the mainland ports including Rondeau. The new steamer will be constructed of steel and will be 145 feet long with 24 feet beam and a depth of 18 feet 3 inches. It will be a day boat and will be fitted up specially for the route on which she will ply. The motive power will consist of triple expansion engines, 12½, 21, 34 inches with a stroke of 21 inches. This will be supplied with steam by one Scotch boiler 12 feet 6 inches in diameter and 10 feet 6 inches in length. The steamer will develop a speed of thirteen miles per hour. The contract calls for delivery in July next.

PREMIER SIFTON AND PRIVY COUNCIL DECISION.

"I have read with interest the report of the decision of the Privy Council in regard to the appeal of the Royal Bank," said Premier Sifton. "I was very much surprised at the ground given by the court for their decision, as the bondholders were not in any respect parties to the action, and it was generally admitted by everyone that their rights were amply secured by the legislation. Any action that may be taken in regard to the matter will be question for further consideration."

The *London Daily Express*, commenting on the decision, admits that it is much criticized in Canada, but accepted by the financial community as a combination of sound common sense and good banking law.

The number of directors of the Canadian Northern Montreal Land Company, Limited, has been increased from five to seven.

THE TORONTO RAILWAY COMPANY

REPORT OF THE PRESIDENT AND DIRECTORS FOR THE YEAR ENDING DECEMBER 31st, 1912.

To the Shareholders:—

Your Directors with pleasure submit herewith their Twenty-first Annual Report, together with balance sheet and profit and loss account of the Company for the year ending 31st December, 1912.

A summary of the year's operations will be found attached hereto, from which will be recognized the continued increase in the Company's business.

The gross earnings amounted to \$5,448,050.36
Charges for operating, maintenance, etc. 2,866,550.12

Net Earnings \$2,581,500.24

From which net earnings there was deducted the sum of \$2,012,637.57, distributed as follows:

Dividends \$879,595.85
Bond interest, etc. 190,992.76 \$1,070,588.61

Payments to City:
Percentage on earnings \$798,958.66
Pavement charges 90,953.00
General taxes 52,137.30 942,048.96
\$2,012,637.57

The increase in gross passenger earnings is most gratifying, showing as it does the amount of \$567,035.00, when compared with the previous year; the earnings being \$5,367,502.48, while those for 1911 amounted to \$4,800,467.48. Notwithstanding the large increase in gross earnings referred to, said surplus was reduced largely by the operation of additional cars placed in service, a higher rate of wages paid to our conductors, motormen, and other employees, also the cost of material of all classes having advanced in price. The charges for the year amounted to \$2,866,550.12. When compared with the previous year, which amounted to \$2,653,361.86, show an increase of \$213,188.26. The percentage of operating cost being 53.4% of our passenger earnings.

The payments made to the City of Toronto amounted to the sum of \$942,048.96, which amount, when compared with the payments of the previous year, shows an increase of \$119,815.72, or 14.6 per cent.

In addition to entirely renewing the battery plant at Frederick and Front Streets, there was expended during the

year on Capital Account, the sum of \$591,484.70 in building additional rolling stock and procuring electrical equipment for same, the construction of new tracks and erection of overhead work in various sections of the city, additions to buildings, and other improvements.

On the 25th day of March last a fire occurred at the King Street East Division, completely destroying the car storage house in the rear of the main building, together with about 150 cars, practically all of which cars were of the open, or summer type. The property was insured.

The Company's agreement with its employees having expired on the 15th June, 1912, your Directors are pleased to report that after a number of conferences, all differences were amicably adjusted and an increase in wages was granted, and a new agreement entered into for three years.

The second drawing of the Company's currency and sterling bond issues, under the terms of the mortgage deed dated 1st September, 1892, took place on the 27th day of June, 1912, the Company being obliged under the mortgage deed to redeem by drawing annually five per cent. of the amount of bonds issued, same to be redeemed on the 31st day of August following the date of drawing, and from which date no interest is payable. The full number of bonds drawn in June, 1912, amounting to \$168,693.33 have been presented and paid, and of the bonds drawn during 1912 \$159,500.00 have been presented and redeemed. The total amount of bonds so drawn for redemption aggregate \$339,386.66.

Careful attention has been paid to the maintenance of the plant, rolling stock equipment, and other properties of the Company.

Your Directors declared out of the accumulated surplus earnings of the Company, four quarterly dividends of two (2) per cent., all of which dividends were paid on the several dates set for payment.

The Toronto and York Radial Railway Company report that the earnings of the said Company continue to show satisfactory increases, the gross earnings amounting to \$492,922.86, compared with \$449,059.16 for the previous year—an increase of 9.76 per cent.

A regular monthly audit and verification of the books, accounts and vouchers was made by Messrs. Clarkson and Cross, Chartered Accountants, and their certificate has been attached to the Company's balance sheet.

Respectfully submitted,

WILLIAM MACKENZIE,
President.

INCOME ACCOUNT.

Gross Earnings		\$5,448,050.36
Operating, maintenance, etc.	\$2,866,550.12	
Interest on bonds, etc.	190,992.76	
Percentage on earnings	798,958.66	
Pavements, taxes	143,090.30	3,999,591.84
Surplus Earnings		<u>\$1,448,458.52</u>

PROFIT AND LOSS ACCOUNT,

December 31st, 1912.

Balance from last year		\$3,125,894.33
Surplus Earnings, after payment of all expenses, interest, taxes, etc.		1,448,458.52
		<u>\$4,574,352.85</u>
Dividends, four of 2% each, on the paid-up capital.....		\$879,595.85
Balance from 1911	\$3,125,894.33	
Surplus carried forward	568,862.67	3,694,757.00
		<u>\$4,574,352.85</u>

COMPARATIVE STATEMENT, 1912-1911.

	1912.	1911.	Increase.
Gross Income	\$5,448,050.36	\$4,851,541.42	\$596,508.94
Operating, maintenance charges, etc.	2,866,550.12	2,653,361.86	213,188.26
Net Earnings	2,581,500.24	2,198,179.56	383,320.68
Passengers carried	135,786,573	120,997,844	14,788,729
Transfers	56,176,985	48,730,671	7,446,314
Percentage of charges, etc., to passenger earnings	53.4	55.2	*1.8

*Decrease.

GENERAL STATEMENT YEAR ENDING DEC. 31st, 1912

ASSETS.

Road and equipment, real estate and buildings, including pavements, etc.	\$18,379,409.50
Advances to subsidiary companies	743,488.25
Stores in hand	\$ 234,457.22
Accounts receivable	600,302.46
	834,759.68
Cash in bank	443,631.56
	<u>\$20,401,288.99</u>

Verified,
CLARKSON & CROSS, Auditors.

LIABILITIES.

Capital Stock:		
Authorized	\$12,000,000.00	
In treasury	1,000,000.00	
Outstanding		\$11,000,000.00
Bonds Outstanding:		
4% % Sterling	\$ 2,173,940.00	
4% % Currency	885,000.00	
6% Debenture	600,000.00	
		3,658,940.00
Mortgage		70,000.00
Accounts and wages payable	\$ 446,411.18	
Accrued interest on bonds	64,680.35	
Dividend payable January 2nd	219,982.00	
		731,073.53
Toronto Power Company Sinking Fund Guarantee		241,571.70
Unredeemed tickets		131,217.98
Reserves:		
Provision for renewals	\$ 1,594,724.80	
Less charges to date	906,281.40	
		688,443.40
Insurance fund for injuries and damages		185,285.38
		873,728.78
Profit and Loss		3,694,757.00
		<u>\$20,401,288.99</u>

Correct,
J. M. SMITH, Comptroller.

THE TORONTO RAILWAY COMPANY Statistical Statement for the Years 1902 to 1912.

Comparative Statement	1912	1911	1910	1909	1908	1907	1906	1905	1904	1903	1902
Gross Income.....	5,448,050.36	4,851,541.42	4,377,116.19	3,926,828.43	3,610,272.98	3,511,197.86	3,109,739.61	2,747,324.58	2,444,534.24	2,172,087.85	1,834,908.37
Operat'g maintenance, etc.	2,866,550.12	2,653,361.86	2,237,187.75	1,995,914.64	1,889,046.62	1,893,236.41	1,646,515.27	1,560,437.42	1,424,179.54	1,200,823.39	1,015,361.82
Net Earnings.....	2,581,500.24	2,198,179.56	2,139,928.44	1,930,913.79	1,721,226.36	1,617,961.45	1,463,224.34	1,186,887.16	1,020,354.70	971,264.46	819,547.05
Passengers carried.....	135,786,573	120,997,844	109,415,264	98,117,991	89,139,571	85,574,788	76,958,488	67,881,688	60,127,460	53,055,322	44,437,678
Transfers.....	56,176,985	48,730,671	42,630,758	38,151,596	32,700,576	31,370,825	28,159,558	23,625,752	20,480,270	18,654,344	15,974,220
Percentage of charges, etc., to passenger earnings....	53.4	55.2	51.6	51.4	52.9	53.9	52.9	56.8	58.2	55.3	55.3

COMMONWEALTH TRUST COMPANY.

The Commonwealth Trust Company, Limited, is the name of a new financial concern recently organized in Alberta, with head office in Calgary. The authorized capital is \$2,000,000, and shares are being offered to the public. A strong board of directors has been secured, and the company expects to commence business shortly. The organizers feel that there is a good field in the West for another trust company, and with European connections that are practically assured, it should commence business under promising conditions.

The principal business will be loaning money on first-class mortgages on improved land, and acting as trustees and executors. In addition, the company's charter empowers it to buy and sell agreements of sale, which, with careful supervision, has proven very profitable.

The provisional officers of the company are: President, Charles W. Fisher, Cochrane, Alta., capitalist, Speaker in the Legislative Assembly of Alberta. Vice-presidents, Major Duncan Stuart, Calgary, Alta., barrister-at-law, director Alberta Interurban Railway Company; J. R. Sutherland, Calgary, Alta., gentleman, late Dominion lands agent; George F. Tull, Calgary, Alta., managing director of Niblock & Tull, Limited. Managing director, D. J. Young, Calgary, Alta., president of Young & Kennedy, Limited. Secretary and treasurer, E. W. McMullen, Calgary, Alta., manager Merchants Bank of Canada, Calgary. Directors, Lieut.-Colonel James Walker, Calgary, Alta., capitalist, chairman South East Land

Corporation, Limited; Harold W. Riley, M.L.A., Calgary, Alta., president Riley's, Limited; H. A. MacLean, Calgary, Alta., president of Alliance Investment Company (Canada), Limited; Louis M. Roberts, M.L.A., High River, Alta., broker, of Roberts & Hunt; Lieut.-Colonel G. E. Sanders, Calgary, Alta., police magistrate, Calgary; George Pirie, M.D., Calgary, Alta.

Temporary offices have been secured in the MacLean Block, Calgary, and later the company expect to have ground floor offices in one of the new buildings being erected in Calgary.

DOMINION TRUST OPENS WINNIPEG OFFICE.

The Dominion Trust Company, Limited, of Vancouver, which has paid up capital and surplus of \$2,500,000 and total assets of \$4,179,679, has opened an important branch at Winnipeg. Mr. H. W. Trenholme is manager of that office. The Dominion Trust Company acts as executor, administrator, guardian, trustee, receiver or assignee, register and trust agent. The company is also trustee for bond issues. It receives deposits and pays 4 per cent. thereon. It has the agency for Manitoba of the insurance company of the State of Pennsylvania and the Liverpool Victoria Insurance Corporation of London, England. The Dominion Trust Company has now branches at Vancouver, Victoria, New Westminster, Nanaimo, Calgary, Regina, Winnipeg, Montreal, London, England, and Antwerp, Belgium.

DIVIDENDS AND NOTICES

THE CANADIAN BANK OF COMMERCE

Dividend No. 104

Notice is hereby given that a quarterly dividend of 2½ per cent. upon the capital stock of this Institution has been declared for the three months ending the 28th February, 1913, and that the same will be payable at the Bank and its Branches on and after Saturday, 1st March, 1913, to shareholders of record at the close of business on the 14th day of February, 1913.

By order of the Board,

ALEXANDER LAIRD,
General Manager.

Toronto, 22nd January, 1913.

THE WEYBURN SECURITY BANK

Dividend No. 3

Notice is hereby given that a dividend at the rate of five per centum per annum upon the paid-up capital stock of this Bank has been declared for the six months ending 31st December, 1912, and that the same will be payable at its Head Office and branches on and after the first day of March, 1913.

By order of the Board,

H. O. POWELL,
General Manager.

Weyburn, 10th January, 1913.

UNION BANK OF CANADA

Dividend No. 104.

Notice is hereby given that a dividend at the rate of eight per cent. per annum upon the Paid-up Capital Stock of this Institution has been declared for the current quarter, and that the same will be payable at its Banking House in this city, and its Branches, on and after Saturday, the first Day of March next, to Shareholders of record of 14th February, 1913.

By order of the Board,

G. H. BALFOUR,
General Manager.

Winnipeg, 21st January, 1913.

BANK OF MONTREAL

Notice is hereby given that a Dividend of Two-and-one-half per cent. upon the paid up Capital Stock of this Institution has been declared for the three months ending 31st January 1913, and that the same will be payable at its Banking House in this City, and at its Branches, on and after Saturday, the First Day of March next, to Shareholders of record of 31st January 1913.

By order of the Board,

H. V. MEREDITH,
General Manager.

Montreal 21st January, 1913.

THE ROYAL BANK OF CANADA

DIVIDEND NO. 102

Notice is hereby given that a dividend of Three per cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Saturday, the 1st day of March next, to shareholders of record of 15th February.

By order of the Board.

E. L. PEASE,
General Manager.

Montreal, P.Q., January 14, 1913.

THE MERCHANTS BANK OF CANADA

QUARTERLY DIVIDEND

Notice is hereby given that a dividend of Two and One-Half per cent. for the current quarter, being at the rate of Ten per cent. per annum, upon the Paid-up Capital Stock of this Institution, has been declared, and that the same will be payable at its Banking House in this city and at its Branches, on and after the 1st day of March next, to Shareholders of record at the close of business on the 15th day of February.

By order of the Board,

E. F. HEBDEN,
General Manager.

Montreal, 24th January, 1913.

THE BANK OF TORONTO

Dividend No. 126.

NOTICE is hereby given that a Dividend of Two and Three-quarters Per Cent. for the current quarter, being at the rate of Eleven Per Cent. per annum, upon the Paid-up Capital Stock of the Bank, has this day been declared, and that the same will be payable at the Bank and its Branches, on and after the 1st day of March next, to Shareholders of record at the close of business on the 15th day of February next.

THE TRANSFER BOOKS will be closed from the Seventeenth to the Twenty-fifth days of February next, both days inclusive.

By order of the Board,

THOS. F. HOW,
General Manager.

The Bank of Toronto, Toronto,
January 22nd, 1913.

Mayor Hartman, of Brantford, was authorized by the Canadian Fire Underwriters' Association to offer a reward of \$500 for information leading to the conviction of the person who set fire to the building of the Brantford Cordage Company on the nights of January 13 and 18.

Over \$4,000,000 worth of business was written by members of the Montreal city agency of the Sun Life Assurance Company of Canada last year.

Salmon Arm, B. C., board of trade's annual election of officers resulted as follows: President, Mr. J. R. A. Richards; vice-president, Dr. Connolly; and secretary-treasurer, Mr. J. Douglas Macey.

The introduction of oil-burners into the mountain division of the Canadian Pacific Railway has proved successful. This style of engine is to be introduced into the Cascade division during the next few months and all the engines will be converted into oil-burners. Storage fuel oil tanks will be placed at convenient stations on the line. The oil-burning will extend from Vancouver to North Bend while from North Bend to Kamloops the coal-burners will be used. This will give the entire distance from Field to Vancouver, with the exception of the space between Kamloops to North Bend, oil for fuel. District No. 3, which includes the Boundary and Kootenay country, will continue to use coal for fuel.

The officers and executive of Halifax board of trade for the year are as follows: President, Mr. F. B. McCurdy;

vice-presidents, Messrs. G. W. C. Hensley, H. R. Silver; council, Messrs. W. T. Allen, Hon. R. G. Beazley, W. A. Black, S. M. Brookfield, Alderman J. L. Connolly, W. S. Davidson, J. E. DeWolf, H. Flowers, Jr., Alderman R. Harris, S. O. Hogg, C. C. Longard, D. Macgillivray, E. J. Murphy, J. A. Neville, Professor Sexton, Gavin L. Lieutenant-Colonel Weston, and A. H. Whitman.

Mr. Huntley R. Drummond was elected president of the Montreal board of trade in place of Mr. R. W. Reford, with Mr. R. J. Dale as first vice-president; Mr. Joseph Quintal 2nd vice-president, and Mr. George F. Benson, treasurer. The board of trade council for the coming year was elected as follows:—Council, Messrs. Arthur H. Campbell, D. A. Campbell, Alfred Chaplin, Alexander Dick, Fred. W. Evans, A. Hamilton, Gault, Zeph. Hebert, W. W. Hutchison, A. McKim, Ross McMaster, John H. Scott, and H. B. Walker. Board of arbitration, Messrs. George I. Cains, James Caruthers, W. W. Craig, George E. Drummond, James Drummond, C. B. Esdaile, E. B. Greenshields, Thomas J. Hodgson, H. A. Hodgson, Robert W. Reford, Arthur J. Robertson, and Norman Wight.

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DEBENTURES FOR SALE

CITY OF HAMILTON, CANADA

DEBENTURES

Tenders addressed to John Allan, Esq., Mayor, City Hall, and endorsed "Tender for Debentures," will be received by the undersigned up to 10 o'clock a.m. on Thursday, the 20th day of February, 1913, for the purchase of City of Hamilton debentures amounting to \$190,000, due at the end of twenty years, and dated the first day of April, 1913, bearing interest at 4½ per cent. half yearly.

A marked cheque for the sum of \$1,000, payable to W. R. Leckie, City Treasurer, must accompany each tender.

The highest or any tender not necessarily accepted. Further particulars may be had from the undersigned.

S. H. KENT,
City Clerk.

Hamilton, January 30th, 1913.

TOWN OF PINCHER CREEK DEBENTURES

Separate sealed tenders will be received by the undersigned until 6 p.m. on Monday, February 24th next, for the following Debentures of the Town of Pincher Creek:

Municipal Building Debenture, \$30,000, 6%, repayable in 30 equal annual instalments.

Sidewalk Debenture, \$15,000, 6%, repayable in 20 equal annual instalments.

Both these Debentures have the certificate of validity of the Department of Municipal Affairs, Edmonton, attached.

G. D. PLUNKETT,
Secretary-Treasurer,
Pincher Creek, Alta.

TOWN OF EDSON DEBENTURES

Tenders are invited for the purchase of the following debentures of the Town of Edson, Alberta:—

\$45,000 Electric Light and Power, 20 years.

\$12,500 Street Grading, 10 years.

\$42,000 Town Hall, 30 years.

Local Improvement By-laws.

\$8,000 Town's share of cost of Plank Walks, 5 years.

\$6,000 Ratepayers' share cost of Plank Walks, 5 years.

\$4,500 Town's share of cost Cement Walks, 15 years.

\$4,500 Ratepayers' share of cost Cement Walks, 15 years.

The above issues are all on the credit and security of the Town at large and bear interest at the rate of 5½% payable annually on July 2nd. The payments are all in equal annual instalments comprising interest and principle. There is no existing debenture debt and the 1912 assessment was \$2,815,163. Sealed tenders will be opened by the Council on February 25th, 1913.

GEORGE M. PHILLIPS,
Secretary-Treasurer.

DEBENTURES FOR SALE

National Park Public School, District No. 102, of Alberta, will receive tenders until the 20th day of February for the purchase of Debentures amounting to \$30,000.00, bearing interest at 5%, and payable in twenty annual instalments.

The highest or any tender not necessarily accepted.

WM. MATHER,
Secretary-Treasurer,
Banff, Alberta.

TOWN OF ESTEVAN

PROVINCE OF SASKATCHEWAN

Tenders will be received by the undersigned up till 8 o'clock Wednesday, February 12th, 1913, for the following debentures of the Town of Estevan, Sask. Fifty thousand High School debentures 5 per cent., 30 years; Thirty-five thousand Waterworks debentures, 5 per cent., 30 years; Twenty-five thousand Manufacturing establishments, debentures, 5 per cent., 25 years; all are repayable in equal annual payments of principal and interest. By-laws have all been approved by the Municipal Commissioner and debentures are bearing interest from December 1st, 1912.

L. A. DUNCAN,
Secretary-Treasurer, Estevan.

DEBENTURES FOR SALE

Tenders will be received by the undersigned up to 8 p.m. on Monday, February 17th, 1913, for the purchase of \$10,000 6 per cent. General Improvements Debentures, repayable in 20 equal semi-annual instalments.

J. A. NANTEL,
Secretary-Treasurer,
Morinville, Alta.

Morinville, Alta., December 21st, 1912.

DEBENTURES FOR SALE

Rural Municipality of Mariposa, No. 350, Saskatchewan.

Tenders will be received by the undersigned until March 15th, 1913, for \$15,000 5½%, 20-year debentures, repayable in twenty equal annual instalments, with interest.

A. M. CARLILE,
Secretary-Treasurer,
Kerrobert, Sask., January 21st, 1913.

CONDENSED ADVERTISEMENTS

Advertisements on this page will be accepted hereafter at the following rates:—"Positions Wanted" advts. one cent per word each insertion; "Positions Vacant," "Agents or Agencies Wanted" advts. two cents per word each insertion; all other advertisements, three cents per word each insertion. A minimum charge of 50 cents per insertion will be made in each case.

COMMISSIONER WANTED.—Applications are desired for position of City Commissioner to take charge of the finance and office work of the electric light, water, sewer, gas and other departments of city government. Must be capable man with financial and accounting experience. Please address applications in first instance to Box 135, Monetary Times, Toronto.

WANTED by branch office in Winnipeg of well-established British Fire Company, Inspector for North-West. Apply, stating age, experience and salary expected, Box 147, Monetary Times, Toronto.

FOR SALE.—Several hundred shares of Western Assurance Common Stock for sale to best offer. Apply Box 149, Monetary Times, Toronto.

AGENCY wanted for the city of Edmonton, by established insurance firm of a first-class English Board Company and also agency for Plate Glass Company and guarantee \$3,000 first year. Reply to box 143, The Monetary Times, Toronto.

TEACHER WANTED.—Protestant teacher school section No. 1, East Hawkesbury. Duties commence immediately. Salary four hundred. Milton McDuff, Secretary, Point Fortune, Que.

WANTED—By a reliable financial firm in the City of Moose Jaw, the agency, for a loan company, who will advance money liberally on good dwellings, improved farms and down-town business blocks. Can give best of references. Apply Box 145, Monetary Times, Toronto.

DOMINION GOVERNMENT SAVINGS BANKS
Statement of the Balance at Credit of
Depositors on Dec. 31st, 1912.

BANK	Deposits for Dec., 1912	Total Deposits	Withdrawals for Dec., 1912	Balance on 31st Dec., 1912.
	\$ cts.	\$ cts.	\$ cts.	\$ cts.
<i>Manitoba:—</i>				
Winnipeg.....	11,171.00	672,290.79	17,978.32	654,312.47
<i>British Columbia:—</i>				
Victoria.....	47,654.62	1,116,835.55	37,205.25	1,079,630.30
<i>Prince Edward Island:</i>				
Charlottetown.....	32,522.00	2,077,674.15	53,480.36	2,024,193.79
<i>New Brunswick:</i>				
Newcastle.....	1,907.00	289,233.60	2,020.74	287,212.86
St. John.....	77,825.64	5,701,460.02	81,079.61	5,620,380.41
<i>Nova Scotia:—</i>				
Acadia Mines.....	377.00	33,974.46	1,360.00	32,614.46
Amherst.....	6,108.00	383,355.82	6,408.29	376,947.53
Arichat.....	1,631.75	128,811.51	1,162.68	127,648.83
Barrington.....	100.00	144,619.47	2,295.39	142,324.08
Guysboro.....	1,764.00	121,624.29	1,066.50	120,557.79
Halifax.....	31,524.76	2,412,145.91	31,350.74	2,380,795.17
Kentville.....	7,346.03	266,705.36	9,746.52	256,958.84
Lunenburg.....	2,322.00	429,957.26	7,967.98	421,989.28
Pictou.....				
Port Hood.....	518.00	113,720.30	1,159.71	112,560.59
Sheburne.....	5,413.48	218,505.98	4,241.24	214,264.74
Sherbrooke.....	434.00	90,251.39	430.00	89,821.39
Wallace.....	1,348.00	124,006.09	823.70	123,182.39
Totals:	229,966.71	14,325,151.35	259,805.43	14,065,345.92

POST OFFICE SAVINGS BANK ACCOUNT
(NOV., 1912).

Dr.	\$ cts.	Cr.	\$ cts.
BALANCE in hands of the Minister of Finance on 31st Oct., 1912..	42,406,934.88	WITHDRAWALS during the month.....	1,237,594.70
DEPOSITS in the Post Office Savings Bank during month.....	994,030.19		
TRANSFERS from Dominion Government Savings Bank during month:—			
PRINCIPAL.....			
INTEREST accrued from 1st April to date of transfer.....			
TRANSFERS from the Post Office Savings Bank of the United Kingdom to the Post Office Savings Bank of Canada.....	9,305.31		
INTEREST accrued on Depositors accounts and made principal on 31st March.....			
INTEREST allowed to Depositors on accounts during month.....	11,891.44	BALANCE at the credit of Depositors' accounts on 30th Nov. 1912.....	42,174,667.12
	43,412,261.82		43,412,261.82

Statement showing Receipts and Shipments of Grain at Fort William and Port Arthur for the Period from September 1 to November 30, 1912, with comparisons for 1911.

	RECEIPTS 1911-12					SHIPMENTS 1911-12				
	Wheat	Oats	Barley	Flax	Total	Wheat	Oats	Barley	Flax	Total
	Bush.	Bush.	Bush.	Bush.	Bush.	Bush.	Bush.	Bush.	Bush.	Bush.
Month of September, 1912...	3,490,239	391,647	188,250	172,556	4,242,692	3,255,193	1,547,474	313,908	368,255	5,484,830
Month of October, 1912.....	23,480,760	3,245,982	1,475,997	1,189,847	29,392,586	17,430,386	1,512,074	945,196	637,022	20,554,676
Month of November, 1912.....	27,583,511	7,547,607	2,227,964	3,122,205	40,481,287	29,387,576	6,509,965	1,995,058	2,769,655	40,662,254
Total, three months, 1912.	54,554,510	11,185,236	3,892,211	4,484,608	74,116,575	59,073,155	9,599,513	3,254,162	3,774,932	66,701,762
Month of September, 1911....	5,674,405	570,784	193,399	11,853	6,450,441	4,360,252	992,372	110,498	Rye 3,964	5,478,049
Month of October, 1911.....	19,320,428	3,159,222	626,273	256,950	23,362,873	14,780,210	1,608,810	307,696	54,972	16,751,688
Month of November, 1911.. }	19,951,556	4,124,050	986,869	Rye 1,123	25,855,877	22,315,785	4,701,577	1,101,058	Rye 5,087	28,676,672
Total, three months, 1911.	44,946,389	7,854,056	1,806,541	1,071,082	55,689,191	41,456,247	7,302,759	1,519,252	Rye 5,087	50,906,409

The capital stock of the Webster Citizens' Company, Limited, has been decreased from \$75,000 to \$50,000, divided into 500 shares of \$100 each.

The capital of the Ottawa Electric Company will be increased from \$1,500,000 to \$3,000,000, and that of the Ottawa Gas Company from \$500,000 to \$2,000,000.

The Dominion Sugar Company, Limited, has increased its capital stock from \$1,500,000 to \$3,000,000, by the creation of 15,000 shares of new stock of \$100 each.

The capital stock of the Fuel Economizer Company, Limited, has been increased from \$25,000 to \$250,000, by the creation of 2,250 shares of new stock of \$100 each.

The capital stock of the Goldsmiths' Stock Company of Canada, Limited, has been increased from \$100,000 to \$250,000, such increase consisting of 1,500 shares of \$100 each.

The new suburban electric railway to connect Victoria with the principal towns on the Saanich Peninsula, will be open for traffic by April. Steel cars with parabolic ends will be used.

The North American Accident Insurance Company has been licensed to transact throughout Canada the business of accident and plate glass insurance. Mr. H. E. Ridout, Toronto, has been appointed chief agent.

Messrs. J. P. Kennedy and Company have recently commenced business as investment brokers at Outlook, Sask. Mr. J. P. Kennedy is well known at Outlook, having been manager of the branch of the Canadian Bank of Commerce located there.

The new board of trade of Selkirk, Man., for the year 1913 were elected at the annual meeting, which preceded the banquet, and are as follows:—Mr. F. A. Gemmel, president; Mr. A. D. Ferguson, vice-president; Mr. Bruce Campbell, re-elected clerk; councillors, Messrs. Thos. Hay, W. S. Young, B. S. Benson, L. S. Vaughan, C. Finkleman, R. H. Moody, H. J. Norquay and D. Morrison.

The Canadian Pacific Railway has decided to establish throughout the Western provinces a system of internal terminal elevators of 1,000,000 bushels capacity each. Construction is to begin this year and the first three are to be located at Calgary, Edmonton and Saskatoon.

The sixth annual banquet of the Life Underwriters' Association, Kingston, Ont., was held recently. Mr. J. A. Tory, president of the Life Underwriters' Association of Canada; Mr. H. Sutherland, general manager of the Equitable Life Assurance Company; and Mr. E. N. Kellar, of Toronto, addressed the gathering. The following are the officers of the association: President, Mr. Thomas Mills; vice-president, Mr. J. K. Carroll; secretary-treasurer, Mr. W. G. Ferguson; executive, Messrs. G. A. Bateman, J. B. Cooke, Ald. G. H. Gillespie, and J. W. Corbett.

Toronto carpet manufacturers are sending out new price lists which quote higher prices on carpets and squares. Brussels and Wiltons are 2 to 5 cents a yard higher, tapestries 4 cents higher and Axminsters 10 cents higher. The advance has come about as a result of the increased cost of raw materials and still further advances are not improbable. All carpet manufacturers in Canada are busy with orders. Wholesale dry goods houses are busy placing orders for the fall trade, blankets and heavy underwear being chiefly active. The strike of operators in English mills, if long continued, is likely to seriously delay deliveries of ladies' wear in this country.

The first issue of stock of the Weyburn Security Bank, which has its headquarters at Weyburn, Sask., was made in January, 1911. The number of shares being 6,026 on which 50 per cent. had been paid to the provisional directors, the total amount of such issue being \$301,300. In 1912, the bank issued 274 shares on which it received a premium of \$2,586, 50 per cent. of the par value of these shares being paid in. The bank has not made any further calls on the stock other than the original 50 per cent.

STOCKS AND BONDS—MONTREAL

Main table containing stock and bond listings for Mining Stocks, Banks, Companies, Loan, Transportation, and Tel., Light, Telegr., Power. Includes columns for Cap. in thousands, Par Value, Price, Dividend, and various market data.

Vertical table on the right edge of the page, listing Capital and Sales in thousands for various entities.

STOCKS AND BONDS—TABLE NOTES. (u) Unlisted. Canadian Consolidated Rubber Bond Denominations, \$100, \$500 and \$1,000. Steel Company of Canada, \$100, \$500, \$1,000. Sherwin Williams, \$100, \$500 and \$1,000. Penmans, Ltd., \$100, \$500 and \$1,000. Canadian Cottons, \$100, \$500 and \$1,000. Quarterly Quotations for Coniagas, Crown Reserve, La Rose, Nipissing and Trehewey will be found among the Toronto Exchange figures. Quotations of Cobalt and Porcupine Mining Stocks are those of Standard Stock and Mining Exchanges. Montreal Steel Stocks are commonly termed "Switch" on the Exchange. They are quoted as Montreal Steel in our tables. All companies named in the tables will favor The Monetary Times by sending copies of all circulars issued to their shareholders, and by notifying us of any errors in the tables. *Also a bonus of 10% per annum for 1911. **Trehewey pays no regular dividend. They have paid:—1906, 4%; 1907, 4%; 1908, 15%; 1909, 25%; 1910, 10%; 1911, 20%; to June 1912, 10%. Montreal prices (close Thursday) furnished by Burnett & Co., 12 St. Sacrament Street, Montreal. Figures in brackets indicate in footnotes date on which books close for dividends, etc. (1) Feb. 1-10. (6) Jan. 2-22. (9) Dec. 31-Jan. 18. (17) Jan. 8-Feb. 5.

TORONTO AND WESTERN CANADA

Table with columns for Industrial, Dividend Per Cent, Price Feb. 8 1912, Price Jan. 30 1913, Price Feb. 6 1913, Sales Week ended Feb. 6, Montreal Price Feb. 8 1912, Price Jan. 30 1913, Price Feb. 6 1913, Sales Week ended Feb. 6. Includes sub-sections for Mining and Bonds.

VANCOUVER STOCK EXCH'GE.

Table with columns for LISTED, Dividend, Jan. 24 1912, Jan. 30 1913, Bd. Ask, Bd. Ask. Includes sub-section for UNLISTED.

VICTORIA STOCK EXCHANGE

Table with columns for LISTED, Dividend, Jan. 24 1913, Jan. 31 1913, Bd. Ask, Bd. Ask.

CANADIAN SECURITIES IN LONDON

Table of Canadian Securities in London, categorized by Dominion Government Issues, Provincial, Municipal, Railroads, Banks, Land Companies, Loan Companies, Mining Companies, and Miscellaneous. Includes columns for Price Jan. 23 and Pct.

GOVERNMENT FINANCE

Table of Government Finance showing Public Debt, Revenue and Expenditure on Account of Consolidated Fund, and Assets. Includes columns for 1912, 1913, and Total.

UNREVISED STATEMENT of INLAND REVENUE (Dec., 1912)

Table of Unrevised Statement of Inland Revenue (Dec., 1912) showing Source of Revenue, Excise, and Total Excise Revenue. Includes columns for Amounts and Cts.

TRADE OF CANADA BY COUNTRIES

COUNTRIES	MONTH OF OCTOBER				SEVEN MONTHS ENDING OCTOBER			
	1911		1912		1911		1912	
	Imports	Exports	Imports.	Exports	Imports	Exports	Imports	Exports
British Empire.								
United Kingdom.....	\$ 10,544,273	\$ 16,878,275	\$ 12,590,792	\$ 19,375,555	\$ 65,693,439	\$ 84,620,636	\$ 79,254,617	\$ 100,525,933
Australia.....	17,994	538,827	16,631	642,624	282,421	2,271,934	212,134	2,458,231
Bermuda.....	6	43,433	944	43,401	6,096	203,658	9,723	214,163
British Africa:—								
East.....	1,608	.....	.....	74	34	7,020	781	28,664
South.....	236,604	.....	34,106	266,531	114,617	1,463,322	119,741	1,593,650
West.....	4,286	.....	.....	8,456	.....	20,238	135	57,050
British East Indies.....								
Guiana.....	464,176	19,402	688,090	59,350	2,659,331	145,592	3,854,638	232,658
Honduras.....	531,266	48,667	271,755	83,415	2,049,034	290,461	1,000,191	346,822
West Indies.....	1,278	.....	.....	4,407	.....	4,545	29,627	7,714
Fiji (other Oceania).....								
Gibraltar.....	566,285	283,297	259,530	336,740	1,827,382	2,118,941	5,582,461	2,272,898
Hong Kong.....	10,341	.....	.....	14,281	.....	42,767	132	55,382
Malta.....	2,729	.....	.....	1,550	.....	11,270	134	19,745
Newfoundland.....	57,725	3,781	44,155	5,637	413,725	343,271	455,693	161,818
New Zealand.....	246	2,186	313	6,379	1,287	18,318	1,508	16,859
Other British Colonies.....	182,639	533,522	306,781	516,577	1,091,780	2,523,949	1,178,767	2,630,234
Totals, British Empire.....	75,214	116,167	291,181	145,950	394,273	554,932	1,237,607	794,080
Totals, British Empire.....								
	12,457,146	18,704,403	14,505,488	21,510,941	77,594,223	94,640,979	92,957,873	111,720,985
Foreign Countries.								
Argentine Republic.....	116,345	213,819	589,954	-228,612	886,357	1,772,921	1,582,198	1,654,125
Austria-Hungary.....	78,171	8	149,976	439	700,445	13,491	871,171	33,807
Azores and Madeira Is.....	259	.....	14	.....	488	5,471	.....	18,260
Belgium.....	452,072	384,144	321,436	411,888	2,325,764	2,257,570	2,368,103	2,654,419
Brazil.....	75,996	39,999	146,003	71,898	180,530	310,933	700,654	365,938
Central American States.....								
China.....	8,661	.....	8,326	135,349	51.0	103,990	57,961	.....
Cuba.....	145,472	47,801	102,171	6,813	326,565	201,760	383,632	492,213
Denmark.....	13,212	8,199	264,800	18,383	254,510	70,108	623,940	95,205
Dan. W. Indies.....	91,740	137,791	191,607	128,389	514,965	1,005,381	1,608,076	729,589
Dutch E. Indies.....	331	69,789	5,965	40,837	21,131	292,071	70,527	436,751
Dutch Guiana.....	.....	725	187,670	907	76,111	7,211	240,687	5,331
Equador.....	175,895	.....	774,601	280	788,790	.....	2,622,292	7,282
Egypt.....	.....	3,303	9,823	2,751	4,473	35,665	32,666	24,721
France.....	6,724	690	3,995	1,441	11,743	5,523	42	6,236
French Africa.....	962,932	167,155	1,274,833	130,462	6,509,575	1,403,662	9,166,208	1,676,475
French West Indies.....	.....	878	.....	.....	25,129	130,641	4,808	12,325
Germany.....	330	.....	3,274	.....	3,177	.....	.....	12,626
Greece.....	926,327	196,093	1,350,652	201,914	6,409,685	2,159,765	8,193,405	2,193,903
Hawaii.....	69,438	.....	79,654	.....	190,880	230	214,930	65,658
Haiti.....	4,060	21,583	5,952	383	18,252	91,529	24,767	16,025
Holland.....	28	1,473	4,063	28	28	13,712	.....	10,082
Italy.....	320,527	169,693	359,499	271,325	1,487,392	966,380	1,890,116	1,566,126
Japan.....	62,413	35,035	124,066	266,640	618,011	123,360	978,380	461,818
Korea.....	311,964	11,671	377,804	45,268	1,369,645	108,662	2,335,723	359,596
Mexico.....	1,744	.....	697	.....	70	14,602	.....	13,863
Miquelon and St. Pierre.....	77,135	25,525	359,916	7,772	665,118	159,870	1,031,075	181,941
Norway.....	3,833	6,556	151	15,482	8,656	86,066	2,237	89,900
Panama.....	37,756	99,641	38,841	79,808	182,247	321,047	279,565	335,255
Peru.....	.....	17,123	.....	18,313	.....	119,103	.....	113,256
Philippine Islands.....	54,429	496	93,700	970	167,136	6,118	94,700	5,568
Porto Rico.....	55	51,215	1,090	11,428	68,182	1,987	21,764	42,665
Portugal.....	20,699	4,535	35,756	64,377	361	371,329	36	322,856
Portuguese Africa.....	.....	1,251	.....	5,569	131,276	41,283	205,084	21,405
Roumania.....	92	.....	318	.....	739	28,058	.....	50,257
Siam.....	74,167	73,868	263,831	151,062	241,003	7,149	692	16,776
Spain.....	152,957	280	234,725	5,891	890,622	233,043	1,448,857	467,411
Sweden.....	1,145	2	.....	.....	20,901	2	10,976	.....
Switzerland.....	179,820	1,281	204,783	2,590	46,061	72,543	582,161	16,715
Turkey.....	17,837	15,857	45,194	13,697	179,778	100,588	240,730	112,870
United States.....	272,371	697	355,854	439	1,731,931	6,859	2,301,438	5,592
U.S. of Colombia.....	52,273	58,573	.....	.....	201,192	5,975	259,535	35,369
Uruguay.....	29,261,645	11,111,391	39,002,375	15,877,220	198,731,190	65,907,364	255,032,745	91,044,021
Venezuela.....	28,965	15,438	11,760	47,389	139,092	224,616	50,172	292,396
Other foreign countries.....	804	2,736	27,689	1,397	31,684	7,964	74,623	11,458
Totals, foreign countries.....	11,117	2,851	45,545	8,783	217,486	87,544	130,585	120,737
Totals, foreign countries.....	2,656	1,322	2,754	13,019	52,708	13,936	94,818	29,624
	46,520,838	31,684,339	61,588,896	39,683,573	304,926,932	173,529,100	289,454,498	218,088,376
Grand Totals.....	\$78,185,177	\$101,277,469	\$178,104,384	\$151,194,514	\$778,521,155	\$1,118,170,079	\$1,212,412,371	\$1,329,809,361

Quantity of Grain in Store at Terminal Elevators and at Public Elevators in the East, and Afloat.

Fort William—C.P.R. Consolidated. Empire Elevator Co. Ogilvie Flour Mills Co. Western Terminals Elevator Co. Black & Muirhead. G. T. Pacific. Grain Growers' Grain Co. Port Arthur—Port Arthur Elevator Co. D. Horn & Co. Winter storage afloat. Total terminal elevators.....	Week ending Jan. 17, 1913				Totals
	Wheat	Oats	Barley	Flax	Bushels
Fort William—C.P.R. Consolidated.....	Bushels 3,120,486	Bushels 640,994	Bushels 398,674	Bushels 404,445	4,564,599
Empire Elevator Co.....	900,171	11,432	84,879	181,199	1,279,681
Ogilvie Flour Mills Co.....	1,391,979	496,178	254,327	159,990	2,342,474
Western Terminals Elevator Co.....	990,158	85,336	26,693	.....	1,102,187
Black & Muirhead.....	575,976	59,276	467	214,817	850,536
G. T. Pacific.....	1,856,324	1,102,986	169,253	186,991	3,615,568
Grain Growers' Grain Co.....	568,322	194,845	99,790	.....	862,957
Port Arthur—Port Arthur Elevator Co.....	2,579,419	973,581	477,963	567,680	4,598,583
D. Horn & Co.....	213,574	41,959	58,533	79,253	393,319
Winter storage afloat.....	4,281,310	407,069	294,020	997,017	5,979,476
Total terminal elevators.....	16,477,749	4,115,686	1,864,539	3,091,392	23,549,366
Depot Harbor.....	.....	257,327	.....	.....	257,327
Midland—Aberdeen Elevator Co.....	255,299	292,365	48,686	.....	596,350
Tinn. G.T.P.....	.....	178,717	.....	.....	178,717
Collingwood.....	498,248	124,733	.....	.....	622,981
Meaford.....	1,011,378	499,301	191,894	.....	1,702,573
Goderich.....	.....	19,104	.....	.....	19,104
Joint Edward.....	170,666	228,446	31,453	42,799	473,964
Kingston—Montreal Transportation Co.....	601,515	33,000	.....	.....	634,515
Commercial Elevator Co.....	379,281	.....	.....	.....	379,281
Port Colborne.....	.....	101,285	27,924	.....	129,209
Prescott.....	28,438	25,750	.....	.....	54,188
Montreal—Harbour Commissioners No. 1.....	630,377	.....	.....	.....	630,377
No. 2.....	26,194	45,326	.....	.....	71,520
Montreal Whg. Co.....	31,980	767,423	29,371	44,878	873,652
St. John, N.B.....	358,680	331,075	5,008	34,205	728,968
West St. John, N.B.....	106,436	9,421	52,842	.....	168,899
Winter storage afloat.....	347,889	12,401	106,355	10,498	477,143
Total public elevators.....	29,714	129,776	498,533	132,380	8,162,688
Total quantity in store.....	4,476,325	3,055,450	2,363,072	3,223,772	33,712,054

CORPORATION BONDS

Some Cedar Rapids Bonds Go to England—Toledo Railways Reorganization.

The bonds of the Cedar Rapids Power Company not taken by shareholders of the Montreal, Light, Heat and Power, and Shawinigan Water and Power Companies have been taken by the underwriting syndicate of Messrs. Kitecat & Aitken, of London, England, and the Montreal representatives of this firm of Messrs. McDougall & Cowans.

Reorganization of Toledo Railways & Light Company has been completed by incorporation in Maine, of the Toledo Traction, Light and Power, with \$8,000,000, 6 per cent. preferred, and \$9,200,000 common stock. The new company will take over the stock, and 4 per cent. collateral bonds of the Toledo Railways and Light Company. The basis of exchange will be \$4,866,000 preferred stock for that amount par value of 4 per cent. bonds, and 13 per cent. of common stock of the new company, for each share of stock of the old company, except where holders of old stock shall pay \$7.50 a share assessment when they will receive 43 per cent. of new common for each share of old stock, and \$7.50 par value of new preferred stock. More than 90 per cent. of the 4 per cent. bonds and more than 86 per cent. of the stock of the old company have been deposited under the reorganization plan.

Newfoundland Pulp Issue.

Messrs. Albert E. Reid & Company, of Newfoundland, offer in London £100,000 5½ per cent. first mortgage debentures at 95, the proceeds of which are to develop the Newfoundland pulp and paper industry.

The Buffalo and Fort Erie Railway Company will apply to the Ontario Legislature for an Act increasing its capital stock and authorizing the company to make a further issue of bonds and to create an issue of first mortgage and refunding sinking fund bonds for the purpose of electrifying the railway. **Saskatchewan Bond Corporation.**

The Saskatchewan Bond Corporation, Limited, with head office at Moose Jaw, has been incorporated with a Dominion charter and authorized capital of \$1,000,000. Mr. R. Murdie, late of the Dominion Bank at Toronto, is the manager. The officers and directors are as follows: Richard Loney, president (ex-president Board of Trade); J. Edward Caldwell, first vice-president, barrister, president Moose Jaw Securities, Limited; C. E. Austin, second vice-president, formerly treasurer and general manager Saskatchewan Flour Mills, Limited (Robin Hood); A. W. Irwin, treasurer, financial agent; D. E. Macintyre, secretary, general agent; H. Y. Smith, real estate broker; Harry F. Stirk, managing director Moose Jaw Securities, Limited; W. B. Hooker, financial agent; A. E. Beaton, financial agent; E. J. Chegwin, general secretary Young Men's Christian Association; James Armstrong, farmer; R. H. Fulton, general manager, Bank of Saskatchewan; W. E. Burke, manager

Western Tire and Rubber Company; J. L. Thomas, real estate; S. A. Hamilton, lumber dealer, and Geo. Meldrum, financial agent.

DEBENTURES AWARDED.

Tilsonburg, Ont.—\$24,878 5 per cent., 30 instalments, to Messrs. W. A. Mackenzie & Company, Toronto.

OTTAWA PUBLIC UTILITIES

The occurrence of the annual meeting of the Ottawa Electric Railway Company, and the satisfactory earnings reported are more than usually interesting owing to the reports current concerning the Ottawa Light, Heat and Power Company. That company is a holding company in which is deposited the majority of the shares of the Ottawa Gas Company, and the Ottawa Electric Company. These concerns do not hold their annual meetings for a few weeks to come. Considerable curiosity has been aroused by the strength of the stock of the Ottawa Light, Heat and Power Company, various theories, therefore, having been advanced. Among these is the old theory that the Ottawa Electric Railway will turn in its stock for exchange in the Power Company, in which case the latter would be the holding company for all the public service corporations of Ottawa city. In some quarters, this report is disbelieved. In fact, in best informed circles, the amalgamation theory is not put forward. Instead, it is stated that the capital of Ottawa Power is to be increased or the dividends are to be increased—one or both—and that later on the amalgamation may follow. Whatever the reason, Ottawa Light, Heat and Power stock is strong, and it is stated that a distribution of some character will shortly be declared for the shareholders.

WINNIPEG'S ISSUE IN LONDON.

The underwriters took 75 per cent. of the city of Winnipeg's £750,000 flotation of 4½ per cents. in London.

At the annual meeting of the Woodstock board of trade, the election of officers for 1913 resulted as follows: President, Mr. J. E. Fidler; vice-president, Mr. W. J. Taylor; secretary-treasurer, Mr. H. Sykes; council, Messrs. J. A. Mackenzie, T. W. Gray, W. S. West, J. R. Shaw, E. W. Nesbitt, M.P., Colonel John White, P. S. Connolly, J. G. McBeath, A. W. Muir, E. C. Thornton, W. D. Hobson, and A. W. Moore.

STOCKS AND BONDS—CONTINUED FROM PAGE 365

Issue	Par Value	Dividend per cent.	TORONTO				MONTREAL				
			Price Feb. 8 1912	Price Jan. 30 1913	Price Feb. 6 1913	Sales Week ended Feb. 6	Price Feb. 8 1912	Price Jan. 30 1913	Price Feb. 6 1913	Sales Week ended Feb. 6	
8,000	1000	5									
758	100	6					95	94	95	94	1000
1,162	100	6							95	94	1000
1,000	100	6					102	90	101	102	1000
450	100	6							96	98	100
1,500	100	6							96	98	1000
10,000	500	6	93	92	92	10500	80				
600	1000	5									
7,823	1000	5									
237	500	5							100		
1,968	500	5									
750	500	6		100	100		100	100	100	100	
1,000	1000	6									
1,200	1000	6	108	108	108		110				
6,000	100	5	86				85	83	81	83	81
10,000	500	5	94	92	90		93	89	88	90	89
11,500	100	4					100	90	99	99	1000
500	100	4					100	100	100	100	14160
		5									
1,980	100	5									
1,000	1000	6									
750	1000	6									
3,500	1000	4		95							6800
2,000	100	4		101			112		106	106	
3,000	1000	5		92	94	94		91	90		1000
£1,000	1000	5		80			77		56	58	58
471	1000	5									24000
2,500	100	5	100		96	98	5000		99		
25,000	100	5									
6,000	500	5		100	100	2500					
2,450	100	5					100	100	100	100	1000
2,068	1000	6			96				95	94	1000
850	1000	5									
7,500	100	6		99	100	100	1500	90	99	99	100
4,000	1000	5									
80	1000	6						95	92	87	86
	100	6							105	100	100
1,000	100	4							100	101	101

WINNIPEG STOCK EXCHANGE

Cap. in thou'ds	Subscribed	Par value	LISTED	Dividend	Price Jan. 27 1913	Price Feb. 3 1913
500	450		Can. Fire	6-4	150	150
2,008	100		Canada Landed	8		140
200,235	100		C.P.R.	10	140	
1,000	50		City & Pro. Ln.	8		
	100		Com. L'n & Trust.	8	108	113
	50		Com. Loan Part pd	8		
			Empire Loan	15		
			Part pd	9	120	300
1,350	100		G. W. Life 55% pd.	8	120	124
2,398	100		G. West P. L. & S.	8	135	129
864	100		Home In. & Sav'g.	6	98	99
2,500	100		North. Crown			
			Crown Cert. rights	8	120	120
			North. Cert. rights	8	100	115
100			N.C. Mr. Co. 25% pd.	7	130	130
			Nort. Mort. 30% pd.	7	130	105
			Northern Trust			100
1,500	50		O'dtal Fire 40% pd	8	700	175
			S. African Script.	8	151	151
500	50		Standard Trusts	8	105	110
			Union Bank	12		
6,000	100		Winnipeg Electric	8	105	110
	100		Wpg. Land & Mort	8		
	100		Wpg. Pat't & GI's pf.	8		

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